

WASHOE COUNTY SCHOOL DISTRICT

Reno, Nevada

June 24, 2008

TITLE: Augmentation and Approval of Transfers for the Fiscal Year 2007-08 Budget

FROM: Gary S. Kraemer, Chief Financial Officer

PRESENTER(S) & PRESENTATION TIME: Gary S. Kraemer, Chief Financial Officer, 20 minutes

DATE REPORT WRITTEN: June 23, 2008

SUMMARY: A cover memo recommending approval of the Fiscal Year 2007-08 Augmented Budget was submitted on June 11, 2008. This item provides the resolution to augment the Fiscal Year 2007-08 budget along with the schedules and narrative explaining the changes.

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.)*

Board approval of Fiscal Year 2007-08 Augmented Budget on December 18, 2007.

BACKGROUND: The augmentation and transfer of the budget is a routine item that is performed at the end of each Fiscal Year in order to comply with numerous Nevada Revised Statutes relating to financial administration.

LEGAL: NRS 354.598005 allows the Board to augment the budget.

FINANCIAL: The augmentation and approval of transfers allows the District to comply with financial administration statutes and aligns the budget in accordance with specific revenue sources, Board approvals, negotiated agreements and other financial occurrences.

BOARD POLICY/DISTRICT GOAL: District Goal #3 - Blueprint for Student Success - Ensuring Community Collaboration and Goal #5 - Developing Efficient and Effective Support Operations.

ALTERNATIVES: Without taking specific action the District may be out of compliance with financial administration statutes and any additional resources could not be utilized.

SUPERINTENDENT RECOMMENDATION: That the Board of Trustees adopt the resolution to augment the Fiscal Year 2007-08 budget and approve transfers as proposed.

**RESOLUTION TO AUGMENT THE 2007-08 BUDGET
OF THE WASHOE COUNTY SCHOOL DISTRICT**

WHEREAS, the General Fund revenue is being reduced by \$876,965 and there is a need to apply this reduction; and

WHEREAS, the Capital Projects Fund is being augmented by \$57,815,953 by utilizing additional revenue and there is a need to apply this increase; and

WHEREAS, the Bond Extraordinary Maintenance Fund is being augmented by \$26,000 by utilizing additional revenue and there is a need to apply this increase; and

WHEREAS, the Special Education Fund revenue is being reduced by \$597,127 and there is a need to apply this reduction; and

WHEREAS, the Special Revenue Fund revenue is being reduced by \$2,267,508 and there is a need to apply this reduction; and

WHEREAS, the Internal Service Fund revenue is being reduced by \$26,350 and there is a need to apply this reduction; and

WHEREAS, the Food Service Fund is being augmented by \$1,211,484 by utilizing additional revenue and ending retained earnings and there is a need to apply this increase; and

WHEREAS, the OPEB Trust Fund is being augmented by \$7,846,303 by utilizing additional contributions and there is a need to apply this increase:

Now, therefore it is hereby RESOLVED, that the Washoe County School District shall augment its Fiscal Year 2007-08 budget by appropriating the revenues cited above, thereby increasing its appropriations by the amounts cited above. A detailed schedule is attached to this Resolution and by reference is made a part thereof.

IT IS FURTHER RESOLVED, that Clerk Lezlie Porter shall forward the necessary documents to the Department of Taxation, State of Nevada.

PASSED, ADOPTED AND APPROVED the 24th day of June 2008.

AYES: _____

NAYES: _____

ABSENT: _____

By: _____
President

Attest: _____
Clerk

FUNDS BEING AUGMENTED & TRANSFERS

The augmentation and transfer of the budget is a routine item that is performed at the end of each Fiscal Year in order to comply with numerous Nevada Revised Statutes relating to financial administration. Most notably, NRS 354.626 makes it unlawful for a governing body to expend any money in excess of the amounts appropriated for any function. In order to comply with this statute a thorough analysis of all District funds is performed to determine what the anticipated expenditures will be. Based on this analysis a budget plan is prepared, contingent upon Board approval, to ensure compliance with these statutes.

The statutes provide a means to address anticipated expenditures in excess of appropriated amounts. First, NRS 354.598005 permits the governing body to augment the budget. A budget augmentation is a procedure for increasing appropriations of a fund with the express intent of employing previously unbudgeted resources of the fund for carrying out the increased appropriations. Next, NRS 354.598005 allows for transfers of budget appropriations. This statute allows the person designated to administer the budget to make transfers within a fund prior to notifying the governing body if the transfer does not increase the total appropriations for the fiscal year. This statute also allows the governing body to authorize the transfer of appropriations between funds or from the contingency account upon the recommendation of the person designated to administer the budget.

The above resolution provides for the augmentation of the District's General Fund, Capital Projects Fund, Bond Extraordinary Maintenance Fund, Special Education Fund, Special Revenue Fund, Internal Service Fund, Food Service Fund and OPEB Trust Fund. In addition, transfers between functional accounts have been made for the General Fund, Capital Projects Fund, Special Education Fund and Special Revenue Fund.

