

***Washoe County, Nevada
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2013***

***Prepared by the
Washoe County Comptroller's Office
Cynthia Washburn, Comptroller***



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**WASHOE COUNTY, NEVADA
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 FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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October 28, 2013

www.washoecounty.us/finance/comptroller

To the Honorable Board of County Commissioners and the Citizens of Washoe County, Nevada:

The comprehensive annual financial report of Washoe County, Nevada (County), for the fiscal year ended June 30, 2013 is hereby submitted. Nevada Revised Statutes (NRS) 354.624 requires the County to provide an annual audit by independent certified public accountants in accordance with generally accepted auditing standards in the United States.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management asserts that, to the best of our knowledge, the information in this report is accurate in all material respects and presents fairly the financial position of the various funds and (discretely presented) component units of the County, including all disclosures necessary to understand the County's activities.

Kafoury, Armstrong, & Co., Certified Public Accountants, have audited the County's financial statements for the year ended June 30, 2013, and have issued an unmodified ("clean") opinion. The independent auditor's report is located on the first page of the financial section.

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

Washoe County was incorporated in 1861 and is a political subdivision of the State of Nevada. A five-member Board of County Commissioners (BCC) elected by constituents within their districts for a 4-year term governs the County. The County covers an area of 6,600 square miles in the northwest section of the state, bordering California and Oregon. The county seat is the City of Reno, the fourth largest city in Nevada. Other communities in the County are Sparks, Sun Valley, and Incline Village at Lake Tahoe.

The County provides an array of mandated services including property appraisal and assessment; tax collection; criminal prosecution; presides over civil, criminal, domestic and juvenile court cases; death investigations; temporary financial assistance, health care assistance and indigent burials; communicable disease control; and child protection and placement services. Regional services include adult and juvenile detention; parks and libraries; senior services; forensic services; water, sewer and flood control; animal services; emergency management; and regional public safety training. Other community services include patrol and criminal investigation; fire protection; snow removal and street repair; business licensing; and land use planning and permitting. Administrative and internal support services include management, human resources, community relations, finance, technology services, internal audit, fleet operations, purchasing, and risk management.

This report includes the financial activities of two discretely presented component units: Truckee Meadows Fire Protection District and Sierra Fire Protection District. Both component units are legally separate entities for which the County BCC functions as the governing bodies. However, there is no financial benefit or burden relationship between the County and the Fire Districts.

The BCC is required to adopt a final budget annually on or before June 1 for the ensuing fiscal year. The annual budget serves as the foundation for the County's financial planning and control. The legal level of budgetary control is at the function level for governmental funds and by the sum of operating and nonoperating expenses for proprietary funds.

LOCAL ECONOMY AND ECONOMIC OUTLOOK

The local economy in 2012/2013 continued to show signs of stabilization after many years of decline caused by the "Great Recession". At June 30, 2013, the County's unemployment rate was 9.8 percent, 2.5 percentage points lower than the previous year's recessionary high of 12.3 percent. While this is an improvement over the prior year, the decline is partially due to a smaller labor force and continues to be stubbornly high compared to the national average of 7.6 percent. Employment in construction jobs improved, at 1.2 percent higher than last year on a year-to-date basis. Professional and business services realized a loss of 3.4 percent in jobs in the first half of 2013. The hospitality and food services industries have remained relatively flat since they found stabilization in 2009.

Home sales in the County in fiscal year 2013 have been averaging 498 per month, excluding the typical January decline. The median sales price increased and has been trending up for the past sixteen months and is up 22% year-to-date.

January 2013 over June 2013. While cautiously optimistic that we are seeing a slight recovery in the housing market, the median sales price is currently at 2003 levels and is off 39 percent from the peak of the market in 2006.

The County's largest revenue source, property taxes, has been affected by the declines in property values. However, the impact has been mitigated by caps on property tax bill increases passed in 2005 by the State of Nevada Legislature during the housing boom. Since tax bills did not increase at the same rate as property values, property tax revenues have been declining at a slower rate than values. In fiscal year 2013, property taxes declined 3 percent, and are projected to increase only 0.4 percent in fiscal year 2014. With the County's overlapping property tax rate currently at the cap of \$3.64 per \$100 of assessed value, a property tax increase is not an option to help offset declining revenues. The County's unincorporated tax rate of \$1.3917 per \$100 in assessed valuation has remained unchanged over the last eight fiscal years.

Consolidated taxes, consisting of sales taxes on cigarettes and liquor, real property transfer, and government services taxes (a tax on the value of vehicles), are the second greatest revenue source for the County. During fiscal year 2013, this revenue source saw a year-over-year increase of 6.3 percent. While this is good news and a positive trend, consolidated taxes declined so drastically since the beginning of the recession that the increased revenue is slightly less than fiscal year 2009 receipts.

In April 2013, GreatCall, Inc. and the Economic Development Authority of Western Nevada (EDAWN) announced the opening of a new call center location in Reno. It is anticipated that the move will bring approximately 400 business support jobs to Reno over the next five years. Additionally, EDAWN announced there are several other companies relocating to the Reno/Sparks area, which will have a positive impact on the local economy. A few of the companies coming to the region are: King of the West Entertainment (KWS), a motorsports entertainment company headquarters; Zuvo Water's headquarters; and, the Blackhawk Network will be opening a 130-seat business support center in Reno.

Business start-up, relocation, and expansion in the region are due to the many factors attractive to business, including a liberal tax structure and strategic location. Nevada has no corporate or personal state income tax, franchise tax, unitary tax, inventory tax, inheritance or estate tax. The Reno-Sparks area is within second-day delivery to every major western city and minutes from California, the world's sixth largest market. An excellent transportation network exists with an international airport, two major interstate highways, as well as major rail transportation providing freight and passenger service. The combination of location, transportation network and warehousing space all can contribute to business growth. In 2013, *Chief Executive's* annual survey of best and worst states for business ranked Nevada 9th in the nation. According to the Small Business and Entrepreneurship Council, Nevada ranks second as the friendliest state in the Small Business Survival Index 2012.

The area climate offers four distinct seasons with few extremes. Average temperatures range from winter lows in the 20's to summer highs in the 90's. Low humidity characterizes the high-desert climate, making cold days seem not so cold and warm days not so hot. Cloudy days and rain are scarce with more than 300 days of sunshine each year and snow is a certainty, though it tends to melt by late afternoon in the valleys. All of this makes the area spectacular for enjoying the outdoors, including hunting, fishing, biking, hiking, skiing and many other activities. Efforts to diversify the economy have focused on emphasizing the area's climate and natural attractions, including Lake Tahoe and Pyramid Lake. Lake Tahoe is one of the most stunning lakes in the world. It is the largest Alpine lake in North America and is linked to Pyramid Lake by the Truckee River. Pyramid Lake, the largest natural lake located entirely within Nevada, is home to North America's largest nesting colony of white pelicans.

Additionally, the area offers a diverse array of entertainment and special events that appeal to individuals and groups. The Truckee River Whitewater Park is located in the heart of Reno's bustling downtown hotel-casino and booming arts district. It features 11 pools for kayak play, as well as a kayak racing course, and it plays host to the annual Reno River Festival, one of the country's premier competitive kayaking events. Downtown Reno is home to a 9,100 seat minor-league baseball stadium. The ballpark is home to the Triple-A Reno Aces baseball team. The area is host to Hot August Nights, recognized as the top classic car event in the nation, the Great Reno Balloon Races, the Reno Rodeo, the Snaffle Bit Futurity and the National Championship Air Races. The area also hosts the American Bowling Congress and Women's International Bowling Congress on alternate years and the Reno-Tahoe Open, a Professional Golf Association (PGA) sanctioned tournament. The arts are well represented by the Reno Philharmonic and Chamber Orchestras, ballet, opera and Artown, a month-long event held in July that is noted by the National Endowment for the Arts as one of the country's most comprehensive festivals, and Burning Man – once a year, over 60,000 participants from all over the world gather in Nevada's Black Rock Desert in northern Washoe County to create Black Rock City, dedicated to community, art, self-expression, and self-reliance.

LONG-TERM FINANCIAL PLANNING

The current effort builds upon the fiscal restraint of the past six years, in which economic uncertainty led to revenue shortfalls that necessitated cutbacks of almost \$355 million, 40.5% across all governmental funds compared to fiscal year 2008, and the elimination of funding for over 666 positions. Throughout these difficult times, our citizens and our employees rose to the challenge, repeatedly making sacrifices and volunteering their time and talents to insure that critical services were maintained. These guidelines and strategies were used to prepare a recommended governmental expenditures budget for the 2013/14 fiscal year that is \$24.7 million or 5.3 percent less than the fiscal year 2012/13 budget. The County's 2013/14 General Fund budget increased by \$11.9 million to \$287 million. The increase was largely a result of increased costs for personnel and also included \$4.1 million restricted for stabilization.

Ending fund balance in the General Fund budget of 8.5 percent is two times what is required as a minimum by State statute, and is within the BCC adopted fund balance policy that sets a minimum fund balance for stabilization of 1.5 percent of expenditures and other uses (see note 1 to the financial statements) and for working capital between 8 and 10 percent.

The BCC continues to collaborate with regional partners, citizens, management, and the County's employees and their respective associations to enable Washoe County to continue to be one of the most fiscally responsible local governments in the State. The County adheres to, with no exceptions, the practice of adopting a final balanced budget with no deficit spending. For more than a decade, the County has not increased the General Fund budget by more than the combined increases in population and the Consumer Price Index, even during the economic boom. As a result of the County's careful management of reserves and proactive fiscal management, the County was able to maintain favorable general obligation bond ratings from Standard & Poor's and Moody's of "AA" and "Aa2", respectively, with a stable outlook.

MAJOR PROGRAMS/INITIATIVES

The BCC has identified five strategic objectives to meet the mission and vision of the County (see page v). The annual budget serves as the financial plan for County operations and is aligned with the BCC's strategic objectives. Some of the programs Washoe County has initiated and/or completed during the 2013 fiscal year to support those objectives are:

- Awarded the 2013 Cashman Good Government Award for the Fundamental Review Project, initiated by a Citizen Committee, that evaluated every program and function identifying 64 recommendations totaling \$26.8 million in potential savings. These recommendations are now being implemented by project teams under the direction of the citizen committee.
- Secured over \$40 million in federal grants
- Renovated and reopened the nationally recognized historic Bowers Mansion and spring-fed swimming pool that had been closed due to budget cuts since 2009.
- Received a Medallion Award for the Registrar of Voters' innovative and exemplary work supporting the record number of voters in recent elections.
- Upgraded and expanded the area Code Red emergency system to support reverse-911 calls to cell phones allowing residents to make evacuation plans quickly.
- Expanded citizen outreach through the County's "Openwashoe" website where citizens can make comments, suggestions and read about what other community members are saying about a particular issue.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Washoe County for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the 31st consecutive year the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report and timely issuance could not have been accomplished without the efficient and dedicated services of the Comptroller's entire staff. More particularly, Lynn Broyles, CPA, Accounting Manager; Mary Solorzano, Accounting Manager, Steve Smith and Darlene Delany, Senior Accountants; Marilyn Urbani, Dan North, Asta Dominguez and Tammera Yau, Accountants; and Sandra McGarva, Administrative Secretary Supervisor. Thanks also to the Reprographics Department for their efforts and expertise in producing this document; the Community Relations Department for providing valuable information included in this letter; the cooperation and assistance of all County departments, and to the staff from Kafoury, Armstrong & Co., Certified Public Accountants, the County's independent auditors. Special thanks to the Board of County Commissioners for their leadership and support in the planning and conducting of the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,


Cynthia Washburn, Comptroller

WASHOE COUNTY BOARD OF COMMISSIONERS



Marsha Berkgigler,
District One

Washoe County is home to Lake Tahoe, one of the most beautiful places on earth; to the majestic Sierra Nevada mountains; to the life-giving Truckee River; to vast open ranges and blue sky; to pastoral ranches and to friendly, vibrant communities including the cities of Reno and Sparks.

OUR VISION is that Washoe County is the best place in the country to live, work, recreate, visit and invest.

OUR MISSION is working together to provide a safe, secure and healthy community.

STRATEGIC OBJECTIVES OF THE BOARD OF COUNTY COMMISSIONERS

- Sustainability of our financial, social and natural resources
- Economic development and diversification
- Safe, secure and healthy communities
- Public participation and open, transparent communication
- Valued, engaged employee workforce



David Humke,
Chair
District Two

ORGANIZATIONAL VALUES:

Many Communities, One County

We take pride in our region, our neighborhoods, and our people, and we are dedicated to building a healthy, prosperous region with a strong sense of community.

Quality Public Service

We believe quality service is the fundamental reason that Washoe County exists.

Teamwork

We believe in the value and a spirit of cooperative effort within our organization and our community.

People

We strive to treat all people with equity, dignity, respect, and fairness. We believe that our employees are our most valuable resource. Each person's public contribution is essential to our success.

Communication

We believe in simplicity, accuracy, and clarity in communications with the public and each other. We encourage the open exchange of ideas and information.

Accountability

We are dedicated to high ethical and moral standards and uncompromising honesty in our dealings with the public and each other in conformance with our code of conduct.

Transparency

We are committed to providing the highest level of transparency in government. Transparency is the basis for accountability, increases public confidence, provides for informed participation of citizens, and facilitates an understanding of the decision making process in government.

Professionalism

We believe in high professional standards and performance that results in an objective analysis of issues, free of our personal biases.

Progressive Thought

We value innovation and creativity, and support an orientation for change and intelligent decision making.



Kitty Jung,
District Three



Vaughn Hartung
District Four



Bonnie Weber,
Vice Chair
District Five

**WASHOE COUNTY, NEVADA
LISTING OF COUNTY OFFICIALS
AS OF JUNE 30, 2013**

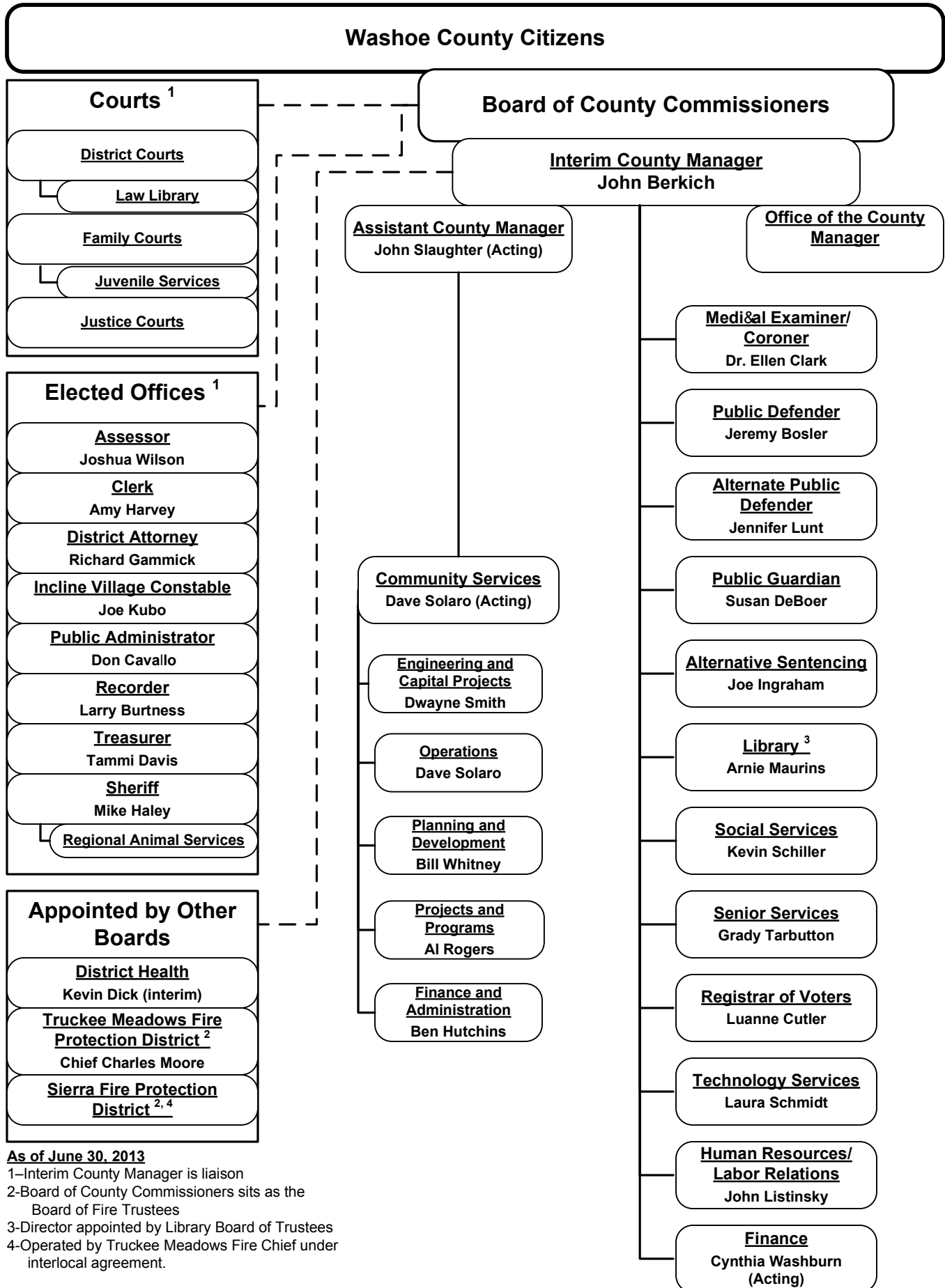
Elected Officials

District 1: Commissioner	Marsha Berkbigler
District 2: Chair, Board of County Commissioners	David Humke
District 3: Commissioner	Kitty Jung
District 4: Commissioner	Vaughn Hartung
District 5: Vice Chair, Board of County Commissioners	Bonnie Weber
County Assessor	Joshua Wilson
County Clerk	Amy Harvey
County Recorder	Larry Burtness
County Treasurer	Tammi S. Davis
District Attorney	Richard A. Gammick
Incline Village/Crystal Bay Constable	Joe Kubo
Public Administrator	Donald L. Cavallo
Sheriff	Mike Haley

Appointed Officials

County Manager	John Berkich, Interim
Assistant County Manager	John Slaughter, Interim
Alternate Public Defender	Jennifer Lunt
Alternative Sentencing Chief	Joseph Ingraham
Chief Medical Examiner/Coroner	Dr. Ellen Clark
Comptroller / Assistant Finance Director	Cynthia Washburn
Director of:	
Community Services	Dave Solaro, Interim
Community Relations	Nancy Leuenhagen
Finance	Cynthia Washburn, Interim
Human Resources/Labor Relations	John Listinsky
Juvenile Services	Frank Cervantes
Library	Arnie Maurins
Management Services	John Slaughter
Senior Services	Grady Tarbutton
Social Services	Kevin Schiller
Technology Services	Laura Schmidt
District Health Officer	Kevin Dick, Interim
Public Defender	Jeremy Bosler
Public Guardian	Susan DeBoer
Registrar of Voters	Luanne Cutler

Washoe County, Nevada Organization Chart



As of June 30, 2013

- 1-Interim County Manager is liaison
- 2-Board of County Commissioners sits as the Board of Fire Trustees
- 3-Director appointed by Library Board of Trustees
- 4-Operated by Truckee Meadows Fire Chief under interlocal agreement.



Government Finance Officers Association


**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Washoe County
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012



Executive Director/CEO



FINANCIAL SECTION

FINANCIAL SECTION

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Independent Auditor's Report

To the Honorable Board of Commissioners of
Washoe County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washoe County, Nevada (the County), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Child Protective Services Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14 and schedule of funding progress-other postemployment benefits on page 72 be presented to

supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements 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.

Prior Year Partial Comparative Information

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the County's basic financial statements for the year ended June 30, 2012, which are not presented with the accompanying financial statements. In our report dated October 22, 2012, 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 2012 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2012, taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2013, on our consideration of the County'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* in considering the County's internal control over financial reporting and compliance.



Reno, Nevada
October 28, 2013

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

The discussion and analysis of Washoe County, Nevada (the County) is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activities, (c) identify changes in the County's financial position (its ability to address the next and 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.

All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

The auditor's report offers an unmodified opinion on the financial statements, the highest opinion that can be attained.

The County made changes in the relationships with its component units during the year that resulted in a restatement of beginning balances. On December 11, 2012, the Board of County Commissioners (BCC) voted to amend the County ordinance related to the South Truckee Meadows General Improvement District removing the BCC as "ex officio" Board of Trustees and establishing the elected officials of the District's Local Managing Board as the District's Board of Trustees. This entity is no longer a component unit of the County and the beginning net position of the County's business activities has been restated to reflect this change. A new interlocal agreement for mutual support between the County and two fire districts, Truckee Meadows Fire Protection District and Sierra Fire Protection District, took effect on July 1, 2012, and identified the specific support services to be provided by each entity, as well as provided for reimbursement costing on an equitable basis. As a result, these two component units are now discretely presented rather than blended. Note 3 provides additional information regarding this restatement. Prior year information in the following analysis has been restated to reflect these component unit changes.

Cash and investments of \$268.8 million are available to meet liabilities due within one year of \$76.5 million. This is a conservative measure of cash and investments available to pay current obligations. The County's cash ratio is 3.5 meaning that the County has more than 3.5 times the cash and investments available to meet current obligations. Last year's cash ratio was 3.8. This change is primarily due to lower cash levels.

Net capital assets decreased \$18.7 million primarily due to depreciation expense of \$49.4 million. The majority of new capital additions were for roads and utility infrastructure. Outstanding bonded debt decreased from \$245.6 million to \$229.6 million. New debt of \$45.7 million was issued, offset by \$61.7 million in principal payments on existing debt. Outstanding debt is \$951.4 million below the legal debt limit.

Total net position decreased by \$20.5 million from prior year primarily from reductions in cash and investments as several large capital projects were completed in the current year. Restricted net position decreased by \$30.2 million to \$110.9 million and represents 11% of total net position. Unrestricted net position improved by \$13.4 million with improvements both in governmental and business-type activities. Business-type unrestricted net position of \$111.9 million is generally not used to fund other operations.

Total revenue decreased 4% to \$447.9 million. General revenues, before transfers, decreased 3% to \$270.3 million. The County's primary general revenue sources are ad valorem and consolidated taxes. These two revenue sources comprise 37% and 17% of countywide revenues, respectively. Ad valorem taxes decreased by 3% from the prior year due to decreased real property assessed valuations. Property tax rates did not increase from the prior year. Consolidated taxes increased 6% as the local economy showed signs of improvement. Program revenues decreased 7% to \$177.6 million primarily due to reduced grants and special assessments for capital projects.

The County implemented an overhead charge policy effective with the current fiscal year that reimbursed the General Fund for support charges to other funds. The charge is based on a detailed support cost analysis and is incorporated into the annual budget process. The indirect costs have been highlighted on the statement of activities and resulted in net revenue to the General Fund of \$7.8 million.

Total expenses of \$468.4 million decreased 2% from prior year. Governmental activities continue to comprise 93% of total expenses. Operating expenses were lower for general government largely due to reduced contributions to the retiree health benefits trust (OPEB) and the voluntary separation program that was offered in the prior year. Public works expense reductions were related to fewer maintenance projects. The increase in public safety expenses was driven by increased personnel costs, as well as higher costs for detention services. Expenses for business-type activities increased \$0.9 million from the prior year primarily in utilities activities.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements which are comprised of government-wide financial statements, fund financial statements and accompanying notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide financial statements. Government-wide financial statements are designed to provide a broad overview of the County's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the County's assets, liabilities and deferred outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial resources of the County are improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes or earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the County that are principally 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). The governmental activities of the County include general government, judicial, public works, public safety, health and sanitation, welfare, culture and recreation, and community support. The business-type activities of the County include water and sewer utilities, golf courses and building permits.

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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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 financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds. The governmental fund financial statements provide separate details for the General Fund, the Child Protective Services Fund and the Special Assessment Debt Service Fund, which are major funds. Data from the remaining funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statement for the General Fund and Child Protective Services Fund are presented with the basic financial statements; the budgetary comparisons for all other governmental funds are included in the fund financial statements and schedules included as supplementary information.

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for water and sewer utilities, golf courses and building permits. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles and for self-insurance activities including liability insurance, workers' compensation and group health insurance.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate details for the Water Resources Fund, which is a major fund. Data from the remaining funds are combined into a single, aggregated presentation. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the remaining enterprise and internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes To The Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. Following the notes in this report, required supplementary information is presented concerning the County's progress in funding its obligation to provide retiree health benefits. Other information, including combining and individual fund statements and schedules are presented after the basic financial statements, notes and required supplementary information. Unaudited statistical information is provided on a ten-year basis, as available, for trend analysis and to provide historical perspective.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position: Net position may serve over time as a useful indicator of a government's financial position. The County's assets and deferred outflows of resources exceeded liabilities by \$970 million at June 30, 2013, a decrease of 2% from the prior year.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	\$ 219,260	\$ 247,482	\$ 130,576	\$ 125,421	\$ 349,836	\$ 372,903
Net capital assets	579,844	594,714	360,109	363,974	939,953	958,688
Total assets	799,104	842,196	490,685	489,395	1,289,789	1,331,591
Deferred outflows of resources	456	249	-	-	456	249
Liabilities						
Current liabilities	35,783	42,769	5,051	4,495	40,834	47,264
Noncurrent liabilities due within one year	32,259	30,682	3,374	3,460	35,633	34,142
Noncurrent liabilities due in more than one year	186,330	198,803	57,402	61,077	243,732	259,880
Total liabilities	254,372	272,254	65,827	69,032	320,199	341,286
Net position						
Net investment in capital assets	455,643	459,302	300,163	300,261	755,806	759,563
Restricted	98,124	128,284	12,801	12,804	110,925	141,088
Unrestricted	(8,579)	(17,395)	111,894	107,298	103,315	89,903
Total net position	\$ 545,188	\$ 570,191	\$ 424,858	\$ 420,363	\$ 970,046	\$ 990,554

*For more detailed information see the Government-wide Statement of Net Position and Notes to the Financial Statements.

The largest portion of net position (78%) reflects investment in capital assets (e.g., land, buildings, equipment and construction in progress) less any related outstanding debt used to acquire those assets. Net investment in capital assets declined by \$3.8 million from the prior year primarily due to reduced capital spending and contributions for capital acquisition falling behind asset depreciation and retirements. The County uses these capital assets to provide services to citizens; therefore, they are not generally available for future spending. Although 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 would not generally be used to liquidate related debt.

Restricted net position is 11% of the County's net position and represents resources that are subject to external restrictions (statutes, bond covenants, or granting agencies) on how they may be used. Restricted net position decreased by \$30 million from the prior year primarily due to the use of restricted resources for capital projects.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

Unrestricted net position of \$103.3 million may be used to meet the County's other ongoing obligations to citizens and creditors. The balance in governmental activities is negative due to \$18 million in bonds outstanding for capital assets that were contributed to the Truckee River Flood Management Authority and \$27 million in bonds outstanding for the Reno baseball stadium. The governmental unrestricted net position improved by \$8.8 million from prior year as a greater proportion of current year spending used restricted assets. The \$4.6 million increase in unrestricted net position for business-type activities was primarily for utilities activities. Business-type unrestricted net position of \$111.9 million is generally not used to fund other operations.

Changes in Net Position. The County's net position decreased \$20.5 million during the fiscal year.

Washoe County Changes In Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 67,550	\$ 66,094	\$ 34,300	\$ 32,957	\$ 101,850	\$ 99,051
Operating grants, interest and contributions	63,432	64,561	449	94	63,881	64,655
Capital grants, interest and contributions	7,413	25,205	4,448	1,921	11,861	27,126
General revenues:						
Ad valorem taxes	167,294	172,540	-	-	167,294	172,540
Consolidated taxes	75,489	70,985	-	-	75,489	70,985
Other intergovernmental	18,530	18,840	-	-	18,530	18,840
Investment earnings	174	3,403	(100)	3,040	74	6,443
Other	8,934	9,045	-	-	8,934	9,045
Total revenues	408,816	430,673	39,097	38,012	447,913	468,685
Expenses:						
General government	91,105	107,954	-	-	91,105	107,954
Judicial	57,573	55,469	-	-	57,573	55,469
Public safety	138,149	125,573	-	-	138,149	125,573
Public works	31,981	39,675	-	-	31,981	39,675
Health and sanitation	18,785	18,429	-	-	18,785	18,429
Welfare	66,370	68,137	-	-	66,370	68,137
Culture and recreation	23,614	24,989	-	-	23,614	24,989
Community support	343	309	-	-	343	309
Interest/fiscal charges	7,349	7,174	-	-	7,349	7,174
Utilities	-	-	30,844	30,029	30,844	30,029
Golf courses	-	-	979	874	979	874
Building permits	-	-	1,329	1,372	1,329	1,372
Total Expenses	435,269	447,709	33,152	32,275	468,421	479,984
Increase (decrease) in net position before special items and transfers	(26,453)	(17,036)	5,945	5,737	(20,508)	(11,299)
Special Items	-	(67,832)	-	-	-	(67,832)
Transfers	1,450	(45)	(1,450)	45	-	-
Change in net position	(25,003)	(84,913)	4,495	5,782	(20,508)	(79,131)
Net position, July 1, as restated	570,191	655,104	420,363	414,581	990,554	1,069,685
Net position, June 30	\$ 545,188	\$ 570,191	\$ 424,858	\$ 420,363	\$ 970,046	\$ 990,554

Note that the expenses in the comparison analysis above are shown before indirect charges from the General Fund. The indirect charge policy began in the current fiscal year; therefore, a comparison to the prior year is presented without these charges.

The decrease in net position was primarily due to reduced revenues. Total revenues of \$447.9 million decreased from prior year by 4%. Ad valorem taxes continued to decline due to lower property value assessments and program revenues were down in the operating and capital area driven by reduced grants. Total expenses of \$468.4 million decreased 2% from the prior year, primarily in governmental activities.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)**

Governmental Activities. Governmental activities decreased the County's net position by \$25 million.

**Governmental Activities
Revenues by Source**
In Millions of Dollars

	FY 2013	FY 2012	
	\$7	\$25	< Capital program
	\$28	\$31	< Other general
	\$63	\$65	< Operating program
	\$68	\$66	< Charges for service:
	\$76	\$71	< Consolidated taxes
	\$167	\$173	< Ad valorem taxes
FY 2013	\$409		
FY 2012		\$431	

The two largest revenue sources are ad valorem and consolidated taxes, which together comprise 59% of governmental activity revenue.

Ad valorem taxes decreased by 3% from the prior year due to lower real and personal property assessed valuations. There was no increase in the tax rate.

Consolidated sales taxes, received from the State, increased by 6% in the current year, the third year of modest increases after several years of decline.

Charges for services increased 2% led by a \$2 million increase in public safety revenues primarily due to higher receipts for detention services to other agencies.

Operating program revenue decreased by 2% primarily from grant activity for public safety partially offset by increased grants for welfare programs.

The decline in other general revenues was largely due to lower investment income resulting from lower earnings rates and lower market values for investments.

Capital program revenue decreased \$17.8 million. The prior year included a new special assessment project for road improvements and several grant funded parks projects that were completed.

**Governmental Activities
Expenses by Function**
In Millions of Dollars

	FY 2013	FY 2012	
	\$7	\$7	< Interest
	\$19	\$18	< Health & sanitation
	\$24	\$25	< Culture and recreation
	\$32	\$40	< Public works
	\$57	\$55	< Judicial
	\$67	\$69	< Welfare & Community support
	\$91	\$108	< General government
	\$138	\$126	< Public safety
FY 2013	\$435		
FY 2012		\$448	

The largest functional areas are public safety and general government, which together comprise 53% of governmental activities expenses.

Total governmental expenses declined by 3% from the prior year.

Public safety increases resulted from increased costs in the Sheriff's Office due to wage increases and detention service cost increases, as well as, payments to the Truckee River Flood Management Authority (TRFMA), a joint powers authority. The initial payments and contributions to TRFMA were treated as a special item in the prior year.

The 16% decline in general government expenses included \$3 million for reduced contributions to the OPEB trust and \$3.6 million in reduced termination payments due to the early separation incentives offered in the prior year. Other reductions across several departments were driven by budgeted cost reductions.

Welfare cost reductions were driven by program changes in the indigent medical claims process that lowered reimbursements to providers.

Judicial cost increases related to several new projects including software and space expansion that were funded through administrative fees restricted to Court expansion and improvement.

Public works expense decreased due to reduced spending on maintenance projects.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)**

**Governmental Activities: Program Revenues
Percent of Expenses by Function**

	<u>FY 2013</u>	<u>FY 2012</u>
General government	41%	33%
Judicial	23%	24%
Public safety	17%	20%
Public works	40%	68%
Health and sanitation	62%	65%
Welfare	58%	51%
Culture and recreation	25%	33%
Community support	0%	0%
Total	34%	28%

Program revenues for governmental activities provided an average of 34% towards the costs of providing program services, an increase over the prior year primarily due to general government and welfare areas.

General government was impacted in the prior year by higher costs for OPEB and special termination incentives and, in the current year, has added \$7 million in revenue for overhead charges to other funds.

Welfare programs increased operating program revenues, largely through grant funded projects while reducing costs for Indigent reimbursements.

The decline in public works expense coverage is related to several large grant and special assessment projects in the prior year combined with lower contributions of new roads by developers in the current year.

Business-type Activities. Net position for business-type activities increased \$4.5 million which is \$1.4 million under prior year.

**Business-Type Activities: Change in Revenues
In Millions of Dollars**

	<u>FY 2013 vs FY 2012</u>	<u>% Change</u>
Charges for services	\$ 1	4%
Capital program revenue	3	132%
Other revenues	(4)	-89%
Total	\$ -	3%

Total revenues for business-type activities are level with the prior year.

Utilities experienced increased capital contributions due to new development, and increased rate related revenues. Building permit activities experienced a rise in permitting activity.

Offsetting these increases was a decrease in investment income as a result of lower earnings rates and lower market values of investments.

**Business-Type Activities: Program Revenues
as a Percent of Expenses**

	<u>FY 2013</u>	<u>FY 2012</u>
Utilities	118%	108%
Golf courses	106%	125%
Building permits	130%	102%
Combined	118%	108%

Utilities activities favorable trend in program revenue to expense ratio was driven by increased capital contributions and rate related revenues.

The County continues to maintain the major assets at each contractually managed golf course, and expenditures increased \$104,000

Building permit activities also saw improved profitability during the year as housing permits continued to trend up.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

Governmental Funds: The focus of the County's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's current funding requirements.

Current year governmental fund combined ending fund balances of \$137.9 million reflect a decrease of \$16.6 million from the prior year due primarily to capital spending. Major projects completed in the current year include a new roadway for a special assessment district, leasehold improvements for a new Justice Court location, and several parks and open space projects for trails and recreation facility improvements.

Governmental revenues were level with the prior year with the economic driven decline in ad valorem taxes and investment earnings offset by increased intergovernmental revenues including grants and State distributions of sales taxes. Expenditures were 6% under the prior year primarily due to higher general government costs in the prior year for OPEB, voluntary separation programs and court ordered refunds of property tax and related interest to Incline Village residents.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)**

Governmental Fund Balance In Millions of Dollars	
	2013
Non spendable	\$ 0.1
Restricted:	
Parks and open space projects	23.1
Debt Service	11.4
County facility improvement projects	7.3
Groundwater remediation	7.1
Court programs and expansion	5.9
Other	<u>21.8</u>
Total assigned	<u>76.6</u>
Committed:	
Adult, indigent, child support services	8.9
Animal control and services	5.4
Stabilization	4.1
Other	<u>4.4</u>
Total committed	<u>22.8</u>
Assigned	
Fiscal 14 budget funding, General Fund	5.6
Roadway projects	5.1
Other	<u>1.1</u>
Total assigned	<u>11.8</u>
Unassigned	<u>26.7</u>
Total fund balances	<u>\$ 137.9</u>

Fund balance components have been classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund.

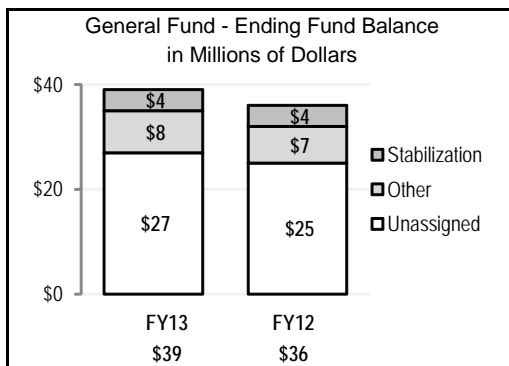
The largest component of fund balance, at 56% of total, is restricted at \$76.6 million. Spending of these resources is constrained by externally imposed (statutory, bond covenant, contracts, or grantors) limitations on their use.

The major components of restricted fund balances are for capital and improvement projects for parks, open space, County facilities, as well as the resources restricted for debt service to repay financing of previous capital projects. Administrative fees restricted by the State for court programs and expansion can be used for technology, facilities and other court support programs.

Committed and assigned fund balances combined represent 25% of total fund balance with spending constrained either by the Board of County Commissioners (BCC) (for committed) or senior management (for assigned). Committed balances in the special revenue funds are primarily due to transfers or revenues directed by the BCC to those funds to support the programs.

Unassigned fund balance primarily consists of the General Fund remaining fund balance and is available to support general operations of the fund. A negative unassigned fund balance in the Other Restricted Special Revenue Fund is due to revenue deferrals on grants that have not yet been reimbursed.

General Fund: The General Fund is the County's primary operating fund. Cash and investments of \$40.2 million are higher than prior year by \$4.3 million. Contributing to this increase was the repayment of the \$1.5 million loan to the Treasurer's Unapportioned Agency Fund, approved by the BCC on April 10, 2012, to enable continued payment of Incline Village tax refunds before the first property tax distribution in late October of 2012 and the timing of year-end transfers to the OPEB Trust Fund, which occurred after June 30th in the current year, increasing accounts payable by \$6.6 million.



Total fund balance was \$39 million at the end of the fiscal year, an increase of \$2.7 million from prior year.

The stabilization portion represents \$4.1 million committed for stabilization based upon the Board of County Commissioner's fund balance policy and State of Nevada NRS 354.6115. This amount represents 1.5% of total expenditures and transfers out excluding material one-time items and is unchanged from the prior year.

Other fund balance categories include restricted, committed and assigned. Restricted fund balance consists of \$750,000 for baseball stadium debt service and ad valorem taxes restricted for indigent insurance. Of the \$9.7 million needed to fund the fiscal year 2014 budgeted deficit, \$4.1 million is included in committed fund balance for stabilization and \$5.6 million is in

assigned fund balance. The remaining balances are primarily for encumbrances for major contracts (committed) or other expenditures (assigned) that have been re-appropriated in the next fiscal year. Unassigned fund balance fell by \$2 million in the current fiscal year.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

Key factors in the net increase in General Fund fund balance are as follows:

- Revenues of \$272.4 million increased \$7.1 million or 2.7% from prior year, primarily due to increased consolidated tax revenues of \$4.5 million and additional overhead charges to departments of \$6.6 million, offset by decreased ad valorem tax revenue of \$3.8 million due to declines in assessed property values.
- Investment earnings fell by \$3.2 million chiefly because of increased unrealized losses on investments due to market fluctuations.
- Expenditures of \$252 million decreased \$15.5 million or 5.8% from the prior year, due primarily to the \$14.3 million in expenses associated with the refund of property taxes and related interest to taxpayers in Incline Village in the prior year. In addition, contributions to the Washoe County, Nevada OPEB Trust (OPEB Trust) were \$3 million lower than prior year. These decreases were partially offset by State mandated increases in indigent medical assistance and higher personnel costs.
- Revenues exceeded expenditures by \$20.3 million.
- Transfers in decreased \$17.7 million due to transfers in of \$18.6 million from the Health Benefits and Risk Management Funds consisting of \$7.5 million to meet the General Fund budgetary shortfalls and \$11.1 million for the purpose of funding Incline Village property tax refunds and related interest, in the prior year.

General Fund Budgetary Highlights:

Changes to original budget: During the year, expenditure budget authority was increased by \$1.3 million over original budget offset by a \$1.3 million decrease in other financing uses. Increased expenditure budget authority in the final budget supported unbudgeted costs for Sheriff, Community Services Department – Regional Parks and Open Space, Fire Services Support, Board of County Commissioners and Conflict Counsel and to cover higher than planned costs in the judicial function. The reductions in other financing uses were \$956,000 from the contingency account and \$324,000 from transfers to the debt service fund. Any use of contingency funds must be approved by the BCC. The reduction in the debt service requirement was available due to debt refunding during the year.

Final budget compared to actual results: Total revenues in the General Fund were over final budget by \$4 million or 1.5%. The largest source of revenue in the General Fund, ad valorem taxes, was 0.7% or \$0.9 million under budget driven by lower assessed property values. Intergovernmental revenues exceeded final budget by \$7.5 million or 8.6%, principally due to consolidated sales and other taxes distributed by the State, the second largest revenue source, which exceeded final budget by \$5.5 million or 8% as the local economy started to show signs of improvement. Another component of intergovernmental revenues, federal incarceration charges which reimbursed the Sheriff's Office – Regional Detention Center for housing federal prisoners, were \$1.1 million or 27% over budget. These increases were offset in part by a \$2.1 million below budget result for increase/decrease in the fair value of investments as a result of market value swings late in the fiscal year.

Functions represent the legal level of budgetary control for appropriations per NRS 354.626. Total expenditures in the General Fund were 1.9% or \$4.8 million below final budget with all functional areas below budgeted appropriations. The variance to budget included \$1 million for personnel costs, largely from vacant positions, and \$3.8 million in services, supplies and small equipment, of which \$1.6 million was encumbered and reappropriated in the new fiscal year.

Special Assessment Debt Service Fund: The Special Assessment Debt Service Fund, a major fund, accounts for assessments, penalties, investment income and other resources to retire debt issued for improvements benefiting those properties against which the special assessments are levied. Ending fund balance of \$1.3 million is \$600,000 below the prior year fund balance is primarily due to debt service expenditures exceeding revenue collections.

Child Protective Services Fund: The Child Protective Services Fund, a major fund managed by the Social Services Department, accounts for resources specifically appropriated to protect against the neglect, abandonment and abuse of children in the County. The primary funding source, federal and state grants, amounted to 82% of revenue with ad valorem taxes contributing another 11% of revenue. Expenditures include personnel costs, as well as expenditures for child protection and placement including emergency shelter, professional services, foster care and adoption subsidies.

Ending fund balance of \$8.9 million was \$2.2 million below the prior year as program costs exceeded the revenue sources including a reduction of transfers from the General Fund. Restricted fund balance of \$242,000 is largely due to donations and private foundation grants to support specific programs. The remaining fund balance of \$8.6 million has been committed to support child protective programs by the BCC through budgeted transfers over several years.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

The net decrease in fund balance was \$200,000 greater than the prior year. Revenues increased \$2.4 million over the prior year driven by a \$2.6 million increase from federal grants. The expenditure increase of \$2 million included the costs of the expanded federal grant programs partially offset by planned cost control efforts.

Changes to original budget: During the year, both the revenue and expenditure budget increased by \$3 million primarily due to new federal and state grant awards to support the Fund's programs.

Final budget compared to actual results: Revenues were 93% of budget largely due to grant awards which included budgets that extend beyond one fiscal year. Grant awards represented a \$2.6 million shortfall to budget for both revenues and expenditures. The additional \$6.4 million expenditure variance to budget resulted from cost control measures and delays in several large programs.

Proprietary Funds: Proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail and at fund level. They are accounted for using the full accrual basis of accounting; therefore, no reconciliation is required to the government-wide statements.

The **Water Resources Fund** was established to account for county-owned and operated water and sewer systems in the unincorporated areas of the County. The County is the only organization in Nevada that provides integrated water resource services for water supply, wastewater treatment, effluent reuse, flood management, and water resource planning.

Cash and investments increased by \$3.1 million during the year, driven by positive cash flow from operations.

Operating revenues of \$31.6 million are \$1.1 million higher than prior year due primarily to an increase of 7% in water consumption associated with an unusually dry and warm winter, and a 5% annual increase in water rates in February. Sewer rates increased 1.7% in January, 2013, based on regional Consumer Price Index changes.

Operating expenses of \$27 million are 90% of budget. Well mitigation, repairs and maintenance and non-capital equipment costs were all lower than anticipated. Employee benefits were 24% lower than prior year due to costs of voluntary separation incentives offered by the County during the previous fiscal year. Total operating expenses were 3% lower than the prior year, attributable primarily to a decrease in employee benefits and expenses related to the domestic well mitigation program.

Capital contributions of \$4.4 million are 89% of a \$5 million budget and \$2.5 million over the prior year. The increase in capital contributions and hookup fees is related to increased levels of new development. Federal grant revenues of \$2.5 million were awarded and budgeted to fund the Spanish Springs septic/sewer conversion project; however, construction had not begun as of year-end.

On December 9, 2009, the Washoe County Board of Commissioners and the Truckee Meadows Water Authority (TMWA) Board of Directors approved an interlocal agreement governing the merger of the County's water utility into the Truckee Meadows Water Authority. The purpose of the agreement is to integrate and merge the Water Utility into TMWA in a strategically phased manner, with TMWA as the surviving water purveyor. The contemplated merger is expected to benefit the community through better stewardship of water resources, and more efficient use of facilities and facility planning. Pursuant to the terms of the agreement, the parties have implemented a due diligence process under the direction of the TMWA General Manager and the Director of Community Services. Upon completion of the due diligence process, the parties will prepare and present an addendum to the interlocal agreement to the respective governing boards for their review and approval.

The change in entity status for the South Truckee Meadows General Improvement District, from a component unit to an independent district, resulted in a reclassification of operating revenues for the Water Resources Fund from services to other funds to services to other agencies. The County's water utility staff continues to operate the utility for this District under the terms of an interlocal agreement; however, the District has its own revenue source and reimburses the County for this support.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

CAPITAL ASSETS

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2013, is \$940 million (net of accumulated depreciation), as summarized below.

Washoe County Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land, use rights	\$ 142,795	\$ 142,608	\$ 13,987	\$ 13,785	\$ 156,782	\$ 156,393
Plant capacity	-	-	825	825	825	825
Construction in progress	6,910	8,223	4,550	5,318	11,460	13,541
Land improvements	22,254	23,929	2,010	2,237	24,264	26,166
Building/improvements	197,914	202,749	50,288	48,604	248,202	251,353
Infrastructure	183,609	189,335	280,660	285,038	464,269	474,373
Equipment	20,349	20,849	171	174	20,520	21,023
Software	6,013	7,021	108	232	6,121	7,253
Plant capacity, depreciable	-	-	7,510	7,761	7,510	7,761
Total	\$ 579,844	\$ 594,714	\$ 360,109	\$ 363,974	\$ 939,953	\$ 958,688

The net decrease in investment in capital assets for the current fiscal year of \$18.7 million or 2% was primarily due to depreciation of \$49.4 million which was in excess of net capital additions of \$34.3 million. New capital investments during the year included \$16 million for road right-of-ways and improvements, \$5.8 million for vehicles and other equipment and \$6.1 million for utility infrastructure. The construction in progress balance of \$6.9 million at year end included projects for regional public safety communications and technology, parks and open space and for water quality improvement at Lake Tahoe. Major commitments at year-end of \$12.4 million included continuation of the projects in progress as well as additional projects for technology improvements and infrastructure.

Additional information on the County's capital assets can be found in Notes 7 and 8.

DEBT ADMINISTRATION

At June 30, 2013, the County had total outstanding bonded debt of \$229.6 million. Of this amount, \$178.5 million is general obligation debt backed by the full faith and credit of the County and \$9.0 million is special assessment debt for which the County is liable in the event of default by property owners subject to the assessment. The remainder of the County's debt represents revenue bonds secured solely by specified revenue sources.

Washoe County Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds	\$ 119,313	\$ 128,820	\$ 59,181	\$ 62,898	\$ 178,494	\$ 191,718
Revenue Bonds	42,132	43,220	-	-	42,132	43,220
Special Assessment Bonds	9,011	10,675	-	-	9,011	10,675
Total	\$ 170,456	\$ 182,715	\$ 59,181	\$ 62,898	\$ 229,637	\$ 245,613

The County's current fiscal year outstanding debt decreased \$16.0 million as a result of \$61.7 million in principal payments, offset by \$45.7 million in new debt issued. New debt issued consists of \$18.1 million general obligation (limited tax) refunding bonds series 2012A issued for an advance refunding of \$10.5 million in library, parks and open space bonds series 2002B and \$7.5 million in animal control bonds series 2003A, and \$27.6 million general obligation (limited tax) refunding bonds (additionally secured by pledge revenues) series 2012B issued for an advance refunding of \$11.5 million in general obligation (limited tax) office building bonds (additionally secured by pledge revenues) series 2002A; \$5.3 million in general obligation (limited tax) building and parking garage bonds (additionally secured by pledge revenues) series 2004; \$1.4 million in general obligation

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

(limited tax) library building bonds (additionally secured by pledged revenues) series 2004; and a partial current refunding of \$8.7 million in general obligation (limited tax) parks bonds (additionally secured by pledged revenues) series 2006.

State Statute (NRS 244A.059) limits the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The current limitation for the County is \$1.2 billion, which is \$951.4 million in excess of the County's outstanding general obligation debt.

Additional information regarding the County's long-term debt can be found in Notes 10, 11, and 12 to the financial statements.

ECONOMIC FACTORS

The fiscal year 2014 budget reflects an expectation of greater economic stability as local sales start to rise and home values stabilize. The County relies heavily on property taxes and sales taxes as the resources necessary to provide services to the citizens of the County. Local home sales are starting to recover and the County's building permits rose in the current year. Consolidated taxes, which are sales and other taxes collected by the State and then distributed to the County, are showing signs of improvement and increased month over prior year month for the last 14 months.

These indicators were taken into account when adopting the County's fiscal year 2014 budget, which includes no further decline in property taxes. The property tax rate remains constant at \$1.3917 per \$100 of assessed valuation. Consolidated taxes are budgeted to increase by 3% to \$76.7 million.

The General Fund revenues and other sources are budgeted at \$277.3 million, a 1% increase from the prior year while expenditures and other uses are budgeted to increase by 4% to \$287 million. The budget deficit of \$9.7 million includes \$4.1 million of stabilization funds that are only available in emergency situations and are restricted in fund balance. The remaining \$5.6 million has been committed in the current fiscal year fund balance for the purpose of providing the resources necessary to balance the fiscal year 2014 budget.

Total County personnel costs, excluding other post employment benefits (OPEB), are budgeted to increase by 5% in fiscal year 2014 with salaries and wages increasing by 4%. The increase is driven by fewer vacant positions, merit increases and higher rates for the State retirement system. The OPEB contribution is budgeted at the actuarial determined contribution level (ARC) of \$18.7 million. Full-time equivalent positions (FTE's) per 1,000 of population continue to decline from a high of 8.3 in fiscal year 2001 to 5.9 FTE's in fiscal year 2014. Total capital outlay is budgeted at \$53 million.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Washoe County Comptroller, P.O. Box 11130, Reno, NV 89520-0027. This report will also be available on the web site at www.washoecounty.us/finance/CAFR2013.htm. Truckee Meadows Fire Protection District (TMFPD) and Sierra Fire Protection District (SFPD) are included in this report as discretely presented component units. These entities issue separate audited financial statements that are filed at the Washoe County Clerk's Office, 1001 E. 9th Street, Room A-100, Reno, Nevada.



BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

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WASHOE COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District	Sierra Fire Protection District
Assets					
Cash and investments (Note 4)	\$ 167,475,439	\$ 97,978,442	\$ 265,453,881	\$ 21,560,512	\$ 1,748,630
Restricted cash and investments (Notes 4, 5)	846,704	2,527,370	3,374,074	-	-
Accounts receivable	4,302,426	4,964,990	9,267,416	47,564	-
Consolidated tax receivable	13,408,105	-	13,408,105	883,718	203,961
Property taxes receivable	3,574,787	-	3,574,787	167,358	72,869
Other taxes receivable	14,444,352	-	14,444,352	162,024	61,361
Interest receivable	583,225	318,124	901,349	64,514	6,103
Due from other governments	16,485,661	1,550,541	18,036,202	790,740	31,171
Internal balances	(11,653,433)	11,653,433	-	-	-
Inventory	238,123	204,398	442,521	-	-
Deposits and other assets	1,874,854	19,151	1,894,005	938,888	436,216
Long-term restricted cash and investments (Notes 4, 5)	2,172,000	10,949,491	13,121,491	-	-
Long-term assets (Notes 6, 16)	5,507,409	409,748	5,917,157	1,224,753	-
Capital Assets: (Note 7)					
Nondepreciable	149,704,564	19,362,739	169,067,303	1,013,751	121,000
Other capital assets, net of depreciation	430,138,990	340,746,573	770,885,563	10,904,679	4,335,977
Total Assets	799,103,206	490,685,000	1,289,788,206	37,758,501	7,017,288
Deferred Outflows of Resources					
Deferred charge on refunding	456,307	-	456,307	-	-
Liabilities					
Accounts payable	15,419,842	691,136	16,110,978	189,780	3,378
Accrued salaries and benefits	8,718,332	297,289	9,015,621	496,714	-
Contracts/retention payable	2,727,849	63,923	2,791,772	-	-
Interest payable	1,175,050	1,169,901	2,344,951	-	-
Due to other governments	1,335,797	987,979	2,323,776	677,496	-
Other liabilities (Note 8)	2,569,134	1,606,032	4,175,166	29,097	-
Unearned revenue (Note 9)	3,836,948	234,607	4,071,555	-	-
Noncurrent Liabilities: (Notes 10, 11, 12, 16, 17)					
Due within one year	32,258,667	3,374,196	35,632,863	996,282	-
Due in more than one year, payable from restricted assets	2,172,000	-	2,172,000	-	-
Due in more than one year	184,158,004	57,402,238	241,560,242	1,539,031	1,169,540
Total Liabilities	254,371,623	65,827,301	320,198,924	3,928,400	1,172,918
Net Position (Note 14)					
Net investment in capital assets	455,643,224	300,162,733	755,805,957	11,918,430	4,456,977
Restricted for:					
General government	4,245,216	-	4,245,216	-	-
Judicial	6,277,958	-	6,277,958	-	-
Public safety	6,887,929	493,866	7,381,795	586,387	976,694
Public works	111,881	-	111,881	-	-
Health and sanitation	1,708,187	-	1,708,187	-	-
Welfare	5,577,416	-	5,577,416	-	-
Culture and recreation	348,871	-	348,871	-	-
Debt service	19,433,251	12,306,960	31,740,211	-	-
Capital projects	33,445,949	-	33,445,949	4,861,041	-
Claims	20,086,824	-	20,086,824	5,279,379	-
Unrestricted	(8,578,816)	111,894,140	103,315,324	11,184,864	410,699
Total Net Position	\$ 545,187,890	\$ 424,857,699	\$ 970,045,589	\$ 33,830,101	\$ 5,844,370

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, 2013**

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants, Interest, Contributions	Capital Grants, Interest, Contributions
Primary Government					
Governmental Activities:					
General government	\$ 91,104,680	\$ (7,760,312)	\$ 31,305,893	\$ 1,806,183	\$ 12,086
Judicial	57,572,610	-	10,411,734	2,625,510	10,940
Public safety	138,148,624	1,164,161	15,311,041	7,991,200	162,767
Public works	31,981,199	1,179,724	1,943,695	4,201,963	6,527,117
Health and sanitation	18,785,079	2,629,918	3,793,225	7,708,320	152,995
Welfare	66,370,176	1,851,763	2,982,879	35,537,630	-
Culture and recreation	23,613,646	934,746	1,800,944	3,561,239	547,368
Community support	343,244	-	-	-	-
Interest on long-term debt	7,349,375	-	-	-	-
Total Governmental Activities	435,268,633	\$ -	67,549,411	63,432,045	7,413,273
Business-type Activities:					
Utilities	30,844,119		31,538,901	445,742	4,447,623
Golf courses	978,563		1,037,308	2,591	-
Building permits	1,328,882		1,724,360	-	-
Total Business-type Activities	33,151,564		34,300,569	448,333	4,447,623
Total Primary Government	\$ 468,420,197		\$ 101,849,980	\$ 63,880,378	\$ 11,860,896
Component Units:					
Truckee Meadows Fire Protection District	\$ 19,570,758		\$ 6,535,583	\$ 94,895	\$ 430,620
Sierra Fire Protection District	6,887,999		-	-	240,451
Total Component Units	\$ 26,458,757		\$ 6,535,583	\$ 94,895	\$ 671,071

General Revenues:
Ad valorem taxes
Unrestricted intergovernmental revenues:
Consolidated taxes
LGTA sales taxes
Infrastructure sales tax
Other taxes and intergovernmental revenues
Other miscellaneous
Unrestricted investment earnings
Gain on sales of capital assets
Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, July 1, as Restated (Note 3)

Net Position, June 30

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

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Untis	
Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District	Sierra Fire Protection District
\$ (50,220,206)	\$ -	\$ (50,220,206)		
(44,524,426)	-	(44,524,426)		
(115,847,777)	-	(115,847,777)		
(20,488,148)	-	(20,488,148)		
(9,760,457)	-	(9,760,457)		
(29,701,430)	-	(29,701,430)		
(18,638,841)	-	(18,638,841)		
(343,244)	-	(343,244)		
(7,349,375)	-	(7,349,375)		
(296,873,904)	-	(296,873,904)		
-	5,588,147	5,588,147		
-	61,336	61,336		
-	395,478	395,478		
-	6,044,961	6,044,961		
(296,873,904)	6,044,961	(290,828,943)		
			\$ (12,509,660)	\$ -
			-	(6,647,548)
			(12,509,660)	(6,647,548)
167,293,983	-	167,293,983	10,014,802	4,811,699
75,489,073	-	75,489,073	4,981,492	1,147,570
9,493,458	-	9,493,458	639,462	241,901
7,127,834	-	7,127,834	-	-
1,908,102	-	1,908,102	-	-
8,883,063	-	8,883,063	589,374	16,324
174,433	(99,803)	74,630	(25,792)	2,149
50,805	-	50,805	-	-
1,450,000	(1,450,000)	-	-	-
271,870,751	(1,549,803)	270,320,948	16,199,338	6,219,643
(25,003,153)	4,495,158	(20,507,995)	3,689,678	(427,905)
570,191,043	420,362,541	990,553,584	30,140,423	6,272,275
\$ 545,187,890	\$ 424,857,699	\$ 970,045,589	\$ 33,830,101	\$ 5,844,370

**WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013**

	General Fund	Child Protective Services Fund	Special Assessment Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments (Note 4)	\$ 40,227,407	\$ 2,702,370	\$ 1,254,363	\$ 88,761,009	\$ 132,945,149
Restricted cash and investments (Notes 4,5)	750,000	45,406	51,298	-	846,704
Accounts receivable	1,698,474	15,000	-	169,258	1,882,732
Consolidated tax receivable	13,408,105	-	-	-	13,408,105
Property taxes receivable	2,869,545	102,595	-	602,647	3,574,787
Other taxes receivable	2,543,971	-	9,147,155	2,753,226	14,444,352
Interest receivable	294,821	-	4,193	193,682	492,696
Due from other governments	1,427,714	9,825,320	-	5,160,583	16,413,617
Deposits and prepaid items	-	-	-	74,612	74,612
Total Assets	\$ 63,220,037	\$ 12,690,691	\$ 10,457,009	\$ 97,715,017	\$ 184,082,754
Liabilities					
Accounts payable	\$ 8,655,363	\$ 2,255,836	\$ 4,588	\$ 3,016,553	\$ 13,932,340
Accrued salaries and benefits	6,713,735	658,519	-	1,235,927	8,608,181
Contracts/retention payable	-	29,217	-	2,698,632	2,727,849
Due to other governments	796,614	2,017	-	537,166	1,335,797
Other liabilities (Note 8)	2,487,239	-	19,604	62,291	2,569,134
Unearned revenue (Note 9)	3,218,874	74,960	-	543,114	3,836,948
Total Liabilities	21,871,825	3,020,549	24,192	8,093,683	33,010,249
Deferred Inflows of Resources (Note 9)					
Unavailable revenue - grants and other revenue	-	733,088	9,147,155	412,024	10,292,267
Unavailable revenue - property taxes	2,314,462	84,745	-	499,524	2,898,731
Total Deferred Inflows of Resources	2,314,462	817,833	9,147,155	911,548	13,190,998
Fund Balances (Note 14)					
Nonspendable	-	-	-	74,612	74,612
Restricted	800,596	242,178	1,285,662	74,260,123	76,588,559
Committed	4,598,540	8,610,131	-	9,557,108	22,765,779
Assigned	6,726,766	-	-	5,076,471	11,803,237
Unassigned	26,907,848	-	-	(258,528)	26,649,320
Total Fund Balances	39,033,750	8,852,309	1,285,662	88,709,786	137,881,507
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 63,220,037	\$ 12,690,691	\$ 10,457,009	\$ 97,715,017	\$ 184,082,754

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 POSITION
JUNE 30, 2013**

Fund Balances - Governmental Funds	\$	137,881,507
Amounts reported for governmental activities in the statement of net position 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	\$ 1,168,142,387	
Less accumulated depreciation	<u>(593,788,568)</u>	574,353,819
Other assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Prepaid bond insurance	173,530	
Net OPEB asset	<u>3,711,643</u>	3,885,173
Other liabilities are not due and payable in the current period and therefore are not reported in governmental funds.		
Lease payable based on the amortization of non level payments	(82,571)	
Termination benefit payable in the next fiscal year	<u>(22,769)</u>	(105,340)
Long-term liabilities and deferred outflows of resources, 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	(170,455,493)	
Bond premiums, discounts and charge on refundings	(1,170,470)	
Accrued interest payable	(1,175,050)	
Remediation obligation	(8,275,662)	
Compensated absences	<u>(23,866,179)</u>	(204,942,854)
Revenues that were not available to fund current expenditures and therefore are not reported in governmental funds.		
		13,190,998
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of internal service funds is reported with governmental activities.		
Total net position of internal service funds	32,578,020	
Internal balances receivable from business-type activities	<u>1,440,768</u>	34,018,788
Governmental funds report allocations of indirect expenses to enterprise funds. However, in the Statement of Activities indirect expenses are eliminated.		
		<u>(13,094,201)</u>
Total Net Position of Governmental Activities	\$	<u><u>545,187,890</u></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, 2013**

	General Fund	Child Protective Services Fund	Special Assessment Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Ad valorem	\$ 136,104,692	\$ 4,850,274	\$ -	\$ 26,742,904	\$ 167,697,870
Car rental fee	-	-	-	1,196,251	1,196,251
Other taxes	299,925	-	-	132,098	432,023
Special assessments	-	-	933,447	-	933,447
Licenses and permits	8,066,347	20,350	-	1,413,885	9,500,582
Intergovernmental revenues	94,391,473	34,633,778	-	41,057,223	170,082,474
Charges for services	22,463,887	2,670,985	-	8,395,643	33,530,515
Fines and forfeits	8,249,132	-	14,702	2,264,252	10,528,086
Miscellaneous	2,776,486	120,895	581,419	3,435,815	6,914,615
Total Revenues	272,351,942	42,296,282	1,529,568	84,638,071	400,815,863
Expenditures					
Current:					
General government	61,514,709	-	-	977,734	62,492,443
Judicial	48,841,392	-	-	5,372,493	54,213,885
Public safety	106,433,010	-	-	25,298,770	131,731,780
Public works	2,476,474	-	-	13,091,280	15,567,754
Health and sanitation	-	-	-	20,558,003	20,558,003
Welfare	17,650,439	44,082,625	-	3,905,446	65,638,510
Culture and recreation	11,639,956	-	-	7,219,352	18,859,308
Community support	343,244	-	-	-	343,244
Intergovernmental	3,181,027	-	-	5,266,033	8,447,060
Capital outlay	-	-	-	21,355,440	21,355,440
Debt Service:					
Principal	-	-	1,663,704	20,025,606	21,689,310
Interest	-	-	388,928	6,701,303	7,090,231
Debt service fees and other fiscal charges	-	-	50,084	745,984	796,068
Total Expenditures	252,080,251	44,082,625	2,102,716	130,517,444	428,783,036
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,271,691	(1,786,343)	(573,148)	(45,879,373)	(27,967,173)
Other Financing Sources (Uses)					
Proceeds from asset disposition	41,696	-	-	7,362	49,058
Refunding bonds issued	-	-	-	45,670,000	45,670,000
Bond premium	-	-	-	1,249,419	1,249,419
Refunding payment to escrow agent	-	-	-	(37,391,222)	(37,391,222)
Transfers in	2,295,169	-	-	31,807,274	34,102,443
Transfers out	(19,897,433)	(400,000)	-	(12,020,335)	(32,317,768)
Total Other Financing Sources (Uses)	(17,560,568)	(400,000)	-	29,322,498	11,361,930
Net Change in Fund Balances	2,711,123	(2,186,343)	(573,148)	(16,556,875)	(16,605,243)
Fund Balances, July 1, As Restated	36,322,627	11,038,652	1,858,810	105,266,661	154,486,750
Fund Balances, June 30	\$ 39,033,750	\$ 8,852,309	\$ 1,285,662	\$ 88,709,786	\$ 137,881,507

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, 2013**

Net Change in Fund Balances - Governmental Funds \$ (16,605,243)

Amounts reported for governmental activities in the Statement of Net Position 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	\$ 25,123,583	
Less current year depreciation/amortization	<u>(38,852,306)</u>	(13,728,723)

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

Change in Net OPEB Asset		644,072
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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	326,241	
Change in unavailable revenue	<u>(4,844,174)</u>	(4,517,933)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities and/or deferred outflows of resources in the Statement of Net Position. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which bonds issued exceeded repayments:

Bonds issued	(45,670,000)	
Bond premium	(1,249,419)	
Bond principal payments	57,929,310	
Deferred charge on refunding	<u>377,395</u>	11,387,286

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	990,733	
Amortization of bond discount	(2,706)	
Amortization of deferred charge on refunding	(35,964)	
Amortization of bond prepaid insurance	(75,347)	
Change in lease payable	(82,571)	
Change in termination benefits	(22,769)	
Change in compensated absences	(1,109,650)	
Change in remediation obligation	652,747	
Change in accrued interest payable	358,687	
Change in accrued claims and judgments	591,975	
Transfer of capital assets to internal service funds	(95,418)	
Disposition of capital assets	<u>(925,329)</u>	244,388

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 position of internal service funds	(780,987)	
Internal charges reported in business activities	<u>(1,646,013)</u>	<u>(2,427,000)</u>
Change in Net Position of Governmental Activities		<u>\$ (25,003,153)</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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 137,040,071	\$ 137,040,071	\$ 136,104,692	\$ (935,379)
Other taxes	325,000	325,000	299,925	(25,075)
Licenses and permits	8,467,685	8,467,685	8,066,347	(401,338)
Intergovernmental revenues	86,899,264	86,899,264	94,391,473	7,492,209
Charges for services	22,510,563	22,400,563	22,463,887	63,324
Fines and forfeits	8,213,700	8,213,700	8,249,132	35,432
Miscellaneous	4,811,561	4,956,561	2,776,486	(2,180,075)
Total Revenues	<u>268,267,844</u>	<u>268,302,844</u>	<u>272,351,942</u>	<u>4,049,098</u>
Expenditures by Function and Activity				
Current:				
General Government:				
Legislative	549,482	561,000	533,769	27,231
Executive	2,584,070	2,480,640	2,445,645	34,995
Elections	1,435,062	1,415,062	1,300,898	114,164
Finance	11,327,064	11,169,494	10,551,815	617,679
Other General Government	48,684,558	46,652,456	46,682,582	(30,126)
Total General Government	<u>64,580,236</u>	<u>62,278,652</u>	<u>61,514,709</u>	<u>763,943</u>
Judicial:				
District Courts	15,900,482	15,900,482	14,481,278	1,419,204
District Attorney	16,539,423	16,539,423	16,101,343	438,080
Public Defense	10,426,523	10,676,523	10,803,978	(127,455)
Justice Courts	7,431,586	7,520,286	7,348,449	171,837
Incline Constable	105,005	108,183	106,344	1,839
Total Judicial	<u>50,403,019</u>	<u>50,744,897</u>	<u>48,841,392</u>	<u>1,903,505</u>
Public Safety:				
Sheriff and Detention	85,856,951	88,998,616	88,311,142	687,474
Medical Examiner	1,962,514	1,962,514	1,910,375	52,139
Fire Suppression	232,146	732,146	485,058	247,088
Juvenile Services	13,240,184	12,803,683	12,533,530	270,153
Protective Services	3,138,270	3,166,471	3,192,905	(26,434)
Total Public Safety	<u>104,430,065</u>	<u>107,663,430</u>	<u>106,433,010</u>	<u>1,230,420</u>
Public Works:				
Community Services Department (CSD)	2,198,088	2,515,947	2,476,474	39,473
Welfare:				
Social Services	18,283,136	18,184,136	17,650,439	533,697
Culture and Recreation:				
Library	7,528,073	7,453,073	7,340,108	112,965
CSD - Regional Parks and Open Space	4,511,649	4,408,649	4,299,848	108,801
Total Culture and Recreation	<u>12,039,722</u>	<u>11,861,722</u>	<u>11,639,956</u>	<u>221,766</u>
Community Support	<u>443,535</u>	<u>443,535</u>	<u>343,244</u>	<u>100,291</u>

(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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Intergovernmental	\$ 3,232,322	\$ 3,232,322	\$ 3,181,027	\$ 51,295
Total Expenditures	255,610,123	256,924,641	252,080,251	4,844,390
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,657,721</u>	<u>11,378,203</u>	<u>20,271,691</u>	<u>8,893,488</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	1,500	1,500	41,696	40,196
Transfers in	1,834,400	1,834,400	2,295,169	460,769
Transfers out	(20,102,445)	(19,778,445)	(19,897,433)	(118,988)
Contingency	<u>(975,000)</u>	<u>(19,482)</u>	<u>-</u>	<u>19,482</u>
Total Other Financing Sources (Uses)	<u>(19,241,545)</u>	<u>(17,962,027)</u>	<u>(17,560,568)</u>	<u>401,459</u>
Net Change in Fund Balances	(6,583,824)	(6,583,824)	2,711,123	9,294,947
Fund Balances, July 1	<u>32,715,365</u>	<u>32,715,365</u>	<u>36,322,627</u>	<u>3,607,262</u>
Fund Balances, June 30	<u>\$ 26,131,541</u>	<u>\$ 26,131,541</u>	<u>\$ 39,033,750</u>	<u>\$ 12,902,209</u>

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

**WASHOE COUNTY, NEVADA
CHILD PROTECTIVE SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 4,883,474	\$ 4,883,474	\$ 4,850,274	\$ (33,200)
Licenses and Permits:				
Day care licenses	25,000	25,000	20,350	(4,650)
Intergovernmental Revenues:				
Federal grants	19,708,409	22,366,232	19,963,733	(2,402,499)
State grants	14,620,427	14,835,941	14,670,045	(165,896)
Charges for Services:				
Service fees	3,085,000	3,085,000	2,670,985	(414,015)
Miscellaneous:				
Contributions and donations	84,172	175,198	103,926	(71,272)
Other	-	-	16,969	16,969
Total Revenues	<u>42,406,482</u>	<u>45,370,845</u>	<u>42,296,282</u>	<u>(3,074,563)</u>
Expenditures				
Welfare Function:				
Salaries and wages	13,789,002	13,813,002	12,903,028	909,974
Employee benefits	5,614,477	5,614,477	5,196,717	417,760
Services and supplies	30,588,950	33,529,313	25,958,410	7,570,903
Capital outlay	50,000	50,000	24,470	25,530
Total Expenditures	<u>50,042,429</u>	<u>53,006,792</u>	<u>44,082,625</u>	<u>8,924,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,635,947)	(7,635,947)	(1,786,343)	5,849,604
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(400,000)	(400,000)	(400,000)	-
Net Change in Fund Balances	(8,035,947)	(8,035,947)	(2,186,343)	5,849,604
Fund Balances, July 1	<u>11,038,652</u>	<u>11,038,652</u>	<u>11,038,652</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 3,002,705</u>	<u>\$ 3,002,705</u>	<u>\$ 8,852,309</u>	<u>\$ 5,849,604</u>

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

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2013**

	<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>
Assets				
Current Assets:				
Cash and investments (Note 4)	\$ 96,446,675	\$ 1,531,767	\$ 97,978,442	\$ 34,530,290
Restricted cash and investments (Notes 4,5)	2,527,370	-	2,527,370	-
Accounts receivable	4,704,959	260,031	4,964,990	2,419,694
Interest receivable	314,245	3,879	318,124	90,529
Due from other governments	1,550,541	-	1,550,541	72,044
Inventory	197,000	7,398	204,398	238,123
Other assets	19,151	-	19,151	1,800,242
Total Current Assets	<u>105,759,941</u>	<u>1,803,075</u>	<u>107,563,016</u>	<u>39,150,922</u>
Noncurrent Assets:				
Restricted cash and investments (Notes 4,5)	10,949,491	-	10,949,491	2,172,000
Long-term receivables and other assets (Note 6)	409,748	-	409,748	1,622,236
Capital Assets: (Note 7)				
Nondepreciable:				
Land	13,814,291	173,000	13,987,291	-
Plant capacity	-	825,150	825,150	-
Construction in progress	4,550,298	-	4,550,298	-
Depreciable:				
Land improvements	1,403,338	3,764,945	5,168,283	-
Buildings and improvements	66,698,081	1,258,356	67,956,437	24,990
Infrastructure	358,999,654	-	358,999,654	-
Equipment	1,207,110	1,041,113	2,248,223	23,486,435
Software	1,060,942	78,183	1,139,125	20,260
Plant, well capacity	10,030,729	-	10,030,729	-
Less accumulated depreciation	(100,256,269)	(4,539,609)	(104,795,878)	(18,041,950)
Total Noncurrent Assets	<u>368,867,413</u>	<u>2,601,138</u>	<u>371,468,551</u>	<u>9,283,971</u>
Total Assets	<u>474,627,354</u>	<u>4,404,213</u>	<u>479,031,567</u>	<u>48,434,893</u>
Liabilities				
Current Liabilities:				
Accounts payable	675,655	15,481	691,136	1,404,931
Accrued salaries and benefits	230,474	66,815	297,289	87,382
Compensated absences (Notes 10,11)	514,371	123,683	638,054	218,021
Contracts/retention payable	63,923	-	63,923	-
Interest payable	1,169,901	-	1,169,901	-
Due to other governments	979,744	8,235	987,979	-
Unearned revenue (Note 9)	234,607	-	234,607	-
Other liabilities (Note 8)	1,592,027	14,005	1,606,032	-
Notes, bonds, leases payable (Notes 10,11,12)	2,736,142	-	2,736,142	-
Pending claims (Note 17)	-	-	-	6,123,000
Total Current Liabilities	<u>8,196,844</u>	<u>228,219</u>	<u>8,425,063</u>	<u>7,833,334</u>
Noncurrent Liabilities: (Notes 10,11,12,17)				
Compensated absences	154,622	37,179	191,801	65,539
Notes, bonds, leases payable	57,210,437	-	57,210,437	-
Pending claims	-	-	-	5,786,000
Pending claims payable from restricted cash	-	-	-	2,172,000
Total Noncurrent Liabilities	<u>57,365,059</u>	<u>37,179</u>	<u>57,402,238</u>	<u>8,023,539</u>
Total Liabilities	<u>65,561,903</u>	<u>265,398</u>	<u>65,827,301</u>	<u>15,856,873</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2013**

	<u>Business-type Activities - Enterprise Funds</u>			Governmental Activities Internal Service Funds
	<u>Water Resources Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Net Position (Note 14)				
Net investment in capital assets	\$ 297,561,595	\$ 2,601,138	\$ 300,162,733	\$ 5,489,735
Restricted for public safety	-	493,866	493,866	-
Restricted for debt service	12,306,960	-	12,306,960	-
Restricted for claims	-	-	-	20,086,824
Unrestricted	<u>99,196,896</u>	<u>1,043,811</u>	<u>100,240,707</u>	<u>7,001,461</u>
Total Net Position	<u>\$ 409,065,451</u>	<u>\$ 4,138,815</u>	<u>413,204,266</u>	<u>\$ 32,578,020</u>
Indirect expenses reported in the Statement of Revenues, Expenses and Changes in Net Position are not reported in the Statement of Activities to enhance comparability between governments that allocate indirect expenses and those that do not.			13,094,201	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>(1,440,768)</u>	
Net Position of Business-type Activities			<u>\$ 424,857,699</u>	

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 POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Resources Fund	Other Enterprise Funds	Total	
Operating Revenues				
Charges for Services:				
Utility fees	\$ 31,538,901	\$ -	\$ 31,538,901	\$ -
Golf course fees	-	1,037,308	1,037,308	-
Building permits and fees	-	1,724,298	1,724,298	-
Self insurance fees	-	-	-	46,465,876
Equipment service billings	-	-	-	5,755,921
Miscellaneous	-	62	62	1,766,646
Total Operating Revenues	<u>31,538,901</u>	<u>2,761,668</u>	<u>34,300,569</u>	<u>53,988,443</u>
Operating Expenses				
Salaries and wages	4,199,010	1,125,492	5,324,502	1,688,655
Employee benefits	1,692,297	459,053	2,151,350	690,177
Services and supplies	12,526,486	877,635	13,404,121	52,164,201
Depreciation/amortization	8,557,566	234,697	8,792,263	1,786,802
Total Operating Expenses	<u>26,975,359</u>	<u>2,696,877</u>	<u>29,672,236</u>	<u>56,329,835</u>
Operating Income (Loss)	<u>4,563,542</u>	<u>64,791</u>	<u>4,628,333</u>	<u>(2,341,392)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	(98,360)	(1,443)	(99,803)	82,099
Miscellaneous	323,327	2,591	325,918	1,251,748
Federal grants	122,415	-	122,415	273,081
Gain (loss) on asset disposition	(457,176)	499	(456,677)	192,734
Interest/bond issuance costs	(2,333,914)	-	(2,333,914)	-
Connection fee refunds/credits	(2,334,750)	-	(2,334,750)	-
Total Nonoperating Revenues (Expenses)	<u>(4,778,458)</u>	<u>1,647</u>	<u>(4,776,811)</u>	<u>1,799,662</u>
Income (Loss) Before Capital Contributions, and Transfers	<u>(214,916)</u>	<u>66,438</u>	<u>(148,478)</u>	<u>(541,730)</u>
Capital Contributions				
Hookup fees	2,648,507	-	2,648,507	-
Contributions	1,787,185	-	1,787,185	95,418
Federal/State grants	11,931	-	11,931	-
Total Capital Contributions	<u>4,447,623</u>	<u>-</u>	<u>4,447,623</u>	<u>95,418</u>
Transfers				
Transfers out	(1,450,000)	-	(1,450,000)	(334,675)
Change in Net Position	<u>2,782,707</u>	<u>66,438</u>	<u>2,849,145</u>	<u>(780,987)</u>
Net Position, July 1, as Restated (Note 3)	<u>406,282,744</u>	<u>4,072,377</u>		<u>33,359,007</u>
Net Position, June 30	<u>\$ 409,065,451</u>	<u>\$ 4,138,815</u>		<u>\$ 32,578,020</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>1,646,013</u>	
Change in Net Position of Business-type Activities			<u>\$ 4,495,158</u>	

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, 2013**

	<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>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 29,168,188	\$ 2,662,388	\$ 31,830,576	\$ 17,587,734
Cash received from other funds	308,902	14,774	323,676	34,791,441
Cash received from others	2,192,920	1,653	2,194,573	3,369,158
Cash payments for personnel costs	(5,864,624)	(1,571,711)	(7,436,335)	-
Cash payments for services and supplies	(12,514,510)	(862,489)	(13,376,999)	(2,350,286)
Cash payments for refund of hookup fees	(2,334,750)	-	(2,334,750)	(52,637,535)
Net Cash Provided (Used) by Operating Activities	<u>10,956,126</u>	<u>244,615</u>	<u>11,200,741</u>	<u>760,512</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	112,008	-	112,008	273,081
Contributions	-	2,005	2,005	-
Transfers to other funds	(1,450,000)	-	(1,450,000)	(334,675)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,337,992)</u>	<u>2,005</u>	<u>(1,335,987)</u>	<u>(61,594)</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	-	499	499	105,958
Cash received from Federal/State grants	12,478	-	12,478	-
Contributions from others	3,356,845	-	3,356,845	-
Principal paid on financing	(3,717,645)	-	(3,717,645)	-
Interest paid on financing	(2,433,836)	-	(2,433,836)	-
Proceeds from insurance recoveries	-	-	-	4,702
*Acquisition of capital assets	(3,675,265)	(52,270)	(3,727,535)	(1,265,383)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,457,423)</u>	<u>(51,771)</u>	<u>(6,509,194)</u>	<u>(1,154,723)</u>
Cash Flows From Investing Activities:				
Investment earnings (loss)	(79,018)	(1,446)	(80,464)	(6,941)
**Proceeds from assets held for sale	-	-	-	1,633,000
**Equipment supply deposit received	-	-	-	83,000
**Equipment supply deposit paid	-	-	-	(1,416,200)
Net Cash Provided (Used) by Investing Activities	<u>(79,018)</u>	<u>(1,446)</u>	<u>(80,464)</u>	<u>292,859</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,081,693	193,403	3,275,096	(162,946)
Cash and Cash Equivalents, July 1	<u>106,841,843</u>	<u>1,338,364</u>	<u>108,180,207</u>	<u>36,865,236</u>
Cash and Cash Equivalents, June 30	<u>\$ 109,923,536</u>	<u>\$ 1,531,767</u>	<u>\$ 111,455,303</u>	<u>\$ 36,702,290</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2013**

	<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)	\$ 4,563,542	\$ 64,791	\$ 4,628,333	\$ (2,341,392)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	8,557,566	234,697	8,792,263	1,786,802
Contributed inventory	24,897	-	24,897	-
Other nonoperating revenue	329,038	1,591	330,629	1,251,748
Hookup fee refunds	(2,334,750)	-	(2,334,750)	-
**Imputed rental expense	-	-	-	118,903
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(213,708)	(84,444)	(298,152)	528,008
Due from other governments	46,978	-	46,978	(19,866)
Notes receivable	(3,261)	-	(3,261)	-
Inventory	(7,566)	263	(7,303)	(58,528)
Other assets	-	-	-	(129,594)
Increase (decrease) in:				
Accounts payable	(112,113)	7,549	(104,564)	372,478
Accrued salaries and benefits	19,251	14,738	33,989	8,370
Compensated absences	7,432	(1,904)	5,528	20,176
Due to other governments	118,249	7,334	125,583	(205,298)
Other liabilities	(39,429)	-	(39,429)	(1,673,295)
Pending claims	-	-	-	1,102,000
Total Adjustments	6,392,584	179,824	6,572,408	3,101,904
Net Cash Provided (Used) by Operating Activities	<u>\$ 10,956,126</u>	<u>\$ 244,615</u>	<u>\$ 11,200,741</u>	<u>\$ 760,512</u>

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

The Equipment Services Fund lease deposits remaining from prior year rental agreements total \$3,016,518. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$118,903 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,407,047 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$225,953. Lease deposits totaling \$83,000 were forfeited to acquire assets. Lease deposits totaling \$83,000 were refunded and the equipment was returned.

*Acquisition of Capital Assets Financed by Cash	\$ 3,675,265	\$ 52,270	\$ 3,727,535	\$ 1,265,383
Capital contributions received	1,762,288	-	1,762,288	-
Capital transferred from other funds	-	-	-	95,418
Lease deposits capitalized	-	-	-	83,000
Increase/(decrease) in liabilities	(104,902)	-	(104,902)	40,117
Total Acquisition of Capital Assets	<u>\$ 5,332,651</u>	<u>\$ 52,270</u>	<u>\$ 5,384,921</u>	<u>\$ 1,483,918</u>

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

**WASHOE COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013**

	Investment Trust Fund	Agency Funds
Assets		
Cash and investments (Note 4)	\$ 99,421,436	\$ 32,197,668
Financial assurances	-	426,474
Accounts receivable	-	466,146
Property taxes receivable	-	6,739,584
Interest receivable	349,080	-
Due from other governments	-	46,878
Other deposits	-	17,952
	99,770,516	39,894,702
Liabilities		
Due to others/governments	-	39,894,702
	-	39,894,702
Net Position		
Restricted for pool participants	\$ 99,770,516	\$ -

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

**WASHOE COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	Investment Trust Fund
Additions	
Investment earnings:	
Interest	\$ 2,085,112
Net increase (decrease) in the fair value of investments	(2,076,719)
Contributions to pooled investments	188,435,764
Total Additions	188,444,157
Deductions	
Distributions from pooled investments	184,472,694
Change in Net Position	3,971,463
Net Position, July 1, as Restated	95,799,053
Net Position, June 30	\$ 99,770,516

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

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**NOTES TO THE FINANCIAL
STATEMENTS /
REQUIRED SUPPLEMENTARY
INFORMATION**

**NOTES TO THE FINANCIAL STATEMENTS
and
REQUIRED SUPPLEMENTARY INFORMATION**

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WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Washoe County (County) was incorporated in 1861 and is a municipality of the State of Nevada (State) governed by a five-member elected Board of County Commissioners (BCC). The major operations of Washoe County include various tax assessments and collections, judicial functions, law enforcement, certain public health and welfare functions, road maintenance, parks, libraries, and various administrative activities.

The accompanying financial statements of the County and its discretely presented component units 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 the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

These financial statements present the County and its component units. Component units are legally separate organizations for which the County is financially accountable. The County currently has two discretely presented component units.

Truckee Meadows Fire Protection District (TMFPD) was formed pursuant to Chapter 474 of the Nevada Revised Statutes (NRS) and levies taxes to provide emergency medical services, structural and wildland fire suppression services, and watershed protection to the unincorporated areas of the County within TMFPD's boundaries. TMFPD also provides fire services to the Sierra Fire Protection District through an interlocal agreement.

The Sierra Fire Protection District (SFPD) was formed pursuant to Chapter 474 of the NRS. SFPD levies taxes and, through an interlocal agreement, pays TMFPD to provide fire services in the district. SFPD continues to purchase and maintain facilities and equipment supporting its District.

For each discretely presented component unit, the BCC is also the Board of Fire Commissioners and thus could impose their will on the Fire Districts. However, the County does not have a financial benefit or burden relationship with the Fire Districts and support activities between the County and the Fire Districts are reimbursed under the terms of interlocal agreements.

Separate financial statements for the two districts are filed at the Washoe County Clerk's Office, 1001 E. 9th Street Room A-115, Reno, Nevada.

B. Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide and fund financial statements. The reporting focus is on either the County as a whole or major individual funds and nonmajor funds in the aggregate. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The County has two discretely presented component units which are presented in separate columns in the government-wide statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all nonfiduciary activities of the County and its component units. The County maintains an overhead cost allocation that is charged to operating funds based on an indirect cost analysis. This indirect cost allocation is eliminated through a separate column on the Statement of Activities to provide full-cost information for the various functions. 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. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on user fees and service charges for support.

In the government-wide Statement of Net Position, both governmental and business-type activities are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which recognizes all long-term assets as well as long-term debt and obligations. The County's net position is reported in three parts – net investment in capital assets, restricted net position and unrestricted net position. The County 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 County's functions and business-type activities. Functions are also supported by general revenues (property and consolidated taxes, certain

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

intergovernmental revenues, investment earnings not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation and amortization) by related program revenues. Program revenues include charges to customers or applicants for goods, services, or privileges provided; operating grants, interest and contributions; and capital grants, interest and contributions, including special assessments and investment earnings legally restricted to support specific programs. Program revenue must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts. 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 fund financial statements is on major funds in either governmental or business-type activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and business-type categories combined) for the determination of major funds. County management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County's internal service funds are presented in the proprietary funds financial statements. Because principal users of internal services are the County's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

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

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

The **Child Protective Services Fund** accounts for ad valorem taxes, grants and other revenue sources specifically appropriated to protect against the neglect, abandonment and abuse of children.

The **Special Assessment Debt Service Fund** accounts for assessments and other resources used to retire debt issued for improvements benefiting those properties against which the special assessments are levied.

The County reports the following major enterprise fund:

The **Water Resources Fund** accounts for water planning, flood control and operations of the County's water and sewer systems.

The County reports the following additional fund types:

Internal Service Funds provide for property and liability claims against the County, unemployment claims, workers' compensation claims for disability, medical and rehabilitation expenses and related costs associated with on-the-job injuries, benefits and healthcare for active and retired employees, and vehicle purchases and maintenance services provided to County departments.

Investment Trust Fund accounts for commingled pool assets held in trust for schools, special districts, and agencies, which use the County treasury as their depository.

Agency Funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various local governments, special districts and individuals. Included are funds for apportioned property and sales taxes, shared revenues and other financial resources for schools, special districts, boards, and other state and city agencies; funds held for wards of the Public Guardian; unclaimed assets of decedents; social security, insurance and support payments for children in the welfare system; bonds posted with the District Court; social security benefits

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

held on behalf of senior citizens; funds held for inmates housed at the County jail; employees' payroll deductions such as insurance, taxes, and credit union; unapportioned taxes for other local governments; contributions from property owners for payment of no-commitment special assessment debt; financial assurances for corrective action requirements of property owners; water planning fees collected from regional water customers; and assets held on behalf of special districts, boards and other miscellaneous agencies.

Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination for government-wide financial statement consolidation. Services provided, deemed at or near market rates, are treated as revenues and expenditures/expenses. Indirect cost allocations for support services/overhead are recorded as revenue and expense in the fund financial statements and are eliminated through a separate column in the government-wide Statement of Activities. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

During the course of operations, the County has activity between the funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

The measurement focus indicates the type of resources being measured such as current financial resources or economic resources. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. It 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. 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 County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred inflow of resources 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. General capital asset acquisitions are reported as expenditures in the government funds. Issuance of long-term debt is reported as other financing sources.

Governmental revenues susceptible to accrual include: ad valorem taxes, interest, grant revenues, contractual service charges and other revenues collected and distributed by the State. State distributions include consolidated taxes, government services taxes, and motor vehicle fuel taxes. Construction taxes, licenses and permits, fines, and other charges for services are recognized as revenue when they are received.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The focus is upon determination of operating income, changes in net position, financial position, and cash flows, similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from nonoperating 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. Operating expenses for enterprise funds and internal service funds

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Investment trust and agency funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting.

E. Financial Statement Amounts

Cash and Investments

The County manages a common cash and investment pool for the County, Regional Transportation Commission, Washoe County School District, the Washoe County Nevada OPEB Trust, the Truckee River Flood Management Authority and other local entities. The investment pool operates in accordance with appropriate state laws and County policy. Each fund's share in the pool is displayed in the accompanying financial statements as cash and investments. Interest is allocated to the various funds based on each fund's average cash and investment balance where it is legally required to do so. Investment earnings for all other funds are credited to the General Fund, as provided by NRS 355.170-175. In addition to the cash and investment pool, certain cash deposits and investments are held separately by several County funds and reported accordingly. Investments are reported at fair value and changes in fair value are included in investment income.

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments, generally with original maturities of three months or less. Since all cash in proprietary funds is pooled with the rest of the County's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents.

Restricted Assets

Restricted assets consist of cash and investments that are restricted in their use by bond covenants or other external agreements. They consist of remaining bond proceeds for specific capital projects, debt service obligations, a workers' compensation deposit required by State Statute and an operating reserve required under the terms of a federal grant.

Inventories

Inventories for proprietary funds are valued at the lower of cost or market on a first-in, first-out basis. For governmental funds, the County charges consumable supplies as expenditures against appropriations at the time of purchase. Any inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

Capital Assets

Capital assets, which include land, land use rights, buildings, equipment, software and other intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Contributed assets are recorded at their estimated fair market value at the date of donation. The County's capitalization level for infrastructure and intangible assets, including internally generated software, is \$100,000 and \$10,000 for all other classifications of capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. Other capital assets are generally depreciated/amortized using the straight-line method over the following estimated useful lives:

	YEARS
Buildings	5-40
Improvements	3-40
Equipment	5-20
Vehicles	2-15
Software and other intangibles	3-75
Stormwater and Wastewater Lines and Pump Stations	10-75
Other Infrastructure	10-75

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

However, in the proprietary funds, a per-unit of production method of depreciation may be used where it is deemed a more realistic reflection of the loss of economic value for the assets being used.

Intangible assets that are considered to have an indefinite useful life because there are no legal, contractual, regulatory, technological, or other factors limiting the useful life, are not amortized.

As used in these statements, accumulated depreciation includes amortization of intangible assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The County only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in governmental funds balance sheets. The governmental funds report unavailable revenues from several sources including: property taxes, special assessments, and grant reimbursements. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations, Bond Discounts and Issuance Costs

In government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type in the Statement of Net Position. Bond premiums and discounts and any prepaid bond insurance, if applicable, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Prepaid bond insurance costs are reported as deferred charges and amortized over the term of the related debt. Debt issuance costs are expensed during the current period.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Equity Classifications

In government-wide statements and in proprietary fund statements, equity is classified as net position and displayed in three components:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets net of unspent financing proceeds.
- Restricted net position – Consists of equity with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other equity that does not meet the definition of “restricted” or “net investment in capital assets.”

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources in the funds as follows:

- Nonspendable fund balances – Consist of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

- Restricted fund balances – Consist of amounts with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Committed fund balances – Consist of resource balances with constraints imposed by formal action of the BCC through ordinance, resolution or public meeting item approval that specifically state the revenue source and purpose of the commitment. The choice of action type taken by the BCC is frequently directed by State Statutes and procedures so that any of the three types of actions noted above are considered equally binding for the BCC. Commitments can only be modified or rescinded through the same type of BCC action used to impose the restraint. Commitments can also include resources to meet major contractual obligations required by their nature and/or size to be approved by the BCC. These generally include major construction contracts of \$100,000 and over as well as other types of large contracts.
- Assigned fund balances – Consist of resource balances intended to be used for specific purposes by authorized County management that do not meet the criteria to be classified as restricted or committed. For governmental funds, excluding the General Fund, BCC approved resolutions authorizing the creation of the fund establish the specific purposes for which fund balances are assigned. In the General Fund, the assigned fund balance includes encumbrances approved by authorized County management that have been approved by the BCC for re-appropriation in the subsequent year. Authorized County management includes the County Manager, Assistant County Manager and elected or appointed department directors in accordance with County Ordinances and State Statutes. The assigned fund balance may also include amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources as approved by the BCC as part of the annual budget submitted to the State.
- Unassigned fund balances – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed or assigned.

Net Position and Fund Balance Flow Assumptions

When outlays for a particular purpose are funded from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. The County's Fund Balance Policy states that when both restricted and unrestricted resources are available for expenditure, restricted resources should be spent first unless legal requirements disallow it. When outlays are incurred for purposes for which amounts in any unrestricted fund balance classification could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

Budgetary Stabilization

It is the County's policy to maintain a fund balance of 1.5% of expenditures and other financing uses, excluding material one-time items, for the purpose of budgetary stabilization. NRS 354.6115 authorizes the creation of a fund to stabilize operation of local governments and mitigate effects of natural disaster. The intent of this policy is to include a portion of the General Fund budgeted ending fund balance that will be committed to stabilization pursuant to NRS 354.6115. Fund balance that is committed to stabilization can be used only after approval by the BCC when unanticipated declines in the major revenue sources (consolidated and property tax revenues) are sustained for at least 6 months and declines from budget by 2.5% or greater as well as when unbudgeted expenditures are incurred due to a declared emergency or natural disaster. In the case of a natural disaster, the BCC must declare the emergency and State Statutes further constrains the use of these stabilization funds to specific types of outlays.

Reclassifications

Certain amounts in the prior year statements have been reclassified for comparison purposes to conform with current year presentation.

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All County taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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Property Taxes

All real property in the County is subject to physical reappraisal every five years. Annual adjustments are made to the assessed valuation to reflect general changes in property values. The assessed valuation of the property and its improvements is computed at 35% of "taxable value" as defined by State Statute. Taxable value is defined as full cash value for land, replacement cost less straight-line depreciation for land improvements, and statutory depreciation for personal property. The maximum depreciation allowed is 75% of replacement cost.

Tax rates are levied by the BCC immediately after the Nevada Tax Commission has certified the combined tax rate and are then submitted to the County Treasurer for collection. The tax rate levied is for the current fiscal year, July 1 to June 30, and the taxes are considered a lien against real property attaching on July 1. The tax for fiscal year 2013 was due and payable on the third Monday in August, 2012. Taxes may be paid in four installments on the third Monday in August and the first Mondays in October, January and March. No provision for uncollectible amounts has been established since management does not anticipate any material collection loss in the year assessed, in respect to delinquent balances.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation and the tax rates. The major classifications of personal property are commercial and mobile homes. In the County, taxes on motor vehicles are collected by a State agency and remitted to the County based on statutory formulas.

Compensated Absences

In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as an expenditure. The long-term portion is accounted for in the governmental activities column of the government-wide Statement of Net Position.

The current portion of compensated absences is defined as benefits actually paid or accrued as a result of employees terminating employment by June 30. Agreements with various employee associations provide for payment of total accrued compensatory and vacation time in all cases. Accumulated sick leave benefits are payable to terminated employees who have accumulated a set number of hours up to a specified maximum, depending on the particular employee association.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for all funds except trust and agency funds, which do not require budgets. All annual appropriations lapse at fiscal year end.

The County adheres to the Local Government Budget and Finance Act (NRS 354.470-.626) incorporated within State Statutes and the procedures set by the Nevada Department of Taxation (NDT) to establish the budgetary data reflected in these financial statements. The BCC adopts the budget on or before June 1 and files it with the NDT.

The legal level of budgetary control is at the function level for each of the governmental funds and by the combined operating and non-operating expenses in proprietary funds. Statutes do not require that capital outlay, debt service payments and certain other non-cash transactions normally reflected in the balance sheet of proprietary funds be limited by the budget.

All budget amounts presented in these financial statements and schedules reflect the budget as amended by legally authorized revisions during the year. Original budgets are provided for major funds, including the General Fund, in compliance with reporting requirements. The Finance Director may approve budget adjustments within a function. Budget adjustments between functions or funds may be approved by the Finance Director with the BCC notification. Adjustments that affect fund balance, increase the original budget or affect the contingency account require BCC approval.

Encumbrance accounting is employed in governmental and proprietary funds. In governmental funds, encumbrances, which include purchase orders and contracts awarded for which goods and services have not been received at year-end, are reappropriated in the subsequent year and are reported as restricted, committed or assigned fund balances, as appropriate. An augmentation of \$18.5 million for encumbrances and restricted resources that have multiple year budgets was reappropriated in the new fiscal year.

There were no augmentations from beginning fund balance or previously unbudgeted resources for governmental funds in the current fiscal year. Augmentations in the current year for enterprise funds totaled \$149,000.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Compliance

The County conformed to all significant statutory and administrative code constraints on its financial administration during the year except the following:

The rate of reimbursement to witnesses for meals and incidentals is governed by NRS 50.225. The rate was changed in 2007 but this change was not reflected in the payments made by the County. The impact of this oversight in the current year is estimated to be an amount not to exceed \$5,500.

While it appears that the actual fund balance in the Enhanced 911 Fund for the fiscal year ended June 30, 2013 of \$1,189,794 is over the statutory limit of \$1,000,000 per NRS 244A.7645 subsection 4, the NRS permits adjustments for outstanding commitments and the uncommitted fund balance of \$548,378 is below the statutory limit.

NOTE 3 – ACCOUNTING CHANGES AND RESTATEMENTS

During the year, changes in the relationship of the County to component units that were reported in prior years as blended component units, required a restatement of beginning fund balances and net position.

On December 11, 2012, the BCC voted to amend the County ordinance related to the South Truckee Meadows General Improvement District (the District), removing the BCC as “ex officio” Board of Trustees and establishing the elected officials of the District’s Local Managing Board as the Board of Trustees. The County’s water utility staff continues to operate the utility for the District under the terms of an interlocal agreement; however, the District has its own revenue source and reimburses the County for this support. This entity is no longer a component unit of the County and the beginning net position of the County’s business activities has been restated to reflect this change.

The operations for TMFPD and SFPD were brought together under management of TMFPD effective March 27, 2012. As part of this change, the BCC, who also sits as the Board of Fire Commissioners, approved an interlocal agreement on June 1, 2012, for administrative support from the County to TMFPD and for operating services from TMFPD to the County. The interlocal agreement identified the specific support services to be provided by each entity and provides for reimbursement costing on an equitable basis. Although the managing boards are the same, the County has no financial benefit or burden relationship with TMFPD or SFPD beyond the exchange based interlocal agreement. Both component units have been reclassified from blended component units to discretely presented component units in the current year and the beginning fund balances and net position of governmental activities have been restated to reflect this change.

The County implemented GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, in the current year which changed classifications of the balance sheet to include new categories for deferred outflows of resources or deferred inflows of resources, and redefined the net assets in proprietary funds and in government-wide statements as net position. In applying these new GASB definitions to the County, the primary impact on net position was to write-off deferred bond issuance cost leaving only a balance for bond insurance which was prepaid and is being amortized over the life of the bonds.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

The resulting restatements of beginning balances for both the organizational and component units changes are shown below.

Restatements to Fund Balances / Net Position

	July 1, 2013 As Previously Reported	Restatements	July 1, 2013, As Restated
<u>Governmental Funds and Governmental Activities</u>			
Major Funds:			
General Fund	\$ 36,322,627	-	\$ 36,322,627
Special Assessment Debt Service Fund	1,858,810	-	1,858,810
Child Protective Services Fund	-	11,038,652	11,038,652
Nonmajor Funds:			
Special revenue funds	69,143,656	(21,621,595)	47,522,061
Debt service funds	8,949,428	-	8,949,428
Capital projects funds	54,011,617	(5,216,445)	48,795,172
Total Nonmajor Fund Balances	132,104,701	(26,838,040)	105,266,661
Total Governmental Fund Balances	170,286,138	(15,799,388)	154,486,750
Internal Service Funds			
Total Net Position	36,881,346	(3,522,339)	33,359,007
Governmental Activities:			
GASB 65 adjustments	-	(1,871,410)	(1,871,410)
Component unit restructure	-	(17,090,972)	(17,090,972)
Other adjustments	401,307,668	-	401,307,668
Total Governmental Activities Net Position	\$ 608,475,152	\$ (38,284,109)	\$ 570,191,043
<u>Proprietary Funds and Business-type Activities</u>			
Major Funds:			
Water Resources Fund	\$ 406,417,451	(134,707)	\$ 406,282,744
Nonmajor Enterprise Funds	34,338,372	(30,265,995)	4,072,377
Total Proprietary Funds Net Position	440,755,823	(30,400,702)	410,355,121
Business-type Activities:			
Other adjustments	10,007,420	-	10,007,420
Business-type Activities Net Position	450,763,243	(30,400,702)	420,362,541
Total Net Position	\$ 1,059,238,395	\$ (68,684,811)	\$ 990,553,584

NOTE 4 – CASH AND INVESTMENTS

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and insured credit unions and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$43,018,756 and the bank balance was \$46,848,786. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the banks' records.

