

WASHOE COUNTY SCHOOL DISTRICT

Reno, Nevada

REGULAR MEETING OF THE BOARD OF TRUSTEES

March 23, 2010

TITLE: Presentation and Approval of the Fiscal Year 2010-11 Tentative Budget

FROM: Gary S. Kraemer, Chief Financial Officer

PRESENTER(S) & PRESENTATION TIME:
Gary Kraemer, Chief Financial Officer (10 minutes)

DATE REPORT WRITTEN: March 22, 2010

SUMMARY: A cover memo for the Fiscal Year 2010-11 (FY11) Tentative Budget was previously submitted. This correspondence will provide additional information regarding the FY 2010-11 Tentative Budget.

Nevada Revised Statute 354.596 requires the District to file a tentative budget for the ensuing fiscal year on or before April 15. A copy of that budget, on the prescribed Department of Taxation forms, will be provided at the Board Meeting. Included in this report is a summary of the FY 10-11 budget as compared to the FY 09-10 budget for each fund, as well as a narrative of the significant changes. WCSD Administrative Regulation 3120 requires Board approval of the tentative budget, although State statutes do not.

ADDITIONAL BACKGROUND INFORMATION: A Special Session of the Legislature authorized budget reductions for Washoe County School District in excess of \$12 million for FY11. This reduction, in addition to the existing \$17 million shortfall before the session means the District has a budget shortfall of \$29 million for FY11 (please note the Legislature also approved a \$4 million reduction for Fiscal Year 2009-10). Also note, when determining the total budget shortfall for FY11, the tentative budget includes funding for the continuation of all existing programs and negotiated items, including the bargained step increases for employees.

The budget is extremely "tentative" at this point in time because the plan to address the budget reductions is still in progress. To provide some needed flexibility, the Legislature also approved easing of requirements related to class sizes for grades 1-3 and a waiver for the District's expenditure requirement related to textbooks, instructional supplies and instructional hardware purchases.

Meetings are in process and input from community, employee associations and staff is currently being gathered. The reductions needed to balance the budget may include some or all of the following:

- Reducing fund balance;
- Reductions of programs;

- Reduction of Central Services;
- Operating budget reductions;
- Class size increases;
- Salary reductions (requires some contracts to be reopened);
- Roll-up suspensions (requires some contracts to be reopened);
- Benefit reductions (requires some contracts to be reopened);
- Layoffs; and
- Other items including reducing fund balances of other funds, buyouts of employees, health insurance premium holidays, etc.

The Board can make changes to the Tentative Budget. By law, a public hearing on the tentative budget is required to be held on the third Wednesday of May (May 19, 2010) upon which the Board can indicate changes, if any, to be made to the tentative budget. If all the changes are not known by then the District has until June 8, 2010 to adopt a final budget by a majority vote.

PREVIOUS BOARD ACTION: *(For additional information regarding the previous agenda action listed below, refer to the district's website at www.washoe.k12.nv.us in the Calendar section under Meetings, Agendas, and Highlights.)*

Date: December 15, 2009

Related Action: Budget Work Session, Discussion of Widely Used Budgetary Approaches and Proposed Budget Process for the Fiscal Year 2010-11 Budget.

ATTACHMENTS:

- A) Narrative for the Fiscal Year 2010-11 Tentative Budget and Fiscal Year 2009-10 versus Fiscal Year 2010-11 Budget Comparison by Fund
- B) Department of Taxation Budget Document for Fiscal Year 2010-11 (to be provided prior to the Board meeting)

BOARD POLICY/DISTRICT GOAL: *This item addresses the areas of focus defined in the Washoe County School District's Blueprint for Student Success as they relate to the budget process.*

LEGAL: As required by NRS 354.596, "On or before April 15 of each year, the officer charged by law shall prepare, or the governing body shall cause to be prepared, on appropriate forms prescribed by the Department of Taxation for the use of local governments, a tentative budget for the ensuing fiscal year." In addition, local government entities must prepare and file a "balanced" budget. This means that the combination of proposed expenditures and proposed ending fund balance must be equal to and not exceed the combination of estimated revenues and opening fund balance.

FINANCIAL: *The budget provides tentative appropriation authority for approved programs included in Fiscal Year 2010-11 tentative budget.*

ALTERNATIVES: None.

SUPERINTENDENT'S RECOMMENDATION: that the Board of Trustees approves the Tentative Budget for FY 2010-11 as submitted

WASHOE COUNTY SCHOOL DISTRICT SUMMARY OF FISCAL YEAR 2010-11 TENTATIVE BUDGET

Pages 12 - 21 summarize the District's budgets for each fund and the changes from the prior year. The District is required to report revenue and expenditure categories in accordance with the Nevada Financial Accounting Handbook prepared by the State Department of Education. A brief description of the categories utilized in the budget follows.