GENERAL FUND (Page 6 & 7)

The augmentations and transfers to the General Fund are necessary for four purposes: 1) Present routine transfers of budget appropriations; 2) Recognize the Governor's budget reductions; 3) Recognize the transfers of appropriations related to the charge for the District's annual required contribution (ARC) for OPEB; and 4) Approve a transfer from the contingency account to fund budget priorities (the transfer will be made from the District's General Fund contingency account (10-0-52-6990) and be placed in the ending fund balance designated for budget priorities account (10-0-52-0778) in the amount of \$831,021). Board approval for the contingency transfer is part of the Superintendent's recommendation.

The augmentations to General Fund revenues are shown on page 6. The revenues are actually shown to decrease by \$876,965. This is due to a combination of changes. The first changes are to LSST (-\$12,603,948), Government Services Tax (-\$1,000,000), Earnings on Investments (+\$1,035,917) and DSA (+\$12,568,031) all of which offset each other and net to \$0. The only other change is to recognize a decrease to the DSA (-\$876,965) related to the Governor's budget reductions. The reduction to the DSA revenue will be offset by a corresponding reduction to the ending fund balance of \$876,965.

The decrease to LSST is to reflect the economic downturn and its impact on sales tax. The State however, makes up for this and therefore the DSA Apportionment category will increase.

A summary of the transfers being made is as follows:

	<u>From</u>	<u>To</u>	<u>Net</u>
Instruction	(8,115,473)	10,299,072	2,183,599
Occupational Education	(2,013,834)	257,038	(1,756,796)
Summer School	(200,000)	206,051	6,051
Athletics	(105,000)	192,649	87,649
Student Support	(1,614)	1,142,748	1,141,134
Instructional Staff Support	(434,077)	1,775,463	1,341,386
General Administration	(5,000)	422,436	417,436
School Administration	(675)	1,121,984	1,121,309
Business Administration	(28,114)	186,475	158,361
Operation and Maintenance	(810,535)	1,124,656	314,121
Transportation	(252,886)	760,710	507,824
Central Support	(178,707)	280,108	101,401
Transfers	<u>(5,926,350)</u>	<u>302,875</u>	<u>(5,623,475)</u>
Total	<u>(18,072,265)</u>	<u>18,072,265</u>	<u>0</u>

The large transfer amounts are mainly due to the transfer of \$11,459,735 in existing funds to recognize the OPEB charge to fund the District's ARC and \$3,160,000 to recognize the consortium grant expenditures made as part of the District's solution to the Governor's budget reductions. A more detailed analysis of the transfers is included on Page 15.

As page 15 indicates, the transfers are related to routine transfers, Governor's budget reduction and funding OPEB. The largest of the routine transfers was for \$2,000,000 being transferred from the Occupational Education category to the Instructional category. These funds were originally allocated for the possible changes related to reclassify teachers from the instruction category to the occupational education category but the change did not result in the anticipated increase. The Instructional Staff Support category will experience salary savings of \$270,000 and those savings were transferred to the Student Support category to cover salaries in excess of originally anticipated amounts. In addition, \$95,000 was transferred from the Instructional Staff Support category to the Instruction category for advanced placement costs to properly account for those costs. The Operation and Maintenance category was decreased by \$300,000 for utility savings and \$150,000 for salary savings. The amounts were transferred the Student Transportation category to provide for a contingency for gasoline of \$200,000 and salaries of \$150,000 and to the transfers account to provide for gasoline cost for the Special Education Fund transportation costs for gasoline. \$188,000 was also transferred from the Student Transportation category to the Special Education Fund to for gasoline.

The Budget Reductions column on the transfers summary represents the use of \$2,500,000 for the textbook reduction, \$200,000 salary savings for Summer School, \$360,000 salary savings in Operation/Maintenance and \$100,000 salary savings in Central Support used to pay for Consortium Grant costs of \$3,160,000 that will be moved from the grant fund to the General Fund as part of the solution to offset the Governor's budget reduction.

The third column on the transfers sheet represents the changes made related to charging the various categories for OPEB costs to fund the District's ARC. The sources used to fund the charge was \$5,533,385 in the Instruction category related to the District's budget for payment to PEBS for the retiree subsidy and some salary savings. The Transfers category use of

\$5,926,350 represents the \$5,000,000 previously budgeted as a transfer to the Pre-Funded Retiree Health Benefits Fund, \$900,000 from salary savings in the Special Education Fund and \$26,350 savings from the transfer to the Insurance Trust Fund.

The entire sources of \$11,459,735 were spread to the various categories and represent the payments related to OPEB. \$3,613,432 is for current year payments made by the District's General Fund to PEBS for our retirees on their program. The remaining cost of \$7,846,303 represents the OPEB charge by the OPEB Trust Fund to the General Fund for funding future benefits. These costs, in addition to the \$2,020,265 transferred to the Insurance Trust Fund equals the District's \$13,480,000 annual required contribution (ARC) for OPEB.