Custodial Credit Risk – Deposits

All deposits are subject to custodial credit risk, which is the risk that the County's deposits may not be returned to it in the event of a bank failure. Bank balances were covered by Federal depository insurance, the Securities Investor Protection Corporation, collateral held by the County's agent in the County's name or by collateral held by depositories in the name of the Nevada Collateral Pool, and were not exposed to custodial credit risk. The County does not have a formal policy relating to custodial credit risk, but follows NRS. According to NRS 356.020, all monies deposited by a county treasurer that are not within the limits of insurance provided by an instrumentality of the United States must be secured by collateral composed of the same types of securities allowed for investments which are identified below. The County participates in the State of Nevada Collateral Pool

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

which requires depositories to maintain as collateral acceptable securities having a fair market value of at least 102 percent of the amount of the uninsured balances of the public money held by the depository. Under NRS 356.360, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the pool.

Investments

The County has a formal investment policy that, in the opinion of management, is designed to insure conformity with NRS and seeks to limit exposure to investment risks.

NRS 355.172 requires the County Treasurer or his agent to take physical possession of securities purchased as an investment by the County in the name of the County. If the securities purchased are subject to repurchase by the seller, the County may, in lieu of the requirement of possession, obtain a fully perfected, first-priority security interest having a fair market value equal to or greater than the repurchase price of the securities.

Investments are recorded at fair value. Earnings and/or losses on investments are allocated to certain funds based on average daily cash balances.

As of June 30, 2013, the County had the following investments and maturities:

	INVESTMENT MATURITIES (IN YEARS)				
	Fair Value	Less than 1	1 to 4	4 to 6	6 to 10
Investments:					
Money Market Mutual Funds	\$ 4,509,299	\$ 4,509,299	\$ -	\$ -	-
Certificates of Deposit	49,870,155	10,004,200	39,865,955	-	-
U.S. Treasury Securities	49,575,952	-	15,427,576	9,734,033	24,414,343
U.S. Agency Securities	214,911,941	324,376	144,412,338	42,545,293	27,629,934
Collateralized Mortgage Obligations	1,138,960	-	-	1,138,960	-
Corporate Notes	73,852,631	462	50,410,290	23,441,879	-
Total Investments	393,858,938	14,838,337	250,116,159	76,860,165	52,044,277
Total Cash	43,018,756	43,018,756	-	-	-
Total Cash and Investments¹	\$ 436,877,694	\$ 57,857,093	\$ 250,116,159	\$ 76,860,165	\$ 52,044,277

¹Total cash and investments include restricted cash.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy requires twelve to eighteen months of projected cash flow to be in investments maturing in one year or less. Investments maturing in less than one year at June 30, 2013 were 3.4% of the County's total cash and investments. The County's strategic investment plan seeks to obtain the desired average maturity of 2 to 4 years. The average maturity at June 30, 2013, was 3 years.

The County invests in the following types of securities that are considered to be highly sensitive to interest rate changes:

Investment	Fair Market	% of Total
<u>U.S. Agency Mortgage Back Securities and Collateralized Mortgage Obligations</u> When interest rates fall, mortgages are refinanced and paid off early and the reduced stream of future interest payments diminish fair value.	\$ 15,633,198	4.0 %
<u>Callable U.S. Agency and Corporate Note Securities</u> On specified dates the issuer can call the security. Because they are subject to early repayment, the fair value of these securities is more sensitive in a period of declining interest rates.	6,559,358	1.7 %
Total	<u>\$ 22,192,556</u>	

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Credit Risk

NRS allows investments in obligations of the U.S. Treasury and U.S. agencies, municipal bonds issued by local governments of the State, corporate bonds rated "A" or better by a nationally recognized rating service, commercial paper rated "A-1," "P-1" or better by a nationally recognized rating service, repurchase agreements, certificates of deposit, money market mutual funds rated "AAA" by a nationally recognized rating service or other securities in which banking institutions may legally invest. County policy does not further restrict these investments.

As of June 30, 2013, the County's investments are rated as follows:

<u>S&P Rating</u>	<u>Mutual Funds</u>	<u>Certificates of Deposit</u>	<u>U.S. Treasury Securities</u>	<u>U.S. Agencies</u>	<u>CMO</u>	<u>Corporate Notes</u>	<u>Fair Value</u>
AAAm	\$ 4,509,299	\$ -	\$ -	\$ -	\$ -	\$ -	4,509,299
AAA	-	-	-	-	-	2,369,417	2,369,417
AA+	-	-	49,575,952	214,911,941	1,138,960	21,740,713	287,367,566
AA	-	-	-	-	-	22,924,853	22,924,853
AA-	-	9,951,690	-	-	-	13,772,176	23,723,866
A+	-	9,899,555	-	-	-	-	9,899,555
A	-	-	-	-	-	10,480,304	10,480,304
A-1+	-	20,012,980	-	-	-	-	20,012,980
A-1	-	10,005,930	-	-	-	2,565,168	12,571,098
	<u>\$ 4,509,299</u>	<u>\$ 49,870,155</u>	<u>\$ 49,575,952</u>	<u>\$ 214,911,941</u>	<u>\$ 1,138,960</u>	<u>\$ 73,852,631</u>	<u>\$ 393,858,938</u>

Concentration of Credit Risk

The County's investment policy places no limit on amounts invested in direct obligations of the U.S. Treasury and securities backed by the full faith and credit of the U.S. Government, while placing the following limits per issuer on all other securities: Federal Agency Securities, 35%; Federal Agency Mortgage Backed Securities, 15%; Money Market Funds, 45%; Corporate bonds and notes, 4% and obligations issued by local governments of the State of Nevada, 25%.

At June 30, 2013, the following investments exceeded 5% of the County's total:

Fannie Mae	29.1%
Freddie Mac	21.0%
U.S. Treasury Securities	12.6%

Pooled Investments

Pooled investments are carried at fair value determined by quoted market prices, net of accrued interest. All pooled investments are physically collateralized and held by Wells Fargo Bank.

The County administers an external investment pool combining County money with voluntary investments from Truckee Meadows Fire Protection District, Sierra Fire Protection District, the Washoe County School District, Regional Transportation Commission, Nevada Works, Truckee River Water Quality Settlement Agreement Joint Venture, Western Regional Water Commission, Washoe County, Nevada OPEB Trust, Truckee River Flood Management Authority, the Library Investment Fund, the Deferred Compensation Fund, the South Truckee Meadows General Improvement District and the Southwest Point Fund. The BCC has overall responsibility for investment of County funds, including the Investment Trust Fund, in accordance with NRS 355.175. The Washoe County Chief Investment Official is the Washoe County Treasurer, under authority delegated by the BCC. The Investment Committee, created by Washoe County Code Section 15.220, has been delegated the investment decision making authority in the County and serves also in an advisory capacity to the Treasurer and BCC. The external investment pool is not registered with the SEC as an investment company. Public Financial Management, LLC determines the fair value of the County investments monthly. The County has not provided or obtained any legally binding guarantees during the period to support the value of shares.

The participants' share and redemption value are calculated using the same method. Each participant's share is equal to their investment plus or minus the monthly allocation of net income, realized and unrealized gains and losses. The determination of

WASHOE COUNTY, NEVADA
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(CONTINUED)

realized gains and losses is independent of the determination of the net change in the fair value of investments for the previous year(s) as well as the current year.

Investments held in the external investment pool at June 30, 2013 were:

Investment Type:	Fair Value	Principal Amount/ No. of Shares	Rate	Maturity Dates
Money Market Mutual Funds	\$ 25,000	25,000	Variable	7/1/2013
Certificates of Deposit	49,870,155	49,900,000	0.4-0.7%	03/18/2014 - 04/29/2015
U.S. Treasury Securities	49,575,952	46,590,000	0.9-8.8%	02/28/2015 - 05/15/2021
U.S. Agency Securities	214,911,941	209,242,627	0.4-5.4%	11/01/2013 - 06/01/2022
Collateralized Mortgage Obligations	1,138,960	1,125,301	3.0-4.0%	01/01/2018 - 03/01/2018
Corporate Notes	73,852,631	73,565,000	0.5-3.5%	02/15/2015 - 06/24/2018
Total Investments in Pool	\$ 389,374,639			

External Investment Pool
Statement of Net Position as of June 30, 2013

Assets:	
Cash	\$ 26,898,361
Investments:	
Money Market Mutual Funds	25,000
Certificates of Deposit	49,870,155
U.S. Treasury Securities	49,575,952
U.S. Agency Securities	214,911,941
Collateralized Mortgage Obligations	1,138,960
Corporate Notes	73,852,631
Interest Receivable	1,320,471
Total Assets	\$ 417,593,471
Net Position:	
Internal participants	\$ 294,443,245
Component Units:	
Sierra Fire Protection District	1,754,719
Truckee Meadows Fire Protection District	21,624,991
External participants	99,770,516
Total Net Position Held in Trust for Pool Participants (\$1.00/par)	\$ 417,593,471

WASHOE COUNTY, NEVADA
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(CONTINUED)

External Investment Pool
Statement of Changes in Net Position for the Year Ended June 30, 2013

Additions:	
Investment earnings	\$ 8,097,295
Net realized gain (loss) on investments	(1,008,703)
Net increase (decrease) in fair value of investments	<u>(6,854,141)</u>
Increase in net assets resulting from operations	234,451
Net capital share transactions	<u>(8,590,684)</u>
Change in Net Position	(8,356,233)
Net Position, July 1	<u>425,949,704</u>
Net Position, June 30	<u>\$ 417,593,471</u>

NOTE 5 – RESTRICTED CASH AND INVESTMENTS

Restricted cash and investments include amounts restricted for future debt service and reserves as required by bond covenants and ordinances; unspent bond proceeds restricted for various capital projects as required by bond ordinances; reserves restricted for projects for the HUD Neighborhood Stabilization Program; and reserves restricted for workers' compensation claims pursuant to NRS 616B.300. Restricted cash and investments at June 30, 2013, were as follows:

	<u>Debt Service</u>	<u>Projects</u>	<u>Claims</u>	<u>Total</u>
<u>Governmental Funds and Governmental Activities</u>				
General Fund	\$ 750,000	\$ -	\$ -	\$ 750,000
Child Protective Services Fund	-	45,406	-	45,406
Special Assessments Debt Service Fund	<u>51,298</u>	<u>-</u>	<u>-</u>	<u>51,298</u>
Total Governmental Funds	801,298	45,406	-	846,704
Internal Service Funds:				
Risk Management Fund	<u>-</u>	<u>-</u>	<u>2,172,000</u>	<u>2,172,000</u>
Total Governmental Activities	801,298	45,406	2,172,000	3,018,704
<u>Proprietary Funds and Business-type Activities</u>				
Water Resources Fund	<u>13,476,861</u>	<u>-</u>	<u>-</u>	<u>13,476,861</u>
Total Restricted Cash and Investments	<u>\$ 14,278,159</u>	<u>\$ 45,406</u>	<u>\$ 2,172,000</u>	<u>\$ 16,495,565</u>

NOTE 6 – LONG-TERM ASSETS

Governmental Activities

Long-term assets in governmental activities include \$173,530 in prepaid bond insurance and \$3,711,643 in net other postemployment benefits assets (Note 16). Long-term assets in internal service funds include \$1,416,200 in refundable lease agreement deposits and \$206,036 in prepaid lease expense, all relating to leased equipment in the Equipment Services Fund.

Business-type Activities

Long-term assets in business-type activities include \$196,668 in prepaid bond insurance and \$213,080 in long-term receivables in the Water Resources Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

NOTE 7 – CAPITAL ASSETS

	Beginning Balances¹	Increases	Decreases	Ending Balances
<u>Capital Assets - Governmental Activities</u>				
Capital assets, not being depreciated:				
Land and land use rights	\$ 142,608,106	\$ 303,441	\$ 116,801	\$ 142,794,746
Construction in progress	8,223,218	16,602,037	17,915,437	6,909,818
Total capital assets not being depreciated	150,831,324	16,905,478	18,032,238	149,704,564
Capital assets being depreciated:				
Land improvements	57,191,145	577,170	-	57,768,315
Buildings/improvements	307,513,303	4,239,251	1,120,245	310,632,309
Infrastructure	576,484,075	16,952,053	8,794,516	584,641,612
Equipment	69,960,089	5,340,920	4,214,904	71,086,105
Software	17,154,228	738,889	51,950	17,841,167
Total capital assets being depreciated	1,028,302,840	27,848,283	14,181,615	1,041,969,508
Less accumulated depreciation for:				
Land improvements	33,262,446	2,251,646	-	35,514,092
Buildings/improvements	104,765,018	8,650,090	696,035	112,719,073
Infrastructure	387,148,994	22,298,856	8,415,500	401,032,350
Equipment	49,111,134	5,736,591	4,110,458	50,737,267
Software	10,133,026	1,701,925	7,215	11,827,736
Total accumulated depreciation	584,420,618	40,639,108	13,229,208	611,830,518
Net capital assets being depreciated	443,882,222	(12,790,825)	952,407	430,138,990
Governmental activities capital assets, net	\$ 594,713,546	\$ 4,114,653	\$ 18,984,645	\$ 579,843,554

¹As Restated

Depreciation expense was charged to functions/programs for the governmental activities as follows:

Governmental Activities:	
General government	\$ 2,586,849
Judicial	2,404,502
Public safety	6,950,928
Public works	22,867,700
Health and sanitation	211,237
Welfare	544,149
Culture and recreation	3,286,941
Capital assets held by internal service funds charged to functions based on their usage of assets	1,786,802
Total Depreciation / Amortization Expense - Governmental Activities	\$ 40,639,108

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

	<u>Beginning Balances¹</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Capital Assets - Business-type Activities</u>				
Capital assets not being depreciated:				
Land and land use rights	\$ 13,784,676	\$ 233,385	\$ 30,770	\$ 13,987,291
Plant capacity	825,150	-	-	825,150
Construction in progress	5,318,236	3,339,321	4,107,259	4,550,298
Total capital assets not being depreciated	19,928,062	3,572,706	4,138,029	19,362,739
Capital assets being depreciated:				
Land improvements	5,168,283	-	-	5,168,283
Buildings/improvements	65,357,062	3,630,294	1,030,919	67,956,437
Infrastructure	356,894,253	2,236,910	131,509	358,999,654
Equipment	2,262,169	52,270	66,216	2,248,223
Software	1,139,125	-	-	1,139,125
Plant, well capacity	10,030,729	-	-	10,030,729
Total capital assets being depreciated	440,851,621	5,919,474	1,228,644	445,542,451
Less accumulated depreciation for:				
Land improvements	2,930,873	227,234	-	3,158,107
Buildings/improvements	16,753,335	1,590,117	674,432	17,669,020
Infrastructure	71,856,750	6,544,140	61,590	78,339,300
Equipment	2,088,031	55,400	66,216	2,077,215
Software	906,791	124,552	-	1,031,343
Plant, well capacity	2,270,073	250,820	-	2,520,893
Total accumulated depreciation	96,805,853	8,792,263	802,238	104,795,878
Net capital assets being depreciated	344,045,768	(2,872,789)	426,406	340,746,573
Business-type activities capital assets, net	\$ 363,973,830	\$ 699,917	\$ 4,564,435	\$ 360,109,312

¹As Restated

Depreciation expense was charged to functions/programs for business activities as follows:

Business-Type Activities:	
Utilities	\$ 8,557,566
Golf courses	222,118
Building and safety	12,579
Total Depreciation / Amortization Expense - Business-type Activities	\$ 8,792,263

Net capital assets at June 30, 2013, for the discretely present component units were:

	<u>Truckee Meadow Fire Protection District</u>	<u>Sierra Fire Protection District</u>
<u>Net Capital Assets</u>		
Capital assets not being depreciated	\$ 1,013,751	\$ 121,000
Capital assets being depreciated	10,904,679	4,335,977
Capital assets, net	\$ 11,918,430	\$ 4,456,977

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 8 – COMMITMENTS, CONTINGENCIES, AND OTHER LIABILITIES

Commitments

The County utilizes encumbrance accounting to identify fund commitments. Major commitments, generally contracts in excess of \$100,000, are entered into for construction projects or longer term service arrangements that can span several years.

Construction in progress and major commitments for governmental activities are:

<u>Governmental Funds and Governmental Activities</u>	<u>CIP Balance June 30, 2013</u>	<u>Major Commitments</u>
Major Governmental Funds:		
General Fund:		
Technology projects	\$ -	\$ 163,097
Service contracts	-	299,715
Child Protective Services Fund:		
Case management and support services	-	1,712,271
Study	-	152,559
Total Major Governmental Funds	-	2,327,642
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Public safety communications, technology	1,089,796	-
Road infrastructure	-	1,076,969
Water quality and remediation	-	1,637,688
Enhanced 911 equipment and services	479,533	524,651
Technology improvements	-	1,563,299
Other services	432,100	199,597
Total Special Revenue Funds	2,001,429	5,002,204
Capital Projects Funds:		
Parks and open space projects	2,511,144	3,070,910
Building infrastructure projects	36,286	132,848
Road infrastructure projects	234,654	182,680
Pedestrian path & bike lane projects	560,090	282,589
Technology improvements	77,777	170,916
Water quality improvement projects	1,488,438	1,208,594
Total Capital Projects Funds	4,908,389	5,048,537
Total Governmental Funds / Governmental Activities	\$ 6,909,818	\$ 12,378,383

In addition, the Water Resources Fund has entered into contracts for the construction of water related projects with outstanding balances of \$2,415,802.

Contingencies

The County is involved in various lawsuits. The outcome of these lawsuits is not presently determinable; however, management does not anticipate that they would materially impact the financial position of the County.

The County is currently the defendant in various lawsuits with property owners disputing the County Assessor's valuation methods used for property within the Lake Tahoe Basin. The County intends to vigorously defend the Assessor's 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. The impact on the County's financial condition cannot be reasonably estimated.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

The County is contingently liable on the following Reno-Sparks Convention & Visitors Authority (RSCVA) bonds:

Series January 2000 Bonds	\$ 33,453,457
Series November 29, 2011 Refunding Bonds	<u>88,680,000</u>
Total RSCVA Bonds	<u>\$ 122,133,457</u>

Although the County is contingently liable for the general obligation bonds of RSCVA in the event of a default, it is anticipated that RSCVA resources would be reallocated to retire the bonds. Therefore, the likelihood of the County assuming the debt is remote.

Other Liabilities

Governmental Activities

Other liabilities in governmental activities consist of deposits and amounts due to others of \$2,035,936 in the General Fund for deposits and bail related to pending court cases or investigations, \$370,709 in the General Fund for refundable deposits for park facilities and developer performance guarantees, and \$162,489 for other customer and security deposits.

Business-type Activities

Other liabilities in business-type activities include \$1,508,019 for developer deposits and \$84,008 for customer deposits in the Water Resources Fund, and \$14,005 in other business-type funds for developer and customer deposits.

NOTE 9 – UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

Unearned revenue in connection with resources that have been received, but not yet earned is reported as a liability for governmental activities.

Deferred inflows of resources represent an acquisition of net position that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. Governmental funds reported \$13.2 million in deferred inflows of resources related to unavailable revenue.

At the end of the current fiscal year, major components of unavailable and unearned revenue reported for governmental funds were as follows:

	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Liabilities					
Unearned revenue:					
Federal payments in lieu of taxes	\$ 3,216,296	\$ -	\$ -	\$ -	\$ 3,216,296
Other revenue	<u>2,578</u>	<u>74,960</u>	<u>-</u>	<u>543,114</u>	<u>620,652</u>
Total Unearned Revenue	<u>\$ 3,218,874</u>	<u>\$ 74,960</u>	<u>\$ -</u>	<u>\$ 543,114</u>	<u>\$ 3,836,948</u>
Deferred Inflows of Resources					
Unavailable revenue:					
Ad valorem taxes	\$ 2,314,462	\$ 84,745	\$ -	\$ 499,524	\$ 2,898,731
Special assessments	-	-	9,147,155	-	9,147,155
Grants and other revenue	<u>-</u>	<u>733,088</u>	<u>-</u>	<u>412,024</u>	<u>1,145,112</u>
Total Unavailable Revenue	<u>\$ 2,314,462</u>	<u>\$ 817,833</u>	<u>\$ 9,147,155</u>	<u>\$ 911,548</u>	<u>\$ 13,190,998</u>

Unearned revenue in business-type activities consists of \$234,607 for water rights leases and unearned utility revenue in the Water Resources Fund.

WASHOE COUNTY, NEVADA
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(CONTINUED)

Discretely Presented Component Units

At the end of the current fiscal year, major components of unavailable revenue reported for discretely presented component units were as follows:

Truckee Meadows Fire Protection District			
	TMFPD General Fund	TMFPD Emergency Fund	Total
Deferred Inflows of Resources			
Unavailable revenue:			
Ad valorem taxes	\$ 135,028	\$ -	\$ 135,028
Grants and other revenue	247,985	141,846	389,831
Total Unavailable Revenue	\$ 383,013	\$ 141,846	\$ 524,859
Sierra Fire Protection District			
	SFPD General Fund	SFPD Wildland Fire Emergency Fund	Total
Deferred Inflows of Resources			
Unavailable revenue:			
Ad valorem taxes	\$ 61,673	\$ -	\$ 61,673
Grants and other revenue	-	31,171	31,171
Total Unavailable Revenue	\$ 61,673	\$ 31,171	\$ 92,844

NOTE 10 – LONG-TERM OBLIGATIONS

Advance and Current Refundings

On August 28, 2012, the County issued \$18,090,000 General Obligation (Limited Tax) Various Purpose Refunding Bonds Series 2012A. Bond principal will be retired annually through fiscal year 2030, commencing March 1, 2013. Interest is payable on September and March 1, commencing on March 1, 2013. Interest rates on the bonds range from 3% to 4%. The bonds are rated AA by Standard and Poor's and Aa2 by Moody's. The proceeds and \$164,784 of existing resources were used for a partial advance refunding of \$18,025,000 in total for two previous bond issues and to pay the bond cost of issuance. The bonds refunded \$10,485,000 for General Obligation (Limited Tax) Park, Open Space, and Library Bonds Series 2002B of the July 1, 2012 outstanding balance of \$11,875,000. The refunded maturities are for May 1, 2016 through 2030 inclusively. The bonds also refunded \$7,540,000 for General Obligation (Limited Tax) Animal Control Bonds Series 2003A of the July 1, 2012 outstanding balance of \$8,490,000. The refunded maturities are for June 1, 2016 through 2030 inclusively.

The bonds were issued at a premium of \$941,810. The proceeds and existing resources were deposited in an irrevocable trust account controlled by US Bank. The amount deposited, \$18,855,730, is deemed sufficient to meet the debt service provisions of the refunded bonds. The reacquisition price exceeded the net carrying amount of the refunded debt by \$233,620. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. The refunding was undertaken to reduce total debt service payments over the next 17 years by \$3,724,852 and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$2,716,254. The refunded bonds are considered defeased and the liability relating to the refunded portion of the bonds has been removed from the governmental activities column of the Statement of Net Position.

On August 28, 2012, the County issued \$27,580,000 General Obligation (Limited Tax) Refunding Bonds (additionally secured by pledged revenues), Series 2012B. Bond principal will be retired annually through fiscal year 2027, commencing March 1, 2013. Interest is payable on September and March 1, commencing on March 1, 2013. Interest rates on the bonds range from 1% to 3%. The bonds are rated AA by Standard and Poor's and Aa2 by Moody's. The proceeds and \$242,995 of existing resources were used for a partial current refunding of \$8,685,000 and partial advance refunding of \$18,215,000 for a total refunding of \$26,900,000 of various general obligation bonds and to pay the bond cost of issuance.

The partial current refunding of \$8,685,000 is for the General Obligation (Limited Tax) Parks Bonds (additionally secured by pledged revenues) Series 2006 of the July 1, 2012 outstanding balance of \$14,930,000. The refunded maturities are for March 1, 2016 through 2026 inclusively.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

The partial advance refunding of \$18,215,000 includes the following: (1) \$11,460,000 for the General Obligation (Limited Tax) Office Building Bonds (additionally secured by pledged revenues) Series 2002A of the July 1, 2012 outstanding balance of \$13,505,000 and the refunded maturities are for January 1, 2016 through 2027 inclusively; (2) \$5,310,000 for the General Obligation (Limited Tax) Building and Parking Garage Bonds (additionally secured by pledged revenues) Series 2004 of the July 1, 2012 outstanding balance of \$8,800,000 and the refunded maturities are for January 1, 2019 through 2025 inclusively; (3) \$1,445,000 for the General Obligation (Limited Tax) Library Building Bonds (additionally secured by pledged revenues) Series 2004 of the July 1, 2012 outstanding balance of \$2,755,000 and the refunded maturities are for March 1, 2020 through 2025 inclusively.

The bonds were issued at of premium of \$307,609. The proceeds and existing resources were deposited in an irrevocable trust account controlled by US Bank. The deposited amount of \$27,789,677 is deemed sufficient to meet the debt service provisions of the refunded bonds. The reacquisition price exceeded the net carrying amount of the refunded debt by \$143,775. This amount is being netted against the new debt and amortized over the life of the new debt, which is shorter than the life of the old debt. The refunding was undertaken to reduce total debt service payments over the next 14 years by \$4,079,143 and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$3,365,791. The refunded bonds are considered defeased and the liability relating to the refunded portion of the bonds has been removed from the governmental activities column of the Statement of Net Position.

Bond Redemptions

On August 17, 2012 the County called for early redemption of the remaining principal balance of \$1,065,000 of the Washoe County General Obligation (Limited Tax) Water & Sewer Improvement and Refunding Bonds (additionally secured by pledged revenues) Series 1997 using existing resources.

On May 1, 2013 the County called for early redemption of the remaining principal balance of \$945,000 of the Washoe County General Obligation (Limited Tax) Parks, Library and Open Space Series 2002B using existing resources.

The County called \$1,185,000 in special assessment bonds for early redemption as funds were made available from the early payoff of special assessments.

Defeasance/Early Extinguishment of Debt

On May 31, 2013, the County defeased \$2,685,000 of the outstanding \$6,245,000 for General Obligation Parks Bond Series 2006. The partial defeasance was financed by placing \$3,145,549 of existing resources in an irrevocable trust controlled by US Bank. The amount deposited is deemed to be sufficient to meet the debt service provisions of the defeased bond. The reacquisition price exceeded the net carrying amount of the defeased debt by \$392,637. The defeasance was undertaken to reduce total debt service payments over the next 23 years by \$2,298,983. The bonds are considered to be defeased and the liability relating to the defeased portion of the bonds has been removed from the governmental activities column of the Statement of Net Position.

The County defeased certain general obligation debt by placing funds from unspent bond proceeds, existing resources and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on certain previously issued bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

As of June 30, 2013, the following are the remaining balances of the defeased portion of bond issues:

Library Building Series 2004	\$	1,445,000
Building and Parking Garage Series 2004		5,310,000
Water and Sewer Series Revenue 2005		30,280,000
Parks Revenue Series 2006		8,825,000
Total Defeased Debt	\$	45,860,000

Revenue Bonds

The County has pledged specific revenues to repay bonds in governmental and business activities.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Governmental activities

The County has pledged 15% of the consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Office Building Bonds Series 2002A; Library Building Bonds Series 2004; Building and Parking Garage Bonds Series 2004; Public Safety Bonds Series 2006; Parks Bonds Series 2006; Building Refunding Bonds Series 2011B; and Refunding Bonds Series 2012B, issued between fiscal years 2002 and 2012. The total principal and interest remaining to be paid on the bonds is \$78,789,260, payable through fiscal year 2036. For the current year, principal and interest paid from pledged revenues for the bonds totaled \$4,655,780, and pledged revenues totaled \$11,323,361. In addition (1) \$11,460,000 in principal and \$82,107 in interest was paid for the Office Building Bonds Series 2002A; (2) \$5,310,000 in principal and \$36,590 in interest was paid for the Building and Parking Garage Bonds Series 2004; (3) \$1,445,000 in principal and \$30,802 in interest was paid for the Library Building Bonds Series 2004; (4) \$8,685,000 in principal and \$171,966 in interest was paid for the Parks Bonds Series 2006 from the \$27,580,000 General Obligation (Limited Tax) Refunding Bonds (additionally secured by pledged revenues), Series 2011B issued on August 28, 2012. Parks Bonds Series 2006 additional principal of \$2,685,000 and interest of \$460,549 was paid on May 31, 2013 using existing resources.

The County has pledged future infrastructure sales tax revenues to repay \$42.9 million in Flood Control Series 2006 and Sales Tax Series 1998 flood control bonds. Proceeds from the bonds provided financing, for expansion of, and improvements to, the flood control system. The bonds are intended to be paid solely from infrastructure tax revenues and are payable through fiscal year 2036. Annual principal and interest payments on the bonds are expected to require as much as 36% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$47,669,817. For the current year, principal and interest paid for the bonds totaled \$2,351,332, and pledged revenues totaled \$7,127,834.

The County has pledged future car rental fees to repay \$29.5 million in car rental fee revenue bonds issued in fiscal year 2008. Proceeds from the bonds provided financing to acquire, improve, equip, operate and maintain within the County a minor league baseball stadium project. The bonds are intended to be paid solely from car rental fee revenues and are payable through fiscal year 2058. Annual principal and interest payments on the bonds are expected to require 100% of the car rental fee revenue. The total principal and interest remaining to be paid on the bonds is \$116,108,849. For the current year, principal and interest paid for the bonds totaled \$1,143,241, and pledged revenues totaled \$1,196,251.

Business-type activities

The County has pledged future utility customer revenues and connection fees and investment earnings, net of specified operating expenses, to repay \$118.1 million in utility system revenue bonds issued between fiscal years 1998 and 2007. Proceeds from the bonds provided financing for expansion of, and improvements to, the utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2035. Annual principal and interest payments on the bonds are expected to require as much as 49% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$88,799,498. For the current year, principal and interest paid for the bonds totaled \$6,147,987. Net pledged revenues totaled \$13,225,259.

Special Assessment Debt

Special assessment bonds are issued to finance improvements that benefit taxpayers in the defined area. Bonds are repaid from assessments levied against these taxpayers, and are secured by their real property. In case of deficiencies, the County's General Fund and taxing power further secure all bonds. Delinquent special assessments of \$3,729 were outstanding as of June 30, 2013.

The County has pledged future assessment revenues levied on special assessment districts throughout the County to repay \$13.2 million in various local improvement bonds issued between fiscal years 2004 and 2012. Proceeds from the bonds provided financing for improvements in roads, water and sewer in the various districts. The bonds are intended to be paid solely from assessment revenues and are payable through fiscal year 2032. Annual principal and interest payments on the bonds are expected to require as much as 99% of the assessment revenues. The total principal and interest remaining to be paid on the bonds is \$12,382,071. For the current year, principal and interest paid for the bonds totaled \$2,052,632 and pledged revenues totaled \$1,507,839.

Special Assessment District No. 23, Southwest Pointe/Arrow Creek, has outstanding debt of \$2,060,000. The County is only acting as an agent for these bonds and is not liable for the debt.

Conduit Debt Obligations

The County has issued several series of revenue bonds for public and private sector activity in the public interest. The public sector revenue bonds are for the cost of constructing and maintaining certain streets and highways in the County. The revenue bonds are paid solely from certain taxes on motor vehicle fuel collected in the County. Private sector revenue bonds have been used for water and gas facilities and hospital facilities. The revenue bonds are paid solely from the revenue derived from the

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

projects for which they were issued. The public and private revenue bonds do not become liabilities of the County under any condition, and are therefore excluded from the County's financial statements. Outstanding balances at June 30, 2013 follow:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Principal Outstanding</u>
Public Sector			
Regional Transportation Commission:			
Highway Revenue Bonds Series 2009	7/8/2009	\$ 89,567,000	\$ 82,091,000
Highway Revenue Bonds Series 2010ABC	3/12/2010	90,000,000	90,000,000
Highway Revenue Bonds Series 2010DEF	12/16/2010	70,000,000	66,250,000
Sales Tax Improvement Bonds Series 2010H	12/16/2010	20,000,000	20,000,000
Highway Revenue Bonds Series 2013	4/16/2013	165,000,000	165,000,000
Subtotal Public Sector		434,567,000	423,341,000
Private Sector			
Renown Health (Washoe Medical Center):			
Hospital Revenue Bonds, Series 2001A	10/15/2001	33,875,000	33,875,000
Sierra Pacific Power Company d/b/a NV Energy:			
Gas and Water Facilities Refunding Revenue Bonds Series 2006A, 2006B and 2006C	11/22/2006	218,500,000	218,500,000
Water Facilities Refunding Revenue Bonds Series 2007A & 2007B	4/27/2007	80,000,000	80,000,000
Subtotal Private Sector		332,375,000	332,375,000
Total Conduit Debt		\$ 766,942,000	\$ 755,716,000

Operating Leases

The County leases office space, land, equipment and water rights under various operating lease agreements. Total lease payments in fiscal year 2013 were \$2,400,797. Future minimum payments for these leases are:

<u>Year Ending June 30,</u>	<u>Land, Space, Water Rights</u>	<u>Equipment</u>	<u>Total</u>
2014	\$ 886,647	\$ 1,104,219	\$ 1,990,866
2015	760,355	856,456	1,616,811
2016	639,888	321,148	961,036
2017	194,378	254,102	448,480
2018	165,141	139,130	304,271
2019-2023	743,137	-	743,137
Totals	\$ 3,389,546	\$ 2,675,055	\$ 6,064,601

The County began a long-term lease on January 1, 2013 for the Sparks Justice Court which expires in fiscal year 2023. The terms of the lease allow uneven and artificially low payments. For fiscal year 2013, an adjustment of \$82,571 is required to reconcile the amount of expenditures in the General Fund to the straight line expense recognized in the government-wide statements.

Compensated Absences

The liability for compensated absences is included in noncurrent liabilities on the government-wide Statement of Net Position. The liability will be liquidated primarily by the General Fund for governmental activities and by the Water Resources Fund for business-type activities. In fiscal year 2013, 79% of compensated absences for governmental activities were paid by the General Fund, and in business-type activities, 80% were paid by the Water Resources Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Outstanding balances at June 30, 2013 follow:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Washoe County:			
Vacation	\$ 10,570,833	\$ 372,821	\$ 10,943,654
Sick Leave	8,459,675	310,197	8,769,872
Compensatory Leave	4,785,209	134,977	4,920,186
Benefits	334,022	11,860	345,882
Total Compensated Absences	\$ 24,149,739	\$ 829,855	\$ 24,979,594

Net Other Postemployment Benefits Obligation

Prior to May 11, 2010, when the County established the Washoe County, Nevada OPEB Trust (Note 16), the County financed their net other post employment benefits on the pay-as-you-go basis with the funds accumulated in the Pre-Funded Retiree Health Benefits Fund. Currently, the OPEB Trust is funded from the General Fund.

Pollution Remediation Obligation

The pollution remediation activities of the Central Truckee Meadows Remediation District (CTMRD) are paid for through an annual charge billed directly to residents and businesses within its boundaries. Accordingly, the CTMRD's pollution remediation obligation is limited to the net position accumulated by the fund for payment of future remediation related expenditures. All of the assets of CTMRD are held for remediation and are offset by a long-term liability for remediation. As of June 30, 2013, the remediation liability for net position held in CTMRD was \$8,215,783.

A soil remediation project has been identified at a County park. Three gasoline underground storage systems were removed from Rancho San Rafael Park in 1997 and petroleum impacted soils were encountered during removal activities. Assessment activities have been conducted and soil samples exceeding the action level are present. The cost, based on contractor estimates, is \$450,000. Remediation expenditures for the current fiscal year totaled \$163,149 leaving a balance to complete of \$59,879. The balance of the liability is estimated to be completed in fiscal year 2014.

Claims and Judgments

The claims and judgments liability of \$14,081,000 consists of pending property and liability claims, workers' compensation claims, and unprocessed health benefits claims. These claims will be liquidated through the Risk Management and Health Benefits Internal Service Funds (Note 17). The Risk Management and Health Benefits Funds finance the payment of claims by charging other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds or, as needed, through transfers from the General Fund.

Discretely Presented Component Units:

TMFPD's liability of \$1,049,313 for compensated absences is included in their noncurrent liabilities on the government-wide Statement of Net Position. TMFPD compensated absences are generally liquidated from the TMFPD General Fund.

Prior to July 1, 2010, when TMFPD joined the Washoe County, Nevada OPEB Trust (Note 16), they financed their net other post employment benefits on the pay-as-you-go basis with the funds accumulated in the TMFPD Pre-Funded Retiree Health Benefits Fund.

TMFPD claims and judgments liability of \$1,486,000 consisted of workers' compensation claims. These claims will be liquidated through TMFPD Workers Compensation Fund (Note 17). The TMFPD Workers' Compensation Fund finances the payment of claims through transfers from the TMFPD General Fund.

At June 30, 2013, the net other postemployment benefit liability for SFPD was \$1,169,540. SFPD provides other postemployment benefits through the Sierra Fire Protection District Retiree Group Medical Plan, a single-employer defined benefit plan, which is administered through the Washoe County, Nevada OPEB Trust (Trust), an irrevocable trust (Note 16). Contributions to the Trust are made from SFPD General Fund and are established each year through the annual budget process by the District's Board of Fire Commissioners.

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NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

NOTE 11 – LONG-TERM OBLIGATIONS ACTIVITY

	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Note / Issue</u>
GOVERNMENTAL ACTIVITIES				
General Obligation Bonds				
Ad Valorem:				
Library, Parks & Open Space Series 2002B	10/2002	05/2013	3.0 - 5.0 % \$	15,515,000
Animal Control Shelter Series 2003A	08/2003	06/2015	3.0 - 4.625	10,750,000
Various Purpose Refunding Series 2009B	03/2009	05/2017	3.0 - 4.2	10,540,000
Parks and Library Refunding Series 2011A	07/2011	05/2026	4.20	17,360,000
Various Purpose Refunding Series 2012A	08/2012	03/2030	3.0 - 4.0	18,090,000
Medium-Term:				
Edison Way Property Series 2007	03/2007	03/2017	3.83	4,645,000
Revenue: (Note 10)				
Office Building Series 2002A	10/2002	01/2015	3.0 - 5.0	19,260,000
Library Building Series 2004	03/2004	03/2019	3.5 - 5.0	3,280,000
Building and Parking Garage Series 2004	12/2004	01/2018	3.75 - 5.0	11,900,000
Public Safety Series 2006	04/2006	03/2036	4.0 - 4.5	12,500,000
Flood Control Series 2006 *	05/2006	12/2035	Variable	21,000,000
Parks Series 2006	10/2006	03/2030	4.0 - 5.0	25,305,000
Building Bonds Refunding Series 2011B	08/2011	11/2026	4.18	12,565,000
Refunding Bonds Series 2012B	08/2012	03/2027	1.0 - 3.0	27,580,000
Total General Obligation Bonds				
Revenue Bonds (Note 10)				
Sales Tax Series 1998	12/1998	12/2028	4.0 - 5.1	21,915,000
Senior Lien Car Rental Fee Series 2008 **	02/2008	12/2027	Variable	18,500,000
Subordinate Lien Car Rental Fee Series 2008	02/2008	12/2057	7.0	11,000,000
Total Revenue Bonds				
Special Assessment Bonds (with governmental commitment) (Note 10)				
SAD 21: Cold Springs Sewer Refunding	10/2003	07/2016	2.0 - 4.0	1,085,000
SAD 29: Mt. Rose Sewer Phase 1	11/2004	11/2024	4.55	1,281,308
SAD 35: Rhodes Road - \$116,141, SAD 36: Evergreen Hills Dr-\$240,587	02/2005	11/2014	3.8	356,728
SAD 31: Spearhead Way/Running Bear Drive	04/2006	05/2016	4.29	109,000
SAD 37: Spanish Spring Sewer Phase 1a	05/2007	05/2027	4.35	728,813
SAD 39: Lightning W Water System	06/2009	05/2029	7.18	999,268
SAD 32: Spanish Springs Valley Ranches Roads	12/2011	11/2031	3.48	8,592,787
Total Special Assessment Debt				
Unamortized Bond Premium	N/A	N/A	N/A	N/A
Unamortized Bond Discounts	N/A	N/A	N/A	N/A
Deferred Charge on Refundings	N/A	N/A	N/A	N/A
Total Bonds Payable				
Other Liabilities - (Notes 10, 16)				
Compensated Absences	N/A	N/A	N/A	N/A
Remediation Obligation	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Total Other Liabilities				
Total Governmental Activities				

<u>Principal Outstanding July 1, 2012</u>	<u>Additions/ Issued</u>	<u>Reduction/ Principal Matured / Called</u>	<u>Principal Outstanding June 30, 2013</u>	<u>Principal Due in 2013-2014</u>
\$ 11,875,000	\$ -	\$ 11,875,000	\$ -	\$ -
8,490,000	-	7,840,000	650,000	315,000
6,960,000	-	1,285,000	5,675,000	1,325,000
16,330,000	-	905,000	15,425,000	935,000
-	18,090,000	375,000	17,715,000	-
2,533,000	-	469,000	2,064,000	487,000
13,505,000	-	12,115,000	1,390,000	680,000
2,755,000	-	1,610,000	1,145,000	175,000
8,800,000	-	5,835,000	2,965,000	550,000
11,065,000	-	275,000	10,790,000	285,000
19,011,968	-	453,406	18,558,562	474,008
14,930,000	-	11,370,000	3,560,000	-
12,565,000	-	620,000	11,945,000	645,000
-	27,580,000	150,000	27,430,000	-
128,819,968	45,670,000	55,177,406	119,312,562	5,871,008
16,280,000	-	625,000	15,655,000	655,000
17,131,900	-	463,200	16,668,700	522,200
9,808,025	-	-	9,808,025	-
43,219,925	-	1,088,200	42,131,725	1,177,200
255,000	-	70,000	185,000	45,000
840,000	-	60,000	780,000	55,000
82,590	-	31,825	50,765	33,429
37,000	-	11,000	26,000	11,000
470,874	-	29,236	441,638	25,508
665,992	-	18,889	647,103	21,000
8,323,454	-	1,442,754	6,880,700	268,558
10,674,910	-	1,663,704	9,011,206	459,495
1,425,339	1,249,419	990,733	1,684,025	-
(59,954)	-	(2,706)	(57,248)	-
(114,876)	(377,395)	(35,964)	(456,307)	-
183,965,312	46,542,024	58,881,373	171,625,963	7,507,703
23,019,913	19,322,689	18,192,863	24,149,739	18,568,085
8,928,409	4,863	657,610	8,275,662	59,879
13,570,975	1,230,000	719,975	14,081,000	6,123,000
45,519,297	20,557,552	19,570,448	46,506,401	24,750,964
229,484,609	67,099,576	78,451,821	218,132,364	32,258,667

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WASHOE COUNTY, NEVADA
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JUNE 30, 2013
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NOTE 11 – LONG-TERM OBLIGATIONS ACTIVITY (CONTINUED)

NOTE 11 – LONG-TERM OBLIGATIONS ACTIVITY (CONTINUED)	Date of Issue	Maturity Date	Interest Rate	Original Note / Issue
BUSINESS-TYPE ACTIVITIES ***				
General Obligation Bonds				
Revenue: (Note 10)				
Water Resources Fund:				
Water Sewer Series 1997	06/1997	08/2012	5.0 - 6.5 %	\$ 3,720,000
Lemmon Valley Sewer Series 1997	08/1997	01/2018	3.33	1,249,137
Sewer Series 2000A	06/2000	01/2020	3.7	1,675,000
Sewer Series 2000B	06/2000	01/2020	3.7	635,000
Sewer Series 2001	02/2001	07/2021	3.125	21,000,000
Sewer Series 2004	06/2004	01/2024	3.213	3,000,000
Water Series 2005	06/2005	01/2025	2.81	14,463,000
Water and Sewer Series 2005	12/2005	01/2035	4.0 - 5.0	65,000,000
Spanish Springs Sewer Series 2005A	08/2006	07/2026	2.931	6,500,000
Storm Sewer Series 2006	11/2006	01/2026	4.224	4,600,000
Total General Obligation Bonds				
Unamortized Bond Premium	N/A	N/A	N/A	N/A
Total Bonds Payable				
Other Liabilities (Note 10)				
Compensated Absences	N/A	N/A	N/A	N/A
Total Business-Type Activities				
Total Washoe County Obligations				
* Interest on the variable-rate flood control bonds is equal to the sum of BMA (Bond Market Association) Swap Rate plus 0.70%. The remaining principal outstanding of \$18,558,562 has a current interest rate of 2.527%. The interest rate on outstanding amount will be reset May 1, 2016.				
** Interest on the variable-rate senior lien car rental bonds is equal to the greater of: (1) the minimum rate of 3% per annum and (2) the sum of (a) 70% of the swap rate plus (b) 2.22% for each of the reset periods. The rate maximum is 6.5% for December 1, 2012 - November 30, 2017, 7.5% December 1, 2017 - November 30, 2022 and 8% for December 1, 2022- November 30, 2027. The current interest rate is 3.0% with a reset date of December 1, 2017.				
*** Business-type debt is expected to be retired primarily through operations.				
DISCRETELY PRESENTED COMPONENT UNITS:				
Truckee Meadows Fire Protection District (Note10,17)				
Compensated Absences	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Total Other Liabilities				
Sierra Fire Protection District (Note10,16)				
Net other postemployment benefits obligations	N/A	N/A	N/A	N/A

<u>Principal Outstanding July 1, 2012</u>	<u>Additions/ Issued</u>	<u>Reduction/ Principal Matured / Called</u>	<u>Principal Outstanding June 30, 2013</u>	<u>Principal Due in 2013-2014</u>
\$ 1,065,000	\$ -	\$ 1,065,000	\$ -	\$ -
472,938	-	72,459	400,479	74,893
450,002	-	49,302	400,700	51,143
89,526	-	9,808	79,718	10,175
12,794,566	-	1,176,295	11,618,271	1,213,342
2,140,349	-	148,783	1,991,566	153,602
10,912,481	-	706,160	10,206,321	726,142
26,100,000	-	-	26,100,000	-
5,268,204	-	296,338	4,971,866	305,087
3,605,306	-	193,500	3,411,806	201,758
<u>62,898,372</u>	<u>-</u>	<u>3,717,645</u>	<u>59,180,727</u>	<u>2,736,142</u>
<u>814,636</u>	<u>-</u>	<u>48,784</u>	<u>765,852</u>	<u>-</u>
<u>63,713,008</u>	<u>-</u>	<u>3,766,429</u>	<u>59,946,579</u>	<u>2,736,142</u>
<u>824,327</u>	<u>691,344</u>	<u>685,816</u>	<u>829,855</u>	<u>638,054</u>
<u>64,537,335</u>	<u>691,344</u>	<u>4,452,245</u>	<u>60,776,434</u>	<u>3,374,196</u>
<u>\$ 294,021,944</u>	<u>\$ 67,790,920</u>	<u>\$ 82,904,066</u>	<u>\$ 278,908,798</u>	<u>\$ 35,632,863</u>

\$ 632,309	\$ 807,478	\$ 390,474	\$ 1,049,313	\$ 393,665
<u>1,994,000</u>	<u>-</u>	<u>508,000</u>	<u>1,486,000</u>	<u>602,617</u>
<u>\$ 2,626,309</u>	<u>\$ 807,478</u>	<u>\$ 898,474</u>	<u>\$ 2,535,313</u>	<u>\$ 996,282</u>
<u>\$ 832,181</u>	<u>\$ 337,359</u>	<u>\$ -</u>	<u>\$ 1,169,540</u>	<u>\$ -</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

NOTE 12 – DEBT SERVICE REQUIREMENTS

The annual requirements to amortize outstanding debt are as follows:

Governmental Activities – Primary Government

Year Ended June 30,	General Obligation Bonds		Revenue Bonds		Special Assessment Debt	
	Principal*	Interest**	Principal*	Interest***	Principal*	Interest
2014	\$ 5,871,008	\$ 4,022,829	\$ 1,177,200	\$ 1,260,683	\$ 459,495	\$ 346,392
2015	6,111,546	3,785,183	1,282,100	1,212,016	455,177	328,344
2016	7,838,063	3,544,742	1,397,800	1,158,901	452,231	310,721
2017	8,117,604	3,295,739	1,527,800	1,101,091	466,267	292,557
2018	6,241,216	3,019,927	1,524,800	1,040,082	422,977	275,044
2019-2023	34,626,246	11,934,478	9,998,711	4,520,916	2,426,415	1,104,074
2024-2028	32,422,851	5,856,570	14,672,848	2,606,176	2,605,087	593,024
2029-2033	12,380,316	1,876,600	3,738,109	8,279,993	1,723,557	120,709
2034-2038	5,703,712	330,227	1,953,825	10,458,562	-	-
2039-2043	-	-	1,625,031	12,882,611	-	-
2044-2048	-	-	1,346,103	15,581,482	-	-
2049-2053	-	-	1,113,224	18,633,040	-	-
2054-2058	-	-	774,174	18,058,055	-	-
Total	\$ 119,312,562	\$ 37,666,295	\$ 42,131,725	\$ 96,793,608	\$ 9,011,206	\$ 3,370,865

Business-type Activities – Primary Government

Year Ended June 30,	General Obligation Bonds	
	Principal*	Interest
2014	\$ 2,736,142	\$ 2,318,600
2015	2,822,305	2,232,442
2016	2,911,212	2,143,531
2017	3,002,961	2,051,783
2018	3,097,642	1,957,103
2019-2023	14,041,215	8,338,325
2024-2028	10,734,250	6,416,737
2029-2033	13,460,000	3,678,250
2034-2038	6,375,000	482,000
Total	\$ 59,180,727	\$ 29,618,771

*Principal amounts shown exclude discounts and premiums.

**Interest on the variable-rate flood control bonds is calculated at the current rate of 2.527%.

***Interest on the variable-rate senior lien car rental bonds is calculated at the current rate of 3.0%.

NOTE 13 – INTERFUND ACTIVITY

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

Interfund transfers for the year ended June 30, 2013

<u>Transfers from:</u>	<u>Transfers to:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 19,897,433 (a)
Child Protective Services	Nonmajor Governmental Funds	400,000
Nonmajor Governmental Funds	General Fund	545,169 (b)
	Nonmajor Governmental Funds	11,475,166 (c,d)
	Subtotal	12,020,335
Water Resources Fund	General Fund	1,450,000 (e)
Internal Service Funds	General Fund	300,000 (f)
	Nonmajor Governmental Funds	34,675
	Subtotal	334,675
Total Transfers In / Out		\$ 34,102,443

Significant transfers during the year of a non-routine nature included: (a) \$1,000,000 from the General Fund to the Other Restricted Fund committed for maintenance of the North Valleys Regional Park, (b) \$248,174 from the Other Restricted Fund to the General Fund for court administrative assessment fees that were no longer restricted per State Statutes, (c) \$1,890,000 from the Capital Facilities Fund to the Roads Fund to support road capital improvements, (d) \$4,490,000 from the Parks Capital Projects Fund to the Debt Service Fund for early redemption of the Washoe County General Obligation (Limited Tax) Parks, Library and Open Space Series 2002B and partial defeasance of the General Obligation Parks Bond Series 2006, (e) \$1,450,000 from non-utility resources in the Water Resources Fund accumulated for General Fund water planning support to the General Fund, and (f) \$300,000 from Equipment Services to the General Fund for excess proceeds from budgeted fleet reductions.

