

WASHOE COUNTY, NEVADA COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2014



On the cover:

New in fiscal year 2014 is the North Valleys Water Splash Park; located at North Valleys Regional Park, 8085 Silver Lake Road in Stead. This local aviation themed water splash park includes a Rare Bear model resembling the restored F8F 1940s military aircraft, a fan favorite at the Reno Air Races. This unique water splash park features more than 20 different water features and over 60 spray heads!

**WASHOE COUNTY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL
REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2014**

*Prepared by the Washoe County Comptroller's Department
Paul McArthur, CPA MBA Comptroller*



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**WASHOE COUNTY, NEVADA
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October 29, 2014

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

The comprehensive annual financial report of Washoe County, Nevada (County), for the fiscal year ended June 30, 2014 is hereby submitted. Nevada Revised Statutes (NRS) 354.624 requires the County to provide an annual audit by independent certified public accountants in accordance with generally accepted auditing standards in the United States.

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

Kafoury, Armstrong, & Co., Certified Public Accountants, have audited the County's financial statements for the year ended June 30, 2014 and have issued an unmodified ("clean") opinion. The Independent Auditor's Report is located on the first page of the financial section.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

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

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

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

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

LOCAL ECONOMY AND ECONOMIC OUTLOOK

The local economy in fiscal year 2013/2014 continued to show signs of stabilization after many years of decline caused by the "Great Recession". At June 30, 2014, the County's unemployment rate was 7.3 percent, 2.5 percentage points lower than the previous year's recessionary high of 9.8 percent. While this is an improvement over the prior year, the decline is partially due to a smaller labor force and continues to be slightly higher than the national average of 6.3 percent. Employment in construction jobs improved, at 12.8 percent higher than last year on a year-to-date basis with 7,200 additional jobs. Professional and business services is up 6.8 percent with 10,200 additional jobs. The hospitality and food services industries have remained relatively flat since they found stabilization in 2009.

Home sales in the County have averaged 522 per month in 2014, excluding the typical January decline. The acceleration in median sales price has slowed in comparison to sharp increase in 2012 and early 2013. The housing market is still off 31.5 percent from the peak in 2006. The slowing in the acceleration of median price is a positive and more normal trend.

The County's largest revenue source, property taxes, has been affected by the declines in property values. However, the

impact has been mitigated by caps on property tax bill increases passed in 2005 by the State of Nevada Legislature during the housing boom. Since tax bills did not increase at the same rate as property values, property tax revenues have been declining at a slower rate than values. In fiscal year 2014, property taxes increased 1 percent, and are projected to increase only 2.3 percent in fiscal year 2015. With the County's overlapping property tax rate currently at the cap of \$3.64 per \$100 of assessed value, a property tax increase is not an option to help offset declining revenues. The County's unincorporated tax rate of \$1.3917 per \$100 in assessed valuation has remained unchanged over the last nine fiscal years.

Consolidated taxes, consisting of sales taxes on cigarettes and liquor, real property transfer, and government services taxes (a tax on the value of vehicles), are the second greatest revenue source for the County. During fiscal year 2014, this revenue source saw a year-over-year increase of 7 percent. Consolidated taxes have been gradually increasing since fiscal year 2011.

In May 2014, Zulily, Inc. and the Economic Development Authority of Western Nevada (EDAWN) announced the construction of a new fulfillment center that will double the size of its existing center. This new facility could potentially hold as many as 1,600 employees, which would be the largest job growth commitment on record in EDAWN history. Additionally, EDAWN announced there are several other companies relocating to the Reno/Sparks area, which will have a positive impact on the local economy. A few of the companies coming to the region are: OLE Mexican Foods (350 jobs); Garlock Printing & Converting Corporation (175 jobs); and Myers Industries (150 jobs).

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

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

Additionally, the area offers a diverse array of entertainment and special events that appeal to individuals and groups. The Truckee River Whitewater Park is located in the heart of Reno's bustling downtown hotel-casino and booming arts and mid-town districts. It features 11 pools for kayak play, as well as a kayak racing course, and it plays host to the annual Reno River Festival, one of the country's premier competitive kayaking events. Downtown Reno is home to a 9,100 seat minor-league baseball stadium, home to the Triple-A Reno Aces baseball team. The area is host to Hot August Nights, recognized as the top classic car event in the nation, the Great Reno Balloon Races, the Reno Rodeo, the Snaffle Bit Futurity and the National Championship Air Races. The area also hosts the American Bowling Congress and Women's International Bowling Congress on alternate years and the Barracuda Championship Open, a Professional Golf Association (PGA) sanctioned tournament. The arts are well represented by the Reno Philharmonic and Chamber Orchestras, ballet, opera and Artown, a month-long event held in July that is noted by the National Endowment for the Arts as one of the country's most comprehensive festivals.

LONG-TERM FINANCIAL PLANNING

Several economists have expressed that the national economy for 2014/15 holds more of the same, as overall GDP growth will likely remain stuck in a range of 2.0% to 2.5% as it has for the last four years. Despite optimism every December that the New Year would bring some type of escape-velocity growth (4.0%-6.0%), the actual national economic growth has continued to disappoint investors, with sub-2.5% annual growth rate.

As 2014 draws to a close, the Federal government spending looks to be providential to grow at 1.0% before adjusting for inflation. As voter pressure, pensions liabilities, and limited economic growth keeps government spending compressed and on a tight budget. Based on these facts and other regional elements, the County continues to experience positive growth, but is cautious to expend or outpace revenue growth.

The County's fiscal year 2014/15 General Fund budget increased by \$20 million to \$307 million. The increase was largely a result of increased costs for personnel, and also included \$4.1 million restricted for stabilization.

Ending fund balance in the General Fund budget of 8.3 percent is two times what is required as a minimum by State statute, and is within the BCC adopted fund balance policy that sets a minimum fund balance for stabilization of 1.5 percent of expenditures and other uses (see note 1 to the financial statements) and for working capital between 8 and 10 percent.

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

MAJOR PROGRAMS / INITIATIVES

The BCC has identified five strategic objectives to meet the mission and vision of the County (see page v). The annual budget serves as the financial plan for County operations and is aligned with the BCC's strategic objectives. Some of the programs Washoe County has initiated and/or completed during the 2014 fiscal year to support those objectives are:

- In March 2014, the BCC unanimously approved the merger of Washoe County Department of Water Resources with Truckee Meadows Water Authority, with an expected completion date of December 31, 2014; when combined, the consolidated utilities will serve approximately 117,000 homes and business.
- The construction and successful grand opening of the North Valleys Water Splash Park, a \$3.2 million facility, opened in the spring of 2014 as a new element in the North Valleys Regional Park with tremendous success in attendance and revenues.
- In May 2014, construction to remodel the McGee Center for the implementation of The Child Advocacy Center of Northern Nevada (CAC) was completed. The Washoe County District Attorney's office worked diligently to establish this child-focused, facility-based program in which representatives from many disciplines, including law enforcement, child protection, prosecution, mental health, medical and victim advocacy, and child advocacy, work together to conduct interviews and make team decisions about investigation, treatment, management and prosecution of child abuse cases. More than \$600,000 in donations and relevant-agency contributions were collected for the CAC initiative, whose mission is to ensure the health and safety of children through a neutral, child-centered environment designed to minimize trauma to the child, provide advocacy for the child and support effective investigations.
- At June 30, Washoe County had completed the installation of Interoperability Communications gateways into Public Safety Answering Points (PSAPS) and dispatch centers around the State of Nevada. These gateways create a single resource for all stakeholders and a unified approach for enhancing interoperable communications for public safety and officials at all levels of government, and to facilitate quick and easy communications between jurisdictions during large scale and multi-agency incidents.
- In 2014, implementation of the Regional Permits Project with the cities of Reno and Sparks was accomplished. The \$1.6 million project was formally launched by an agreement with Accela, designed to bring a standardized platform to the local jurisdictions covering business licensing and building permit functions.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Washoe County for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the 32nd consecutive year the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,

Paul McArthur, CPA, MBA, Comptroller

WASHOE COUNTY BOARD OF COMMISSIONERS



Marsha Berkgigler,
District One

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

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

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

STRATEGIC OBJECTIVES OF THE BOARD OF COUNTY COMMISSIONERS

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



David Humke,
Chair
District Two

ORGANIZATIONAL VALUES:

Many Communities, One County

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

Quality Public Service

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

Teamwork

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

People

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

Communication

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

Accountability

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

Transparency

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

Professionalism

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

Progressive Thought

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



Kitty Jung,
District Three



Vaughn Hartung
District Four



Bonnie Weber,
Vice Chair
District Five

**WASHOE COUNTY, NEVADA
LISTING OF COUNTY OFFICIALS
AS OF JUNE 30, 2014**

Elected Officials

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

Appointed Officials

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

Washoe County, Nevada Organization Chart

Washoe County Citizens

Courts¹

DISTRICT COURTS
LAW LIBRARY
JUVENILE SERVICES
FAMILY COURTS
JUSTICE COURTS

Elected Departments¹

ASSESSOR – Joshua Wilson
CLERK – Nancy Parent
DISTRICT ATTORNEY – Richard Gammick
INCLINE VILLAGE / CRYSTAL BAY
CONSTABLE – Joe Kubo
PUBLIC ADMINISTRATOR – Don Cavallo
RECORDER – Larry Burtness
SHERIFF – Mike Haley
TREASURER – Tammi S. Davis

Districts¹

WASHOE COUNTY HEALTH DISTRICT²
TRUCKEE MEADOWS FIRE PROTECTION DISTRICT³
SIERRA FIRE PROTECTION DISTRICT³
NORTH LAKE TAHOE FIRE PROTECTION DISTRICT³
GERLACH GENERAL IMPROVEMENT DISTRICT³
GRAND VIEW TERRACE GENERAL IMPROVEMENT DISTRICT
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT
SUN VALLEY GENERAL IMPROVEMENT DISTRICT
VERDI TV DISTRICT

Board of County Commissioners

County Manager
John Slaughter

**Office of the County Manager
Management Services Director**
Al Rogers

**Assistant County Manager
Services and Operations**
Kevin Schiller

**Assistant County Manager
Finance and Administration**
Vacant

Medical Examiner/Coroner
Dr. Ellen Clark

Public Defender
Jeremy Bosler

Alternate Public Defender
Jennifer Lunt

Senior Services
Grady Tarbutton

Social Services
Ken Reiterath

Public Guardian
Susan DeBoer

Library⁵
Arnie Maurins

Community Services Department
David Solaro, Interim Director

Building and Safety
Capital Projects
Code Enforcement
Engineering
Equipment Services
Facilities Management
Planning and Development
Public Works
Regional Parks and Open Space
Roads
Water Resources

Alternative Sentencing Div
Joseph Ingraham

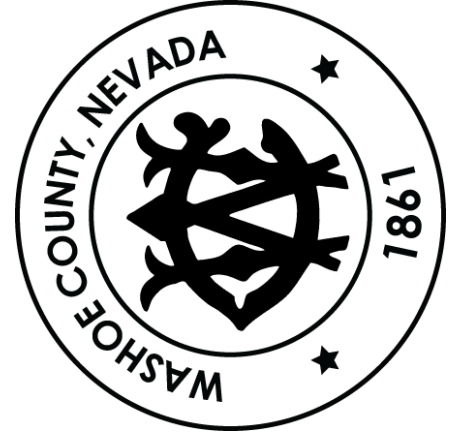
Regional Animal Services⁶

Comptroller
Paul McArthur
Accounts Payable
Collections
Purchasing
Risk Management

Technology Services
Laura Schmidt
WINet
Telecommunications
Imaging & Records Mgmt.

Human Resources / Labor Relations
John Listinsky

Registrar of Voters
Luanne Cutler



1-County Manager is Liaison
2-Separately Appointed Governing Board
3-Board of County Commissioners sits as Board of Fire Commissioners
4-Independent District with Separately Elected Governing Board
5-Director appointed by Library Board of Trustees
6-Regional Animal Services to become a department July 1, 2014



Government Finance Officers Association

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

Presented to

**Washoe County
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



FINANCIAL SECTION

FINANCIAL SECTION

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Independent Auditor's Report

To the Honorable Board of Commissioners of
Washoe County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washoe County, Nevada (the "County"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Child Protective Services Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14 and schedule of funding progress-other postemployment benefits on page 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures

to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Prior Year Comparative Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the County as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated October 28, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and schedules related to the 2013 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2014, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Reno, Nevada
October 29, 2014



**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

As management of Washoe County (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2014. We encourage readers to read this information in conjunction with the transmittal letter, financial statements and notes to gain a more complete picture of the information presented.

FINANCIAL HIGHLIGHTS

- The County received the highest possible opinion from the independent outside auditors (unmodified opinion) on the financial statements which materially represented the financial transactions.
- The cash and investments position of \$286 million improved by \$20.6 million or 7.8% over prior year, as reported on page 16.
- The County's liquidity, defined as the ability to pay current obligations, remains very strong and is a positive sign of financial health. The County's liquidity of \$321.4 million has improved by \$12.4 million or 4.0% over prior year, as reported on page 16.
- The Statement of Net Position shows total assets of \$1,275 million, which decreased by \$14.8 million or a negative 1.1% from prior year, as capital assets depreciation outpaced new investments in capital assets and improving current assets as the County evaluates the economic outlook, as reported on page 16.
- The County's Statement of Net Position sheet shows total debt of \$268.1 million, which decreased by \$11.3 million, or a negative 4.0% from prior year, as debt service continues and new debt demands associated with capital assets reduced, as reported on page 16.
- The County's Statement of Net Position shows total net position of \$964.3 million, which decreased by \$5.8 million, or a negative 0.6% from prior year, as equity remains very strong, as reported on page 16.
- The County still maintains the highest bond ratings of AAA from the top bond rating agencies, as a symbol to investors that the County's financial metrics are positive and healthy.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, administration of justice, public works, public safety, health and

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)

sanitation, welfare, culture and recreation, and community support. The business-type activities of the County include enterprise activities such as water and sewer utilities, golf courses and building permits.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements. Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into one of three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, a reconciliation is provided on page 20. This reconciliation illustrates the comparison between government-wide financial statements which present long-term transactions, such as capital assets and debt while governmental funds presentation does not.

The County maintains 20 individual governmental funds. The governmental fund financial statements provide separate details for the General Fund, the Child Protective Services Fund and the Special Assessment Debt Service Fund, which are major funds. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements in the Nonmajor Governmental Funds Section of this report.

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

Proprietary funds. The County maintains two different types of proprietary funds. 1) Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for water and sewer utilities, golf courses and building permits. 2) Internal service funds are an accounting grouping used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles and for self-insurance activities including liability insurance, workers' compensation and group health insurance.

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

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

Notes to the Basic Financial Statements. The Notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes can be found beginning on page 34 of this report.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position: Net position may serve over time as a useful indicator of a government's financial position. The County's assets and deferred outflows of resources exceeded liabilities by \$964.3 million at June 30, 2014, a decrease of 0.6% from the prior year.

Government-Wide Statement of Net Position
(in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 217,697	\$ 219,260	\$ 145,919	\$ 130,576	\$ 363,616	\$ 349,836
Net capital assets	554,622	579,844	356,793	360,109	911,415	939,953
Total assets	772,319	799,104	502,712	490,685	1,275,031	1,289,789
Deferred outflows of resources	452	456	-	-	452	456
Liabilities						
Current liabilities	37,154	35,783	5,049	5,051	42,203	40,834
Noncurrent liabilities due within one year	33,290	32,259	3,436	3,374	36,726	35,633
Noncurrent liabilities due in more than one year	176,815	186,330	54,551	57,402	231,366	243,732
Total liabilities	247,259	254,372	63,036	65,827	310,295	320,199
Net position						
Net investment in capital assets	437,044	455,643	299,618	300,163	736,662	755,806
Restricted	94,055	98,124	13,461	12,801	107,516	110,925
Unrestricted	(6,491)	(8,579)	126,597	111,894	120,106	103,315
Total net position	\$ 524,608	\$ 545,188	\$ 439,676	\$ 424,858	\$ 964,284	\$ 970,046

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

The largest portion of net position (76.4%) reflects investment in capital assets (e.g., land, buildings, equipment and construction in progress) less depreciation and any related outstanding debt used to acquire those assets. Net investment in capital assets declined by \$19.1 million, or a negative 2.5% from the prior year, primarily due to reduced capital spending and contributions for capital acquisition falling behind asset depreciation. The County uses these capital assets to provide services to citizens; therefore, they are not generally available for future spending. Although investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets would not generally be used to liquidate related debt.

Restricted net position is \$107.5 million, or 11.1% of the County's net position, and represents resources that are subject to external restrictions (statutes, bond covenants, or granting agencies) on how they may be used. Restricted net position decreased by \$3.4 million, or a negative 3.1% from the prior year, primarily due to the use of restricted resources for capital projects.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)

Unrestricted net position of \$120.1 million, increased by \$16.8 million, or 16.3% over prior year. Unrestricted net position may be used to meet the County's other ongoing obligations to citizens and creditors. It is important to note that although the total unrestricted net position is \$120.1 million, the unrestricted net position of the County's business-type activities, \$126.6 million, may not be used to fund governmental activities. The County has unrestricted net position related to government type activities of a negative \$6.5 million. To assist in explaining the negative balance in government type, \$18 million in bonds outstanding for capital assets that were contributed to the Truckee River Flood Management Authority, and \$27 million in bonds outstanding for the Reno baseball stadium are classified as restricted. The County's adjusted government type unrestricted net position is \$38.5 million.

Changes in Net Position. The County's net position decreased \$5.9 million, or a negative 0.6%, during the fiscal year from the prior fiscal year.

Washoe County Changes In Net Position
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 68,476	\$ 67,550	\$ 35,632	\$ 34,300	\$ 104,108	\$ 101,850
Operating grants, interest and contributions	57,083	63,432	112	449	57,195	63,881
Capital grants, interest and contributions	12,245	7,413	8,107	4,448	20,352	11,861
General revenues:						
Ad valorem taxes	168,009	167,294	-	-	168,009	167,294
Consolidated taxes	80,809	75,489	-	-	80,809	75,489
Other intergovernmental	19,832	18,530	-	-	19,832	18,530
Investment earnings	1,594	174	1,591	(100)	3,185	74
Other	8,981	8,934	-	-	8,981	8,934
Total revenues	417,029	408,816	45,442	39,097	462,471	447,913
Expenses:						
General government	80,958	85,929	-	-	80,958	85,929
Judicial	59,317	57,573	-	-	59,317	57,573
Public safety	137,584	138,149	-	-	137,584	138,149
Public works	48,420	37,157	-	-	48,420	37,157
Health and sanitation	18,384	18,785	-	-	18,384	18,785
Welfare	65,651	66,370	-	-	65,651	66,370
Culture and recreation	21,803	23,614	-	-	21,803	23,614
Community support	178	343	-	-	178	343
Interest/fiscal charges	5,525	7,349	-	-	5,525	7,349
Utilities	-	-	28,300	30,844	28,300	30,844
Golf courses	-	-	952	979	952	979
Building permits	-	-	1,357	1,329	1,357	1,329
Total Expenses	437,820	435,269	30,609	33,152	468,429	468,421
Increase (decrease) in net position before transfers	(20,791)	(26,453)	14,833	5,945	(5,958)	(20,508)
Transfers	211	1,450	(211)	(1,450)	-	-
Change in net position	(20,580)	(25,003)	14,622	4,495	(5,958)	(20,508)
Net position, July 1, as restated (Note 19)	545,188	570,191	425,054	420,559	990,358	990,358
Net position, June 30	\$ 524,608	\$ 545,188	\$ 439,676	\$ 425,054	\$ 964,284	\$ 970,242

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)**

The change in net position shows the current year operations decreased by \$6 million, but has improved significantly over prior year, as total revenue of \$462.5 million increased by \$14.6 million, or 3.3% over prior year. An increase in charges for service, capital grants, and investments all contributed to drive total revenue higher than prior year. Ad valorem taxes of \$168 million, finds traction while holding level as compared to prior year. The County is encouraged by this trend and will continue to mentor the revenue mix.

Governmental Activities. Governmental activities decreased the County's net position by \$20.6 million, which is an improvement of \$4.4 million or 17.7% over prior year.

**Governmental Activities
Revenues by Source
(in Millions)**

	\$12	\$7	
	\$30	\$28	< Capital program < Other general
	\$57	\$63	< Operating program
	\$69	\$68	< Charges for services
	\$81	\$76	< Consolidated taxes
	\$168	\$167	< Ad valorem taxes
FY 2014	\$417	FY 2013	\$409

The two largest revenue sources are ad valorem and consolidated taxes, which together comprise 59.7% of governmental activity revenue.

Ad valorem taxes were flat with a small increase of \$1 million, or 0.6% compared to prior year as real and personal property assessed valuations stabilize in the County. There were no increase in the tax rate from prior year.

Consolidated sales taxes, received from the State, increased by \$5.0 million, or 6.6% compared to prior year; this makes the fourth year of significant increases after several years of decline. This trend is reflective of national recovery and is encouraging.

Charges for services was flat at \$68 million as was prior year, marking a volume level plateau and demonstrating a consistency in services.

Operating program revenue decreased by \$6 million, or 9.5% compared to the prior year, due primarily to grant activity for public safety as two major programs reach completion.

Other general revenues were relatively flat compared to the prior year, as investment income increases were offset by several smaller categories.

Capital program revenue increased by \$5 million or 71.4% compared to prior year, as a new special assessment project for road improvements and several grant funded parks projects were added. This revenue is very cyclical in nature.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)**

**Governmental Activities
Expenses by Function
(in Millions)**

\$6		\$7	
\$18	\$19	< Interest	
\$22	\$24	< Health & sanitation	
\$48	\$37	< Culture & recreation	
\$59	\$57	< Public works	
\$66	\$67	< Judicial	
\$81	\$86	< Welfare & Community support	
\$138	\$138	< General government	
\$138	\$138	< Public safety	
FY 2014 \$438	FY 2013 \$435		

The largest functional areas are public safety and general government, which together comprise 50% of governmental activities expenses.

Total governmental expenses increased by \$3 million, or 0.7% compared to prior year, due to capital project increases were offset by general government cost reductions.

Public safety is flat, as prior years' events of the Sheriff's Office, due to wage increases and detention service cost increases, as well as payments to the Truckee River Flood Management Authority (TRFMA), have a full year of reporting.

General government expenses decreased by \$5 million, or a negative 5.8% compared to prior year. This includes a \$1.3 million reduction in contributions to the OPEB Trust. Combined with others, reductions across several departments were driven by budgeted cost reductions.

Welfare costs were relatively flat, decreased by \$1 million, or a negative 1.5% compared to prior year, as major programs have stabilized and have found balance in service levels.

Judicial costs were relatively flat, with an increase of \$2 million, or 3.5% compared to prior year, as several new projects, including software and space expansion, were funded through administrative fees restricted to Court expansion and improvement.

Public works costs increased by \$11 million, or 29.7% compared to prior year, as cyclical trends in capital grant revenue increased, so will expenses.

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

	<u>FY 2014</u>	<u>FY 2013</u>
General government	35%	36%
Judicial	22%	23%
Public safety	17%	17%
Public works	43%	40%
Health and sanitation	66%	62%
Welfare	54%	58%
Culture and recreation	25%	25%
Community support	0%	0%
Total	32%	32%

Program revenues for governmental activities provided an average of 32% towards the costs of providing program services.

General government was impacted by a lower OPEB payment than last year.

Welfare programs decreased operating program revenues, largely due to lower grant funded projects while costs for Indigent reimbursements remained level.

The increase in public works expense coverage is related to several large grant projects and timing of grant reimbursements.

Business-type Activities. Net position for business-type activities increased \$14.6 million which is \$10.1 million more than prior year.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)**

Business-Type Activities: Change in Revenues		
In Millions of Dollars		
	FY 2014 vs FY 2013	%
		Change
Charges for services	\$ 1	4%
Capital program revenue	4	82%
Other revenues	1	388%
Total	\$ 6	16%

Total revenues for business-type activities increased from the prior year.

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

Additionally, there was an increase in investment income as a result of increased rates and an increase in market values of investments.

Business-Type Activities: Program Revenues		
as a Percent of Expenses		
	FY 2014	FY 2013
Utilities	143%	118%
Golf courses	90%	106%
Building permits	184%	130%
Combined	143%	118%

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

The County continues to maintain the major assets at each contractually managed golf course, and revenues decreased \$185,000.

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

Business-type Activities. Net position for business-type activities was \$439.7 million, which is an increase of \$14.6 million, or 3.4% compared to prior year; this is a significant increase compared to the prior year's positive growth. Some of the driving elements include Water Resource Fund's capital contribution of \$8.1 million, related to development fees associated with the housing market showing a recovery from decade-long lows. It should be noted that this revenue source has two elements, any costs related to the fee will be incurred in the future and the Water Resource Fund, water utility activity, is proposed for transfer to Truckee Meadows Water Authority (TMWA) on December 31, 2014.

Total revenues for business-type activities were relatively flat as compared to prior year, as pricing has stabilized and customer volume has remained constant.

Operating expenses for business-types were reduced mainly through utilities by \$2.5 million, or 7.7% compared to prior year. In the utilities grouping, the Water Resources Fund's nonoperating expenses were lower due to refunds for connection fees and an increase in investment earnings. The developer connection fee increase of \$4, refunds decreased by \$2.1 million as compared to prior year, and investment earnings increased by \$1.6 million. In summary, the housing market related developer fees increased and reduced refunds totaling an estimated \$10 million effect compared to prior year.

Business-type activities core operations demonstrated revenue stability as volume and pricing remained level and operating expenses experienced no changes, compared to prior year. The non-operating activity accounted for all of the significant increase in net position, compared to prior year, as investment earnings and developer related transactions shows improvement but should not be relied upon for the future growth of operations.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

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

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)

Current year governmental fund combined ending fund balances of \$139.5 million reflect an increase of \$ 1.6 million, or 1.2% compared to prior year. The small increase is due to a combination of the general fund excess of \$7.6 million and lower than normal capital spending of \$4.5 million deficiency. The revenue was relatively flat at \$406.2 million, an increase of \$5.4 million or 1.3%, with contributions from intergovernmental, charges for services, and miscellaneous. The expenditures were down at \$404.7 million, a decrease of \$24.1 million, or 5.6%, due to reductions in capital outlay of \$8.8 million, debt service (principal) of \$13.7 million, general government of \$12.3 million, and a mix of other groups of \$1.2, were offset by an increase in public works of \$10.6 million.

Governmental Fund Balance (in Millions)	
	<u>2014</u>
Non spendable	\$ <u>0.1</u>
Restricted:	
Parks and open space projects	20.5
Debt Service	11.8
County facility improvement projects	8.5
Groundwater remediation	5.7
Court programs and expansion	6.6
Other	<u>20.2</u>
Total restricted	<u>73.3</u>
Committed:	
Adult, indigent, child support services	4.1
Animal control and services	5.8
Stabilization	4.2
Other	<u>3.7</u>
Total committed	<u>17.8</u>
Assigned	
Roadway projects	7.5
Other	<u>1.1</u>
Total assigned	<u>8.6</u>
Unassigned	<u>39.7</u>
Total fund balances	<u>\$ 139.5</u>

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

The largest component of fund balance, at 53% of total, is restricted at \$73.3 million. Spending of these resources is constrained by externally imposed (statutory, bond covenant, contracts, or grantors) limitations on their use.

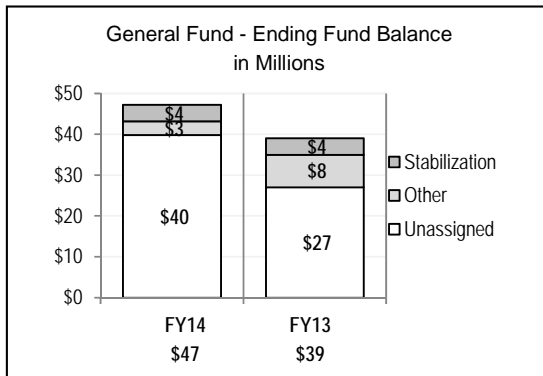
The major components of restricted fund balances are for capital and improvement projects for parks, open space, County facilities, as well as the resources restricted for debt service to repay financing of previous capital projects. Administrative fees restricted by the State for court programs and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

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

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

General Fund: The General Fund is the County's primary operating fund. Cash and investments of \$50.2 million increased \$10 million, or 24.9% over prior year. The cash flow from operations were driven by the revenue side of the equation, as receivables are flat in spite of a \$10 million increase in revenue. The liabilities were also flat and expenditures were level at \$254.2 million, an increase of \$2.2 million, or .9% over the prior year.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)**



Total fund balance was \$46.6 million at the end of this fiscal year, an increase of \$7.6 million, or 19.5% compared to the prior year.