GENERAL FUND (PAGES 10-13)

As mentioned above, there is a \$29 million budget shortfall for Fiscal Year 2010-11. The shortfall is mostly due to declining resources although various increases and decreases to applications also contribute a small portion. The changes to revenues (resources) and expenditures (applications) are detailed on page 10 and 11 of this report. A description of the various resource and application categories follows.

RESOURCES (page 12):

Local Sources:

- **Ad Valorem Tax** - Property tax assessed at \$.75 per \$100 of assessed valuation, adjusted for tax cap abatements. A reduction in ad valorem taxes of 9.11% is projected for the Tentative Budget based on the preliminary adjusted amount from the State Department. Source data: Washoe County Assessor and certified by State Department of Taxation.
- **Local School Support Tax (LSST)** – Sales tax assessed at \$.0225 for every \$1.00 of gross retail sales in Washoe County (\$.026 for FY10 and FY11). As well documented, sales tax has fallen dramatically due to the economic downturn and is anticipated to be substantially less (approx \$18 million) than the current year budget. Source data: State Department of Taxation.
- **Franchise Taxes** - Tax of 2% of net proceeds of public utilities business outside of the incorporated cities in Washoe County.
- **Government Services Tax** - District's portion of the tax of \$.04 for every \$1.00 of value of all of the vehicles licensed in Washoe County. This amount is also is also anticipated to be substantially less (\$1.8 million) than the current year budget amount due to the economic downturn. Source data: State Department of Taxation.
- **Revenue in Lieu of Taxes** – 50% of Washoe County motorboat registration fees collected by the State Division of Wildlife.
- **Tuition** – Amounts paid for students enrolled in our schools who reside outside Washoe County; amounts paid for students enrolled in summer school; and amount paid for adult continuing education.

- **Earnings on Investments** - Interest earned from investing the District's cash.
- **Other Local Revenue** – Other local revenues such as transportation reimbursements for field trips, rental income from use of school facilities, indirect costs from grants, grant administration fees, salary reimbursements and miscellaneous income.

State Sources:

- **Distributive School Account (DSA)** - This represents the tentative per pupil funding provided by the State. The amount will be subject to change based on the final ad valorem projection. Enrollment is projected to decline 1.4%. "Hold harmless" provisions of Nevada Revised Statutes (NRS) 387.1233 allow school districts to continue claiming the higher prior year enrollment number the first year after a decline in enrollment. The "hold harmless" provision is intended to give districts a "soft landing" and more time to prepare for loss of state funding and related staff reductions.

Although the original per pupil funding has been significantly reduced (\$205 per pupil) by the Special Session of the Legislature, the total DSA amount is more than the prior year by \$15 million. This is mainly due to the fact that the DSA has to cover the decreases to the LSST of \$18 million.

For the Tentative Budget the calculation is as follows:

Weighted Enrollment	60,431.8
Basic Support per Pupil	<u>\$5,257</u>
Total Basic Support	\$317,689,973
Less LSST	(115,602,580)
Less 1/3 Ad Valorem Tax	(31,984,510)
Less Charter School Revenue	(3,907,114)
Add Counselor Funding	<u>50,000</u>
Total DSA	<u>\$166,245,769</u>

Source Data: State Department of Education per Pupil Calculation.

Federal Sources:

- **Forest Reserve** - Washoe County's portion of the revenue received from the Federal government for the sale of forest products, minerals, and land use for national forests that are located in our state.
- **National Energy PL 95-619 (E-Rate Refund)** – Federal program that provides discounts in telecommunications services to schools and libraries.

- **Impact Aid** – Public Law (P.L.) 81-874 provides revenue to the District from the Federal government for Federal properties located within Washoe County that are exempt from county property taxes. The distribution of funds is based upon the number of children enrolled in our District whose parents are employed by and work on those exempt properties.

Other Sources:

- **Sale of Fixed Assets** – Proceeds from sale of District surplus vehicles and equipment.

Opening Fund Balance:

- **Reserved** – This is the amount that represents the amount earmarked in the prior year for use in the current year and includes the value of the inventories, and designations for the computer refresh program, maintenance of effort for special education, property taxes for revaluation of Incline properties, budget uncertainties and special education transfer. A reduction of funds is attributable to the computer refresh and the budget uncertainty designations while an increase in funding has occurred related to the special education transfer designation.
- **Unreserved** – This is the sum of all other funds remaining after expenditures and reserves have been subtracted from revenues in the preceding year. The amount is \$8.1 million lower as that portion was used to cover budget reductions in the prior year.

APPLICATIONS (page 13):

All existing programs for fiscal year 2009-10 are provided for in the fiscal year 2010-11 budget including rollups for employee movement on salary schedules. In addition, some fixed and mandatory related increases have also been added.

The increases and decreases to each of the expenditure categories are due a combination of the various expenditure changes listed on page 10 of this report. A brief description of the expenditure categories utilized in the budget follows.