NOTE 14 – FUND BALANCES / NET POSITION

Government-wide Financial Statements

The government-wide Statement of Net Position utilizes a proprietary presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Restricted resources have externally imposed (statutory, bond covenant, contract or grantor) limitations on their use. Restricted resources are classified either by function, debt service, capital projects, or claims. Resources restricted by function relate to net resources of governmental and enterprise funds whose use is legally limited by outside parties for a specific purpose. The restriction for debt service represents resources legally restricted by State 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 position restricted for claims represents the amount legally required to be held for payment of future claims in the self-insurance funds. The government-wide Statement of Net Position reports \$110,924,308 of restricted net resources, all of which is externally imposed.

Unrestricted net position represents available financial resources of the County.

Fund Financial Statements

Governmental Funds

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the funds.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Fund balances classification by County function and purpose consist of the following:

<u>Fund Balances</u>	<u>Major Governmental Funds</u>				<u>Total</u>
	<u>General</u>	<u>Child</u>	<u>Special</u>	<u>Nonmajor</u>	
	<u>Fund</u>	<u>Protective</u>	<u>Assessment</u>	<u>Governmental</u>	
	<u>Fund</u>	<u>Services Fund</u>	<u>Debt Fund</u>	<u>Funds</u>	<u>Total</u>
Nonspendable:					
Prepaid items	\$ -	\$ -	\$ -	\$ 74,612	\$ 74,612
Restricted for:					
Assessors, Clerk and Recorder technology	-	-	-	3,934,502	3,934,502
Administrative programs	-	-	-	285,055	285,055
Court programs and expansion	-	-	-	5,856,917	5,856,917
Other judicial programs	-	-	-	421,041	421,041
Regional flood control project	-	-	-	1,376,695	1,376,695
Sheriff's programs	-	-	-	1,434,078	1,434,078
Regional public safety communications and training	-	-	-	3,338,535	3,338,535
Other public safety programs	-	-	-	603,210	603,210
Public works programs	-	-	-	171,760	171,760
Regional health services and programs	-	-	-	2,811,464	2,811,464
Groundwater remediation	-	-	-	7,092,756	7,092,756
Parks and recreation programs	-	-	-	72,997	72,997
Library expansion	-	-	-	118,574	118,574
Programs for seniors	-	-	-	91,068	91,068
Adult, indigent and children support services	-	242,178	-	4,323,359	4,565,537
Technology upgrades	-	-	-	2,600,000	2,600,000
County facility improvement projects	-	-	-	7,282,868	7,282,868
Parks and open space projects	-	-	-	23,113,326	23,113,326
Intergovernmental	50,596	-	-	4,464	55,060
Debt service	750,000	-	1,285,622	9,327,454	11,363,076
Total Restricted	800,596	242,178	1,285,622	74,260,123	76,588,519
Committed to:					
Fiscal emergency / stabilization	4,143,300	-	-	-	4,143,300
Administrative programs	276,869	-	-	-	276,869
Animal control and services	-	-	-	5,365,962	5,365,962
Roadways	-	-	-	1,076,969	1,076,969
Groundwater remediation	-	-	-	1,103,277	1,103,277
Park maintenance and improvement	-	-	-	1,318,228	1,318,228
Library expansion	-	-	-	428,579	428,579
Adult, indigent and children support services	-	8,610,131	-	264,093	8,874,224
Other programs	178,371	-	-	-	178,371
Total Committed	4,598,540	8,610,131	-	9,557,108	22,765,779
Assigned to:					
Fiscal 13/14 budget funding	5,557,384	-	-	-	5,557,384
Court programs	-	-	-	2,535	2,535
Roadways	-	-	-	5,073,936	5,073,936
General Fund encumbrances re-appropriated for various functional departments	1,169,382	-	-	-	1,169,382
Total Assigned	6,726,766	-	-	5,076,471	11,803,237
Unassigned	26,907,848	-	-	(258,528)	26,649,320
Total Fund Balances	\$ 39,033,750	\$ 8,852,309	\$ 1,285,622	\$ 88,709,786	\$ 137,881,467

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Proprietary Funds

The net position for business funds and internal services funds are categorized as net investment in capital assets, restricted and unrestricted as described for the government-wide financial statements.

Fiduciary Funds

Net position held in trust for pool participants in the Statement of Fiduciary Net Position represent cash and investments held in trust for other agencies participating in the County's investment pool.

NOTE 15 - PENSION PROGRAM

Plan Description

The County and two discretely presented component units, SFPD and TMFPD, contribute to the Public Employees Retirement System of the State of Nevada (PERS), a cost-sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability benefits and death benefits, including annual cost-of-living adjustments, to plan members and beneficiaries. Chapter 286 of the NRS established the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation.

PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

Washoe County Funding Policy

Benefits for County plan members are funded under the employer pay contribution plan method. Under this method, the County is required to contribute all amounts due under the plan. The contribution requirements of plan members and the County are established by Chapter 286 of NRS and may only be amended through legislation.

The County's pension contributions for the last three years are as follows:

Contribution Rates

<u>Fiscal Year</u>	<u>Employer Pay Contribution Rate</u>	
	<u>Regular Members</u>	<u>Police/ Fire</u>
	2012-13	23.75%
2011-12	23.75%	39.75%
2010-11	21.50%	37.00%

Contribution Cost

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012-13	\$ 41,956,283	100%	\$ -
2011-12	41,399,820	100%	-
2010-11	41,297,628	100%	-

Discretely Presented Component Units Funding Policy

On March 27, 2012 the Board of Fire Commissioners approved an interlocal agreement transferring operations of SFPD to TMFPD. As of June 30, 2012, all SFPD employees were transferred to TMFPD and, therefore, SFPD no longer contributes to PERS. The employees remained participants of PERS and their accounts were transferred to TMFPD.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

Benefits for TMFPD plan members are funded under one of two methods. Under the employer pay contribution plan, TMFPD is required to contribute all amounts due under the plan. 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 TMFPD is required to match that contribution. The contribution requirements of plan members and the District are established by Chapter 286 of NRS and may only be amended through legislation.

SFPD and TMFPD's combined pension contributions for the last three years are as follows:

Contribution Rates

Fiscal Year	Employer Pay Contribution Rate		Employee/Employer Pay Contribution Rate	
	Regular Members	Police/ Fire	Regular Members	Police/ Fire
2012-13	23.75%	39.75%	12.25%	20.25%
2011-12	23.75%	39.75%	12.25%	20.25%
2010-11	21.50%	37.00%	11.25%	18.50%

Contribution Cost

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012-13	\$ 2,711,873	100%	\$ -
2011-12	1,247,737	100%	-
2010-11	1,199,201	100%	-

NOTE 16 - OTHER POSTEMPLOYMENT BENEFITS

Plan Descriptions and Eligibility

The County provides other postemployment benefits (OPEB) for eligible employees through the Retiree Health Benefit Program, a single-employer defined benefit OPEB plan, and participates in the State of Nevada's Public Employee Benefit Plan, an agent multiple-employer defined benefit OPEB plan. Both plans are administered through the Washoe County, Nevada OPEB Trust (Trust), an irrevocable trust established on May 11, 2010 by the BCC. The Trust, a multiple employer trust, was created to fund and account for the participating employers' costs of retiree healthcare benefits pursuant to NRS 287.017. Complete financial statements of the Trust may be obtained by writing to: OPEB Trust, c/o Washoe County Comptroller's Office, P.O. Box 11130, Reno, Nevada, 89520.

Additionally, TMFPD and SFPD, discretely presented component units, provide OPEB for eligible employees through the Truckee Meadows Fire Protection District Retiree Group Medical Plan and Sierra Fire Protection District Retiree Group Medical Plan, both single-employer defined benefit plans. As of July 1, 2010 both plans are also administered through the Trust.

Washoe County Retiree Health Benefit Program (RHBP)

In accordance with NRS 287.010, the BCC adopted the RHBP to provide postemployment benefits to eligible employees upon retirement. Retirees are offered medical, prescription, vision, life, and dental insurance for themselves and their dependents. Retirees can choose between the Self Funded Group Health Plan (SFGHP) and an HMO Plan.

As of June 30, 2013, all employees hired before July 1, 2010 who retire from County employment and receive monthly payments under PERS are eligible to participate in the RHBP. In addition, employees hired before this date who have terminated employment prior to retirement may enroll in the RHBP upon commencing retirement if the County is that individual's last public employer.

For eligible retirees, the County pays a portion of the retiree's premium based on years of County service. Benefits are provided under two contribution "tiers": Tier 1 includes employees hired prior to various exclusion dates between 1997 and 1999, as stipulated in employee association contracts, and Tier 2 includes all employees hired after the Tier 1 exclusion dates. Retired

WASHOE COUNTY, NEVADA
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(CONTINUED)

plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums depending on their respective tier. Retirees pay 100% of the premium for dependent coverage.

For Tier 1 retirees, the retiree's contribution is determined as follows, except for the cost of dental benefits which is 100% paid for by the retiree, regardless of service:

<u>Years of Service</u>	<u>Tier 1 Retiree Contribution</u>
Less than 10	100%
10 but less than 15	50%
15 but less than 20	25%
20 or more	0%

For Tier 2 retirees, the retiree's contribution is the monthly premium amount less a County-paid premium subsidy equal to the Non-State Retiree Subsidy Adjustment set annually by the State of Nevada's Public Employee Benefit Plan. The County's monthly subsidy for fiscal year 2013 depends on years of full-time service and ranges from a minimum of \$118 for five years to a maximum of \$650 for 20 or more years.

State of Nevada's Public Employee Benefit Plan (PEBP)

NRS 287.023 allowed County retirees to join the State's PEBP through September 1, 2008, at the County's expense. Eligibility and subsidy requirements are governed by statutes of the State and can only be amended through legislation. PEBP is administered by a nine member governing board and provides medical, dental, prescription, vision, life and accident insurance for retirees.

Through collective bargaining agreements, the County is required to provide a subsidy for their eligible retirees that have elected to join PEBP. Contribution requirements are assessed by the PEBP Board annually. In fiscal year 2013, retirees age 64 and under were offered coverage through a high-deductible health plan; the monthly unsubsidized non-State retiree share plan rate in effect for fiscal year 2013 was \$836. The subsidy for this plan is based on years of service and in 2013 ranged from a minimum of \$118 for five years of service to a maximum of \$650 for 20 or more years of service. Retirees age 65 and over are required to enroll in a Medicare Advantage Plan at their own expense and receive monthly Health Reimbursement Account contributions of between \$50 and \$200 based on years of service.

TMFPD Retiree Group Medical Plan (TMFPD RGMP)

Prior to July 1, 2000, TMFPD provided health insurance benefits to retired employees through a single-employer defined benefit plan. At June 30, 2000, ten retirees were participating in the TMFPD RGMP. On July 1, 2000, pursuant to an Interlocal Agreement for Fire Services and Consolidation, TMFPD operations were transferred to the City of Reno (City) and the City accepted liability for the ten retirees under this plan. TMFPD pays a proportionate share of employees' retiree health benefit costs based on service earned prior to July 1, 2000, for those employees who transferred employment to the City and retired during the term of the Interlocal Agreement. Benefits under the City's plan include medical, dental, prescription, vision and life insurance.

Eligible retirees who retired during the term of the Interlocal Agreement are allowed coverage through the City's health and life benefit programs. The exact coverage depends on the retirees' union membership. Local #731 retirees prior to age 65 or eligibility for Medicare are required to pay for 40% of their benefits as well as 40% of the benefits of their spouse. Thereafter, retirees are required to pay for 50% of their coverage and 100% of their spouse's coverage. Local #39 retirees prior to age 65 or eligibility for Medicare are required to pay for 25% of their coverage if they have at least 15 but less than 30 years of service and 0% if they have over 30 years of service. There is no coverage after age 65 and spouses are not covered.

The Interlocal Agreement was terminated on June 30, 2012, and TMFPD assumed responsibility for its own fire district operations as of July 1, 2012. As of June 30, 2012, to prepare for standing up the new fire operations, 11 former Reno firefighters had transferred to TMFPD with the provision that TMFPD would provide retiree health benefits for those 11 employees. No other new employees hired by TMFPD are eligible for retiree health benefits. Any former TMFPD employee remaining employed by the City as of July 1, 2012, retained retiree health benefits with the City and the City retained the liability for those employees. Benefits under the new TMFPD RGMP, a single-employer defined benefit plan, include health, dental, vision and prescription insurance coverage. Eligible retirees who retire from the District will be required to pay for 50% of the retirees' health insurance premium and 100% of the cost of coverage for their spouses. Eligibility requirements, benefit levels, employee contributions, and employer contributions may be amended by the mutual agreement of the TMFPD and the TMFPD Fire Fighters Association.

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(CONTINUED)

SFPD Retiree Group Medical Plans (SFPD RGMP)

SFPD provides health insurance benefits to eligible retired employees who transferred from State service on July 1, 2006 or transferred from SFPD service to the TMFPD in fiscal year 2012. As of April 1, 2012, all SFPD employees transferred to TMFPD under the terms of an Interlocal Agreement for Fire Services and Consolidation between the two districts. Health insurance benefits are through the TMFPD RGMP; however, the liability for the payment for these retiree health benefits is retained by each district. The plan is a single-employer defined benefit OPEB plan. As of June 30, 2013, there were five employees participating in the plan who had retired from SFPD.

In accordance with NRS, the Board of Fire Commissioners for SFPD entered into an agreement with the Sierra Firefighters Association for retiree health insurance. This employee agreement was assumed by TMFPD as of April 1, 2012; however, the payment of the monthly benefits continues to be paid from SFPD's portion of the Trust. Eligible employees who retire from TMFPD employment and receive monthly payments from PERS of Nevada are allowed coverage in the TMFPD RGMP. Benefits include medical, vision, dental and prescription insurance coverage. SFPD pays 50% of the cost of health premiums of retirees who transferred to SFPD as of July 1, 2006 or from SFPD to TMFPD in fiscal year 2012 and retire directly from TMFPD with 10 or more years of combined service with the Nevada Division of Forestry or the Districts. Retirees are responsible for the remaining 50% of the health premiums. Eligibility requirements, benefit levels, employee contributions, and employer contributions may be amended by the mutual agreement of the SFPD and the TMFPD Fire Fighters Association.

Funding Policy and Annual OPEB Cost

The amount of contributions each year for RHPB, TMFPD RGHP and SFPD RGHP are established through the annual budget process by the Board of County Commissioners and the TMFPD and SFPD Boards of Fire Commissioners, respectively, and may be amended through negotiations with their respective employee associations. The required contributions are based on projected pay-as-you-go financing requirements, with an additional amount, generally equal to the normal cost, to prefund benefits.

Additionally, the County is required to provide a subsidy for their retirees that have elected to join PEBP which is established and may be amended by the State of Nevada Legislature. The subsidy is paid on the pay-as-you-go basis, with an additional amount contributed to prefund future benefits. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually.

The County, TMFPD and SFPD fund the OPEB costs from their respective General Funds. During the current fiscal year the County transferred \$17.4 million to the Trust to fund future retiree health benefits for both the RHBP and PEBP. These contributions were allocated between the RHBP and the PEBP based on the proportionate share of each plan's Unfunded Actuarial Accrued Liability to the total. Neither TMFPD nor SFPD made transfers to the Trust during the current fiscal year.

The annual OPEB cost and related information for each plan for the fiscal year ended June 30, 2013 are as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>	<u>SFPD RGMP</u>
Determination of Annual Required Contribution:				
Normal cost	\$ 7,366,000	\$ -	\$ 42,100	\$ 138,300
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	11,081,000	364,311	1,729	216,055
Annual Required Contribution (ARC)	<u>\$ 18,447,000</u>	<u>\$ 364,311</u>	<u>\$ 43,829</u>	<u>\$ 354,355</u>
Determination of Net OPEB Obligation:				
Annual Required Contribution	\$ 18,447,000	\$ 364,311	\$ 43,829	\$ 354,355
Interest on Net OPEB Obligation	(177,000)	(38,067)	(90,652)	58,253
Adjustment to ARC	133,000	41,395	117,101	(75,249)
Annual OPEB Cost	18,403,000	367,639	70,278	337,359
Retiree Benefit Payments Paid by Employer	(2,015,085)	-	-	-
Contributions Made to Trust	<u>(17,011,626)</u>	<u>(388,000)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net OPEB Obligation	(623,711)	(20,361)	70,278	337,359
Net OPEB Obligation (Asset), Beginning of Year	<u>(2,523,758)</u>	<u>(543,813)</u>	<u>(1,295,031)</u>	<u>832,181</u>
Net OPEB Obligation (Asset), End of Year	<u>\$ (3,147,469)</u>	<u>\$ (564,174)</u>	<u>\$ (1,224,753)</u>	<u>\$ 1,169,540</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at June 30, 2013 and the two preceding years for each of the plans were as follows:

Plan	Fiscal Year Ended June 30,	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation / (Asset)
RHBP	2011	\$ 22,124,000	\$ 13,499,575	61.02%	\$ (6,512,652)
	2012	23,765,000	19,776,106	83.22%	(2,523,758)
	2013	18,403,000	19,026,711	103.39%	(3,147,469)
PEBP	2011	446,064	503,425	112.86%	(415,125)
	2012	495,206	623,894	125.99%	(543,813)
	2013	367,639	388,000	105.54%	(564,174)
TMFPD RGMP	2011	558,363	3,663,438	656.10%	(1,342,589)
	2012	47,558	-	0.00%	(1,295,031)
	2013	70,278	-	0.00%	(1,224,753)
SFPD RGMP	2011	268,355	531,113	197.91%	529,288
	2012	302,893	-	0.00%	832,181
	2013	337,359	-	0.00%	1,169,540

Listed below is the funded status of each plan, as of their most recent actuarial valuations:

Valuation date	RHBP 7/1/2012	PEBP 6/30/2012	TMFPD RGMP 7/1/2011	SFPD RGMP 7/1/2011
Actuarial Accrued Liability (AAL)	\$ 287,185,000	\$ 6,108,685	\$ 3,361,331	\$ 2,472,793
Actuarial Value of Plan Assets	91,263,000	1,635,802	3,533,063	530,895
Unfunded Actuarial Accrued Liability (UAAL)	\$ 195,922,000	\$ 4,472,883	\$ (171,732)	\$ 1,941,898
Funded Ratio (Actual Value of Plan Assets/AAL)	31.78%	26.78%	105.11%	21.47%
Covered Payroll (Active Plan Members) *	\$ 152,497,079	n/a	\$ 793,352	\$ 3,087,570
UAAL as a Percentage of Covered Payroll *	128.48%	n/a	-21.65%	62.89%

* The covered payroll for active plan members for the TMFPD RGMP reported above represents salaries and wages for the 10 former Reno firefighters who transferred from the City to TMFPD in June 2012 and who were still employed by the District at June 30, 2013. The UAAL shown for TMFPD also includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the 45 employees who transferred employment to the City and retired during the term of the Interlocal agreement.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far in the future. Amounts determined regarding the funded status of the plan and 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 schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspective of the calculations. Mortality demographic assumptions used for the County

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

and PEBP plans were based on the RP 2000 Combined Mortality Table – Male and Female. Mortality demographic assumptions for TMFPD and SFPD plans were based on the RP 2000 Combined Mortality Table – Male and Female for healthy life, and the 1977 Railroad Retirement Board for disabled life.

Significant methods and assumptions were as follows:

	RHBP	PEBP	TMFPD RGMP	SFPD RGMP
Valuation date	7/1/2012	6/30/2012	7/1/2011	7/1/2011
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage of pay, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed
Remaining amortization period	28 years	29 years	20 years	20 years
Asset valuation method	Market Value	Market Value	Market Value	Market Value
Actuarial assumptions:				
Investment rate of return	7%	7%	7%	7%
Healthcare cost trend rate**	7% initial 4.75% ultimate	7% initial 4.75% ultimate	7.25% initial 4.75% ultimate	7.25% initial 4.75% ultimate

**The healthcare cost trend rate for all plans includes an inflation component of 2.75%.

NOTE 17 - RISK MANAGEMENT

The County currently self-funds its fiscal responsibility related to exposures of loss from torts; theft of, damage to, or destruction of assets; and errors or omissions. Since 1981, when County started self-funding its workers' compensation obligation, it has increased the number of programs where self-funding is practiced and the proportion of the loss exposure which it self-funds.

Two internal service funds were established to account for these programs. The Risk Management Fund accounts for costs related to general liability, auto liability, workers' compensation, property coverage and unemployment compensation. The property program combines self-funding with insurance purchased from outside carriers. The Health Benefits Fund accounts for life, medical, prescription, dental and vision insurance programs. The plans contained within the Health Benefits Fund are handled through contracts with an external claims administrator, a preferred provider organization for medical services and through the purchase of various insurance plans.

Annually, there are a number of lawsuits and unresolved disputes involving the County, which are administered by the Risk Management Division. These items are reviewed by the Risk Manager, with input from the District Attorney's Office and the appropriate third party administrator, to set values to the extent a value is determinable. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, including the effects of specific incremental claim adjustment expenses, salvage and subrogation. Allocated claim adjustment expenses are included. Annually, an aggregate value is placed on all claims through the performance of an actuarial study.

The values set by the actuary for both short and long-term liabilities, using a 75% confidence level, are as follows:

	Current	Long-Term	Total
Pending Claims:			
Property and liability claims	\$ 1,050,000	\$ 2,368,000	\$ 3,418,000
Workers' compensation claims	2,399,000	5,590,000	7,989,000
Unprocessed Health Benefits Fund claims	2,674,000	-	2,674,000
Total Pending Claims	\$ 6,123,000	\$ 7,958,000	\$ 14,081,000

Many items involving the Risk Management Fund do not specifically fall within the criteria used by the actuaries for evaluation. Such items include contract disputes and noninsurance items. In the 1980's, management declared their intention to have a net position of \$1,000,000 in the Risk Management Fund available for claims that fall into areas not recognized in the actuarial studies, or for possible catastrophic losses that exceed parameters of the actuarial studies. Currently, there is a net position of \$11,965,161 in the Risk Management Fund.

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NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

The level of insurance coverage purchased by the County for property related claims ranges from \$500,000 to a policy limit of \$300 million depending on the incident. Deductibles generally range from \$10,000 to \$100,000. There were no settled claims in excess of insurance coverage in the three prior fiscal years.

Claims liability and activity for the Risk Management and the Health Benefits Funds for the fiscal years ending June 30 were as follows:

	Risk Management Fund	Health Benefits Fund
Claims Liability/Activity:		
Claims Liability, June 30, 2011	\$ 10,857,000	\$ 2,206,000
Claims and changes in estimates	4,815,267	19,123,021
Claim payments	<u>(4,544,267)</u>	<u>(19,478,021)</u>
Claims Liability, June 30, 2012	11,128,000	1,851,000
Claims and changes in estimates	3,433,809	21,413,941
Claim payments	<u>(3,154,809)</u>	<u>(20,590,941)</u>
Claims Liability, June 30, 2013	<u>\$ 11,407,000</u>	<u>\$ 2,674,000</u>

The non-discounted carrying amount of unpaid claims in the Risk Management Fund at June 30 is \$12,648,000. The interest rate used for discounting was 2.5%.

Discretely Presented Component Units

South Truckee Meadows General Improvement District, a former component unit, is a participant in the County's property insurance program and self-insurance program for general liability under the terms of an interlocal operating agreement for operations and support. The TMFPD and SFPD, discretely presented component units, do not participate in the Washoe County Risk Management or Health Benefits Funds.

TMFPD and SFPD are exposed, as are all entities, to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. TMFPD and SFPD have joined together with similar public agencies throughout the State to create a pool, Nevada Public Agency Insurance Pool (NPAIP), under the Nevada Interlocal Cooperation Act. Property and liability is fully insured with NPAIP. Each District pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The NPAIP is considered a self-sustaining risk pool that provides coverage for its members up to \$10 million per event and a \$13 million general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300 million per loss with various sub-limits established for earthquake, flood, equipment breakdown, and money and securities.

As of April 1, 2012, TMFPD and SFPD entered an Interlocal Agreement to consolidate fire department administration and operations. Under that Interlocal Agreement, all SFPD employees became TMFPD employees. Health insurance and workers' compensation benefits are paid by the TMFPD through their consolidated budget.

In fiscal year 2012-13, TMFPD self-funded its health benefits until June 1, 2013. The TMFPD Health Benefits Fund was established to account for life insurance, medical, prescription, dental and vision programs. The self-funded plans contained within the TMFPD Health Benefits Fund were handled through contracts with an external claims administrator and through the purchase of various insurance plans. As of June 1, 2013, the District purchased a guaranteed health benefit plan and is no longer self-funded. The SFPD health plan ceased with the transition of SFPD employees to TMFPD during the fiscal year ended June 30, 2012.

During the term of the City of Reno/Truckee Meadows Fire Protection District Interlocal Agreement, workers' compensation was fully insured with the City's self-funded workers' compensation plan. Due to the termination of the Interlocal Agreement as of July 1, 2012, TMFPD is no longer self-funded with the City but has purchased a guaranteed workers' compensation insurance plan. However, TMFPD is still required to pay workers' compensation claims costs to the City for those years the District was self funded through the City's workers' compensation plan.

During the fiscal year ended June 30, 2004, the City instituted a "pay as you go" system for workers' compensation claims. TMFPD shared the combined losses with the Reno Fire Department (RFD). Each year, TMFPD was assigned the portion of paid losses corresponding to the ratio of employees originally transferred from TMFPD to the total number of current RFD

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

employees. The ratio applied to TMFPD for the fiscal year ended June 30, 2012, which was the last fiscal year of the Interlocal Agreement, was 25%. TMFPD established the Workers' Compensation Fund to account for this program. During the fiscal year ended June 30, 2013, the District paid the City \$156,275 for the purpose of buying out its workers' compensation liability for fiscal year 2008.

The liability for workers' compensation was determined through an actuarial valuation performed for TMFPD as of December 31, 2011. Using a 70% probability level set by its actuary, claims of \$2,424,922 were determined to be long-term in nature. The non-discounted carrying amount of unpaid claims was \$2,903,000. The interest rate used for discount was 3%. Allocated loss adjustment expense is included in the actuarial calculation. Under the City's workers' compensation plan, TMFPD and the City self-insure up to a maximum of \$2.5 million for each workers' compensation claim. Claims incurred prior to fiscal year 2004 remain the liability of the City under the guaranteed payment plan in effect prior to July 1, 2003.

Claims liability and activity for the fiscal years ending June 30 were as follows:

		<u>TMFPD Workers' Compensation Fund</u>
Claims Liability/Activity:		
Claims Liability, June 30, 2011	\$	2,424,922
Claims and changes in estimates		118,938
Claims payments		<u>(549,860)</u>
Claims Liability, June 30, 2012		1,994,000
Claims and changes in estimates		16,731
Claims payments		<u>(524,731)</u>
Claims Liability, June 30, 2013	\$	<u><u>1,486,000</u></u>

NOTE 18 – JOINT VENTURES

Local Government Oversight Committee Joint Venture (Truckee River Water Quality Settlement Agreement)

The County and the Cities of Reno and Sparks have entered into a joint venture for the purchase of water rights pursuant to the Truckee River Water Quality Settlement Agreement (TRWQSA) dated October 10, 1996. Parties to the TRWQSA are Washoe County, City of Reno, City of Sparks, United States Department of the Interior (DOI), U.S. Department of Justice, U.S. Environmental Protection Agency, Nevada Division of Environmental Protection and the Pyramid Lake Paiute Tribe of Indians (Tribe).

The agreement settled and dismissed pending litigation by the Tribe relating to the expansion of the Truckee Meadows Water Reclamation Facility, which is operated by the Cities of Reno and Sparks. It allows Reno and Sparks to use the sewage plant's full capacity in exchange for the expenditure of \$24,000,000 (\$12,000,000 by DOI and \$12,000,000 by the joint venture) for the acquisition of Truckee River water rights. As of June 30, 2013, the joint venture's net expenditures totaled \$11,912,153. Land acquired incidentally to the acquisition of water rights was sold during the year for \$37,049. Proceeds received from the resale of land or the retirement of challenged water rights are netted against expenditures when received.

The County is responsible for administration of the joint venture. Water rights will be jointly managed by the County, Reno, Sparks and DOI. The arrangement is considered a joint venture with no equity interest because no explicit and measurable equity interest is deemed to exist. All equity is reserved for purchase of water rights and is therefore unavailable to the entities. Each entity (Washoe County, Reno and Sparks) will own an undivided and equal interest in the property and water rights purchased. The County's proportionate share of the water rights and related property purchases are included in capital assets when purchased. Assets of \$3,970,718 have been recorded as of June 30, 2013.

Separate audited financial statements and information for the joint venture are available by contacting the Washoe County Department of Water Resources, 4930 Energy Way, Reno, NV 89502.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

Truckee Meadows Water Authority

The Truckee Meadows Water Authority (Authority) is a joint powers authority formed in November 2000, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). The Authority was formed in order to purchase water assets and undertake water utility operations of Sierra Pacific Power Company, a Nevada corporation, and to develop, manage and maintain supplies of water for the ongoing benefit of the Truckee Meadows community. TMWA issued bonds that do not constitute an obligation of Reno, Sparks, the County or the State.

Under the terms of the Cooperative Agreement, the Authority's Board of Directors has the power to periodically assess the Members directly for budgets and for the satisfaction of any liabilities imposed against the Authority. No such assessments have been made since the Authority's formation. The arrangement is considered a joint venture with no equity interest recorded on the County's balance sheet as of June 30, 2013, because no explicit and measurable equity interest is deemed to exist. The County appoints two directors of a seven-member governing body.

On December 9, 2009, the BCC and the Truckee Meadows Water Authority Board of Directors approved an interlocal agreement governing the merger of the Washoe County Department of Water Resources Water Utility into the Authority, which is intended to be the surviving water purveyor. The parties are currently engaged in a due diligence process, following which the governing boards will have an opportunity to review and approve an addendum to the agreement to move ahead with the consolidation.

Separate audited financial statements and information for the joint venture are available by contacting the Authority's Chief Financial Officer at P.O. Box 30013, Reno, NV 89520-3013.

Truckee River Flood Management Authority

The Truckee River Flood Management Authority (TRFMA) is a joint powers authority formed in March, 2011, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). The governing body of each Member appoints two directors who must be elected officials of the Member's governing body. The TRFMA was formed in order to regulate and control waters of the Truckee River that flow through their territories to reduce or mitigate flooding for the ongoing benefit of the Truckee Meadows community. TRFMA issued bonds that do not constitute an obligation of Reno, Sparks, the County or the State.

The primary source of revenue for the TRFMA consists of the net revenues of the Infrastructure Tax pledged by the County to support the TRFMA. The Infrastructure Tax is collected by the State of Nevada Department of Taxation and remitted to the County pursuant to procedures established in NRS Chapter 377B that restricts spending of these proceeds to projects for the management of floodplains, the prevention of floods or facilities relating to public safety. Net revenues consist of the balance remaining after paying or reserving for County obligations for existing flood project related debt obligations.

Under the terms of the Cooperative Agreement, the TRFMA Board of Directors has the power to periodically impose, assess, levy, collect and enforce fees, rates and charges in an amount sufficient for services or facilities, or both services or facilities and also to discharge any debt instruments or financing agreements. No such assessments have been made since the TRFMA's formation. The arrangement is considered a joint venture with no equity interest recorded on the County's balance sheet as of June 30, 2013, because no explicit and measurable equity interest is deemed to exist.

**WASHOE COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013**

SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(a / b) Funded Ratio	(b - a) Unfunded Actuarial Accrued Liability (UAAL)	(c) Covered Payroll	[(b - a) / c] UAAL as a Percent of Covered Payroll
RHBP						
July 1, 2008	\$ -	\$ 276,684,000	0.00%	\$ 276,684,000	\$ 181,854,743	152.15%
July 1, 2010	70,887,000	273,801,000	25.89%	202,914,000	150,313,509	134.99%
July 1, 2012	91,263,000	287,185,000	31.78%	195,922,000	152,497,079	128.48%
PEBP						
June 30, 2008	-	9,717,075	0.00%	9,717,075	n/a	n/a
June 30, 2010	1,925,471	7,437,111	25.89%	5,511,640	n/a	n/a
June 30, 2012	1,635,802	6,108,685	26.78%	4,472,883	n/a	n/a
TMFPD RGMP						
July 1, 2006	-	4,374,648	0.00%	4,374,648	n/a	n/a
July 1, 2009	-	4,472,236	0.00%	4,472,236	n/a	n/a
July 1, 2011	3,533,063	3,361,331	105.11%	(171,732)	793,352	-21.65%
SFPD RGMP						
July 1, 2007	-	1,296,221	0.00%	1,296,221	2,610,906	49.65%
July 1, 2009	-	1,769,515	0.00%	1,769,515	2,306,835	76.71%
July 1, 2011	530,895	2,472,793	21.47%	1,941,898	3,087,570	62.89%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 – SCHEDULE OF FUNDING PROGRESS

The County and its component units implemented GASB Statement No. 45 prospectively for the fiscal year ended June 30, 2008. Information in the Schedule of Funding Progress for prior years is not available.

NOTE 2 – EMPLOYER CONTRIBUTIONS

The County funds the RHBP and the PEBP via contributions to the Washoe County, Nevada OPEB Trust (Trust). TMFPD and SFPD also fund their retiree group medical plans through the Trust. Information on employer contributions can be found in the Trust's separately issued financial statements, a copy of which can be obtained by writing to: OPEB Trust, c/o Washoe County Comptroller's office, PO Box 11130, Reno, NV 89520.

NOTE 3 – TMFPD COVERED PAYROLL

The covered payroll for active plan members for the TMFPD RGMP reported above represents salaries and wages for the 10 former City firefighters who transferred from the City to TMFPD in June 2012 and who were still employed by the District at June 30, 2013. The UAAL shown for TMFPD also includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the 45 employees who transferred employment to the City and retired during the term of the Interlocal Agreement.



NONMAJOR GOVERNMENTAL FUNDS

**WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Assets				
Cash and investments	\$ 45,519,471	\$ 8,906,992	\$ 34,334,546	\$ 88,761,009
Accounts receivable	169,258	-	-	169,258
Property taxes receivable	356,593	117,827	128,227	602,647
Other taxes receivable	2,753,226	-	-	2,753,226
Interest receivable	84,054	-	109,628	193,682
Due from other governments	3,505,250	-	1,655,333	5,160,583
Deposits and prepaid items	61,238	-	13,374	74,612
Total Assets	\$ 52,449,090	\$ 9,024,819	\$ 36,241,108	\$ 97,715,017
Liabilities				
Accounts payable	\$ 3,016,553	\$ -	\$ -	\$ 3,016,553
Accrued salaries and benefits	1,235,927	-	-	1,235,927
Contracts/retention payable	366,146	-	2,332,486	2,698,632
Due to other governments	407,346	-	129,820	537,166
Other liabilities	62,291	-	-	62,291
Unearned revenue	223,635	-	319,479	543,114
Total Liabilities	5,311,898	-	2,781,785	8,093,683
Deferred Inflows of Resources				
Unavailable revenue - grants	68,186	-	343,838	412,024
Unavailable revenue - property taxes	295,577	98,030	105,917	499,524
Total Deferred Inflows of Resources	363,763	98,030	449,755	911,548
Fund Balances				
Nonspendable	61,238	-	13,374	74,612
Restricted	32,337,140	8,926,789	32,996,194	74,260,123
Committed	9,557,108	-	-	9,557,108
Assigned	5,076,471	-	-	5,076,471
Unassigned	(258,528)	-	-	(258,528)
Total Fund Balances	46,773,429	8,926,789	33,009,568	88,709,786
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 52,449,090	\$ 9,024,819	\$ 36,241,108	\$ 97,715,017

WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues				
Taxes:				
Ad valorem	\$ 15,833,169	\$ 4,843,881	\$ 6,065,854	\$ 26,742,904
Residential construction tax	-	-	132,098	132,098
Car rental	1,196,251	-	-	1,196,251
Licenses and permits	1,413,885	-	-	1,413,885
Intergovernmental revenues	32,916,473	-	8,140,750	41,057,223
Charges for services	8,381,143	-	14,500	8,395,643
Fines and forfeits	2,264,252	-	-	2,264,252
Miscellaneous	3,057,582	12,233	366,000	3,435,815
	<u>65,062,755</u>	<u>4,856,114</u>	<u>14,719,202</u>	<u>84,638,071</u>
Expenditures				
Current:				
General government	977,734	-	-	977,734
Judicial	5,372,493	-	-	5,372,493
Public safety	25,298,770	-	-	25,298,770
Public works	13,091,280	-	-	13,091,280
Health and sanitation	20,558,003	-	-	20,558,003
Welfare	3,905,446	-	-	3,905,446
Culture and recreation	7,219,352	-	-	7,219,352
Intergovernmental	1,157,871	-	4,108,162	5,266,033
Capital outlay	-	-	21,355,440	21,355,440
Debt Service:				
Principal	-	20,025,606	-	20,025,606
Interest	-	6,701,303	-	6,701,303
Bond issuance cost	-	683,290	-	683,290
Debt service fees and other fiscal charges	-	59,694	3,000	62,694
	<u>77,580,949</u>	<u>27,469,893</u>	<u>25,466,602</u>	<u>130,517,444</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,518,194)</u>	<u>(22,613,779)</u>	<u>(10,747,400)</u>	<u>(45,879,373)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	7,362	-	-	7,362
Refunding bonds issued	-	45,670,000	-	45,670,000
Bond premium	-	1,249,419	-	1,249,419
Refunding payment to escrow agent	-	(37,391,222)	-	(37,391,222)
Transfers in	16,283,361	13,062,943	2,460,970	31,807,274
Transfers out	(4,521,161)	-	(7,499,174)	(12,020,335)
	<u>11,769,562</u>	<u>22,591,140</u>	<u>(5,038,204)</u>	<u>29,322,498</u>
Net Change in Fund Balances	(748,632)	(22,639)	(15,785,604)	(16,556,875)
Fund Balances, July 1, As Restated	<u>47,522,061</u>	<u>8,949,428</u>	<u>48,795,172</u>	<u>105,266,661</u>
Fund Balances, June 30	<u>\$ 46,773,429</u>	<u>\$ 8,926,789</u>	<u>\$ 33,009,568</u>	<u>\$ 88,709,786</u>



GENERAL FUND

To account for all financial resources except those required to be accounted for in other funds.

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem:				
General	\$ 119,524,147	\$ 118,699,890	\$ (824,257)	\$ 121,972,211
Detention facility	9,462,772	9,385,296	(77,476)	9,744,924
Indigent insurance program	1,832,552	1,818,873	(13,679)	1,888,573
China Springs support	1,156,951	1,150,727	(6,224)	1,107,212
Family Court	2,346,067	2,328,157	(17,910)	2,417,367
AB 104	2,113,398	2,118,905	5,507	2,163,542
NRS 354.59813 makeup revenue	604,184	602,844	(1,340)	620,594
Room tax	325,000	299,925	(25,075)	272,061
Total Taxes	137,365,071	136,404,617	(960,454)	140,186,484
Licenses and Permits:				
Business:				
General business licenses	650,000	717,353	67,353	666,662
Electric/telecom business licenses	5,050,000	4,618,588	(431,412)	4,540,343
Liquor licenses	275,000	251,619	(23,381)	260,663
Local gaming licenses	650,000	639,750	(10,250)	645,432
Sanitation franchise fees	365,000	363,171	(1,829)	369,561
Cable television franchise fees	950,000	1,007,016	57,016	937,865
County gaming licenses	230,000	233,765	3,765	240,515
Gaming licenses - AB 104	96,835	59,699	(37,136)	91,865
Nonbusiness:				
Marriage affidavits	200,000	174,871	(25,129)	191,751
Mobile home permits	200	165	(35)	165
Other	650	350	(300)	250
Total Licenses and Permits	8,467,685	8,066,347	(401,338)	7,945,072
Intergovernmental Revenues:				
Federal grants	128,500	140,330	11,830	142,732
Federal payments in lieu of taxes	3,231,123	3,298,436	67,313	3,231,123
Federal incarceration charges	4,100,000	5,215,120	1,115,120	4,175,568
State grants	-	-	-	10,590
State Shared Revenues:				
State gaming licenses	150,000	139,631	(10,369)	170,194
Real property transfer tax - AB 104	353,765	411,926	58,161	321,793
SCCRT / GST - AB 104 Makeup	8,917,435	9,493,458	576,023	8,967,109
Consolidated taxes	69,970,441	75,489,073	5,518,632	70,985,428
State extraditions	48,000	24,954	(23,046)	37,093
Local contributions	-	178,545	178,545	288,149
Total Intergovernmental Revenues	86,899,264	94,391,473	7,492,209	88,329,779
Charges for Services:				
General Government:				
Clerk fees	140,000	98,144	(41,856)	97,712
Recorder fees	2,093,000	2,503,516	410,516	2,068,729
Map fees	12,400	3,043	(9,357)	38,176
Assessor commissions	1,515,000	1,420,301	(94,699)	1,393,071
Building and zoning fees	153,000	140,065	(12,935)	113,751
Other	11,152,661	10,749,991	(402,670)	4,133,615
Subtotal General Government	15,066,061	14,915,060	(151,001)	7,845,054

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Judicial:				
Clerk court fees	\$ 512,000	\$ 453,738	\$ (58,262)	\$ 523,034
Other	972,100	1,180,209	208,109	1,029,084
Subtotal Judicial	1,484,100	1,633,947	149,847	1,552,118
Public Safety:				
Police:				
Sheriff fees	410,000	327,462	(82,538)	374,186
Other	4,051,960	4,370,851	318,891	3,603,232
Corrections	12,200	17,566	5,366	22,071
Protective services	500,000	404,802	(95,198)	486,792
Subtotal Public Safety	4,974,160	5,120,681	146,521	4,486,281
Public Works	90,250	66,691	(23,559)	164,204
Welfare	150,000	48,807	(101,193)	138,262
Culture and Recreation	635,992	678,701	42,709	623,117
Total Charges for Services	22,400,563	22,463,887	63,324	14,809,036
Fines and Forfeits:				
Fines:				
Library	160,000	97,255	(62,745)	129,179
Court	2,244,200	2,100,014	(144,186)	2,055,433
Penalties	4,294,500	4,005,437	(289,063)	4,186,222
Forfeits/bail	1,515,000	2,046,426	531,426	1,782,706
Total Fines and Forfeits	8,213,700	8,249,132	35,432	8,153,540
Miscellaneous:				
Investment earnings	2,521,000	2,007,693	(513,307)	2,417,412
Net increase (decrease) in the fair value of investments	300,000	(1,833,260)	(2,133,260)	985,352
Rents and royalties	108,073	100,061	(8,012)	115,278
Other	2,027,488	2,501,992	474,504	2,287,216
Total Miscellaneous	4,956,561	2,776,486	(2,180,075)	5,805,258
Total Revenues	268,302,844	272,351,942	4,049,098	265,229,169
Expenditures by Function and Activity				
Current:				
General Government Function:				
Legislative / County Commissioners:				
Salaries and wages	332,087	328,869	3,218	311,044
Employee benefits	133,548	128,154	5,394	112,511
Services and supplies	95,365	76,746	18,619	58,001
	561,000	533,769	27,231	481,556
Executive / County Manager:				
Salaries and wages	1,297,281	1,322,810	(25,529)	1,408,811
Employee benefits	493,569	496,506	(2,937)	511,042
Services and supplies	689,790	626,329	63,461	541,295
	2,480,640	2,445,645	34,995	2,461,148

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Elections / Registrar of Voters:				
Salaries and wages	\$ 404,329	\$ 367,974	\$ 36,355	\$ 350,054
Employee benefits	164,022	147,765	16,257	142,486
Services and supplies	801,711	781,590	20,121	687,978
Capital outlay	45,000	3,569	41,431	-
	<u>1,415,062</u>	<u>1,300,898</u>	<u>114,164</u>	<u>1,180,518</u>
Finance:				
Finance Department:				
Salaries and wages	1,978,619	1,949,438	29,181	1,931,145
Employee benefits	795,695	749,210	46,485	769,710
Services and supplies	221,221	160,726	60,495	164,498
Capital outlay	-	-	-	17,000
	<u>2,995,535</u>	<u>2,859,374</u>	<u>136,161</u>	<u>2,882,353</u>
Treasurer:				
Salaries and wages	1,189,072	1,111,645	77,427	1,086,399
Employee benefits	470,167	460,769	9,398	451,942
Services and supplies	735,721	601,745	133,976	465,909
	<u>2,394,960</u>	<u>2,174,159</u>	<u>220,801</u>	<u>2,004,250</u>
Assessor:				
Salaries and wages	3,829,785	3,691,204	138,581	3,739,875
Employee benefits	1,514,523	1,454,025	60,498	1,490,095
Services and supplies	434,691	373,053	61,638	367,470
	<u>5,778,999</u>	<u>5,518,282</u>	<u>260,717</u>	<u>5,597,440</u>
Subtotal Finance	<u>11,169,494</u>	<u>10,551,815</u>	<u>617,679</u>	<u>10,484,043</u>
Other:				
Human Resources:				
Salaries and wages	1,111,867	1,073,993	37,874	943,671
Employee benefits	393,298	387,977	5,321	350,760
Services and supplies	332,786	199,884	132,902	375,530
	<u>1,837,951</u>	<u>1,661,854</u>	<u>176,097</u>	<u>1,669,961</u>
Clerk:				
Salaries and wages	784,823	766,258	18,565	797,139
Employee benefits	328,153	323,367	4,786	334,498
Services and supplies	85,937	48,553	37,384	53,789
	<u>1,198,913</u>	<u>1,138,178</u>	<u>60,735</u>	<u>1,185,426</u>
Recorder:				
Salaries and wages	1,211,704	1,145,482	66,222	1,178,939
Employee benefits	516,462	480,940	35,522	508,222
Services and supplies	145,094	122,109	22,985	125,389
	<u>1,873,260</u>	<u>1,748,531</u>	<u>124,729</u>	<u>1,812,550</u>
Technology Services:				
Salaries and wages	4,920,207	5,275,055	(354,848)	5,409,043
Employee benefits	2,294,354	2,081,179	213,175	2,174,322
Services and supplies	3,301,648	2,691,585	610,063	2,820,944
Capital outlay	-	121,745	(121,745)	-
	<u>10,516,209</u>	<u>10,169,564</u>	<u>346,645</u>	<u>10,404,309</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Community Services Department (CSD) - General Services:				
Salaries and wages	\$ 2,002,625	\$ 1,984,739	\$ 17,886	\$ 2,053,394
Employee benefits	859,194	852,488	6,706	898,440
Services and supplies	2,782,721	2,791,174	(8,453)	2,817,253
Capital outlay	371,904	30,723	341,181	14,365
	<u>6,016,444</u>	<u>5,659,124</u>	<u>357,320</u>	<u>5,783,452</u>
CSD - Community Development:				
Salaries and wages	1,150,829	1,175,612	(24,783)	1,230,189
Employee benefits	469,629	456,267	13,362	489,798
Services and supplies	139,091	81,231	57,860	140,923
	<u>1,759,549</u>	<u>1,713,110</u>	<u>46,439</u>	<u>1,860,910</u>
Accrued Benefits:				
Salaries and wages	1,160,000	1,523,392	(363,392)	2,410,656
Employee benefits	-	103,138	(103,138)	2,796,239
	<u>1,160,000</u>	<u>1,626,530</u>	<u>(466,530)</u>	<u>5,206,895</u>
OPEB:				
Employee benefits	17,400,000	17,400,000	-	20,400,000
Administrative Enforcement:				
Services and supplies	25,000	11,290	13,710	7,153
Undesignated/Energy Maintenance:				
Services and supplies	4,865,130	5,554,401	(689,271)	18,658,097
Subtotal Other	<u>46,652,456</u>	<u>46,682,582</u>	<u>(30,126)</u>	<u>66,988,753</u>
Total General Government Function	<u>62,278,652</u>	<u>61,514,709</u>	<u>763,943</u>	<u>81,596,018</u>
Judicial Function:				
District Courts:				
Salaries and wages	8,907,640	8,283,122	624,518	8,509,134
Employee benefits	3,580,662	3,334,903	245,759	3,223,863
Services and supplies	3,412,180	2,778,932	633,248	2,851,554
Capital outlay	-	84,321	(84,321)	24,000
	<u>15,900,482</u>	<u>14,481,278</u>	<u>1,419,204</u>	<u>14,608,551</u>
District Attorney:				
Salaries and wages	10,762,845	10,856,346	(93,501)	10,776,098
Employee benefits	4,318,327	4,265,059	53,268	4,204,178
Services and supplies	1,458,251	979,938	478,313	1,087,199
	<u>16,539,423</u>	<u>16,101,343</u>	<u>438,080</u>	<u>16,067,475</u>
Public Defense:				
Public Defender:				
Salaries and wages	4,804,991	4,786,842	18,149	4,688,315
Employee benefits	1,766,364	1,751,125	15,239	1,695,190
Services and supplies	406,194	324,928	81,266	327,660
	<u>6,977,549</u>	<u>6,862,895</u>	<u>114,654</u>	<u>6,711,165</u>
Alternative Public Defender:				
Salaries and wages	1,240,602	1,226,470	14,132	1,197,193
Employee benefits	464,067	455,853	8,214	441,503
Services and supplies	152,592	132,343	20,249	133,452
	<u>1,857,261</u>	<u>1,814,666</u>	<u>42,595</u>	<u>1,772,148</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Conflict Counsel:				
Services and supplies	\$ 1,841,713	\$ 2,126,417	\$ (284,704)	\$ 2,362,273
Subtotal Public Defense	10,676,523	10,803,978	(127,455)	10,845,586
Justice Courts:				
Salaries and wages	5,295,981	5,137,761	158,220	4,763,145
Employee benefits	1,851,342	1,896,713	(45,371)	1,769,755
Services and supplies	372,963	313,975	58,988	270,466
	7,520,286	7,348,449	171,837	6,803,366
Incline Constable:				
Salaries and wages	66,686	66,124	562	101,428
Employee benefits	26,797	26,945	(148)	31,925
Services and supplies	14,700	13,275	1,425	14,299
	108,183	106,344	1,839	147,652
Total Judicial Function	50,744,897	48,841,392	1,903,505	48,472,630
Public Safety Function:				
Sheriff and Detention:				
Salaries and wages	49,276,459	49,613,869	(337,410)	46,637,377
Employee benefits	24,908,098	25,073,089	(164,991)	24,513,213
Services and supplies	14,814,059	13,609,859	1,204,200	12,885,459
Capital outlay	-	14,325	(14,325)	51,244
	88,998,616	88,311,142	687,474	84,087,293
Medical Examiner:				
Salaries and wages	1,178,856	1,165,856	13,000	1,098,785
Employee benefits	407,625	400,225	7,400	384,322
Services and supplies	376,033	344,294	31,739	388,346
	1,962,514	1,910,375	52,139	1,871,453
Fire Suppression:				
Employee benefits	6,900	1,442	5,458	5,479
Services and supplies	714,746	483,616	231,130	159,998
Capital outlay	10,500	-	10,500	-
	732,146	485,058	247,088	165,477
Juvenile Services:				
Salaries and wages	7,610,626	7,504,091	106,535	7,283,466
Employee benefits	3,299,442	3,343,608	(44,166)	3,316,598
Services and supplies	1,893,615	1,685,831	207,784	1,836,247
Capital outlay	-	-	-	4,000
	12,803,683	12,533,530	270,153	12,440,311
Protective Services:				
Alternative Sentencing:				
Salaries and wages	367,792	367,465	327	371,103
Employee benefits	188,450	186,799	1,651	201,339
Services and supplies	104,562	87,938	16,624	75,468
	660,804	642,202	18,602	647,910