The stabilization portion represents \$4.1 million committed for stabilization based upon the Board of County Commissioner's fund balance policy and State of Nevada NRS 354.6115. This amount represents 1.6% of total expenditures and transfers out, excluding material one-time items and is unchanged from the prior year.

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

budgeted deficit, \$4.1 million is included in committed fund balance for stabilization and \$1.1 million is in assigned fund balance. The remaining balances are primarily for encumbrances for major contracts (committed) or other expenditures (assigned) that have been re-appropriated in the next fiscal year. Unassigned fund balance increased by \$13.3 million, or 49.3%, compared to the prior year.

Special Assessment Debt Service Fund: The Special Assessment Debt Service Fund, a major fund, accounts for assessments, penalties, investment income and other resources to retire debt issued for improvements benefiting those properties against which the special assessments are levied. Ending fund balance of \$1.7 million, an increase of \$377,000 or 29% over the prior year fund balance, is primarily due to revenue collections exceeding the debt service.

Child Protective Services Fund: The Child Protective Services Fund, a major fund managed by the Social Services Department, accounts for resources specifically appropriated to protect against the neglect, abandonment and abuse of children in the County. The primary funding source, federal and state grants, amounted to 78% of revenue with ad valorem taxes contributing another 12% of revenue. Expenditures include personnel costs, as well as expenditures for child protection and placement, including emergency shelter, professional services, foster care and adoption subsidies.

Ending fund balance of \$4.3 million was \$4.5 million below the prior year as program costs exceeded the revenue sources. Restricted fund balance of \$136,500 is largely due to donations and private foundation grants to support specific programs. The remaining fund balance of \$4.2 million has been committed to support child protective programs by the BCC through budgeted transfers over several years.

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

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

Cash and investments increased by \$12.8 million during the year, driven by positive cash flow from operations and the receipt of hook-up fees from developers.

Operating revenue of \$32.3 million was 101% of budget and \$748,000 higher than the prior year. The increase was primarily due to growth in customers, a 1.7% increase in utility rates based on changes to the regional Consumer Price Index, and higher overhead revenue from the Western Regional Water Commission.

Operating expenses of \$27.1 million were 86% of budget and \$163,000 higher than the prior year. Well mitigation, repairs and maintenance, and non-capital equipment costs were all lower than anticipated while professional services, utilities, and overhead expenses were all greater than in the prior year.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)

Capital contributions of \$8.1 million were 284% of budget and \$3.7 million higher than the prior year. This increase was mainly due to higher hook-up fee revenue by \$3.6 million and a rise in contributions from contractors by \$90,000.

On December 9, 2009, the Washoe County Board of County Commissioners and the Truckee Meadows Water Authority (TMWA) Board of Directors approved an interlocal agreement governing the consolidation of the County's water utility into the Truckee Meadows Water Authority. The purpose of the agreement is to integrate and merge the water utility into TMWA in a strategically phased manner, with TMWA as the surviving water purveyor. The contemplated consolidation is expected to benefit the community through better stewardship of water resources and more efficient use of facilities and facility planning. Pursuant to the terms of the agreement, the parties have completed a due diligence process under the direction of the TMWA General Manager and the Director of Community Services. The parties are in the process of preparing an addendum to the interlocal agreement that is expected to be submitted to the respective governing boards for their review and approval in October 2014, with a target consolidation date of December 31, 2014.

The County's water utility staff continues to operate the South Truckee Meadows General Improvement District's (STMGID) water utility under the terms of an interlocal agreement. The STMGID has its own revenue source and reimburses the County for this support. Revenue for County services is classified as services to other agencies. The STMGID Board of Trustees has also approved an interlocal agreement governing the consolidation of the STMGID's water utility with TMWA simultaneously with the County's water utility. Once the consolidation is complete, the County will continue to operate and account for various sewer systems, a reclaimed water system, and a flood detention facility in Spanish Springs in one or more enterprise funds.

CAPITAL ASSETS

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2014, is \$911 million (net of accumulated depreciation), as summarized below.

Washoe County Capital Assets (Net of Depreciation)
(in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land, use rights	\$ 143,135	\$ 142,795	\$ 14,033	\$ 13,987	\$ 157,168	\$ 156,782
Plant capacity	-	-	825	825	825	825
Construction in progress	10,713	6,910	3,917	4,550	14,630	11,460
Land improvements	21,077	22,254	1,810	2,010	22,887	24,264
Building/improvements	192,061	197,914	51,861	50,288	243,922	248,202
Infrastructure	165,085	183,609	276,806	280,857	441,891	464,466
Equipment	17,918	20,349	282	171	18,200	20,520
Software	4,633	6,013	-	108	4,633	6,121
Plant capacity, depreciable	-	-	7,259	7,510	7,259	7,510
Total	\$ 554,622	\$ 579,844	\$ 356,793	\$ 360,306	\$ 911,415	\$ 940,150

The net decrease in investment in capital assets for the current fiscal year of \$28.7 million or 3.1% was primarily due to depreciation of \$49 million, which was in excess of net capital additions by \$17 million. New capital investments during the year included \$3.6 million for road right-of-ways and improvements, \$2.9 million for vehicles and other equipment and \$6.2 million for utility infrastructure. The construction in progress balance of \$10.7 million in governmental activities included projects for regional public safety communications and technology, parks and open space and for water quality improvement at Lake Tahoe. Major commitments at year-end of \$6.9 million

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014
(CONTINUED)**

included continuation of the projects in progress as well as additional projects for technology improvements and infrastructure.

Additional information on the County's capital assets can be found in Notes 5 and 6.

DEBT ADMINISTRATION

At June 30, 2014, the County had a total outstanding bonded debt of \$220.7 million. Of this amount, \$171.4 million is general obligation debt backed by the full faith and credit of the County, and \$8.1 million is special assessment debt for which the County is liable in the event of default by property owners subject to the assessment. The remainder of the County's debt represents revenue bonds secured solely by specified revenue sources.

**Washoe County Outstanding Debt
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 114,217	\$ 120,146	\$ 57,175	\$ 59,947	\$ 171,392	\$ 180,093
Revenue Bonds	41,222	42,419	-	-	41,222	42,419
Special Assessment Bonds	8,117	9,061	-	-	8,117	9,061
Total	\$ 163,556	\$ 171,626	\$ 57,175	\$ 59,947	\$ 220,731	\$ 231,573

The County's current fiscal year outstanding debt decreased \$10.8 million as a result of principal payments on existing debt.

State Statute (NRS 244A.059) limits the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The current limitation for the County is \$1.2 billion, which is \$963.5 million in excess of the County's outstanding general obligation debt.

Additional information regarding the County's long-term debt can be found in Notes 9, 10, and 11 to the financial statements.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Washoe County Comptroller, P.O. Box 11130, Reno, NV 89520-0027. This report will also be available on the web site at www.washoecounty.us/finance/CAFR2014.htm. Truckee Meadows Fire Protection District (TMFPD) and Sierra Fire Protection District (SFPD) are included in this report as discretely presented component units. These entities issue separate audited financial statements that are filed at the Washoe County Clerk's Office, 1001 E. 9th Street, Room A-100, Reno, Nevada.



BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

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WASHOE COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District	Sierra Fire Protection District
Assets					
Cash and investments (Note 3)	\$ 174,313,481	\$ 111,724,069	\$ 286,037,550	\$ 20,650,712	\$ 1,931,682
Restricted cash and investments (Note 4)	795,406	2,527,373	3,322,779	-	-
Accounts receivable	5,213,707	4,833,210	10,046,917	625	-
Consolidated tax receivable	14,315,970	-	14,315,970	-	-
Property taxes receivable	2,852,086	-	2,852,086	165,399	57,654
Other taxes receivable	14,144,023	-	14,144,023	-	-
Interest receivable	465,343	291,443	756,786	51,547	4,976
Due from other funds	(51,269)	51,269	-	-	-
Due from other governments	9,289,243	1,732,912	11,022,155	1,481,080	289,293
Internal balances	(13,428,010)	13,428,010	-	-	-
Inventory	297,763	198,150	495,913	-	-
Deposits and other assets	317,313	72,484	389,797	1,480,776	-
Long-term restricted cash and investments (Note 4)	2,301,657	10,744,524	13,046,181	-	-
Long-term assets (Notes 5,15)	6,870,434	316,240	7,186,674	1,001,338	-
Capital Assets: (Note 6)					
Nondepreciable	153,848,812	18,774,914	172,623,726	3,528,972	121,000
Other capital assets, net of depreciation	400,773,172	338,018,299	738,791,471	12,048,495	4,530,558
Total Assets	772,319,131	502,712,897	1,275,032,028	40,408,944	6,935,163
Deferred Outflows of Resources					
Deferred charge on refunding (Note 10)	452,054	-	452,054	-	-
Liabilities					
Accounts payable	13,635,370	1,207,914	14,843,284	1,815,079	-
Accrued salaries and benefits	9,465,373	303,571	9,768,944	-	-
Contracts/retention payable	1,885,421	41	1,885,462	-	-
Tax refunds payable	1,244,390	-	1,244,390	-	-
Interest payable	1,102,140	1,127,161	2,229,301	-	-
Due to other funds	(95,660)	95,660	-	-	-
Due to other governments	3,740,234	1,337,650	5,077,884	111,315	66,593
Other liabilities (Note 7)	2,306,658	827,817	3,134,475	-	-
Unearned revenue (Note 8)	3,869,734	149,128	4,018,862	-	-
Noncurrent Liabilities: (Notes 9,10,11,15,16)					
Due within one year	33,290,118	3,436,310	36,726,428	1,170,270	-
Due in more than one year, payable from restricted assets	2,301,657	-	2,301,657	-	-
Due in more than one year	174,513,725	54,551,141	229,064,866	1,373,952	2,141,475
Total Liabilities	247,259,160	63,036,393	310,295,553	4,470,616	2,208,068
Net Position (Note 13)					
Net investment in capital assets	437,044,466	299,618,398	736,662,864	15,577,467	4,651,558
Restricted for:					
General government	4,474,780	-	4,474,780	-	-
Judicial	6,768,050	-	6,768,050	-	-
Public safety	7,643,576	1,315,993	8,959,569	771,851	870,386
Public works	113,077	-	113,077	-	-
Health and sanitation	929,951	-	929,951	-	-
Welfare	5,482,452	-	5,482,452	-	-
Culture and recreation	656,825	-	656,825	-	-
Debt service	19,260,589	12,144,736	31,405,325	-	-
Capital projects	29,394,195	-	29,394,195	3,329,172	-
Claims	19,331,717	-	19,331,717	5,254,381	-
Unrestricted	(6,491,761)	126,597,377	120,105,616	11,005,457	(794,849)
Total Net Position	\$ 524,607,917	\$ 439,676,504	\$ 964,284,421	\$ 35,938,328	\$ 4,727,095

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, 2014**

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	\$ 80,958,311	\$ (8,592,643)	\$ 27,105,892	\$ 882,816	\$ 86,794
Judicial	59,316,649	8,035	9,904,501	3,172,472	-
Public safety	137,583,548	950,879	16,204,915	5,609,336	892,448
Public works	48,419,813	1,487,034	7,121,955	3,348,657	10,540,023
Health and sanitation	18,384,226	2,956,925	4,042,935	7,854,951	151,821
Welfare	65,650,977	2,372,329	2,749,703	32,782,806	-
Culture and recreation	21,803,131	817,441	1,346,379	3,432,201	573,501
Community support	178,296	-	-	-	-
Interest on long-term debt	5,525,321	-	-	-	-
Total Governmental Activities	437,820,272	\$ -	68,476,280	57,083,239	12,244,587
Business-type Activities:					
Utilities	28,299,955		32,286,439	110,733	8,107,319
Golf courses	952,041		854,192	1,005	-
Building permits	1,356,958		2,491,146	-	-
Total Business-type Activities	30,608,954		35,631,777	111,738	8,107,319
Total Primary Government	\$ 468,429,226		\$ 104,108,057	\$ 57,194,977	\$ 20,351,906
Component Units:					
Truckee Meadows Fire Protection District	\$ 22,249,275		\$ 6,374,245	\$ 135,732	\$ 750,000
Sierra Fire Protection District	8,686,631		-	-	206,043
Total Component Units	\$ 30,935,906		\$ 6,374,245	\$ 135,732	\$ 956,043

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 19)

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 Units	
Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District	Sierra Fire Protection District
\$ (44,290,166)	\$ -	\$ (44,290,166)		
(46,247,711)	-	(46,247,711)		
(115,827,728)	-	(115,827,728)		
(28,896,212)	-	(28,896,212)		
(9,291,444)	-	(9,291,444)		
(32,490,797)	-	(32,490,797)		
(17,268,491)	-	(17,268,491)		
(178,296)	-	(178,296)		
<u>(5,525,321)</u>	<u>-</u>	<u>(5,525,321)</u>		
(300,016,166)	-	(300,016,166)		
-	12,204,536	12,204,536		
-	(96,844)	(96,844)		
-	1,134,188	1,134,188		
-	13,241,880	13,241,880		
<u>(300,016,166)</u>	<u>13,241,880</u>	<u>(286,774,286)</u>		
			\$ (14,989,298)	\$ -
			<u>-</u>	<u>(8,480,588)</u>
			<u>(14,989,298)</u>	<u>(8,480,588)</u>
168,009,195	-	168,009,195	10,105,769	4,830,504
80,808,838	-	80,808,838	5,206,953	1,207,498
10,228,786	-	10,228,786	654,633	248,213
7,672,379	-	7,672,379	-	-
1,931,486	-	1,931,486	402,675	1,001,241
8,957,218	-	8,957,218	405,221	42,884
1,593,742	1,591,349	3,185,091	322,274	32,973
23,769	-	23,769	-	-
<u>210,780</u>	<u>(210,780)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>279,436,193</u>	<u>1,380,569</u>	<u>280,816,762</u>	<u>17,097,525</u>	<u>7,363,313</u>
<u>(20,579,973)</u>	<u>14,622,449</u>	<u>(5,957,524)</u>	<u>2,108,227</u>	<u>(1,117,275)</u>
<u>545,187,890</u>	<u>425,054,055</u>	<u>970,241,945</u>	<u>33,830,101</u>	<u>5,844,370</u>
<u>\$ 524,607,917</u>	<u>\$ 439,676,504</u>	<u>\$ 964,284,421</u>	<u>\$ 35,938,328</u>	<u>\$ 4,727,095</u>

**WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014**

	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and investments (Note 3)	\$ 50,233,793	\$ 3,209,462	\$ 1,680,910	\$ 86,927,553	\$ 142,051,718
Restricted cash and investments (Notes 3,4)	750,000	-	-	45,406	795,406
Accounts receivable	1,738,938	2,259	-	222,583	1,963,780
Consolidated tax receivable	14,315,970	-	-	-	14,315,970
Property taxes receivable	2,315,984	79,633	-	456,469	2,852,086
Other taxes receivable	2,718,161	-	8,470,915	2,954,947	14,144,023
Interest receivable	238,494	-	4,237	149,582	392,313
Due from other funds	378,054	24,363	-	185,803	588,220
Due from other governments	1,335,116	4,434,678	-	3,519,449	9,289,243
Deposits and prepaid items	19,043	-	-	42,124	61,167
Total Assets	\$ 74,043,553	\$ 7,750,395	\$ 10,156,062	\$ 94,503,916	\$ 186,453,926
Liabilities					
Accounts payable	\$ 8,621,533	\$ 2,202,855	\$ 1,599	\$ 1,667,963	\$ 12,493,950
Accrued salaries and benefits	7,418,327	756,606	-	1,190,395	9,365,328
Contracts/retention payable	612	-	-	1,884,809	1,885,421
Tax refunds payable	1,013,016	36,456	-	194,918	1,244,390
Due to other funds	166,810	2,823	-	374,195	543,828
Due to other governments	2,864,530	41,850	-	833,616	3,739,996
Deposits	-	-	-	253,776	253,776
Other liabilities (Note 7)	2,030,743	986	21,153	-	2,052,882
Unearned revenue (Note 8)	3,446,375	28,852	-	394,507	3,869,734
Total Liabilities	25,561,946	3,070,428	22,752	6,794,179	35,449,305
Deferred Inflows of Resources (Note 8)					
Unavailable revenue - grants and other revenue	-	273,522	8,470,915	414,398	9,158,835
Unavailable revenue - property taxes	1,875,040	68,325	-	393,302	2,336,667
Total Deferred Inflows of Resources	1,875,040	341,847	8,470,915	807,700	11,495,502
Fund Balances (Note 13)					
Nonspendable	19,043	-	-	39,483	58,526
Restricted	792,259	136,505	1,662,395	70,727,385	73,318,544
Committed	4,518,775	4,201,615	-	9,071,496	17,791,886
Assigned	1,106,583	-	-	7,482,168	8,588,751
Unassigned	40,169,907	-	-	(418,495)	39,751,412
Total Fund Balances	46,606,567	4,338,120	1,662,395	86,902,037	139,509,119
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 74,043,553	\$ 7,750,395	\$ 10,156,062	\$ 94,503,916	\$ 186,453,926

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, 2014

Fund Balances - Governmental Funds		\$ 139,509,119
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	\$ 1,181,164,189	
Less accumulated depreciation	<u>(632,088,006)</u>	549,076,183
Other assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Prepaid bond insurance	132,854	
Net OPEB asset	<u>2,873,527</u>	3,006,381
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		(135,169)
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	(162,512,790)	
Bond premiums, discounts and charge on refundings	(1,043,492)	
Accrued interest payable	(1,102,140)	
Remediation obligation	(7,013,183)	
Compensated absences	<u>(24,305,081)</u>	(195,976,686)
Revenues that were not available to fund current expenditures and therefore are not reported in governmental funds.		
		11,495,502
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	31,060,597	
Internal balances receivable from business-type activities	<u>1,561,346</u>	32,621,943
Governmental funds report allocations of indirect expenses to enterprise funds. However, in the Statement of Activities indirect expenses are eliminated.		
		<u>(14,989,356)</u>
Total Net Position of Governmental Activities		<u>\$ 524,607,917</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, 2014

	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
Taxes:					
Ad valorem	\$ 137,635,605	\$ 4,872,964	\$ -	\$ 26,062,688	\$ 168,571,257
Car rental fee	-	-	-	1,141,625	1,141,625
Other taxes	311,167	-	-	214,659	525,826
Special assessments	-	-	676,240	-	676,240
Licenses and permits	8,264,242	22,433	-	1,649,318	9,935,993
Intergovernmental revenues	99,891,765	32,964,193	-	35,348,586	168,204,544
Charges for services	23,797,197	2,642,498	-	9,254,637	35,694,332
Fines and forfeits	8,128,615	-	41,589	2,319,476	10,489,680
Miscellaneous	3,987,086	1,576,088	466,642	4,951,050	10,980,866
Total Revenues	282,015,677	42,078,176	1,184,471	80,942,039	406,220,363
Expenditures					
Current:					
General government	49,593,836	-	-	616,066	50,209,902
Judicial	50,358,766	-	-	5,277,753	55,636,519
Public safety	109,560,703	-	-	18,802,893	128,363,596
Public works	14,021,932	-	-	12,102,747	26,124,679
Health and sanitation	-	-	-	21,557,725	21,557,725
Welfare	15,912,180	46,146,959	-	7,305,208	69,364,347
Culture and recreation	11,362,946	-	-	6,838,624	18,201,570
Community support	178,296	-	-	-	178,296
Intergovernmental	3,213,165	-	-	5,577,137	8,790,302
Capital outlay	-	-	-	12,570,804	12,570,804
Debt Service:					
Principal	-	-	894,495	7,048,208	7,942,703
Interest	-	-	343,692	5,283,514	5,627,206
Debt service fees and other fiscal charges	-	-	45,942	45,798	91,740
Assessment refunds	-	-	6,262	-	6,262
Total Expenditures	254,201,824	46,146,959	1,290,391	103,026,477	404,665,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,813,853	(4,068,783)	(105,920)	(22,084,438)	1,554,712
Other Financing Sources (Uses)					
Proceeds from asset disposition	31,239	-	-	1,936	33,175
Proceeds from insurance recoveries	-	-	-	39,725	39,725
Transfers in	845,270	-	482,653	29,348,066	30,675,989
Transfers out	(21,117,545)	(445,406)	-	(9,113,038)	(30,675,989)
Total Other Financing Sources (Uses)	(20,241,036)	(445,406)	482,653	20,276,689	72,900
Net Change in Fund Balances	7,572,817	(4,514,189)	376,733	(1,807,749)	1,627,612
Fund Balances, July 1	39,033,750	8,852,309	1,285,662	88,709,786	137,881,507
Fund Balances, June 30	\$ 46,606,567	\$ 4,338,120	\$ 1,662,395	\$ 86,902,037	\$ 139,509,119

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, 2014**

Net Change in Fund Balances - Governmental Funds \$ 1,627,612

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	\$ 10,172,665	
Less current year depreciation/amortization	<u>(38,712,868)</u>	(28,540,203)

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

Change in Net OPEB Asset		(838,116)
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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	3,334,551	
Change in unavailable revenue	<u>(1,695,496)</u>	1,639,055

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:

Bond principal payments		7,942,703
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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	134,374	
Amortization of bond discount	(3,143)	
Amortization of deferred charge on refunding	(4,253)	
Amortization of bond prepaid insurance	(40,676)	
Change in lease payable	(52,597)	
Change in termination benefits	22,769	
Change in compensated absences	(438,902)	
Change in remediation obligation	1,262,479	
Change in accrued interest payable	72,910	
Disposition of capital assets	<u>(71,985)</u>	880,976

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	(1,517,423)	
Internal charges reported in business activities	<u>(1,774,577)</u>	<u>(3,292,000)</u>
Change in Net Position of Governmental Activities		<u>\$ (20,579,973)</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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 137,565,073	\$ 137,565,073	\$ 137,635,605	\$ 70,532
Other taxes	280,000	280,000	311,167	31,167
Licenses and permits	8,327,050	8,327,050	8,264,242	(62,808)
Intergovernmental revenues	94,489,524	94,649,053	99,891,765	5,242,712
Charges for services	24,380,774	24,221,245	23,797,197	(424,048)
Fines and forfeits	7,418,200	7,418,200	8,128,615	710,415
Miscellaneous	4,377,672	4,412,076	3,987,086	(424,990)
Total Revenues	<u>276,838,293</u>	<u>276,872,697</u>	<u>282,015,677</u>	<u>5,142,980</u>
Expenditures by Function and Activity				
Current:				
General Government:				
Legislative	591,897	556,897	541,811	15,086
Executive	2,627,081	2,920,596	2,423,877	496,719
Elections	1,450,420	1,488,879	1,081,273	407,606
Finance	11,041,283	11,297,239	10,658,987	638,252
Other General Government	41,305,991	41,210,993	34,887,888	6,323,105
Total General Government	<u>57,016,672</u>	<u>57,474,604</u>	<u>49,593,836</u>	<u>7,880,768</u>
Judicial:				
District Courts	16,210,736	16,409,513	14,724,340	1,685,173
District Attorney	17,190,940	17,314,633	16,770,416	544,217
Public Defense	10,646,987	10,648,839	11,089,263	(440,424)
Justice Courts	7,967,809	8,075,530	7,667,927	407,603
Incline Constable	107,057	107,132	106,820	312
Total Judicial	<u>52,123,529</u>	<u>52,555,647</u>	<u>50,358,766</u>	<u>2,196,881</u>
Public Safety:				
Sheriff and Detention	89,864,077	91,872,497	91,030,408	842,089
Medical Examiner	2,011,585	2,163,263	2,116,252	47,011
Fire Suppression	852,995	902,995	695,625	207,370
Juvenile Services	13,108,411	13,108,412	12,482,218	626,194
Protective Services	3,236,755	3,279,112	3,236,200	42,912
Total Public Safety	<u>109,073,823</u>	<u>111,326,279</u>	<u>109,560,703</u>	<u>1,765,576</u>
Public Works:				
Community Services Department (CSD)	14,480,635	14,643,507	14,021,932	621,575
Welfare:				
Social Services	18,756,505	18,756,505	15,912,180	2,844,325
Culture and Recreation:				
Library	7,677,316	7,679,792	7,528,198	151,594
CSD - Regional Parks and Open Space	3,799,580	3,957,188	3,834,748	122,440
Total Culture and Recreation	<u>11,476,896</u>	<u>11,636,980</u>	<u>11,362,946</u>	<u>274,034</u>
Community Support	369,761	219,520	178,296	41,224

(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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Intergovernmental	\$ 3,216,460	\$ 3,216,460	\$ 3,213,165	\$ 3,295
Total Expenditures	<u>266,514,281</u>	<u>269,829,502</u>	<u>254,201,824</u>	<u>15,627,678</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,324,012</u>	<u>7,043,195</u>	<u>27,813,853</u>	<u>20,770,658</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	5,000	5,000	31,239	26,239
Transfers in	470,375	470,375	845,270	374,895
Transfers out	(19,285,071)	(20,918,360)	(21,117,545)	(199,185)
Contingency	<u>(1,215,000)</u>	<u>(367,515)</u>	<u>-</u>	<u>367,515</u>
Total Other Financing Sources (Uses)	<u>(20,024,696)</u>	<u>(20,810,500)</u>	<u>(20,241,036)</u>	<u>569,464</u>
Net Change in Fund Balances	<u>(9,700,684)</u>	<u>(13,767,305)</u>	<u>7,572,817</u>	<u>21,340,122</u>
Fund Balances, July 1	<u>34,967,129</u>	<u>39,033,750</u>	<u>39,033,750</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 25,266,445</u>	<u>\$ 25,266,445</u>	<u>\$ 46,606,567</u>	<u>\$ 21,340,122</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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 4,872,150	\$ 4,872,150	\$ 4,872,964	\$ 814
Licenses and Permits:				
Day care licenses	22,500	22,500	22,433	(67)
Intergovernmental Revenues:				
Federal grants	20,654,650	20,654,650	17,169,589	(3,485,061)
State grants	15,859,711	15,859,711	15,794,604	(65,107)
Charges for Services:				
Service fees	2,657,000	2,657,000	2,642,498	(14,502)
Miscellaneous:				
Contributions and donations	60,080	60,080	56,330	(3,750)
Other	-	-	1,519,758	1,519,758
Total Revenues	<u>44,126,091</u>	<u>44,126,091</u>	<u>42,078,176</u>	<u>(2,047,915)</u>
Expenditures				
Welfare Function:				
Salaries and wages	14,318,787	14,318,787	13,145,404	1,173,383
Employee benefits	6,055,616	6,055,616	5,420,013	635,603
Services and supplies	28,099,376	28,099,376	25,379,676	2,719,700
Capital outlay	20,000	20,000	2,201,866	(2,181,866)
Total Expenditures	<u>48,493,779</u>	<u>48,493,779</u>	<u>46,146,959</u>	<u>2,346,820</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,367,688)</u>	<u>(4,367,688)</u>	<u>(4,068,783)</u>	<u>298,905</u>
Other Financing Sources (Uses)				
Transfers:				
Other Restricted Fund	-	-	(45,406)	(45,406)
Debt Service Fund	(400,000)	(400,000)	(400,000)	-
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>(445,406)</u>	<u>(45,406)</u>
Net Change in Fund Balances	<u>(4,767,688)</u>	<u>(4,767,688)</u>	<u>(4,514,189)</u>	<u>253,499</u>
Fund Balances, July 1	<u>9,469,281</u>	<u>9,469,281</u>	<u>8,852,309</u>	<u>(616,972)</u>
Fund Balances, June 30	<u>\$ 4,701,593</u>	<u>\$ 4,701,593</u>	<u>\$ 4,338,120</u>	<u>\$ (363,473)</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, 2014**

	<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>
Assets				
Current Assets:				
Cash and investments (Note 3)	\$ 109,243,717	\$ 2,480,352	\$ 111,724,069	\$ 32,261,763
Restricted cash and investments (Notes 3,4)	2,527,373	-	2,527,373	-
Accounts receivable	4,689,008	144,202	4,833,210	3,249,927
Interest receivable	286,199	5,244	291,443	73,030
Due from other funds	51,269	-	51,269	-
Due from other governments	1,732,912	-	1,732,912	-
Inventory	189,870	8,280	198,150	297,763
Other assets	72,484	-	72,484	256,146
Total Current Assets	<u>118,792,832</u>	<u>2,638,078</u>	<u>121,430,910</u>	<u>36,138,629</u>
Noncurrent Assets:				
Restricted cash and investments (Notes 3,4)	10,744,524	-	10,744,524	2,301,657
Long-term receivables and other assets (Note 5)	316,240	-	316,240	3,864,053
Capital Assets: (Note 6)				
Nondepreciable:				
Land	13,860,227	173,000	14,033,227	-
Plant capacity	-	825,150	825,150	-
Construction in progress	3,916,537	-	3,916,537	34,344
Depreciable:				
Land improvements	1,425,257	3,764,945	5,190,202	-
Buildings and improvements	70,056,702	1,258,356	71,315,058	24,990
Infrastructure	361,623,046	-	361,623,046	-
Equipment	1,337,963	1,043,240	2,381,203	24,007,576
Software	1,060,942	78,183	1,139,125	20,260
Plant, well capacity	10,030,729	-	10,030,729	-
Less accumulated depreciation	<u>(108,913,780)</u>	<u>(4,747,284)</u>	<u>(113,661,064)</u>	<u>(18,541,369)</u>
Total Noncurrent Assets	<u>365,458,387</u>	<u>2,395,590</u>	<u>367,853,977</u>	<u>11,711,511</u>
Total Assets	<u>484,251,219</u>	<u>5,033,668</u>	<u>489,284,887</u>	<u>47,850,140</u>
Liabilities				
Current Liabilities:				
Accounts payable	1,173,893	34,021	1,207,914	1,006,252
Accrued salaries and benefits	234,353	69,218	303,571	100,045
Compensated absences (Notes 9,10)	490,351	123,654	614,005	213,077
Contracts/retention payable	41	-	41	-
Interest payable	1,127,161	-	1,127,161	-
Due to other funds	95,660	-	95,660	-
Due to other governments	1,327,650	10,000	1,337,650	238
Unearned revenue (Note 8)	149,128	-	149,128	-
Other liabilities (Note 7)	814,817	13,000	827,817	-
Notes, bonds, leases payable (Notes 9,10,11)	2,822,305	-	2,822,305	-
Pending claims (Note 16)	-	-	-	6,864,000
Total Current Liabilities	<u>8,235,359</u>	<u>249,893</u>	<u>8,485,252</u>	<u>8,183,612</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2014**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities Internal Service Funds</u>
	<u>Water Resources Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Noncurrent Liabilities: (Notes 9,10,11,16)				
Compensated absences	\$ 158,629	\$ 40,002	\$ 198,631	\$ 68,931
Notes, bonds, leases payable	54,352,510	-	54,352,510	-
Pending claims	-	-	-	6,235,343
Pending claims payable from restricted cash	-	-	-	2,301,657
Total Noncurrent Liabilities	<u>54,511,139</u>	<u>40,002</u>	<u>54,551,141</u>	<u>8,605,931</u>
Total Liabilities	<u>62,746,498</u>	<u>289,895</u>	<u>63,036,393</u>	<u>16,789,543</u>
Net Position (Note 13)				
Net investment in capital assets	297,222,808	2,395,590	299,618,398	5,545,801
Restricted for public safety	-	1,315,993	1,315,993	-
Restricted for debt service	12,144,736	-	12,144,736	-
Restricted for claims	-	-	-	19,331,717
Unrestricted	<u>112,137,177</u>	<u>1,032,190</u>	<u>113,169,367</u>	<u>6,183,079</u>
Total Net Position	<u>\$ 421,504,721</u>	<u>\$ 4,743,773</u>	<u>426,248,494</u>	<u>\$ 31,060,597</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.