- **Regular Instructional Programs** - Expenditures associated with providing direct instruction to students consisting mostly of salaries and benefits for teachers, teacher aides and assistants, as well as other direct instruction costs for supplies, textbooks and equipment.
- **Vocational Programs** - Expenditures associated with providing learning experiences to individuals to develop the necessary knowledge, skills, and attitudes needed for employment in an occupational area.
- **Other Instructional Programs** – Expenditures for the cost of operating the District's English as a Second Language (ESL) program and the summer school program

- **Co/Extra-Curricular Programs** - Expenditures for activities that typically take place outside the traditional classroom. Included are costs for athletics; including coaches, officials, dues, administration and transportation; band, choir and other extra curricular activities.
- **Student Support Services** – Expenditures to assess and improve the well-being of students and to supplement the teaching process, including counselors, psychologists, nurses & clinical aides, attendance, and related supplies and equipment.
- **Instruction Support Services** - Expenditures associated with assisting the instructional staff with the content and process of providing learning experiences for students including costs for curriculum support, librarians, library assistants, student assessment, staff training and related supplies and equipment.
- **General Administration** – Expenditures concerned with establishing and administering policy for operating the district including costs for the superintendent, assistant superintendents, Board of Trustees, legal counsel, community/state/federal relations and related supplies and equipment.
- **School Administration** - Expenditures for the overall administrative responsibility for a school including salaries and benefits for school principals, vice-principals, school secretaries and clerks and related supplies and equipment for the school offices.
- **Central Services** – Expenditures that support other administrative and instructional functions including fiscal services, human resources, planning and administrative information technology. Other costs include purchasing, printing, risk management, grant services, public information services, internal audit, research and evaluation and the related supplies and equipment.
- **Operations/Maintenance of Plant** - Expenditures related to keeping the physical plant open, comfortable and safe including the costs for custodians, maintenance workers, school police, building maintenance, grounds maintenance, equipment repair, all utilities and the related supplies and equipment.
- **Student Transportation** - Expenditures for the costs related to pupil transportation including bus drivers, mechanics, support personnel, vehicle repair and maintenance, gasoline and related supplies and equipment.
- **Interfund Transfers** – Funds that are transferred from the General Fund to other funds such as the Insurance Trust Fund, Debt Service Fund, Special Education Fund, Nutrition Services Fund and Capital Projects Fund.
- **Contingency** – Funds reserved for future use for unforeseen circumstances.
- **Unresolved Budget Shortfall** – This represents the excess of anticipated expenditures beyond anticipated revenues.

Ending Fund Balance:

- ***Reserved and Designations*** – These represent balances set aside for other obligations or commitments. The reserved is for the value of the inventories on hand at the end of the year, while the designations earmark prior year savings or commitments for maintenance of effort for special education, the Incline area property tax adjustment, budget uncertainties and special education transfer.
- ***Unreserved*** – This is the sum of all other funds remaining after expenditures have been subtracted from revenues in the budget year. Washoe County School Board Regulation 3120 requires budgeted minimum unreserved/undesignated ending fund balance of 2% of expenditures and transfers out. The Tentative Budget amount is 3.42% before any resolution of the budget shortfall.

OTHER DISTRICT FUNDS

The District maintains funds other than the General Fund. The Tentative Budget reflects the anticipated revenues and expenditures for all of the District's funds to continue programs related to those funds. Separate funds are utilized to identify various operations of the District and account for specified revenue sources, which can only be used for specific purposes. A description of the various funds included in the Tentative Budget follows.

Building and Sites Fund (page 14)

This fund accounts for the proceeds from sales of District property and the expenditures allowable with these proceeds. The ending balance accounts for amounts transferred from the General Fund (less year to date costs) for an administration building.

Capital Projects Fund (page 15)

This fund accounts for the District's resources and expenditures for capital projects. The local sources are from Government Services Tax which are anticipated to decline for FY11 and the opening fund balance is also from prior year Government Service Tax collections. The opening fund balance is less than the prior year as all the proceeds from the 2010 bond issuance are available for expenditure in FY10.

The Government Services Tax is primarily utilized for environmental, government mandated, portable classroom and remodel issues (asbestos, mold, lead, underground storage tanks, backflow prevention, ADA accessibility, salary related to government compliance, etc.) unless otherwise approved.

Special Revenue Funds (page 16)

This fund accounts for the District's resources and expenditures for all grants, adult education, other non-general fund special state appropriations, and other special revenues. Since the grants received from year to year can vary in amount and nature,

the budget typically reflects amounts similar to the prior year. Also, because the State does not require a budget augmentation to spend grant money, any amounts received above those budgeted are, by law, authorized to be spent.

The change to the transfer out category is attributed to the Pre-Funded Retiree Health Benefits Fund as \$6.5 million was budgeted for transfer in the prior year and \$2.2 million for FY11, which closes out this fund as planned.

Special Education Fund (page 17)

This fund accounts for the District's resources and expenditures for providing special educational programs of the District. The fund accounts for the direct costs to teach, transport, and provide related services for Special Education students.