As you will see the Net Transfer (at the bottom portion of the page) for each category is equal to the "change" column on Page 7 for the General Fund Applications. This essentially means that we have made all the necessary changes to the budget by utilizing existing appropriations.

The only other changes being made, as mentioned above, are to decrease the contingency account to provide for budget priorities and to decrease the ending fund balance by the Governor's budget reduction.

The "change" column for the Other Financing Uses and the Ending Fund Balance sections on page 7 show the contingency reduction and the corresponding increase to the Designated for Budget Priorities of \$831,021. A list of the budget priorities can be viewed on pages 16 and 17. Page 17 is a list of one shot – Tier 2 budget priorities that are not being recommended for funding.

The "change" column for the Ending Fund Balance section on page 7 shows the reduction of the ending fund balance for the Governor's budget cut.

CAPITAL PROJECTS FUND (Page 8)

The Capital Projects Fund accounts for the District's resources and expenditures for capital projects. The main reasons the fund is being augmented is to reflect additional resources from earnings on investments of \$205,000, \$450,000 for the Gerlach solar power project, proceeds from the rollover bonds of \$55.7 million and \$1.4 million bond issue for energy retrofits. These increased resources are being utilized to pay for the proposed expenditures of the fund. It is anticipated that \$25 million of the rollover bond proceeds will not be committed this year and have been included in the ending fund balance.

BOND EXTRAORDINARY MAINTENANCE FUND (Page 9)

The augmentation for this fund is based on some minimal interest income and has been appropriated accordingly.

SPECIAL EDUCATION FUND (Page 10)

The Special Education 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 support for Special Education students.

The transfer in from the General Fund and the costs are being adjusted as follows:

Instruction – Salary savings of \$900,000 used for a portion of the OPEB charge, salary savings of \$130,000 transferred to Instructional Staff Support to reflect proper accounting of staff, \$14,500 transferred in from the General Fund for Textbooks.

Student Transportation – \$288,000 transfer from the General Fund gasoline account to provide for gasoline increases.

SPECIAL REVENUE FUND (Page 11)

The Special Revenue Fund accounts for specific revenue sources, which are restricted for specified purposes. This fund contains the Consortium and Empowerment Grants for which funding was returned as part of the Governor's budget reductions. The reduction to State revenue of \$2,808,873 represents the return of these funds.

The Pre-Funded Retiree Health Benefits Fund is also included in the Special Revenue Fund. The \$5 million in the Transfers In category was due from the General Fund but will not actually be made as the OPEB charges related to this amount will be recognized as an expense in the General Fund rather than a transfer out.

This fund will also reimburse the General Fund \$2,045,888 for excess costs related to the ARC. This fund was established for these costs but they were paid by the General Fund. The reimbursement will be an additional actual transfer from the Pre-Funded Retiree Benefits Fund to the General Fund.

The balance of the changes to this fund are to augment for actual opening fund balances and additional expenditures for the Community Education Fund, Gifts and Donations Fund and Categorical Grants Fund.

INTERNAL SERVICE FUND (Page 12)

The Internal Service Fund accounts for the group health and life insurance program, the property and casualty insurance program and the worker's compensation insurance program.

The only change proposed for the funds are a reduction of \$26,350 for the Transfer In from the General Fund for the retiree subsidy program.

FOOD SERVICE FUND (Page 13)

The Food Service Fund is an enterprise fund and accounts for the revenue and operating expenses for the District's school lunch and breakfast program. As previously discussed at numerous Board meetings the fund is experiencing difficulty and the revised budget aligns previously estimated revenues and expenses with current projections.

OPEB TRUST FUND (Page 14)

The OPEB Trust Fund is the District's newly created trust fund to record and account for other post employment employee benefits required by the Government Accounting Standards Board. As previously mentioned, \$7,846,303 was charged to the General Fund to provide for future benefits. This is recorded as total contributions for the fund and the total will represent net assets for the fund as of June 30, 2008.