14,989,356

Adjustment to reflect the consolidation of internal
 service fund activities related to enterprise funds.

(1,561,346)

Net Position of Business-type Activities

\$ 439,676,504

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, 2014**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Resources Fund	Other Enterprise Funds	Total	
Operating Revenues				
Charges for Services:				
Utility fees	\$ 30,039,182	\$ -	\$ 30,039,182	\$ -
Golf course fees	-	793,853	793,853	-
Building permits and fees	-	2,387,116	2,387,116	-
Services to other agencies	1,166,793	94,593	1,261,386	-
Services to other funds	209,572	-	209,572	-
Self insurance fees	-	-	-	46,584,582
Equipment service billings	-	-	-	6,434,653
Miscellaneous	870,892	69,776	940,668	2,837,480
Total Operating Revenues	<u>32,286,439</u>	<u>3,345,338</u>	<u>35,631,777</u>	<u>55,856,715</u>
Operating Expenses				
Salaries and wages	3,996,687	1,153,885	5,150,572	1,695,618
Employee benefits	1,664,925	455,305	2,120,230	745,581
Services and supplies	12,799,624	936,072	13,735,696	54,704,310
Depreciation/amortization	8,677,289	222,041	8,899,330	1,373,800
Total Operating Expenses	<u>27,138,525</u>	<u>2,767,303</u>	<u>29,905,828</u>	<u>58,519,309</u>
Operating Income (Loss)	<u>5,147,914</u>	<u>578,035</u>	<u>5,725,949</u>	<u>(2,662,594)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	1,533,930	24,771	1,558,701	502,901
Net increase (decrease) in the fair value of investments	31,501	1,147	32,648	(536)
Miscellaneous	20,321	1,005	21,326	-
Federal grants	90,412	-	90,412	265,233
Gain (loss) on asset disposition	(10,000)	-	(10,000)	166,793
Interest/bond issuance costs	(2,252,074)	-	(2,252,074)	-
Connection fee refunds/credits	(215,629)	-	(215,629)	-
Total Nonoperating Revenues (Expenses)	<u>(801,539)</u>	<u>26,923</u>	<u>(774,616)</u>	<u>934,391</u>
Income (Loss) Before Capital Contributions, and Transfers	<u>4,346,375</u>	<u>604,958</u>	<u>4,951,333</u>	<u>(1,728,203)</u>
Capital Contributions				
Hookup fees	6,220,293	-	6,220,293	-
Contributions	1,879,633	-	1,879,633	-
Federal/State grants	7,393	-	7,393	-
Total Capital Contributions	<u>8,107,319</u>	<u>-</u>	<u>8,107,319</u>	<u>-</u>
Transfers				
Transfers in (out)	<u>(210,780)</u>	<u>-</u>	<u>(210,780)</u>	<u>210,780</u>
Change in Net Position	12,242,914	604,958	12,847,872	(1,517,423)
Net Position, July 1, as Restated (Note 18)	409,261,807	4,138,815		32,578,020
Net Position, June 30	<u>\$ 421,504,721</u>	<u>\$ 4,743,773</u>		<u>\$ 31,060,597</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>1,774,577</u>	
Change in Net Position of Business-type Activities			<u>\$ 14,622,449</u>	

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

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2014**

	<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	\$ 29,816,135	\$ 3,460,736	\$ 33,276,871	\$ 16,877,164
Cash received from other funds	209,572	-	209,572	35,104,531
Cash received from others	2,213,058	431	2,213,489	3,116,831
Cash payments for personnel costs	(5,677,746)	(1,603,992)	(7,281,738)	(2,430,089)
Cash payments for services and supplies	(11,911,760)	(916,650)	(12,828,410)	(53,853,110)
Cash payments for refund of hookup fees	(215,629)	-	(215,629)	-
Net Cash Provided (Used) by Operating Activities	<u>14,433,630</u>	<u>940,525</u>	<u>15,374,155</u>	<u>(1,184,673)</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	<u>110,125</u>	<u>-</u>	<u>110,125</u>	<u>265,233</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	-	-	-	114,873
Cash received from Federal/State grants	7,794	-	7,794	-
Contributions from others	5,401,815	-	5,401,815	-
Principal paid on financing	(2,736,142)	-	(2,736,142)	-
Interest paid on financing	(2,321,325)	-	(2,321,325)	-
Proceeds from insurance recoveries	-	-	-	10,368
*Acquisition of capital assets	(3,891,805)	(16,493)	(3,908,298)	(1,381,406)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,539,663)</u>	<u>(16,493)</u>	<u>(3,556,156)</u>	<u>(1,256,165)</u>
Cash Flows From Investing Activities:				
Investment earnings (loss)	1,587,986	24,553	1,612,539	424,378
**Proceeds from assets held for sale	-	-	-	1,647,328
**Equipment supply deposit paid	-	-	-	(2,034,971)
Net Cash Provided (Used) by Investing Activities	<u>1,587,986</u>	<u>24,553</u>	<u>1,612,539</u>	<u>36,735</u>
Net Increase (Decrease) in Cash and Cash Equivalents	12,592,078	948,585	13,540,663	(2,138,870)
Cash and Cash Equivalents, July 1	<u>109,923,536</u>	<u>1,531,767</u>	<u>111,455,303</u>	<u>36,702,290</u>
Cash and Cash Equivalents, June 30	<u>\$ 122,515,614</u>	<u>\$ 2,480,352</u>	<u>\$ 124,995,966</u>	<u>\$ 34,563,420</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2014**

	<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>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 5,147,914	\$ 578,035	\$ 5,725,949	\$ (2,662,594)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	8,677,289	222,041	8,899,330	1,373,800
Contributed inventory	92,700	-	92,700	-
Other nonoperating revenue	49,506	-	49,506	-
Hookup fee refunds	(215,629)	-	(215,629)	-
**Imputed rental expense	-	-	-	95,486
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	15,951	115,829	131,780	(830,233)
Due from other funds	(51,268)	-	(51,268)	-
Due from other governments	(202,485)	-	(202,485)	72,044
Notes receivable	5,941	-	5,941	-
Inventory	7,129	(882)	6,247	(59,640)
Other assets	-	-	-	(263,068)
Increase (decrease) in:				
Accounts payable	498,238	18,540	516,778	(241,817)
Accrued salaries and benefits	3,879	2,403	6,282	12,663
Compensated absences	(20,013)	2,794	(17,219)	(1,552)
Due to other funds	162,699	-	162,699	-
Due to other governments	347,906	1,765	349,671	238
Other liabilities	(648)	-	(648)	-
Pending claims	-	-	-	1,320,000
Unearned revenue	(85,479)	-	(85,479)	-
Total Adjustments	9,285,716	362,490	9,648,206	1,477,921
Net Cash Provided (Used) by Operating Activities	<u>\$ 14,433,630</u>	<u>\$ 940,525</u>	<u>\$ 15,374,155</u>	<u>\$ (1,184,673)</u>

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

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$95,486 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,600,318 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$47,010.

*Acquisition of Capital Assets Financed by Cash	\$ 3,891,805	\$ 16,493	\$ 3,908,298	\$ 1,381,406
Capital contributions received	1,786,933	-	1,786,933	-
Capital transferred from other funds	-	-	-	210,780
Increase/(decrease) in liabilities	(63,882)	-	(63,882)	(156,862)
Total Acquisition of Capital Assets	<u>\$ 5,614,856</u>	<u>\$ 16,493</u>	<u>\$ 5,631,349</u>	<u>\$ 1,435,324</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, 2014**

	Investment Trust Fund	Agency Funds
Assets		
Cash and investments (Note 4)	\$ 100,774,059	\$ 29,596,691
Financial assurances	-	1,421,209
Accounts receivable	-	315,419
Property taxes receivable	-	5,248,017
Interest receivable	257,388	-
Due from other governments	-	2,812,269
Other deposits	-	16,709
	101,031,447	39,410,314
Liabilities		
Due to others/governments	-	39,410,314
Net Position		
Restricted for pool participants	\$ 101,031,447	\$ -

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, 2014**

	<u>Investment Trust Fund</u>
Additions	
Investment earnings:	
Interest	\$ 1,574,299
Net increase (decrease) in the fair value of investments	182,444
Contributions to pooled investments	<u>206,949,245</u>
Total Additions	208,705,988
Deductions	
Distributions from pooled investments	<u>207,445,057</u>
Change in Net Position	1,260,931
Net Position, July 1	<u>99,770,516</u>
Net Position, June 30	<u><u>\$ 101,031,447</u></u>

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

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

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

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WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying financial statements of the County and its discretely presented component units have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

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

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

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

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

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

B. Basic Financial Statements – Government-wide Statements

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

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

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all nonfiduciary activities of the County and its component units. The County maintains an overhead cost allocation that is charged to operating funds based on an indirect cost analysis. This indirect cost allocation is eliminated through a separate column on the Statement of Activities to provide full-cost information for the various functions. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on user fees and service charges for support.

In the government-wide Statement of Net Position, both governmental and business-type activities are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which recognizes all long-term assets as well as long-term debt and obligations. The County's net position is reported in three parts – net investment in capital assets, restricted net position and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities, then unrestricted resources as they are needed.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. Functions are also supported by general revenues (property and consolidated taxes, certain intergovernmental revenues, investment earnings not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation and amortization) by related program revenues. Program revenues include charges to customers or applicants for goods, services, or privileges provided; operating grants, interest and contributions; and capital grants, interest and contributions, including special assessments and investment earnings legally restricted to support specific programs. Program revenue must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

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

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

The County reports the following major governmental funds:

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

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

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

The County reports the following major enterprise fund:

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

The County reports the following additional fund types:

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

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Agency Funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various local governments, special districts and individuals. Included are funds for apportioned property and sales taxes, shared revenues and other financial resources for schools, special districts, boards, and other state and city agencies; funds held for wards of the Public Guardian; unclaimed assets of decedents; social security, insurance and support payments for children in the welfare system; bonds posted with the District Court; social security benefits held on behalf of senior citizens; funds held for inmates housed at the County jail; employees' payroll deductions such as insurance, taxes, and credit union; unapportioned taxes for other local governments; contributions from property owners for payment of no-commitment special assessment debt; financial assurances for corrective action requirements of property owners; water planning fees collected from regional water customers; and assets held on behalf of special districts, boards and other miscellaneous agencies.

Interfund Activity

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

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

D. Measurement Focus and Basis of Accounting

The measurement focus indicates the type of resources being measured such as current financial resources or economic resources. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred inflow of resources is established. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the government funds. Issuance of long-term debt is reported as other financing sources.

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The focus is upon determination of operating income, changes in net position, financial position, and cash flows, similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Investment Trust and Agency fund is reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting.

E. Financial Statement Amounts

Cash and Investments

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

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

Restricted Assets

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

Inventories

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

Capital Assets

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

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

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

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

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

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

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

Deferred Outflows/Inflows of Resources

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

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

Long-term Obligations, Bond Discounts and Issuance Costs

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

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

Equity Classifications

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

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets net of unspent financing proceeds.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

- Restricted net position – Consists of equity with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other equity that does not meet the definition of “restricted” or “net investment in capital assets.”

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

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

Net Position and Fund Balance Flow Assumptions

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

Budgetary Stabilization

It is the County's policy to maintain a fund balance of 1.5% of expenditures and other financing uses, excluding material one-time items, for the purpose of budgetary stabilization. NRS 354.6115 authorizes the creation of a fund to stabilize operation of local governments and mitigate effects of natural disaster. The intent of this policy is to include a portion of the General Fund budgeted ending fund balance that will be committed to stabilization pursuant to NRS 354.6115. Fund balance that is committed to stabilization can be used only after approval by the BCC when unanticipated declines in the major revenue

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

sources (consolidated and property tax revenues) are sustained for at least 6 months and decline from budget by 2.5% or greater as well as when unbudgeted expenditures are incurred due to a declared emergency or natural disaster. In the case of a natural disaster, the BCC must declare the emergency and State Statutes further constrain the use of these stabilization funds to specific types of outlays.

Reclassifications

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

Program Revenues

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

Property Taxes

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

Tax rates are levied by the BCC immediately after the Nevada Tax Commission has certified the combined tax rate and are then submitted to the County Treasurer for collection. The tax rate levied is for the current fiscal year, July 1 to June 30, and the taxes are considered a lien against real property attaching on July 1. The tax for fiscal year 2014 was due and payable on the third Monday in August, 2013. Taxes may be paid in four installments on the third Monday in August and the first Mondays in October, January and March. No provision for uncollectible amounts has been established since management does not anticipate any material collection loss in the year assessed, in respect to delinquent balances.

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

Compensated Absences

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

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

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

Encumbrance accounting is employed in governmental and proprietary funds. In governmental funds, encumbrances, which include purchase orders and contracts awarded for which goods and services have not been received at year-end, are reappropriated in the subsequent year and are reported as restricted, committed or assigned fund balances, as appropriate. An augmentation of \$15.1 million for encumbrances and restricted resources that have multiple year budgets was reappropriated in the new fiscal year.

Augmentations from beginning fund balance or previously unbudgeted resources for governmental funds in the current fiscal year were \$7.5 million. Augmentations in the current year for enterprise funds totaled \$73,000.

Compliance

The County conformed to all significant statutory and administrative code constraints on its financial administration during the fiscal year.

NOTE 3 – CASH AND INVESTMENTS

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and insured credit unions and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$89,996,795 and the bank balance was \$91,745,892. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the banks' records.

Custodial Credit Risk – Deposits

All deposits are subject to custodial credit risk, which is the risk that the County's deposits may not be returned to it in the event of a bank failure. Bank balances were covered by Federal depository insurance, the Securities Investor Protection Corporation, collateral held by the County's agent in the County's name or by collateral held by depositories in the name of the Nevada Collateral Pool, and were not exposed to custodial credit risk. The County does not have a formal policy relating to custodial credit risk, but follows NRS. According to NRS 356.020, all monies deposited by a county treasurer that are not within the limits of insurance provided by an instrumentality of the United States must be secured by collateral composed of the same types of securities allowed for investments which are identified below. The County participates in the State of Nevada Collateral Pool which requires depositories to maintain as collateral acceptable securities having a fair market value of at least 102 percent of the amount of the uninsured balances of the public money held by the depository. Under NRS 356.360, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the pool.

Investments

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

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

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

As of June 30, 2014, the County had the following investments and maturities:

	INVESTMENT MATURITIES (IN YEARS)				
	Fair Value	Less than 1	1 to 4	4 to 6	6 to 10
Investments:					
Money Market Mutual Funds	\$ 1,360,363	\$ 1,360,363	\$ -	\$ -	-
Certificates of Deposit	49,881,818	1,100,315	48,781,503	-	-
U.S. Treasury Securities	77,245,730	7,062	45,275,878	28,599,919	3,362,871
U.S. Agency Securities	166,530,060	40,509	134,405,057	17,160,932	14,923,562
Collateralized Mortgage Obligations	47,525	-	47,525	-	-
Corporate Notes	70,297,360	-	61,274,788	9,022,572	-
Total Investments	365,362,856	2,508,249	289,784,751	54,783,423	18,286,433
Total Cash	89,996,795	89,996,795	-	-	-
Total Cash and Investments ¹	\$ 455,359,651	\$ 92,505,044	\$ 289,784,751	\$ 54,783,423	\$ 18,286,433

¹Total cash and investments include restricted cash.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy requires twelve to eighteen months of projected cash flow to be in investments maturing in one year or less. Investments maturing in less than one year at June 30, 2014 were .6% of the County's total cash and investments. The County's strategic investment plan seeks to obtain the desired average maturity of 2 to 4 years. The average maturity at June 30, 2014, was 2.5 years.

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

Investment	Value	Investments
<u>U.S. Agency Mortgage Backed Securities and Collateralized Mortgage Obligations</u> When interest rates fall, mortgages are refinanced and paid off early and the reduced stream of future interest payments diminish fair value.	\$ 11,061,105	3.0%
<u>Callable U.S. Agency and Corporate Note Securities</u> On specified dates the issuer can call the security. Because they are subject to early repayment, the fair value of these securities is more sensitive in a period of declining interest rates.	23,558,692	6.4%
Total	\$ 34,619,797	

Credit Risk

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

As of June 30, 2014, the County's investments are rated as follows:

S&P Rating	Mutual Funds	Certificates of Deposit	U.S. Treasury Securities	U.S. Agencies	CMO	Corporate Notes	Fair Value
AAAm	\$ 1,360,363	\$ -	\$ -	\$ -	\$ -	\$ -	1,360,363
AAA	-	-	-	-	-	1,361,785	1,361,785
AA+	-	-	77,245,730	166,530,060	47,525	21,992,515	265,815,830
AA	-	-	-	-	-	24,316,971	24,316,971
AA-	-	11,096,365	-	-	-	6,354,631	17,450,996
A+	-	10,003,300	-	-	-	3,098,110	13,101,410
A	-	-	-	-	-	10,582,178	10,582,178
A-	-	-	-	-	-	2,591,170	2,591,170
A-1+	-	18,871,788	-	-	-	-	18,871,788
A-1	-	9,910,365	-	-	-	-	9,910,365
	\$ 1,360,363	\$ 49,881,818	\$ 77,245,730	\$ 166,530,060	\$ 47,525	\$ 70,297,360	\$ 365,362,856

Concentration of Credit Risk

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

At June 30, 2014, the following investments exceeded 5% of the County's total:

Fannie Mae	19.5%
Federal Home Loan Banks	11.4%
Freddie Mac	12.8%
U.S. Treasury Securities	21.1%

Pooled Investments

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

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

The participants' share and redemption value are calculated using the same method. Each participant's share is equal to their investment plus or minus the monthly allocation of net income, realized and unrealized gains and losses. The determination of realized gains and losses is independent of the determination of the net change in the fair value of investments for the previous year(s) as well as the current year.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Investments held in the external investment pool at June 30, 2014 were:

Investment Type:	Fair Value	Principal Amount/ No. of Shares	Rate	Maturity Dates
Money Market Mutual Funds	\$ 1,360,363	1,360,363	Variable	NA
Certificates of Deposit	49,881,818	49,900,000	0.4-0.7%	10/06/2014 - 06/13/2016
U.S. Treasury Securities	77,245,730	74,400,000	0.9-8.8%	12/31/2015 - 05/15/2021
U.S. Agency Securities	166,530,060	162,127,487	0.4-5.4%	07/01/2014 - 06/01/2022
Collateralized Mortgage Obligations	47,525	47,343	3.0-4.0%	01/01/2018 - 03/01/2018
Corporate Notes	70,297,360	69,940,000	0.5-2.9%	10/15/2015 - 11/01/2018
Total Investments in Pool	\$ 365,362,856			

External Investment Pool
Statement of Net Position as of June 30, 2014

Assets:	
Cash	\$ 73,245,104
Investments:	
Money Market Mutual Funds	1,360,363
Certificates of Deposit	49,881,818
U.S. Treasury Securities	77,245,730
U.S. Agency Securities	166,530,060
Collateralized Mortgage Obligations	47,525
Corporate Notes	70,297,360
Interest Receivable	1,068,888
Total Assets	\$ 439,676,848
Net Position:	
Internal participants	\$ 297,578,539
Component Units:	
Sierra Fire Protection District	1,931,682
Truckee Meadows Fire Protection District	20,650,712
External participants	119,515,915
Total Net Position Held in Trust for Pool Participants (\$1.00/par)	\$ 439,676,848

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

External Investment Pool
Statement of Changes in Net Position for the Year Ended June 30, 2014

Additions:	
Investment earnings	\$ 6,493,394
Net realized gain (loss) on investments	(450,938)
Net increase (decrease) in fair value of investments	<u>720,028</u>
Increase in net assets resulting from operations	6,762,484
Net capital share transactions	<u>15,320,893</u>
Change in Net Position	22,083,377
Net Position, July 1	<u>417,593,471</u>
Net Position, June 30	<u>\$ 439,676,848</u>

NOTE 4 – RESTRICTED CASH AND INVESTMENTS

Restricted cash and investments include amounts restricted for future debt service and reserves as required by bond covenants and ordinances; reserves restricted for projects for the HUD Neighborhood Stabilization Program; and reserves restricted for workers' compensation claims pursuant to NRS 616B.300. Restricted cash and investments at June 30, 2014, were as follows:

	<u>Debt</u>	<u>Projects</u>	<u>Claims</u>	<u>Total</u>
<u>Governmental Funds and Governmental Activities</u>				
General Fund	\$ 750,000	\$ -	\$ -	\$ 750,000
Other Restricted Fund	-	45,406	-	45,406
Total Governmental Funds	750,000	45,406	-	795,406
Internal Service Funds:				
Risk Management Fund	-	-	2,301,657	2,301,657
Total Governmental Activities	750,000	45,406	2,301,657	3,097,063
<u>Proprietary Funds and Business-type Activities</u>				
Water Resources Fund	13,271,897	-	-	13,271,897
Total Restricted Cash and Investments	<u>\$ 14,021,897</u>	<u>\$ 45,406</u>	<u>\$ 2,301,657</u>	<u>\$ 16,368,960</u>

NOTE 5 – LONG-TERM ASSETS

Governmental Activities

Long-term assets in governmental activities include \$132,854 in prepaid bond insurance and \$2,873,527 in net other postemployment benefits assets (Note 15). Long-term assets in internal service funds include \$3,451,171 in refundable lease agreement deposits and \$412,882 in prepaid lease expense, all relating to leased equipment in the Equipment Services Fund.

Business-type Activities

Long-term assets in business-type activities include \$187,557 in prepaid bond insurance and \$128,683 in long-term receivables in the Water Resources Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

NOTE 6 – CAPITAL ASSETS

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Capital Assets - Governmental Activities</u>				
Capital assets, not being depreciated:				
Land and land use rights	\$ 142,794,746	\$ 390,900	50,199	\$ 143,135,447
Construction in progress	6,909,818	9,148,036	5,344,489	10,713,365
Total capital assets not being depreciated	149,704,564	9,538,936	5,394,688	153,848,812
Capital assets being depreciated:				
Land improvements	57,768,315	1,092,091	-	58,860,406
Buildings/improvements	310,632,309	2,936,652	-	313,568,961
Infrastructure	584,641,612	3,482,907	378,177	587,746,342
Equipment	71,086,105	2,920,107	936,878	73,069,334
Software	17,841,167	316,337	-	18,157,504
Total capital assets being depreciated	1,041,969,508	10,748,094	1,315,055	1,051,402,547
Less accumulated depreciation for:				
Land improvements	35,514,092	2,268,871	-	37,782,963
Buildings/improvements	112,719,073	8,788,518	-	121,507,591
Infrastructure	401,032,350	21,987,047	356,391	422,663,006
Equipment	50,737,267	5,345,423	931,420	55,151,270
Software	11,827,736	1,696,809	-	13,524,545
Total accumulated depreciation	611,830,518	40,086,668	1,287,811	650,629,375
Net capital assets being depreciated	430,138,990	(29,338,574)	27,244	400,773,172
Governmental activities capital assets, net	\$ 579,843,554	\$ (19,799,638)	\$ 5,421,932	\$ 554,621,984

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

Governmental Activities:	
General government	\$ 2,443,824
Judicial	2,527,745
Public safety	6,941,570
Public works	22,753,697
Health and sanitation	194,314
Welfare	553,879
Culture and recreation	3,297,839
Capital assets held by internal service funds charged to functions based on their usage of assets	1,373,800
Total Depreciation / Amortization Expense - Governmental Activities	\$ 40,086,668

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

	<u>Beginning Balances ¹</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Capital Assets - Business-type Activities</u>				
Capital assets not being depreciated:				
Land and land use rights	\$ 13,987,291	\$ 45,936	\$ -	\$ 14,033,227
Plant capacity	825,150	-	-	825,150
Construction in progress	4,550,298	3,561,472	4,195,233	3,916,537
Total capital assets not being depreciated	19,362,739	3,607,408	4,195,233	18,774,914
Capital assets being depreciated:				
Land improvements	5,168,283	21,919	-	5,190,202
Buildings/improvements	67,956,437	3,368,621	10,000	71,315,058
Infrastructure	359,208,420	2,433,026	18,400	361,623,046
Equipment	2,248,223	371,914	238,934	2,381,203
Software	1,139,125	-	-	1,139,125
Plant, well capacity	10,030,729	-	-	10,030,729
Total capital assets being depreciated	445,751,217	6,195,480	267,334	451,679,363
Less accumulated depreciation for:				
Land improvements	3,158,107	222,301	-	3,380,408
Buildings/improvements	17,669,020	1,784,925	-	19,453,945
Infrastructure	78,351,709	6,483,351	18,400	84,816,660
Equipment	2,077,215	50,633	28,154	2,099,694
Software	1,031,343	107,300	-	1,138,643
Plant, well capacity	2,520,894	250,820	-	2,771,714
Total accumulated depreciation	104,808,288	8,899,330	46,554	113,661,064
Net capital assets being depreciated	340,942,929	(2,703,850)	220,780	338,018,299
Business-type activities capital assets, net	\$ 360,305,668	\$ 903,558	\$ 4,416,013	\$ 356,793,213

¹ As Restated

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

Business-Type Activities:	
Utilities	\$ 8,677,289
Golf courses	222,041
Total Depreciation / Amortization Expense - Business-type Activities	\$ 8,899,330

Net capital assets at June 30, 2014, for the discretely presented component units were:

	<u>Truckee Meadow Fire Protection District</u>	<u>Sierra Fire Protection District</u>
<u>Net Capital Assets</u>		
Capital assets not being depreciated	\$ 3,528,972	\$ 121,000
Capital assets being depreciated	12,048,495	4,530,558
Capital assets, net	\$ 15,577,467	\$ 4,651,558

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

NOTE 7 – COMMITMENTS, CONTINGENCIES, AND OTHER LIABILITIES

Commitments

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

Construction in progress and major commitments for governmental activities are:

	<u>CIP Balance</u> <u>June 30, 2014</u>	<u>Major</u> <u>Commitments</u>
<u>Governmental Funds and Governmental Activities</u>		
Major Governmental Funds:		
General Fund:		
Technology projects	\$ -	\$ 260,475
Service contracts	-	343,107
Child Protective Services Fund:		
Case management and support services	-	655,199
Study	-	432,927
Total Major Governmental Funds	-	1,691,708
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Public safety communications, technology	1,154,635	-
Road infrastructure	-	292,646
Technology improvements	-	783,232
Other services	-	577,879
Total Special Revenue Funds	1,154,635	1,653,757
Capital Projects Funds:		
Parks and open space projects	4,818,156	337,942
Building infrastructure projects	242,508	247,837
Land	20,000	-
Pedestrian path & bike lane projects	81,087	500,359
Technology improvements	998,951	1,947,231
Water quality improvement projects	3,363,684	521,875
Total Capital Projects Funds	9,524,386	3,555,244
Total Governmental Funds / Governmental Activities	\$ 10,679,021	\$ 6,900,709

In addition, the Water Resources Fund has entered into contracts for the construction of water related projects with outstanding balances of \$1,939,273.