The increase to the transfer in is from the General Fund and is necessary to cover the increase to expenditures. The increase to expenditures is mainly attributable to the restoration of special education salaries and benefits of \$5.4 million that was paid by ARRA funds in the prior year and to salary rollups of \$0.9 million.

Class Size Reduction Fund (page 17)

This fund accounts for the District's resources and expenditures of State money provided to reduce class sizes in kindergarten, first, second and third grades. No increase in funding was provide by the State for FY11. Therefore, the rollup cost of \$360,000 for the fund must be covered by the General Fund. The special session of the legislature approved class-size flexibility to assist with meeting budget reductions.

Debt Service Fund (page 18)

This fund accounts for the District's revenues and expenditures related to retiring bond and other debt. The District receives revenues, after tax cap abatements, from property tax assessed at \$.3885 per \$100 of assessed valuation on all of the property in Washoe County to utilize for bond debt retirement. In addition, a transfer will be made from the District's General Fund to pay for medium term debt for buses, energy retrofits, QZAB's, and PLATO.

Internal Service Fund (page 19)

This fund accounts for transactions relating to the District's risk management services for property and casualty insurance, health insurance and workers' compensation. A transfer is made from the General Fund to cover the cost for the retiree subsidy in the Health Insurance Trust Fund.

Because the funds have sufficient reserves, the premiums charged for worker's compensation and property and casualty insurance have remained reduced resulting in a savings to the General Fund and other Funds. However, because of inflationary factors on expenses (increase of \$4.3 million over the prior year), the premium reductions cannot be sustained as the reserves are rapidly depleting (note net loss for the year of \$11 million). Therefore, premiums will have to be restored in FY12.

Food Service Fund (page 20)

This enterprise fund accounts for the District's resources and expenditures for the food service program. The District is in the process of determining the ultimate direction for the program as an item is to be discussed at the April 6, 2010 Board meeting. In the interim, the budget is projected to be the same as the prior year until more information is known.

Other Post Employment Benefits (OPEB) Trust Fund (page 21)

This trust fund accounts for funds used to pay for healthcare and life insurance costs for qualified District retirees.

WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND TENTATIVE BUDGET SUMMARY
FISCAL YEAR 2010-11

Revenue Increases (Decreases)			
	Ad Valorem		(9,614,745)
	L.S.S.T.		(18,263,436)
	Government Services Tax		(1,800,000)
	DSA Apportionments		15,326,406
	Transfer From Other Funds		(4,300,000)
	Designated for PC Refresh		(1,700,000)
	Designated for Budget Uncertainties		(3,838,476)
	Designated for Special Ed Transfer		2,955,258
	Unreserved		(8,124,562)
	Total Increased Revenues		(29,359,555)
Expenditure Increases (Decreases)			
	2% Rollup		\$5,814,858
	CSR Rollup		358,687
	FDK Rollup		81,253
	Teacher Reduction for Enrollment Decrease		(2,643,101)
	Unemployment		400,000
	Sustitutes/Extra Duty		435,330
	MTYR Adjustments		280,923
	ESIP		205,032
	Sickleave		(160,659)
	PEBP Savings for AB286		(1,440,000)
	Health Insurance Holiday Premium (add'l savings)		(1,100,000)
	OPEB/PEBP Allocation to Other Funds		(800,000)
	SESIP Cost Reversal		(1,055,741)
	Life Insurance Decrease		(278,000)
	On Call Librarians		340,000
	Central Reorganization		400,203
	Worker's Compensation Adj		(24,519)
	Utility Savings		(1,132,797)
	Bus Leases		372,000
	Fixed/Mandated Increases		988,361
	Debt Service Fund Transfer		(28,461)
	Insurance Trust Fund Transfer		(235,322)
	Special Education Transfer (see below)		6,570,242
	Designated for Maintenance of Effort		(5,000,000)
	Designated For SE Transfer		(2,955,258)
	Ending Fund Balance		0
	Total Decreased Expenditures		(\$606,969)
Net Revenues and Expenditures Changes (Budget Shortfall)			(28,752,586)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Local Sources:			
Ad Valorem Tax	\$ 105,568,274	\$ 95,953,529	\$ (9,614,745)
L.S.S.T.	133,866,016	115,602,580	(18,263,436)
Franchise Taxes	300,000	300,000	0
Government Services Tax	13,000,000	11,200,000	(1,800,000)
Rev In Lieu of Taxes	230,000	230,000	0
Regular Tuition	250,000	250,000	0
Summer School	800,000	800,000	0
Other Tuition	145,000	145,000	0
Transportation	325,000	325,000	0
Earnings on Investments	650,000	650,000	0
Student Activities Revenue	110,000	110,000	0
Other Local Revenue	583,000	583,000	0
Indirect Cost Revenue	2,000,000	2,000,000	0
Grants Administration Revenue	400,000	400,000	0
Salary Reimbursements	1,545,000	1,545,000	0
	<u>\$ 259,772,290</u>	<u>\$ 230,094,109</u>	<u>\$ (29,678,181)</u>
State Sources:			
DSA Apportionments	\$ 150,919,363	\$ 166,245,769	\$ 15,326,406
Special Appropriations	0	0	0
	<u>\$ 150,919,363</u>	<u>\$ 166,245,769</u>	<u>\$ 15,326,406</u>
Federal Sources:			
Forest Reserve	\$ 6,000	\$ 6,000	\$ -
E-Rate Refund	320,000	320,000	0
P.L. 81-874	190,000	190,000	0
	<u>\$ 516,000</u>	<u>\$ 516,000</u>	<u>\$ -</u>
Other Sources:			
Sale of Fixed Assets	\$ 50,000	\$ 50,000	\$ -
Transfer From Other Funds	6,500,000	2,200,000	(4,300,000)
Lease Proceeds	0	0	0
	<u>\$ 6,550,000</u>	<u>\$ 2,250,000</u>	<u>\$ (4,300,000)</u>
Opening Fund Balance:			
Reserved for Inventory	\$ 1,096,435	\$ 1,096,435	\$ -
Designated for PC Refresh	1,700,000	0	(1,700,000)
Designated for Maintenance of Effort	5,000,000	5,000,000	0
Designated for Property Taxes	6,000,000	6,000,000	0
Designated for Budget Uncertainties	11,669,812	7,831,336	(3,838,476)
Designated for Special Ed Transfer	0	2,955,258	2,955,258
Unreserved	23,017,105	14,892,543	(8,124,562)
	<u>\$ 48,483,352</u>	<u>\$ 37,775,572</u>	<u>\$ (10,707,780)</u>
TOTAL RESOURCES	<u>\$ 466,241,005</u>	<u>\$ 436,881,450</u>	<u>\$ (29,359,555)</u>