**General Fund
2007-08 Budget**

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
RESOURCES			
Local Sources:			
Ad Valorem Tax	\$ 104,472,813	\$ 104,472,813	\$ -
L.S.S.T.	165,625,564	153,021,616	(12,603,948)
Franchise Taxes	240,000	240,000	0
Government Services Tax	15,704,777	14,704,777	(1,000,000)
Rev In Lieu of Taxes	200,000	200,000	0
Regular Tuition	270,000	270,000	0
Summer School	550,000	550,000	0
Other Tuition	152,000	152,000	0
Transportation	375,000	375,000	0
Earnings on Investments	2,250,000	3,285,917	1,035,917
Student Activities Revenue	100,000	100,000	0
Other Local Revenue	320,000	320,000	0
Indirect Cost Revenue	1,185,000	1,185,000	0
Grants Administration Revenue	300,000	300,000	0
Salary Reimbursements	1,194,000	1,194,000	0
	<u>\$ 292,939,154</u>	<u>\$ 280,371,123</u>	<u>\$ (12,568,031)</u>
State Sources:			
DSA Apportionments	\$ 112,464,829	\$ 124,155,895	\$ 11,691,066
Special Appropriations	0	0	0
	<u>\$ 112,464,829</u>	<u>\$ 124,155,895</u>	<u>\$ 11,691,066</u>
Federal Sources:			
Forest Reserve	\$ 5,000	\$ 5,000	\$ -
E-Rate Refund	365,000	365,000	0
P.L. 81-874	160,000	160,000	0
	<u>\$ 530,000</u>	<u>\$ 530,000</u>	<u>\$ -</u>
Other Sources:			
Sale of Fixed Assets	\$ 5,000	\$ 5,000	\$ -
Lease Proceeds	1,995,000	1,995,000	0
	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>
Opening Fund Balance:			
Reserved For Inventories	\$ 758,574	\$ 758,574	\$ -
Reserved For Encumbrances	2,138,021	2,138,021	0
Desig for Gen Sply Carryover	3,508,868	3,508,868	0
Designated for Budget Priorities	1,087,250	1,087,250	0
Designated for PC Refresh	1,700,000	1,700,000	0
Designated for Comp Study	1,000,000	1,000,000	0
Designated for Capital Projects	250,000	250,000	0
Designated for Connect Ed	235,000	235,000	0
Unreserved	27,083,302	27,083,302	0
Total Opening Fund Balance	<u>\$ 37,761,015</u>	<u>\$ 37,761,015</u>	<u>\$ -</u>
TOTAL ALL RESOURCES	<u><u>\$ 445,694,998</u></u>	<u><u>\$ 444,818,033</u></u>	<u><u>\$ (876,965)</u></u>

**General Fund
2007-08 Budget**

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
APPLICATIONS			
Expenditures By Function			
Instruction	\$ 206,025,478	\$ 208,209,078	\$ 2,183,600
Occupational Education	8,954,603	7,197,807	(1,756,796)
Summer School	1,152,694	1,158,745	6,051
Athletics	3,317,309	3,404,959	87,650
Student Support	24,367,175	25,508,309	1,141,134
Instructional Staff Support	11,233,160	12,574,714	1,341,554
General Administration	9,674,472	10,091,907	417,435
School Administration	28,878,166	30,000,607	1,122,441
Business Support	5,439,854	5,598,215	158,361
Operation and Maintenance	49,048,778	49,362,899	314,121
Student Transportation	17,947,332	18,455,156	507,824
Central Support	10,240,638	10,340,740	100,102
	<u>\$ 376,279,659</u>	<u>\$ 381,903,136</u>	<u>\$ 5,623,477</u>
Other Financing Uses:			
Debt Service Fund Transfer	\$ 3,774,277	\$ 3,774,277	\$ -
Insurance Trust Fund Transfer	2,046,615	2,020,265	(26,350)
Special Education Fund Transfer	29,444,052	28,846,925	(597,127)
Pre-Funded Health Retiree Benefit Fund Transfer	5,000,000	0	(5,000,000)
Nutrition Services Fund Transfer	250,000	250,000	0
Capital Projects Fund Transfer	309,000	309,000	0
Contingency	1,000,000	168,979	(831,021)
	<u>\$ 41,823,944</u>	<u>\$ 35,369,446</u>	<u>\$ (6,454,498)</u>
Ending Fund Balance:			
Reserved	\$ 758,574	\$ 758,574	\$ -
Designated for Negotiations	5,126,000	5,126,000	0
Designated for PC Refresh	1,700,000	1,700,000	0
Designated for Utilities	1,000,000	1,000,000	0
Designated for Budget Priorities	0	831,021	831,021
Unreserved	19,006,821	18,129,856	(876,965)
	<u>\$ 27,591,395</u>	<u>\$ 27,545,451</u>	<u>\$ (45,944)</u>
TOTAL APPLICATIONS	<u>\$ 445,694,998</u>	<u>\$ 444,818,033</u>	<u>\$ (876,965)</u>

**Capital Projects Fund
2007-08 Budget**

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local	\$ 3,515,000	\$ 4,226,000	\$ 711,000
Sale of Bonds	0	57,104,953	57,104,953
Transfers In	309,000	309,000	0
Total Revenue	<u>\$ 3,824,000</u>	<u>\$ 61,639,953</u>	<u>\$ 57,815,953</u>
Opening Fund Balance:			
Reserved	\$ 12,261,902	\$ 12,261,902	\$ 0
Unreserved	103,219,484	103,219,484	0
Total Opening Fund Balance:	<u>\$ 115,481,386</u>	<u>\$ 115,481,386</u>	<u>\$ 0</u>
TOTAL ALL RESOURCES	<u>\$ 119,305,386</u>	<u>\$ 177,121,339</u>	<u>\$ 57,815,953</u>
APPLICATIONS			
Expenditures by Function:			
Business Support	\$ 7,541,308	\$ 8,286,308	\$ 745,000
Central Support	782,028	1,032,028	250,000
Land Acquisition	4,150,000	4,150,000	0
Site Improvement	4,515,894	10,120,894	5,605,000
Architecture & Engineering	14,185,831	17,862,895	3,677,064
Bldg Acquisition & Construction	51,780,519	66,755,519	14,975,000
Building Improvement	34,262,806	41,624,742	7,361,936
	<u>\$ 117,218,386</u>	<u>\$ 149,832,386</u>	<u>\$ 32,614,000</u>
Ending Fund Balance:			
Reserved	\$ 687,000	\$ 687,000	\$ 0
Unreserved	1,400,000	26,601,953	25,201,953
	<u>\$ 2,087,000</u>	<u>\$ 27,288,953</u>	<u>\$ 25,201,953</u>
TOTAL APPLICATIONS	<u>\$ 119,305,386</u>	<u>\$ 177,121,339</u>	<u>\$ 57,815,953</u>