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Emergency Management:				
Salaries and wages	\$ 65,269	\$ 130,138	\$ (64,869)	\$ 126,005
Employee benefits	25,478	47,560	(22,082)	46,293
Services and supplies	6,637	7,635	(998)	7,973
	<u>97,384</u>	<u>185,333</u>	<u>(87,949)</u>	<u>180,271</u>
Public Administrator:				
Salaries and wages	628,954	634,948	(5,994)	613,158
Employee benefits	260,077	261,364	(1,287)	249,015
Services and supplies	51,147	35,578	15,569	40,957
	<u>940,178</u>	<u>931,890</u>	<u>8,288</u>	<u>903,130</u>
Public Guardian:				
Salaries and wages	999,024	981,257	17,767	944,209
Employee benefits	403,250	408,836	(5,586)	399,455
Services and supplies	65,831	43,387	22,444	52,726
	<u>1,468,105</u>	<u>1,433,480</u>	<u>34,625</u>	<u>1,396,390</u>
Subtotal Protective Services	<u>3,166,471</u>	<u>3,192,905</u>	<u>(26,434)</u>	<u>3,127,701</u>
Total Public Safety Function	<u>107,663,430</u>	<u>106,433,010</u>	<u>1,230,420</u>	<u>101,692,235</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	1,463,265	1,484,361	(21,096)	1,704,846
Employee benefits	572,273	566,909	5,364	658,419
Services and supplies	480,409	425,204	55,205	414,355
	<u>2,515,947</u>	<u>2,476,474</u>	<u>39,473</u>	<u>2,777,620</u>
Welfare Function:				
Social Services Department:				
Salaries and wages	2,361,209	2,060,215	300,994	2,161,952
Employee benefits	1,015,542	872,914	142,628	918,709
Services and supplies	14,807,385	14,717,310	90,075	14,046,327
	<u>18,184,136</u>	<u>17,650,439</u>	<u>533,697</u>	<u>17,126,988</u>
Culture and Recreation Function:				
Library Department:				
Salaries and wages	5,044,282	5,043,269	1,013	5,258,951
Employee benefits	2,044,176	1,996,254	47,922	2,131,734
Services and supplies	364,615	300,585	64,030	321,546
	<u>7,453,073</u>	<u>7,340,108</u>	<u>112,965</u>	<u>7,712,231</u>
CSD - Regional Parks and Open Space:				
Salaries and wages	2,443,172	2,404,722	38,450	2,604,166
Employee benefits	1,093,482	1,052,816	40,666	1,156,346
Services and supplies	871,995	842,310	29,685	820,934
	<u>4,408,649</u>	<u>4,299,848</u>	<u>108,801</u>	<u>4,581,446</u>
Total Culture and Recreation Function	<u>11,861,722</u>	<u>11,639,956</u>	<u>221,766</u>	<u>12,293,677</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Community Support Function:				
Services and supplies	\$ 406,535	\$ 343,244	\$ 63,291	\$ 308,800
Capital outlay	37,000	-	37,000	-
Total Community Support Function	443,535	343,244	100,291	308,800
Intergovernmental Expenditures:				
Indigent Insurance Program	1,832,552	1,768,277	64,275	1,890,500
China Springs Youth Facility	1,162,063	1,172,468	(10,405)	1,130,793
Reno/Sparks Apportionment	-	-	-	65,918
Ethics Commission Assessment	17,106	17,959	(853)	16,032
Truckee Meadows Regional Planning	205,162	205,162	-	250,596
Groundwater Basin	15,439	17,161	(1,722)	-
Total Intergovernmental Expenditures	3,232,322	3,181,027	51,295	3,353,839
Total Expenditures	256,924,641	252,080,251	4,844,390	267,621,807
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,378,203	20,271,691	8,893,488	(2,392,638)
Other Financing Sources (Uses)				
Proceeds from asset disposition	1,500	41,696	40,196	172,641
Transfers:				
Special Revenue Funds	84,400	545,169	460,769	761,646
Internal Service Funds	300,000	300,000	-	19,281,500
Enterprise Funds	1,450,000	1,450,000	-	-
Special Revenue Funds	(14,268,269)	(14,393,361)	(125,092)	(12,553,666)
Debt Service Funds	(4,374,376)	(4,368,272)	6,104	(4,671,511)
Capital Projects Funds	(1,135,800)	(1,135,800)	-	(3,046,830)
Contingency	(19,482)	-	19,482	-
Total Other Financing Sources (Uses)	(17,962,027)	(17,560,568)	401,459	(56,220)
Net Change in Fund Balances	(6,583,824)	2,711,123	9,294,947	(2,448,858)
Fund Balances, July 1	32,715,365	36,322,627	3,607,262	38,771,485
Fund Balances, June 30	\$ 26,131,541	\$ 39,033,750	\$ 12,902,209	\$ 36,322,627

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

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Regional Public Safety Training Center Fund: To account for the operations and management of a public safety training center for the benefit of local public safety agencies	96
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Central Truckee Meadows Remediation District Fund: To account for resources derived from remediation fees and related investment earnings specifically appropriated for the remediation of the quality of water in the Central Truckee Meadows Remediation District	99
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WASHOE COUNTY, NEVADA
CHILD PROTECTIVE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 4,883,474	\$ 4,850,274	\$ (33,200)	\$ 5,030,781
Licenses and Permits:				
Day care licenses	25,000	20,350	(4,650)	22,577
Intergovernmental Revenues:				
Federal grants	22,366,232	19,963,733	(2,402,499)	17,323,408
State grants	14,835,941	14,670,045	(165,896)	14,506,160
Charges for Services:				
Service fees	3,085,000	2,670,985	(414,015)	2,861,057
Miscellaneous:				
Contributions and donations	175,198	103,926	(71,272)	153,970
Other	-	16,969	16,969	150
Total Revenues	<u>45,370,845</u>	<u>42,296,282</u>	<u>(3,074,563)</u>	<u>39,898,103</u>
Expenditures				
Welfare Function:				
Salaries and wages	13,813,002	12,903,028	909,974	12,363,006
Employee benefits	5,614,477	5,196,717	417,760	5,152,433
Services and supplies	33,529,313	25,958,410	7,570,903	24,587,888
Capital outlay	50,000	24,470	25,530	23,200
Total Expenditures	<u>53,006,792</u>	<u>44,082,625</u>	<u>8,924,167</u>	<u>42,126,527</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,635,947)</u>	<u>(1,786,343)</u>	<u>5,849,604</u>	<u>(2,228,424)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	-	-	-	625,633
Debt Service Fund	(400,000)	(400,000)	-	(400,000)
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>225,633</u>
Net Change in Fund Balances	<u>(8,035,947)</u>	<u>(2,186,343)</u>	<u>5,849,604</u>	<u>(2,002,791)</u>
Fund Balances, July 1	<u>11,038,652</u>	<u>11,038,652</u>	<u>-</u>	<u>13,041,443</u>
Fund Balances, June 30	<u>\$ 3,002,705</u>	<u>\$ 8,852,309</u>	<u>\$ 5,849,604</u>	<u>\$ 11,038,652</u>

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	<u>Health Fund</u>	<u>Indigent Tax Levy Fund</u>	<u>Senior Services Fund</u>	<u>Enhanced 911 Fund</u>	<u>Library Expansion Fund</u>
Assets					
Cash and investments	\$ 2,644,972	\$ 5,131,591	\$ 334,326	\$ 1,319,366	\$ 605,797
Accounts receivable	139	-	90	129,978	-
Property taxes receivable	-	172,523	25,659	-	51,260
Other taxes receivable	-	-	-	-	-
Interest receivable	-	15,912	-	4,493	2,149
Due from other governments	1,270,976	-	456,609	60	-
Deposits and prepaid items	-	-	-	27,108	-
Total Assets	\$ 3,916,087	\$ 5,320,026	\$ 816,684	\$ 1,481,005	\$ 659,206
Liabilities					
Accounts payable	\$ 245,621	\$ 811,832	\$ 273,934	\$ 225,416	\$ 30,981
Accrued salaries and benefits	548,436	-	161,942	1,528	38,731
Contracts/retention payable	-	-	-	-	-
Due to other governments	96,290	41,385	2,887	64,267	-
Other liabilities	-	-	1,565	-	-
Unearned revenue	214,276	-	-	-	-
Total Liabilities	1,104,623	853,217	440,328	291,211	69,712
Deferred Inflows of Resources					
Unavailable revenue - grants and other revenue	-	-	-	-	-
Unavailable revenue - property taxes	-	143,450	21,195	-	42,341
Total Deferred Inflows of Resources	-	143,450	21,195	-	42,341
Fund Balances					
Nonspendable	-	-	-	27,108	-
Restricted	2,811,464	4,323,359	91,068	1,162,686	118,574
Committed	-	-	264,093	-	428,579
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	2,811,464	4,323,359	355,161	1,189,794	547,153
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,916,087	\$ 5,320,026	\$ 816,684	\$ 1,481,005	\$ 659,206

(CONTINUED)

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	Animal Services Fund	Regional Public Safety Training Center Fund	Truckee River Flood Management Infrastructure Fund	Regional Communications System Fund	Central Truckee Meadows Remediation District Fund
Assets					
Cash and investments	\$ 5,641,580	\$ 459,183	\$ 171,717	\$ 1,746,488	\$ 8,468,234
Accounts receivable	7,681	-	-	-	22,805
Property taxes receivable	81,492	-	-	-	-
Other taxes receivable	-	-	1,250,699	-	-
Interest receivable	16,848	1,688	499	5,058	25,134
Due from other governments	1,514	2,176	-	22,522	-
Deposits and prepaid items	11,855	-	-	22,275	-
Total Assets	\$ 5,760,970	\$ 463,047	\$ 1,422,915	\$ 1,796,343	\$ 8,516,173
Liabilities					
Accounts payable	\$ 48,603	\$ 11,538	\$ 815	\$ 20,061	\$ 102,935
Accrued salaries and benefits	103,971	10,881	45,405	18,786	21,272
Contracts/retention payable	-	-	-	-	-
Due to other governments	-	-	-	-	176,183
Other liabilities	6,931	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	159,505	22,419	46,220	38,847	300,390
Deferred Inflows of Resources					
Unavailable revenue - grants and other revenue	-	-	-	-	19,750
Unavailable revenue - property taxes	67,396	-	-	-	-
Total Deferred Inflows of Resources	67,396	-	-	-	19,750
Fund Balances					
Nonspendable	11,855	-	-	22,275	-
Restricted	156,252	440,628	1,376,695	1,735,221	7,092,756
Committed	5,365,962	-	-	-	1,103,277
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	5,534,069	440,628	1,376,695	1,757,496	8,196,033
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,760,970	\$ 463,047	\$ 1,422,915	\$ 1,796,343	\$ 8,516,173

	Other Restricted Fund	Roads Fund	Total
\$	13,466,712	\$ 5,529,505	\$ 45,519,471
	8,565	-	169,258
	25,659	-	356,593
	259,251	1,243,276	2,753,226
	12,273	-	84,054
	1,751,393	-	3,505,250
	-	-	61,238
	<u>15,523,853</u>	<u>6,772,781</u>	<u>52,449,090</u>
\$	1,138,852	\$ 105,965	\$ 3,016,553
	135,407	149,568	1,235,927
	-	366,146	366,146
	26,137	197	407,346
	53,795	-	62,291
	9,359	-	223,635
	<u>1,363,550</u>	<u>621,876</u>	<u>5,311,898</u>
	48,436	-	68,186
	21,195	-	295,577
	<u>69,631</u>	<u>-</u>	<u>363,763</u>
	-	-	61,238
	13,028,437	-	32,337,140
	1,318,228	1,076,969	9,557,108
	2,535	5,073,936	5,076,471
	(258,528)	-	(258,528)
	<u>14,090,672</u>	<u>6,150,905</u>	<u>46,773,429</u>
\$	<u>15,523,853</u>	<u>6,772,781</u>	<u>52,449,090</u>

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Health Fund</u>	<u>Indigent Tax Levy Fund</u>	<u>Senior Services Fund</u>	<u>Enhanced 911 Fund</u>
Revenues				
Taxes:				
Ad valorem	\$ -	\$ 7,293,338	\$ 1,212,588	\$ -
Car rental	-	-	-	-
Licenses and permits	1,179,756	-	-	-
Intergovernmental revenues	6,519,732	-	1,407,105	-
Charges for services	1,314,251	206,447	353,698	1,565,824
Fines and forfeits	-	-	-	-
Miscellaneous	73,204	(3,417)	175,327	905
Total Revenues	9,086,943	7,496,368	3,148,718	1,566,729
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	1,906,156
Public works	-	-	-	-
Health and sanitation	18,815,412	-	-	-
Welfare	-	3,812,337	-	-
Culture and recreation	-	-	4,350,037	-
Intergovernmental	-	-	-	-
Total Expenditures	18,815,412	3,812,337	4,350,037	1,906,156
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,728,469)	3,684,031	(1,201,319)	(339,427)
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	-	-
Transfers in	8,623,891	-	936,272	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	8,623,891	-	936,272	-
Net Change in Fund Balances	(1,104,578)	3,684,031	(265,047)	(339,427)
Fund Balances, July 1, As Restated	3,916,042	639,328	620,208	1,529,221
Fund Balances, June 30	\$ 2,811,464	\$ 4,323,359	\$ 355,161	\$ 1,189,794

<u>Library Expansion Fund</u>	<u>Animal Services Fund</u>	<u>Regional Public Safety Training Center Fund</u>	<u>Truckee River Flood Management Infrastructure Fund</u>	<u>Regional Communications System Fund</u>	<u>Central Truckee Meadows Remediation District Fund</u>	<u>Other Restricted Fund</u>
\$ 2,425,224	\$ 3,689,431	\$ -	\$ -	\$ -	\$ -	\$ 1,212,588
-	-	-	-	-	-	1,196,251
-	234,129	-	-	-	-	-
-	-	-	7,127,834	1,145,127	-	9,408,068
-	110,176	589,369	-	-	1,253,750	2,667,964
-	-	-	-	-	-	2,264,252
4,187	314,778	26,178	1,399,118	2,443	4,863	1,050,834
<u>2,429,411</u>	<u>4,348,514</u>	<u>615,547</u>	<u>8,526,952</u>	<u>1,147,570</u>	<u>1,258,613</u>	<u>17,799,957</u>
-	-	-	-	-	-	977,734
-	-	-	-	-	-	5,372,493
-	4,154,362	678,001	10,229,929	1,189,414	-	7,140,908
-	-	-	-	-	-	82,173
-	-	-	-	-	1,742,591	-
-	-	-	-	-	-	93,109
2,026,220	-	-	-	-	-	843,095
-	-	-	-	-	-	1,157,871
<u>2,026,220</u>	<u>4,154,362</u>	<u>678,001</u>	<u>10,229,929</u>	<u>1,189,414</u>	<u>1,742,591</u>	<u>15,667,383</u>
<u>403,191</u>	<u>194,152</u>	<u>(62,454)</u>	<u>(1,702,977)</u>	<u>(41,844)</u>	<u>(483,978)</u>	<u>2,132,574</u>
-	7,362	-	-	-	-	-
-	-	-	-	-	-	1,275,092
<u>(280,430)</u>	<u>-</u>	<u>-</u>	<u>(2,378,000)</u>	<u>-</u>	<u>-</u>	<u>(1,830,764)</u>
<u>(280,430)</u>	<u>7,362</u>	<u>-</u>	<u>(2,378,000)</u>	<u>-</u>	<u>-</u>	<u>(555,672)</u>
122,761	201,514	(62,454)	(4,080,977)	(41,844)	(483,978)	1,576,902
424,392	5,332,555	503,082	5,457,672	1,799,340	8,680,011	12,513,770
<u>\$ 547,153</u>	<u>\$ 5,534,069</u>	<u>\$ 440,628</u>	<u>\$ 1,376,695</u>	<u>\$ 1,757,496</u>	<u>\$ 8,196,033</u>	<u>\$ 14,090,672</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	Roads Fund	TOTAL
Revenues		
Taxes:		
Ad valorem	\$ -	\$ 15,833,169
Car rental	-	1,196,251
Licenses and permits	-	1,413,885
Intergovernmental revenues	7,308,607	32,916,473
Charges for services	319,664	8,381,143
Fines and forfeits	-	2,264,252
Miscellaneous	9,162	3,057,582
	7,637,433	65,062,755
Expenditures		
Current:		
General government	-	977,734
Judicial	-	5,372,493
Public safety	-	25,298,770
Public works	13,009,107	13,091,280
Health and sanitation	-	20,558,003
Welfare	-	3,905,446
Culture and recreation	-	7,219,352
Intergovernmental	-	1,157,871
	13,009,107	77,580,949
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,371,674)	(12,518,194)
Other Financing Sources (Uses)		
Proceeds from asset disposition	-	7,362
Transfers in	5,448,106	16,283,361
Transfers out	(31,967)	(4,521,161)
	5,416,139	11,769,562
Net Change in Fund Balances	44,465	(748,632)
Fund Balances, July 1, As Restated	6,106,440	47,522,061
Fund Balances, June 30	\$ 6,150,905	\$ 46,773,429

**WASHOE COUNTY, NEVADA
HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Licenses and permits	\$ 1,124,537	\$ 1,179,756	\$ 55,219	\$ 984,267
Intergovernmental Revenues:				
Federal grants	5,985,996	5,672,330	(313,666)	5,638,238
State grants	281,857	99,857	(182,000)	329,907
Other	718,766	747,545	28,779	827,765
Charges for Services:				
Health	1,253,150	1,314,251	61,101	1,265,749
Miscellaneous:				
Contributions and donations	156,684	70,700	(85,984)	48,208
Other	-	2,504	2,504	4,224
Total Revenues	9,520,990	9,086,943	(434,047)	9,098,358
Expenditures				
Health and Sanitation Function:				
Salaries and wages	10,758,485	9,803,868	954,617	9,861,088
Employee benefits	4,089,654	3,794,135	295,519	3,745,285
Services and supplies	5,897,251	5,004,785	892,466	2,255,897
Capital outlay	397,107	212,624	184,483	315,930
Total Expenditures	21,142,497	18,815,412	2,327,085	16,178,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,621,507)	(9,728,469)	1,893,038	(7,079,842)
Other Financing Sources (Uses)				
Transfers:				
General Fund	8,623,891	8,623,891	-	7,250,850
Net Change in Fund Balances	(2,997,616)	(1,104,578)	1,893,038	171,008
Fund Balances, July 1	3,613,318	3,916,042	302,724	3,745,034
Fund Balances, June 30	\$ 615,702	\$ 2,811,464	\$ 2,195,762	\$ 3,916,042

**WASHOE COUNTY, NEVADA
INDIGENT TAX LEVY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 7,350,211	\$ 7,293,338	\$ (56,873)	\$ 8,812,077
Charges for Services:				
Reimbursements	95,000	206,447	111,447	94,521
Miscellaneous:				
Investment earnings	30,000	74,225	44,225	88,477
Net increase (decrease) in the fair value of investments	7,500	(96,963)	(104,463)	25,657
Other	-	19,321	19,321	-
Total Revenues	<u>7,482,711</u>	<u>7,496,368</u>	<u>13,657</u>	<u>9,020,732</u>
Expenditures				
Welfare Function:				
Services and supplies	<u>7,767,211</u>	<u>3,812,337</u>	<u>3,954,874</u>	<u>9,643,776</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(284,500)	3,684,031	3,968,531	(623,044)
Fund Balances, July 1	<u>334,500</u>	<u>639,328</u>	<u>304,828</u>	<u>1,262,372</u>
Fund Balances, June 30	<u>\$ 50,000</u>	<u>\$ 4,323,359</u>	<u>\$ 4,273,359</u>	<u>\$ 639,328</u>

WASHOE COUNTY, NEVADA
SENIOR SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 1,222,369	\$ 1,212,588	\$ (9,781)	\$ 1,257,749
Intergovernmental Revenues:				
Federal grants	1,171,022	1,061,746	(109,276)	1,255,875
State and local grants	392,455	345,359	(47,096)	343,816
Charges for Services:				
Senior law project fees	73,000	57,539	(15,461)	71,821
Program income	121,000	115,706	(5,294)	137,447
Other	278,400	180,453	(97,947)	223,979
Miscellaneous:				
Contributions and donations	208,051	114,527	(93,524)	220,204
Reimbursements	26,500	31,544	5,044	31,045
Other	13,000	29,256	16,256	14,930
Total Revenues	<u>3,505,797</u>	<u>3,148,718</u>	<u>(357,079)</u>	<u>3,556,866</u>
Expenditures				
Culture and Recreation Function:				
Salaries and wages	1,633,195	1,561,689	71,506	1,627,198
Employee benefits	638,935	662,395	(23,460)	735,741
Services and supplies	2,435,602	2,083,459	352,143	1,520,706
Capital outlay	34,000	42,494	(8,494)	56,932
Total Expenditures	<u>4,741,732</u>	<u>4,350,037</u>	<u>391,695</u>	<u>3,940,577</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,235,935)</u>	<u>(1,201,319)</u>	<u>34,616</u>	<u>(383,711)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	-	3,675
Transfers:				
General Fund	936,272	936,272	-	235,860
Total Other Financing Sources (Uses)	<u>936,272</u>	<u>936,272</u>	<u>-</u>	<u>239,535</u>
Net Change in Fund Balances	<u>(299,663)</u>	<u>(265,047)</u>	<u>34,616</u>	<u>(144,176)</u>
Fund Balances, July 1	<u>561,849</u>	<u>620,208</u>	<u>58,359</u>	<u>764,384</u>
Fund Balances, June 30	<u>\$ 262,186</u>	<u>\$ 355,161</u>	<u>\$ 92,975</u>	<u>\$ 620,208</u>

WASHOE COUNTY, NEVADA
ENHANCED 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Charges for Services:				
Enhanced 911 fees	\$ 1,571,200	\$ 1,565,824	\$ (5,376)	\$ 1,585,907
Miscellaneous:				
Investment earnings	30,000	26,347	(3,653)	49,869
Net increase (decrease) in the fair value of investments	-	(25,442)	(25,442)	20,396
Total Revenues	<u>1,601,200</u>	<u>1,566,729</u>	<u>(34,471)</u>	<u>1,656,172</u>
Expenditures				
Public Safety Function:				
Salaries and wages	27,694	27,580	114	24,466
Employee benefits	12,450	12,417	33	11,612
Services and supplies	1,940,923	1,389,610	551,313	2,388,968
Capital outlay	751,652	476,549	275,103	86,850
Total Expenditures	<u>2,732,719</u>	<u>1,906,156</u>	<u>826,563</u>	<u>2,511,896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,131,519)	(339,427)	792,092	(855,724)
Fund Balances, July 1	<u>1,256,519</u>	<u>1,529,221</u>	<u>272,702</u>	<u>2,384,945</u>
Fund Balances, June 30	<u>\$ 125,000</u>	<u>\$ 1,189,794</u>	<u>\$ 1,064,794</u>	<u>\$ 1,529,221</u>

**WASHOE COUNTY, NEVADA
LIBRARY EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 2,451,737	\$ 2,425,224	\$ (26,513)	\$ 2,515,457
Miscellaneous:				
Investment earnings	15,000	12,946	(2,054)	16,846
Net increase (decrease) in the fair value of investments	-	(12,842)	(12,842)	4,596
Other	-	4,083	4,083	-
Total Revenues	2,466,737	2,429,411	(37,326)	2,536,899
Expenditures				
Culture and Recreation Function:				
Salaries and wages	1,011,399	802,780	208,619	1,036,987
Employee benefits	436,115	352,234	83,881	517,476
Services and supplies	919,463	871,206	48,257	951,619
Total Expenditures	2,366,977	2,026,220	340,757	2,506,082
Excess (Deficiency) of Revenues Over (Under) Expenditures	99,760	403,191	303,431	30,817
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(280,430)	(280,430)	-	(283,430)
Net Change in Fund Balances	(180,670)	122,761	303,431	(252,613)
Fund Balances, July 1	459,719	424,392	(35,327)	677,005
Fund Balances, June 30	\$ 279,049	\$ 547,153	\$ 268,104	\$ 424,392

WASHOE COUNTY, NEVADA
ANIMAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 3,665,106	\$ 3,689,431	\$ 24,325	\$ 3,828,062
Licenses and Permits:				
Animal licenses	204,000	234,129	30,129	230,955
Charges for Services:				
Animal services	100,000	110,176	10,176	125,089
Fines and Forfeits:				
Administrative enforcement fees	10,000	-	(10,000)	30
Miscellaneous:				
Investment earnings	100,000	100,339	339	122,290
Net increase (decrease) in the fair value of investments	25,000	(98,491)	(123,491)	46,318
Contributions and donations	238,588	238,588	-	16,832
Other	141,250	74,342	(66,908)	111,822
Total Revenues	<u>4,483,944</u>	<u>4,348,514</u>	<u>(135,430)</u>	<u>4,481,398</u>
Expenditures				
Public Safety Function:				
Salaries and wages	1,778,508	1,743,513	34,995	1,753,666
Employee benefits	736,391	728,067	8,324	805,925
Services and supplies	2,627,478	1,682,782	944,696	2,078,481
Capital outlay	80,000	-	80,000	159,886
Total Expenditures	<u>5,222,377</u>	<u>4,154,362</u>	<u>1,068,015</u>	<u>4,797,958</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(738,433)	194,152	932,585	(316,560)
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	7,362	7,362	-
Net Change in Fund Balances	(738,433)	201,514	939,947	(316,560)
Fund Balances, July 1	<u>5,029,782</u>	<u>5,332,555</u>	<u>302,773</u>	<u>5,649,115</u>
Fund Balances, June 30	<u>\$ 4,291,349</u>	<u>\$ 5,534,069</u>	<u>\$ 1,242,720</u>	<u>\$ 5,332,555</u>

WASHOE COUNTY, NEVADA
REGIONAL PUBLIC SAFETY TRAINING CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Charges for Services:				
Training fees - partner agencies	\$ 572,000	\$ 572,004	\$ 4	\$ 583,888
Training fees - workshops	15,000	17,365	2,365	4,307
Miscellaneous:				
Investment earnings	10,000	10,691	691	14,219
Net increase (decrease) in the fair value of investments	-	(9,010)	(9,010)	4,608
Rental income	10,000	22,321	12,321	22,044
Other	12,000	2,176	(9,824)	4,670
Total Revenues	<u>619,000</u>	<u>615,547</u>	<u>(3,453)</u>	<u>633,736</u>
Expenditures				
Public Safety Function:				
Salaries and wages	280,077	200,935	79,142	207,940
Employee benefits	117,094	90,601	26,493	88,706
Services and supplies	329,108	302,298	26,810	244,089
Capital outlay	145,000	84,167	60,833	4,934
Total Expenditures	<u>871,279</u>	<u>678,001</u>	<u>193,278</u>	<u>545,669</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(252,279)</u>	<u>(62,454)</u>	<u>189,825</u>	<u>88,067</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	-	1,565
Net Change in Fund Balances	<u>(252,279)</u>	<u>(62,454)</u>	<u>189,825</u>	<u>89,632</u>
Fund Balances, July 1	<u>435,478</u>	<u>503,082</u>	<u>67,604</u>	<u>413,450</u>
Fund Balances, June 30	<u>\$ 183,199</u>	<u>\$ 440,628</u>	<u>\$ 257,429</u>	<u>\$ 503,082</u>

WASHOE COUNTY, NEVADA
TRUCKEE RIVER FLOOD MANAGEMENT INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental Revenues:				
Infrastructure sales tax - NRS 377B.100	\$ 6,834,000	\$ 7,127,834	\$ 293,834	\$ 6,733,105
Miscellaneous:				
Investment earnings	79,125	10,948	(68,177)	360,107
Net increase (decrease) in the fair value of investments	60,875	9,742	(51,133)	139,123
Reimbursements	<u>1,690,640</u>	<u>1,378,428</u>	<u>(312,212)</u>	<u>238,253</u>
Total Revenues	<u>8,664,640</u>	<u>8,526,952</u>	<u>(137,688)</u>	<u>7,470,588</u>
Expenditures				
Public Safety Function:				
Salaries and wages	1,101,256	868,865	232,391	842,276
Employee benefits	411,073	329,144	81,929	304,294
Services and supplies	12,349,971	9,031,920	3,318,051	1,811,179
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,486</u>
Total Public Safety Function	13,862,300	10,229,929	3,632,371	2,987,235
Debt Service:				
Debt service fees	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
Total Expenditures	<u>13,865,300</u>	<u>10,229,929</u>	<u>3,635,371</u>	<u>2,987,235</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,200,660)</u>	<u>(1,702,977)</u>	<u>3,497,683</u>	<u>4,483,353</u>
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(2,351,833)	(2,378,000)	(26,167)	(2,366,948)
Infrastructure Fund	<u>(10,135,159)</u>	<u>-</u>	<u>10,135,159</u>	<u>(5,750,000)</u>
Total Other Financing Sources (Uses)	<u>(12,486,992)</u>	<u>(2,378,000)</u>	<u>10,108,992</u>	<u>(8,116,948)</u>
Special Item:				
Truckee River Flood Management Authority	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,896,021)</u>
Net Change in Fund Balances	<u>(17,687,652)</u>	<u>(4,080,977)</u>	<u>13,606,675</u>	<u>(16,529,616)</u>
Fund Balances, July 1	<u>17,687,652</u>	<u>5,457,672</u>	<u>(12,229,980)</u>	<u>21,987,288</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 1,376,695</u>	<u>\$ 1,376,695</u>	<u>\$ 5,457,672</u>

WASHOE COUNTY, NEVADA
REGIONAL COMMUNICATIONS SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Local contributions	\$ 1,090,227	\$ 1,145,127	\$ 54,900	\$ 1,207,558
Miscellaneous:				
Investment earnings	26,000	31,319	5,319	37,589
Net increase (decrease) in the fair value of investments	-	(29,026)	(29,026)	15,413
Reimbursements	-	150	150	-
Total Revenues	<u>1,116,227</u>	<u>1,147,570</u>	<u>31,343</u>	<u>1,260,560</u>
Expenditures				
Public Safety Function:				
Salaries and wages	407,204	343,759	63,445	311,672
Employee benefits	146,149	137,630	8,519	119,391
Services and supplies	604,571	530,199	74,372	544,770
Capital outlay	<u>1,543,000</u>	<u>177,826</u>	<u>1,365,174</u>	<u>53,391</u>
Total Expenditures	<u>2,700,924</u>	<u>1,189,414</u>	<u>1,511,510</u>	<u>1,029,224</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,584,697)	(41,844)	1,542,853	231,336
Fund Balances, July 1	<u>1,799,340</u>	<u>1,799,340</u>	-	<u>1,568,004</u>
Fund Balances, June 30	<u>\$ 214,643</u>	<u>\$ 1,757,496</u>	<u>\$ 1,542,853</u>	<u>\$ 1,799,340</u>

WASHOE COUNTY, NEVADA
CENTRAL TRUCKEE MEADOWS REMEDIATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Charges for Services:				
Remediation fees	\$ 1,250,000	\$ 1,253,750	\$ 3,750	\$ 1,256,333
Miscellaneous:				
Investment earnings	143,587	153,710	10,123	192,351
Net increase (decrease) in the fair value of investments	-	(148,847)	(148,847)	75,195
Other	-	-	-	20,034
Total Revenues	1,393,587	1,258,613	(134,974)	1,543,913
Expenditures				
Health and Sanitation Function:				
Salaries and wages	621,131	457,714	163,417	485,256
Employee benefits	223,145	195,052	28,093	180,517
Services and supplies	7,448,670	1,089,825	6,358,845	814,682
Total Expenditures	8,292,946	1,742,591	6,550,355	1,480,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,899,359)	(483,978)	6,415,381	63,458
Fund Balances, July 1	8,299,819	8,680,011	380,192	8,616,553
Fund Balances, June 30	\$ 1,400,460	\$ 8,196,033	\$ 6,795,573	\$ 8,680,011

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 1,223,369	\$ 1,212,588	\$ (10,781)	\$ 1,257,254
Car rental	1,314,595	1,196,251	(118,344)	1,152,133
Intergovernmental revenues:				
Federal grants	13,186,121	8,241,834	(4,944,287)	11,115,516
Federal narcotics forfeitures	110,000	250,163	140,163	646,861
State grants	572,596	502,891	(69,705)	539,450
Local contributions	186,499	413,180	226,681	180,742
Charges for Services:				
General Government:				
Recorder fees	350,000	346,488	(3,512)	296,787
Map fees	50,000	42,344	(7,656)	75,678
Assessor commissions	450,000	474,752	24,752	464,805
Other	6,000	6,194	194	6,200
Judicial	1,623,000	1,455,351	(167,649)	1,602,102
Public Safety	127,000	151,847	24,847	145,696
Public Works	42,000	36,745	(5,255)	22,762
Culture and Recreation	172,855	154,243	(18,612)	149,342
Fines and Forfeits:				
Court fines	1,968,781	1,915,055	(53,726)	1,757,114
Forfeits/bail	35,000	349,197	314,197	88,236
Miscellaneous:				
Investment earnings	1,000	71,290	70,290	73,534
Net increase (decrease) in the fair value of investments	-	(74,738)	(74,738)	31,236
Contributions and donations	830,833	790,584	(40,249)	916,906
Other	595,675	263,698	(331,977)	468,554
Total Revenues	<u>22,845,324</u>	<u>17,799,957</u>	<u>(5,045,367)</u>	<u>20,990,908</u>
Expenditures				
General Government Function:				
County Manager:				
Services and supplies	<u>45,222</u>	<u>15,000</u>	<u>30,222</u>	<u>4,445</u>
Assessor:				
Services and supplies	867,535	75,006	792,529	122,496
Capital outlay	<u>974,835</u>	<u>105,026</u>	<u>869,809</u>	<u>476,742</u>
	<u>1,842,370</u>	<u>180,032</u>	<u>1,662,338</u>	<u>599,238</u>
Human Resources:				
Services and supplies	<u>2,534</u>	<u>1,155</u>	<u>1,379</u>	<u>3,469</u>
Clerk:				
Services and supplies	<u>22,833</u>	<u>16</u>	<u>22,817</u>	<u>9,897</u>
Recorder:				
Services and supplies	<u>2,699,548</u>	<u>473,417</u>	<u>2,226,131</u>	<u>546,511</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Technology Services:				
Salaries and wages	\$ 81,583	\$ 81,592	\$ (9)	\$ 78,349
Employee benefits	36,103	31,740	4,363	35,038
Services and supplies	302,873	48,067	254,806	788
	<u>420,559</u>	<u>161,399</u>	<u>259,160</u>	<u>114,175</u>
Community Services Department (CSD) - General Services:				
Services and supplies	303,201	146,614	156,587	177,000
Community Development:				
Services and supplies	2,500	101	2,399	500
Total General Government Function	<u>5,338,767</u>	<u>977,734</u>	<u>4,361,033</u>	<u>1,455,235</u>
Judicial Function:				
District Courts:				
Salaries and wages	661,230	556,092	105,138	519,213
Employee benefits	273,224	228,228	44,996	204,318
Services and supplies	4,190,433	1,182,652	3,007,781	1,032,562
Capital outlay	535,896	-	535,896	-
	<u>5,660,783</u>	<u>1,966,972</u>	<u>3,693,811</u>	<u>1,756,093</u>
District Attorney:				
Salaries and wages	1,532,030	1,442,928	89,102	1,498,993
Employee benefits	653,658	613,489	40,169	635,838
Services and supplies	1,415,431	295,210	1,120,221	177,125
Capital outlay	-	38,558	(38,558)	-
	<u>3,601,119</u>	<u>2,390,185</u>	<u>1,210,934</u>	<u>2,311,956</u>
Justice Courts:				
Reno Justice Court:				
Salaries and wages	-	6,606	(6,606)	-
Employee Benefits	-	96	(96)	-
Services and supplies	1,184,998	229,562	955,436	577,676
Capital outlay	200,000	-	200,000	-
	<u>1,384,998</u>	<u>236,264</u>	<u>1,148,734</u>	<u>577,676</u>
Sparks Justice Court:				
Services and supplies	97,550	75,289	22,261	58,581
Capital outlay	25,100	21,264	3,836	-
	<u>122,650</u>	<u>96,553</u>	<u>26,097</u>	<u>58,581</u>
Incline Justice Court:				
Services and supplies	32,676	4,106	28,570	30,639
Capital outlay	52,210	39,096	13,114	13,234
	<u>84,886</u>	<u>43,202</u>	<u>41,684</u>	<u>43,873</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Wadsworth Justice Court:				
Services and supplies	\$ 180,221	\$ 60,986	\$ 119,235	\$ 63,136
Capital outlay	50,000	42,496	7,504	-
	<u>230,221</u>	<u>103,482</u>	<u>126,739</u>	<u>63,136</u>
Incline Constable:				
Services and supplies	551	-	551	-
Neighborhood Justice Center:				
Services and supplies	163,000	120,500	42,500	117,000
Facilities Services:				
Services and supplies	562,734	415,335	147,399	416,798
Total Judicial Function	<u>11,810,942</u>	<u>5,372,493</u>	<u>6,438,449</u>	<u>5,345,113</u>
Public Safety Function:				
Sheriff:				
Salaries and wages	843,497	940,206	(96,709)	1,211,571
Employee benefits	347,189	253,776	93,413	365,823
Services and supplies	6,457,574	3,090,127	3,367,447	3,026,339
Capital outlay	2,076,615	1,478,864	597,751	2,148,091
	<u>9,724,875</u>	<u>5,762,973</u>	<u>3,961,902</u>	<u>6,751,824</u>
Medical Examiner:				
Salaries and wages	309	-	309	2,534
Employee benefits	-	-	-	31
Services and supplies	115,962	5,280	110,682	6,426
Capital outlay	-	-	-	25,038
	<u>116,271</u>	<u>5,280</u>	<u>110,991</u>	<u>34,029</u>
Fire Suppression:				
Salaries and wages	-	3,742	(3,742)	7,086
Employee benefits	-	52	(52)	1,061
Services and supplies	79,501	107,862	(28,361)	750,607
	<u>79,501</u>	<u>111,656</u>	<u>(32,155)</u>	<u>758,754</u>
Juvenile Services:				
Salaries and wages	86,420	63,384	23,036	90,586
Employee benefits	10,665	12,489	(1,824)	16,690
Services and supplies	754,853	462,911	291,942	481,795
	<u>851,938</u>	<u>538,784</u>	<u>313,154</u>	<u>589,071</u>
Alternative Sentencing:				
Salaries and wages	66,238	26,289	39,949	28,348
Employee benefits	32,516	102	32,414	207
	<u>98,754</u>	<u>26,391</u>	<u>72,363</u>	<u>28,555</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Emergency Management:				
Salaries and wages	\$ 111,464	\$ 21,578	\$ 89,886	\$ 34,931
Employee benefits	29,452	7,371	22,081	11,838
Services and supplies	992,574	659,177	333,397	812,867
Capital outlay	6,575	7,698	(1,123)	14,764
	<u>1,140,065</u>	<u>695,824</u>	<u>444,241</u>	<u>874,400</u>
Public Guardian:				
Services and supplies	2,544	-	2,544	181
Total Public Safety Function	<u>12,013,948</u>	<u>7,140,908</u>	<u>4,873,040</u>	<u>9,036,814</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	69,086	50,462	18,624	67,827
Employee benefits	29,961	21,982	7,979	28,710
Services and supplies	77,030	9,729	67,301	120,904
Total Public Works Function	<u>176,077</u>	<u>82,173</u>	<u>93,904</u>	<u>217,441</u>
Welfare Function:				
Social Services:				
Salaries and wages	-	1,245	(1,245)	10,909
Employee benefits	-	526	(526)	1,633
Services and supplies	345,703	91,338	254,365	135,009
Total Welfare Function	<u>345,703</u>	<u>93,109</u>	<u>252,594</u>	<u>147,551</u>
Culture and Recreation Function:				
Library:				
Services and supplies	259,123	250,764	8,359	301,108
CSD - Regional Parks and Open Space:				
Salaries and Wages	125,000	-	125,000	-
Services and supplies	1,113,011	15,709	1,097,302	18,420
Capital outlay	42,500	44,133	(1,633)	-
	<u>1,280,511</u>	<u>59,842</u>	<u>1,220,669</u>	<u>18,420</u>
May Center:				
Salaries and wages	201,832	195,181	6,651	205,568
Employee benefits	50,015	51,168	(1,153)	63,281
Services and supplies	339,431	286,140	53,291	145,680
	<u>591,278</u>	<u>532,489</u>	<u>58,789</u>	<u>414,529</u>
Total Culture and Recreation Function	<u>2,130,912</u>	<u>843,095</u>	<u>1,287,817</u>	<u>734,057</u>
Intergovernmental:				
Cooperative Extension apportionment	1,223,369	1,157,871	65,498	1,315,879
Total Expenditures	<u>33,039,718</u>	<u>15,667,383</u>	<u>17,372,335</u>	<u>18,252,090</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,194,394)</u>	<u>2,132,574</u>	<u>12,326,968</u>	<u>2,738,818</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Other Financing Sources (Uses)				
Transfers:				
General Fund	\$ 1,150,000	\$ 1,275,092	\$ 125,092	\$ -
General Fund	(84,400)	(545,169)	(460,769)	(761,646)
Roads Fund	-	-	-	(163,173)
Debt Service Fund	(1,314,595)	(1,146,241)	168,354	(1,391,870)
Capital Improvement Fund	-	(139,354)	(139,354)	-
Total Other Financing Sources (Uses)	(248,995)	(555,672)	(306,677)	(2,316,689)
Net Change in Fund Balances	(10,443,389)	1,576,902	12,020,291	422,129
Fund Balances, July 1	12,173,220	12,513,770	340,550	12,091,641
Fund Balances, June 30	\$ 1,729,831	\$ 14,090,672	\$ 12,360,841	\$ 12,513,770

WASHOE COUNTY, NEVADA
ROADS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental Revenues:				
Federal grants	\$ 3,081,492	\$ 31,967	\$ (3,049,525)	\$ 30,214
State shared revenues:				
Motor vehicle fuel tax (1.25 cents)	2,353,300	2,520,424	167,124	2,360,998
Motor vehicle fuel tax (1.75 cents)	1,382,690	1,445,320	62,630	1,394,573
Motor vehicle fuel tax (3.6/2.35 cents)	2,484,600	2,611,261	126,661	2,461,589
County Option MVFT 1.0	580,750	596,567	15,817	581,930
Local governmental grants	-	103,068	103,068	44,914
Charges for Services:				
Street, curb and gutter cut fees	370,000	319,664	(50,336)	471,620
Other	5,000	-	(5,000)	100
Miscellaneous:				
Contributions and donations	-	-	-	2,000,000
Other	-	9,162	9,162	376
Total Revenues	10,257,832	7,637,433	(2,620,399)	9,346,314
Expenditures				
Public Works Function:				
Salaries and wages	3,186,177	3,056,619	129,558	2,982,270
Employee benefits	1,460,587	1,387,055	73,532	1,410,040
Services and supplies	4,766,006	4,119,237	646,769	3,505,275
Capital outlay	8,841,627	4,446,196	4,395,431	3,866,777
Total Expenditures	18,254,397	13,009,107	5,245,290	11,764,362
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,996,565)	(5,371,674)	2,624,891	(2,418,048)
Other Financing Sources (Uses)				
Transfers:				
General Fund	3,558,106	3,558,106	-	4,441,323
Other Restricted Fund	-	-	-	163,173
Capital Facilities Fund	1,890,000	1,890,000	-	-
Capital Improvements Fund	-	-	-	3,919,992
Capital Improvements Fund	(31,967)	(31,967)	-	-
Total Other Financing Sources (Uses)	5,416,139	5,416,139	-	8,524,488
Net Change in Fund Balances	(2,580,426)	44,465	2,624,891	6,106,440
Fund Balances, July 1	3,580,564	6,106,440	2,525,876	-
Fund Balances, June 30	\$ 1,000,138	\$ 6,150,905	\$ 5,150,767	\$ 6,106,440



DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Page

Major Debt Service Fund:

Special Assessment Debt Service Fund

To account for assessments, penalties, investment income and other resources to retire debt issued for improvements benefiting those properties against which the special assessments are levied 107

- District 21 – Cold Springs: sewer treatment plant (includes bond reserve fund)
- District 29 – Mt. Rose: sewer project
- District 31 – Spearhead Way/Running Bear Drive: road project
- District 32 – Spanish Springs Valley Ranches Roads
- District 35 – Rhodes Road: road project
- District 36 – Evergreen Drive: road project
- District 37 – Spanish Springs Sewer Phase 1a
- District 39 – Lightning W Water System

Nonmajor Debt Service Fund:

Debt Service Fund

To account for ad valorem taxes specifically apportioned and appropriated for the retirement of ad valorem supported debt principal and interest, as well as payment of debt supported by other legal resources transferred from various governmental funds 109

WASHOE COUNTY, NEVADA
SPECIAL ASSESSMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Special assessments	\$ 817,918	\$ 933,447	\$ 115,529	\$ 1,359,056
Fines and Forfeits :				
Forfeits	-	14,702	14,702	-
Miscellaneous:				
Investment earnings	24,100	30,763	6,663	34,584
Net increase (decrease) in the fair value of investments	-	(23,736)	(23,736)	11,731
Assessment interest	183,500	483,241	299,741	281,074
Penalties	18,810	91,151	72,341	82,160
Total Revenues	<u>1,044,328</u>	<u>1,529,568</u>	<u>485,240</u>	<u>1,768,605</u>
Expenditures				
Debt Service:				
Special Assessment Bonds:				
Principal	498,704	1,663,704	(1,165,000)	727,812
Interest	405,852	388,928	16,924	254,414
Debt service fees and other fiscal charges	32,185	50,084	(17,899)	48,789
Assessment refunds	-	-	-	115,007
Total Expenditures	<u>936,741</u>	<u>2,102,716</u>	<u>(1,165,975)</u>	<u>1,146,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,587	(573,148)	(680,735)	622,583
Fund Balances, July 1	<u>1,860,470</u>	<u>1,858,810</u>	<u>(1,660)</u>	<u>1,236,227</u>
Fund Balances, June 30	<u>\$ 1,968,057</u>	<u>\$ 1,285,662</u>	<u>\$ (682,395)</u>	<u>\$ 1,858,810</u>

WASHOE COUNTY, NEVADA
NONMAJOR DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2013

	Debt Service Fund
Assets	
Cash and investments	\$ 8,906,992
Property taxes receivable	<u>117,827</u>
Total Assets	<u><u>\$ 9,024,819</u></u>
 Deferred Inflows of Resources	
Unavailable revenue-property taxes	<u>\$ 98,030</u>
 Fund Balances	
Restricted	<u>8,926,789</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>\$ 9,024,819</u></u>

WASHOE COUNTY, NEVADA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 4,813,888	\$ 4,843,881	\$ 29,993	\$ 4,941,590
Miscellaneous	-	12,233	12,233	-
Total Revenues	4,813,888	4,856,114	42,226	4,941,590
Expenditures				
General Government Function:				
Services and supplies	-	-	-	759,431
Debt Service:				
General Obligation Bonds:				
Ad Valorem Supported Debt:				
Principal	2,935,000	4,255,000	(1,320,000)	20,010,000
Interest	1,898,162	1,603,527	294,635	2,043,152
Bond issuance cost	360,072	341,463	18,609	149,746
Debt service fees and other fiscal charges	38,072	39,001	(929)	27,851
Medium-Term Financing:				
Principal	469,000	469,000	-	452,000
Interest	97,014	97,014	-	114,325
Revenue-Backed:				
Principal	11,387,151	14,213,406	(2,826,255)	14,813,701
Interest	2,720,910	3,522,498	(801,588)	3,477,623
Bond issuance cost	356,188	341,827	14,361	124,501
Debt service fees and other fiscal charges	2,586	17,193	(14,607)	3,460
Total General Obligation Bonds	20,264,155	24,899,929	(4,635,774)	41,216,359
Revenue Bonds:				
Principal	1,088,200	1,088,200	-	1,110,900
Interest	1,646,618	1,478,264	168,354	1,698,956
Debt service fees and other fiscal charges	3,500	3,500	-	3,500
Total Revenue Bonds	2,738,318	2,569,964	168,354	2,813,356
Total Expenditures	23,002,473	27,469,893	(4,467,420)	44,789,146
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,188,585)	(22,613,779)	(4,425,194)	(39,847,556)
Other Financing Sources (Uses)				
Refunding bonds issued	45,670,000	45,670,000	-	29,925,000
Bond premium	1,249,419	1,249,419	-	-
Refunding payment to escrow agent	(37,509,414)	(37,391,222)	118,192	-
Transfers:				
General Fund	4,374,376	4,368,272	(6,104)	4,671,511
Library Expansion Fund	280,430	280,430	-	283,430
Truckee River Flood Management Infrastructure Fund	2,351,833	2,378,000	26,167	2,366,948
Child Protective Services Fund	400,000	400,000	-	400,000
Other Restricted Fund	1,314,595	1,146,241	(168,354)	1,391,870
Parks Capital Projects Fund	-	4,490,000	4,490,000	-
Total Other Financing Sources (Uses)	18,131,239	22,591,140	4,459,901	39,038,759
Net Change in Fund Balances	(57,346)	(22,639)	34,707	(808,797)
Fund Balances, July 1	8,864,567	8,949,428	84,861	9,758,225
Fund Balances, June 30	\$ 8,807,221	\$ 8,926,789	\$ 119,568	\$ 8,949,428



CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

Capital projects funds are used 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 proprietary funds, or for assets that will be held in trust for individuals, private organizations, or other governments.

