

Internal Service Funds

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

Insurance Fund – Property and Casualty:

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

Insurance Fund – Health Insurance:

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

Insurance Fund – Workers’ Compensation:

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

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

	INSURANCE FUND (PROPERTY CASUALTY)	INSURANCE FUND (HEALTH INSURANCE)	INSURANCE FUND (WORKERS' COMPENSATION)	TOTAL
ASSETS				
Current assets				
Cash and investments	\$ 9,746,273	\$ 42,392,270	\$ 8,790,769	\$ 60,929,312
Accounts receivable	-	643,000	-	643,000
Interest receivable	1,089	4,210	966	6,265
Total current assets	<u>9,747,362</u>	<u>43,039,480</u>	<u>8,791,735</u>	<u>61,578,577</u>
Capital assets				
Machinery and equipment	39,843	-	-	39,843
Less: Allowance for depreciation	<u>(9,335)</u>	<u>-</u>	<u>-</u>	<u>(9,335)</u>
Total capital assets	<u>30,508</u>	<u>-</u>	<u>-</u>	<u>30,508</u>
Total assets	<u>9,777,870</u>	<u>43,039,480</u>	<u>8,791,735</u>	<u>61,609,085</u>
LIABILITIES				
Current liabilities				
Accounts payable	90,459	32,573	4,683	127,715
Accrued liabilities	20,473	12,466	1,525	34,464
Pending claims	<u>1,113,852</u>	<u>6,805,736</u>	<u>1,559,938</u>	<u>9,479,526</u>
Total current liabilities	<u>1,224,784</u>	<u>6,850,775</u>	<u>1,566,146</u>	<u>9,641,705</u>
Noncurrent liabilities				
Pending claims	<u>1,453,148</u>	<u>-</u>	<u>3,266,062</u>	<u>4,719,210</u>
Total liabilities	<u>2,677,932</u>	<u>6,850,775</u>	<u>4,832,208</u>	<u>14,360,915</u>
NET ASSETS				
Invested in capital assets	30,508	-	-	30,508
Unrestricted	<u>7,069,430</u>	<u>36,188,705</u>	<u>3,959,527</u>	<u>47,217,662</u>
Total net assets	<u>\$ 7,099,938</u>	<u>\$ 36,188,705</u>	<u>\$ 3,959,527</u>	<u>\$ 47,248,170</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
OPERATING REVENUES				
Charges for services	\$ 3,768,911	\$ 55,337,956	\$ 1,409,538	\$ 60,516,405
OPERATING EXPENSES				
Salaries and benefits	-	197,259	-	197,259
Employee benefits	-	49,322,897	-	49,322,897
Claims and services	3,361,822	1,512	2,885,816	6,249,150
Depreciation	2,511	-	-	2,511
Total operating expenses	<u>3,364,333</u>	<u>49,521,668</u>	<u>2,885,816</u>	<u>55,771,817</u>
Operating income (loss)	<u>404,578</u>	<u>5,816,288</u>	<u>(1,476,278)</u>	<u>4,744,588</u>
NONOPERATING REVENUES				
Earnings on investments	<u>18,136</u>	<u>65,599</u>	<u>18,479</u>	<u>102,214</u>
Income (loss) before transfers	<u>422,714</u>	<u>5,881,887</u>	<u>(1,457,799)</u>	<u>4,846,802</u>
TRANSFERS IN				
General Fund	<u>-</u>	<u>1,626,224</u>	<u>-</u>	<u>1,626,224</u>
Change in net assets	422,714	7,508,111	(1,457,799)	6,473,026
NET ASSETS - July 1	<u>6,677,224</u>	<u>28,680,594</u>	<u>5,417,326</u>	<u>40,775,144</u>
NET ASSETS - June 30	<u>\$ 7,099,938</u>	<u>\$ 36,188,705</u>	<u>\$ 3,959,527</u>	<u>\$ 47,248,170</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS				
Cash flows from operating activities				
Cash received for services	\$ 3,769,394	\$ 55,379,318	\$ 1,410,377	\$ 60,559,089
Cash paid for salaries and benefits	-	(197,259)	-	(197,259)
Cash payments for employee benefits	-	(49,322,897)	-	(49,322,897)
Cash payments for claims and services	(2,499,209)	(232,355)	(2,586,098)	(5,317,662)
Net cash provided (used) by operating activities	<u>1,270,185</u>	<u>5,626,807</u>	<u>(1,175,721)</u>	<u>5,721,271</u>