**Bond Extraordinary Maintenance Fund
2007-08 Budget**

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local	\$ 0	\$ 26,000	\$ 26,000
Transfers In	0	0	0
Total Revenue	<u>\$ 0</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>
Opening Fund Balance:			
Reserved	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0
Total Opening Fund Balance:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL ALL RESOURCES	<u><u>\$ 0</u></u>	<u><u>\$ 26,000</u></u>	<u><u>\$ 26,000</u></u>
APPLICATIONS			
Expenditures by Function:			
Business Support	\$ 0	\$ 0	\$ 0
Central Support	0	0	0
Land Acquisition	0	0	0
Site Improvement	0	0	0
Architecture & Engineering	0	0	0
Bldg Acquisition & Construction	0	0	0
Building Improvement	0	26,000	26,000
	<u>\$ 0</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>
Ending Fund Balance:			
Reserved	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL APPLICATIONS	<u><u>\$ 0</u></u>	<u><u>\$ 26,000</u></u>	<u><u>\$ 26,000</u></u>

Special Education Fund
2007-08 Budget

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
RESOURCES			
Revenue:			
State	\$ 20,974,534	\$ 20,974,534	\$ 0
Other	0	0	0
Total Revenue	<u>\$ 20,974,534</u>	<u>\$ 20,974,534</u>	<u>\$ 0</u>
Transfers In	<u>\$ 29,444,052</u>	<u>\$ 28,846,925</u>	<u>\$ (597,127)</u>
TOTAL ALL RESOURCES	<u><u>\$ 50,418,586</u></u>	<u><u>\$ 49,821,459</u></u>	<u><u>\$ (597,127)</u></u>
APPLICATIONS			
Expenditures by Function:			
Instruction	\$ 42,170,230	\$ 41,154,728	\$ (1,015,502)
Student Support	1,404,098	1,404,098	0
Instructional Staff Support	836,910	961,910	125,000
School Administration	284,840	290,215	5,375
Operation and Maintenance	57,837	57,837	0
Student Transportation	5,664,671	5,952,671	288,000
TOTAL APPLICATIONS	<u><u>\$ 50,418,586</u></u>	<u><u>\$ 49,821,459</u></u>	<u><u>\$ (597,127)</u></u>

Special Revenue Fund
2007-08 Budget

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
RESOURCES			
Revenue:			
Local	\$ 3,506,259	\$ 3,556,259	\$ 50,000
State	25,704,869	22,895,996	(2,808,873)
Federal	33,856,011	33,856,011	0
Transfers In	5,000,000	5,000,000	0
Total Revenue	<u>\$ 68,067,139</u>	<u>\$ 65,308,266</u>	<u>\$ (2,758,873)</u>
Opening Fund Balance:			
Reserved	\$ 14,044,553	\$ 14,535,918	\$ 491,365
Unreserved	0	0	0
Total Opening Fund Balance:	<u>\$ 14,044,553</u>	<u>\$ 14,535,918</u>	<u>\$ 491,365</u>
TOTAL ALL RESOURCES	<u>\$ 82,111,692</u>	<u>\$ 79,844,184</u>	<u>\$ (2,267,508)</u>
APPLICATIONS			
Expenditures by Function:			
Regular Programs	\$ 33,858,856	\$ 31,467,786	\$ (2,391,070)
Special Programs	9,562,334	9,562,334	0
Vocational Programs	900,434	900,434	0
Adult Education Programs	1,539,613	1,539,613	0
Cummunity Service Programs	1,117,938	1,217,162	99,224
Student Support	3,306,809	3,305,389	(1,420)
Instructional Staff Support	9,782,653	9,780,653	(2,000)
General Administration	440,000	440,000	0
School Administration	532,627	538,385	5,758
Operation and Maintenance	72,504	94,504	22,000
Central Support	654,373	654,373	0
Other Support	201,462	201,462	0
Bldg Acquisition & Construction	1,000,000	1,000,000	0
	<u>\$ 62,969,603</u>	<u>\$ 60,702,095</u>	<u>\$ (2,267,508)</u>
Other Uses:			
Transfers Out	\$ 0	\$ 0	\$ -
Contingency	0	0	0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Ending Fund Balance:			
Reserved	\$ 19,142,089	\$ 19,142,089	\$ -
Unreserved	0	0	0
	<u>\$ 19,142,089</u>	<u>\$ 19,142,089</u>	<u>\$ 0</u>
TOTAL APPLICATIONS	<u>\$ 82,111,692</u>	<u>\$ 79,844,184</u>	<u>\$ (2,267,508)</u>