Contingencies

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

The County is currently the defendant in various lawsuits with property owners disputing the County Assessor's valuation methods used for property within the Lake Tahoe Basin. The County intends to vigorously defend the Assessor's valuations; however, the outcome of these lawsuits is not presently determinable. An adverse ruling could result in a rollback of property values and subsequent rebates to property owners. The impact on the County's financial condition cannot be reasonably estimated.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

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

Series January 2000 Bonds	\$	30,770,797
Series November 29, 2011 Refunding Bonds		<u>87,925,000</u>
Total RSCVA Bonds	\$	<u><u>118,695,797</u></u>

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

Other Liabilities

Governmental Activities

Other liabilities in governmental activities consist of deposits and amounts due to others of \$1,677,563 in the General Fund for deposits and bail related to pending court cases or investigations, \$353,180 in the General Fund for refundable deposits for park facilities and developer performance guarantees, and \$275,915 in other governmental funds for other customer and security deposits.

Business-type Activities

Other liabilities in business-type activities include \$733,700 for developer deposits and \$81,117 for customer deposits in the Water Resources Fund, and \$13,000 in other business-type funds for developer and customer deposits.

NOTE 8 – UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

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

Deferred inflows of resources represent an acquisition of net position that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. Governmental funds reported \$11.5 million in deferred inflows of resources related to unavailable revenue.

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

	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Liabilities					
Unearned revenue:					
Federal payments in lieu of taxes	\$ 3,446,375	\$ -	\$ -	\$ -	\$ 3,446,375
Other revenue	-	28,852	-	394,507	423,359
Total Unearned Revenue	<u>\$ 3,446,375</u>	<u>\$ 28,852</u>	<u>\$ -</u>	<u>\$ 394,507</u>	<u>\$ 3,869,734</u>
Deferred Inflows of Resources					
Unavailable revenue:					
Ad valorem taxes	\$ 1,875,040	\$ 68,325	\$ -	\$ 393,302	\$ 2,336,667
Special assessments	-	-	8,470,915	-	8,470,915
Grants and other revenue	-	273,522	-	414,398	687,920
Total Unavailable Revenue	<u>\$ 1,875,040</u>	<u>\$ 341,847</u>	<u>\$ 8,470,915</u>	<u>\$ 807,700</u>	<u>\$ 11,495,502</u>

Unearned revenue in business-type activities consists of \$149,128 for water rights leases and unearned utility revenue in the Water Resources Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Discretely Presented Component Units

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

Truckee Meadows Fire Protection District			
	TMFPD General Fund	TMFPD Emergency Fund	Total
Deferred Inflows of Resources			
Unavailable revenue:			
Ad valorem taxes	\$ 132,414	\$ -	\$ 132,414
Grants and other revenue	336,154	6,971	343,125
Total Unavailable Revenue	\$ 468,568	\$ 6,971	\$ 475,539
Sierra Fire Protection District			
	SFPD General Fund	Total	
Deferred Inflows of Resources			
Unavailable revenue:			
Ad valorem taxes	\$ 46,129	\$ 46,129	
Total Unavailable Revenue	\$ 46,129	\$ 46,129	

NOTE 9 – LONG-TERM OBLIGATIONS

Bond Redemptions

The County called \$440,000 in special assessment bonds for early redemption as funds were made available from the early payoff of special assessments.

Defeasance/Early Extinguishment of Debt

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

As of June 30, 2014, the following are the remaining balances of the defeased portion of bond issues:

Water and Sewer Series Revenue 2005	\$ 28,805,000
Parks Revenue Series 2006	8,825,000
Total Defeased Debt	\$ 37,630,000

Bonds Authorized and Unissued

On June 17, 2014, the Board of County Commissioners authorized the issuance of General Obligation (limited tax) Sewer Bonds (additionally secured by pledged revenues) Series 2014 in the maximum principal amount of \$24,000,000 for the purpose of financing sewer projects by exchanging the bonds for previously issued bonds of the County.

Revenue Bonds

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Governmental activities

The County has pledged 15% of the consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Office Building Bonds Series 2002A; Library Building Bonds Series 2004; Building and Parking Garage Bonds Series 2004; Public Safety Bonds Series 2006; Parks Bonds Series 2006; Building Refunding Bonds Series 2011B; and Refunding Bonds Series 2012B, issued between fiscal years 2002 and 2012. The total principal and interest remaining to be paid on the bonds is \$74,472,364, payable through fiscal year 2036. For the current year, principal and interest paid from pledged revenues for the bonds totaled \$4,316,929, and pledged revenues totaled \$12,121,326.

The County has pledged future infrastructure sales tax revenues to repay \$42.9 million in Flood Control Series 2006 and Sales Tax Series 1998 flood control bonds. Proceeds from the bonds provided financing, for expansion of, and improvements to, the flood control system. The bonds are intended to be paid solely from infrastructure tax revenues and are payable through fiscal year 2036. Annual principal and interest payments on the bonds are expected to require as much as 33% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$45,309,368. For the current year, principal and interest paid for the bonds totaled \$2,360,449, and pledged revenues totaled \$7,672,378.

The County has pledged future car rental fees to repay \$29.5 million in car rental fee revenue bonds issued in fiscal year 2008. Proceeds from the bonds provided financing to acquire, improve, equip, operate and maintain within the County a minor league baseball stadium project. The bonds are intended to be paid solely from car rental fee revenues and are payable through fiscal year 2058. Annual principal and interest payments on the bonds are expected to require 100% of the car rental fee revenue. The total principal and interest remaining to be paid on the bonds is \$115,094,421. For the current year, principal and interest paid for the bonds totaled \$1,014,428, and pledged revenues totaled \$1,141,625.

Business-type activities

The County has pledged future utility customer revenues and connection fees and investment earnings, net of specified operating expenses, to repay \$118.1 million in utility system revenue bonds issued between fiscal years 1998 and 2007. Proceeds from the bonds provided financing for expansion of, and improvements to, the utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2035. Annual principal and interest payments on the bonds are expected to require as much as 29% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$83,744,756. For the current year, principal and interest paid for the bonds totaled \$5,054,742. Net pledged revenues totaled \$20,818,078.

Special Assessment Debt

Special assessment bonds are issued to finance improvements that benefit taxpayers in the defined area. Bonds are repaid from assessments levied against these taxpayers, and are secured by their real property. In case of deficiencies, the County's General Fund and taxing power further secure all bonds. Delinquent special assessments of \$345 were outstanding as of June 30, 2014.

The County has pledged future assessment revenues levied on special assessment districts throughout the County to repay \$13.2 million in various local improvement bonds issued between fiscal years 2004 and 2012. Proceeds from the bonds provided financing for improvements in roads, water and sewer infrastructure in the various districts. The bonds are intended to be paid solely from assessment revenues and are payable through fiscal year 2032. Annual principal and interest payments on the bonds are expected to require as much as 99% of the assessment revenues. The total principal and interest remaining to be paid on the bonds is \$11,021,836. For the current year, principal and interest paid for the bonds totaled \$1,238,188 and pledged revenues totaled \$1,160,621.

Conduit Debt Obligations

The County has issued several series of revenue bonds for public and private sector activity in the public interest. The public sector revenue bonds are for the cost of constructing and maintaining certain streets and highways in the County. The revenue bonds are paid solely from certain taxes on motor vehicle fuel collected in the County. Private sector revenue bonds have been used for water and gas facilities and hospital facilities. The revenue bonds are paid solely from the revenue derived from the projects for which they were issued. The public and private revenue bonds do not become liabilities of the County under any condition, and are therefore excluded from the County's financial statements.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Outstanding balances at June 30, 2014 follow:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Principal Outstanding</u>
Public Sector			
Regional Transportation Commission:			
Highway Revenue Bonds Series 2009	7/8/2009	\$ 89,567,000	\$ 78,184,000
Highway Revenue Bonds Series 2010ABC	3/12/2010	90,000,000	90,000,000
Highway Revenue Bonds Series 2010DEF	12/16/2010	70,000,000	64,160,000
Sales Tax Improvement Bonds Series 2010H	12/16/2010	20,000,000	20,000,000
Highway Revenue Bonds Series 2013	4/16/2013	165,000,000	165,000,000
Subtotal Public Sector		434,567,000	417,344,000
Private Sector			
Renown Health (Washoe Medical Center):			
Hospital Revenue Bonds, Series 2001A	10/15/2001	33,875,000	33,875,000
Sierra Pacific Power Company d/b/a NV Energy:			
Gas and Water Facilities Refunding Revenue Bonds Series 2006A, 2006B and 2006C	11/22/2006	218,500,000	218,500,000
Water Facilities Refunding Revenue Bonds Series 2007A & 2007B	4/27/2007	80,000,000	80,000,000
Subtotal Private Sector		332,375,000	332,375,000
Total Conduit Debt		\$ 766,942,000	\$ 749,719,000

Operating Leases

The County leases office space, land, equipment and water rights under various operating lease agreements. Total lease payments in fiscal year 2014 were \$2,220,187. Future minimum payments for these leases are:

<u>Year Ending June 30,</u>	<u>Land, Space, Water Rights</u>	<u>Equipment</u>	<u>Total</u>
2015	\$ 1,152,156	\$ 967,649	\$ 2,119,805
2016	1,037,846	899,781	1,937,627
2017	399,722	829,859	1,229,581
2018	165,141	644,315	809,456
2019	165,141	394,478	559,619
2020-2024	577,995	1,077,048	1,655,043
Totals	\$ 3,498,001	\$ 4,813,130	\$ 8,311,131

The County began a long-term lease on January 1, 2013 for the Sparks Justice Court which expires in fiscal year 2023. The terms of the lease allow uneven and artificially low payments. For fiscal year 2014, an adjustment of \$52,597 (cumulative total of \$135,169) is required to reconcile the amount of expenditures in the General Fund to the straight line expense recognized in the government-wide statements.

Compensated Absences

The liability for compensated absences is included in noncurrent liabilities on the government-wide Statement of Net Position. The liability will be liquidated primarily by the General Fund for governmental activities and by the Water Resources Fund for business-type activities. In fiscal year 2014, 79% of compensated absences for governmental activities were paid by the General Fund, and in business-type activities, 82% were paid by the Water Resources Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Outstanding balances at June 30, 2014 follow:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Washoe County:			
Vacation	\$ 10,796,585	\$ 359,136	\$ 11,155,721
Sick Leave	8,376,884	300,927	8,677,811
Compensatory Leave	5,071,915	140,958	5,212,873
Benefits	<u>341,705</u>	<u>11,615</u>	<u>353,320</u>
Total Compensated Absences	<u>\$ 24,587,089</u>	<u>\$ 812,636</u>	<u>\$ 25,399,725</u>

Net Other Postemployment Benefits Obligation

Prior to May 11, 2010, when the County established the Washoe County, Nevada OPEB Trust (Note 15), the County financed their net other postemployment benefits on the pay-as-you-go basis with the funds accumulated in the Pre-Funded Retiree Health Benefits Fund. Currently, the OPEB Trust is funded from the General Fund.

Pollution Remediation Obligation

The pollution remediation activities of the Central Truckee Meadows Remediation District (CTMRD) are paid for through an annual charge billed directly to residents and businesses within its boundaries. Accordingly, the CTMRD's pollution remediation obligation is limited to the net position accumulated by the fund for payment of future remediation related expenditures. All of the assets of CTMRD are held for remediation and are offset by a long-term liability for remediation. As of June 30, 2014, the remediation liability for net position held in CTMRD was \$6,953,183.

A soil remediation project has been identified at a County park. Three gasoline underground storage systems were removed from Rancho San Rafael Park in 1997 and petroleum impacted soils were encountered during removal activities. Assessment activities have been conducted and soil samples exceeding the action level are present. The cost, based on contractor revised estimates, increased from \$450,000 to \$523,241. Remediation expenditures for the current fiscal year totaled \$73,120. The project is expected to be completed in calendar year 2015 with an estimated budget of \$60,000 for fiscal year 2015.

Claims and Judgments

The claims and judgments liability of \$15,401,000 consists of pending property and liability claims, workers' compensation claims, and unprocessed health benefits claims. These claims will be liquidated through the Risk Management and Health Benefits Internal Service Funds (Note 16). The Risk Management and Health Benefits Funds finance the payment of claims by charging other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds or, as needed, through transfers from the General Fund.

Discretely Presented Component Units:

TMFPD's liability of \$1,374,222 for compensated absences is included in their noncurrent liabilities on the government-wide Statement of Net Position. TMFPD compensated absences are generally liquidated from the TMFPD General Fund.

Prior to July 1, 2010, when TMFPD joined the Washoe County, Nevada OPEB Trust (Note 15), they financed their net other postemployment benefits on the pay-as-you-go basis with the funds accumulated in the TMFPD Pre-Funded Retiree Health Benefits Fund.

TMFPD claims and judgments liability of \$1,170,000 consisted of workers' compensation claims. These claims will be liquidated through TMFPD Workers Compensation Fund (Note 16). The TMFPD Workers' Compensation Fund finances the payment of claims through transfers from the TMFPD General Fund.

At June 30, 2014, the net other postemployment benefit liability for SFPD was \$2,141,475. SFPD provides other postemployment benefits through the Sierra Fire Protection District Retiree Group Medical Plan, a single-employer defined benefit plan, which is administered through the Washoe County, Nevada OPEB Trust (Trust), an irrevocable trust (Note 15). Contributions to the Trust are made from SFPD General Fund and are established each year through the annual budget process by the District's Board of Fire Commissioners.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY	Date of Issue	Maturity Date	Interest Rate	Original Note / Issue
GOVERNMENTAL ACTIVITIES				
General Obligation Bonds				
Ad Valorem:				
Animal Control Shelter Series 2003A	08/2003	06/2015	3.0 - 4.625 %	\$ 10,750,000
Various Purpose Refunding Series 2009B	03/2009	05/2017	3.0 - 4.2	10,540,000
Parks and Library Refunding Series 2011A	07/2011	05/2026	4.20	17,360,000
Various Purpose Refunding Series 2012A	08/2012	03/2030	3.0 - 4.0	18,090,000
Medium-Term:				
Edison Way Property Series 2007	03/2007	03/2017	3.83	4,645,000
Revenue: (Note 9)				
Office Building Series 2002A	10/2002	01/2015	3.0 - 5.0	19,260,000
Library Building Series 2004	03/2004	03/2019	3.5 - 5.0	3,280,000
Building and Parking Garage Series 2004	12/2004	01/2018	3.75 - 5.0	11,900,000
Public Safety Series 2006	04/2006	03/2036	4.0 - 4.5	12,500,000
Flood Control Series 2006 *	05/2006	12/2035	Variable	21,000,000
Parks Series 2006	10/2006	03/2030	4.0 - 5.0	25,305,000
Building Bonds Refunding Series 2011B	08/2011	11/2026	4.18	12,565,000
Refunding Bonds Series 2012B	08/2012	03/2027	1.0 - 3.0	27,580,000
Total General Obligation Bonds				
Revenue Bonds (Note 9)				
Sales Tax Series 1998	12/1998	12/2028	4.0 - 5.1	21,915,000
Senior Lien Car Rental Fee Series 2008 **	02/2008	12/2027	Variable	18,500,000
Subordinate Lien Car Rental Fee Series 2008	02/2008	12/2057	7.0	11,000,000
Total Revenue Bonds				
Special Assessment Bonds (with governmental commitment) (Note 9)				
SAD 21: Cold Springs Sewer Refunding	10/2003	07/2016	2.0 - 4.0	1,085,000
SAD 29: Mt. Rose Sewer Phase 1	11/2004	11/2024	4.55	1,281,308
SAD 35: Rhodes Road - \$116,141, SAD 36: Evergreen Hills Dr-\$240,587	02/2005	11/2014	3.8	356,728
SAD 31: Spearhead Way/Running Bear Drive	04/2006	05/2016	4.29	109,000
SAD 37: Spanish Spring Sewer Phase 1a	05/2007	05/2027	4.35	728,813
SAD 39: Lightning W Water System	06/2009	05/2029	7.18	999,268
SAD 32: Spanish Springs Valley Ranches Roads	12/2011	11/2031	3.48	8,592,787
Total Special Assessment Debt				
Unamortized Bond Premium	N/A	N/A	N/A	N/A
Unamortized Bond Discounts	N/A	N/A	N/A	N/A
Deferred Charge on Refundings	N/A	N/A	N/A	N/A
Total Unamortized Bond Premium, Discounts and Deferred Charge on Refundings				
Total Bonds Payable				

Principal Outstanding June 30, 2013	Additions/ Issued	Reduction/ Principal Matured / Called	Principal Outstanding June 30, 2014	Principal Due in 2014-2015
\$ 650,000	\$ -	\$ 315,000	\$ 335,000	\$ 335,000
5,675,000	-	1,325,000	4,350,000	1,385,000
15,425,000	-	935,000	14,490,000	965,000
17,715,000	-	-	17,715,000	-
2,064,000	-	487,000	1,577,000	506,000
1,390,000	-	680,000	710,000	710,000
1,145,000	-	175,000	970,000	180,000
2,965,000	-	550,000	2,415,000	570,000
10,790,000	-	285,000	10,505,000	295,000
18,558,562	-	474,008	18,084,554	495,546
3,560,000	-	-	3,560,000	-
11,945,000	-	645,000	11,300,000	670,000
27,430,000	-	-	27,430,000	-
119,312,562	-	5,871,008	113,441,554	6,111,546
15,655,000	-	655,000	15,000,000	690,000
16,668,700	-	522,200	16,146,500	592,100
9,808,025	-	-	9,808,025	-
42,131,725	-	1,177,200	40,954,525	1,282,100
185,000	-	185,000	-	-
780,000	-	100,000	680,000	55,000
50,765	-	38,429	12,336	12,336
26,000	-	11,000	15,000	8,000
441,638	-	40,508	401,130	21,835
647,103	-	56,000	591,103	23,266
6,880,700	-	463,558	6,417,142	274,740
9,011,206	-	894,495	8,116,711	395,177
1,684,025	-	134,374	1,549,651	-
(57,248)	-	(3,143)	(54,105)	-
(456,307)	-	(4,253)	(452,054)	-
1,170,470	-	126,978	1,043,492	-
171,625,963	-	8,069,681	163,556,282	7,788,823

(CONTINUED)

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY

	Date of Issue	Maturity Date	Interest Rate	Original Note / Issue
GOVERNMENTAL ACTIVITIES (Continued)				
Other Liabilities - (Notes 9, 15)				
Compensated Absences	N/A	N/A	N/A	\$ N/A
Remediation Obligation	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Total Other Liabilities				
Total Governmental Activities				
BUSINESS-TYPE ACTIVITIES ***				
General Obligation Bonds				
Revenue: (Note 9)				
Water Resources Fund:				
Lemmon Valley Sewer Series 1997	08/1997	01/2018	3.33 %	1,249,137
Sewer Series 2000A	06/2000	01/2020	3.7	1,675,000
Sewer Series 2000B	06/2000	01/2020	3.7	635,000
Sewer Series 2001	02/2001	07/2021	3.125	21,000,000
Sewer Series 2004	06/2004	01/2024	3.213	3,000,000
Water Series 2005	06/2005	01/2025	2.81	14,463,000
Water and Sewer Series 2005	12/2005	01/2035	4.0 - 5.0	65,000,000
Spanish Springs Sewer Series 2005A	08/2006	07/2026	2.931	6,500,000
Storm Sewer Series 2006	11/2006	01/2026	4.224	4,600,000
Total General Obligation Bonds				
Unamortized Bond Premium	N/A	N/A	N/A	N/A
Total Bonds Payable				
Other Liabilities (Note 9)				
Compensated Absences	N/A	N/A	N/A	N/A
Total Business-Type Activities				
Total Washoe County Obligations				
* Interest on the variable-rate flood control bonds is equal to the sum of BMA (Bond Market Association) Swap Rate plus 0.70%. The remaining principal outstanding of \$18,084,554 has a current interest rate of 2.527%. The interest rate on outstanding amount will be reset May 1, 2016.				
** Interest on the variable-rate senior lien car rental bonds is equal to the greater of: (1) the minimum rate of 3% per annum and (2) the sum of (a) 70% of the swap rate plus (b) 2.22% for each of the reset periods. The rate maximum is 6.5% for December 1, 2012 - November 30, 2017, 7.5% December 1, 2017 - November 30, 2022 and 8% for December 1, 2022- November 30, 2027. The current interest rate is 3.0% with a reset date of December 1, 2017.				
*** Business-type debt is expected to be retired primarily through operations.				
DISCRETELY PRESENTED COMPONENT UNITS:				
Truckee Meadows Fire Protection District (Note 9,15)				
Compensated Absences	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Total Other Liabilities				
Sierra Fire Protection District (Note 9,15)				
Net other postemployment benefits obligations	N/A	N/A	N/A	N/A

<u>Principal Outstanding June 30, 2013</u>	<u>Additions/ Issued</u>	<u>Reduction/ Principal Matured / Called</u>	<u>Principal Outstanding June 30, 2014</u>	<u>Principal Due in 2014-2015</u>
\$ 24,149,739	\$ 18,392,264	\$ 17,954,914	\$ 24,587,089	\$ 18,577,295
8,275,662	210,840	1,473,319	7,013,183	60,000
14,081,000	2,630,657	1,310,657	15,401,000	6,864,000
46,506,401	21,233,761	20,738,890	47,001,272	25,501,295
218,132,364	21,233,761	28,808,571	210,557,554	33,290,118
400,479	-	74,893	325,586	77,408
400,700	-	51,143	349,557	53,054
79,718	-	10,175	69,543	10,556
11,618,271	-	1,213,342	10,404,929	1,251,556
1,991,566	-	153,602	1,837,964	158,575
10,206,321	-	726,142	9,480,179	746,691
26,100,000	-	-	26,100,000	-
4,971,866	-	305,087	4,666,779	314,095
3,411,806	-	201,758	3,210,048	210,370
59,180,727	-	2,736,142	56,444,585	2,822,305
765,852	-	35,622	730,230	-
59,946,579	-	2,771,764	57,174,815	2,822,305
829,855	675,190	692,409	812,636	614,005
60,776,434	675,190	3,464,173	57,987,451	3,436,310
\$ 278,908,798	\$ 21,908,951	\$ 32,272,744	\$ 268,545,005	\$ 36,726,428

\$ 1,049,313	\$ 962,674	\$ 637,765	\$ 1,374,222	\$ 672,113
1,486,000	-	316,000	1,170,000	498,157
\$ 2,535,313	\$ 962,674	\$ 953,765	\$ 2,544,222	\$ 1,170,270
\$ 1,169,540	\$ 1,516,804	\$ 544,869	\$ 2,141,475	\$ -

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

NOTE 11 – DEBT SERVICE REQUIREMENTS

The annual requirements to amortize outstanding debt are as follows:

Governmental Activities – Primary Government

Year Ended June 30,	General Obligation Bonds		Revenue Bonds		Special Assessment Debt	
	Principal*	Interest**	Principal*	Interest***	Principal*	Interest
2015	\$ 6,111,546	\$ 3,785,185	\$ 1,282,100	\$ 1,212,016	\$ 395,177	\$ 311,640
2016	7,838,063	3,544,744	1,397,800	1,158,901	392,231	296,323
2017	8,117,604	3,295,741	1,527,800	1,101,091	401,266	280,726
2018	6,241,216	3,019,929	1,524,800	1,040,082	412,977	264,728
2019	6,466,946	2,816,307	1,689,470	1,022,178	425,392	248,357
2020-2024	35,843,548	10,797,561	10,804,795	4,188,434	2,435,294	969,074
2025-2029	28,731,831	4,762,584	14,069,105	3,434,909	2,479,617	472,275
2030-2034	10,205,115	1,461,922	2,266,880	8,670,394	1,174,757	62,001
2035-2039	3,885,685	159,525	1,881,967	10,925,548	-	-
2040-2044	-	-	1,566,274	13,395,973	-	-
2045-2049	-	-	1,295,976	16,161,764	-	-
2050-2054	-	-	1,071,626	19,290,177	-	-
2055-2059	-	-	575,932	13,931,458	-	-
Total	\$ 113,441,554	\$ 33,643,498	\$ 40,954,525	\$ 95,532,925	\$ 8,116,711	\$ 2,905,124

Business-type Activities – Primary Government

Year Ended June 30,	General Obligation Bonds	
	Principal*	Interest
2015	\$ 2,822,305	\$ 2,232,442
2016	2,911,212	2,143,531
2017	3,002,961	2,051,783
2018	3,097,642	1,957,103
2019	3,107,003	1,860,126
2020-2024	12,934,906	7,907,594
2025-2029	11,168,556	5,979,092
2030-2034	14,135,000	3,005,250
2035-2039	3,265,000	163,250
Total	\$ 56,444,585	\$ 27,300,171

*Principal amounts shown exclude discounts and premiums.

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

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

NOTE 12 – INTERFUND ACTIVITY

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

Interfund transfers for the year ended June 30, 2014

<u>Transfers from:</u>	<u>Transfers to:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 21,117,545 (a,b)
Child Protective Services	Nonmajor Governmental Funds	445,406
Nonmajor Governmental Funds	General Fund	845,270 (c,d)
	Special Assessments Debt Funds	482,653
	Nonmajor Governmental Funds	7,785,115 (e,f)
	Subtotal	9,113,038
Water Resources Fund	Internal Service Funds	210,780
Total Transfers In / Out		\$ 30,886,769

Significant transfers during the year of a non-routine nature included: (a) \$519,107 from the General Fund to the Other Restricted Fund for transferring of Medicaid TCM to restricted, (b) \$660,214 from General Fund to Public Works for construction of a new Court Facility (c) \$298,981 from the Other Restricted Fund to the General Fund for court administrative assessment fees that were no longer restricted per State Statutes, (d) \$450,000 from Other Restricted Fund to Public Works Construction Fund for Child Advocacy Center (CAC) Remodel Project, (e) \$1,890,000 from the Capital Facilities Fund to the Roads Fund to support road capital improvements, (f) \$634,065 from the Capital Facilities Projects Fund and \$1,033,379 from Public Works Construction Fund for a total of \$1,667,444 to the Regional Permits Capital Projects Fund.

NOTE 13 – FUND BALANCES / NET POSITION

Government-wide Financial Statements

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

Restricted resources have externally imposed (statutory, bond covenant, contract or grantor) limitations on their use. Restricted resources are classified either by function, debt service, capital projects, or claims. Resources restricted by function relate to net resources of governmental and enterprise funds whose use is legally limited by outside parties for a specific purpose. The restriction for debt service represents resources legally restricted by State Statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs. Net position restricted for claims represents the amount legally required to be held for payment of future claims in the self-insurance funds. The government-wide Statement of Net Position reports \$107,515,941 of restricted net resources, all of which is externally imposed.

Unrestricted net position represents available financial resources of the County.