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Nonmajor Capital Projects Funds:

Parks Capital Projects Fund

Resources are derived from residential construction taxes, grants, financing proceeds and related investment earnings, which are legally restricted to the improvement, expansion and acquisition of new and existing parks and open space..... 113

Capital Improvements Fund

Resources are derived from financing proceeds, grants, special assessments, transfers and investment earnings, which are appropriated for various major capital projects..... 114

Capital Facilities Tax Fund

Resources are derived from capital facilities ad valorem taxes and investment earnings. Proceeds are restricted for the purchase, renovation and repayment of financing of capital assets 116

Infrastructure Fund

Resources are derived from the .125% infrastructure sales tax. The sales tax and related investment earnings are appropriated for various flood control and public safety projects and principal and interest on debt issued for eligible projects..... 117

**WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013**

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Total
Assets				
Cash and investments	\$ 23,935,638	\$ 4,311,978	\$ 6,086,930	\$ 34,334,546
Property taxes receivable	-	-	128,227	128,227
Interest receivable	75,063	16,555	18,010	109,628
Due from other governments	548,856	1,106,477	-	1,655,333
Deposits and prepaid items	-	13,374	-	13,374
Total Assets	<u>\$ 24,559,557</u>	<u>\$ 5,448,384</u>	<u>\$ 6,233,167</u>	<u>\$ 36,241,108</u>
Liabilities				
Contracts/retention payable	\$ 858,161	\$ 1,463,932	\$ 10,393	\$ 2,332,486
Due to other governments	-	-	129,820	129,820
Unearned revenue	319,479	-	-	319,479
Total Liabilities	<u>1,177,640</u>	<u>1,463,932</u>	<u>140,213</u>	<u>2,781,785</u>
Deferred Inflows of Resources				
Unavailable revenue - grants	268,591	75,247	-	343,838
Unavailable revenue - property taxes	-	-	105,917	105,917
Total Deferred Inflows of Resources	<u>268,591</u>	<u>75,247</u>	<u>105,917</u>	<u>449,755</u>
Fund Balances				
Nonspendable	-	13,374	-	13,374
Restricted	23,113,326	3,895,831	5,987,037	32,996,194
Total Fund Balances	<u>23,113,326</u>	<u>3,909,205</u>	<u>5,987,037</u>	<u>33,009,568</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,559,557</u>	<u>\$ 5,448,384</u>	<u>\$ 6,233,167</u>	<u>\$ 36,241,108</u>

WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Infrastructure Fund	Total
Revenues					
Taxes:					
Ad valorem	\$ -	\$ 2,942	\$ 6,062,912	\$ -	\$ 6,065,854
Residential construction tax	132,098	-	-	-	132,098
Intergovernmental	5,284,032	2,588,128	-	268,590	8,140,750
Charges for services	-	14,500	-	-	14,500
Miscellaneous	201,690	131,060	33,250	-	366,000
Total Revenues	5,617,820	2,736,630	6,096,162	268,590	14,719,202
Expenditures					
Intergovernmental	-	-	4,108,162	-	4,108,162
Capital Outlay:					
General government	-	3,080,653	250,107	-	3,330,760
Judicial	-	326,393	2,890,441	-	3,216,834
Public safety	-	49,916	151,871	268,590	470,377
Public works	-	10,097,954	25,434	-	10,123,388
Culture and recreation	3,783,764	417,389	12,928	-	4,214,081
Total Capital Outlay	3,783,764	13,972,305	3,330,781	268,590	21,355,440
Debt Service:					
Service fees	3,000	-	-	-	3,000
Total Expenditures	3,786,764	13,972,305	7,438,943	268,590	25,466,602
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	1,831,056	(11,235,675)	(1,342,781)	-	(10,747,400)
Other Financing Sources (Uses)					
Transfers in	17,880	2,443,090	-	-	2,460,970
Transfers out	(5,591,294)	(17,880)	(1,890,000)	-	(7,499,174)
Total Other Financing Sources (Uses)	(5,573,414)	2,425,210	(1,890,000)	-	(5,038,204)
Net Change in Fund Balances	(3,742,358)	(8,810,465)	(3,232,781)	-	(15,785,604)
Fund Balances, July 1	26,855,684	12,719,670	9,219,818	-	48,795,172
Fund Balances, June 30	\$ 23,113,326	\$ 3,909,205	\$ 5,987,037	\$ -	\$ 33,009,568

WASHOE COUNTY, NEVADA
PARKS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Residential construction tax	\$ 37,000	\$ 132,098	\$ 95,098	\$ 68,027
Intergovernmental Revenues:				
Federal grants	2,570,725	4,261,464	1,690,739	1,053,321
State grants	1,192,047	1,022,568	(169,479)	2,077,084
Miscellaneous:				
Investment earnings	525,100	459,591	(65,509)	569,397
Net increase (decrease) in the fair value of investments	112,680	(429,692)	(542,372)	240,656
Contributions and donations	150,000	150,000	-	560
Other	-	21,791	21,791	19,785
Total Revenues	<u>4,587,552</u>	<u>5,617,820</u>	<u>1,030,268</u>	<u>4,028,830</u>
Expenditures				
Capital Outlay:				
Culture and Recreation Function:				
District One	2,267,400	16,269	2,251,131	27,157
District Two	3,085,767	45,832	3,039,935	499,289
District Three	317,369	11,349	306,020	5,651
District Four	2,762,762	873,601	1,889,161	48,776
Special projects	6,725,855	2,148,025	4,577,830	979,673
Bond projects	13,123,286	688,688	12,434,598	3,409,421
Total Capital Outlay	<u>28,282,439</u>	<u>3,783,764</u>	<u>24,498,675</u>	<u>4,969,967</u>
Debt Service:				
Service fees	3,000	3,000	-	6,000
Total Expenditures	<u>28,285,439</u>	<u>3,786,764</u>	<u>24,498,675</u>	<u>4,975,967</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,697,887)</u>	<u>1,831,056</u>	<u>25,528,943</u>	<u>(947,137)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	-	-	-	46,830
Capital Improvements Fund	17,880	17,880	-	-
Debt Service Fund	-	(4,490,000)	(4,490,000)	-
Capital Improvements Fund	(1,101,294)	(1,101,294)	-	-
Total Other Financing Sources (Uses)	<u>(1,083,414)</u>	<u>(5,573,414)</u>	<u>(4,490,000)</u>	<u>46,830</u>
Net Change in Fund Balances	<u>(24,781,301)</u>	<u>(3,742,358)</u>	<u>21,038,943</u>	<u>(900,307)</u>
Fund Balances, July 1	<u>24,781,301</u>	<u>26,855,684</u>	<u>2,074,383</u>	<u>27,755,991</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 23,113,326</u>	<u>\$ 23,113,326</u>	<u>\$ 26,855,684</u>

WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ -	\$ 2,942	\$ 2,942	\$ 5,552
Special assessments	-	-	-	1,694,213
Intergovernmental Revenues:				
Federal grants	6,766,810	1,935,848	(4,830,962)	2,859,843
State grants	4,302,989	403,446	(3,899,543)	133,616
Local contributions	404,846	248,834	(156,012)	384,707
Charges for Services:				
Zoning fees	-	14,500	14,500	-
Miscellaneous:				
Investment earnings	260,000	156,102	(103,898)	308,458
Net increase (decrease) in the fair value of investments	-	(82,520)	(82,520)	156,640
Other	-	57,478	57,478	4,113
Total Revenues	11,734,645	2,736,630	(8,998,015)	5,547,142
Expenditures				
Capital Outlay:				
General Government Function:				
Infrastructure	3,115,244	2,593,626	521,618	2,294,955
Other	1,716,660	487,027	1,229,633	105
Total General Government Function	4,831,904	3,080,653	1,751,251	2,295,060
Judicial Function:				
District Attorney Case Management System	339,490	206,393	133,097	1,244,356
Justice Court Case Management System	135,452	120,000	15,452	1,124,126
Other	-	-	-	151,799
Total Judicial Function	474,942	326,393	148,549	2,520,281
Public Safety Function:				
Detention Center improvements	76,239	49,916	26,323	1,140,391
Other	8,105	-	8,105	58
Total Public Safety Function	84,344	49,916	34,428	1,140,449
Public Works Function:				
Pedestrian path and bike lane projects	950,125	289,363	660,762	1,741,921
Water quality improvements	10,292,689	2,364,678	7,928,011	585,237
Energy conservation improvements	-	-	-	1,748,480
SAD32 Spanish Springs Valley Ranches Roads	7,166,821	6,648,378	518,443	3,360,466
Other	1,871,685	795,535	1,076,150	98,523
Total Public Works Function	20,281,320	10,097,954	10,183,366	7,534,627
Culture and Recreation Function:				
Library HVAC upgrades	7,000	7,169	(169)	1,144,917
Parks infrastructure	642,358	410,220	232,138	302,668
Other	53,519	-	53,519	-
Total Culture and Recreation Function	702,877	417,389	285,488	1,447,585
Debt Service Function:				
Bond issuance cost	-	-	-	165,645
Total Expenditures	26,375,387	13,972,305	12,403,082	15,103,647
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(14,640,742)	(11,235,675)	3,405,067	(9,556,505)

(CONTINUED)

**WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Other Financing Sources (Uses)				
Special assessment bonds issued	\$ -	\$ -	\$ -	\$ 8,592,787
Transfers:				
General Fund	1,135,800	1,135,800	-	3,000,000
Other Restricted Fund	-	139,354	139,354	-
Roads Fund	31,967	31,967	-	(3,919,992)
Parks Capital Fund	1,101,294	1,101,294	-	-
Equipment Services Fund	-	34,675	34,675	-
Parks Capital Fund	(17,880)	(17,880)	-	-
Total Other Financing Sources (Uses)	<u>2,251,181</u>	<u>2,425,210</u>	<u>174,029</u>	<u>7,672,795</u>
Net Change in Fund Balances	(12,389,561)	(8,810,465)	3,579,096	(1,883,710)
Fund Balances, July 1	<u>12,389,561</u>	<u>12,719,670</u>	<u>330,109</u>	<u>14,603,380</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 3,909,205</u>	<u>\$ 3,909,205</u>	<u>\$ 12,719,670</u>

WASHOE COUNTY, NEVADA
CAPITAL FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 6,111,843	\$ 6,062,912	\$ (48,931)	\$ 6,286,070
Miscellaneous:				
Investment earnings	60,000	127,310	67,310	192,618
Net increase (decrease) in the fair value of investments	-	(104,283)	(104,283)	71,952
Other	-	10,223	10,223	-
Total Revenues	<u>6,171,843</u>	<u>6,096,162</u>	<u>(75,681)</u>	<u>6,550,640</u>
Expenditures				
General Government Function:				
Services and supplies	-	-	-	673,563
Capital Outlay:				
General Government Function:				
Facilities improvements	4,491,118	250,107	4,241,011	2,780
Judicial Function:				
Sparks Justice Court relocation	4,230,288	2,890,441	1,339,847	1,180,926
Public Safety Function:				
Helicopter engine rebuild	244,755	151,871	92,884	-
Public Works Function:				
Other	27,000	25,434	1,566	-
Culture and Recreation Function:				
Library boiler upgrade	645,000	12,928	632,072	-
Total Capital Outlay	<u>9,638,161</u>	<u>3,330,781</u>	<u>6,307,380</u>	<u>1,183,706</u>
Intergovernmental:				
State of Nevada apportionment	3,667,106	3,424,249	242,857	2,708,119
Reno/Sparks apportionment	671,569	627,094	44,475	840,089
Other	-	56,819	(56,819)	24,964
Total Intergovernmental	<u>4,338,675</u>	<u>4,108,162</u>	<u>230,513</u>	<u>3,573,172</u>
Total Expenditures	<u>13,976,836</u>	<u>7,438,943</u>	<u>6,537,893</u>	<u>5,430,441</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,804,993)	(1,342,781)	6,462,212	1,120,199
Other Financing Sources (Uses)				
Transfers:				
Roads Fund	(1,890,000)	(1,890,000)	-	-
Net Change in Fund Balances	(9,694,993)	(3,232,781)	6,462,212	1,120,199
Fund Balances, July 1	<u>9,694,993</u>	<u>9,219,818</u>	<u>(475,175)</u>	<u>8,099,619</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 5,987,037</u>	<u>\$ 5,987,037</u>	<u>\$ 9,219,818</u>

**WASHOE COUNTY, NEVADA
INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental Revenues:				
Federal grants	\$ -	\$ 268,590	\$ 268,590	\$ -
Miscellaneous:				
Investment earnings	32,400	-	(32,400)	16,959
Net increase (decrease) in the fair value of investments	14,000	-	(14,000)	13,771
Total Revenues	46,400	268,590	222,190	30,730
Expenditures				
Capital Outlay:				
Public Safety Function:				
Truckee River flood control	14,934,761	268,590	14,666,171	1,353,431
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,888,361)	-	14,888,361	(1,322,701)
Other Financing Sources (Uses)				
Transfers:				
Truckee River Flood Management Infrastructure Fund	10,135,159	-	(10,135,159)	5,750,000
Special Item:				
Truckee River Flood Management Authority	-	-	-	(4,890,823)
Net Change in Fund Balances	(4,753,202)	-	4,753,202	(463,524)
Fund Balances, July 1	4,753,202	-	(4,753,202)	463,524
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -



ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Major Enterprise Fund:

Page

Water Resources Fund

Established on April 1, 1983, the fund accounts for water planning and operations of County-owned or operated water and sewer systems, including the related capital assets and depreciation. 119

Nonmajor Enterprise Funds:

Golf Course Fund

Established on July 1, 1982, the fund accounts for operations of two County golf courses – Washoe and Sierra Sage, including related capital assets and depreciation. 125

Building and Safety Fund

Established on July 1, 2001, the fund accounts for issuance of building permits and other fees directly related to building and development in the County, including related capital assets and depreciation. 127

WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Utility fees	\$ 27,337,067	\$ 29,144,297	\$ 1,807,230	\$ 27,568,632
Services to other agencies	1,702,550	1,469,632	(232,918)	1,684,779
Services to other funds	328,968	308,902	(20,066)	396,123
Other	569,078	616,070	46,992	816,286
Total Operating Revenues	29,937,663	31,538,901	1,601,238	30,465,820
Operating Expenses				
Salaries and wages	4,376,905	4,199,010	177,895	4,346,401
Employee benefits	1,867,408	1,692,297	175,111	2,213,591
Services and supplies	15,132,001	12,526,486	2,605,515	12,460,358
Depreciation/amortization	8,494,088	8,557,566	(63,478)	8,704,130
Total Operating Expenses	29,870,402	26,975,359	2,895,043	27,724,480
Operating Income (Loss)	67,261	4,563,542	4,496,281	2,741,340
Nonoperating Revenues (Expenses)				
Investment earnings	2,296,122	1,755,304	(540,818)	2,105,642
Net increase (decrease) in the fair value of investments	(160,104)	(1,853,664)	(1,693,560)	896,719
Federal grants	70,000	122,415	52,415	71,008
Facilities rental	23,405	25,716	2,311	21,961
Gain (loss) on asset disposition	-	(457,176)	(457,176)	(17,376)
Interest/bond insurance costs	(2,485,963)	(2,333,914)	152,049	(2,487,001)
Connection fee refunds/credits	(2,350,000)	(2,334,750)	15,250	(1,091,373)
Other nonoperating revenue	-	297,611	297,611	-
Total Nonoperating Revenues (Expenses)	(2,606,540)	(4,778,458)	(2,171,918)	(500,420)
Income (Loss) Before Capital Contributions and Transfers	(2,539,279)	(214,916)	2,324,363	2,240,920
Capital Contributions				
Federal grants	2,500,000	11,931	(2,488,069)	384,926
State grants	-	-	-	2,000
Hook-up fees	2,358,670	2,648,507	289,837	741,978
Contributions from contractors	120,845	1,787,185	1,666,340	792,180
Total Capital Contributions	4,979,515	4,447,623	(531,892)	1,921,084
Transfers				
General Fund	(1,450,000)	(1,450,000)	-	-
Change in Net Position	\$ 990,236	2,782,707	\$ (1,792,471)	4,162,004
Net Position, July 1, As Restated		406,282,744		402,120,740
Net Position, June 30		\$ 409,065,451		\$ 406,282,744

**WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 27,222,067	\$ 29,168,188	\$ 1,946,121	\$ 26,341,917
Cash received from services to other agencies	1,702,550	1,283,405	(419,145)	1,684,779
Cash received from services to other funds	328,968	308,902	(20,066)	396,123
Cash received from program loans	-	14,741	14,741	9,933
Other operating receipts	592,483	894,774	302,291	940,121
Cash payments for personnel costs	(6,244,313)	(5,864,624)	379,689	(6,635,739)
Cash payments for services and supplies	(15,132,001)	(12,503,019)	2,628,982	(12,425,628)
Cash payments for program loans	-	(11,491)	(11,491)	(24,486)
Cash payments for refund of hookup fees	(2,350,000)	(2,334,750)	15,250	(1,091,373)
Net Cash Provided (Used) by Operating Activities	<u>6,119,754</u>	<u>10,956,126</u>	<u>4,836,372</u>	<u>9,195,647</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	70,000	112,008	42,008	63,853
Transfer to General Fund	(1,450,000)	(1,450,000)	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,380,000)</u>	<u>(1,337,992)</u>	<u>42,008</u>	<u>63,853</u>
Cash Flows From Capital and Related Financing Activities:				
Cash received from Federal grants	2,500,000	12,478	(2,487,522)	432,576
Cash received from State grants	-	-	-	2,000
Hookup fees\contractor contributions	2,358,670	3,356,845	998,175	735,308
Principal paid on financing	(2,842,645)	(3,717,645)	(875,000)	(3,503,465)
Interest paid on financing	(2,458,586)	(2,433,836)	24,750	(2,568,531)
* Acquisition of capital assets	(13,779,759)	(3,675,265)	10,104,494	(2,752,615)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(14,222,320)</u>	<u>(6,457,423)</u>	<u>7,764,897</u>	<u>(7,654,727)</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>2,136,018</u>	<u>(79,018)</u>	<u>(2,215,036)</u>	<u>3,121,111</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(7,346,548)</u>	<u>3,081,693</u>	<u>10,428,241</u>	<u>4,725,884</u>
Cash and Cash Equivalents, July 1	<u>102,922,599</u>	<u>106,841,843</u>	<u>3,919,244</u>	<u>102,115,959</u>
Cash and Cash Equivalents, June 30	<u>\$ 95,576,051</u>	<u>\$ 109,923,536</u>	<u>\$ 14,347,485</u>	<u>\$ 106,841,843</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 67,261	\$ 4,563,542	\$ 4,496,281	\$ 2,741,340
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	8,494,088	8,557,566	63,478	8,704,130
Construction in progress writeoffs	-	-	-	8,540
Program loan interest	-	5,711	5,711	4,878
Contributed inventory	-	24,897	24,897	3,750
Facilities rental revenue	23,405	25,716	2,311	21,961
Other revenue	-	297,611	297,611	-
Hookup fee refunds	(2,350,000)	(2,334,750)	15,250	(1,091,373)
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(213,708)	(213,708)	(916,440)
Due from other governments	-	46,978	46,978	(229,224)
Notes receivable	(115,000)	(3,261)	111,739	(22,362)
Inventory	-	(7,566)	(7,566)	(106,071)
Increase (decrease) in:				
Accounts payable	-	(112,113)	(112,113)	86,041
Accrued salaries and benefits	-	19,251	19,251	12,525
Compensated absences	-	7,432	7,432	(88,272)
Due to other governments	-	118,249	118,249	42,470
Unearned revenue	-	(25,377)	(25,377)	29,433
Other liabilities	-	(14,052)	(14,052)	(1,929)
Total Adjustments	<u>6,052,493</u>	<u>6,392,584</u>	<u>340,091</u>	<u>6,458,057</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,119,754</u>	<u>\$ 10,956,126</u>	<u>\$ 4,836,372</u>	<u>\$ 9,199,397</u>
*Acquisition of Capital Assets Financed by Cash	\$ 13,779,759	\$ 3,675,265	\$ 10,104,494	\$ 2,752,615
Capital contributions received	-	1,762,288	(1,762,288)	792,180
Increase (decrease) in contracts/retention payable	-	(104,902)	104,902	135,528
Total Acquisition of Capital Assets	<u>\$ 13,779,759</u>	<u>\$ 5,332,651</u>	<u>\$ 8,447,108</u>	<u>\$ 3,680,323</u>

WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Golf Course Fund</u>	<u>Building and Safety Fund</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and investments	\$ 846,327	\$ 685,440	\$ 1,531,767
Accounts receivable	260,031	-	260,031
Interest receivable	2,280	1,599	3,879
Inventory	7,398	-	7,398
Total Current Assets	<u>1,116,036</u>	<u>687,039</u>	<u>1,803,075</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable:			
Land	173,000	-	173,000
Plant capacity	825,150	-	825,150
Depreciable:			
Land improvements	3,764,945	-	3,764,945
Buildings and improvements	1,258,356	-	1,258,356
Equipment	955,381	85,732	1,041,113
Software	24,137	54,046	78,183
Less accumulated depreciation	<u>(4,399,831)</u>	<u>(139,778)</u>	<u>(4,539,609)</u>
Total Noncurrent Assets	<u>2,601,138</u>	<u>-</u>	<u>2,601,138</u>
Total Assets	<u>3,717,174</u>	<u>687,039</u>	<u>4,404,213</u>
Liabilities			
Current Liabilities:			
Accounts payable	10,745	4,736	15,481
Accrued salaries and benefits	18,397	48,418	66,815
Compensated absences	26,021	97,662	123,683
Due to other governments	8,235	-	8,235
Deposits	-	13,000	13,000
Other liabilities	1,005	-	1,005
Total Current Liabilities	<u>64,403</u>	<u>163,816</u>	<u>228,219</u>
Noncurrent Liabilities:			
Compensated absences	<u>7,822</u>	<u>29,357</u>	<u>37,179</u>
Total Liabilities	<u>72,225</u>	<u>193,173</u>	<u>265,398</u>
Net Position			
Net investment in capital assets	2,601,138	-	2,601,138
Restricted for public safety	-	493,866	493,866
Unrestricted	<u>1,043,811</u>	<u>-</u>	<u>1,043,811</u>
Total Net Position	<u>\$ 3,644,949</u>	<u>\$ 493,866</u>	<u>\$ 4,138,815</u>

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	Golf Course Fund	Building and Safety Fund	Total
Operating Revenues			
Charges for Services:			
Golf course fees	\$ 919,033	\$ -	\$ 919,033
Building permits and fees	-	1,652,043	1,652,043
Washoe County / TRPA	-	62,678	62,678
Other	118,275	9,577	127,852
Miscellaneous	-	62	62
Total Operating Revenues	<u>1,037,308</u>	<u>1,724,360</u>	<u>2,761,668</u>
Operating Expenses			
Salaries and wages	299,319	826,173	1,125,492
Employee benefits	117,365	341,688	459,053
Services and supplies	435,395	442,240	877,635
Depreciation/amortization	222,118	12,579	234,697
Total Operating Expenses	<u>1,074,197</u>	<u>1,622,680</u>	<u>2,696,877</u>
Operating Income (Loss)	<u>(36,889)</u>	<u>101,680</u>	<u>64,791</u>
Nonoperating Revenues (Expenses)			
Investment earnings	13,760	8,775	22,535
Net increase (decrease) in the fair value of investments	(14,186)	(9,792)	(23,978)
Gain (loss) on asset disposition	499	-	499
Contributions	1,000	-	1,000
Other nonoperating revenue	1,591	-	1,591
Total Nonoperating Revenues (Expenses)	<u>2,664</u>	<u>(1,017)</u>	<u>1,647</u>
Change in Net Position	<u>(34,225)</u>	<u>100,663</u>	<u>66,438</u>
Net Position, July 1	<u>3,679,174</u>	<u>393,203</u>	<u>4,072,377</u>
Net Position, June 30	<u>\$ 3,644,949</u>	<u>\$ 493,866</u>	<u>\$ 4,138,815</u>

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Golf Course Fund</u>	<u>Building and Safety Fund</u>	<u>Total</u>
Increase (Decrease) In Cash and Cash Equivalents			
Cash Flows From Operating Activities:			
Cash received from customers	\$ 952,864	\$ 1,709,524	\$ 2,662,388
Cash received from other funds	-	14,774	14,774
Cash received from other sources	1,591	62	1,653
Cash payments for personnel costs	(411,416)	(1,160,295)	(1,571,711)
Cash payments for services and supplies	(421,180)	(441,309)	(862,489)
Net Cash Provided (Used) by Operating Activities	<u>121,859</u>	<u>122,756</u>	<u>244,615</u>
Cash Flows From Noncapital Financing Activities:			
Contributions	<u>2,005</u>	<u>-</u>	<u>2,005</u>
Cash Flows From Capital and Related Financing Activities:			
Disposition of capital assets	499	-	499
Acquisition of capital assets	(52,270)	-	(52,270)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(51,771)</u>	<u>-</u>	<u>(51,771)</u>
Cash Flows From Investing Activities:			
Investment earnings	(460)	(986)	(1,446)
Net Increase in Cash and Cash Equivalents	<u>71,633</u>	<u>121,770</u>	<u>193,403</u>
Cash and Cash Equivalents, July 1	<u>774,694</u>	<u>563,670</u>	<u>1,338,364</u>
Cash and Cash Equivalents, June 30	<u>\$ 846,327</u>	<u>\$ 685,440</u>	<u>\$ 1,531,767</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	<u>\$ (36,889)</u>	<u>\$ 101,680</u>	<u>\$ 64,791</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization	222,118	12,579	234,697
Other nonoperating revenue	1,591	-	1,591
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(84,444)	-	(84,444)
Inventory	263	-	263
Increase (decrease) in:			
Accounts payable	6,618	931	7,549
Accrued salaries and benefits	3,589	11,149	14,738
Compensated absences	1,679	(3,583)	(1,904)
Due to other governments	7,334	-	7,334
Total Adjustments	<u>158,748</u>	<u>21,076</u>	<u>179,824</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 121,859</u>	<u>\$ 122,756</u>	<u>\$ 244,615</u>

WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Golf courses	\$ 1,211,618	\$ 919,033	\$ (292,585)	\$ 1,061,238
Other	17,292	118,275	100,983	29,121
Total Operating Revenues	1,228,910	1,037,308	(191,602)	1,090,359
Operating Expenses				
Salaries and wages	308,187	299,319	8,868	275,060
Employee benefits	115,754	117,365	(1,611)	115,940
Services and supplies	448,905	435,395	13,510	476,927
Depreciation/amortization	217,668	222,118	(4,450)	218,651
Total Operating Expenses	1,090,514	1,074,197	16,317	1,086,578
Operating Income (Loss)	138,396	(36,889)	(175,285)	3,781
Nonoperating Revenues (Expenses)				
Investment earnings	18,000	13,760	(4,240)	15,815
Net increase (decrease) in the fair value of investments	1,500	(14,186)	(15,686)	6,589
Gain (loss) on asset disposition	-	499	499	3,563
Contributions	1,000	1,000	-	870
Other nonoperating revenue	-	1,591	1,591	-
Total Nonoperating Revenues (Expenses)	20,500	2,664	(17,836)	26,837
Change in Net Position	\$ 158,896	(34,225)	\$ (193,121)	30,618
Net Position, July 1		3,679,174		3,648,556
Net Position, June 30		\$ 3,644,949		\$ 3,679,174

**WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 1,228,910	\$ 952,864	\$ (276,046)	\$ 914,772
Cash from other sources	-	1,591	1,591	-
Cash payments for personnel costs	(423,941)	(411,416)	12,525	(386,104)
Cash payments for services and supplies	(448,905)	(421,180)	27,725	(526,877)
Net Cash Provided (Used) by Operating Activities	<u>356,064</u>	<u>121,859</u>	<u>(234,205)</u>	<u>1,791</u>
Cash Flows From Noncapital Financing Activities:				
Cash received from contributions	<u>1,000</u>	<u>2,005</u>	<u>1,005</u>	<u>870</u>
Cash Flows From Capital and Related Financing Activities:				
Dispositions of capital assets	-	499	499	3,563
Acquisition of capital assets	(90,000)	(52,270)	37,730	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(90,000)</u>	<u>(51,771)</u>	<u>38,229</u>	<u>3,563</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>19,500</u>	<u>(460)</u>	<u>(19,960)</u>	<u>23,237</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>286,564</u>	<u>71,633</u>	<u>(214,931)</u>	<u>29,461</u>
Cash and Cash Equivalents, July 1	<u>866,861</u>	<u>774,694</u>	<u>(92,167)</u>	<u>745,233</u>
Cash and Cash Equivalents, June 30	<u>\$ 1,153,425</u>	<u>\$ 846,327</u>	<u>\$ (307,098)</u>	<u>\$ 774,694</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	<u>\$ 138,396</u>	<u>\$ (36,889)</u>	<u>\$ (175,285)</u>	<u>\$ 3,781</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	217,668	222,118	4,450	218,651
Other nonoperating revenue	-	1,591	1,591	-
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(84,444)	(84,444)	(175,587)
Inventory	-	263	263	162
Increase (decrease) in:				
Accounts payable	-	6,618	6,618	(30,878)
Accrued salaries and benefits	-	3,589	3,589	1,769
Compensated absences	-	1,679	1,679	3,127
Due to other governments	-	7,334	7,334	(19,234)
Total Adjustments	<u>217,668</u>	<u>158,748</u>	<u>(58,920)</u>	<u>(1,990)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 356,064</u>	<u>\$ 121,859</u>	<u>\$ (234,205)</u>	<u>\$ 1,791</u>

**WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Building permits	\$ 1,375,000	\$ 1,652,043	\$ 277,043	\$ 1,334,717
Washoe County/TRPA	65,000	62,678	(2,322)	55,047
Other	10,000	9,577	(423)	10,835
Miscellaneous:				
Reimbursements	-	62	62	271
Total Operating Revenues	<u>1,450,000</u>	<u>1,724,360</u>	<u>274,360</u>	<u>1,400,870</u>
Operating Expenses				
Salaries and wages	885,748	826,173	59,575	840,927
Employee benefits	349,083	341,688	7,395	395,519
Services and supplies	453,968	442,240	11,728	134,534
Depreciation/amortization	13,465	12,579	886	13,465
Total Operating Expenses	<u>1,702,264</u>	<u>1,622,680</u>	<u>79,584</u>	<u>1,384,445</u>
Operating Income (Loss)	<u>(252,264)</u>	<u>101,680</u>	<u>353,944</u>	<u>16,425</u>
Nonoperating Revenues (Expenses)				
Investment earnings	8,650	8,775	125	10,533
Net increase (decrease) in the fair value of investments	-	(9,792)	(9,792)	4,455
Total Nonoperating Revenues (Expenses)	<u>8,650</u>	<u>(1,017)</u>	<u>(9,667)</u>	<u>14,988</u>
Income (Loss) Before Transfers	<u>(243,614)</u>	<u>100,663</u>	<u>344,277</u>	<u>31,413</u>
Transfers				
Equipment Services Fund	-	-	-	45,369
Change in Net Position	<u>\$ (243,614)</u>	<u>\$ 100,663</u>	<u>\$ 344,277</u>	<u>\$ 76,782</u>
Net Position, July 1		<u>393,203</u>		<u>316,421</u>
Net Position, June 30		<u>\$ 493,866</u>		<u>\$ 393,203</u>

WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 1,450,000	\$ 1,709,524	\$ 259,524	\$ 1,381,036
Cash received from other funds	-	14,774	14,774	19,563
Cash received from other sources	-	62	62	271
Cash payments for personnel costs	(1,234,831)	(1,160,295)	74,536	(1,250,301)
Cash payments for services and supplies	(453,968)	(441,309)	12,659	(131,475)
Net Cash Provided (Used) by Operating Activities	(238,799)	122,756	361,555	19,094
Cash Flows From Noncapital Financing Activities:				
Transfers from Equipment Services Fund	-	-	-	45,369
Cash Flows from Financing Activities:				
Acquisition of Capital Assets Financed by Cash	(20,000)	-	20,000	-
Cash Flows From Investing Activities:				
Investment earnings	8,650	(986)	(9,636)	15,196
Net Increase (Decrease) in Cash and Cash Equivalents	(250,149)	121,770	371,919	79,659
Cash and Cash Equivalents, July 1	509,126	563,670	54,544	484,011
Cash and Cash Equivalents, June 30	\$ 258,977	\$ 685,440	\$ 426,463	\$ 563,670
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (252,264)	\$ 101,680	\$ 353,944	\$ 16,425
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	13,465	12,579	(886)	13,465
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	931	931	3,059
Accrued salaries and benefits	-	11,149	11,149	1,064
Compensated absences	-	(3,583)	(3,583)	(14,919)
Total Adjustments	13,465	21,076	7,611	2,669
Net Cash Provided (Used) by Operating Activities	\$ (238,799)	\$ 122,756	\$ 361,555	\$ 19,094

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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the County, or to other agencies, on a cost-reimbursement basis.

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Risk Management Fund

To account for revenues received for providing the County with property and liability insurance, workers' compensation and unemployment compensation insurance 134

Health Benefits Fund

To account for the self-insured health plan and other contractual health insurance plans 136

Equipment Services Fund

To account for revenues received for maintaining and purchasing automobiles and other vehicles and specialized large equipment for use by other County departments 138

WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Assets				
Current Assets:				
Cash and investments	\$ 21,132,111	\$ 9,194,314	\$ 4,203,865	\$ 34,530,290
Accounts receivable	-	2,419,694	-	2,419,694
Interest receivable	60,387	30,142	-	90,529
Due from other governments	-	72,044	-	72,044
Inventory	-	-	238,123	238,123
Other assets	113,383	-	1,686,859	1,800,242
Total Current Assets	21,305,881	11,716,194	6,128,847	39,150,922
Noncurrent Assets:				
Restricted cash and investments	2,172,000	-	-	2,172,000
Long-term prepaids	-	-	206,036	206,036
Long-term deposits	-	-	1,416,200	1,416,200
Capital Assets:				
Buildings and improvements	-	-	24,990	24,990
Equipment	-	-	23,486,435	23,486,435
Software	-	-	20,260	20,260
Less accumulated depreciation	-	-	(18,041,950)	(18,041,950)
Total Noncurrent Assets	2,172,000	-	7,111,971	9,283,971
Total Assets	23,477,881	11,716,194	13,240,818	48,434,893
Liabilities				
Current Liabilities:				
Accounts payable	71,111	871,509	462,311	1,404,931
Accrued salaries and benefits	9,325	11,392	66,665	87,382
Compensated absences	19,439	28,934	169,648	218,021
Pending claims	3,449,000	2,674,000	-	6,123,000
Total Current Liabilities	3,548,875	3,585,835	698,624	7,833,334
Noncurrent Liabilities:				
Compensated absences	5,845	8,696	50,998	65,539
Pending claims	5,786,000	-	-	5,786,000
Pending claims payable from restricted cash	2,172,000	-	-	2,172,000
Total Noncurrent Liabilities	7,963,845	8,696	50,998	8,023,539
Total Liabilities	11,512,720	3,594,531	749,622	15,856,873
Net Position				
Net investment in capital assets	-	-	5,489,735	5,489,735
Restricted for future claims	11,965,161	8,121,663	-	20,086,824
Unrestricted	-	-	7,001,461	7,001,461
Total Net Position	\$ 11,965,161	\$ 8,121,663	\$ 12,491,196	\$ 32,578,020

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Operating Revenues				
Charges for Services:				
Self insurance fees	\$ 6,575,322	\$ 39,890,554	\$ -	\$ 46,465,876
Equipment service billings	-	-	5,755,921	5,755,921
Miscellaneous	565,711	1,178,078	22,857	1,766,646
Total Operating Revenues	7,141,033	41,068,632	5,778,778	53,988,443
Operating Expenses				
Salaries and wages	204,722	240,850	1,243,083	1,688,655
Employee benefits	72,715	97,201	520,261	690,177
Services and supplies	4,732,378	43,082,942	4,348,881	52,164,201
Depreciation	-	-	1,786,802	1,786,802
Total Operating Expenses	5,009,815	43,420,993	7,899,027	56,329,835
Operating Income (Loss)	2,131,218	(2,352,361)	(2,120,249)	(2,341,392)
Nonoperating Revenues (Expenses)				
Investment earnings	336,812	157,906	118,903	613,621
Net increase (decrease) in the fair value of investments	(347,803)	(183,719)	-	(531,522)
Gain (loss) on asset disposition	-	-	192,734	192,734
Federal grants	-	273,081	-	273,081
Other nonoperating revenue	-	1,250,000	1,748	1,251,748
Total Nonoperating Revenues (Expenses)	(10,991)	1,497,268	313,385	1,799,662
Income (Loss) Before Capital Contributions and Transfers	2,120,227	(855,093)	(1,806,864)	(541,730)
Capital Contributions				
Contributions from other funds	-	-	95,418	95,418
Transfers				
General Fund	-	-	(300,000)	(300,000)
Capital Improvement Fund	-	-	(34,675)	(34,675)
Total Transfers	-	-	(334,675)	(334,675)
Change in Net Position	2,120,227	(855,093)	(2,046,121)	(780,987)
Net Position, July 1, As Restated	9,844,934	8,976,756	14,537,317	33,359,007
Net Position, June 30	\$ 11,965,161	\$ 8,121,663	\$ 12,491,196	\$ 32,578,020

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ -	\$ 17,587,734	\$ -	\$ 17,587,734
Cash received from other funds	6,575,322	22,800,433	5,415,686	34,791,441
Cash received from others	576,240	2,428,078	364,840	3,369,158
Cash payments for personnel costs	(299,375)	(335,520)	(1,715,391)	(2,350,286)
Cash payments for services and supplies	(6,335,497)	(41,912,468)	(4,389,570)	(52,637,535)
Net Cash Provided (Used) by Operating Activities	516,690	568,257	(324,435)	760,512
Cash Flows From Noncapital Financing Activities:				
Federal grants	-	273,081	-	273,081
Transfers to General Fund	-	-	(300,000)	(300,000)
Transfers to Capital Improvement Fund	-	-	(34,675)	(34,675)
Net Cash Provided (Used) by Noncapital Financing Activities	-	273,081	(334,675)	(61,594)
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	-	-	105,958	105,958
Proceeds from insurance recoveries	-	-	4,702	4,702
*Acquisition of capital assets	-	-	(1,265,383)	(1,265,383)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(1,154,723)	(1,154,723)
Cash Flows From Investing Activities:				
Investment earnings (loss)	10,335	(17,276)	-	(6,941)
**Proceeds from assets held for sale	-	-	1,633,000	1,633,000
**Equipment supply deposit received	-	-	83,000	83,000
**Equipment supply deposit paid	-	-	(1,416,200)	(1,416,200)
Net Cash Provided (Used) by Investing Activities	10,335	(17,276)	299,800	292,859
Net Increase (Decrease) in Cash and Cash Equivalents	527,025	824,062	(1,514,033)	(162,946)
Cash and Cash Equivalents, July 1	22,777,086	8,370,252	5,717,898	36,865,236
Cash and Cash Equivalents, June 30	\$ 23,304,111	\$ 9,194,314	\$ 4,203,865	\$ 36,702,290

(CONTINUED)

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Risk Management Fund</u>	<u>Health Benefits Fund</u>	<u>Equipment Services Fund</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 2,131,218	\$ (2,352,361)	\$ (2,120,249)	\$ (2,341,392)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	1,786,802	1,786,802
Other nonoperating revenue	-	1,250,000	1,748	1,251,748
**Imputed rental expense	-	-	118,903	118,903
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	10,529	517,479	-	528,008
Due from other governments	-	(19,866)	-	(19,866)
Inventory	-	-	(58,528)	(58,528)
Other assets	(6,332)	-	(123,262)	(129,594)
Increase (decrease) in:				
Accounts payable	2,789	347,474	22,215	372,478
Accrued salaries and benefits	(1,566)	257	9,679	8,370
Compensated absences	(20,372)	2,274	38,274	20,176
Due to others	(205,298)	-	-	(205,298)
Due to other governments	(1,673,278)	-	(17)	(1,673,295)
Pending claims	279,000	823,000	-	1,102,000
Total Adjustments	(1,614,528)	2,920,618	1,795,814	3,101,904
Net Cash Provided (Used) by Operating Activities	\$ 516,690	\$ 568,257	\$ (324,435)	\$ 760,512

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

The Equipment Services Fund lease deposits remaining from prior year rental agreements total \$3,016,518. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$118,903 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,407,047 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$225,953. Lease deposits totaling \$83,000 were forfeited to acquire assets. Lease deposits totaling \$83,000 were refunded and the equipment was returned.

*Acquisition of Capital Assets Financed by Cash	\$ -	\$ -	\$ 1,265,383	\$ 1,265,383
Capital transferred from other funds	-	-	95,418	95,418
Lease deposits capitalized	-	-	83,000	83,000
Increase (decrease) in accounts payable	-	-	40,117	40,117
Total Acquisition of Capital Assets	\$ -	\$ -	\$ 1,483,918	\$ 1,483,918

WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 6,754,057	\$ 6,575,322	\$ (178,735)	\$ 6,519,842
Miscellaneous:				
Other	-	565,711	565,711	512,897
Total Operating Revenues	<u>6,754,057</u>	<u>7,141,033</u>	<u>386,976</u>	<u>7,032,739</u>
Operating Expenses				
Salaries and wages	243,739	204,722	39,017	216,737
Employee benefits	87,773	72,715	15,058	79,206
Services and supplies	8,327,791	4,732,378	3,595,413	6,522,560
Total Operating Expenses	<u>8,659,303</u>	<u>5,009,815</u>	<u>3,649,488</u>	<u>6,818,503</u>
Operating Income (Loss)	<u>(1,905,246)</u>	<u>2,131,218</u>	<u>4,036,464</u>	<u>214,236</u>
Nonoperating Revenues (Expenses)				
Investment earnings	330,650	336,812	6,162	642,737
Net increase (decrease) in the fair value of investments	-	(347,803)	(347,803)	297,416
Total Nonoperating Revenues (Expenses)	<u>330,650</u>	<u>(10,991)</u>	<u>(341,641)</u>	<u>940,153</u>
Income (Loss) Before Transfers	<u>(1,574,596)</u>	<u>2,120,227</u>	<u>3,694,823</u>	<u>1,154,389</u>
Transfers				
General Fund	-	-	-	(14,500,000)
Change in Net Position	<u>\$ (1,574,596)</u>	<u>2,120,227</u>	<u>\$ 3,694,823</u>	<u>(13,345,611)</u>
Net Position, July 1		<u>9,844,934</u>		<u>23,190,545</u>
Net Position, June 30		<u>\$ 11,965,161</u>		<u>\$ 9,844,934</u>

WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 6,754,057	\$ 6,575,322	\$ (178,735)	\$ 6,519,842
Cash received from others	-	576,240	576,240	502,695
Cash payments for personnel costs	(326,512)	(299,375)	27,137	(290,595)
Cash payments for services and supplies	(6,028,791)	(6,335,497)	(306,706)	(4,333,295)
Net Cash Provided (Used) by Operating Activities	<u>398,754</u>	<u>516,690</u>	<u>117,936</u>	<u>2,398,647</u>
Cash Flows From Noncapital Financing Activities:				
Transfer to General Fund	-	-	-	(14,500,000)
Cash Flows From Investing Activities:				
Investment earnings	330,650	10,335	(320,315)	1,003,499
Net Increase (Decrease) in Cash and Cash Equivalents	<u>729,404</u>	<u>527,025</u>	<u>(202,379)</u>	<u>(11,097,854)</u>
Cash and Cash Equivalents, July 1	<u>21,549,636</u>	<u>22,777,086</u>	<u>1,227,450</u>	<u>33,874,940</u>
Cash and Cash Equivalents, June 30	<u>\$ 22,279,040</u>	<u>\$ 23,304,111</u>	<u>\$ 1,025,071</u>	<u>\$ 22,777,086</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (1,905,246)	\$ 2,131,218	\$ 4,036,464	\$ 214,236
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	10,529	10,529	(10,202)
Other assets	-	(6,332)	(6,332)	(3,460)
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	2,789	2,789	43,149
Accrued salaries and benefits	-	(1,566)	(1,566)	2,464
Compensated absences	-	(20,372)	(20,372)	2,884
Due to others	-	(205,298)	(205,298)	205,298
Due to other governments	-	(1,673,278)	(1,673,278)	1,673,278
Pending claims	2,304,000	279,000	(2,025,000)	271,000
Total Adjustments	<u>2,304,000</u>	<u>(1,614,528)</u>	<u>(3,918,528)</u>	<u>2,184,411</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 398,754</u>	<u>\$ 516,690</u>	<u>\$ 117,936</u>	<u>\$ 2,398,647</u>

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 44,287,000	\$ 39,890,554	\$ (4,396,446)	\$ 43,381,184
Miscellaneous:				
Other	<u>628,800</u>	<u>1,178,078</u>	<u>549,278</u>	<u>848,429</u>
Total Operating Revenues	<u>44,915,800</u>	<u>41,068,632</u>	<u>(3,847,168)</u>	<u>44,229,613</u>
Operating Expenses				
Salaries and wages	240,816	240,850	(34)	234,064
Employee benefits	102,352	97,201	5,151	95,226
Services and supplies	<u>44,931,402</u>	<u>43,082,942</u>	<u>1,848,460</u>	<u>40,571,879</u>
Total Operating Expenses	<u>45,274,570</u>	<u>43,420,993</u>	<u>1,853,577</u>	<u>40,901,169</u>
Operating Income (Loss)	<u>(358,770)</u>	<u>(2,352,361)</u>	<u>(1,993,591)</u>	<u>3,328,444</u>
Nonoperating Revenues (Expenses)				
Investment earnings	70,500	157,906	87,406	218,599
Net increase (decrease) in the fair value of investments	-	(183,719)	(183,719)	70,644
Federal grants	250,000	273,081	23,081	276,073
Other nonoperating revenue	<u>-</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>320,500</u>	<u>1,497,268</u>	<u>1,176,768</u>	<u>565,316</u>
Income (Loss) Before Transfers	<u>(38,270)</u>	<u>(855,093)</u>	<u>(816,823)</u>	<u>3,893,760</u>
Transfers				
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,081,500)</u>
Change in Net Position	<u>\$ (38,270)</u>	<u>\$ (855,093)</u>	<u>\$ (816,823)</u>	<u>(187,740)</u>
Net Position, July 1		<u>8,976,756</u>		<u>9,164,496</u>
Net Position, June 30		<u>\$ 8,121,663</u>		<u>\$ 8,976,756</u>

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)

	2013			2012
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 20,201,136	\$ 17,587,734	\$ (2,613,402)	\$ 19,918,361
Cash received from other funds	24,084,364	22,800,433	(1,283,931)	23,542,714
Cash received from others	630,300	2,428,078	1,797,778	848,429
Cash payments for personnel costs	(343,168)	(335,520)	7,648	(305,585)
Cash payments for services and supplies	(44,931,402)	(41,912,468)	3,018,934	(41,281,174)
Net Cash Provided (Used) by Operating Activities	(358,770)	568,257	927,027	2,722,745
Cash Flows From Noncapital Financing Activities:				
Federal grants	250,000	273,081	23,081	276,073
Transfers to General Fund	-	-	-	(4,081,500)
Net Cash Provided (Used) by Noncapital Financing Activities	250,000	273,081	23,081	(3,805,427)
Cash Flows From Investing Activities:				
Investment earnings (loss)	70,500	(17,276)	(87,776)	288,939
Net Increase (Decrease) in Cash and Cash Equivalents	(38,270)	824,062	862,332	(793,743)
Cash and Cash Equivalents, July 1	982,931	8,370,252	7,387,321	9,163,995
Cash and Cash Equivalents, June 30	\$ 944,661	\$ 9,194,314	\$ 8,249,653	\$ 8,370,252
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (358,770)	\$ (2,352,361)	\$ (1,993,591)	\$ 3,328,444
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Settlement from State of Nevada	-	1,250,000	1,250,000	-
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	517,479	517,479	64,915
Due from other governments	-	(19,866)	(19,866)	42,510
Increase (decrease) in:				
Accounts payable	-	347,474	347,474	(381,829)
Accrued salaries and benefits	-	257	257	3,075
Compensated absences	-	2,274	2,274	20,630
Pending claims	-	823,000	823,000	(355,000)
Total Adjustments	-	2,920,618	2,920,618	(605,699)
Net Cash Provided (Used) by Operating Activities	\$ (358,770)	\$ 568,257	\$ 927,027	\$ 2,722,745

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Equipment service billings	\$ 6,408,677	\$ 5,755,921	\$ (652,756)	\$ 6,669,228
Miscellaneous:				
Other	15,000	22,857	7,857	55,392
Total Operating Revenues	6,423,677	5,778,778	(644,899)	6,724,620
Operating Expenses				
Salaries and wages	1,226,176	1,243,083	(16,907)	1,192,948
Employee benefits	543,138	520,261	22,877	624,393
Services and supplies	4,308,374	4,348,881	(40,507)	3,926,204
Depreciation	1,890,152	1,786,802	103,350	1,849,994
Total Operating Expenses	7,967,840	7,899,027	68,813	7,593,539
Operating Income (Loss)	(1,544,163)	(2,120,249)	(576,086)	(868,919)
Nonoperating Revenues (Expenses)				
Investment earnings	131,900	118,903	(12,997)	132,599
Gain (loss) on asset disposition	100,000	192,734	92,734	115,609
Other nonoperating revenue	-	1,748	1,748	13,207
Total Nonoperating Revenues (Expenses)	231,900	313,385	81,485	261,415
Income (Loss) Before Capital Contributions and Transfers	(1,312,263)	(1,806,864)	(494,601)	(607,504)
Capital Contributions				
Contributions from other funds	-	95,418	95,418	31,431
Transfers				
General Fund	(300,000)	(300,000)	-	(700,000)
Capital Improvement Fund	-	(34,675)	(34,675)	-
Building and Safety Fund	-	-	-	(45,369)
Total Transfers	(300,000)	(334,675)	(34,675)	(745,369)
Change in Net Position	\$ (1,612,263)	(2,046,121)	\$ (433,858)	(1,321,442)
Net Position, July 1		14,537,317		15,858,759
Net Position, June 30		\$ 12,491,196		\$ 14,537,317

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 6,033,377	\$ 5,415,686	\$ (617,691)	\$ 6,669,228
Cash received from others	390,300	364,840	(25,460)	55,392
Cash payments for personnel costs	(1,769,314)	(1,715,391)	53,923	(1,849,314)
Cash payments for services and supplies	(3,936,335)	(4,389,570)	(453,235)	(3,446,900)
Net Cash Provided (Used) by Operating Activities	718,028	(324,435)	(1,042,463)	1,428,406
Cash Flows from Noncapital Financing Activities:				
Transfer to General Fund	(300,000)	(300,000)	-	(700,000)
Transfer to Capital Improvement Fund	-	(34,675)	(34,675)	-
Transfer to Building and Safety Fund	-	-	-	(45,369)
Net Cash Provided (Used) by Noncapital Financing Activities	(300,000)	(334,675)	(34,675)	(745,369)
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	100,000	105,958	5,958	209,020
Proceeds from insurance recoveries	-	4,702	4,702	13,207
*Acquisition of capital assets	(1,400,000)	(1,265,383)	134,617	(943,609)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,300,000)	(1,154,723)	145,277	(721,382)
Cash Flows From Investing Activities:				
**Proceeds from assets held for sale	-	1,633,000	1,633,000	-
**Equipment supply deposit received	1,633,000	83,000	(1,550,000)	-
**Equipment supply deposit paid	(1,786,500)	(1,416,200)	370,300	-
Net Cash Provided (Used) by Investing Activities	(153,500)	299,800	453,300	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,035,472)	(1,514,033)	(478,561)	(38,345)
Cash and Cash Equivalents, July 1	5,815,878	5,717,898	(97,980)	5,756,243
Cash and Cash Equivalents, June 30	\$ 4,780,406	\$ 4,203,865	\$ (576,541)	\$ 5,717,898

(CONTINUED)

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012)**

	2013			2012
	Budget	Actual	Variance	Actual
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (1,544,163)	\$ (2,120,249)	\$ (576,086)	\$ (868,919)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,890,152	1,786,802	(103,350)	1,849,994
Other nonoperating revenue	-	1,748	1,748	-
**Imputed rental expense	-	118,903	118,903	132,599
Change in assets and liabilities:				
(Increase) decrease in:				
Inventory	-	(58,528)	(58,528)	17,094
Prepaid lease expense	372,039	(123,262)	(495,301)	246,912
Increase (decrease) in:				
Accounts payable	-	22,215	22,215	82,682
Accrued salaries and benefits	-	9,679	9,679	2,032
Compensated absences	-	38,274	38,274	(34,005)
Due to other governments	-	(17)	(17)	17
Total Adjustments	2,262,191	1,795,814	(466,377)	2,297,325
Net Cash Provided (Used) by Operating Activities	\$ 718,028	\$ (324,435)	\$ (1,042,463)	\$ 1,428,406

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

The Equipment Services Fund lease deposits remaining from prior year rental agreements total \$3,016,518. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$118,903 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,407,047 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$225,953. Lease deposits totaling \$83,000 were forfeited to acquire assets. Lease deposits totaling \$83,000 were refunded and the equipment was returned.

*Acquisition of Capital Assets Financed by Cash	\$ 1,400,000	\$ 1,265,383	\$ 134,617	\$ 943,609
Capital transferred from other funds	-	95,418	(95,418)	31,431
Lease deposits capitalized	-	83,000	(83,000)	-
Increase (decrease) in accounts payable	-	40,117	(40,117)	112,217
Total Acquisition of Capital Assets	\$ 1,400,000	\$ 1,483,918	\$ (83,918)	\$ 1,087,257



FIDUCIARY FUNDS

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and which cannot be used to support the County's own programs.