**Internal Service Fund
2007-08 Budget**

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
Operating Revenue			
Premiums Collected	\$ 58,528,140	\$ 58,528,140	\$ 0
Total Operating Revenue	<u>\$ 58,528,140</u>	<u>\$ 58,528,140</u>	<u>\$ 0</u>
Operating Expenses			
Salaries and Benefits	\$ 222,056	\$ 222,056	\$ 0
Employee Benefits	50,290,687	50,290,687	0
Services and Supplies	12,307,952	12,307,952	0
Total Operating Expense	<u>\$ 62,820,695</u>	<u>\$ 62,820,695</u>	<u>\$ 0</u>
Operating Income (Loss)	\$ (4,292,555)	\$ (4,292,555)	\$ 0
Nonoperating Revenues			
Interest Earned	\$ 1,295,378	\$ 1,295,378	\$ 0
FEMA Reimbursement	0	0	0
Stop Loss	0	0	0
Medicare Part D	57,728	57,728	0
	<u>\$ 1,353,106</u>	<u>\$ 1,353,106</u>	<u>\$ 0</u>
Nonoperating Expenses			
Interest Expense	\$ 0	\$ 0	\$ 0
	0	0	0
Total Nonoperating Expense	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Income Before Operating Transfers	\$ (2,939,449)	\$ (2,939,449)	\$ 0
Operating Transfers			
IN	\$ 2,046,615	\$ 2,020,265	\$ (26,350)
OUT	0	0	0
Net Operating Transfers	<u>\$ 2,046,615</u>	<u>\$ 2,020,265</u>	<u>\$ (26,350)</u>
Net Income	(\$892,834)	(\$919,184)	\$ (26,350)
Opening Retained Earnings	13,326,805	13,326,805	0
Ending Retained Earnings	<u>\$12,433,971</u>	<u>\$12,407,621</u>	<u>(\$26,350)</u>

Food Service Fund
2007-08 Budget

<u>Description</u>	<u>FY 08 Previous Budget</u>	<u>FY08 Augmented Budget</u>	<u>Change</u>
Operating Revenue			
Food Service Revenue	\$ 7,171,132	\$ 7,171,132	\$ 0
Total Operating Revenue	<u>\$ 7,171,132</u>	<u>\$ 7,171,132</u>	<u>\$ 0</u>
Operating Expenses			
Salaries	\$ 5,734,865	\$ 6,184,865	\$ 450,000
Benefits	1,360,581	1,632,077	271,496
Purchased Services	1,032,774	1,032,774	0
Supplies	7,454,395	7,944,383	489,988
Depreciation	102,909	102,909	0
Other	325,396	325,396	0
Total Operating Expense	<u>\$ 16,010,920</u>	<u>\$ 17,222,404</u>	<u>\$ 1,211,484</u>
Operating Income (Loss)	\$ (8,839,788)	\$ (10,051,272)	\$ (1,211,484)
Nonoperating Revenues			
Interest Earned	\$ 0	\$ 0	\$ 0
State Matching Funds	\$ 92,007	92,007	0
Federal Sources	8,649,085	9,206,244	557,159
	<u>\$ 8,741,092</u>	<u>\$ 9,298,251</u>	<u>\$ 557,159</u>
Nonoperating Expenses			
Interest Expense	\$ 0	\$ 0	\$ 0
	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Expense	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Income Before Operating Transfers	\$ (98,696)	\$ (753,021)	\$ (654,325)
Operating Transfers			
IN	\$ 250,000	\$ 250,000	\$ 0
OUT	0	0	0
Net Operating Transfers	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 0</u>
Net Income	\$151,304	(\$503,021)	\$ (654,325)
Opening Retained Earnings	3,590,530	3,590,530	0
Ending Retained Earnings	<u>\$3,741,834</u>	<u>\$3,087,509</u>	<u>(\$654,325)</u>