Fund Financial Statements

Governmental Funds

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

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

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

<u>Fund Balances</u>	<u>Major Governmental Funds</u>				<u>Total</u>
	<u>General</u>	<u>Child</u>	<u>Special</u>	<u>Nonmajor</u>	
	<u>Fund</u>	<u>Protective</u>	<u>Assessment</u>	<u>Governmental</u>	
		<u>Services Fund</u>	<u>Debt Fund</u>	<u>Funds</u>	
Nonspendable:					
Prepaid items	\$ 19,043	\$ -	\$ -	\$ 39,483	\$ 58,526
Restricted for:					
Assessors, Clerk and Recorder technology	-	-	-	4,305,373	4,305,373
Administrative programs	-	-	-	117,426	117,426
Court programs and expansion	-	-	-	6,580,547	6,580,547
Other judicial programs	-	-	-	187,503	187,503
Regional flood control project	-	-	-	1,471,726	1,471,726
Sheriff's programs	-	-	-	1,598,777	1,598,777
Regional public safety communications and training	-	-	-	3,247,687	3,247,687
Other public safety programs	-	-	-	1,204,537	1,204,537
Public works programs	-	-	-	173,077	173,077
Regional health services and programs	-	-	-	2,155,799	2,155,799
Groundwater remediation	-	-	-	5,712,307	5,712,307
Parks and recreation programs	-	-	-	63,336	63,336
Library expansion	-	-	-	425,377	425,377
Programs for seniors	-	-	-	126,478	126,478
Adult, indigent and children support services	-	136,505	-	4,917,978	5,054,483
County facility improvement projects	-	-	-	8,518,175	8,518,175
Parks and open space projects	-	-	-	20,480,136	20,480,136
Intergovernmental	42,259	-	-	34,892	77,151
Debt service	750,000	-	1,662,395	9,406,254	11,818,649
Total Restricted	792,259	136,505	1,662,395	70,727,385	73,318,544
Committed to:					
Fiscal emergency / stabilization	4,143,300	-	-	-	4,143,300
Administrative programs	375,475	-	-	-	375,475
Animal control and services	-	-	-	5,751,629	5,751,629
Roadways	-	-	-	118,670	118,670
Groundwater remediation	-	-	-	1,225,846	1,225,846
Park maintenance and improvement	-	-	-	1,406,840	1,406,840
Library expansion	-	-	-	443,493	443,493
Adult, indigent and children support services	-	4,201,615	-	-	4,201,615
Programs for seniors	-	-	-	125,018	125,018
Total Committed	4,518,775	4,201,615	-	9,071,496	17,791,886
Assigned to:					
Roadways	-	-	-	7,482,168	7,482,168
General Fund encumbrances re-appropriated for various functional departments	1,106,583	-	-	-	1,106,583
Total Assigned	1,106,583	-	-	7,482,168	8,588,751
Unassigned	40,169,907	-	-	(418,495)	39,751,412
Total Fund Balances	\$ 46,606,567	\$ 4,338,120	\$ 1,662,395	\$ 86,902,037	\$ 139,509,119

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Proprietary Funds

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

Fiduciary Funds

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

NOTE 14 - PENSION PROGRAM

Plan Description

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

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

Washoe County Funding Policy

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

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

Contribution Rates

Fiscal Year	Employer Pay Contribution Rate	
	Regular Members	Police/ Fire
	2013-14	25.75%
2012-13	23.75%	39.75%
2011-12	23.75%	39.75%

Contribution Cost

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2013-14	\$ 44,940,488	100%	\$ -
2012-13	41,956,283	100%	-
2011-12	41,399,820	100%	-

Discretely Presented Component Units Funding Policy

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

On July 1, 2012 all TMFPD employees were covered under the employer pay contribution plan method. Prior to July 1, 2012,

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the benefits for TMFPD plan members are funded under one of two methods. Under the employer pay contribution plan, TMFPD is required to contribute all amounts due under the plan. The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while TMFPD is required to match that contribution. The contribution requirements of plan members and the District are established by Chapter 286 of NRS and may only be amended through legislation.

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

Contribution Rates

Fiscal Year	Employer Pay Contribution Rate		Employee/Employer Pay Contribution Rate	
	Regular Members	Police/ Fire	Regular Members	Police/ Fire
2013-14	25.75%	40.50%	13.25%	20.75%
2012-13	23.75%	39.75%	12.25%	20.25%
2011-12	23.75%	39.75%	12.25%	20.25%

Contribution Cost

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2013-14	\$ 3,109,471	100%	\$ -
2012-13	2,711,873	100%	-
2011-12	1,247,737	100%	-

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS

Plan Descriptions and Eligibility

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

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

Washoe County Retiree Health Benefit Program (RHBP)

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

As of June 30, 2014, all employees hired before July 1, 2010 who retire from County employment and receive monthly payments under PERS are eligible to participate in the RHBP. In addition, employees hired before this date who have terminated employment prior to retirement may enroll in the RHBP upon commencing retirement if the County is that individual's last public employer.

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

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cost of health insurance premiums depending on their respective tier. Retirees pay 100% of the premium for dependent coverage.

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

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

For Tier 2 retirees, the retiree's contribution is the monthly premium amount less a County-paid premium subsidy equal to the Non-State Retiree Subsidy Adjustment set annually by the State of Nevada's Public Employee Benefit Plan. The County's monthly subsidy for fiscal year 2014 depends on years of full-time service and ranges from a minimum of \$114 for five years to a maximum of \$627 for 20 or more years.

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

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

Through collective bargaining agreements, the County is required to provide a subsidy for their eligible retirees that have elected to join PEBP. Contribution requirements are assessed by the PEBP Board annually. The subsidy for this plan is based on years of service and in 2014 ranged from a minimum of \$114 for five years of service to a maximum of \$627 for 20 or more years of service. Retirees age 65 and over are required to enroll in a Medicare Advantage Plan at their own expense and receive monthly Health Reimbursement Account contributions of between \$55 and \$220 based on years of service.

TMFPD Retiree Group Medical Plan (TMFPD RGMP)

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

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

SFPD Retiree Group Medical Plans (SFPD RGMP)

SFPD provides health insurance benefits to eligible retired employees who transferred from State service on July 1, 2006 or transferred from SFPD service to the TMFPD in fiscal year 2012. As of April 1, 2012, all SFPD employees transferred to TMFPD under the terms of an Interlocal Agreement for Fire Services and Consolidation between the two districts. Health insurance benefits are through the TMFPD RGMP; however, the liability for the payment for these retiree health benefits is retained by each district. The plan is a single-employer defined benefit OPEB plan. As June 30, 2014, there were five employees participating in the plan who had retired from SFPD.

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In accordance with NRS, the Board of Fire Commissioners for SFPD entered into an agreement with the Sierra Firefighters Association for retiree health insurance. This employee agreement was assumed by TMFPD as of April 1, 2012; however, the payment of the monthly benefits continues to be paid from SFPD's portion of the Trust. Eligible employees who retire from TMFPD employment and receive monthly payments from PERS of Nevada are allowed coverage in the TMFPD RGMP. Benefits include medical, vision, dental and prescription insurance coverage. SFPD pays 50% of the cost of health premiums of retirees who transferred to SFPD as of July 1, 2006 or from SFPD to TMFPD in fiscal year 2012 and retire directly from TMFPD with 10 or more years of combined service with the Nevada Division of Forestry or the Districts. Retirees are responsible for the remaining 50% of the retirees' health premiums and 100% of the cost of coverage for their eligible dependents. Eligibility requirements, benefit levels, employee contributions, and employer contributions may be amended by the mutual agreement of the SFPD and the TMFPD Fire Fighters Association.

Funding Policy and Annual OPEB Cost

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

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

The County, TMFPD and SFPD fund the OPEB costs from their respective General Funds. During the current fiscal year the County transferred \$16.1 million to the Trust to fund future retiree health benefits for both the RHBP and PEBP. These contributions were allocated between the RHBP and the PEBP based on the proportionate share of each plan's Unfunded Actuarial Accrued Liability to the total. SFPD transferred \$544,869 to the Trust during the current fiscal year. TMFPD did not make any transfers to the Trust during the current fiscal year.

The annual OPEB cost and related information for each plan for the fiscal year ended June 30, 2014 are as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>	<u>SFPD RGMP</u>
Determination of Annual Required Contribution:				
Normal cost	\$ 7,881,000	\$ -	\$ 144,970	\$ 493,457
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	<u>10,858,000</u>	<u>335,000</u>	<u>50,387</u>	<u>1,050,140</u>
Annual Required Contribution (ARC)	<u>\$ 18,739,000</u>	<u>\$ 335,000</u>	<u>\$ 195,357</u>	<u>\$ 1,543,597</u>
Determination of Net OPEB Obligation:				
Annual Required Contribution	\$ 18,739,000	\$ 335,000	\$ 195,357	\$ 1,543,597
Interest on Net OPEB Obligation	(220,000)	(39,000)	(85,733)	81,868
Adjustment to ARC	<u>170,000</u>	<u>43,000</u>	<u>113,791</u>	<u>(108,661)</u>
Annual OPEB Cost	18,689,000	339,000	223,415	1,516,804
Retiree Benefit Payments Paid by Employer	(2,089,884)	-	-	-
Contributions Made to Trust	<u>(15,682,610)</u>	<u>(417,390)</u>	<u>-</u>	<u>(544,869)</u>
Increase (Decrease) in Net OPEB Obligation	916,506	(78,390)	223,415	971,935
Net OPEB Obligation (Asset), Beginning of Year	<u>(3,147,469)</u>	<u>(564,174)</u>	<u>(1,224,753)</u>	<u>1,169,540</u>
Net OPEB Obligation (Asset), End of Year	<u>\$ (2,230,963)</u>	<u>\$ (642,564)</u>	<u>\$ (1,001,338)</u>	<u>\$ 2,141,475</u>

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The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at June 30, 2014 and the two preceding years for each of the plans were as follows:

Plan	Fiscal Year Ended June 30,	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation / (Asset)
RHBP	2012	\$ 23,765,000	\$ 19,776,106	83.22%	\$ (2,523,758)
	2013	18,403,000	19,026,711	103.39%	(3,147,469)
	2014	18,689,000	17,772,494	95.10%	(2,230,963)
PEBP	2012	495,206	623,894	125.99%	(543,813)
	2013	367,639	388,000	105.54%	(564,174)
	2014	339,000	417,390	123.12%	(642,564)
TMFPD RGMP	2012	47,558	-	0.00%	(1,295,031)
	2013	70,278	-	0.00%	(1,224,753)
	2014	223,415	-	0.00%	(1,001,338)
SFPD RGMP	2012	302,893	-	0.00%	832,181
	2013	337,359	-	0.00%	1,169,540
	2014	1,516,804	544,869	35.92%	2,141,475

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

Valuation date	<u>RHBP</u> 7/1/2012	<u>PEBP</u> 6/30/2014	<u>TMFPD RGMP</u> 7/1/2013	<u>SFPD RGMP</u> 7/1/2013
Actuarial Accrued Liability (AAL)	\$ 287,185,000	\$ 3,412,494	\$ 4,079,936	\$ 11,148,737
Actuarial Value of Plan Assets	<u>91,263,000</u>	<u>2,607,203</u>	<u>3,573,083</u>	<u>585,289</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 195,922,000</u>	<u>\$ 805,291</u>	<u>\$ 506,853</u>	<u>\$ 10,563,448</u>
Funded Ratio (Actual Value of Plan Assets/AAL)	31.78%	76.40%	87.58%	5.25%
Covered Payroll (Active Plan Members) *	\$ 146,848,513	n/a	\$ 797,886	\$ 3,221,020
UAAL as a Percentage of Covered Payroll *	133.42%	n/a	63.52%	327.95%

* The covered payroll for active plan members for the TMFPD RGMP reported above represents salaries and wages for the 10 former Reno firefighters who transferred from the City to TMFPD in June 2012 and who were still employed by the District at June 30, 2014. The UAAL shown for TMFPD also includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the 45 employees who transferred employment to the City and retired during the term of the Interlocal agreement.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far in the future. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspective of the calculations. Mortality demographic assumptions used for the County and PEBP plans were based on the RP 2000 Combined Mortality Table – Male and Female. Mortality demographic

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

Significant methods and assumptions were as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>	<u>SFPD RGMP</u>
Valuation date	7/1/2012	6/30/2014	7/1/2013	7/1/2013
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage of pay, closed	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed
Remaining amortization period	28 years	27 years	18 years	18 years
Asset valuation method	Market Value	Market Value	Market Value	Market Value
Actuarial assumptions:				
Investment rate of return	7%	7%	7%	7%
Healthcare cost trend rate	7% initial 4.75% ultimate	6% initial 4.5% ultimate	8% initial 4.5% ultimate	8% initial 4.5% ultimate

NOTE 16 - RISK MANAGEMENT

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

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

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

The values set by the actuary for both short and long-term liabilities are as follows:

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Pending Claims:			
Property and liability claims	\$ 1,090,000	\$ 2,371,000	\$ 3,461,000
Workers' compensation claims	3,090,000	6,166,000	9,256,000
Unprocessed Health Benefits Fund claims	2,684,000	-	2,684,000
Total Pending Claims	\$ 6,864,000	\$ 8,537,000	\$ 15,401,000

Many items involving the Risk Management Fund do not specifically fall within the criteria used by the actuaries for evaluation. Such items include contract disputes and noninsurance items. In the 1980's, management declared their intention to have a net position of \$1,000,000 in the Risk Management Fund available for claims that fall into areas not recognized in the actuarial studies, or for possible catastrophic losses that exceed parameters of the actuarial studies. Currently, there is a net position of \$12,391,071 in the Risk Management Fund.

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

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excess of insurance coverage in the three prior fiscal years.

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

	Risk Management Fund	Health Benefits Fund
Claims Liability/Activity:		
Claims Liability, June 30, 2012	\$ 11,128,000	\$ 1,851,000
Claims and changes in estimates	3,433,809	21,413,941
Claim payments	<u>(3,154,809)</u>	<u>(20,590,941)</u>
Claims Liability, June 30, 2013	11,407,000	2,674,000
Claims and changes in estimates	5,170,971	21,063,900
Claim payments	<u>(3,860,971)</u>	<u>(21,053,900)</u>
Claims Liability, June 30, 2014	<u>\$ 12,717,000</u>	<u>\$ 2,684,000</u>

The non-discounted carrying amount of unpaid claims in the Risk Management Fund at June 30 is \$14,144,000. The interest rate used for discounting was 2.5%.

Discretely Presented Component Units

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

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

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

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

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

During the fiscal year ended June 30, 2004, the City instituted a "pay as you go" system for workers' compensation claims. TMFPD shared the combined losses with the Reno Fire Department (RFD). Each year, TMFPD was assigned the portion of paid losses corresponding to the ratio of employees originally transferred from TMFPD to the total number of current RFD employees. The ratio applied to TMFPD for the fiscal year ended June 30, 2012, which was the last fiscal year of the Interlocal

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Agreement, was 25%. TMFPD established the Workers' Compensation Fund to account for this program. During the fiscal year ended June 30, 2014, the District paid the City \$149,361 for the purpose of buying out its workers' compensation liability for fiscal year 2009.

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

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

		TMFPD Workers' Compensation Fund
Claims Liability/Activity:		
Claims Liability, June 30, 2011	\$	2,424,922
Claims and changes in estimates		118,938
Claims payments		<u>(549,860)</u>
Claims Liability, June 30, 2012		1,994,000
Claims and changes in estimates		16,731
Claims payments		<u>(524,731)</u>
Claims Liability, June 30, 2013		1,486,000
Claims and changes in estimates		97,734
Claims payments		<u>(413,734)</u>
Claims Liability, June 30, 2014	\$	<u><u>1,170,000</u></u>

NOTE 17 – JOINT VENTURES

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

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

The agreement settled and dismissed pending litigation by the Tribe relating to the expansion of the Truckee Meadows Water Reclamation Facility, which is operated by the Cities of Reno and Sparks. It allows Reno and Sparks to use the sewage plant's full capacity in exchange for the expenditure of \$24,000,000 (\$12,000,000 by DOI and \$12,000,000 by the joint venture) for the acquisition of Truckee River water rights. Proceeds received from the resale of land acquired incidentally, or from the retirement of challenged water rights have been netted against expenditures when received. As of June 30, 2014, the joint venture has fulfilled its spending requirements, with net program expenditures of \$12,033,002.

The County is responsible for administration of the joint venture. Water rights will be jointly managed by the County, Reno, Sparks and DOI. The arrangement is considered a joint venture with no equity interest because no explicit and measurable equity interest is deemed to exist. All equity is reserved for purchase of water rights and is therefore unavailable to the entities. Each entity (Washoe County, Reno and Sparks) will own an undivided and equal interest in the property and water rights purchased. The County's proportionate share of the water rights and related property purchases are included in capital assets when purchased. Assets of \$3,970,718 have been recorded as of June 30, 2014.

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

Truckee Meadows Water Authority

The Truckee Meadows Water Authority (Authority) is a joint powers authority formed in November 2000, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). The Authority was formed in

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014
(CONTINUED)

order to purchase water assets and undertake water utility operations of Sierra Pacific Power Company, a Nevada corporation, and to develop, manage and maintain supplies of water for the ongoing benefit of the Truckee Meadows community. The Authority issued bonds that do not constitute an obligation of Reno, Sparks, the County or the State.

Under the terms of the Cooperative Agreement, the Authority's Board of Directors has the power to periodically assess the Members directly for budgets and for the satisfaction of any liabilities imposed against the Authority. No such assessments have been made since the Authority's formation. The arrangement is considered a joint venture with no equity interest recorded on the County's balance sheet as of June 30, 2014, because no explicit and measurable equity interest is deemed to exist. The County appoints two directors of a seven-member governing body.

On December 9, 2009, the BCC and the Truckee Meadows Water Authority Board of Directors approved an interlocal agreement governing the merger of the Washoe County Department of Water Resources Water Utility into the Authority, which is intended to be the surviving water purveyor. On December 11, 2013, South Truckee Meadows General Improvement District (STMGID) and Truckee Meadows Water Authority entered into an interlocal agreement approving the merger of the STMGID water system into TMWA concurrent with the merger of Washoe County water system into TMWA. The implementation of the merger will proceed with an anticipated closing date of December 2014.

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

Truckee River Flood Management Authority

The Truckee River Flood Management Authority (TRFMA) is a joint powers authority formed in March, 2011, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). The governing body of each Member appoints two directors who must be elected officials of the Member's governing body. The TRFMA was formed in order to regulate and control waters of the Truckee River that flow through their territories to reduce or mitigate flooding for the ongoing benefit of the Truckee Meadows community.

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

Under the terms of the Cooperative Agreement, the TRFMA Board of Directors has the power to periodically impose, assess, levy, collect and enforce fees, rates and charges in an amount sufficient for services or facilities, or both services or facilities and also to discharge any debt instruments or financing agreements. No such assessments have been made since the TRFMA's formation. The arrangement is considered a joint venture with no equity interest recorded on the County's balance sheet as of June 30, 2014, because no explicit and measurable equity interest is deemed to exist.

NOTE 18 – SUBSEQUENT EVENT

On October 14, 2014, the BCC approved a resolution directing the defeasance and redemption of the Washoe County, Nevada, General Obligation (limited tax) Water and Sewer Bonds (additionally secured by pledged revenues) Series 2005 in the amount of \$26.1 million. The debt will no longer be an obligation of the County pursuant to the merger of the Water Utility Division of Community Services with Truckee Meadows Water Authority (TMWA). The debt will be assumed by TMWA. Additional County debt of \$9.5 million, the Water Series 2005 Bonds, will also be restructured and assumed by TMWA by the planned merger date of December 31, 2014.

NOTE 19 – PRIOR PERIOD ADJUSTMENT

The beginning net position of the Water Resources Fund, an enterprise fund, has been restated due to incorrect capitalization of capital assets in fiscal years 2011 and 2012.

Water Resources Fund	
Net position as previously reported, June 30, 2013	\$ 409,065,451
Capital asset reclassification	196,356
Net position, restated	\$ 409,261,807

**WASHOE COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014**

SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(a / b) Funded Ratio	(b - a) Unfunded Actuarial Accrued Liability (UAAL)	(c) Covered Payroll	[(b - a) / c] UAAL as a Percent of Covered Payroll
RHBP						
July 1, 2008	\$ -	\$ 276,684,000	0.00%	\$ 276,684,000	\$ 181,854,743	152.15%
July 1, 2010	70,887,000	273,801,000	25.89%	202,914,000	150,313,509	134.99%
July 1, 2012	91,263,000	287,185,000	31.78%	195,922,000	146,848,513	133.42%
PEBP						
June 30, 2010	1,925,471	7,437,111	25.89%	5,511,640	n/a	n/a
June 30, 2012	1,635,802	6,108,685	26.78%	4,472,883	n/a	n/a
June 30, 2014	2,607,203	3,412,494	76.40%	805,291	n/a	n/a
TMFPD RGMP						
July 1, 2009	-	4,472,236	0.00%	4,472,236	n/a	n/a
July 1, 2011	3,533,063	3,361,331	105.11%	(171,732)	793,352	-21.65%
July 1, 2013	3,573,083	4,079,936	87.58%	506,853	797,886	63.52%
SFPD RGMP						
July 1, 2009	-	1,769,515	0.00%	1,769,515	2,306,835	76.71%
July 1, 2011	530,895	2,472,793	21.47%	1,941,898	3,087,570	62.89%
July 1, 2013	585,289	11,148,737	5.25%	10,563,448	3,221,020	327.95%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 – SCHEDULE OF FUNDING PROGRESS

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

NOTE 2 – EMPLOYER CONTRIBUTIONS

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

NOTE 3 – TMFPD COVERED PAYROLL

The covered payroll for active plan members for the TMFPD RGMP reported above represents salaries and wages for the former City firefighters who transferred from the City to TMFPD in June 2012 and who were still employed by the District at June 30, 2014. The UAAL shown for TMFPD also includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the 45 employees who transferred employment to the City and retired during the term of the Interlocal Agreement.



NONMAJOR GOVERNMENTAL FUNDS

WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Assets				
Cash and investments	\$ 47,365,769	\$ 8,898,743	\$ 30,663,041	\$ 86,927,553
Restricted cash and investments	45,406	-	-	45,406
Accounts receivable	222,583	-	-	222,583
Property taxes receivable	272,780	84,166	99,523	456,469
Other taxes receivable	2,954,947	-	-	2,954,947
Interest receivable	76,490	-	73,092	149,582
Due from other funds	176,681	2,439	6,683	185,803
Due from other governments	2,712,586	-	806,863	3,519,449
Deposits and prepaid items	42,124	-	-	42,124
Total Assets	\$ 53,869,366	\$ 8,985,348	\$ 31,649,202	\$ 94,503,916
Liabilities				
Accounts payable	\$ 1,667,963	\$ -	\$ -	\$ 1,667,963
Accrued salaries and benefits	1,190,395	-	-	1,190,395
Contracts/retention payable	377,804	-	1,507,005	1,884,809
Tax refunds payable	118,858	30,490	45,570	194,918
Due to other funds	296,852	-	77,343	374,195
Due to other governments	471,077	-	362,539	833,616
Deposits	253,776	-	-	253,776
Unearned revenue	131,958	-	262,549	394,507
Total Liabilities	4,508,683	30,490	2,255,006	6,794,179
Deferred Inflows of Resources				
Unavailable revenue - grants	103,904	-	310,494	414,398
Unavailable revenue - property taxes	234,746	73,165	85,391	393,302
Total Deferred Inflows of Resources	338,650	73,165	395,885	807,700
Fund Balances				
Nonspendable	39,483	-	-	39,483
Restricted	32,847,381	8,881,693	28,998,311	70,727,385
Committed	9,071,496	-	-	9,071,496
Assigned	7,482,168	-	-	7,482,168
Unassigned	(418,495)	-	-	(418,495)
Total Fund Balances	49,022,033	8,881,693	28,998,311	86,902,037
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 53,869,366	\$ 8,985,348	\$ 31,649,202	\$ 94,503,916

WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Revenues				
Taxes:				
Ad valorem	\$ 15,890,330	\$ 4,081,118	\$ 6,091,240	\$ 26,062,688
Residential construction tax	-	-	214,659	214,659
Car rental	1,141,625	-	-	1,141,625
Licenses and permits	1,649,318	-	-	1,649,318
Intergovernmental revenues	31,988,946	-	3,359,640	35,348,586
Charges for services	9,254,637	-	-	9,254,637
Fines and forfeits	2,319,476	-	-	2,319,476
Miscellaneous	3,976,911	-	974,139	4,951,050
Total Revenues	<u>66,221,243</u>	<u>4,081,118</u>	<u>10,639,678</u>	<u>80,942,039</u>
Expenditures				
Current:				
General government	616,066	-	-	616,066
Judicial	5,277,753	-	-	5,277,753
Public safety	18,802,893	-	-	18,802,893
Public works	12,102,747	-	-	12,102,747
Health and sanitation	21,557,725	-	-	21,557,725
Welfare	7,305,208	-	-	7,305,208
Culture and recreation	6,838,624	-	-	6,838,624
Intergovernmental	1,187,827	-	4,389,310	5,577,137
Capital outlay	-	-	12,570,804	12,570,804
Debt Service:				
Principal	-	7,048,208	-	7,048,208
Interest	-	5,283,514	-	5,283,514
Debt service fees and other fiscal charges	-	42,798	3,000	45,798
Total Expenditures	<u>73,688,843</u>	<u>12,374,520</u>	<u>16,963,114</u>	<u>103,026,477</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,467,600)</u>	<u>(8,293,402)</u>	<u>(6,323,436)</u>	<u>(22,084,438)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	1,936	-	-	1,936
Proceeds from insurance recoveries	39,725	-	-	39,725
Transfers in	14,747,484	8,248,306	6,352,276	29,348,066
Transfers out	<u>(5,072,941)</u>	<u>-</u>	<u>(4,040,097)</u>	<u>(9,113,038)</u>
Total Other Financing Sources (Uses)	<u>9,716,204</u>	<u>8,248,306</u>	<u>2,312,179</u>	<u>20,276,689</u>
Net Change in Fund Balances	2,248,604	(45,096)	(4,011,257)	(1,807,749)
Fund Balances, July 1	<u>46,773,429</u>	<u>8,926,789</u>	<u>33,009,568</u>	<u>88,709,786</u>
Fund Balances, June 30	<u>\$ 49,022,033</u>	<u>\$ 8,881,693</u>	<u>\$ 28,998,311</u>	<u>\$ 86,902,037</u>



GENERAL FUND

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem:				
General	\$ 121,007,040	\$ 121,031,855	\$ 24,815	\$ 118,699,890
Detention facility	9,440,859	9,429,178	(11,681)	9,385,296
Indigent insurance program	1,828,306	1,827,378	(928)	1,818,873
China Springs support	762,433	758,544	(3,889)	1,150,727
Family Court	2,340,632	2,339,017	(1,615)	2,328,157
AB 104	2,185,803	2,245,372	59,569	2,118,905
NRS 354.59813 makeup revenue	-	4,261	4,261	602,844
Room tax	280,000	311,167	31,167	299,925
Total Taxes	137,845,073	137,946,772	101,699	136,404,617
Licenses and Permits:				
Business:				
General business licenses	721,000	760,016	39,016	717,353
Electric/telecom business licenses	4,902,800	4,755,898	(146,902)	4,618,588
Liquor licenses	257,500	249,312	(8,188)	251,619
Local gaming licenses	664,350	666,934	2,584	639,750
Sanitation franchise fees	365,000	346,731	(18,269)	363,171
Cable television franchise fees	950,000	1,039,848	89,848	1,007,016
County gaming licenses	236,900	232,217	(4,683)	233,765
Gaming licenses - AB 104	54,000	32,872	(21,128)	59,699
Nonbusiness:				
Marriage affidavits	175,000	179,592	4,592	174,871
Mobile home permits	200	197	(3)	165
Other	300	625	325	350
Total Licenses and Permits	8,327,050	8,264,242	(62,808)	8,066,347
Intergovernmental Revenues:				
Federal grants	128,500	144,727	16,227	140,330
Federal payments in lieu of taxes	3,129,524	3,216,296	86,772	3,298,436
Federal incarceration charges	4,100,000	4,648,959	548,959	5,215,120
State Shared Revenues:				
State gaming licenses	150,000	141,885	(8,115)	139,631
Real property transfer tax - AB 104	465,000	478,695	13,695	411,926
SCCRT / GST - AB 104 Makeup	9,733,500	10,228,786	495,286	9,493,458
Consolidated taxes	76,735,000	80,808,837	4,073,837	75,489,073
State extraditions	48,000	25,526	(22,474)	24,954
Local contributions	159,529	198,054	38,525	178,545
Total Intergovernmental Revenues	94,649,053	99,891,765	5,242,712	94,391,473
Charges for Services:				
General Government:				
Clerk fees	100,000	113,612	13,612	98,144
Recorder fees	2,532,000	2,137,314	(394,686)	2,503,516
Map fees	11,900	4,593	(7,307)	3,043
Assessor commissions	1,400,000	1,458,526	58,526	1,420,301
Building and zoning fees	-	-	-	140,065
Other	12,477,108	12,357,125	(119,983)	10,749,991
Subtotal General Government	16,521,008	16,071,170	(449,838)	14,915,060