Cash flows from capital and related financing activities				
Purchase of equipment	(29,048)	-	-	(29,048)
Cash flows from noncapital financing activities				
Transfer from General Fund	-	1,626,224	-	1,626,224
Cash flows from investing activities				
Interest received on investments	18,136	65,599	18,479	102,214
Net increase (decrease) in cash and cash equivalents	1,259,273	7,318,630	(1,157,242)	7,420,661
Cash and investments, July 1	<u>8,487,000</u>	<u>35,073,640</u>	<u>9,948,011</u>	<u>53,508,651</u>
Cash and investments, June 30	<u>\$ 9,746,273</u>	<u>\$ 42,392,270</u>	<u>\$ 8,790,769</u>	<u>\$ 60,929,312</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS				
Operating income (loss)	\$ 404,578	\$ 5,816,288	\$ (1,476,278)	\$ 4,744,588
Adjustments to reconcile operating income (loss) to net cash provided by operations				
Depreciation	2,511	-	-	2,511
Changes in assets and liabilities				
Accounts receivable	483	41,362	839	42,684
Accounts payable	(13,072)	31,850	(20,466)	(1,688)
Accrued liabilities	6,685	6,692	184	13,561
Pending claims	869,000	(269,385)	320,000	919,615
Total adjustments	<u>865,607</u>	<u>(189,481)</u>	<u>300,557</u>	<u>976,683</u>
Net cash provided (used) by operations	<u>\$ 1,270,185</u>	<u>\$ 5,626,807</u>	<u>\$ (1,175,721)</u>	<u>\$ 5,721,271</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ 3,561,881	\$ 3,110,528	\$ 3,114,551	\$ 4,023	\$ 3,184,351
Refunds	-	654,360	654,360	-	15,006
Operating revenues	<u>3,561,881</u>	<u>3,764,888</u>	<u>3,768,911</u>	<u>4,023</u>	<u>3,199,357</u>
OPERATING EXPENSES					
General government					
Claims and services	3,386,158	3,809,154	3,361,822	447,332	1,773,873
Depreciation	-	-	2,511	(2,511)	1,059
Total operating expenses	<u>3,386,158</u>	<u>3,809,154</u>	<u>3,364,333</u>	<u>444,821</u>	<u>1,774,932</u>
Operating income (loss)	<u>175,723</u>	<u>(44,266)</u>	<u>404,578</u>	<u>448,844</u>	<u>1,424,425</u>
NONOPERATING REVENUES					
Earnings on investments	<u>27,000</u>	<u>19,105</u>	<u>18,136</u>	<u>(969)</u>	<u>15,075</u>
Change in net assets	202,723	(25,161)	422,714	447,875	1,439,500
NET ASSETS - July 1	<u>5,591,318</u>	<u>6,677,224</u>	<u>6,677,224</u>	<u>-</u>	<u>5,237,724</u>
NET ASSETS - June 30	<u>\$ 5,794,041</u>	<u>\$ 6,652,063</u>	<u>\$ 7,099,938</u>	<u>\$ 447,875</u>	<u>\$ 6,677,224</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 3,561,881	\$ 3,764,888	\$ 3,769,394	\$ 4,506	\$ 3,200,203
Cash payments for claims and services	(3,386,158)	(2,940,154)	(2,499,209)	440,945	(2,779,615)
Net cash provided by operating activities	<u>175,723</u>	<u>824,734</u>	<u>1,270,185</u>	<u>445,451</u>	<u>420,588</u>
Cash flows from capital and related financing activities					
Purchase of equipment	-	-	(29,048)	(29,048)	-
Cash flows from investing activities					
Interest received on investments	<u>27,000</u>	<u>19,105</u>	<u>18,136</u>	<u>(969)</u>	<u>15,075</u>
Net increase in cash and cash equivalents	202,723	843,839	1,259,273	415,434	435,663
Cash and investments, July 1	<u>-</u>	<u>-</u>	<u>8,487,000</u>	<u>8,487,000</u>	<u>8,051,337</u>
Cash and investments, June 30	<u>\$ 202,723</u>	<u>\$ 843,839</u>	<u>\$ 9,746,273</u>	<u>\$ 8,902,434</u>	<u>\$ 8,487,000</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS					
Operating income (loss)	\$ <u>175,723</u>	\$ <u>(44,266)</u>	\$ <u>404,578</u>	\$ <u>448,844</u>	\$ <u>1,424,425</u>
Adjustments to reconcile operating income (loss) to net cash provided by operations					