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
APPLICATIONS			
Expenditures:			
Instruction	\$ 203,434,327	\$ 200,985,290	\$ (2,449,037)
Vocational Education	7,911,083	8,044,782	133,699
Other Instructional	13,084,077	13,268,706	184,629
Co/Extra - Curricular	4,338,560	4,468,852	130,292
Student Support Services	26,391,876	26,902,791	510,915
Instruction Support Services	12,925,618	13,469,598	543,980
General Administration	4,849,040	5,907,220	1,058,180
School Administration	32,624,575	33,171,551	546,976
Central Services	20,862,196	21,299,386	437,190
Operation and Maintenance	51,982,292	51,372,983	(609,309)
Student Transportation	14,639,576	15,193,890	554,314
	<u>\$ 393,043,220</u>	<u>\$ 394,085,050</u>	<u>\$ 1,041,830</u>
Other Financing Uses:			
Debt Service Fund Transfer	\$ 3,619,477	\$ 3,591,016	(28,461)
Insurance Trust Fund Transfer	2,109,262	1,873,940	(235,322)
Special Education Transfer	28,291,197	34,861,439	6,570,242
Nutrition Services Fund Transfer	250,000	250,000	0
Capital Projects Fund Transfer	59,000	59,000	0
Contingency	1,093,277	1,093,277	0
Unresolved Budget Shortfall	0	(28,752,586)	(28,752,586)
	<u>\$ 35,422,213</u>	<u>\$ 12,976,086</u>	<u>\$ (22,446,127)</u>
Ending Fund Balance:			
Reserved	\$ 1,096,435	\$ 1,096,435	0
Designated for Maintenance of Effort	5,000,000	0	(5,000,000)
Designated For Property Tax	6,000,000	6,000,000	0
Designated for Budget Uncertainties	7,831,336	7,831,336	0
Designated For Special Education Transfe	2,955,258	0	(2,955,258)
Unreserved	14,892,543	14,892,543	0
	<u>\$ 37,775,572</u>	<u>\$ 29,820,314</u>	<u>\$ (7,955,258)</u>
TOTAL APPLICATIONS	<u>\$ 466,241,005</u>	<u>\$ 436,881,450</u>	<u>\$ (29,359,555)</u>
	0	0	