Agency Funds:

Intergovernmental

Accounts for taxes and fees, such as property tax, sales tax, consolidated tax, fuel tax, and fines collected by the County on behalf of local governments.

Public Guardian/Administrator Trust Funds

Accounts for assets belonging to wards of the Public Guardian and unclaimed assets of decedents.

Court Trust

Accounts for District Court cash bonds.

Payroll Revolving

Accounts for payment of payroll and payroll deductions such as income tax withholding, insurance deductions, credit union deductions, etc.

Southwest Pointe Arrowcreek SAD 23

Accounts for collections of special assessments from property owners in District No. 23. Washoe County is not obligated in any manner for debt incurred on capital improvements to the properties.

Treasurer Unapportioned

Accounts for other local governments' share of unapportioned property taxes.

Washoe County School District Debt Service Fund

Accounts for assets held on behalf of the Washoe County School District for debt service.

Sheriff's Trust

Accounts for the commissary fund, inmate fund, and other miscellaneous funds administered by the County Sheriff's Department.

Children's Trust Fund

Accounts for monies received from social security, insurance, child support or other sources on behalf of children receiving welfare services.

May Foundation Building Trust

Accounts for assets held on behalf of the Wilbur May Foundation.

Senior Services Trust

Accounts for social security benefits of senior citizen clients for which Washoe County serves as representative payee.

Financial Assurances

Accounts for assets held by the County as performance guarantees.

Western Regional Water Commission

Accounts for the assets of the Western Regional Water Commission arising from the collection of water planning fees from regional water customers.

Other Agencies

Accounts for assets held for special districts and boards, Regional Transportation Commission, deferred compensation, Public Safety Training Center, TRWQSA joint venture, and other miscellaneous agencies.

**WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Intergovernmental				
Assets:				
Cash and investments	\$ 6,165,737	\$ 242,111,641	\$ 237,766,655	\$ 10,510,723
Property taxes receivable	6,609,194	13,773,235	14,691,795	5,690,634
Total Assets	<u>\$ 12,774,931</u>	<u>\$ 255,884,876</u>	<u>\$ 252,458,450</u>	<u>\$ 16,201,357</u>
Liabilities:				
Due to other governments	<u>\$ 12,774,931</u>	<u>\$ 255,884,876</u>	<u>\$ 252,458,450</u>	<u>\$ 16,201,357</u>
Public Guardian/Administrator Trust Funds				
Assets:				
Cash and investments	\$ 3,829,179	\$ 5,372,989	5,317,055	\$ 3,885,113
Liabilities:				
Due to others	<u>\$ 3,829,179</u>	<u>\$ 5,372,989</u>	<u>\$ 5,317,055</u>	<u>\$ 3,885,113</u>
Court Trust				
Assets:				
Cash and investments	\$ 5,852,526	\$ 5,076,687	\$ 4,672,994	\$ 6,256,219
Liabilities:				
Due to others	<u>\$ 5,852,526</u>	<u>\$ 5,076,687</u>	<u>\$ 4,672,994</u>	<u>\$ 6,256,219</u>
Payroll Revolving				
Assets:				
Cash and investments	\$ 3,813,718	\$ 245,542,168	\$ 245,363,740	\$ 3,992,146
Accounts receivable	1,991	441	1,839	593
Total Assets	<u>\$ 3,815,709</u>	<u>\$ 245,542,609</u>	<u>\$ 245,365,579</u>	<u>\$ 3,992,739</u>
Liabilities:				
Due to others	<u>\$ 3,815,709</u>	<u>\$ 245,542,609</u>	<u>\$ 245,365,579</u>	<u>\$ 3,992,739</u>
Southwest Pointe Arrowcreek SAD 23				
Assets:				
Cash and investments	\$ 2,901,336	\$ 3,233,471	\$ 2,920,968	\$ 3,213,839
Liabilities:				
Due to others	<u>\$ 2,901,336</u>	<u>\$ 3,233,471</u>	<u>\$ 2,920,968</u>	<u>\$ 3,213,839</u>
Treasurer Unapportioned				
Assets:				
Cash and investments	\$ 3,452,304	\$ 489,422,280	\$ 491,073,316	\$ 1,801,268
Accounts receivable	1,883,946	284,427	2,006,826	161,547
Total Assets	<u>\$ 5,336,250</u>	<u>\$ 489,706,707</u>	<u>\$ 493,080,142</u>	<u>\$ 1,962,815</u>
Liabilities:				
Due to other governments	<u>\$ 5,336,250</u>	<u>\$ 489,706,707</u>	<u>\$ 493,080,142</u>	<u>\$ 1,962,815</u>
Washoe County School District Debt Service Fund				
Assets:				
Property taxes receivable	\$ 1,181,083	\$ 2,446,055	\$ 2,578,188	\$ 1,048,950
Liabilities:				
Due to other governments	<u>\$ 1,181,083</u>	<u>\$ 2,446,055</u>	<u>\$ 2,578,188</u>	<u>\$ 1,048,950</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Sheriff's Trust				
Assets:				
Cash and investments	\$ 823,298	\$ 7,669,366	\$ 7,076,852	\$ 1,415,812
Liabilities:				
Due to others	\$ 823,298	\$ 7,669,366	\$ 7,076,852	\$ 1,415,812
Children's Trust Fund				
Assets:				
Cash and investments	\$ 459,716	\$ 625,675	\$ 619,395	\$ 465,996
Liabilities:				
Due to others	\$ 459,716	\$ 625,675	\$ 619,395	\$ 465,996
May Foundation Building Trust				
Assets:				
Cash and investments	\$ 320,592	\$ 324,108	\$ 306,626	\$ 338,074
Liabilities:				
Due to others	\$ 320,592	\$ 324,108	\$ 306,626	\$ 338,074
Senior Services Trust				
Assets:				
Cash and investments	\$ 21,266	\$ 272,113	\$ 269,167	\$ 24,212
Liabilities:				
Due to others	\$ 21,266	\$ 272,113	\$ 269,167	\$ 24,212
Financial Assurances				
Assets:				
Cash and investments	\$ 272,552	\$ 206,028	\$ 186,104	\$ 292,476
Financial assurances	412,026	114,256	99,808	426,474
Total Assets	\$ 684,578	\$ 320,284	\$ 285,912	\$ 718,950
Liabilities:				
Due to others	\$ 684,578	\$ 320,284	\$ 285,912	\$ 718,950
Western Regional Water Commission				
Assets:				
Accounts Receivable	\$ 294,162	\$ 1,513,545	\$ 1,503,701	\$ 304,006
Due from other governments	17,112	46,878	17,112	46,878
Total Assets	\$ 311,274	\$ 1,560,423	\$ 1,520,813	\$ 350,884
Liabilities:				
Due to others	\$ 311,274	\$ 1,560,423	\$ 1,520,813	\$ 350,884

(CONTINUED)

**WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
Other Agencies:				
Assets:				
Cash and investments	\$ 2,074	\$ 3,599	\$ 3,883	\$ 1,790
Other deposits	9,691	8,561	300	17,952
Total Assets	<u>\$ 11,765</u>	<u>\$ 12,160</u>	<u>\$ 4,183</u>	<u>\$ 19,742</u>
Liabilities:				
Due to others/governments	<u>\$ 11,765</u>	<u>\$ 12,160</u>	<u>\$ 4,183</u>	<u>\$ 19,742</u>
Totals, Agency Funds:				
Assets:				
Cash and investments	\$ 27,914,298	\$ 999,860,125	\$ 995,576,755	\$ 32,197,668
Financial assurances	412,026	114,256	99,808	426,474
Accounts receivable	2,180,099	1,798,413	3,512,366	466,146
Property taxes receivable	7,790,277	16,219,290	17,269,983	6,739,584
Due from other governments	17,112	46,878	17,112	46,878
Other deposits	9,691	8,561	300	17,952
Total Assets	<u>\$ 38,323,503</u>	<u>\$ 1,018,047,523</u>	<u>\$ 1,016,476,324</u>	<u>\$ 39,894,702</u>
Liabilities:				
Due to others/governments	<u>\$ 38,323,503</u>	<u>\$ 1,018,047,523</u>	<u>\$ 1,016,476,324</u>	<u>\$ 39,894,702</u>



**STATISTICAL SECTION
(unaudited)**

STATISTICAL SECTION

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the Management's Discussion and Analysis, financial statements and note disclosures, says about the government's overall financial health.

Schedules

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 1.1 – 1.5

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, ad valorem taxes. 2.1 – 2.4

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 3.1 – 3.4

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. 4.1 – 4.2

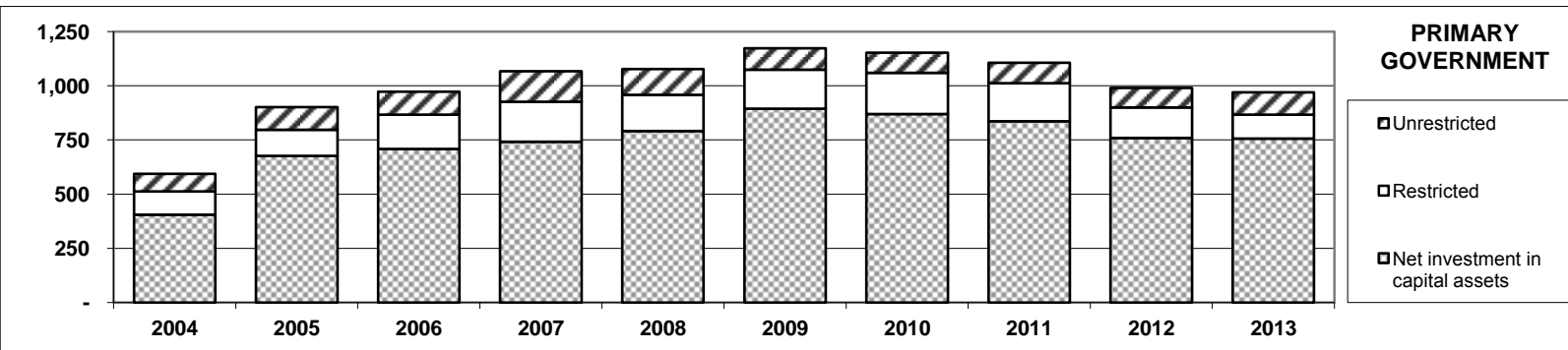
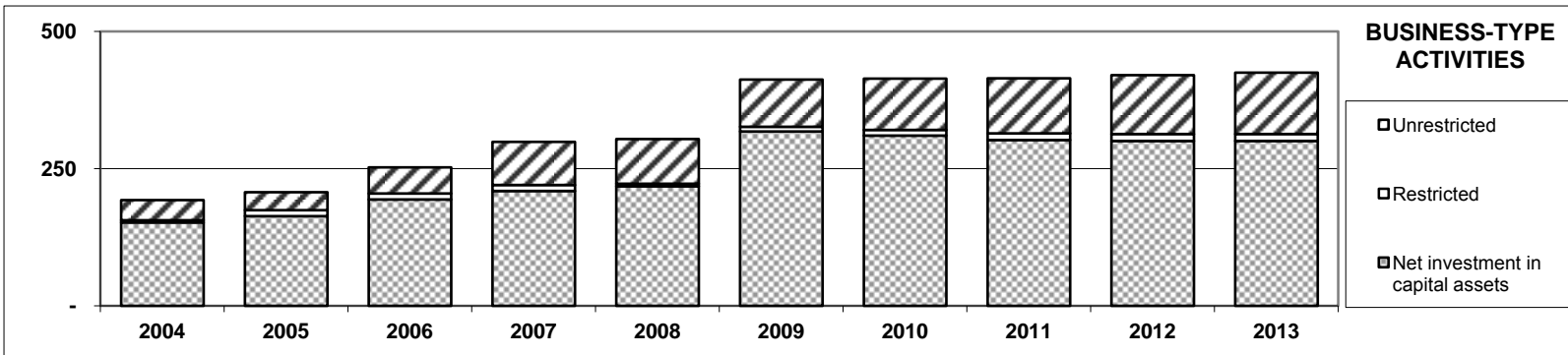
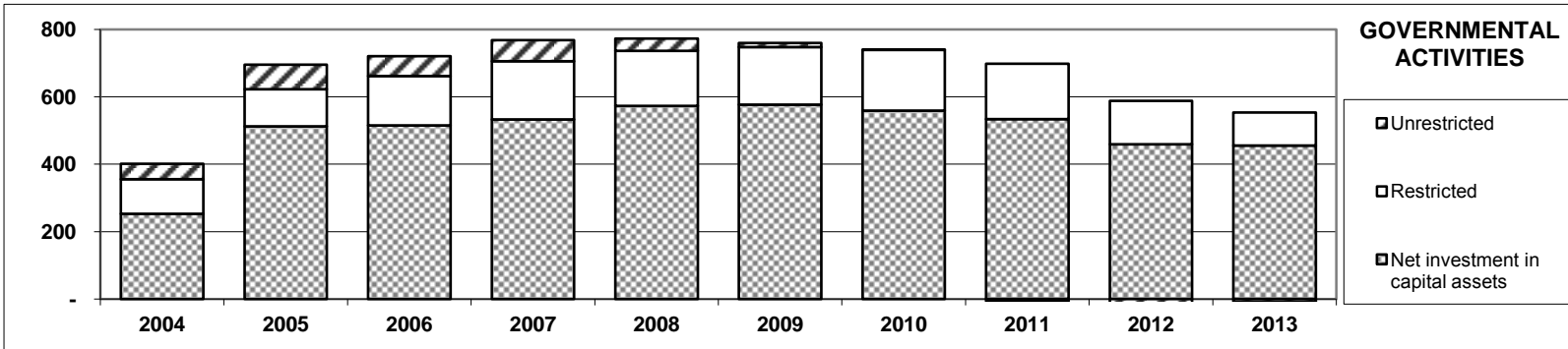
Operating Information

These schedules contain service and capital asset data to help the reader understand how the information in the County's financial report relates to the services provided and the activities performed. 5.1 – 5.3

Sources:

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

WASHOE COUNTY, NEVADA
 NET POSITION TREND BY COMPONENT LAST TEN FISCAL YEARS
 (AMOUNTS EXPRESSED IN THOUSANDS)



WASHOE COUNTY, NEVADA
NET POSITION BY COMPONENT LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012 ⁵	2013
Governmental Activities⁶										
Net investment in capital assets ¹	\$ 252,654	\$ 512,205	\$ 515,565	\$ 533,139	\$ 572,750	\$ 576,532	\$ 559,117	\$ 533,468	\$ 459,302	\$ 455,643
Restricted	103,275	110,398	146,510	172,141	163,355	170,975	179,707	164,800	128,284	98,124
Unrestricted ²	45,120	72,505	58,471	62,505	37,009	12,622	462	(7,038)	(17,395)	(8,579)
Total Governmental Activities Net Position	<u>\$ 401,049</u>	<u>\$ 695,108</u>	<u>\$ 720,546</u>	<u>\$ 767,785</u>	<u>\$ 773,114</u>	<u>\$ 760,129</u>	<u>\$ 739,286</u>	<u>\$ 691,230</u>	<u>\$ 570,191</u>	<u>\$ 545,188</u>
Business-type Activities⁷										
Net investment in capital assets ¹	\$ 152,164	\$ 163,659	\$ 193,534	\$ 209,030	\$ 218,033	\$ 317,680	\$ 310,154	\$ 301,997	\$ 300,261	\$ 300,163
Restricted ³	3,733	10,469	11,309	11,264	4,376	8,515	10,004	11,875	12,804	12,801
Unrestricted	36,636	32,609	47,523	78,219	81,278	85,743	93,616	100,843	107,298	111,894
Total Business-type Activities Net Position	<u>\$ 192,533</u>	<u>\$ 206,737</u>	<u>\$ 252,366</u>	<u>\$ 298,513</u>	<u>\$ 303,687</u>	<u>\$ 411,938</u>	<u>\$ 413,774</u>	<u>\$ 414,715</u>	<u>\$ 420,363</u>	<u>\$ 424,858</u>
Primary Government										
Net investment in capital assets ¹	\$ 404,818	\$ 675,864	\$ 709,099	\$ 742,169	\$ 790,783	\$ 894,212	\$ 869,271	\$ 835,465	\$ 759,563	\$ 755,806
Restricted	107,008	120,867	157,819	183,405	167,731	179,490	189,711	176,675	141,088	110,925
Unrestricted	81,756	105,114	105,994	140,724	118,287	98,365	94,078	93,805	89,903	103,315
Total Primary Government Net Position ⁴	<u>\$ 593,582</u>	<u>\$ 901,845</u>	<u>\$ 972,912</u>	<u>\$ 1,066,298</u>	<u>\$ 1,076,801</u>	<u>\$ 1,172,067</u>	<u>\$ 1,153,060</u>	<u>\$ 1,105,945</u>	<u>\$ 990,554</u>	<u>\$ 970,046</u>

Information is presented on the accrual basis of accounting.

¹ Capital Assets include land, intangibles, infrastructure, construction in progress, buildings and improvements, equipment and software. In fiscal year 2010, the County implemented GASB 51 for intangible assets which resulted in accounting changes for assets previously capitalized. Net position for fiscal year 2009 has been restated for this change.

² Negative unrestricted assets in fiscal year 2011 result from OPEB and property tax refund liabilities in excess of unrestricted resources. In 2012 and 2013, the negative balance includes bonded debt liability of \$19 million for capital assets transferred to a local joint powers authority for flood management.

³ The decrease in restricted net position in fiscal year 2008 was due to \$6,595 from business-type funds being reclassified to governmental activities.

⁴ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when an external party, such as grantors, contributors, state or federal government, places a restriction on how resources may be used, or through enabling legislation enacted by the County.

⁵ The decrease in governmental net position in 2012 includes \$50 million in capital assets and \$17.8 million in restricted funds transferred to a local joint powers authority for flood management.

⁶ Fiscal years 2004-2011 include amounts for Sierra and/or Truckee Meadows Fire Protection Districts. Fiscal year 2012 has been restated to exclude these component units that are now discreetly presented.

⁷ Business-type activity amounts have been restated to remove South Truckee Meadows General Improvement District (STMGID). Effective FY13, STMGID is no longer a component unit of the County.

WASHOE COUNTY, NEVADA
CHANGES IN NET POSITION LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities										
General government	\$ 52,812	\$ 59,613	\$ 66,386	\$ 71,933	\$ 93,781	\$ 99,921	\$ 103,576	\$ 120,606	\$ 107,954	\$ 91,105
Judicial	43,646	56,078	56,811	55,170	58,415	58,766	57,896	55,394	55,469	57,573
Public safety	102,936	117,840	123,110	139,435	152,410	161,395	155,600	149,376	125,573	138,149
Public works	17,421	38,039	34,488	35,365	39,397	41,722	39,309	39,447	39,675	31,981
Health and sanitation	17,302	19,459	24,218	26,052	27,861	27,858	22,749	22,826	18,429	18,785
Welfare	43,359	48,918	52,603	59,761	66,193	64,048	66,764	69,506	68,137	66,370
Culture and recreation	24,491	25,606	43,296	32,019	53,447	38,364	27,993	27,850	24,989	23,614
Community support	506	575	854	1,468	1,555	1,662	1,736	303	309	343
Interest on long-term debt	8,970	9,348	9,146	10,601	11,267	11,028	8,984	8,505	7,174	7,349
Total Governmental Activities Expenses	<u>311,443</u>	<u>375,476</u>	<u>410,912</u>	<u>431,804</u>	<u>504,326</u>	<u>504,764</u>	<u>484,607</u>	<u>493,813</u>	<u>447,709</u>	<u>435,269</u>
Business-type Activities										
Utilities ¹	20,724	41,469	24,381	29,465	38,022	32,508	29,541	28,451	30,029	30,844
Golf courses	2,099	2,038	1,844	1,824	1,741	1,757	1,893	2,070	874	979
Building permits	2,864	3,007	3,160	3,229	2,441	1,871	1,207	1,324	1,372	1,329
Total Business-type Activities Expenses	<u>25,687</u>	<u>46,514</u>	<u>29,385</u>	<u>34,518</u>	<u>42,204</u>	<u>36,136</u>	<u>32,641</u>	<u>31,845</u>	<u>32,275</u>	<u>33,152</u>
Total Primary Government Expenses	<u>\$ 337,130</u>	<u>\$ 421,990</u>	<u>\$ 440,297</u>	<u>\$ 466,322</u>	<u>\$ 546,530</u>	<u>\$ 540,900</u>	<u>\$ 517,248</u>	<u>\$ 525,658</u>	<u>\$ 479,984</u>	<u>\$ 468,421</u>
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 10,104	\$ 11,116	\$ 14,339	\$ 15,373	\$ 20,940	\$ 21,509	\$ 22,920	\$ 33,139	\$ 32,902	\$ 31,306
Judicial	6,387	6,293	7,043	7,251	7,999	8,117	9,376	10,309	10,056	10,412
Public safety	7,410	7,917	10,795	10,859	11,275	12,579	15,141	14,367	13,075	15,311
Other	11,758	11,632	12,486	15,240	15,092	15,763	14,658	13,912	10,061	10,521
Operating grants, interest and contributions	37,219	50,523	51,465	50,382	55,506	54,398	55,842	60,660	64,561	63,432
Capital grants, interest and contributions	16,191	23,262	19,449	33,858	43,987	34,590	17,467	7,157	25,205	7,413
Total Governmental Activities	<u>89,069</u>	<u>110,743</u>	<u>115,577</u>	<u>132,963</u>	<u>154,799</u>	<u>146,956</u>	<u>135,404</u>	<u>139,544</u>	<u>155,860</u>	<u>138,395</u>
Business-type Activities										
Charges for Services										
Utilities	20,927	21,813	25,415	29,547	28,461	27,903	27,382	29,274	30,466	31,539
Golf courses	1,812	1,666	1,650	1,713	1,583	1,617	1,720	1,944	1,090	1,037
Building permits	4,031	3,682	2,461	1,958	2,063	1,419	1,018	1,137	1,401	1,724
Operating grants, interest and contributions	80	383	174	550	612	34	49	123	94	449

(CONTINUED)

WASHOE COUNTY, NEVADA
CHANGES IN NET POSITION LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type Activities (continued)										
Capital grants, interest and contributions	\$ 27,109	\$ 31,927	\$ 44,159	\$ 42,412	\$ 19,214	\$ 110,304	\$ 5,040	\$ 4,286	\$ 1,921	\$ 4,448
Total Business-type Activities										
Program Revenues	53,959	59,471	73,859	76,180	51,933	141,277	35,209	36,764	34,972	39,197
Total Primary Government										
Program Revenues	\$ 143,028	\$ 170,214	\$ 189,436	\$ 209,143	\$ 206,732	\$ 288,233	\$ 170,613	\$ 176,308	\$ 190,832	\$ 177,592
Net (Expense)/Revenue										
Governmental activities	\$ (222,374)	\$ (264,733)	\$ (295,335)	\$ (298,841)	\$ (349,527)	\$ (357,808)	\$ (349,203)	\$ (354,269)	\$ (291,849)	\$ (296,874)
Business-type activities	28,272	12,957	44,474	41,662	9,729	105,141	2,568	4,919	2,697	6,045
Total Primary Government										
Net (Expense) Revenue	\$ (194,102)	\$ (251,776)	\$ (250,861)	\$ (257,179)	\$ (339,798)	\$ (252,667)	\$ (346,635)	\$ (349,350)	\$ (289,152)	\$ (290,829)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes and Intergovernmental										
Ad valorem	\$ 150,358	\$ 162,041	\$ 174,728	\$ 197,335	\$ 210,184	\$ 223,457	\$ 220,530	\$ 201,469	\$ 172,540	\$ 167,294
Consolidated	89,951	100,674	109,656	107,152	98,567	83,070	74,119	74,985	70,985	75,489
Other intergovernmental	23,726	25,935	26,250	26,578	27,787	21,231	19,114	19,791	18,840	18,530
Unrestricted investment earnings	591	4,634	2,684	7,567	9,586	7,906	4,944	2,153	3,403	174
Other	12,514	14,954	7,686	7,673	8,972	9,334	9,658	10,037	9,045	8,934
Extraordinary/special items	-	-	-	-	-	-	-	-	(67,832)	-
Transfers	203	200	(231)	(225)	(240)	(91)	(5)	(2,222)	(45)	1,450
Total Governmental Activities	277,343	308,438	320,773	346,080	354,856	344,907	328,360	306,213	206,936	271,871
Business-type Activities										
Unrestricted investment earnings	132	1,377	836	4,166	4,201	4,114	3,121	1,924	3,040	(100)
Other	76	72	88	95	20	2,019	-	(62)	-	-
Extraordinary/special items	-	-	-	-	-	-	(3,858)	(8,061)	-	-
Transfers	(203)	(200)	232	225	231	91	5	2,222	45	(1,450)
Total Business-type Activities	5	1,249	1,156	4,486	4,452	6,224	(732)	(3,977)	3,085	(1,550)
Total Primary Government										
General Revenues and Other Changes	\$ 277,348	\$ 309,687	\$ 321,929	\$ 350,566	\$ 359,308	\$ 351,131	\$ 327,628	\$ 302,236	\$ 210,021	\$ 270,321
Change in Net Position										
Governmental activities	\$ 54,969	\$ 43,705	\$ 25,438	\$ 47,239	\$ 5,329	\$ (12,901)	\$ (20,843)	\$ (48,056)	\$ (84,913)	\$ (25,003)
Business-type activities	28,277	14,206	45,630	46,148	14,181	111,365	1,836	942	5,782	4,495
Total Primary Government										
Change in Net Position	\$ 83,246	\$ 57,911	\$ 71,068	\$ 93,387	\$ 19,510	\$ 98,464	\$ (19,007)	\$ (47,114)	\$ (79,131)	\$ (20,508)

Note: Information is presented on the accrual basis of accounting.

¹ Fiscal years 2004-2011 include amounts for Sierra and/or Truckee Meadows Fire Protection Districts. Fiscal year 2012 has been restated to exclude these component units that are now discreetly presented.

² Business-type activity amounts are restated to remove South Truckee Meadows General Improvement District (STMGID). Effective FY13, STMGID is no longer a component unit of the County.

**WASHOE COUNTY, NEVADA
FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009 ²	2010	2011 ¹	2012	2013
General Fund										
Reserved	\$ 7,689	\$ 5,031	\$ 5,693	\$ 6,716	\$ 8,818	\$ 1,422	\$ 750	\$ -	\$ -	\$ -
Unreserved	31,231	50,462	47,064	34,973	34,504	30,263	31,173	-	-	-
Nonspendable	-	-	-	-	-	-	-	304	1	-
Restricted	-	-	-	-	-	-	-	760	750	801
Committed	-	-	-	-	-	-	-	5,277	4,718	4,598
Assigned	-	-	-	-	-	-	-	8,641	6,009	6,727
Unassigned	-	-	-	-	-	-	-	23,789	24,845	26,908
Total General Fund	38,920	55,493	52,757	41,689	43,322	31,685	31,923	38,771	36,323	39,034
All Other Governmental Funds⁵										
Reserved	47,787	13,756	58,589	56,053	63,587	59,909	57,274	-	-	-
Unreserved, reported in:										
Special Revenue Funds ³	45,209	53,734	74,086	91,445	109,818	114,692	56,236	-	-	-
Capital Projects Funds	84,834	109,718	68,987	69,827	48,288	41,668	42,385	-	-	-
Nonspendable	-	-	-	-	-	-	-	112	67	75
Restricted	-	-	-	-	-	-	-	114,048	96,853	75,788
Committed	-	-	-	-	-	-	-	19,816	17,808	18,167
Assigned	-	-	-	-	-	-	-	143	3,559	5,076
Unassigned	-	-	-	-	-	-	-	-	(123)	(258)
Total All Other Governmental Funds⁴	177,830	177,208	201,662	217,325	221,693	216,269	155,895	134,119	118,164	98,848
Total All Governmental Funds	\$ 216,750	\$ 232,701	\$ 254,419	\$ 259,014	\$ 265,015	\$ 247,954	\$ 187,818	\$ 172,890	\$ 154,487	\$ 137,882

Note: Information is presented on the modified accrual basis of accounting.

¹ Fund Balances for fiscal year 2011 through 2013 have been classified in accordance with new GASB 54 fund balance reporting standards.

² Fund balances for fiscal year 2009 have been restated to reflect the transfer of restricted funds of \$6,829 from the General Fund to special revenue funds.

³ The increase in special revenue fund balances in fiscal year 2008 was due to \$1,279 from capital projects and \$6,595 from business-type funds being reclassified to special revenue funds.

⁴ The decrease in other governmental fund balances in 2011 included \$10.6 million for early extinguishment of debt and \$3.9 million paid to the County's OPEB Trust.

The decrease in fiscal year 2012 was primarily due to the payment of \$17.8 million to the Truckee River Flood Management Authority, a joint powers authority.

Fluctuations in all other governmental fund balances primarily reflect financing, construction in progress and completion of large capital projects.

⁵ Fiscal years 2004 to 2012 have been restated to remove TMFPD and SFPD, component units that were reclassified from blended to discretely presented in 2013.

WASHOE COUNTY, NEVADA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008 ²	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 144,165	\$ 156,755	\$ 168,427	\$ 185,688	\$ 196,290	\$ 207,848	\$ 204,577	\$ 190,232	\$ 178,395	\$ 170,260
Licenses and permits	8,077	9,818	10,033	10,783	11,130	11,150	10,655	9,713	9,183	9,501
Intergovernmental revenues	153,841	176,841	185,802	175,878	177,622	156,555	149,258	155,018	162,361	170,082
Charges for services	18,083	18,608	19,851	23,177	22,096	24,211	27,940	28,247	26,254	33,530
Fines and forfeits	7,809	7,610	8,623	8,740	9,625	10,792	10,563	10,996	9,999	10,528
Miscellaneous	5,271	14,769	11,992	21,581	24,419	21,591	14,354	9,902	13,399	6,915
Total Revenues	337,246	384,401	404,728	425,847	441,182	432,147	417,347	404,108	399,591	400,816
Expenditures										
Current										
General government ³	47,092	53,836	59,397	64,567	62,187	65,098	124,146	61,386	84,484	62,493
Judicial	41,775	44,650	48,885	52,673	55,721	55,628	53,874	53,667	53,818	54,214
Public safety	81,390	92,141	102,838	110,126	119,421	122,072	120,544	118,455	121,656	131,732
Public works	17,716	15,979	17,962	19,145	20,414	17,960	14,654	14,110	14,759	15,568
Health and sanitation ¹	16,106	18,699	22,435	23,496	22,008	22,534	20,459	19,366	17,659	20,558
Welfare	42,757	47,080	50,308	56,964	63,684	61,292	63,705	66,408	69,045	65,639
Culture and recreation	20,323	22,044	25,578	41,048	26,519	24,199	21,203	20,417	19,474	18,859
Community support	506	571	836	1,469	1,555	1,662	1,733	305	309	343
Intergovernmental	5,674	6,573	4,453	4,865	5,179	17,791	19,059	16,981	8,243	8,447
Capital outlay	34,086	74,765	51,880	51,850	52,070	31,635	9,180	16,682	23,390	21,355
Debt Service										
Principal	14,272	13,707	15,215	16,363	20,890	24,713	15,380	22,825	37,114	21,689
Interest	8,967	8,587	9,204	10,152	10,438	11,587	9,400	8,532	7,588	7,090
Other	540	547	437	445	416	360	585	182	645	796
Total Expenditures	331,204	399,179	409,428	453,163	460,502	456,531	473,922	419,316	458,184	428,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,042	(14,778)	(4,700)	(27,316)	(19,320)	(24,384)	(56,575)	(15,208)	(58,593)	(27,967)

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WASHOE COUNTY, NEVADA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	2004	2005	2006	2007	2008 ²	2009	2010	2011	2012	2013
Other Financing Sources (Uses)										
Debt issued	\$ 19,170	\$ 27,438	\$ 29,169	\$ 35,119	\$ 18,943	\$ 21,489	\$ -	\$ -	\$ 38,518	\$ 46,919
Debt premium (discount)	(3)	409	(75)	468	-	73	-	-	-	-
Proceeds from asset disposition	4,674	7,028	52	53	162	25	1,561	38	178	49
Refunding payment to escrow agent	(899)	-	-	-	-	(10,436)	-	-	-	(37,391)
Transfers in	45,550	42,453	59,304	67,910	39,641	44,291	42,793	38,374	54,590	34,103
Transfers out	(54,249)	(47,732)	(62,244)	(71,770)	(39,855)	(47,202)	(47,883)	(38,132)	(35,309)	(32,318)
Total Other Financing Sources (Uses)	14,243	29,596	26,206	31,780	18,891	8,240	(3,529)	280	57,977	11,362
Special Item⁴	-	-	-	-	-	-	-	-	(17,787)	-
Net Change in Fund Balances	\$ 20,285	\$ 14,818	\$ 21,506	\$ 4,464	\$ (429)	\$ (16,144)	\$ (60,104)	\$ (14,928)	\$ (18,403)	\$ (16,605)
Debt Service as a Percentage of Noncapital Expenditures	7%	5%	5%	5%	6%	8%	5%	7%	10%	7%

Note: Information is presented on the modified accrual basis of accounting.

¹ The Truckee River Flood Management Infrastructure Fund was reclassified from health and sanitation to public safety in fiscal year 2008.

² The net change in fund balances for fiscal year 2008 is before the restatement of \$6,595 added to fund balance for the Central Truckee Meadows Remediation District special revenue fund previously reported in a business fund.

³ General government expenditures in fiscal year 2010 included \$73 million paid to the County's OPEB trust.

⁴ The special item in fiscal year 2012 was payment to the Truckee Meadow Flood Management Authority, a joint powers authority.

**WASHOE COUNTY, NEVADA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

	Fiscal Year Ended June 30,										Change, 2004-2013
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Ad valorem ¹	\$ 141,754	\$ 152,862	\$ 164,892	\$ 182,157	\$ 193,369	\$ 204,836	\$ 202,122	\$ 187,709	\$ 173,849	\$ 167,698	18.3%
Residential construction ²	998	1,110	825	547	229	97	29	48	68	132	-86.8%
Special assessment ³	347	643	478	713	425	843	508	383	3,053	933	168.9%
Car rental fee ⁴	286	1,295	1,371	1,367	1,397	1,257	1,142	1,256	1,152	1,196	-7.6%
Room tax	280	335	334	378	342	293	265	275	272	300	7.1%
Motor vehicle fuel tax ⁵	500	510	527	526	528	523	511	561	-	-	n/a
	<u>\$ 144,165</u>	<u>\$ 156,755</u>	<u>\$ 168,427</u>	<u>\$ 185,688</u>	<u>\$ 196,290</u>	<u>\$ 207,849</u>	<u>\$ 204,577</u>	<u>\$ 190,232</u>	<u>\$ 178,394</u>	<u>\$ 170,259</u>	18.1%

Note: Information is provided on the modified accrual basis of accounting.

¹ The decrease in ad valorem taxes represents decreased property values. The County's property tax rates have remained fairly stable (see Schedule 2.2).

TMFPD and SFPD, discretely presented component units, are not included in the figures above.

² Decreases in construction tax revenues from prior years is due to the continued unfavorable economic conditions in the housing market. However, there was an improvement in FY13 over FY12.

³ The change in special assessment taxes corresponds to the change in special assessment debt outstanding.

⁴ Car rental fees began late in fiscal year 2004. The percent change has been adjusted to reflect 2005 to 2013.

⁵ Motor vehicle fuel tax was reclassified to intergovernmental revenue in 2012.

**WASHOE COUNTY, NEVADA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS
 (AMOUNTS EXPRESSED IN THOUSANDS)**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Real Property Assessed Value										
Residential	\$ 6,914,968	\$ 7,359,180	\$ 8,112,575	\$ 9,503,764	\$ 10,767,225	\$ 12,389,860	\$ 10,680,846	\$ 9,426,219	\$ 8,665,389	\$ 8,336,767
Commercial	2,146,658	2,401,256	2,629,471	2,898,745	3,317,724	3,598,911	3,779,799	3,489,578	3,306,237	3,402,688
Industrial	734,470	760,477	805,595	900,363	973,242	1,096,143	1,092,343	1,022,668	996,407	986,821
Other	1,411,793	1,361,320	1,490,866	1,600,955	1,885,497	2,430,308	1,475,332	1,584,556	1,329,717	1,374,092
Personal Property Assessed Value	632,546	635,384	596,491	703,276	691,628	738,274	748,403	636,184	636,409	612,022
Less: Tax Exempt Property	1,431,598	1,501,359	1,655,650	1,861,784	2,529,824	3,046,485	2,677,247	2,500,354	2,258,785	2,422,281
Total Assessed Value	<u>\$ 10,408,837</u>	<u>\$ 11,016,258</u>	<u>\$ 11,979,348</u>	<u>\$ 13,745,319</u>	<u>\$ 15,105,492</u>	<u>\$ 17,207,011</u>	<u>\$ 15,099,476</u>	<u>\$ 13,658,851</u>	<u>\$ 12,675,374</u>	<u>\$ 12,290,109</u>
Estimated Actual Taxable Value	\$ 29,739,534	\$ 31,475,023	\$ 34,226,709	\$ 39,272,340	\$ 43,158,549	\$ 49,162,889	\$ 43,141,360	\$ 39,025,289	\$ 36,215,354	\$ 35,114,597
Assessed Value to Taxable Value	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Total Direct Tax Rate	1.3817	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917

Source: Washoe County Assessor

Note: Pursuant to NRS 361.227, real property is valued at taxable value, determined by calculating the full cash value (market value) of land and estimated replacement cost of improvements, less appropriate depreciation. Taxable assessed value is 35% of estimated actual value. Real property is reappraised at least every five years. Property not reappraised is revalued annually using various approved methods.

**WASHOE COUNTY, NEVADA
DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS
(TAX RATES PER \$100 ASSESSED VALUATION)**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Washoe County										
Operating Rate	.9167	.9231	.9231	.9401	.9592	.9629	.9612	.9611	.9806	.9891
Voter Approved										
Child Protective Services	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400
Regional Animal Services	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300
Senior Services	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100
Library Expansion	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200
Legislative Overrides										
Indigent Insurance	-	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150
Indigent Health	.0900	.1000	.1000	.0950	.0800	.0800	.0800	.0750	.0700	.0600
Capital Acquisition	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500
Youth Services	.0084	.0083	.0083	.0077	.0077	.0077	.0077	.0088	.0088	.0095
Detention Center	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774
SCCRT Loss	.0150	-	-	-	-	-	-	-	.0050	.0050
Family Court	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192
AB 104 Fair Share Tax	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272
Debt Service	.0778	.0715	.0715	.0601	.0560	.0523	.0540	.0580	.0385	.0393
Total, Washoe County Direct Rate	1.3817	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917
State of Nevada	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700
Washoe County School District	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385
Total, Washoe County Unincorporated Area	2.6902	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002
Cities										
City of Reno	.9456	.9456	.9456	.9456	.9456	.9456	.9456	.9456	.9456	.9598
City of Sparks	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161
Fire Districts										
North Lake Tahoe Fire Protection District	.5227	.4746	.5118	.5070	.5142	.5226	.5275	.5389	.5525	.6414
Sierra Fire Protection District	.4200	.4200	.4200	.4200	.4200	.5200	.5200	.5200	.5200	.5400
Truckee Meadows Fire Protection District	.4813	.4713	.4713	.4713	.4713	.4713	.4713	.4713	.4713	.5400
General Improvement Districts										
Gerlach	-	-	-	-	-	-	.2500	.2500	.2998	.2998
Incline Village	.0741	.0730	.0702	.0687	.0711	.0741	.0755	.0806	.1129	.1153
Palomino Valley	.4230	.4353	.4168	.4270	.4270	.4885	.4885	.4885	.4885	.4198
South Truckee Meadows	.1007	-	-	-	-	-	-	-	-	-
Other Special Districts										
Lemmon Valley Underground Water Basin	.0022	.0020	.0019	.0017	.0012	-	-	-	-	-
Sun Valley Water & Sanitation District	.1243	.1329	.1329	.1329	.1329	.1329	.1457	.1736	.1736	.1836
Truckee Meadows Underground Water	.0004	.0005	.0005	.0004	.0004	.0005	.0004	.0005	-	-

**WASHOE COUNTY, NEVADA
PRINCIPAL PROPERTY TAX PAYERS FISCAL YEARS 2013 AND 2004
(AMOUNTS EXPRESSED IN THOUSANDS)**

Tax Payer	2013			2004		
	Valuation	Rank	Percent of Total Assessed Valuation	Valuation	Rank	Percent of Total Assessed Valuation
Peppermill Casinos, Inc.	\$ 89,179	1	0.72%	\$ -	-	-
Prologis NA3 LLC	62,425	2	0.51%	-	-	-
Golden Road Motor Inn, Inc.	42,751	3	0.35%	33,680	7	0.32%
Sparks Legends Development, Inc.	41,671	4	0.34%	-	-	-
Prologis NA3 NV V LLC	34,124	5	0.28%	-	-	-
Circus Circus & Eldorado Joint Venture	28,941	6	0.23%	81,926	1	0.79%
International Game Technology	24,850	7	0.20%	30,636	10	0.29%
Northwestern Mutual Life Insurance	24,518	8	0.20%	-	-	-
Reno Retail Company LLC	23,206	9	0.19%	-	-	-
Hyatt Equities LLC	22,934	10	0.19%	-	-	-
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%
Spark's Nugget, Inc.	-	-	-	33,416	8	0.32%
Circus Circus Casinos, Inc.	-	-	-	33,140	9	0.32%
Total, Ten Largest Taxpayers	394,599		3.21%	406,169		3.90%
Total, Other Taxpayers	11,895,510		96.79%	10,002,668		96.10%
Total, Assessed Valuations	\$ 12,290,109		100.00%	\$ 10,408,837		100.00%

Source: Washoe County Assessor's Office

Note: The chart represents the ten largest parcel assessments based on property-owning taxpayers in the County and the respective taxable assessed values of such parcels for the fiscal years indicated. According to the Washoe County Assessor's Office, a determination of the largest parcel assessments can be made only by manually reviewing individual assessment records. Therefore, it is possible that an owner of several parcels may have an aggregate assessed value that is larger than those listed above. No independent investigation has been made of, and consequently there can be no representation as to the financial condition of the taxpayers listed above, or that such taxpayers will continue to maintain their status as major taxpayers based on the assessed valuation of their property in the County.

WASHOE COUNTY, NEVADA
PROPERTY TAX LEVIES AND COLLECTIONS FOR ALL GOVERNMENTS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net Secured Roll Taxes Levied	\$ 348,064	\$ 372,704	\$ 404,224	\$ 446,362	\$ 480,945	\$ 514,531	\$ 504,823	\$ 458,717	\$ 422,799	\$ 411,058
Current Year										
Tax Collections	345,198	370,001	401,305	442,446	472,860	504,268	495,281	451,994	416,849	405,977
Percent of Taxes Levied	99.18%	99.27%	99.28%	99.12%	98.32%	98.01%	98.11%	98.53%	98.59%	98.76%
Delinquent Tax Collections	2,861	2,698	2,933	3,850	7,837	9,838	8,795	5,759	3,116	-
Totals to Date										
Tax Collections	348,059	372,699	404,238	446,296	480,697	514,106	504,076	457,753	419,965	405,977
Percent of Taxes Levied	100.00%	100.00%	100.00%	99.99%	99.95%	99.92%	99.85%	99.79%	99.33%	98.76%

Source: Washoe County Treasurer's Office

Note: Property tax levies declined in fiscal year 2013 by 2.8%. In 2012, property levies declined 8% and in 2011 by 9%, which was the largest recorded decline in property tax since 1982. Between 2004 and 2009 property tax levies increased 48% or approximately 12% per year. The increase in fiscal year 2007 included the addition of Sierra Fire Protection District. Current year tax collections dropped in fiscal year 2009 to 98%, the lowest level since 1995. In fiscal year 2013, the collection rate improved to its highest level since fiscal year 2007, the beginning of the housing crisis and economic recession.

**WASHOE COUNTY, NEVADA
RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
General Bonded Debt	\$ 153,113	\$ 168,350	\$ 185,562	\$ 206,573	\$ 188,307	\$ 166,471	\$ 154,621	\$ 135,562	\$ 129,700	\$ 120,146
Revenue Bonds	21,575	20,940	19,486	19,010	37,446	46,856	45,703	44,658	43,527	42,419
Capital Leases/Notes	443	410	394	377	359	341	320	-	-	-
Certificates of Participation	13,746	12,042	10,264	8,405	6,447	4,398	2,250	-	-	-
Special Assessment Bonds	1,853	2,960	2,674	3,058	2,733	3,453	3,065	2,729	10,738	9,061
Business-type Activities										
General Bonded Debt	36,129	37,540	114,340	120,921	117,111	112,532	72,244	67,258	63,713	59,947
Capital leases/notes	1,846	862	829	794	757	727	675	-	-	-
Total primary government	<u>\$ 228,705</u>	<u>\$ 243,104</u>	<u>\$ 333,549</u>	<u>\$ 359,138</u>	<u>\$ 353,160</u>	<u>\$ 334,778</u>	<u>\$ 278,878</u>	<u>\$ 250,207</u>	<u>\$ 247,678</u>	<u>\$ 231,573</u>
Percentage of personal income	1.47%	1.46%	1.90%	1.95%	1.82%	1.80%	1.60%	1.39%	1.39%	1.27%
Per capita ¹	\$ 600	\$ 622	\$ 838	\$ 884	\$ 833	\$ 804	\$ 668	\$ 593	\$ 579	\$ 533
General Bonded Debt										
General Bonded Debt	\$ 189,242	\$ 205,890	\$ 299,902	\$ 327,494	\$ 305,418	\$ 279,003	\$ 226,865	\$ 202,820	\$ 193,413	\$ 180,093
Less restricted resources	<u>6,472</u>	<u>7,121</u>	<u>11,112</u>	<u>12,242</u>	<u>12,823</u>	<u>13,866</u>	<u>11,656</u>	<u>11,952</u>	<u>11,127</u>	<u>11,007</u>
Total Net General Bonded Debt	<u>\$ 182,770</u>	<u>\$ 198,769</u>	<u>\$ 288,790</u>	<u>\$ 315,252</u>	<u>\$ 292,595</u>	<u>\$ 265,137</u>	<u>\$ 215,209</u>	<u>\$ 190,868</u>	<u>\$ 182,286</u>	<u>\$ 169,086</u>
Percentage of Actual Property Value ²	0.61%	0.63%	0.84%	0.80%	0.68%	0.54%	0.50%	0.49%	0.50%	0.48%
Per capita ¹	\$ 479	\$ 508	\$ 725	\$ 776	\$ 690	\$ 636	\$ 516	\$ 453	\$ 426	\$ 389

Note: Details regarding Washoe County's outstanding debt can be found in the notes to the financial statements. All bonded debt (excluding capital leases/notes) is presented net of original issuance discounts, premiums and deferred refunding charges.

¹ Population and personal income data can be found in Schedule 4.1, Washoe County Demographic and Economic Statistics. Per capita amounts are not expressed in thousands.

² See Washoe County Assessed and Estimated Actual Value of Taxable Property on Schedule 2.1 for taxable property value data.

**WASHOE COUNTY, NEVADA
LEGAL DEBT MARGIN COMPUTATION LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 1,040,883	\$ 1,101,625	\$ 1,197,935	\$ 1,374,532	\$ 1,510,549	\$ 1,720,701	\$ 1,509,948	\$ 1,365,885	\$ 1,267,537	\$ 1,229,011
Total net debt subject to limitation	<u>320,843</u>	<u>304,404</u>	<u>409,186</u>	<u>437,011</u>	<u>412,262</u>	<u>382,579</u>	<u>332,977</u>	<u>308,142</u>	<u>295,697</u>	<u>277,578</u>
Legal Debt Margin	<u>\$ 720,040</u>	<u>\$ 797,221</u>	<u>\$ 788,749</u>	<u>\$ 937,521</u>	<u>\$ 1,098,287</u>	<u>\$ 1,338,122</u>	<u>\$ 1,176,971</u>	<u>\$ 1,057,743</u>	<u>\$ 971,840</u>	<u>\$ 951,433</u>
Total net debt subject to limitation as a percentage of debt limit	31%	28%	34%	32%	27%	22%	22%	23%	23%	23%

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2013

Assessed value of taxable property for fiscal year ended June 30, 2013	\$ 12,290,109
Debt limit (10% of Assessed Valuation)	\$ 1,229,011
Debt applicable to limit	
Governmental activities	\$ 170,456
Business-type activities	59,181
Reno-Sparks Convention and Visitors' Authority	<u>122,133</u>
Total Bonded Debt	351,770
Less: Special assessment bonds	9,011
Special revenue bonds	42,132
Amount available for repayment of general obligation bonds	<u>23,049</u>
Total net debt subject to debt limitation	<u>277,578</u>
Legal Debt Margin	<u>\$ 951,433</u>

Note: The statutory county debt limit is 10% of the assessed value of all taxable property in the County, as set forth in Chapter 244A.059 of the Nevada Revised Statutes. The statutory debt limit for recreational bonds issued by the Reno-Sparks Convention and Visitors Authority (RSCVA) is further limited to 3% of the total assessed valuation by Nevada Revised Statutes 244A.453 and 244A.655. RSCVA's total outstanding recreational debt of \$122,133 is below the 3% limit of \$368,703.

**WASHOE COUNTY, NEVADA
DIRECT AND OVERLAPPING DEBT JUNE 30, 2013
(AMOUNTS EXPRESSED IN THOUSANDS)**

Name of Government Unit	Debt Outstanding	Presently Self-Supporting Debt	Percent Applicable¹	Applicable Net Debt
Direct				
Washoe County				
Governmental Activity Bonds	\$ 119,313	\$ -	100%	\$ 119,313
Revenue Bonds ²	42,132	42,132	100%	-
Special Assessment Bonds ³	9,011	9,011	100%	-
Total Direct Debt	170,456	51,143		119,313
Overlapping				
Washoe County School District	529,914	-	100%	529,914
Reno-Sparks Convention and Visitors Authority	122,133	122,133	100%	-
City of Reno	41,440	-	100%	41,440
City of Reno supported by specific revenue	377,710	377,710	100%	-
Reno - Special Assessment Bonds ³	18,935	18,935	100%	-
City of Sparks	3,890	-	100%	3,890
Sparks - Sewer and Utility Bonds	47,811	47,811	100%	-
Incline Village General Improvement District	16,216	16,216	100%	-
State of Nevada	1,921,545	551,925	14.95%	204,758
Total Overlapping Debt	3,079,594	1,134,730		780,002
Total General Obligation Direct and Overlapping Debt	\$ 3,250,050	\$ 1,185,873		\$ 899,315

¹ Based on fiscal year 2012-13 assessed valuation in the respective jurisdiction.

² Revenue bonds are not general obligation, but are special limited obligation of the County payable solely from the pledged revenue.