Depreciation	-	-	2,511	2,511	1,059
Changes in assets and liabilities					
Accounts receivable	-	-	483	483	846
Accounts payable	-	-	(13,072)	(13,072)	(29,874)
Accrued liabilities	-	-	6,685	6,685	(64,868)
Pending claims	<u>-</u>	<u>869,000</u>	<u>869,000</u>	<u>-</u>	<u>(911,000)</u>
Total adjustments	<u>-</u>	<u>869,000</u>	<u>865,607</u>	<u>(3,393)</u>	<u>(1,003,837)</u>
Net cash provided by operations	<u>\$ 175,723</u>	<u>\$ 824,734</u>	<u>\$ 1,270,185</u>	<u>\$ 445,451</u>	<u>\$ 420,588</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 53,930,199	\$ 53,930,199	\$ 55,337,956	\$ 1,407,757	\$ 56,001,719
OPERATING EXPENSES					
General government					
Salaries and benefits	224,643	224,643	197,259	27,384	184,287
Employee benefits	59,107,798	59,107,698	49,322,897	9,784,801	52,406,428
Services and supplies	-	-	1,512	(1,512)	17,360
Total operating expenses	<u>59,332,441</u>	<u>59,332,341</u>	<u>49,521,668</u>	<u>9,810,673</u>	<u>52,608,075</u>
Operating income (loss)	<u>(5,402,242)</u>	<u>(5,402,142)</u>	<u>5,816,288</u>	<u>11,218,430</u>	<u>3,393,644</u>
NONOPERATING REVENUES					
Earnings on investments	<u>39,936</u>	<u>39,936</u>	<u>65,599</u>	<u>25,663</u>	<u>51,294</u>
Income (loss) before transfers	<u>(5,362,306)</u>	<u>(5,362,206)</u>	<u>5,881,887</u>	<u>11,244,093</u>	<u>3,444,938</u>
TRANSFERS IN					
General Fund	<u>1,707,764</u>	<u>1,707,764</u>	<u>1,626,224</u>	<u>(81,540)</u>	<u>1,743,813</u>
Change in net assets	<u>(3,654,542)</u>	<u>(3,654,442)</u>	<u>7,508,111</u>	<u>11,162,553</u>	<u>5,188,751</u>
NET ASSETS - July 1	<u>25,993,780</u>	<u>28,680,594</u>	<u>28,680,594</u>	<u>-</u>	<u>23,491,843</u>
NET ASSETS - June 30	<u>\$ 22,339,238</u>	<u>\$ 25,026,152</u>	<u>\$ 36,188,705</u>	<u>\$ 11,162,553</u>	<u>\$ 28,680,594</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 53,930,199	\$ 53,930,199	\$ 55,379,318	\$ 1,449,119	\$ 55,748,674
Cash paid for salaries	(224,643)	(224,643)	(197,259)	27,384	(184,287)
Cash payments for employee benefits	(58,321,268)	(58,321,168)	(49,322,897)	8,998,271	(52,406,428)
Cash payments for services and supplies	-	-	(232,355)	(232,355)	(878,140)
Net cash provided (used) by operating activities	(4,615,712)	(4,615,612)	5,626,807	10,242,419	2,279,819
Cash flows from noncapital financing activities					
Transfer from General Fund	1,707,764	1,707,764	1,626,224	(81,540)	1,743,813
Cash flows from investing activities					
Interest received on investments	39,936	39,936	65,599	25,663	51,294
Net increase (decrease) in cash and cash equivalents	(2,868,012)	(2,867,912)	7,318,630	10,186,542	4,074,926
Cash and investments, July 1	35,073,640	35,073,640	35,073,640	-	30,998,714
Cash and investments, June 30	\$ 32,205,628	\$ 32,205,728	\$ 42,392,270	\$ 10,186,542	\$ 35,073,640
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS					
Operating income (loss)	\$ (5,402,242)	\$ (5,402,142)	\$ 5,816,288	\$ 11,218,430	\$ 3,393,644
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations					
Changes in assets and liabilities					
Accounts receivable	-	-	41,362	41,362	(253,045)
Accounts payable	-	-	31,850	31,850	(10,580)
Accrued liabilities	-	-	6,692	6,692	(14,747)
Pending claims	786,530	786,530	(269,385)	(1,055,915)	(835,453)
Total adjustments	786,530	786,530	(189,481)	(976,011)	(1,113,825)
Net cash provided (used) by operations	\$ (4,615,712)	\$ (4,615,612)	\$ 5,626,807	\$ 10,242,419	\$ 2,279,819