**WASHOE COUNTY SCHOOL DISTRICT
BUILDING & SITES FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local Sources:			
Earnings on Investments	\$ 50,000	\$ 10,000	\$ (40,000)
Other Local Revenue-Rent	30,000	30,000	-
	<u>\$ 80,000</u>	<u>\$ 40,000</u>	<u>\$ (40,000)</u>
State Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Federal Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Sources:			
Transfers In	\$ -	\$ -	\$ -
Sale of Bonds	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenue	<u>\$ 80,000</u>	<u>\$ 40,000</u>	<u>\$ (40,000)</u>
Opening Fund Balance:			
Reserved	<u>\$ 3,215,355</u>	<u>\$ 3,265,355</u>	<u>\$ 50,000</u>
TOTAL ALL RESOURCES	<u><u>\$ 3,295,355</u></u>	<u><u>\$ 3,305,355</u></u>	<u><u>\$ 10,000</u></u>
APPLICATIONS			
Expenditures:			
Business Support	\$ -	\$ -	\$ -
Central Support	-	-	-
Land Acquisitions	-	-	-
Site Improvements	-	-	-
Architecture/Engineering Svcs	-	-	-
Educational Specs Devel	-	-	-
Building Acquisition & Const	-	-	-
Building Improvements	30,000	30,000	-
	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ -</u>
Other Financing Uses:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Fund Balance:			
Reserved	<u>\$ 3,265,355</u>	<u>\$ 3,275,355</u>	<u>\$ 10,000</u>
TOTAL APPLICATIONS	<u><u>\$ 3,295,355</u></u>	<u><u>\$ 3,305,355</u></u>	<u><u>\$ 10,000</u></u>

**WASHOE COUNTY SCHOOL DISTRICT
CAPITAL PROJECTS FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local Sources:			
Gov't Svcs Tax	\$ 3,400,000	\$ 3,000,000	\$ (400,000)
Earnings on Investments	100,000	6,000	(94,000)
Other Local Revenue	-	-	-
	<u>\$ 3,500,000</u>	<u>\$ 3,006,000</u>	<u>\$ (494,000)</u>
State Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Federal Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Sources:			
Transfers In	\$ 59,000	\$ 59,000	\$ -
Sale of Bonds	-	-	-
	<u>\$ 59,000</u>	<u>\$ 59,000</u>	<u>\$ -</u>
Total Revenue	<u>\$ 3,559,000</u>	<u>\$ 3,065,000</u>	<u>\$ (494,000)</u>
Opening Fund Balance:			
Reserved	\$ -	\$ -	\$ -
Unreserved	19,778,123	3,575,952	(16,202,171)
	<u>\$ 19,778,123</u>	<u>\$ 3,575,952</u>	<u>\$ (16,202,171)</u>
TOTAL ALL RESOURCES	<u><u>\$ 23,337,123</u></u>	<u><u>\$ 6,640,952</u></u>	<u><u>\$ (16,696,171)</u></u>
APPLICATIONS			
Expenditures:			
Central Services	\$ 6,540,662	\$ -	\$ (6,540,662)
Architecture/Engineering Svcs	2,278,850	1,317,655	(961,195)
Building Acquisition & Const	2,742,750	-	(2,742,750)
Site Improvments	400,125	200,000	(200,125)
Building Improvements	10,625,775	1,488,345	(9,137,430)
	<u>\$ 22,588,162</u>	<u>\$ 3,006,000</u>	<u>\$ (19,582,162)</u>
Other Financing Uses:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Fund Balance:			
Reserved	\$ -	\$ -	\$ -
Unreserved	748,961	3,634,952	2,885,991
	<u>\$ 748,961</u>	<u>\$ 3,634,952</u>	<u>\$ 2,885,991</u>
TOTAL APPLICATIONS	<u><u>\$ 23,337,123</u></u>	<u><u>\$ 6,640,952</u></u>	<u><u>\$ (16,696,171)</u></u>

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL REVENUE FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local	\$ 4,159,653	\$ 2,301,053	\$ (1,858,600)
State	9,623,386	11,082,669	1,459,283
Federal	44,971,739	41,121,743	(3,849,996)
Transfers In	0	0	0
Total Revenue	<u>\$ 58,754,778</u>	<u>\$ 54,505,465</u>	<u>\$ (4,249,313)</u>
Opening Fund Balance:			
Reserved	\$ -	\$ -	\$ -
Unreserved	9,764,889	4,527,039	(5,237,850)
Total Opening Fund Balance:	<u>\$ 9,764,889</u>	<u>\$ 4,527,039</u>	<u>\$ (5,237,850)</u>
TOTAL ALL RESOURCES	<u>\$ 68,519,667</u>	<u>\$ 59,032,504</u>	<u>\$ (9,487,163)</u>
APPLICATIONS			
Expenditures by Function:			
Other Instructional Programs	\$ 27,372,538	\$ 36,796,868	\$ 9,424,330
Special Programs	14,421,010	12,758,973	(1,662,037)
Vocational Programs	1,381,454	1,288,510	(92,944)
Adult Education Programs	910,503	2,060,729	1,150,226
Community Service Programs	1,039,932	1,346,218	306,286
Student Support Services	3,032,475	384,711	(2,647,764)
Instruction Support Services	8,697,825	3,200	(8,694,625)
General Administration	455,000	298,500	(156,500)
School Administration	912,612	0	(912,612)
Central Services	231,309	0	(231,309)
Operation and Maintenance	206,652	15,000	(191,652)
Other Support	346,030	0	(346,030)
	<u>\$ 59,007,340</u>	<u>\$ 54,952,709</u>	<u>\$ (4,054,631)</u>
Other Uses:			
Transfers Out	\$ 6,500,000	\$ 2,200,000	\$ (4,300,000)
Contingency	0	0	0
	<u>\$ 6,500,000</u>	<u>\$ 2,200,000</u>	<u>\$ (4,300,000)</u>
Ending Fund Balance:			
Reserved	\$ 0	\$ 0	\$ -
Unreserved	3,012,327	1,879,795	(1,132,532)
	<u>\$ 3,012,327</u>	<u>\$ 1,879,795</u>	<u>\$ (1,132,532)</u>
TOTAL APPLICATIONS	<u>\$ 68,519,667</u>	<u>\$ 59,032,504</u>	<u>\$ (9,487,163)</u>