³ Special 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, NEVADA
PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Special Assessment Bonds ¹										
Pledged Revenue	\$ 346	\$ 411	\$ 546	\$ 440	\$ 524	\$ 455	\$ 639	\$ 501	\$ 1,686	\$ 1,508
Debt Service Requirements										
Principal	750	517	381	330	311	265	374	322	570	1,664
Interest	89	92	159	100	118	107	157	148	251	389
Total Debt Service Requirements	\$ 839	\$ 609	\$ 540	\$ 430	\$ 429	\$ 372	\$ 531	\$ 470	\$ 821	\$ 2,053
Coverage Ratios	0.41	0.67	1.01	1.02	1.22	1.22	1.20	1.07	2.05	0.73
Sales Tax Revenue Bonds ²										
Pledged Revenue	\$ 7,410	\$ 8,261	\$ 8,507	\$ 9,313	\$ 8,386	\$ 8,475	\$ 7,040	\$ 6,802	\$ 7,263	\$ 7,148
Debt Service Requirements										
Principal	415	435	455	475	500	520	545	570	595	625
Interest	995	978	960	941	921	899	876	852	826	798
Total Debt Service Requirements	\$ 1,410	\$ 1,413	\$ 1,415	\$ 1,416	\$ 1,421	\$ 1,419	\$ 1,421	\$ 1,422	\$ 1,421	\$ 1,423
Coverage Ratios	5.26	5.85	6.01	6.58	5.90	5.97	4.95	4.78	5.11	5.02
Car Rental Fee Revenue Bonds ³										
Pledged Revenue	\$ 286	\$ 1,295	\$ 1,371	\$ 1,367	\$ 1,397	\$ 1,257	\$ 1,142	\$ 1,256	\$ 1,152	\$ 1,196
Debt Service Requirements										
Principal	-	200	999	-	-	-	588	456	516	463
Interest	-	37	27	-	-	1,174	934	897	873	680
Total Debt Service Requirements	\$ -	\$ 237	\$ 1,026	\$ -	\$ -	\$ 1,174	\$ 1,522	\$ 1,353	\$ 1,389	\$ 1,143
Coverage Ratios	-	5.46	1.34	-	-	1.07	0.75	0.93	0.83	1.05

Note: Coverage ratios are calculated on numbers rounded to two decimal places.

¹ Pledged revenue for Special Assessment Bonds includes assessments, assessment forfeitures, interest and penalties. Additional details regarding bonds for various assessment districts can be found in Notes 10, 11 and 12. Coverage ratios are impacted by timing differences. Cash balances are adequate for debt service. Remaining cash at June 30, 2013 in the Special Assessment Debt Service Fund is \$1,254.

² Pledged revenue for the Sales Tax Revenue Bonds represents pledged sales tax collections at the rate of 0.125% of taxable sales. Sales tax revenues are accounted for in the Truckee River Flood Management Infrastructure Fund. The bonds are payable solely from pledged sales tax revenue. Unspent sales tax revenues total \$172 at June 30, 2013.

³ Pledged revenue for the Baseball Stadium Revenue Bonds (2004 - 2007, paid in full June 2007) consists of a 2% short-term car rental fee. Car rental fees collected per NRS 244A.810 are accounted for in the Other Restricted Fund. Subsequently, Senior and Subordinate Car Rental Lien Revenue Bonds were issued February 2008 and are payable solely from pledged car rental fee revenues. Unspent car rental fee revenues total \$141 at June 30, 2013.

WASHOE COUNTY, NEVADA
DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Population ¹	381,377	390,863	398,236	406,335	423,833	416,632	417,379	421,593	427,704	434,120
Total Personal Income ²	\$ 15,532,986	\$ 16,700,497	\$ 17,510,758	\$ 18,378,021	\$ 19,392,856	\$ 18,550,337	\$ 17,421,365	\$ 17,944,975	\$ 17,849,009	\$ 18,284,145
Per Capita Income ²	\$ 41	\$ 42	\$ 43	\$ 44	\$ 46	\$ 45	\$ 47	\$ 49	\$ 45	\$ 47
Median Age ³	35.1	36.1	36.5	34.5	36.5	36.4	37.0	37.2	37.4	37.6
School Enrollment ⁴	60,411	62,098	62,390	63,044	63,635	63,310	62,452	62,324	62,323	62,424
Unemployment Rate (Percent) ⁵	4.2	4.0	4.0	4.5	6.8	11.6	13.6	13.2	12.3	9.8
Total Labor Force ⁵	209,715	210,650	218,144	220,337	221,785	224,089	221,954	225,481	222,532	219,550
Construction Activity-Total Value ⁶	\$ 345,640	\$ 368,356	\$ 307,686	\$ 225,085	\$ 202,519	\$ 85,407	\$ 55,952	\$ 67,721	\$ 95,876	\$ 126,468
Number of New Family Units ⁶	1,009	1,113	851	557	240	103	36	55	83	79
Taxable Sales ⁷	\$ 6,023,437	\$ 6,687,447	\$ 7,268,593	\$ 7,202,641	\$ 6,823,701	\$ 5,707,791	\$ 5,176,982	\$ 5,282,935	\$ 5,522,605	\$ 5,824,726
Gross Income Gaming Revenue ⁸	\$ 1,011,658	\$ 1,016,864	\$ 1,072,937	\$ 1,069,608	\$ 996,615	\$ 867,198	\$ 788,509	\$ 751,467	\$ 738,152	\$ 741,038
Total Passenger Air Traffic ⁹	4,918,829	5,097,170	5,149,700	5,014,382	4,841,257	3,979,015	3,777,701	3,795,421	3,561,557	3,514,421

Sources:

¹ Annual population for years 2007 and prior, per Nevada Workforce Informer, Data Analysis 2010 US Census-Nevada; for years 2008 through 2012, per Governor Certified Population of Nevada's Counties, Cities and Towns 2000 to 2012 with 2010 Census; 2013 data source: Washoe County Community Development, with projected growth rate applied to the 2010 US census.

² U.S. Department of Commerce, Bureau of Economic Analysis FY 2008 and prior; Washoe County Community Development Demographic Information FY 2009 - FY 2013

³ Nevada State Demographer FY 2001 - FY 2007; Demographics USA FY 2008; Center for Regional Studies, University of Nevada, Reno, FY 2009 - FY 2013

⁴ Washoe County School District

⁵ Total represents the average labor force during the fiscal year. Nevada State Department of Employment, Training and Rehabilitation (DETR)

⁶ Washoe County Building and Safety Department

⁷ Nevada State Department of Taxation

⁸ Nevada State Gaming Control Board

⁹ Reno/Tahoe International Airport (RTIA)

**WASHOE COUNTY, NEVADA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	December, 2012			December, 2003		
	Employees ¹	Rank	Percentage of Total County Employment	Employees ¹	Rank	Percentage of Total County Employment
Washoe County School District	7,750	1	3.89%	6,750	1	3.45%
University of Nevada - Reno	4,250	2	2.13%	3,750	2	1.92%
Renown Medical Center / Washoe Medical Center ²	2,750	3	1.38%	2,250	5	1.15%
Washoe County	2,250	4	1.13%	2,750	3	1.40%
Peppermill Hotel Casino - Reno	2,250	5	1.13%	-	-	-
International Game Technology	2,250	6	1.13%	2,750	4	1.40%
Silver Legacy Resort Casino	1,750	7	0.88%	2,250	6	1.15%
Atlantis Casino Resort	1,750	8	0.88%	-	-	-
Grand Sierra Resort and Casino	1,250	9	0.63%	-	-	-
Eldorado Hotel & Casino	1,250	10	0.63%	1,750	9	0.89%
St Mary's	-	-	-	1,750	7	0.89%
Reno Hilton	-	-	-	1,750	8	0.89%
Circus Circus Casinos, Inc - Reno	-	-	-	1,750	10	0.89%
Total Washoe County Covered Employment	199,079			195,813		

¹ Nevada Revised Statutes Chapter 612 stipulate that actual employment for individual employers may not be published. The Nevada Department of Employment Training and Rehabilitation publishes employee counts in ranges of 500. The number of employees shown are estimated using the midpoint.

² In 2007, Washoe Medical Center became Renown Medical Center.

**WASHOE COUNTY, NEVADA
FULL-TIME EQUIVALENT WASHOE COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government	448.6	455.5	465.6	483.8	461.4	413.2	378.0	363.4	323.8	344.9
Judicial	483.9	491.5	497.6	520.8	522.1	499.9	483.1	470.4	458.6	489.3
Public safety	879.1	891.3	964.5	1,007.9	1,009.4	1,007.2	974.2	939.8	898.9	952.3
Public works	110.0	116.0	115.0	119.0	111.0	104.0	90.0	87.8	72.4	82.0
Health and sanitation	189.1	198.5	205.5	207.9	185.8	168.9	169.6	170.8	161.0	172.0
Welfare	204.2	213.0	231.1	251.5	259.5	249.8	244.3	239.9	228.6	257.3
Culture and recreation	364.6	428.3	438.5	437.8	362.7	283.8	227.9	219.0	203.9	235.4
Utilities	82.8	86.8	93.2	94.1	95.4	84.4	77.1	72.2	64.7	71.4
Golf courses	28.6	28.6	21.9	24.9	19.9	18.9	14.9	10.9	9.9	11.9
Building permits	28.0	31.0	31.0	29.0	20.0	14.0	13.0	13.0	12.0	13.8
Total ¹	2,818.9	2,940.5	3,063.9	3,176.7	3,047.2	2,844.1	2,672.1	2,587.2	2,433.8	2,630.3
Function/Program % of Total										
General government	16%	15%	15%	15%	15%	15%	14%	14%	13%	13%
Judicial	17%	17%	16%	16%	16%	18%	18%	18%	19%	18%
Public safety	31%	30%	31%	31%	33%	35%	36%	36%	37%	36%
Public works	4%	4%	4%	4%	4%	3%	3%	3%	3%	3%
Health and sanitation	7%	7%	7%	7%	6%	6%	6%	7%	7%	6%
Welfare	7%	7%	8%	8%	9%	9%	9%	9%	9%	10%
Culture and recreation	13%	15%	14%	14%	12%	10%	9%	8%	8%	9%
Utilities	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Golf courses	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Building permits	1%	1%	1%	1%	1%	0%	1%	1%	0%	1%

Source: Washoe County human resource system

Note Full-time equivalents are reported based on staffing as of June 30 of each fiscal year. Actual salaries may represent higher numbers of staff due to the use of seasonal workers, particularly for culture and recreation activities.

¹ Washoe County full-time equivalent employee totals declined over fiscal years 2008 to 2012 due to budget reduction programs including delays in filling open positions and reductions in force.

**WASHOE COUNTY, NEVADA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Judicial ¹										
District Court Cases Filed										
Criminal	3,059	3,025	3,150	3,232	3,008	2,679	2,508	2,163	2,122	n/r
Civil	4,087	4,028	3,956	4,104	4,219	4,749	4,835	4,543	4,142	n/r
Family	10,146	10,185	11,139	12,307	12,060	11,248	11,606	11,349	10,630	n/r
Juvenile	4,772	4,779	2,720	2,558	2,287	2,084	1,888	1,859	1,866	n/r
District Court Cases Disposed										
Criminal	2,783	2,864	2,974	3,050	3,058	2,504	2,293	2,027	1,927	n/r
Civil	3,088	2,831	2,644	2,690	2,369	2,481	2,839	2,782	2,389	n/r
Family	9,211	9,565	9,226	7,884	7,939	6,967	6,533	6,975	6,955	n/r
Juvenile	3,167	4,080	4,306	5,552	5,650	5,120	4,653	4,518	4,327	n/r
Justice Courts Cases Filed										
Criminal	9,295	9,877	10,306	11,293	11,423	11,835	11,262	10,249	8,770	7,853
Civil	25,733	25,451	22,204	23,211	23,403	22,389	20,005	18,670	16,517	17,560
Traffic and parking violations	56,185	55,835	57,337	61,949	62,850	64,121	65,637	71,585	72,544	56,354
Justice Courts Cases Disposed										
Criminal	9,589	7,452	8,736	9,062	9,715	11,710	10,957	9,141	8,995	8,480
Civil	12,674	14,261	13,398	12,803	16,799	18,766	20,207	17,303	10,233	18,575
Traffic and parking violations	36,107	38,732	40,968	44,709	47,528	53,068	49,004	50,437	48,485	55,811
Public Safety ²										
Police										
Arrests (Valley and Incline)	3,488	3,496	3,239	3,694	4,716	4,510	4,547	4,816	3,654	2,993
Citations issued	8,686	9,093	6,291	12,802	12,800	12,835	10,277	13,526	11,950	13,839
Alarms	814	2,367	1,472	2,151	2,600	2,533	2,002	1,754	499	1,424
Crime lab analysis requests	10,802	8,708	9,138	12,965	10,384	9,600	8,905	7,907	7,379	6,378
Warrants processed	2,234	2,403	2,122	2,175	2,832	2,771	2,479	2,605	2,189	1,980
Detention										
Bookings	23,262	23,861	25,000	27,468	27,351	26,778	24,558	23,233	21,553	20,755
Civil protective custody	3,138	2,819	2,800	2,771	2,957	2,827	2,705	2,460	1,667	353
Average daily population	1,072	1,073	1,087	1,169	1,090	1,072	1,071	1,019	1,018	1,050
Animal Services ³										
Calls for service responded to	10,669	10,385	26,180	33,430	34,534	31,712	31,045	34,769	37,269	33,617
Number of animals impounded	6,649	6,571	12,929	12,756	13,116	11,463	10,707	12,071	12,548	14,300

(CONTINUED)

**WASHOE COUNTY, NEVADA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Health and Sanitation ²										
Permitted Food Establishments	3,154	3,153	3,169	3,277	3,321	3,329	3,317	3,352	3,308	3,425
Air quality permits issued	1,138	1,175	1,296	1,282	1,301	1,370	1,277	1,356	1,315	1,334
Birth certificates issued	12,521	12,931	13,404	16,229	15,394	13,395	11,424	9,071	7,761	7,229
Death certificates issued	22,978	24,980	24,904	24,143	24,259	23,913	25,011	22,183	18,878	21,166
Welfare ²										
Adult Services ⁵										
Nursing home bed days ⁶	91,926	110,968	97,579	97,361	84,305	94,055	87,903	82,336	7,091	6,798
Supportive housing program bed days	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	20,946	22,842
Adult group care bed days	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	13,690	8,629
Clinic accepts	4,251	3,639	3,243	2,089	1,608	1,828	2,078	2,617	n/r	n/r
Emergency room accepts	3,096	2,380	2,916	3,943	4,554	2,952	2,974	2,257	n/r	n/r
Health Care Alternative Program Claims	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	29,293
Total general assistance applications	4,849	3,687	3,923	3,971	4,768	4,184	3,474	3,317	n/r	n/r
Clients receiving general assistance	1,402	941	1,120	1,264	1,309	1,274	956	747	n/r	n/r
Served in burial	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	374	412
Children's Services ⁴										
Number of children in legal custody	921	955	987	991	973	831	771	718	612	811
Average length of stay in paid foster care (days)	225	277	278	483	468	544	452	458	422	388
Number of adoptions finalized	75	107	100	136	119	120	138	141	184	110
Number of adoption subsidies	415	490	563	727	737	811	911	1,055	1,172	1,126
Number of child welfare reports received	6,211	6,729	6,967	6,716	7,373	6,777	6,466	6,869	7,364	7,525
Number of child welfare investigations	2,483	2,271	2,252	2,935	2,995	2,496	2,371	2,523	2,469	2,178
Culture and Recreation ²										
Parks and Recreation										
Golf courses - total rounds of golf	66,559	54,602	61,496	71,579	64,531	67,792	59,694	64,315	76,664	75,834
Aquatics - pool attendance ⁷	29,015	23,176	26,824	51,292	47,000	14,677	8,643	14,621	n/r	26,903
Library										
Visitors to libraries ('000s)	1,271	1,260	1,323	1,659	1,668	1,750	1,404	1,214	1,265	1,228
Volumes in collection('000s)	859	920	941	978	959	916	874	858	760	723
Total volumes borrowed('000s)	1,938	1,933	2,148	2,310	2,254	2,226	2,258	2,123	2,341	2,283
Senior Services										
Number of unduplicated clients served	5,742	6,029	6,081	6,115	6,149	4,444	4,950	5,126	5,237	5,037

(CONTINUED)

**WASHOE COUNTY, NEVADA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Utilities/Water ² (continued)										
Water										
Customer count	16,110	18,087	19,635	20,855	21,643	22,036	22,263	22,523	22,789	23,092
Average daily consumption (thousands of gallons)	10,227	11,004	11,058	12,709	12,153	12,877	11,584	11,472	12,194	13,143
Peak daily consumption (thousands of gallons)	17,810	22,973	22,571	22,307	26,191	25,491	24,390	22,945	24,113	24,030
Wastewater										
Customer count	14,093	15,067	16,464	17,989	19,086	19,552	19,850	20,120	20,354	20,572
Building Permits ²										
Commercial construction	225	173	233	208	235	260	192	81	287	258
Residential construction	1,010	1,204	949	677	350	137	64	43	96	168
Miscellaneous	2,212	2,144	2,310	1,944	1,637	1,189	1,023	495	1,195	1,090

n/r = not reported

¹ Uniform System for Judicial Records, Nevada AOC, Planning & Analysis Division

² Various Washoe County Departments

³ Effective July 1, 2003 Washoe County consolidated field operations with the City of Sparks.

Effective July 1, 2005 Washoe County consolidated animal shelter and field operations with the City of Reno.

⁴ The increase reflects integration of State and local child welfare services.

Effective January 6, 2003 Washoe County assumed full responsibility for all local child welfare programs.

⁵ Effective 3/1/12 Adult Services implemented the Health Care Assistance Program facilitated by a third party administrator. New tracking metrics were established to monitor program effectiveness.

⁶ Washoe County and the State of Nevada share responsibility for nursing home beds. Effective 7/1/12 tracking information is no longer supported on State reports.

⁷ Bowers Pool closed in 2009 and reopened in 2013.

**WASHOE COUNTY, NEVADA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Information Technology										
Business applications	195	185	182	176	119	123	127	133	136	147
Networked buildings and small facilities	127	134	137	141	137	137	217	216	214	216
Network wireless coverage (square miles)	450	400	400	425	400	400	400	400	400	600
Network personal computers	2,997	3,167	3,350	3,450	3,350	3,627	3,500	3,500	3,388	3,480
Equipment Services										
Vehicles	947	1,000	1,005	1,017	1,017	1,001	987	972	978	954
Judicial										
District courts/justice courts	12	12	10	10	10	10	10	10	10	12
District courts/justice courts locations	6	6	6	6	6	6	6	6	6	6
Public Safety										
Juvenile services facilities	2	2	2	2	2	2	2	2	2	2
Sheriffs detention center/substations	3	3	3	3	3	3	3	3	3	3
Sheriffs patrol aircraft (helicopters)	3	3	3	3	3	3	3	3	3	3
Sheriffs patrol/search and rescue boats (in excess of 20 feet)	3	3	3	3	3	2	2	2	2	2
Crime lab	1	1	1	1	1	1	1	1	1	1
Regional emergency operations / training center	2	2	2	2	2	2	2	2	2	2
Public Works										
Paved streets (miles)	680	685	690	696	707	708	709	709	710	723
Unpaved streets (miles)	404	405	405	405	405	358	376	368	368	368
Traffic signals	14	14	14	17	17	17	17	16	16	17
Bridges	79	79	79	73	73	73	73	73	73	73
Culture and Recreation										
Libraries	11	13	13	13	13	13	13	13	13	13
Major/regional parks	13	13	13	13	13	13	13	13	13	13
Community/neighborhood parks ¹	33	33	33	35	36	37	36	33	33	33
Developed park acreage ¹	1,753	1,753	1,756	1,756	1,810	2,451	2,438	1,872	1,872	1,872
Undeveloped park acreage ²	5,905	5,942	5,943	6,377	7,854	7,380	7,367	10,017	10,017	10,017

(CONTINUED)

**WASHOE COUNTY, NEVADA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Culture and Recreation (continued)										
Special use facilities	4	4	5	5	5	5	5	5	5	5
Playgrounds ¹	43	43	44	48	50	51	50	47	46	46
Golf courses	2	2	2	2	2	2	2	2	2	2
Swimming pools/waterpark	2	2	3	3	3	3	2	2	2	2
Camping sites	64	64	64	64	64	64	64	64	64	64
Sheltered group picnic facilities	38	38	39	43	44	57	55	52	52	52
Regional shooting facilities	1	1	1	2	2	2	2	2	2	2
Baseball fields	30	30	30	33	33	33	32	29	28	28
Soccer fields	18	18	18	22	26	26	25	25	25	25
Tennis courts	22	22	22	22	22	22	22	22	22	22
Volleyball courts	8	8	8	8	8	8	7	7	7	20
Historical buildings/museums	3	3	4	5	5	6	6	6	6	6
Amphitheaters	3	3	3	4	4	4	4	4	4	4
Arboretum and botanical garden	1	1	1	1	1	1	1	1	1	1
Specialized childrens' facility	2	3	3	3	3	3	3	3	3	3
Established bicycle paths (miles)	20	20	20	20	20	20	20	20	20	20
Hiking trails (miles) ²	35	36	37	41	45	45	45	158	158	158
Bike moto cross facility	1	1	1	1	1	1	-	-	-	-
Horse arenas	5	5	5	5	5	5	5	5	5	5
Skateboard parks	4	4	4	4	4	4	3	3	3	3
Utilities										
Water										
Water mains (miles) ³	248	245	297	387	475	483	473	487	476	480
Wastewater										
Storm sewers (miles)	231	231	250	262	276	285	288	288	288	289
Reclaimed Water										
Reclaimed mains (miles)	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	40

n/r = not reported

Sources: Washoe County capital asset records and departments

¹ The decrease in FY 2011 is due to the transfer of ownership of three parks to local governments.

² The increase in FY 2011 is due to GIS data collection that was not previously available.

³ Water mains (miles) has been restated to remove STMGID which is no longer a component unit.

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COMPLIANCE SECTION

COMPLIANCE SECTION

Page

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**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 Honorable Board of Commissioners of
Washoe County, Nevada

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washoe County, Nevada as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Washoe County's basic financial statements, and have issued our report thereon dated October 28, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Washoe County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Washoe County's internal control. Accordingly, we do not express an opinion on the effectiveness of Washoe County's internal control.

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 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washoe County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Reno, Nevada
October 28, 2013

**Independent Auditor's Report on Compliance
For Each Major Federal Program and Report on
Internal Control Over Compliance Required by OMB Circular A-133**

To the Honorable Board of Commissioners
Washoe County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Washoe County, Nevada's compliance 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 Washoe County Nevada's major federal programs for the year ended June 30, 2013. Washoe County, Nevada's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Washoe County, Nevada's basic financial statements include the operations of the Truckee Meadows Fire Protection District, a discretely presented component unit, which received \$525,515 in federal awards which are not included in Washoe County, Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2013. Our audit, as described below, did not include the federal awards of the Truckee Meadows Fire Protection District because they were audited separately in accordance with OMB Circular A-133. Washoe County, Nevada's basic financial statements also include the operations of the Sierra Fire Protection District, a discretely presented component unit, which received \$273,773 in federal awards which are not included in Washoe County, Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2013. Our audit, as described below, did not include the federal awards of the Sierra Fire Protection District because they were audited separately.

Management's Responsibility

Washoe County, Nevada's management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Washoe County, Nevada's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Washoe County, Nevada'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 on compliance for each major federal program. However, our audit does not provide a legal determination of Washoe County, Nevada's compliance.

Opinion on Each Major Federal Program

In our opinion, Washoe County, Nevada complied, in all material respects, with the types of 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, 2013.

Report on Internal Control over Compliance

Management of Washoe County, Nevada is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Washoe County, Nevada's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 Washoe County, Nevada'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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Reno, Nevada
October 28, 2013

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>Research and Development Cluster:</u>				
U.S. Department of Health and Human Services (HHS):				
Direct Programs:				
Child Welfare Research Training or Demonstration	93.648	9OTC1057/02	\$ 687,708	
Child Welfare Research Training or Demonstration	93.648	90CT0157-03-01	843,848	
Amount Provided to Subrecipients	93.648	90CT0157-03-01	<u>721,907</u>	
Total Research and Development Cluster			\$	<u>2,253,463</u>
<u>U.S. Department of Agriculture (USDA):</u>				
Direct Programs:				
Rural Development, Forestry, and Communities (Rural Development Through Forestry)	10.672	09-DG-11051900-017	272,156	
Rural Development, Forestry, and Communities (Rural Development Through Forestry)	10.672	10-DG-11051900-031	58,362	
Rural Development, Forestry, and Communities (Rural Development Through Forestry)	10.672	11-DG-11051900-022	<u>50,365</u>	380,883
Child Nutrition Cluster:				
Passed through Nevada Department of Education:				
National School Lunch Program (School Lunch Program)	10.555	--	52,845	
Passed through Nevada Department of Administration:				
National School Lunch Program (School Lunch Program)	10.555	--	<u>4,165</u>	57,010
Food Distribution Cluster:				
Passed through Nevada Department of Administration:				
Emergency Food Assistance Program (Administrative Costs)	10.568	--	<u>9,759</u>	
Emergency Food Assistance Program (Food Commodities)	10.569	--	11,448	
Amount Provided to Subrecipients	10.569	--	<u>7,485</u>	
			<u>18,933</u>	
Total Food Distribution Cluster				28,692
Passed through Nevada Department of Health and Human Services, Health Division:				
Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program)	10.557	HD 12031	277,804	
Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program)	10.557	HD 13045	<u>807,544</u>	1,085,348
Passed through State Controller:				
Schools and Roads - Grants to States (Payments to States)	10.665	--		116,609

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>U.S. Department of Agriculture (USDA) (continued):</u>				
Passed through Nevada Department of Agriculture:				
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-03	\$ 74,269	
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-04	26,168	
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-05	45,935	
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-06	79,319	
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-07	62,464	
ARRA-Recovery Act of 2009:Wildland Fire Management (ARRA WFM)	10.688	PID 0709-08	342,331	\$ 630,486
Total U.S. Department of Agriculture				2,299,028
<u>Department of Defense (DOD):</u>				
U.S. Department of the Army, Office of the Chief Engineers:				
Direct Programs:				
Water Resources Development Act of 1999, Section 595 Rural Nevada and Montana	12.UNKNOWN	--		11,931
<u>U.S. Department of Housing and Urban Development (HUD):</u>				
Direct Programs:				
Housing Counseling Assistance Program	14.169	HC12-0922-008	4,342	
Housing Counseling Assistance Program	14.169	HC12-0921-036	28,014	
Housing Counseling Assistance Program	14.169	HC10-0922-008	237	32,593
Supportive Housing Program (Transitional Housing; Permanent Housing for Homeless Persons with Disabilities; Innovative Supportive Housing; Supportive Services for Homeless Persons not in Conjunction with Supportive Housing; Safe Havens; and HMIS)	14.235	NV0052B9T011000		5,645
Shelter Plus Care				
Amount Provided to Subrecipients	14.238	NV0044C9T011102	66,293	
Amount Provided to Subrecipients	14.238	NV0044C9T011001	9,768	
Amount Provided to Subrecipients	14.238	NV01C601001	10,772	86,833
CDBG-Entitlement Grants Cluster:				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	B-11-UN-32-0002	873,240	
Program Income	14.218	B-11-UN-32-0002	148	873,388

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Housing and Urban Development (HUD) (continued):</u>			
CDBG-State Administered CDBG Cluster:			
Community Development Block Grants/Entitlement Grants	14.228	B-11-DN-32-0001	\$ 190,000
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Program Income	14.228	--	550
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	12/PS/21	15,000
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	12/PF/20	5,871
			<u>211,421</u>
Passed through Nevada Department of Business and Industry, Housing Division:			
ARRA-Homelessness Prevention and Rapid Re-housing Program (HPRP) (Recovery Act Funded)	14.257	HPRP-2009-0031	632
Total U.S. Department of Housing and Urban Development			<u>1,210,512</u>
<u>U.S. Department of the Interior (DOI):</u>			
Direct Programs:			
Recreation Resource Management	15.225	LO9AC15351	150,095
Fish and Wildlife Cluster:			
Passed through Nevada Department of Wildlife:			
Wildlife Restoration and Basic Hunter Education (Pittman-Robertson Wildlife Restoration Program)	15.611	--	1,154
Passed through Nevada Department of the State Treasurer:			
Distribution of Receipts to State and Local Governments	15.227	--	12,333
Passed through Nevada Bureau of Land Management:			
Southern Nevada Public Land Management	15.235	L11AC20157	3,290
National Fire Plan - Rural Fire Assistance	15.242	L10AC20221	2,143
National Fire Plan - Rural Fire Assistance	15.242	L10AC20238	2,333
			<u>4,476</u>
Passed through Nevada Department of Conservation and Natural Resources:			
Historic Preservation Fund Grants-In-Aid (HPF)	15.904	32-12-41935(11)	2,696
Passed through Nevada Division of State Parks:			
Outdoor Recreation_Acquisition, Development and Planning (Land and Water Conservation Fund Grants)	15.916	32-00321	63,994
Total U.S. Department of the Interior			<u>238,038</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>U.S. Department of Justice (DOJ):</u>				
Direct Programs:				
State Criminal Alien Assistance Program (SCAAP)	16.606	2012-H4758-NV-AP	\$	215,004
Public Safety Partnership and Community Policing Grants (COPS Office)	16.710	2009CKWX0613	\$	43,929
Public Safety Partnership and Community Policing Grants (COPS Office)	16.710	2010CKWX0323	464,822	508,751
Juvenile Mentoring Program	16.726	2010-DC-BX-0113	2,564	
Amount Provided to Subrecipients	16.726	2010-DC-BX-0113	61,557	64,121
DNA Backlog Reduction Program	16.741	2009-DN-BX-K099	183,708	
Program Income	16.741	2009-DN-BX-K099	2,250	185,958
Paul Coverdell Forensic Sciences Improvement Grant Program - Program Income	16.742	2008-DN-BX-K046		1,411
ARRA - Recovery Act-Edward Byrne Memorial Competitive Grant Program	16.808	2009-SC-B9-0116		47,760
Equitable Sharing Program	16.922	--	250,164	
Program Income	16.922	--	1,466	
Equitable Sharing Program	16.922	--	16,306	
Equitable Sharing Program	16.922	2012-94	15,000	
Equitable Sharing Program	16.922	JLEO-12-0371	7,288	
Equitable Sharing Program	16.922	JLEO-13-DNV/TASKFORC	25,878	316,102
JAG Program Cluster:				
Passed through City of Reno:				
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	--	53,677	
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	--	17,975	
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	2009-DJ-BX-0829	75	
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
ARRA-Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	09-ARRA-39	50,000	
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	12-JAG-27	27,323	
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	12-JAG-28	40,725	
			189,775	

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Justice (DOJ) (continued):</u>			
JAG Program Cluster (continued):			
Passed through the City of Reno:			
ARRA-Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	16.803	2009-SB-B9-2006	\$ 25,599
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:			
ARRA-Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	16.803	09-ARRA-32	14,000
			39,599
Total JAG Program Cluster			\$ 229,374
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:			
Juvenile Accountability Block Grants (JABG)	16.523	JABG 2012-001	40,400
Juvenile Justice and Delinquency Prevention-Allocation to States (State Formula Grants)	16.540	FORMULA 2012-001	45,000
Passed through Las Vegas Metropolitan Police Department:			
Missing Children's Assistance	16.543	2011-MC-CX-KO02	55,404
Passed through Nevada Department of Health and Human Services, Child and Family Services Division:			
Title V-Delinquency Prevention Program	16.548	2011-JP-FX-0016	14,540
Crime Victim Assistance	16.575	3145/20-SFY10-12-097	110,209
Crime Victim Assistance	16.575	3145/20-SFY10-12-098	913
Crime Victim Assistance	16.575	VOCA13-098	7,856
118,978			
Passed through City of Reno Police Department:			
Project Safe Neighborhoods (PSN)	16.609	11-PSN-04	2,076
Protecting Inmates and Safeguarding Communities Discretionary Grant Program (Pron Rape Elimination Act PREA)	16.735	12-JAG-24	1,560
Protecting Inmates and Safeguarding Communities Discretionary Grant Program (Pron Rape Elimination Act PREA)	16.735	12-JAG-23	1,000
2,560			
Passed through Join Together Northern Nevada (JTNN):			
Enforcing Underage Drinking Laws Program	16.727	--	8,000

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Justice (DOJ) (continued):</u>			
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:			
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	10-FSI-02	\$ 8,944
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	11-FSI-02	<u>44,672</u> \$
			53,616
Congressionally Recommended Awards (Congressionally Recommended)			
Amount Provided to Subrecipients	16.753	2011-DD-BX-007	<u>12,229</u>
Total U.S. Department of Justice			<u>1,921,284</u>
<u>U.S. Department of Transportation (DOT):</u>			
Highway Planning and Construction Cluster:			
Passed through Nevada Department of Transportation:			
ARRA-Highway Planning and Construction (Federal-Aid Highway Program, Federal Lands Highway Program)	20.205	P263-08-802	1,390
ARRA-Highway Planning and Construction (Federal-Aid Highway Program, Federal Lands Highway Program)	20.205	23-JF-1.28	24,219
ARRA-Highway Planning and Construction (Federal-Aid Highway Program, Federal Lands Highway Program)	20.205	PR163-08-063	3,967
ARRA-Highway Planning and Construction (Federal-Aid Highway Program, Federal Lands Highway Program)	20.205	PR291-10-063	<u>1,545,400</u>
			<u>1,574,976</u>
Passed through Nevada Division of State Parks:			
Recreational Trails Program	20.219	FY2007-12.1	3,810
Recreational Trails Program	20.219	2009-09	150
Recreational Trails Program	20.219	2009-10	<u>2,311</u>
			<u>6,271</u>
Total Highway Planning and Construction Cluster			1,581,247

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Transportation (DOT) (continued):</u>			
Highway Safety Cluster:			
Passed through Nevada Department of Public Safety, Office of Traffic Safety:			
State and Community Highway Safety	20.600	22-AL-13	\$ 3,419
State and Community Highway Safety Program Income	20.600	21-AL-2	33,394
State and Community Highway Safety Program Income	20.600	21-AL-2	95,528
State and Community Highway Safety Program Income	20.600	21-AL-3	27,131
State and Community Highway Safety Program Income	20.600	21-AL-3	29,106
State and Community Highway Safety	20.600	22-AL-2	9,161
State and Community Highway Safety	20.600	23-CP-2.6	4,342
State and Community Highway Safety	20.600	23-AL-6	14,257
			216,338
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	23-JF-1.28	16,922
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	22-JF-1.24	16,182
			33,104
Occupant Protection Incentive Grants	20.602	22-JF-1.24	6,635
Safety Belt Performance Grants	20.609	22-JF-1.24	8,118
Total Highway Safety Cluster			\$ 264,195
Passed through Nevada State Emergency Response Commission:			
Interagency Hazardous Materials Public Sector Training and Planning Grants (Hazardous Materials Emergency Preparedness Training and Planning Grants (HMEP))	20.703	12-HMEP-16-01	3,410
Amount Provided to Subrecipients	20.703	12-HMEP-16-01	9,104
Interagency Hazardous Materials Public Sector Training and Planning Grants (Hazardous Materials Emergency Preparedness Training and Planning Grants (HMEP))	20.703	13-HEMP-16-01	14,500
Amount Provided to Subrecipients	20.703	13-HEMP-16-01	6,580
Amount Provided to Subrecipients	20.703	12-HMEP-16-03	7,000
Total U.S. Department of Transportation			1,886,036
<u>Department of the Treasury (TREAS):</u>			
Passed through Nevada Department of Business and Industry Housing Division			
National Foreclosure Mitigation Counseling Program (NFMC)	21.UNKNOWN	--	11,550
<u>General Services Administration:</u>			
Direct Programs:			
Donation of Federal Surplus Personal Property (Donation Program)	39.003	--	557,272

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>Institute of Museum and Library Services:</u>				
Passed through Nevada State Library and Archives:				
Grants to States	45.310	2011-31	\$ 682	
Grants to States	45.310	2012-06	2,524	
Grants to States	45.310	2012-16	14,011	
Total Institute of Museum and Library Services			\$ 17,217	
<u>U.S. Environmental Protection Agency (EPA):</u>				
Direct Programs:				
Air Pollution Control Program Support	66.001	A-00905412-0	418,745	
Air Pollution Control Program Support	66.001	A-00905413-0	452,102	870,847
Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-98963101-9	14,259	
Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-98963101-6	34,078	
In-kind Costs	66.034	--	52,250	100,587
Congressionally Mandated Projects (Congressional Earmarks)	66.202	XP-00T35201-0		122,414
Passed through Nevada Department of Conservation and Natural Resources, Division of Environmental Protection:				
State Public Water System Supervision	66.432	DEP 11-037		90,000
Underground Storage Tanks Prevention, Detection and Compliance Program	66.804	DEP 10-001-1		29,995
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805	--		56,998
Total U.S. Environmental Protection Agency				1,270,841
<u>U.S. Department of Health and Human Services (HHS):</u>				
Direct Programs:				
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	1U18FD004668-01		12,465
Family Planning-Services (FP Services)	93.217	6FPHPA096051-01-03	854,980	
Program Income	93.217	6FPHPA090003-42-02	50,056	905,036

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>U.S. Department of Health and Human Services (HHS) (continued):</u>				
Aging Cluster:				
Passed through Nevada Aging & Disability Services Division:				
Special Programs for the Aging- Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-05-BX-13	\$ 40,000	
Program Income	93.044	16-000-05-BX-13	20,594	
Special Programs for the Aging- Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-31-BX-13	35,158	
Program Income	93.044	16-000-31-BX-13	921	
Special Programs for the Aging- Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-21-BX-13	25,800	
Special Programs for the Aging- Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-11-BX-13	108,000	
			<u>230,473</u>	
Special Programs for the Aging- Title III, Part C-Nutrition Services	93.045	16-000-78-2X-13	34,000	
Special Programs for the Aging- Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-12	45,435	
Program Income	93.045	16-000-04-2X-12	5,039	
Special Programs for the Aging- Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-13	237,447	
Program Income	93.045	16-000-04-2X-13	16,814	
Special Programs for the Aging- Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-12	33,057	
Program Income	93.045	16-000-07-1X-12	18,043	
Special Programs for the Aging- Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-13	198,401	
Program Income	93.045	16-000-07-1X-13	51,295	
			<u>639,531</u>	
Nutrition Services Incentive Program	93.053	16-000-57-NX-13	13,721	
Nutrition Services Incentive Program	93.053	16-000-57-NX-11	83,092	
			<u>96,813</u>	
Total Aging Cluster			\$	966,817
Passed through Nevada Department of Health and Human Services Health Division:				
Public Health Emergency Preparedness (PHEP)	93.069	HD 12061	185,540	
Public Health Emergency Preparedness (PHEP)	93.069	HD 13015	599,786	
Public Health Emergency Preparedness (PHEP)	93.069	HD 13079	29,752	815,078

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>U.S. Department of Health and Human Services (HHS) (continued):</u>				
Passed through Nevada Department of Health and Human Services Health Division (continued):				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs (Tuberculosis Prevention and Control and Laboratory Program)	93.116	HD 13109	\$ 41,497	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs (Tuberculosis Prevention and Control and Laboratory Program)	93.116	HD 12148	35,458	
Program Income	93.116	HD 12148	<u>4,635</u>	\$ 81,590
Immunization Cooperative Agreements (Immunizations CoAg and Vaccines for Children Program previously published as Immunization Grants and Vaccines for Children Program)	93.268	HD 13128	138,590	
Immunization Cooperative Agreements (Immunizations CoAg and Vaccines for Children Program previously published as Immunization Grants and Vaccines for Children Program)	93.268	HD 12178	149,429	
Program Income	93.268	HD 12178	<u>110,277</u>	398,296
Centers for Disease Control and Prevention- Investigations and Technical Assistance	93.283	HD 11266	88,935	
Centers for Disease Control and Prevention- Investigations and Technical Assistance	93.283	HD 13143	24,743	
Centers for Disease Control and Prevention- Investigations and Technical Assistance	93.283	HD 12162	<u>21,313</u>	134,991
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF (ELC/EIP - 2012 Prevention and Public Health Fund and Other Capacity Building Activities)	93.521	HD 13095	111,109	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF (ELC/EIP - 2012 Prevention and Public Health Fund and Other Capacity Building Activities)	93.521	HD 12097-01	<u>7,358</u>	118,467
National Bioterrorism Hospital Preparedness Program (HPP)	93.889	HD 13008	390,353	
National Bioterrorism Hospital Preparedness Program (HPP)	93.889	HD 13085	<u>10,455</u>	400,808
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs (National Breast and Cervical Cancer Early Detection Program NBCCEDP)	93.919	--		4,348
HIV Prevention Activities-Health Department Based	93.940	HD 12132		446,360

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013	
<u>U.S. Department of Health and Human Services (HHS) (continued):</u>				
Passed through Nevada Department of Health and Human Services Health Division (continued):				
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance (HIV/AIDS Surveillance)	93.944	HD 12181	\$ 37,704	
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance (HIV/AIDS Surveillance)	93.944	HD 13106	<u>39,698</u>	\$ 77,402
Preventive Health Services-Sexually Transmitted Diseases Control Grants Program Income	93.977	HD 12168	55,340	
	93.977	HD 12168	12,725	
Preventive Health Services-Sexually Transmitted Diseases Control Grants Program Income	93.977	HD 13113	65,671	
	93.977	HD 13113	<u>10,531</u>	144,267
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	93.994	HD 13023		33,143
Passed through Nevada Aging & Disability Services Division:				
Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	93.043	16-000-24-BX-13		40,981
Special Programs for the Aging- Title IV and Title II- Discretionary Projects	93.048	16-000-15-KX-13		19,518
National Family Caregiver Support, Title III, Part E	93.052	16-000-15-EX-13		86,000
Passed through National Association of County and City Health Officials:				
Maternal and Child Health Federal Consolidated Programs (Special Projects of Regional and National Significance SPRANS, including the Community Integrated Service Systems CISS, Public Health Service Act - Section 399BB Programs under the Combating Autism Act of 2006; the Heritable Disorders Program and the Congenital Conditions Program)	93.110	2013-052101		5,622
Passed through Nevada Division of Child and Family Services:				
Promoting Safe and Stable Families	93.556	IVB-2-2012-61		18,617
Adoption Incentive Payments	93.603	AI-2012-0010	122,759	
Adoption Incentive Payments	93.603	AI3229/32SFY11-12008	<u>1,518</u>	124,277
Stephanie Tubbs Jones Child Welfare Services Program	93.645	--		34,008
Foster Care-Title IV-E	93.658	--	11,187,599	
ARRA-Foster Care-Title IV-E	93.658	--	<u>13,806</u>	11,201,405

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Health and Human Services (HHS) (continued):</u>			
Passed through Nevada Division of Child and Family Services (continued):			
Adoption Assistance	93.659	--	\$ 4,897,932
ARRA-Adoption Assistance	93.659	--	<u>297</u> \$ 4,898,229
Social Services Block Grant (SSBG Program)	93.667	--	687,545
Chafee Foster Care Independence Program	93.674	CH3145/32SFY11-13020	300,290
Passed through Nevada Division of Welfare and Supportive Services			
Child Support Enforcement	93.563	--	2,436,811
Program Income	93.563	--	<u>10,789</u> 2,447,600
Grants to States for Access and Visitation Programs	93.597	1201NVSAVP	29,020
Grants to States for Access and Visitation Programs	93.597	1101NVSAVP	<u>9,180</u> 38,200
Passed through Nevada Administrative Office of the Courts:			
State Court Improvement Program (State and Tribal Court Improvement Programs)	93.586	EIN 1-886000022-18	55,955
Passed through Centers for Medicare & Medicaid Services:			
Medicare-Prescription Drug Coverage (Medicare Part D)	93.770	CMS-10156	<u>273,081</u>
Total U.S. Department of Health and Human Services			<u>24,770,396</u>
<u>Executive Office of the President, Office of National Drug Control Policy:</u>			
Passed through Las Vegas Metropolitan Police Department:			
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G11NV0001A	84,601
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G12NV0001A	<u>67,669</u>
Total Executive Office of the President, Office of National Drug Control Policy			<u>152,270</u>
<u>U.S. Department of Homeland Security (DHS):</u>			
Direct Programs:			
Secret Service Task Force	97.UNKNOWN	LVECTF FY 2012-2013	1,499

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

	CFDA Number	Project/Pass-through Grantor's Number	Expenditures 2013
<u>U.S. Department of Homeland Security (DHS) (continued):</u>			
Passed through Nevada Department of Public Safety Division of Emergency Management:			
Homeland Security Grant Program	97.067	9700109	\$ 137,959
Homeland Security Grant Program	97.067	97067CL1	17,789
Homeland Security Grant Program	97.067	97067HLO	494,403
Homeland Security Grant Program	97.067	97067HL1	909,202
Homeland Security Grant Program	97.067	97067HL8	993
Homeland Security Grant Program	97.067	97067HL9	1,303,037
Homeland Security Grant Program	97.067	97067.11-CL1	35,732
Homeland Security Grant Program	97.067	97067.11-HL1	639,045
Homeland Security Grant Program	97.067	97067.12-HL2	<u>209,448</u> \$ 3,747,608
Passed through Nevada Department of Public Safety Division of Emergency Management (continued):			
Emergency Management Performance Grant (EMPG)	97.042	9704212	125,825
Emergency Management Performance Grant (EMPG)	97.042	9704211	<u>4,767</u> 130,592
Passed through Nevada Division of Forestry:			
Fire Management Assistance Grants (FMAG)	97.046	FEMA-2974-FM-NV	102,528
Buffer Zone Protection Program (BZPP)	97.078	97078B10	<u>7,300</u>
Total U.S. Department of Homeland Security			<u>3,989,527</u>
Total Expenditures of Federal Awards			\$ <u><u>40,589,365</u></u>

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The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**WASHOE COUNTY, NEVADA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – REPORTING ENTITY

The Washoe County reporting entity is defined in Note 1 to its basic financial statements. The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Washoe County but does not include federal financial assistance programs of the County's discretely presented component units. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting.

NOTE 3 – NONCASH EXPENDITURES

The expenditures reported include noncash items as follows:

National School Lunch Program (School Lunch Program [10.555])

Expenditures of \$4,165 for this program represent the dollar value of food commodities served at the County's juvenile detention facilities. The value of commodities is determined by the U.S. Department of Agriculture.

Emergency Food Assistance Program (Food Commodities [10.569])

Expenditures of \$18,933 for this program represent the dollar value of food commodities distributed to eligible recipients during the year. The value of commodities is determined by the U.S. Department of Agriculture.

Donation of Federal Surplus Personal Property (39.003)

Expenditures of \$557,272 for this program represent the dollar value of items received from the Defense Reutilization and Marketing Office (DRMO). The value of the items received was determined by the DRMO.

Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act (66.034)

The expenditures include \$52,250 representing the value of sample analyses obtained at no charge to Washoe County.

NOTE 4 – TOTAL FEDERAL AWARDS EXPENDED FOR EACH INDIVIDUAL FEDERAL PROGRAM BY CFDA NUMBER

When there is more than one award under a single CFDA number or federal program, the Schedule of Expenditures of Federal Awards presents the totals of all awards under the CFDA number. In one instance this total could not be conveniently displayed because all awards under one CFDA number were not contiguous. The total for this CFDA number is provided below:

CFDA NUMBER: 16.742 Paul Coverdell Forensic Sciences Improvement Grant Program \$ 55,027

NOTE 5 – PROGRAM INCOME

Expenditures reported include income received by the grantee, directly generated by grant-supported activity and includes the following programs:

PROGRAM	CFDA NUMBER	AMOUNT
Community Development Block Grants/Entitlement Grants	14.218	\$ 148
Community Development Block Grants/State's Program	14.228	550
Equitable Sharing Program	16.922	1,466
DNA Backlog Reduction Program	16.741	2,250
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	1,411
State and Community Highway Safety	20.600	124,634
Special Programs for the Aging Title III, Part B	93.044	21,515
Special Programs for the Aging Title III, Part C	93.045	91,191
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	4,635
Family Planning Services	93.217	50,056
Immunization Cooperative Agreements	93.268	110,277
Child Support Enforcement	93.563	10,789
Preventive Health Services-Sexually Transmitted Diseases Control Grants	93.977	23,256
Total Program Income		\$ 442,178

**WASHOE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Section I - Summary of Auditor's Results:

- Kafoury, Armstrong & Co. issued an unmodified opinion on the financial statements of Washoe County, Nevada for the year ended June 30, 2013.
- No significant deficiencies or 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, Nevada.
- No significant deficiencies or material weaknesses in the internal control over a major federal award program were disclosed.
- Kafoury, Armstrong & Co. issued an unmodified opinion on compliance for major federal award programs of Washoe County, Nevada.
- There are no audit findings relative to a major federal award program for Washoe County, Nevada, which are required to be reported under section .510(a) of OMB Circular A-133.
- Washoe County had six major programs for the year ended June 30, 2013, as follows:

Research and Development Cluster:

Child Welfare Research Training or Demonstration – CFDA 93.648

CDBG - Entitlement Grants Cluster:

Community Development Block Grants/Entitlement Grants (CDBG) – CFDA 14.218

Air Pollution Control Program Support – CFDA 66.001

Aging Cluster:

Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers – CFDA 93.044

Special Programs for the Aging – Title III, Part C – Nutrition Services – CFDA 93.045

Nutrition Services Incentive Program – CFDA 93.053

Public Health Emergency Preparedness (PHEP) – CFDA 93.069

Adoption Assistance:

Adoption Assistance – CFDA 93.659

ARRA Adoption Assistance – CFDA 93.659

- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2013 was \$1,217,680.
- Washoe County qualified as a low risk auditee for the year ended June 30, 2013 under the criteria set forth in section .530 of OMB Circular A-133.

Section II – Findings – Financial Statement Audit:

There were no findings relating to the financial statement audit.

Section III – Findings and Questioned Costs for Federal Awards:

There were no findings related to major federal award programs.

**WASHOE COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013**

U. S. Department of Health and Human Services:

Finding 12-1:

Research and Development Cluster:

Child Welfare Research Training or Demonstration, CFDA 93.648

Grant Award Number: Affects grant awards included under CFDA 93.648 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: As noted in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, amounts charged to federal programs must be for allowable costs. To be allowable under federal awards, costs must be necessary and reasonable for the performance and administration of the federal award, and be adequately documented.

The County charges salaries and benefits to the grant quarterly based on allocations of time that are supported by time cards prepared and signed by employees and their supervisors. To test salary and benefit charges, two of four quarterly allocations were selected, including the quarters ended September 30, 2011 and June 30, 2012. Although the County had adequate supporting documentation to support charges of \$91,488 for the quarter ended June 30, 2012, the program personnel did not have documentation available to support the allocation of \$101,159 of base salaries and retirement benefits for the quarter ended September 30, 2011. Program management represented that the supporting information had been stored on a personal external computer hardware device belonging to the employee responsible for preparing the allocations, and that the employee terminated employment with the County in November 2011.

Auditor's Recommendation: We recommend the County enhance procedures related to the storage and retention of adequate supporting documentation to ensure that amounts charged to the grant can be substantiated.

Current Status: Corrective action has been taken. Reconstructed records support eligible grant costs for the quarter in question. Records are not allowed to be kept on personal external electronic media.



AUDITOR'S COMMENTS

AUDITOR'S COMMENTS

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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 2012-2013 relating to statute violations reported in the June 30, 2012 audit report:

- An expenditure plan was approved by the 911 Emergency Response Committee to address the fund balance in excess of the statutory limit pursuant to NRS 244A.7645, and the language of the NRS was clarified as explained in Note 2 to the financial statements.
- The County monitored expenditures during the current year to prevent over-expenditures.
- The County monitored fund transfers during the current year to prevent statute violations.

PRIOR YEAR RECOMMENDATIONS

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

CURRENT YEAR RECOMMENDATIONS

There were no findings included in the Schedule of Findings and Questioned Costs.