

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)	<u>2,198,088</u>	<u>2,515,947</u>	<u>2,476,474</u>	<u>39,473</u>
Welfare:				
Social Services	<u>18,283,136</u>	<u>18,184,136</u>	<u>17,650,439</u>	<u>533,697</u>
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	<u>(100,256,269)</u>	<u>(4,539,609)</u>	<u>(104,795,878)</u>	<u>(18,041,950)</u>
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	31,538,901	2,761,668	34,300,569	53,988,443
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	26,975,359	2,696,877	29,672,236	56,329,835
Operating Income (Loss)	4,563,542	64,791	4,628,333	(2,341,392)
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)	(4,778,458)	1,647	(4,776,811)	1,799,662
Income (Loss) Before Capital Contributions, and Transfers	(214,916)	66,438	(148,478)	(541,730)
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	4,447,623	-	4,447,623	95,418
Transfers				
Transfers out	(1,450,000)	-	(1,450,000)	(334,675)
Change in Net Position	2,782,707	66,438	2,849,145	(780,987)
Net Position, July 1, as Restated (Note 3)	406,282,744	4,072,377		33,359,007
Net Position, June 30	\$ 409,065,451	\$ 4,138,815		\$ 32,578,020
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			1,646,013	
Change in Net Position of Business-type Activities			\$ 4,495,158	

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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