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
State Sources:	\$ 22,906,368	\$ 22,906,368	\$0
Transfers In	\$ 28,291,197	\$ 34,861,439	\$ 6,570,242
TOTAL RESOURCES	<u>\$ 51,197,565</u>	<u>\$ 57,767,807</u>	<u>\$ 6,570,242</u>

APPLICATIONS

Expenditures:

Instruction	\$ 41,276,357	\$ 47,701,247	\$ 6,424,890
Student Support Services	1,976,547	2,009,640	33,093
Instruction Support Services	920,961	936,502	15,541
School Administration	315,474	321,259	5,785
Central Services	11,665	11,665	0
Operation and Maintenance	63,316	64,401	1,085
Student Transportation	6,633,245	6,723,093	89,848
TOTAL APPLICATIONS	<u>\$ 51,197,565</u>	<u>\$ 57,767,807</u>	<u>\$ 6,570,242</u>

**WASHOE COUNTY SCHOOL DISTRICT
CLASS SIZE REDUCTION FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Revenue:			
State	\$ 19,778,057	\$ 19,778,057	\$ 0
Other	0	0	0
Total Revenue	<u>\$ 19,778,057</u>	<u>\$ 19,778,057</u>	<u>\$ 0</u>
Transfers In	\$ 0	\$ 0	\$ 0
TOTAL ALL RESOURCES	<u>\$ 19,778,057</u>	<u>\$ 19,778,057</u>	<u>\$ 0</u>
APPLICATIONS			
Expenditures by Function:			
Instruction	\$ 19,778,057	\$ 19,778,057	\$ 0
Other	0	0	0
TOTAL APPLICATIONS	<u>\$ 19,778,057</u>	<u>\$ 19,778,057</u>	<u>\$ 0</u>

**WASHOE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
RESOURCES			
Combined Bonds:			
Ad Valorem Taxes	\$ 55,945,530	\$ 50,143,175	\$ (5,802,355)
Earnings on Investments	1,123,975	1,200,000	76,025
Net Incr (Dec) In FMV	0		0
Proceeds From Refunding	0		0
Proceeds From Bond Issuance	0		0
	<u>\$ 57,069,505</u>	<u>\$ 51,343,175</u>	<u>\$ (5,726,330)</u>
Opening Fund Balance	<u>\$ 65,297,914</u>	<u>\$ 71,431,443</u>	<u>\$ 6,133,529</u>
Subtotal - Combined Bonds	<u>\$ 122,367,419</u>	<u>\$ 122,774,618</u>	<u>\$ 407,199</u>
Medium-Term Financing:			
Earnings on Investments	\$ 20,000	\$ 20,000	\$ -
Proceeds From Refunding	0	0	0
Transfers In	3,619,477	3,591,016	(28,461)
	<u>\$ 3,639,477</u>	<u>\$ 3,611,016</u>	<u>\$ (28,461)</u>
Opening Fund Balance	<u>\$ 2,995,788</u>	<u>\$ 3,930,590</u>	<u>\$ 934,802</u>
Subtotal - Combined Bonds	<u>\$ 6,635,265</u>	<u>\$ 7,541,606</u>	<u>\$ 906,341</u>
TOTAL RESOURCES	<u><u>\$ 129,002,684</u></u>	<u><u>\$ 130,316,224</u></u>	<u><u>\$ 1,313,540</u></u>
APPLICATIONS			
Combined Bonds			
Principal	\$ 30,945,000	\$ 31,945,000	\$ 1,000,000
Interest	23,831,171	24,005,784	174,613
Coupon Redemption	0	0	0
Other Costs	100,000	100,000	0
Payments - Refunded Debt	0		0
Reserves (Inc Unapprop Bal)	67,491,248	66,723,834	(767,414)
Subtotal Combined Bonds	<u>\$ 122,367,419</u>	<u>\$ 122,774,618</u>	<u>\$ 407,199</u>
Medium-Term Financing:			
Principal	\$ 2,664,116	\$ 2,696,206	\$ 32,090
Interest	536,553	476,002	(60,551)
Payments - Refunded Debt	0		0
Reserves (Inc Unapprop Bal)	3,434,596	4,369,398	934,802
Subtotal Combined Bonds	<u>\$ 6,635,265</u>	<u>\$ 7,541,606</u>	<u>\$ 906,341</u>
TOTAL APPLICATIONS	<u><u>\$ 129,002,684</u></u>	<u><u>\$ 130,316,224</u></u>	<u><u>\$ 1,313,540</u></u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
Operating Revenue			
Premiums Collected	\$ 59,086,838	\$ 59,023,909	\$ (62,929)
Total Operating Revenue	<u>\$ 59,086,838</u>	<u>\$ 59,023,909</u>	<u>\$ (62,929)</u>
Operating Expenses			
Salaries and Benefits	\$ 244,232	\$ 244,232	\$ 0
Employee Benefits	57,478,006	62,030,274	4,552,268
Services and Supplies	10,525,121	10,322,992	(202,129)
Total Operating Expense	<u>\$ 68,247,359</u>	<u>\$ 72,597,498</u>	<u>\$ 4,350,139</u>
Operating Income (Loss)	\$ (9,160,521)	\$ (13,573,589)	\$ (4,413,068)
Nonoperating Revenues			
Interest Earned	\$ 434,000	\$ 377,412	\$ (56,588)
Subsidies, FEMA and Medicare Part D	300,000	300,000	0
	<u>\$ 734,000</u>	<u>\$ 677,412</u>	<u>\$ (56,588)</u>
Nonoperating Expenses			
Interest Expense	\$ 0	\$ 0	\$ 0
Total Nonoperating Expense	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Income Before Operating Transfers	\$ (8,426,521)	\$ (12,896,177)	\$ (4,469,656)
Operating Transfers			
IN	\$ 2,109,262	\$ 1,873,940	\$ (235,322)
OUT	0	0	0
Net Operating Transfers	<u>\$ 2,109,262</u>	<u>\$ 1,873,940</u>	<u>\$ (235,322)</u>
Net Income (Loss)	(\$6,317,259)	(\$11,022,237)	\$ (4,704,978)
Opening Retained Earnings	32,553,886	27,147,841	(5,406,045)
Ending Retained Earnings	<u>\$26,236,627</u>	<u>\$16,125,604</u>	<u>(\$10,111,023)</u>