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 1,367,050	\$ 1,367,051	\$ 1,409,538	\$ 42,487	\$ 1,687,261
OPERATING EXPENSES					
General government					
Claims and services	3,064,213	3,064,213	2,885,816	178,397	2,208,683
Operating income (loss)	(1,697,163)	(1,697,162)	(1,476,278)	220,884	(521,422)
NONOPERATING REVENUES					
Earnings on investments	30,000	30,000	18,479	(11,521)	20,508
Change in net assets	(1,667,163)	(1,667,162)	(1,457,799)	209,363	(500,914)
NET ASSETS - July 1	<u>5,086,610</u>	<u>5,417,326</u>	<u>5,417,326</u>	<u>-</u>	<u>5,918,240</u>
NET ASSETS - June 30	<u>\$ 3,419,447</u>	<u>\$ 3,750,164</u>	<u>\$ 3,959,527</u>	<u>\$ 209,363</u>	<u>\$ 5,417,326</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 1,367,050	\$ 1,367,051	\$ 1,410,377	\$ 43,326	\$ 1,688,534
Payments for claims and services	<u>(2,613,613)</u>	<u>(2,613,613)</u>	<u>(2,586,098)</u>	<u>27,515</u>	<u>(2,233,945)</u>
Net cash provided (used) by operating activities	<u>(1,246,563)</u>	<u>(1,246,562)</u>	<u>(1,175,721)</u>	<u>70,841</u>	<u>(545,411)</u>
Cash flows from investing activities					
Interest received on investments	<u>30,000</u>	<u>30,000</u>	<u>18,479</u>	<u>(11,521)</u>	<u>20,508</u>
Net increase (decrease) in cash and cash equivalents	(1,216,563)	(1,216,562)	(1,157,242)	59,320	(524,903)
Cash and investments, July 1	<u>9,948,011</u>	<u>9,948,011</u>	<u>9,948,011</u>	<u>-</u>	<u>10,472,914</u>
Cash and investments, June 30	<u>\$ 8,731,448</u>	<u>\$ 8,731,449</u>	<u>\$ 8,790,769</u>	<u>\$ 59,320</u>	<u>\$ 9,948,011</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS					
Operating income (loss)	\$ (1,697,163)	\$ (1,697,162)	\$ (1,476,278)	\$ 220,884	\$ (521,422)
Adjustments to reconcile operating income (loss) to net cash provided by operations					
Changes in assets and liabilities					
Accounts receivable	-	-	839	839	1,273
Accounts payable	-	-	(20,466)	(20,466)	18,771
Accrued liabilities	-	-	184	184	(3,033)
Pending claims	<u>450,600</u>	<u>450,600</u>	<u>320,000</u>	<u>(130,600)</u>	<u>(41,000)</u>
Total adjustments	<u>450,600</u>	<u>450,600</u>	<u>300,557</u>	<u>(150,043)</u>	<u>(23,989)</u>
Net cash provided (used) by operations	<u>\$ (1,246,563)</u>	<u>\$ (1,246,562)</u>	<u>\$ (1,175,721)</u>	<u>\$ 70,841</u>	<u>\$ (545,411)</u>