OPEB Trust Fund
2007-08 Budget

<u>Description</u>	<u>FY 08</u> <u>Previous Budget</u>	<u>FY08</u> <u>Augmented Budget</u>	<u>Change</u>
Additions			
Contributions by employer for PEBP	\$ -	\$ -	\$ -
Contributions by employer for WCSD			
Health Insurance Fund	0	0	-
Contributions by employer funded			
by under budget for PEBP	0	774,065	774,065
Contributions by employer funded by under budget			
for transfer to Health Insurance Fund	0	26,350	26,350
Contributions by employer from under			
budget salaries & benefits	0	2,045,888	2,045,888
Contributions by employer in lieu			
of transfer out	0	5,000,000	5,000,000
Contributions by employer from General Fund	-	7,846,303	7,846,303
Contributions by employer from Pre-Funded Retiree			
Health Benefit Fund through General Fund	-	-	-
Total contributions	-	7,846,303	7,846,303
Investment income			
Net appreciation in fair value of investments	-	-	-
Interst	-	-	-
Dividends	-	-	-
Less investment expense	-	-	-
Net investment income	-	-	-
Total additions	\$ 0	\$ 7,846,303	\$ 7,846,303
Deductions			
Benefits			
Benefits paid to PEBP	\$ 0	\$ 0	\$ 0
Benefits paid to WCSD Health Insurance Fund	-	-	-
Total benefits	-	-	-
Services and Supplies	0	0	0
Total Deductions	\$ 0	\$ 0	\$ 0
Net increase	\$ 0	\$ 7,846,303	\$ 7,846,303
Net assets held in trust for			
 other postemployment benefits			
Beginning of year	0	0	0
End of year	\$ -	\$ 7,846,303	\$ 7,846,303

**WASHOE COUNTY SCHOOL DISTRICT
SUMMARY OF GENERAL FUND TRANSFERS
FISCAL YEAR 2007-08**

	<u>Routine Transfers</u>	<u>Budget Reductions</u>	<u>Fund OPEB</u>	<u>Total</u>
<u>Tranfers From</u>				
Instruction	(82,088)	(2,500,000)	(5,533,385)	(8,115,473)
Occupational Education	(2,013,834)			(2,013,834)
Summer School	0	(200,000)		(200,000)
Athletics	(105,000)			(105,000)
Student Support	(1,614)			(1,614)
Instructional Staff Support	(434,077)			(434,077)
General Administration	(5,000)			(5,000)
School Administration	(675)			(675)
Business Support	(28,114)			(28,114)
Operation and Maintenance	(450,535)	(360,000)		(810,535)
Student Transportation	(252,886)			(252,886)
Central Support	(78,707)	(100,000)		(178,707)
Transfers	0		(5,926,350)	(5,926,350)
Total From	<u>(3,452,530)</u>	<u>(3,160,000)</u>	<u>(11,459,735)</u>	<u>(18,072,265)</u>
<u>Tranfers To</u>				
Instruction	2,166,962	1,342,516	6,789,594	10,299,072
Occupational Education	0		257,038	257,038
Summer School	0	200,000	6,051	206,051
Athletics	164,855		27,794	192,649
Student Support	275,595		867,153	1,142,748
Instructional Staff Support	4,065	1,414,845	356,553	1,775,463
General Administration	85,000	202,639	134,797	422,436
School Administration	2,432		1,119,552	1,121,984
Business Support	141		186,334	186,475
Operation and Maintenance	94,658		1,029,998	1,124,656
Student Transportation	350,000		410,710	760,710
Central Support	5,947		274,161	280,108
Transfers	302,875			302,875
Total To	<u>3,452,530</u>	<u>3,160,000</u>	<u>11,459,735</u>	<u>18,072,265</u>
<u>Net Transfers</u>				
Instruction	2,084,874	(1,157,484)	1,256,209	2,183,599
Occupational Education	(2,013,834)	0	257,038	(1,756,796)
Summer School	0	0	6,051	6,051
Athletics	59,855	0	27,794	87,649
Student Support	273,981	0	867,153	1,141,134
Instructional Staff Support	(430,012)	1,414,845	356,553	1,341,386
General Administration	80,000	202,639	134,797	417,436
School Administration	1,757	0	1,119,552	1,121,309
Business Support	(27,973)	0	186,334	158,361
Operation and Maintenance	(355,877)	(360,000)	1,029,998	314,121
Student Transportation	97,114	0	410,710	507,824
Central Support	(72,760)	(100,000)	274,161	101,401
Transfers	302,875	0	(5,926,350)	(5,623,475)
Total Net	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Department	ONE SHOT--TIER 1 ONE SHOT	Amount Requesting	Legally Required	Blueprint Reference	# of Students Served	Cost per Student	Description of Request
Supplemental Credit	Lease of Jr. Achievement Bldg. for WOLF	\$ 135,058.00		1.1.3	63,635	\$ 2.12	Provides for new location for Supplemental Credit Office and WOLF at Jr. Achievement Bldg. at 785 W. 6th St., Reno. Base rent of \$66,960/yr. + utilities, etc. offset by \$24,000 from Advanced Academics & lease savings.
TOTAL TIER 1	TOTAL ONE SHOT--Already Approved June 10, 2008	\$ 135,058.00					
Secondary Ed	Establish Plato Labs in Billingshurst MS & Vaughn MS	\$ 97,400.00		1.1.1	1,673	\$ 58.22	Establish Plato labs, including PCs, wiring and furniture for 2 middle schools
Secondary Ed	ELL Support	\$ 56,725.00		1.1.1 1.1.3	10,500	\$ 5.40	Transition so students can meet HS requirements (revenue reduction)
Secondary Ed	Gateway Math Course Development/Pilot 08-09	\$ 50,000.00		1.1.1	18,813	\$ 2.66	Professional Development for Gateway Math teachers
Secondary Ed	Gateway Math Course Implementation	\$ 40,000.00		1.1.1	18,813	\$ 2.13	Professional Development for teachers who teach Gateway course
Operations	Emergency Mgt. Replacement Vehicle	\$ 22,000.00		4.1.1/4.1.3	63,635	\$ 0.35	Present vehicle is mechanically unsound & high maintenance
Operations	School Police Vehicle Replacement	\$ 50,000.00		4.1.3	63,635	\$ 0.79	Continue our present vehicle replacement plan. (requested \$100,000)
Operations	Replacement Vehicles IT	\$ 28,000.00		4.2	63,635	\$ 0.44	Request for four vehicles to replace aging and unsafe cars in the IT fleet (original request 4 vehicles \$56,000--reduced to 2).
Operations	School Police Computers-First Responder	\$ 14,000.00		4.2-4/4.1.2	63,635	\$ 0.22	To fully implement digitized facility first responder information.
Plant Facilities	Plant Facilities Replacement Vehicles (3)	\$ 99,000.00		4.3.7	63,635	\$ 1.56	Facilities Management vehicles and warehouse delivery vehicles are aging and in need of replacement (original request \$140,000).
Special Ed	25 New Computers	\$ 25,000.00		2.2.4, 4.2.1	8,562	\$ 2.92	Older desktop computers will not run or support the new computer program necessary to write IEPs. Without updating computers, we would have to go back to writing IEPs by hand (requested 50 computers, reduced to 25 computers).
Secondary Ed	Algebra 1,2 Teacher Support HS	\$ 25,000.00		1.1.1	18,813	\$ 1.33	Ongoing Professional Development
Operations	Laptop Computers	\$ 20,000.00		Multiple	63,635	\$ 0.31	Provides laptop computers for attendance officers.
Operations	Software Upgrade	\$ 65,000.00		4.1	63,635	\$ 1.02	Allows school police to access software applications on mobile laptop computers without having to exit other applications--reduced to \$45,000--moved from Tier 2.
Operations	Forensic Services by Washoe County Sheriff's Office Crime Lab	\$ 8,636.00		4.2-4/4.1.2	63,635	\$ 0.14	Washoe County Crime Lab has begun charging WCSO for full forensic services for FY09 (being phased in at 50% in FY 08--will become recurring item in future years).
Plant Facilities	Funding for Renovations/Renewals	\$ 64,000.00			63,635	\$ 1.01	Start setting aside funds for renovations/renewals of facilities \$1/student X 64,000 students
Communications	Increased audit fees for Education Collaborative annual audit	\$ 6,000.00	Legally Req	3			New auditing standards relating to internal controls & related and Single Audit Act work relating to the PIRC Grant have increased Ed Coll. Audit fees for FY 09 by \$17,000. The PIRC Grant is generating additional admin charges for the General Fund of \$29,000 that help offset this request.
Human Resources	Sub-Trainer/Interviewer	\$ 25,000.00		1.1.2.	63,635	\$ 0.39	Conduct sub interviews and provide student management/instruction training.
TOTAL ONE SHOT TIER 1A	TOTAL ONE SHOT--Tier 1A (Not Legally Required)	\$ 695,963.00					
TOTAL ONE SHOT TIER 1A	COMBINED TOTAL ONE SHOT--Tier 1 Recommended for Approval on June 24, 2008	\$ 831,021.00					