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES FUND BUDGET COMPARISON
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	Budget FY10	Tentative FY11	Change
Operating Revenue			
Food Service Revenues	\$ 6,370,279	\$ 6,370,279	\$ 0
Total Operating Revenue	\$ 6,370,279	\$ 6,370,279	\$ 0
Operating Expenses			
Salaries	\$ 6,203,786	\$ 6,203,786	\$ 0
Benefits	1,576,884	1,576,884	0
Purchased Service	942,721	942,721	0
Supplies	8,570,567	8,570,567	0
Depreciation	104,302	104,302	0
Other	371,125	371,125	0
Total Operating Expense	\$ 17,769,385	\$ 17,769,385	\$ 0
Operating Income (Loss)	\$ (11,399,106)	\$ (11,399,106)	\$ 0
Nonoperating Revenues			
State Matching Funds	\$ 0	\$ 0	\$ 0
Federal School Feeding Program	11,721,215	11,721,215	0
	\$ 11,721,215	\$ 11,721,215	\$ 0
Nonoperating Expenses			
Interest Expense	\$ 0	\$ 0	\$ 0
	0	0	0
Total Nonoperating Expense	\$ 0	\$ 0	\$ 0
Net Income Before Operating Transfers	\$ 322,109	\$ 322,109	\$ 0
Operating Transfers			
IN	\$ 250,000	\$ 250,000	\$ 0
OUT	0	0	0
Net Operating Transfers	\$ 250,000	\$ 250,000	\$ 0
Net Income	\$572,109	\$572,109	\$ 0
Opening Retained Earnings	3,381,039	3,953,148	572,109
Ending Retained Earnings	\$3,953,148	\$4,525,257	\$572,109

**WASHOE COUNTY SCHOOL DISTRICT
OPEB TRUST FUND
FISCAL YEAR 10 vs FISCAL YEAR 11 BUDGET**

	<u>Budget FY10</u>	<u>Tentative FY11</u>	<u>Change</u>
Additions			
Contributions by Employer	\$ 16,068,000	\$ 11,766,000	\$ (4,302,000)
Earnings (loss) on investments	\$ 863,000	\$ 1,016,432	153,432
Total Additions	<u>\$ 16,931,000</u>	<u>\$ 12,782,432</u>	<u>\$ (4,148,568)</u>
Deductions			
Benefits	\$ 9,637,000	\$ 12,782,432	\$ 3,145,432
Total Deductions	<u>\$ 9,637,000</u>	<u>\$ 12,782,432</u>	<u>\$ 3,145,432</u>
Net Increase	\$ 7,294,000	\$ 0	\$ (7,294,000)
Net Assets Held in Trust for OPEB			
Beginning July 1	8,900,000	20,328,638	11,428,638
Ending June 30	<u>\$ 16,194,000</u>	<u>\$ 20,328,638</u>	<u>\$ 4,134,638</u>