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Judicial:				
Clerk court fees	\$ 512,000	\$ 441,842	\$ (70,158)	\$ 453,738
Other	969,500	1,253,873	284,373	1,180,209
Subtotal Judicial	1,481,500	1,695,715	214,215	1,633,947
Public Safety:				
Police:				
Sheriff fees	410,000	332,309	(77,691)	327,462
Other	4,441,909	4,265,515	(176,394)	4,370,851
Corrections	12,200	14,833	2,633	17,566
Protective services	425,000	443,186	18,186	404,802
Subtotal Public Safety	5,289,109	5,055,843	(233,266)	5,120,681
Public Works	148,500	171,740	23,240	66,691
Welfare	65,000	24,743	(40,257)	48,807
Culture and Recreation	716,128	777,986	61,858	678,701
Total Charges for Services	24,221,245	23,797,197	(424,048)	22,463,887
Fines and Forfeits:				
Fines:				
Library	140,000	85,180	(54,820)	97,255
Court	2,238,200	1,926,878	(311,322)	2,100,014
Penalties	3,525,000	4,225,688	700,688	4,005,437
Forfeits/bail	1,515,000	1,890,869	375,869	2,046,426
Total Fines and Forfeits	7,418,200	8,128,615	710,415	8,249,132
Miscellaneous:				
Investment earnings	2,122,030	1,607,404	(514,626)	2,007,693
Net increase (decrease) in the fair value of investments	300,000	(13,661)	(313,661)	(1,833,260)
Rents and royalties	108,073	124,557	16,484	100,061
Other	1,881,973	2,268,786	386,813	2,501,992
Total Miscellaneous	4,412,076	3,987,086	(424,990)	2,776,486
Total Revenues	276,872,697	282,015,677	5,142,980	272,351,942
Expenditures by Function and Activity				
Current:				
General Government Function:				
Legislative / County Commissioners:				
Salaries and wages	323,873	332,020	(8,147)	328,869
Employee benefits	133,890	129,100	4,790	128,154
Services and supplies	99,134	80,691	18,443	76,746
	556,897	541,811	15,086	533,769
Executive / County Manager:				
Salaries and wages	1,384,736	1,323,340	61,396	1,322,810
Employee benefits	545,271	519,051	26,220	496,506
Services and supplies	990,589	581,486	409,103	626,329
	2,920,596	2,423,877	496,719	2,445,645

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Elections / Registrar of Voters:				
Salaries and wages	\$ 529,680	\$ 422,969	\$ 106,711	\$ 367,974
Employee benefits	174,333	159,275	15,058	147,765
Services and supplies	703,027	449,770	253,257	781,590
Capital outlay	81,839	49,259	32,580	3,569
	<u>1,488,879</u>	<u>1,081,273</u>	<u>407,606</u>	<u>1,300,898</u>
Finance:				
Finance Department:				
Salaries and wages	2,122,292	1,891,091	231,201	1,949,438
Employee benefits	844,646	747,835	96,811	749,210
Services and supplies	293,969	253,754	40,215	160,726
	<u>3,260,907</u>	<u>2,892,680</u>	<u>368,227</u>	<u>2,859,374</u>
Treasurer:				
Salaries and wages	1,111,918	1,091,010	20,908	1,111,645
Employee benefits	498,412	486,115	12,297	460,769
Services and supplies	592,229	440,475	151,754	601,745
	<u>2,202,559</u>	<u>2,017,600</u>	<u>184,959</u>	<u>2,174,159</u>
Assessor:				
Salaries and wages	3,816,977	3,810,256	6,721	3,691,204
Employee benefits	1,572,283	1,560,528	11,755	1,454,025
Services and supplies	444,513	377,922	66,591	373,053
	<u>5,833,773</u>	<u>5,748,706</u>	<u>85,067</u>	<u>5,518,282</u>
Subtotal Finance	<u>11,297,239</u>	<u>10,658,986</u>	<u>638,253</u>	<u>10,551,815</u>
Other:				
Human Resources:				
Salaries and wages	1,164,560	1,150,165	14,395	1,073,993
Employee benefits	445,836	448,138	(2,302)	387,977
Services and supplies	436,560	293,239	143,321	199,884
	<u>2,046,956</u>	<u>1,891,542</u>	<u>155,414</u>	<u>1,661,854</u>
Clerk:				
Salaries and wages	791,355	677,886	113,469	766,258
Employee benefits	342,566	299,046	43,520	323,367
Services and supplies	90,578	54,308	36,270	48,553
	<u>1,224,499</u>	<u>1,031,240</u>	<u>193,259</u>	<u>1,138,178</u>
Recorder:				
Salaries and wages	1,211,504	1,108,125	103,379	1,145,482
Employee benefits	535,465	487,302	48,163	480,940
Services and supplies	160,831	148,636	12,195	122,109
	<u>1,907,800</u>	<u>1,744,063</u>	<u>163,737</u>	<u>1,748,531</u>
Technology Services:				
Salaries and wages	5,213,385	5,301,254	(87,869)	5,275,055
Employee benefits	2,390,779	2,177,200	213,579	2,081,179
Services and supplies	3,483,440	3,015,647	467,793	2,691,585
Capital outlay	-	78,338	(78,338)	121,745
	<u>11,087,604</u>	<u>10,572,439</u>	<u>515,165</u>	<u>10,169,564</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Community Services Department (CSD) - General Services:				
Salaries and wages	\$ 254,509	\$ 256,188	\$ (1,679)	\$ 243,363
Employee benefits	136,550	119,798	16,752	120,954
Services and supplies	252,120	115,903	136,217	88,311
	<u>643,179</u>	<u>491,889</u>	<u>151,290</u>	<u>452,628</u>
Accrued Benefits:				
Salaries and wages	2,500,000	1,589,678	910,322	1,523,392
Employee benefits	-	22,434	(22,434)	103,138
	<u>2,500,000</u>	<u>1,612,112</u>	<u>887,888</u>	<u>1,626,530</u>
OPEB:				
Employee benefits	16,100,000	16,100,000	-	17,400,000
Undesignated/Energy Maintenance:				
Services and supplies	5,700,955	1,444,604	4,256,351	2,280,651
Subtotal Other	41,210,993	34,887,889	6,323,104	36,477,936
	<u>57,474,604</u>	<u>49,593,836</u>	<u>7,880,768</u>	<u>51,310,063</u>
Total General Government Function				
	<u>57,474,604</u>	<u>49,593,836</u>	<u>7,880,768</u>	<u>51,310,063</u>
Judicial Function:				
District Courts:				
Salaries and wages	9,216,114	8,458,241	757,873	8,283,122
Employee benefits	3,879,792	3,511,329	368,463	3,334,903
Services and supplies	3,313,607	2,700,644	612,963	2,778,932
Capital outlay	-	54,126	(54,126)	84,321
	<u>16,409,513</u>	<u>14,724,340</u>	<u>1,685,173</u>	<u>14,481,278</u>
District Attorney:				
Salaries and wages	11,306,836	11,144,453	162,383	10,856,346
Employee benefits	4,521,002	4,570,330	(49,328)	4,265,059
Services and supplies	1,486,795	1,055,633	431,162	979,938
	<u>17,314,633</u>	<u>16,770,416</u>	<u>544,217</u>	<u>16,101,343</u>
Public Defense:				
Public Defender:				
Salaries and wages	4,995,607	4,927,312	68,295	4,786,842
Employee benefits	1,841,678	1,873,142	(31,464)	1,751,125
Services and supplies	400,585	355,030	45,555	324,928
	<u>7,237,870</u>	<u>7,155,484</u>	<u>82,386</u>	<u>6,862,895</u>
Alternative Public Defender:				
Salaries and wages	1,239,991	1,204,337	35,654	1,226,470
Employee benefits	484,932	464,532	20,400	455,853
Services and supplies	154,333	138,145	16,188	132,343
	<u>1,879,256</u>	<u>1,807,014</u>	<u>72,242</u>	<u>1,814,666</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Conflict Counsel:				
Services and supplies	\$ 1,531,713	\$ 2,126,765	\$ (595,052)	\$ 2,126,417
Subtotal Public Defense	10,648,839	11,089,263	(440,424)	10,803,978
Justice Courts:				
Salaries and wages	5,462,484	5,289,484	173,000	5,137,761
Employee benefits	2,126,485	2,056,680	69,805	1,896,713
Services and supplies	486,561	321,763	164,798	313,975
	8,075,530	7,667,927	407,603	7,348,449
Incline Constable:				
Salaries and wages	65,686	66,988	(1,302)	66,124
Employee benefits	26,736	26,947	(211)	26,945
Services and supplies	14,710	12,885	1,825	13,275
	107,132	106,820	312	106,344
Total Judicial Function	52,555,647	50,358,766	2,196,881	48,841,392
Public Safety Function:				
Sheriff and Detention:				
Salaries and wages	50,358,776	51,223,452	(864,676)	49,613,869
Employee benefits	26,680,521	26,280,213	400,308	25,073,089
Services and supplies	14,833,200	13,526,743	1,306,457	13,609,859
Capital outlay	-	-	-	14,325
	91,872,497	91,030,408	842,089	88,311,142
Medical Examiner:				
Salaries and wages	1,248,195	1,239,421	8,774	1,165,856
Employee benefits	444,437	452,420	(7,983)	400,225
Services and supplies	470,631	424,411	46,220	344,294
	2,163,263	2,116,252	47,011	1,910,375
Fire Suppression:				
Employee benefits	6,900	15,151	(8,251)	1,442
Services and supplies	885,595	680,474	205,121	483,616
Capital outlay	10,500	-	10,500	-
	902,995	695,625	207,370	485,058
Juvenile Services:				
Salaries and wages	7,877,340	7,501,127	376,213	7,504,091
Employee benefits	3,510,835	3,441,893	68,942	3,343,608
Services and supplies	1,720,237	1,539,198	181,039	1,685,831
	13,108,412	12,482,218	626,194	12,533,530
Protective Services:				
Alternative Sentencing:				
Salaries and wages	378,071	373,315	4,756	367,465
Employee benefits	195,980	198,808	(2,828)	186,799
Services and supplies	94,444	90,390	4,054	87,938
	668,495	662,513	5,982	642,202

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Emergency Management:				
Salaries and wages	\$ 65,390	\$ 68,302	\$ (2,912)	\$ 130,138
Employee benefits	26,233	26,495	(262)	47,560
Services and supplies	6,073	5,700	373	7,635
	<u>97,696</u>	<u>100,497</u>	<u>(2,801)</u>	<u>185,333</u>
Public Administrator:				
Salaries and wages	675,670	665,405	10,265	634,948
Employee benefits	272,354	282,699	(10,345)	261,364
Services and supplies	52,408	41,561	10,847	35,578
	<u>1,000,432</u>	<u>989,665</u>	<u>10,767</u>	<u>931,890</u>
Public Guardian:				
Salaries and wages	1,016,756	1,006,099	10,657	981,257
Employee benefits	426,934	430,671	(3,737)	408,836
Services and supplies	68,799	46,755	22,044	43,387
	<u>1,512,489</u>	<u>1,483,525</u>	<u>28,964</u>	<u>1,433,480</u>
Subtotal Protective Services	<u>3,279,112</u>	<u>3,236,200</u>	<u>42,912</u>	<u>3,192,905</u>
Total Public Safety Function	<u>111,326,279</u>	<u>109,560,703</u>	<u>1,765,576</u>	<u>106,433,010</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	4,792,570	4,701,557	91,013	4,401,349
Employee benefits	2,025,055	1,950,435	74,620	1,754,710
Services and supplies	7,675,882	7,367,877	308,005	6,494,338
Capital outlay	150,000	2,063	147,937	30,723
Total Public Works Function	<u>14,643,507</u>	<u>14,021,932</u>	<u>621,575</u>	<u>12,681,120</u>
Welfare Function:				
Social Services Department:				
Salaries and wages	2,406,476	2,252,372	154,104	2,060,215
Employee benefits	1,058,600	980,829	77,771	872,914
Services and supplies	15,291,429	12,678,979	2,612,450	14,717,310
Total Welfare Function	<u>18,756,505</u>	<u>15,912,180</u>	<u>2,844,325</u>	<u>17,650,439</u>
Culture and Recreation Function:				
Library Department:				
Salaries and wages	5,154,325	5,094,383	59,942	5,043,269
Employee benefits	2,117,911	2,072,132	45,779	1,996,254
Services and supplies	407,556	361,683	45,873	300,585
	<u>7,679,792</u>	<u>7,528,198</u>	<u>151,594</u>	<u>7,340,108</u>
CSD - Regional Parks and Open Space:				
Salaries and wages	2,168,356	2,083,967	84,389	2,404,722
Employee benefits	930,883	904,378	26,505	1,052,816
Services and supplies	857,949	831,954	25,995	842,310
Capital Outlay	-	14,449	(14,449)	-
	<u>3,957,188</u>	<u>3,834,748</u>	<u>122,440</u>	<u>4,299,848</u>
Total Culture and Recreation Function	<u>11,636,980</u>	<u>11,362,946</u>	<u>274,034</u>	<u>11,639,956</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Community Support Function:				
Services and supplies	\$ 219,520	\$ 178,296	\$ 41,224	\$ 343,244
Total Community Support Function	<u>219,520</u>	<u>178,296</u>	<u>41,224</u>	<u>343,244</u>
Intergovernmental Expenditures:				
Indigent Insurance Program	1,828,306	1,835,716	(7,410)	1,768,277
China Springs Youth Facility	1,147,433	1,133,642	13,791	1,172,468
Ethics Commission Assessment	18,172	21,258	(3,086)	17,959
Truckee Meadows Regional Planning	205,162	205,162	-	205,162
Groundwater Basin	17,387	17,387	-	17,161
Total Intergovernmental Expenditures	<u>3,216,460</u>	<u>3,213,165</u>	<u>3,295</u>	<u>3,181,027</u>
Total Expenditures	<u>269,829,502</u>	<u>254,201,824</u>	<u>15,627,678</u>	<u>252,080,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,043,195</u>	<u>27,813,853</u>	<u>20,770,658</u>	<u>20,271,691</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	5,000	31,239	26,239	41,696
Transfers:				
Special Revenue Funds	470,375	845,270	374,895	545,169
Internal Service Funds	-	-	-	300,000
Enterprise Funds	-	-	-	1,450,000
Special Revenue Funds	(12,437,512)	(12,812,078)	(374,566)	(14,393,361)
Debt Service Funds	(4,396,016)	(4,220,635)	175,381	(4,368,272)
Capital Projects Funds	(4,084,832)	(4,084,832)	-	(1,135,800)
Contingency	(367,515)	-	367,515	-
Total Other Financing Sources (Uses)	<u>(20,810,500)</u>	<u>(20,241,036)</u>	<u>569,464</u>	<u>(17,560,568)</u>
Net Change in Fund Balances	<u>(13,767,305)</u>	<u>7,572,817</u>	<u>21,340,122</u>	<u>2,711,123</u>
Fund Balances, July 1	<u>39,033,750</u>	<u>39,033,750</u>	<u>-</u>	<u>36,322,627</u>
Fund Balances, June 30	<u>\$ 25,266,445</u>	<u>\$ 46,606,567</u>	<u>\$ 21,340,122</u>	<u>\$ 39,033,750</u>

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

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

	<u>Page</u>
<u>Major Special Revenue Fund:</u>	
Child Protective Services Fund: To account for ad valorem taxes, grants and other revenue sources specifically appropriated to protect against the neglect, abandonment and abuse of children	81
<u>Nonmajor Special Revenue Funds:</u>	
Health Fund: To account for grants, user fees and other revenue sources specifically dedicated to on-going health programs and services.	88
Indigent Tax Levy Fund: To account for ad valorem tax revenues and investment earnings specifically appropriated to provide medical assistance to the indigent.	89
Senior Services Fund: To account for grants, charges for services and ad valorem taxes specifically appropriated to provide services for senior citizens.	90
Enhanced 911 Fund: To account for Enhanced 911 fees specifically appropriated for the enhancement of the communication system for reporting emergencies	91
Library Expansion Fund: To account for ad valorem taxes and investment earnings specifically appropriated to fund expansion of the library system.	92
Animal Services Fund: To account for ad valorem taxes and related investment earnings specifically appropriated to operate a regional animal services shelter and to provide regional field enforcement operations.....	93
Regional Public Safety Training Center Fund: To account for the operations and management of a public safety training center for the benefit of local public safety agencies	94
Truckee River Flood Management Infrastructure Fund: To account for resources derived from the 0.125% infrastructure sales tax and related investment earnings specifically appropriated to fund the Truckee River Flood Management Project and related debt service	95
Regional Communication System Fund: To account for the development, operations and management of the regional communications system for the benefit of participating public safety and non-public safety agencies	96
Central Truckee Meadows Remediation District Fund: To account for resources derived from remediation fees and related investment earnings specifically appropriated for the remediation of the quality of water in the Central Truckee Meadows Remediation District	97
Other Restricted Fund: To account for various specific resources restricted for specified purposes consistent with legal and operating requirements. Resources include: ad valorem tax apportionments for Cooperative Extension support, car rental tax for the Reno baseball stadium, court administrative assessments for court projects, and grants and restricted resources for various General Fund departments	98
Roads Fund: To account for specific revenue sources that are restricted to the construction, purchase of equipment for that construction, maintenance and repair of county roads.	102

WASHOE COUNTY, NEVADA
CHILD PROTECTIVE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 4,872,150	\$ 4,872,964	\$ 814	\$ 4,850,274
Licenses and Permits:				
Day care licenses	22,500	22,433	(67)	20,350
Intergovernmental Revenues:				
Federal grants	20,654,650	17,169,589	(3,485,061)	19,963,733
State grants	15,859,711	15,794,604	(65,107)	14,670,045
Charges for Services:				
Service fees	2,657,000	2,642,498	(14,502)	2,670,985
Miscellaneous:				
Contributions and donations	60,080	56,330	(3,750)	103,926
Other	-	1,519,758	1,519,758	16,969
Total Revenues	<u>44,126,091</u>	<u>42,078,176</u>	<u>(2,047,915)</u>	<u>42,296,282</u>
Expenditures				
Welfare Function:				
Salaries and wages	14,318,787	13,145,404	1,173,383	12,903,028
Employee benefits	6,055,616	5,420,013	635,603	5,196,717
Services and supplies	28,099,376	25,379,676	2,719,700	25,958,410
Capital outlay	20,000	2,201,866	(2,181,866)	24,470
Total Expenditures	<u>48,493,779</u>	<u>46,146,959</u>	<u>2,346,820</u>	<u>44,082,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,367,688)</u>	<u>(4,068,783)</u>	<u>298,905</u>	<u>(1,786,343)</u>
Other Financing Sources (Uses)				
Transfers:				
Other Restricted Fund	-	(45,406)	(45,406)	-
Debt Service Fund	(400,000)	(400,000)	-	(400,000)
Total Other Financing Sources (Uses)	<u>(400,000)</u>	<u>(445,406)</u>	<u>(45,406)</u>	<u>(400,000)</u>
Net Change in Fund Balances	<u>(4,767,688)</u>	<u>(4,514,189)</u>	<u>253,499</u>	<u>(2,186,343)</u>
Fund Balances, July 1	9,469,281	8,852,309	(616,972)	11,038,652
Fund Balances, June 30	<u>\$ 4,701,593</u>	<u>\$ 4,338,120</u>	<u>\$ (363,473)</u>	<u>\$ 8,852,309</u>

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	Health Fund	Indigent Tax Levy Fund	Senior Services Fund	Enhanced 911 Fund	Library Expansion Fund
Assets					
Cash and investments	\$ 1,766,096	\$ 4,929,789	\$ 371,826	\$ 874,595	\$ 938,369
Restricted cash and investments	-	-	-	-	-
Accounts receivable	363	-	5,911	130,615	-
Property taxes receivable	-	130,058	19,915	-	39,775
Other taxes receivable	-	-	-	-	-
Interest receivable	-	22,479	-	1,995	2,315
Due from other funds	-	4,375	3,551	-	1,458
Due from other governments	1,299,211	-	301,973	511	-
Deposits and prepaid items	-	-	-	27,108	-
Total Assets	\$ 3,065,670	\$ 5,086,701	\$ 703,176	\$ 1,034,824	\$ 981,917
Liabilities					
Accounts payable	\$ 222,839	\$ -	\$ 332,713	\$ 88,195	\$ 5,214
Accrued salaries and benefits	544,142	-	74,435	1,462	38,847
Contracts/retention payable	-	-	-	-	-
Tax refunds payable	-	54,684	9,114	-	18,228
Due to other funds	226	-	-	-	-
Due to other governments	27,017	49,898	12,059	47,128	16,633
Deposits	-	-	6,271	-	-
Unearned revenue	115,647	-	-	-	-
Total Liabilities	909,871	104,582	434,592	136,785	78,922
Deferred Inflows of Resources					
Unavailable revenue - grants and other revenue	-	-	-	-	-
Unavailable revenue - property taxes	-	112,188	17,088	-	34,125
Total Deferred Inflows of Resources	-	112,188	17,088	-	34,125
Fund Balances					
Nonspendable	-	-	-	27,108	-
Restricted	2,155,799	4,869,931	126,478	870,931	425,377
Committed	-	-	125,018	-	443,493
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	2,155,799	4,869,931	251,496	898,039	868,870
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,065,670	\$ 5,086,701	\$ 703,176	\$ 1,034,824	\$ 981,917

(CONTINUED)

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	Animal Services Fund	Regional Public Safety Training Center Fund	Truckee River Flood Management Infrastructure Fund	Regional Communications System Fund	Central Truckee Meadows Remediation District Fund
Assets					
Cash and investments	\$ 6,021,127	\$ 460,389	\$ 166,855	\$ 1,930,507	\$ 7,364,854
Restricted cash and investments	-	-	-	-	-
Accounts receivable	45,080	1,725	-	-	17,805
Property taxes receivable	63,117	-	-	-	-
Other taxes receivable	-	-	1,349,699	-	-
Interest receivable	14,611	1,200	263	4,619	18,118
Due from other funds	2,217	-	-	-	92,598
Due from other governments	1,760	18,456	-	20,578	-
Deposits and prepaid items	-	-	-	12,375	-
Total Assets	\$ 6,147,912	\$ 481,770	\$ 1,516,817	\$ 1,968,079	\$ 7,493,375
Liabilities					
Accounts payable	\$ 55,414	\$ 16,110	\$ 826	\$ 16,188	\$ 226,646
Accrued salaries and benefits	100,442	12,066	44,265	16,354	23,572
Contracts/retention payable	-	-	-	-	-
Tax refunds payable	27,718	-	-	-	-
Due to other funds	-	-	-	-	50,756
Due to other governments	-	-	-	-	239,218
Deposits	12,460	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	196,034	28,176	45,091	32,542	540,192
Deferred Inflows of Resources					
Unavailable revenue - grants and other revenue	-	-	-	-	15,030
Unavailable revenue - property taxes	54,257	-	-	-	-
Total Deferred Inflows of Resources	54,257	-	-	-	15,030
Fund Balances					
Nonspendable	-	-	-	12,375	-
Restricted	145,992	453,594	1,471,726	1,923,162	5,712,307
Committed	5,751,629	-	-	-	1,225,846
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	5,897,621	453,594	1,471,726	1,935,537	6,938,153
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,147,912	\$ 481,770	\$ 1,516,817	\$ 1,968,079	\$ 7,493,375

	Other Restricted Fund	Roads Fund	Total
\$	15,610,802	\$ 6,930,560	\$ 47,365,769
	45,406	-	45,406
	21,084	-	222,583
	19,915	-	272,780
	274,386	1,330,862	2,954,947
	10,890	-	76,490
	71,739	743	176,681
	1,070,097	-	2,712,586
	2,641	-	42,124
	<u>17,126,960</u>	<u>8,262,165</u>	<u>53,869,366</u>

\$	594,505	\$ 109,313	\$ 1,667,963
	160,685	174,125	1,190,395
	-	377,804	377,804
	9,114	-	118,858
	245,870	-	296,852
	79,039	85	471,077
	235,045	-	253,776
	16,311	-	131,958
	<u>1,340,569</u>	<u>661,327</u>	<u>4,508,683</u>

	88,874	-	103,904
	17,088	-	234,746
	<u>105,962</u>	<u>-</u>	<u>338,650</u>

	-	-	39,483
	14,692,084	-	32,847,381
	1,406,840	118,670	9,071,496
	-	7,482,168	7,482,168
	(418,495)	-	(418,495)
	<u>15,680,429</u>	<u>7,600,838</u>	<u>49,022,033</u>
\$	<u>17,126,960</u>	<u>8,262,165</u>	<u>53,869,366</u>

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Health Fund</u>	<u>Indigent Tax Levy Fund</u>	<u>Senior Services Fund</u>	<u>Enhanced 911 Fund</u>
Revenues				
Taxes:				
Ad valorem	\$ -	\$ 7,316,774	\$ 1,218,254	\$ -
Car rental	-	-	-	-
Licenses and permits	1,406,086	-	-	-
Intergovernmental revenues	6,744,781	-	1,089,788	-
Charges for services	1,339,558	107,889	528,724	1,604,253
Fines and forfeits	-	-	-	-
Miscellaneous	172,166	321,781	180,998	11,864
Total Revenues	<u>9,662,591</u>	<u>7,746,444</u>	<u>3,017,764</u>	<u>1,616,117</u>
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	1,907,872
Public works	-	-	-	-
Health and sanitation	18,922,800	-	-	-
Welfare	-	7,199,872	-	-
Culture and recreation	-	-	4,057,561	-
Intergovernmental	-	-	-	-
Total Expenditures	<u>18,922,800</u>	<u>7,199,872</u>	<u>4,057,561</u>	<u>1,907,872</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,260,209)</u>	<u>546,572</u>	<u>(1,039,797)</u>	<u>(291,755)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	653	-	-	-
Proceeds from insurance recoveries	-	-	-	-
Transfers in	8,603,891	-	936,132	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>8,604,544</u>	<u>-</u>	<u>936,132</u>	<u>-</u>
Net Change in Fund Balances	<u>(655,665)</u>	<u>546,572</u>	<u>(103,665)</u>	<u>(291,755)</u>
Fund Balances, July 1	<u>2,811,464</u>	<u>4,323,359</u>	<u>355,161</u>	<u>1,189,794</u>
Fund Balances, June 30	<u>\$ 2,155,799</u>	<u>\$ 4,869,931</u>	<u>\$ 251,496</u>	<u>\$ 898,039</u>

<u>Library Expansion Fund</u>	<u>Animal Services Fund</u>	<u>Regional Public Safety Training Center Fund</u>	<u>Truckee River Flood Management Infrastructure Fund</u>	<u>Regional Communications System Fund</u>	<u>Central Truckee Meadows Remediation District Fund</u>	<u>Other Restricted Fund</u>
\$ 2,436,506	\$ 3,700,542	\$ -	\$ -	\$ -	\$ -	\$ 1,218,254
-	-	-	-	-	-	1,141,625
-	243,232	-	-	-	-	-
-	-	-	7,672,378	1,217,511	-	7,340,813
-	130,482	531,759	-	-	1,254,476	3,097,099
-	-	-	-	-	-	2,319,476
14,915	172,461	58,924	1,439,112	105,906	122,569	1,344,455
<u>2,451,421</u>	<u>4,246,717</u>	<u>590,683</u>	<u>9,111,490</u>	<u>1,323,417</u>	<u>1,377,045</u>	<u>16,461,722</u>
-	-	-	-	-	-	616,066
-	-	-	-	-	-	5,277,753
-	3,883,165	577,717	6,626,091	1,185,101	-	4,622,947
-	-	-	-	-	-	668,466
-	-	-	-	-	2,634,925	-
-	-	-	-	-	-	105,336
1,910,129	-	-	-	-	-	870,934
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,187,827</u>
<u>1,910,129</u>	<u>3,883,165</u>	<u>577,717</u>	<u>6,626,091</u>	<u>1,185,101</u>	<u>2,634,925</u>	<u>13,349,329</u>
<u>541,292</u>	<u>363,552</u>	<u>12,966</u>	<u>2,485,399</u>	<u>138,316</u>	<u>(1,257,880)</u>	<u>3,112,393</u>
-	-	-	-	-	-	1,283
-	-	-	-	39,725	-	-
-	-	-	-	-	-	939,079
<u>(219,575)</u>	<u>-</u>	<u>-</u>	<u>(2,390,368)</u>	<u>-</u>	<u>-</u>	<u>(2,462,998)</u>
<u>(219,575)</u>	<u>-</u>	<u>-</u>	<u>(2,390,368)</u>	<u>39,725</u>	<u>-</u>	<u>(1,522,636)</u>
<u>321,717</u>	<u>363,552</u>	<u>12,966</u>	<u>95,031</u>	<u>178,041</u>	<u>(1,257,880)</u>	<u>1,589,757</u>
<u>547,153</u>	<u>5,534,069</u>	<u>440,628</u>	<u>1,376,695</u>	<u>1,757,496</u>	<u>8,196,033</u>	<u>14,090,672</u>
<u>\$ 868,870</u>	<u>\$ 5,897,621</u>	<u>\$ 453,594</u>	<u>\$ 1,471,726</u>	<u>\$ 1,935,537</u>	<u>\$ 6,938,153</u>	<u>\$ 15,680,429</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	Roads Fund	TOTAL
Revenues		
Taxes:		
Ad valorem	\$ -	\$ 15,890,330
Car rental	-	1,141,625
Licenses and permits	-	1,649,318
Intergovernmental revenues	7,923,675	31,988,946
Charges for services	660,397	9,254,637
Fines and forfeits	-	2,319,476
Miscellaneous	31,760	3,976,911
	8,615,832	66,221,243
Expenditures		
Current:		
General government	-	616,066
Judicial	-	5,277,753
Public safety	-	18,802,893
Public works	11,434,281	12,102,747
Health and sanitation	-	21,557,725
Welfare	-	7,305,208
Culture and recreation	-	6,838,624
Intergovernmental	-	1,187,827
	11,434,281	73,688,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,818,449)	(7,467,600)
Other Financing Sources (Uses)		
Proceeds from asset disposition	-	1,936
Proceeds from insurance recoveries	-	39,725
Transfers in	4,268,382	14,747,484
Transfers out	-	(5,072,941)
	4,268,382	9,716,204
Net Change in Fund Balances	1,449,933	2,248,604
Fund Balances, July 1	6,150,905	46,773,429
Fund Balances, June 30	\$ 7,600,838	\$ 49,022,033