Department	ONE SHOT--TIER 2 One Shot	Amount Requesting	Legally Required	Blueprint Reference	# of Students Served	Cost per Student	Description of Request
Operations	Laptop	\$ 100,000.00		Multiple	63,635	\$ 1.57	Provides laptop computers for transportation, nurses and spares.
Operations	Print Shop Remodel	\$ 10,000.00		4.1.2	63,635	\$ 0.16	Present space is inefficient & doesn't allow for personal conversation.
Plant Facilities	Funding for Renovations/Renewals	\$ 63,000.00		4.3.7	63,635	\$ 0.99	Start setting aside funds for renovations/renewals of facilities \$1/student X 63,000 students
Support Services	Library Services Management	\$ 500,000.00		1.1.4	63,635	\$ 7.86	Destiny Library Manager Automation system & Textbook Manager for schools currently not licensed in the district
Communications	Parental Involvement Needs Assessment	\$ 87,500.00		3	63,635	\$ 1.38	Parental Involvement Needs Assessment
Communications	Designing a Public Engagement Process for the Trustees	\$ 25,000.00		3	63,635	\$ 0.39	Designing a Public Engagement Process for the Trustees
Operations	Additional School Police Radios	\$ 42,000.00		4.2.4/4.1.2	63,635	\$ 0.66	7 Portable & 7 Mobile Radios at \$3,000 each
TOTAL ONE SHOT TIER 2	TOTAL ONE SHOT--Tier 2-Not Being Recommended for Approval	\$ 827,500.00					