WASHOE COUNTY, NEVADA
HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Licenses and permits	\$ 1,455,504	\$ 1,406,086	\$ (49,418)	\$ 1,179,756
Intergovernmental Revenues:				
Federal grants	5,544,693	5,493,707	(50,986)	5,672,330
State grants	744,007	302,207	(441,800)	99,857
Other	768,548	948,867	180,319	747,545
Charges for Services:				
Health	1,403,515	1,339,558	(63,957)	1,314,251
Miscellaneous:				
Contributions and donations	130,938	123,121	(7,817)	70,700
Other	62,229	49,045	(13,184)	2,504
Total Revenues	<u>10,109,434</u>	<u>9,662,591</u>	<u>(446,843)</u>	<u>9,086,943</u>
Expenditures				
Health and Sanitation Function:				
Salaries and wages	10,230,689	9,591,107	639,582	9,803,868
Employee benefits	4,156,770	3,829,395	327,375	3,794,135
Services and supplies	6,328,754	5,355,510	973,244	5,004,785
Capital outlay	432,748	146,788	285,960	212,624
Total Expenditures	<u>21,148,961</u>	<u>18,922,800</u>	<u>2,226,161</u>	<u>18,815,412</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,039,527)</u>	<u>(9,260,209)</u>	<u>1,779,318</u>	<u>(9,728,469)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	653	653	-
Transfers:				
General Fund	8,603,891	8,603,891	-	8,623,891
Total Other Financing Sources (Uses)	<u>8,603,891</u>	<u>8,604,544</u>	<u>5,265,336</u>	<u>8,623,891</u>
Net Change in Fund Balances	<u>(2,435,636)</u>	<u>(655,665)</u>	<u>1,779,971</u>	<u>(1,104,578)</u>
Fund Balances, July 1	<u>2,711,668</u>	<u>2,811,464</u>	<u>99,796</u>	<u>3,916,042</u>
Fund Balances, June 30	<u>\$ 276,032</u>	<u>\$ 2,155,799</u>	<u>\$ 1,879,767</u>	<u>\$ 2,811,464</u>

WASHOE COUNTY, NEVADA
INDIGENT TAX LEVY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 7,333,225	\$ 7,316,774	\$ (16,451)	\$ 7,293,338
Charges for Services:				
Reimbursements	55,000	107,889	52,889	206,447
Miscellaneous:				
Investment earnings	30,000	113,652	83,652	74,225
Net increase (decrease) in the fair value of investments	-	11,914	11,914	(96,963)
Other	-	196,215	196,215	19,321
Total Revenues	<u>7,418,225</u>	<u>7,746,444</u>	<u>328,219</u>	<u>7,496,368</u>
Expenditures				
Welfare Function:				
Services and supplies	<u>8,129,070</u>	<u>7,199,872</u>	<u>929,198</u>	<u>3,812,337</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(710,845)	546,572	1,257,417	3,684,031
Fund Balances, July 1	<u>762,645</u>	<u>4,323,359</u>	<u>3,560,714</u>	<u>639,328</u>
Fund Balances, June 30	<u>\$ 51,800</u>	<u>\$ 4,869,931</u>	<u>\$ 4,818,131</u>	<u>\$ 4,323,359</u>

WASHOE COUNTY, NEVADA
SENIOR SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 1,219,537	\$ 1,218,254	\$ (1,283)	\$ 1,212,588
Intergovernmental Revenues:				
Federal grants	988,168	910,459	(77,709)	1,061,746
State and local grants	222,970	179,329	(43,641)	345,359
Charges for Services:				
Senior law project fees	75,000	57,232	(17,768)	57,539
Program income	120,500	123,799	3,299	115,706
Other	277,400	347,693	70,293	180,453
Miscellaneous:				
Contributions and donations	164,592	103,072	(61,520)	114,527
Reimbursements	24,500	25,653	1,153	31,544
Other	13,000	52,273	39,273	29,256
Total Revenues	<u>3,105,667</u>	<u>3,017,764</u>	<u>(87,903)</u>	<u>3,148,718</u>
Expenditures				
Culture and Recreation Function:				
Salaries and wages	1,355,679	1,320,472	35,207	1,561,689
Employee benefits	559,996	580,527	(20,531)	662,395
Services and supplies	2,469,273	2,156,562	312,711	2,083,459
Capital outlay	-	-	-	42,494
Total Expenditures	<u>4,384,948</u>	<u>4,057,561</u>	<u>327,387</u>	<u>4,350,037</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,279,281)</u>	<u>(1,039,797)</u>	<u>239,484</u>	<u>(1,201,319)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	936,132	936,132	-	936,272
Net Change in Fund Balances	<u>(343,149)</u>	<u>(103,665)</u>	<u>239,484</u>	<u>(265,047)</u>
Fund Balances, July 1	<u>353,237</u>	<u>355,161</u>	<u>1,924</u>	<u>620,208</u>
Fund Balances, June 30	<u>\$ 10,088</u>	<u>\$ 251,496</u>	<u>\$ 241,408</u>	<u>\$ 355,161</u>

WASHOE COUNTY, NEVADA
ENHANCED 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Charges for Services:				
Enhanced 911 fees	\$ 1,585,171	\$ 1,604,253	\$ 19,082	\$ 1,565,824
Miscellaneous:				
Investment earnings	20,000	11,163	(8,837)	26,347
Net increase (decrease) in the fair value of investments	-	701	701	(25,442)
Total Revenues	<u>1,605,171</u>	<u>1,616,117</u>	<u>10,946</u>	<u>1,566,729</u>
Expenditures				
Public Safety Function:				
Salaries and wages	29,128	21,958	7,170	27,580
Employee benefits	13,371	9,291	4,080	12,417
Services and supplies	2,075,726	1,876,623	199,103	1,389,610
Capital outlay	660,000	-	660,000	476,549
Total Expenditures	<u>2,778,225</u>	<u>1,907,872</u>	<u>870,353</u>	<u>1,906,156</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,173,054)	(291,755)	881,299	(339,427)
Fund Balances, July 1	<u>1,189,794</u>	<u>1,189,794</u>	<u>-</u>	<u>1,529,221</u>
Fund Balances, June 30	<u>\$ 16,740</u>	<u>\$ 898,039</u>	<u>\$ 881,299</u>	<u>\$ 1,189,794</u>

**WASHOE COUNTY, NEVADA
LIBRARY EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 2,446,075	\$ 2,436,506	\$ (9,569)	\$ 2,425,224
Miscellaneous:				
Investment earnings	15,000	12,869	(2,131)	12,946
Net increase (decrease) in the fair value of investments	-	2,046	2,046	(12,842)
Other	-	-	-	4,083
Total Revenues	2,461,075	2,451,421	(9,654)	2,429,411
Expenditures				
Culture and Recreation Function:				
Salaries and wages	718,326	693,369	24,957	802,780
Employee benefits	312,303	301,595	10,708	352,234
Services and supplies	1,095,374	915,165	180,209	871,206
Total Expenditures	2,126,003	1,910,129	215,874	2,026,220
Excess (Deficiency) of Revenues Over (Under) Expenditures	335,072	541,292	206,220	403,191
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(219,532)	(219,575)	(43)	(280,430)
Net Change in Fund Balances	115,540	321,717	206,177	122,761
Fund Balances, July 1	554,429	547,153	(7,276)	424,392
Fund Balances, June 30	\$ 669,969	\$ 868,870	\$ 198,901	\$ 547,153

WASHOE COUNTY, NEVADA
ANIMAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 3,656,612	\$ 3,700,542	\$ 43,930	\$ 3,689,431
Licenses and Permits:				
Animal licenses	204,000	243,232	39,232	234,129
Charges for Services:				
Animal services	100,000	130,482	30,482	110,176
Fines and Forfeits:				
Administrative enforcement penalties	10,000	-	(10,000)	-
Miscellaneous:				
Investment earnings	100,000	84,717	(15,283)	100,339
Net increase (decrease) in the fair value of investments	-	5,018	5,018	(98,491)
Contributions and donations	19,851	19,851	-	238,588
Other	55,000	62,875	7,875	74,342
Total Revenues	<u>4,145,463</u>	<u>4,246,717</u>	<u>101,254</u>	<u>4,348,514</u>
Expenditures				
Public Safety Function:				
Salaries and wages	1,907,032	1,678,339	228,693	1,743,513
Employee benefits	767,987	701,609	66,378	728,067
Services and supplies	2,161,222	1,503,217	658,005	1,682,782
Capital outlay	150,083	-	150,083	-
Total Expenditures	<u>4,986,324</u>	<u>3,883,165</u>	<u>1,103,159</u>	<u>4,154,362</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(840,861)	363,552	1,204,413	194,152
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	-	7,362
Net Change in Fund Balances	(840,861)	363,552	1,204,413	201,514
Fund Balances, July 1	<u>5,451,299</u>	<u>5,534,069</u>	<u>82,770</u>	<u>5,332,555</u>
Fund Balances, June 30	<u>\$ 4,610,438</u>	<u>\$ 5,897,621</u>	<u>\$ 1,287,183</u>	<u>\$ 5,534,069</u>

WASHOE COUNTY, NEVADA
REGIONAL PUBLIC SAFETY TRAINING CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Charges for Services:				
Training fees - partner agencies	\$ 513,600	\$ 528,184	\$ 14,584	\$ 572,004
Training fees - workshops	15,000	3,575	(11,425)	17,365
Miscellaneous:				
Investment earnings	10,000	7,711	(2,289)	10,691
Net increase (decrease) in the fair value of investments	-	679	679	(9,010)
Rental income	10,000	40,811	30,811	22,321
Other	12,000	9,723	(2,277)	2,176
Total Revenues	<u>560,600</u>	<u>590,683</u>	<u>30,083</u>	<u>615,547</u>
Expenditures				
Public Safety Function:				
Salaries and wages	229,249	206,344	22,905	200,935
Employee benefits	124,680	95,635	29,045	90,601
Services and supplies	325,656	254,077	71,579	302,298
Capital outlay	145,000	21,661	123,339	84,167
Total Expenditures	<u>824,585</u>	<u>577,717</u>	<u>246,868</u>	<u>678,001</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,985)	12,966	276,951	(62,454)
Fund Balances, July 1	431,341	440,628	9,287	503,082
Fund Balances, June 30	<u>\$ 167,356</u>	<u>\$ 453,594</u>	<u>\$ 286,238</u>	<u>\$ 440,628</u>

WASHOE COUNTY, NEVADA
TRUCKEE RIVER FLOOD MANAGEMENT INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental Revenues:				
Infrastructure sales tax - NRS 377B.100	\$ 7,247,270	\$ 7,672,378	\$ 425,108	\$ 7,127,834
Miscellaneous:				
Investment earnings	15,000	1,700	(13,300)	10,948
Net increase (decrease) in the fair value of investments	-	28	28	9,742
Reimbursements	1,433,048	1,437,384	4,336	1,378,428
Total Revenues	8,695,318	9,111,490	416,172	8,526,952
Expenditures				
Public Safety Function:				
Salaries and wages	886,047	896,009	(9,962)	868,865
Employee benefits	345,819	375,325	(29,506)	329,144
Services and supplies	6,298,302	5,354,757	943,545	9,031,920
Total Expenditures	7,530,168	6,626,091	904,077	10,229,929
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,165,150	2,485,399	1,320,249	(1,702,977)
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(2,390,368)	(2,390,368)	-	(2,378,000)
Net Change in Fund Balances	(1,225,218)	95,031	1,320,249	(4,080,977)
Fund Balances, July 1	1,376,695	1,376,695	-	5,457,672
Fund Balances, June 30	\$ 151,477	\$ 1,471,726	\$ 1,320,249	\$ 1,376,695

WASHOE COUNTY, NEVADA
REGIONAL COMMUNICATIONS SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Local contributions	\$ 1,171,735	\$ 1,217,511	\$ 45,776	\$ 1,145,127
Miscellaneous:				
Investment earnings	22,000	26,963	4,963	31,319
Net increase (decrease) in the fair value of investments	-	1,051	1,051	(29,026)
Reimbursements	-	77,892	77,892	150
Total Revenues	<u>1,193,735</u>	<u>1,323,417</u>	<u>129,682</u>	<u>1,147,570</u>
Expenditures				
Public Safety Function:				
Salaries and wages	353,147	345,562	7,585	343,759
Employee benefits	137,128	141,542	(4,414)	137,630
Services and supplies	701,409	613,856	87,553	530,199
Capital outlay	<u>1,477,000</u>	<u>84,141</u>	<u>1,392,859</u>	<u>177,826</u>
Total Expenditures	<u>2,668,684</u>	<u>1,185,101</u>	<u>1,483,583</u>	<u>1,189,414</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(1,474,949)	138,316	1,613,265	(41,844)
Other Financing Sources (Uses)				
Proceeds from Insurance Recoveries	-	<u>39,725</u>	<u>39,725</u>	-
Net Change in Fund Balances	<u>(1,474,949)</u>	<u>178,041</u>	<u>1,652,990</u>	<u>(41,844)</u>
Fund Balances, July 1	<u>1,620,697</u>	<u>1,757,496</u>	<u>136,799</u>	<u>1,799,340</u>
Fund Balances, June 30	<u>\$ 145,748</u>	<u>\$ 1,935,537</u>	<u>\$ 1,789,789</u>	<u>\$ 1,757,496</u>

WASHOE COUNTY, NEVADA
CENTRAL TRUCKEE MEADOWS REMEDIATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Charges for Services:				
Remediation fees	\$ 1,250,000	\$ 1,254,476	\$ 4,476	\$ 1,253,750
Miscellaneous:				
Investment earnings	143,587	115,738	(27,849)	153,710
Net increase (decrease) in the fair value of investments	-	6,831	6,831	(148,847)
Total Revenues	<u>1,393,587</u>	<u>1,377,045</u>	<u>(16,542)</u>	<u>1,258,613</u>
Expenditures				
Health and Sanitation Function:				
Salaries and wages	631,652	497,318	134,334	457,714
Employee benefits	252,124	170,189	81,935	195,052
Services and supplies	<u>6,518,490</u>	<u>1,967,418</u>	<u>4,551,072</u>	<u>1,089,825</u>
Total Expenditures	<u>7,402,266</u>	<u>2,634,925</u>	<u>4,767,341</u>	<u>1,742,591</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,008,679)	(1,257,880)	4,750,799	(483,978)
Fund Balances, July 1	<u>8,196,033</u>	<u>8,196,033</u>	-	<u>8,680,011</u>
Fund Balances, June 30	<u>\$ 2,187,354</u>	<u>\$ 6,938,153</u>	<u>\$ 4,750,799</u>	<u>\$ 8,196,033</u>

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 1,220,537	\$ 1,218,254	\$ (2,283)	\$ 1,212,588
Car rental	1,017,428	1,141,625	124,197	1,196,251
Intergovernmental revenues:				
Federal grants	8,863,023	5,950,683	(2,912,340)	8,241,834
Federal narcotics forfeitures	110,000	505,045	395,045	250,163
State grants	589,498	463,277	(126,221)	502,891
Local contributions	186,499	421,808	235,309	413,180
Charges for Services:				
General Government:				
Recorder fees	325,000	311,825	(13,175)	346,488
Map fees	47,000	47,306	306	42,344
Assessor commissions	-	486,953	486,953	474,752
Other	6,000	20,747	14,747	6,194
Judicial	1,662,000	1,383,265	(278,735)	1,455,351
Public Safety	442,000	669,526	227,526	151,847
Public Works	62,000	93,625	31,625	36,745
Welfare	-	4,186	4,186	-
Culture and Recreation	172,855	79,666	(93,189)	154,243
Fines and Forfeitures:				
Court fines	2,005,781	2,192,085	186,304	1,915,055
Forfeitures/bail	35,000	127,391	92,391	349,197
Miscellaneous:				
Investment earnings	46,000	61,823	15,823	71,290
Net increase (decrease) in the fair value of investments	-	1,965	1,965	(74,738)
Contributions and donations	1,074,613	1,037,310	(37,303)	790,584
Other	505,075	243,357	(261,718)	263,698
Total Revenues	18,370,309	16,461,722	(1,908,587)	17,799,957
Expenditures				
General Government Function:				
County Manager:				
Services and supplies	38,322	4,331	33,991	15,000
Assessor:				
Services and supplies	850,000	44,133	805,867	75,006
Capital outlay	837,091	322,185	514,906	105,026
	1,687,091	366,318	1,320,773	180,032
Human Resources:				
Services and supplies	879	-	879	1,155
Clerk:				
Services and supplies	28,423	4,980	23,443	16
Recorder:				
Services and supplies	2,510,589	12,616	2,497,973	473,417

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	2014			2013
	Budget	Actual	Variance	Actual
Technology Services:				
Salaries and wages	\$ 81,663	\$ 82,877	\$ (1,214)	\$ 81,592
Employee benefits	33,288	33,613	(325)	31,740
Services and supplies	183,553	111,208	72,345	48,067
	<u>298,504</u>	<u>227,698</u>	<u>70,806</u>	<u>161,399</u>
CSD - General Services				
Services and supplies	-	-	-	146,614
Community Development:				
Services and supplies	2,399	123	2,276	101
Total General Government Function	<u>4,566,207</u>	<u>616,066</u>	<u>3,950,141</u>	<u>977,734</u>
Judicial Function:				
District Courts:				
Salaries and wages	744,744	549,325	195,419	556,092
Employee benefits	268,668	239,910	28,758	228,228
Services and supplies	5,239,980	1,304,550	3,935,430	1,182,652
Capital outlay	535,896	19,990	515,906	-
	<u>6,789,288</u>	<u>2,113,775</u>	<u>4,675,513</u>	<u>1,966,972</u>
District Attorney:				
Salaries and wages	1,524,269	1,422,720	101,549	1,442,928
Employee benefits	679,322	635,021	44,301	613,489
Services and supplies	870,027	409,764	460,263	295,210
Capital outlay	58,000	57,791	209	38,558
	<u>3,131,618</u>	<u>2,525,296</u>	<u>606,322</u>	<u>2,390,185</u>
Justice Courts:				
Reno Justice Court:				
Salaries and wages	93,298	65,554	27,744	6,606
Employee Benefits	-	944	(944)	96
Services and supplies	2,088,174	345,603	1,742,571	229,562
	<u>2,181,472</u>	<u>412,101</u>	<u>1,769,371</u>	<u>236,264</u>
Sparks Justice Court:				
Services and supplies	361,357	97,808	263,549	75,289
Capital outlay	3,836	10,542	(6,706)	21,264
	<u>365,193</u>	<u>108,350</u>	<u>256,843</u>	<u>96,553</u>
Incline Justice Court:				
Services and supplies	95,428	18,187	77,241	4,106
Capital outlay	50,000	-	50,000	39,096
	<u>145,428</u>	<u>18,187</u>	<u>127,241</u>	<u>43,202</u>
Wadsworth Justice Court:				
Services and supplies	241,525	-	241,525	60,986
Capital outlay	-	-	-	42,496
	<u>241,525</u>	<u>-</u>	<u>241,525</u>	<u>103,482</u>
Incline Constable:				
Services and supplies	551	-	551	-

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	2014			2013
	Budget	Actual	Variance	Actual
Neighborhood Justice Center:				
Services and supplies	\$ 149,900	\$ 100,044	\$ 49,856	\$ 120,500
Facilities Services:				
Services and supplies	-	-	-	415,335
Total Judicial Function	13,004,975	5,277,753	7,727,222	5,372,493
Public Safety Function:				
Sheriff:				
Salaries and wages	1,121,020	776,311	344,709	940,206
Employee benefits	284,513	199,633	84,880	253,776
Services and supplies	3,060,581	1,586,927	1,473,654	3,090,127
Capital outlay	506,970	278,597	228,373	1,478,864
	4,973,084	2,841,468	2,131,616	5,762,973
Medical Examiner:				
Services and supplies	133,259	9,777	123,482	5,280
Fire Suppression:				
Salaries and wages	-	6,978	(6,978)	3,742
Employee benefits	-	1,139	(1,139)	52
Services and supplies	10,616	-	10,616	107,862
	10,616	8,117	2,499	111,656
Juvenile Services:				
Salaries and wages	237,895	114,015	123,880	63,384
Employee benefits	78,245	28,788	49,457	12,489
Services and supplies	1,762,902	832,486	930,416	462,911
	2,079,042	975,289	1,103,753	538,784
Alternative Sentencing:				
Salaries and wages	72,372	27,847	44,525	26,289
Employee benefits	-	315	(315)	102
Services and supplies	-	15,000	(15,000)	-
	72,372	43,162	29,210	26,391
Emergency Management:				
Salaries and wages	205,540	88,004	117,536	21,578
Employee benefits	31,140	31,487	(347)	7,371
Services and supplies	863,946	625,643	238,303	659,177
Capital outlay	-	-	-	7,698
	1,100,626	745,134	355,492	695,824
Public Guardian:				
Services and supplies	2,544	-	2,544	-
Total Public Safety Function	8,371,543	4,622,947	3,748,596	7,140,908
Public Works Function:				
CSD - Public Works:				
Salaries and wages	33,938	36,713	(2,775)	50,462
Employee benefits	28,062	31,492	(3,430)	21,982
Services and supplies	806,434	600,261	206,173	9,729
Total Public Works Function	868,434	668,466	199,968	82,173

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	2014			2013
	Budget	Actual	Variance	Actual
Welfare Function:				
Social Services:				
Salaries and wages	\$ -	\$ 2,293	\$ (2,293)	\$ 1,245
Employee benefits	-	1,092	(1,092)	526
Services and supplies	173,466	101,951	71,515	91,338
Total Welfare Function	173,466	105,336	68,130	93,109
Culture and Recreation Function:				
Library:				
Services and supplies	399,575	347,098	52,477	250,764
CSD - Regional Parks and Open Space:				
Services and supplies	403,253	37,044	366,209	15,709
Capital outlay	-	-	-	44,133
	403,253	37,044	366,209	59,842
May Center:				
Salaries and wages	201,125	195,012	6,113	195,181
Employee benefits	62,674	64,369	(1,695)	51,168
Services and supplies	314,534	214,790	99,744	286,140
Capital outlay	-	12,621	(12,621)	-
	578,333	486,792	91,541	532,489
Total Culture and Recreation Function	1,381,161	870,934	510,227	843,095
Community Support Function:				
County Manager:				
Services and supplies	211,515	-	211,515	-
Intergovernmental:				
Cooperative Extension apportionment	1,220,537	1,187,827	32,710	1,157,871
Total Expenditures	29,797,838	13,349,329	16,448,509	15,667,383
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,427,529)	3,112,393	14,539,922	2,132,574
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	1,283	1,283	-
Transfers:				
General Fund	519,107	893,673	374,566	1,275,092
General Fund	(470,375)	(845,270)	(374,895)	(545,169)
Child Protective Services Fund	-	45,406	45,406	-
Debt Service Fund	(1,017,428)	(1,017,728)	(300)	(1,146,241)
Capital Improvement Fund	(600,000)	(600,000)	-	(139,354)
Total Other Financing Sources (Uses)	(1,568,696)	(1,522,636)	46,060	(555,672)
Net Change in Fund Balances	(12,996,225)	1,589,757	14,585,982	1,576,902
Fund Balances, July 1	15,265,639	14,090,672	(1,174,967)	12,513,770
Fund Balances, June 30	\$ 2,269,414	\$ 15,680,429	\$ 13,411,015	\$ 14,090,672

WASHOE COUNTY, NEVADA
ROADS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
County Option MVFT 1.0 Cent	\$ 590,079	\$ 629,410	\$ 39,331	\$ 596,567
Intergovernmental Revenues:				
Federal grants	6,256,493	231,033	(6,025,460)	31,967
State shared revenues:				
Motor vehicle fuel tax (1.25 cents)	2,438,477	2,715,466	276,989	2,520,424
Motor vehicle fuel tax (1.75 cents)	1,452,835	1,541,796	88,961	1,445,320
Motor vehicle fuel tax (3.6/2.35 cents)	2,558,863	2,805,970	247,107	2,611,261
Local governmental grants	10,000	-	(10,000)	103,068
Charges for Services:				
Street, curb and gutter cut fees	370,000	660,397	290,397	319,664
Miscellaneous:				
Other	-	31,760	31,760	9,162
Total Revenues	13,676,747	8,615,832	(5,060,915)	7,637,433
Expenditures				
Public Works Function:				
Salaries and wages	3,342,693	3,110,527	232,166	3,056,619
Employee benefits	1,540,646	1,449,868	90,778	1,387,055
Services and supplies	5,218,932	5,178,737	40,195	4,119,237
Capital outlay	10,332,963	1,695,149	8,637,814	4,446,196
Total Expenditures	20,435,234	11,434,281	9,000,953	13,009,107
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,758,487)	(2,818,449)	3,940,038	(5,371,674)
Other Financing Sources (Uses)				
Transfers:				
General Fund	2,378,382	2,378,382	-	3,558,106
Capital Facilities Fund	1,890,000	1,890,000	-	1,890,000
Capital Improvements Fund	-	-	-	(31,967)
Total Other Financing Sources (Uses)	4,268,382	4,268,382	-	5,416,139
Net Change in Fund Balances	(2,490,105)	1,449,933	3,940,038	44,465
Fund Balances, July 1	5,663,331	6,150,905	487,574	6,106,440
Fund Balances, June 30	\$ 3,173,226	\$ 7,600,838	\$ 4,427,612	\$ 6,150,905

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DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

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

	<u>Page</u>
<u>Major Debt Service Fund:</u>	
Special Assessment Debt Service Fund	
To account for assessments, penalties, investment income and other resources to retire debt issued for improvements benefiting those properties against which the special assessments are levied	104
District 21 – Cold Springs: sewer treatment plant	
District 29 – Mt. Rose: sewer project	
District 31 – Spearhead Way/Running Bear Drive: road project	
District 32 – Spanish Springs Valley Ranches Roads	
District 35 – Rhodes Road: road project	
District 36 – Evergreen Drive: road project	
District 37 – Spanish Springs Sewer Phase 1a	
District 39 – Lightning W Water System	
<u>Nonmajor Debt Service Fund:</u>	
Debt Service Fund	
To account for ad valorem taxes specifically apportioned and appropriated for the retirement of ad valorem supported debt principal and interest, as well as payment of debt supported by other legal resources transferred from various governmental funds.....	106

WASHOE COUNTY, NEVADA
SPECIAL ASSESSMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Special assessments	\$ 1,018,000	\$ 676,240	\$ (341,760)	\$ 933,447
Fines and Forfeits:				
Forfeits	-	-	-	14,702
Miscellaneous:				
Investment earnings	27,000	22,756	(4,244)	30,763
Net increase (decrease) in the fair value of investments	-	1,094	1,094	(23,736)
Assessment interest	275,300	442,792	167,492	483,241
Penalties	74,710	41,589	(33,121)	91,151
Total Revenues	<u>1,395,010</u>	<u>1,184,471</u>	<u>(210,539)</u>	<u>1,529,568</u>
Expenditures				
Debt Service:				
Special Assessment Bonds:				
Principal	459,495	894,495	(435,000)	1,663,704
Interest	346,391	343,692	2,699	388,928
Debt service fees and other fiscal charges	67,455	45,942	21,513	50,084
Assessment refunds	-	6,262	(6,262)	-
Total Expenditures	<u>873,341</u>	<u>1,290,391</u>	<u>(417,050)</u>	<u>2,102,716</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	521,669	(105,920)	(627,589)	(573,148)
Other Financing Sources (Uses)				
Transfers:				
SAD Projects Fund	-	482,653	482,653	-
Net Change in Fund Balances	521,669	376,733	(144,936)	(573,148)
Fund Balances, July 1	<u>1,582,776</u>	<u>1,285,662</u>	<u>(297,114)</u>	<u>1,858,810</u>
Fund Balances, June 30	<u>\$ 2,104,445</u>	<u>\$ 1,662,395</u>	<u>\$ (442,050)</u>	<u>\$ 1,285,662</u>

**WASHOE COUNTY, NEVADA
NONMAJOR DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2014**

	Debt Service Fund
Assets	
Cash and investments	\$ 8,898,743
Property taxes receivable	84,166
Due from other funds	2,439
Total Assets	\$ 8,985,348
Liabilities	
Tax refunds payable	\$ 30,490
Deferred Inflows of Resources	
Unavailable revenue-property taxes	73,165
Fund Balances	
Restricted	8,881,693
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,985,348

WASHOE COUNTY, NEVADA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 4,043,273	\$ 4,081,118	\$ 37,845	\$ 4,843,881
Miscellaneous	-	-	-	12,233
Total Revenues	4,043,273	4,081,118	37,845	4,856,114
Expenditures				
Debt Service:				
General Obligation Bonds:				
Ad Valorem Supported Debt:				
Principal	2,575,000	2,575,000	-	4,255,000
Interest	1,498,865	1,498,865	-	1,603,527
Bond issuance cost	-	-	-	341,463
Debt service fees and other fiscal charges	27,882	34,840	(6,958)	39,001
Medium-Term Financing:				
Principal	487,000	487,000	-	469,000
Interest	79,051	79,051	-	97,014
Revenue-Backed:				
Principal	2,809,008	2,809,008	-	14,213,406
Interest	2,574,447	2,444,915	129,532	3,522,498
Bond issuance cost	-	-	-	341,827
Debt service fees and other fiscal charges	3,036	4,158	(1,122)	17,193
Total General Obligation Bonds	10,054,289	9,932,837	121,452	24,899,929
Revenue Bonds:				
Principal	1,177,200	1,177,200	-	1,088,200
Interest	1,260,683	1,260,683	-	1,478,264
Debt service fees and other fiscal charges	3,500	3,800	(300)	3,500
Total Revenue Bonds	2,441,383	2,441,683	(300)	2,569,964
Total Expenditures	12,495,672	12,374,520	121,152	27,469,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,452,399)	(8,293,402)	158,997	(22,613,779)
Other Financing Sources (Uses)				
Refunding bonds issued	-	-	-	45,670,000
Bond premium	-	-	-	1,249,419
Refunding payment to escrow agent	-	-	-	(37,391,222)
Transfers:				
General Fund	4,396,016	4,220,635	(175,381)	4,368,272
Library Expansion Fund	219,532	219,575	43	280,430
Truckee River Flood Management Infrastructure Fund	2,390,368	2,390,368	-	2,378,000
Child Protective Services Fund	400,000	400,000	-	400,000
Other Restricted Fund	1,017,428	1,017,728	300	1,146,241
Parks Capital Projects Fund	-	-	-	4,490,000
Total Other Financing Sources (Uses)	8,423,344	8,248,306	(175,038)	22,591,140
Net Change in Fund Balances	(29,055)	(45,096)	(16,041)	(22,639)
Fund Balances, July 1	10,099,563	8,926,789	(1,172,774)	8,949,428
Fund Balances, June 30	\$ 10,070,508	\$ 8,881,693	\$ (1,188,815)	\$ 8,926,789



CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds, or for assets that will be held in trust for individuals, private organizations, or other governments.

	<u>Page</u>
<u>Nonmajor Capital Projects Funds:</u>	
Parks Capital Projects Fund Resources are derived from residential construction taxes, grants, financing proceeds and related investment earnings, which are legally restricted to the improvement, expansion and acquisition of new and existing parks and open space	110
Capital Improvements Fund Resources are derived from financing proceeds, grants, special assessments, transfers and investment earnings, which are appropriated for various major capital projects	111
Capital Facilities Tax Fund Resources are derived from capital facilities ad valorem taxes and investment earnings. Proceeds are restricted for the purchase, renovation and repayment of financing of capital assets	113
Regional Permits Capital Fund Resources are derived from County pay-as-you-go capital funds and reimbursements from the Cities of Reno and Sparks and the Washoe County Health District, under the terms of the inter-local agreement, and any regional technology fees to recover portions of the project's implementation costs.....	115

**WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014**

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Regional Permits Capital Fund	Total
Assets					
Cash and investments	\$ 20,879,687	\$ 4,353,777	\$ 3,762,243	\$ 1,667,334	\$ 30,663,041
Property taxes receivable	-	-	99,523	-	99,523
Interest receivable	49,157	13,023	10,844	68	73,092
Due from other funds	3,037	-	3,646	-	6,683
Due from other governments	209,039	597,824	-	-	806,863
	<u>209,039</u>	<u>597,824</u>	<u>-</u>	<u>-</u>	<u>806,863</u>
Total Assets	<u>\$ 21,140,920</u>	<u>\$ 4,964,624</u>	<u>\$ 3,876,256</u>	<u>\$ 1,667,402</u>	<u>\$ 31,649,202</u>
Liabilities					
Contracts/retention payable	\$ 224,174	\$ 708,368	\$ 162,687	\$ 411,776	\$ 1,507,005
Tax refunds payable	-	-	45,570	-	45,570
Due to other funds	200	73,149	3,994	-	77,343
Due to other governments	71,336	-	291,203	-	362,539
Unearned revenue	262,549	-	-	-	262,549
	<u>262,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,549</u>
Total Liabilities	<u>558,259</u>	<u>781,517</u>	<u>503,454</u>	<u>411,776</u>	<u>2,255,006</u>
Deferred Inflows of Resources					
Unavailable revenue - grants	102,525	207,969	-	-	310,494
Unavailable revenue - property taxes	-	-	85,391	-	85,391
	<u>-</u>	<u>-</u>	<u>85,391</u>	<u>-</u>	<u>85,391</u>
Total Deferred Inflows of Resources	<u>102,525</u>	<u>207,969</u>	<u>85,391</u>	<u>-</u>	<u>395,885</u>
Fund Balances					
Restricted	<u>20,480,136</u>	<u>3,975,138</u>	<u>3,287,411</u>	<u>1,255,626</u>	<u>28,998,311</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,140,920</u>	<u>\$ 4,964,624</u>	<u>\$ 3,876,256</u>	<u>\$ 1,667,402</u>	<u>\$ 31,649,202</u>

WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Regional Permits Capital Fund	Total
Revenues					
Taxes:					
Ad valorem	\$ -	\$ -	\$ 6,091,240	\$ -	\$ 6,091,240
Residential construction tax	214,659	-	-	-	214,659
Intergovernmental	1,463,921	1,895,719	-	-	3,359,640
Miscellaneous	355,096	532,250	86,832	(39)	974,139
Total Revenues	2,033,676	2,427,969	6,178,072	(39)	10,639,678
Expenditures					
Intergovernmental	-	-	4,389,310	-	4,389,310
Capital Outlay:					
General government	-	1,863,699	672,991	411,779	2,948,469
Judicial	-	551,201	1,012,034	-	1,563,235
Public safety	-	326,790	64,561	-	391,351
Public works	-	2,440,490	-	-	2,440,490
Culture and recreation	4,813,866	198,656	214,737	-	5,227,259
Total Capital Outlay	4,813,866	5,380,836	1,964,323	411,779	12,570,804
Debt Service:					
Service fees	3,000	-	-	-	3,000
Total Expenditures	4,816,866	5,380,836	6,353,633	411,779	16,963,114
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,783,190)	(2,952,867)	(175,561)	(411,818)	(6,323,436)
Other Financing Sources (Uses)					
Transfers in	150,000	4,534,832	-	1,667,444	6,352,276
Transfers out	-	(1,516,032)	(2,524,065)	-	(4,040,097)
Total Other Financing Sources (Uses)	150,000	3,018,800	(2,524,065)	1,667,444	2,312,179
Net Change in Fund Balances	(2,633,190)	65,933	(2,699,626)	1,255,626	(4,011,257)
Fund Balances, July 1	23,113,326	3,909,205	5,987,037	-	33,009,568
Fund Balances, June 30	\$ 20,480,136	\$ 3,975,138	\$ 3,287,411	\$ 1,255,626	\$ 28,998,311

WASHOE COUNTY, NEVADA
PARKS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Residential construction tax	\$ 37,000	\$ 214,659	\$ 177,659	\$ 132,098
Intergovernmental Revenues:				
Federal grants	2,051,723	1,406,992	(644,731)	4,261,464
State grants	319,479	56,929	(262,550)	1,022,568
Miscellaneous:				
Investment earnings	437,100	305,456	(131,644)	459,591
Net increase (decrease) in the fair value of investments	100,180	11,486	(88,694)	(429,692)
Contributions and donations	21,950	21,950	-	150,000
Other	-	16,204	16,204	21,791
Total Revenues	<u>2,967,432</u>	<u>2,033,676</u>	<u>(933,756)</u>	<u>5,617,820</u>
Expenditures				
Capital Outlay:				
Culture and Recreation Function:				
District One	2,172,797	10,749	2,162,048	16,269
District Two	3,076,469	207,254	2,869,215	45,832
District Three	386,196	11,477	374,719	11,349
District Four	1,869,756	58,178	1,811,578	873,601
Special projects	7,163,242	2,378,057	4,785,185	2,148,025
Bond projects	8,975,321	2,148,151	6,827,170	688,688
Total Capital Outlay	<u>23,643,781</u>	<u>4,813,866</u>	<u>18,829,915</u>	<u>3,783,764</u>
Debt Service:				
Service fees	3,000	3,000	-	3,000
Total Expenditures	<u>23,646,781</u>	<u>4,816,866</u>	<u>18,829,915</u>	<u>3,786,764</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(20,679,349)</u>	<u>(2,783,190)</u>	<u>17,896,159</u>	<u>1,831,056</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	150,000	150,000	-	-
Capital Improvements Fund	-	-	-	17,880
Debt Service Fund	-	-	-	(4,490,000)
Capital Improvements Fund	-	-	-	(1,101,294)
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>(5,573,414)</u>
Net Change in Fund Balances	<u>(20,529,349)</u>	<u>(2,633,190)</u>	<u>17,896,159</u>	<u>(3,742,358)</u>
Fund Balances, July 1	<u>20,529,349</u>	<u>23,113,326</u>	<u>2,583,977</u>	<u>26,855,684</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 20,480,136</u>	<u>\$ 20,480,136</u>	<u>\$ 23,113,326</u>

WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ 2,942
Intergovernmental Revenues:				
Federal grants	6,565,305	987,473	(5,577,832)	1,935,848
State grants	4,649,269	903,246	(3,746,023)	403,446
Local contributions	5,000	5,000	-	248,834
Charges for Services:				
Zoning fees	-	-	-	14,500
Miscellaneous:				
Investment earnings	60,000	63,133	3,133	156,102
Net increase (decrease) in the fair value of investments	-	5,478	5,478	(82,520)
Contributions and donations	150,000	148,927	(1,073)	-
Other	-	314,712	314,712	57,478
Total Revenues	11,429,574	2,427,969	(9,001,605)	2,736,630
Expenditures				
Capital Outlay:				
General Government Function:				
Infrastructure	2,235,609	1,842,795	392,814	2,593,626
Other	559,967	20,904	539,063	487,027
Total General Government Function	2,795,576	1,863,699	931,877	3,080,653
Judicial Function:				
District Attorney Case Management System	258,342	90,245	168,097	206,393
Justice Court Case Management System	15,453	13,095	2,358	120,000
Child Advocacy Center	450,000	447,861	2,139	-
Other	660,214	-	660,214	-
Total Judicial Function	1,384,009	551,201	832,808	326,393
Public Safety Function:				
Detention Center improvements	325,255	308,345	16,910	49,916
Gerlach Fire Station improvements	83,659	18,445	65,214	-
Total Public Safety Function	408,914	326,790	82,124	49,916
Public Works Function:				
Pedestrian path and bike lane projects	94,922	-	94,922	289,363
Air and water quality improvements	10,962,686	1,876,390	9,086,296	2,364,678
SAD 32 Spanish Springs Valley Ranches Roads	422,813	581	422,232	6,648,378
Other	1,845,364	563,519	1,281,845	795,535
Total Public Works Function	13,325,785	2,440,490	10,885,295	10,097,954
Culture and Recreation Function:				
Library HVAC upgrades	-	-	-	7,169
Parks infrastructure	229,084	198,656	30,428	410,220
Total Culture and Recreation Function	229,084	198,656	30,428	417,389
Total Expenditures	18,143,368	5,380,836	12,762,532	13,972,305
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,713,794)	(2,952,867)	3,760,927	(11,235,675)

(CONTINUED)

WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	\$ 3,934,832	\$ 3,934,832	\$ -	\$ 1,135,800
Other Restricted Fund	600,000	600,000	-	139,354
Roads Fund	-	-	-	31,967
Parks Capital Projects Fund	-	-	-	1,101,294
Equipment Services Fund	-	-	-	34,675
Special Assessment Debt Service Fund	-	(482,653)	(482,653)	-
Regional Permits Capital Fund	(1,033,379)	(1,033,379)	-	-
Parks Capital Projects Fund	-	-	-	(17,880)
Total Other Financing Sources (Uses)	<u>3,501,453</u>	<u>3,018,800</u>	<u>(482,653)</u>	<u>2,425,210</u>
Net Change in Fund Balances	(3,212,341)	65,933	3,278,274	(8,810,465)
Fund Balances, July 1	<u>3,212,341</u>	<u>3,909,205</u>	<u>696,864</u>	<u>12,719,670</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 3,975,138</u>	<u>\$ 3,975,138</u>	<u>\$ 3,909,205</u>

WASHOE COUNTY, NEVADA
CAPITAL FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 6,097,687	\$ 6,091,240	\$ (6,447)	\$ 6,062,912
Miscellaneous:				
Investment earnings	67,000	84,389	17,389	127,310
Net increase (decrease) in the fair value of investments	-	2,443	2,443	(104,283)
Other	-	-	-	10,223
Total Revenues	6,164,687	6,178,072	13,385	6,096,162
Expenditures				
Intergovernmental:				
State of Nevada apportionment	3,658,612	3,652,622	5,990	3,424,249
Reno/Sparks apportionment	670,014	668,917	1,097	627,094
Other	70,000	67,771	2,229	56,819
Total Intergovernmental	4,398,626	4,389,310	9,316	4,108,162
Capital Outlay:				
General Government Function:				
Facilities improvements	1,311,880	672,991	638,889	250,107
Judicial Function:				
District Court roof repair	497,000	497,000	-	-
District Court remodel	222,000	218,034	3,966	-
Mills B. Lane Justice Center elevator retrofit	297,000	297,000	-	-
Sparks Justice Court relocation	-	-	-	2,890,441
Public Safety Function:				
Medical Examiner building and equipment	1,022,448	64,561	957,887	-
Helicopter engine rebuild	-	-	-	151,871
Public Works Function:				
Other	-	-	-	25,434
Health and Sanitation Function:				
Other	85,160	-	85,160	-
Culture and Recreation Function:				
Senior Services building	125,000	-	125,000	-
Rancho San Rafael irrigation	500,000	89,742	410,258	-
Library boiler upgrade	132,072	124,995	7,077	12,928
Total Capital Outlay	4,192,560	1,964,323	2,228,237	3,330,781
Total Expenditures	8,591,186	6,353,633	2,237,553	7,438,943
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,426,499)	(175,561)	2,250,938	(1,342,781)

(CONTINUED)

WASHOE COUNTY, NEVADA
CAPITAL FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Other Financing Sources (Uses)				
Transfers:				
Regional Permits Capital Fund	(634,065)	(634,065)	-	-
Roads Fund	(1,890,000)	(1,890,000)	-	(1,890,000)
Total Other Financing Sources (Uses)	(2,524,065)	(2,524,065)	-	(1,890,000)
Net Change in Fund Balances	(4,950,564)	(2,699,626)	2,250,938	(3,232,781)
Fund Balances, July 1	4,950,564	5,987,037	1,036,473	9,219,818
Fund Balances, June 30	\$ -	\$ 3,287,411	\$ 3,287,411	\$ 5,987,037

**WASHOE COUNTY, NEVADA
REGIONAL PERMITS CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	2014		
	Budget	Actual	Variance
Revenues			
Miscellaneous:			
Investment earnings	\$ -	\$ 68	\$ 68
Net increase (decrease) in the fair value of investments	-	(107)	(107)
Total Revenues	-	(39)	(39)
Expenditures			
Capital outlay:			
General Government Function	1,667,444	411,779	1,255,665
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,667,444)	(411,818)	1,255,626
Other Financing Sources (Uses)			
Transfers:			
Capital Improvements Fund	1,033,379	1,033,379	-
Capital Facilities Tax Fund	634,065	634,065	-
Total Other Financing Sources (uses)	1,667,444	1,667,444	-
Net Change in Fund Balances	-	1,255,626	1,255,626
Fund Balances, July 1	-	-	-
Fund Balances, June 30	\$ -	\$ 1,255,626	\$ 1,255,626

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ENTERPRISE FUNDS

ENTERPRISE FUNDS

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

Major Enterprise Fund:

Water Resources Fund

Established on April 1, 1983, the fund accounts for water planning and operations of County-owned or operated water and sewer systems, including the related capital assets and depreciation.117

Page

Nonmajor Enterprise Funds:

Golf Course Fund

Established on July 1, 1982, the fund accounts for operations of two County golf courses – Washoe and Sierra Sage, including related capital assets and depreciation.123

Building and Safety Fund

Established on July 1, 2001, the fund accounts for issuance of building permits and other fees directly related to building and development in the County, including related capital assets and depreciation.....125

WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Utility fees	\$ 28,930,137	\$ 30,039,182	\$ 1,109,045	\$ 29,144,297
Services to other agencies	1,872,895	1,166,793	(706,102)	1,469,632
Services to other funds	366,302	209,572	(156,730)	308,902
Other	674,638	870,892	196,254	616,070
Total Operating Revenues	<u>31,843,972</u>	<u>32,286,439</u>	<u>442,467</u>	<u>31,538,901</u>
Operating Expenses				
Salaries and wages	4,171,353	3,996,687	174,666	4,199,010
Employee benefits	1,842,961	1,664,925	178,036	1,692,297
Services and supplies	17,167,770	12,799,624	4,368,146	12,526,486
Depreciation/amortization	8,517,945	8,677,289	(159,344)	8,557,566
Total Operating Expenses	<u>31,700,029</u>	<u>27,138,525</u>	<u>4,561,504</u>	<u>26,975,359</u>
Operating Income (Loss)	<u>143,943</u>	<u>5,147,914</u>	<u>5,003,971</u>	<u>4,563,542</u>
Nonoperating Revenues (Expenses)				
Investment earnings	2,074,426	1,533,930	(540,496)	1,755,304
Net increase (decrease) in the fair value of investments	(160,104)	31,501	191,605	(1,853,664)
Federal grants	70,000	90,412	20,412	122,415
Facilities rental	23,405	20,321	(3,084)	25,716
Gain (loss) on asset disposition	-	(10,000)	(10,000)	(457,176)
Interest/bond insurance costs	(2,252,149)	(2,252,074)	75	(2,333,914)
Connection fee refunds/credits	(1,000,000)	(215,629)	784,371	(2,334,750)
Other nonoperating revenue	-	-	-	297,611
Total Nonoperating Revenues (Expenses)	<u>(1,244,422)</u>	<u>(801,539)</u>	<u>442,883</u>	<u>(4,778,458)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(1,100,479)</u>	<u>4,346,375</u>	<u>5,446,854</u>	<u>(214,916)</u>
Capital Contributions				
Federal grants	1,650,000	7,393	(1,642,607)	11,931
Hook-up fees	947,050	6,220,293	5,273,243	2,648,507
Contributions from contractors	262,551	1,879,633	1,617,082	1,787,185
Total Capital Contributions	<u>2,859,601</u>	<u>8,107,319</u>	<u>5,247,718</u>	<u>4,447,623</u>
Transfers In (Out)				
General Fund	-	-	-	(1,450,000)
Equipment Services Fund	-	(210,780)	(210,780)	-
Total Transfers In (Out)	<u>-</u>	<u>(210,780)</u>	<u>(210,780)</u>	<u>(1,450,000)</u>
Change in Net Position	<u>\$ 1,759,122</u>	<u>12,242,914</u>	<u>\$ 10,483,792</u>	<u>2,782,707</u>
Net Position, July 1, As Restated		<u>409,261,807</u>		<u>406,479,100</u>
Net Position, June 30		<u>\$ 421,504,721</u>		<u>\$ 409,261,807</u>

WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 28,930,137	\$ 29,816,135	\$ 885,998	\$ 29,168,188
Cash received from services to other agencies	1,872,895	1,353,020	(519,875)	1,283,405
Cash received from services to other funds	366,302	209,572	(156,730)	308,902
Cash received from program loans	8,892	11,432	2,540	14,741
Other operating receipts	696,543	848,606	152,063	894,774
Cash payments for personnel costs	(6,014,314)	(5,677,746)	336,568	(5,864,624)
Cash payments for services and supplies	(17,167,770)	(11,911,760)	5,256,010	(12,503,019)
Cash payments for program loans	(30,000)	-	30,000	(11,491)
Cash payments for refund of hookup fees	(1,000,000)	(215,629)	784,371	(2,334,750)
Net Cash Provided (Used) by Operating Activities	<u>7,662,685</u>	<u>14,433,630</u>	<u>6,770,945</u>	<u>10,956,126</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	70,000	110,125	40,125	112,008
Transfer to General Fund	-	-	-	(1,450,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>70,000</u>	<u>110,125</u>	<u>40,125</u>	<u>(1,337,992)</u>
Cash Flows From Capital and Related Financing Activities:				
Cash received from federal grants	1,650,000	7,794	(1,642,206)	12,478
Hookup fees/contractor contributions	947,050	5,401,815	4,454,765	3,356,845
Principal paid on financing	(2,736,142)	(2,736,142)	-	(3,717,645)
Interest paid on financing	(2,318,600)	(2,321,325)	(2,725)	(2,433,836)
* Acquisition of capital assets	(12,768,784)	(3,891,805)	8,876,979	(3,675,265)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(15,226,476)</u>	<u>(3,539,663)</u>	<u>11,686,813</u>	<u>(6,457,423)</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>2,145,547</u>	<u>1,587,986</u>	<u>(557,561)</u>	<u>(79,018)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(5,348,244)</u>	<u>12,592,078</u>	<u>17,940,322</u>	<u>3,081,693</u>
Cash and Cash Equivalents, July 1	<u>107,062,552</u>	<u>109,923,536</u>	<u>2,860,984</u>	<u>106,841,843</u>
Cash and Cash Equivalents, June 30	<u>\$ 101,714,308</u>	<u>\$ 122,515,614</u>	<u>\$ 20,801,306</u>	<u>\$ 109,923,536</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
WATER RESOURCES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 143,943	\$ 5,147,914	\$ 5,003,971	\$ 4,563,542
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	8,517,945	8,677,289	159,344	8,557,566
Construction in progress write-offs	-	23,694	23,694	-
Program loan interest	7,392	5,491	(1,901)	5,711
Contributed inventory	-	92,700	92,700	24,897
Facilities rental revenue	23,405	20,321	(3,084)	25,716
Other revenue	-	-	-	297,611
Hookup fee refunds	(1,000,000)	(215,629)	784,371	(2,334,750)
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	15,951	15,951	(213,708)
Due from other governments	-	(202,485)	(202,485)	46,978
Due from other funds	-	(51,268)	(51,268)	-
Notes receivable	(30,000)	5,941	35,941	(3,261)
Inventory	-	7,129	7,129	(7,566)
Increase (decrease) in:				
Accounts payable	-	498,238	498,238	(112,113)
Accrued salaries and benefits	-	3,879	3,879	19,251
Compensated absences	-	(20,013)	(20,013)	7,432
Due to other governments	-	347,906	347,906	118,249
Due to other funds	-	162,699	162,699	-
Unearned revenue	-	(85,479)	(85,479)	(25,377)
Other liabilities	-	(648)	(648)	(14,052)
Total Adjustments	<u>7,518,742</u>	<u>9,285,716</u>	<u>1,766,974</u>	<u>6,392,584</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,662,685</u>	<u>\$ 14,433,630</u>	<u>\$ 6,770,945</u>	<u>\$ 10,956,126</u>
*Acquisition of Capital Assets Financed by Cash	\$ 12,768,784	\$ 3,891,805	\$ 8,876,979	\$ 3,675,265
Capital contributions received	-	1,786,933	(1,786,933)	1,762,288
Increase (decrease) in contracts/retention payable	-	(63,882)	63,882	(104,902)
Total Acquisition of Capital Assets	<u>\$ 12,768,784</u>	<u>\$ 5,614,856</u>	<u>\$ 7,153,928</u>	<u>\$ 5,332,651</u>

WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014

	Golf Course Fund	Building and Safety Fund	Total
Assets			
Current Assets:			
Cash and investments	\$ 968,915	\$ 1,511,437	\$ 2,480,352
Accounts receivable	144,202	-	144,202
Interest receivable	2,050	3,194	5,244
Inventory	8,280	-	8,280
Total Current Assets	<u>1,123,447</u>	<u>1,514,631</u>	<u>2,638,078</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable:			
Land	173,000	-	173,000
Plant capacity	825,150	-	825,150
Depreciable:			
Land improvements	3,764,945	-	3,764,945
Buildings and improvements	1,258,356	-	1,258,356
Equipment	971,874	71,366	1,043,240
Software	24,137	54,046	78,183
Less accumulated depreciation	<u>(4,621,872)</u>	<u>(125,412)</u>	<u>(4,747,284)</u>
Total Noncurrent Assets	<u>2,395,590</u>	<u>-</u>	<u>2,395,590</u>
Total Assets	<u>3,519,037</u>	<u>1,514,631</u>	<u>5,033,668</u>
Liabilities			
Current Liabilities:			
Accounts payable	25,471	8,550	34,021
Accrued salaries and benefits	19,717	49,501	69,218
Compensated absences	27,253	96,401	123,654
Due to other governments	10,000	-	10,000
Deposits	-	13,000	13,000
Total Current Liabilities	<u>82,441</u>	<u>167,452</u>	<u>249,893</u>
Noncurrent Liabilities:			
Compensated absences	<u>8,816</u>	<u>31,186</u>	<u>40,002</u>
Total Liabilities	<u>91,257</u>	<u>198,638</u>	<u>289,895</u>
Net Position			
Net investment in capital assets	2,395,590	-	2,395,590
Restricted for public safety	-	1,315,993	1,315,993
Unrestricted	<u>1,032,190</u>	<u>-</u>	<u>1,032,190</u>
Total Net Position	<u>\$ 3,427,780</u>	<u>\$ 1,315,993</u>	<u>\$ 4,743,773</u>

WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014

	Golf Course Fund	Building and Safety Fund	Total
Operating Revenues			
Charges for Services:			
Golf course fees	\$ 793,853	\$ -	\$ 793,853
Building permits and fees	-	2,387,116	2,387,116
Washoe County / TRPA	-	94,593	94,593
Other	60,339	9,006	69,345
Miscellaneous	-	431	431
Total Operating Revenues	854,192	2,491,146	3,345,338
Operating Expenses			
Salaries and wages	305,186	848,699	1,153,885
Employee benefits	121,508	333,797	455,305
Services and supplies	435,227	500,845	936,072
Depreciation/amortization	222,041	-	222,041
Total Operating Expenses	1,083,962	1,683,341	2,767,303
Operating Income (Loss)	(229,770)	807,805	578,035
Nonoperating Revenues (Expenses)			
Investment earnings	11,442	13,329	24,771
Net increase (decrease) in the fair value of investments	154	993	1,147
Contributions	1,005	-	1,005
Total Nonoperating Revenues (Expenses)	12,601	14,322	26,923
Change in Net Position	(217,169)	822,127	604,958
Net Position, July 1	3,644,949	493,866	4,138,815
Net Position, June 30	\$ 3,427,780	\$ 1,315,993	\$ 4,743,773

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

	Golf Course Fund	Building and Safety Fund	Total
Increase (Decrease) In Cash and Cash Equivalents			
Cash Flows From Operating Activities:			
Cash received from customers	\$ 970,021	\$ 2,490,715	\$ 3,460,736
Cash received from other sources	-	431	431
Cash payments for personnel costs	(423,148)	(1,180,844)	(1,603,992)
Cash payments for services and supplies	(419,618)	(497,032)	(916,650)
Net Cash Provided (Used) by Operating Activities	127,255	813,270	940,525
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(16,493)	-	(16,493)
Cash Flows From Investing Activities:			
Investment earnings	11,826	12,727	24,553
Net Increase in Cash and Cash Equivalents	122,588	825,997	948,585
Cash and Cash Equivalents, July 1	846,327	685,440	1,531,767
Cash and Cash Equivalents, June 30	\$ 968,915	\$ 1,511,437	\$ 2,480,352
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ (229,770)	\$ 807,805	\$ 578,035
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation/amortization	222,041	-	222,041
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	115,829	-	115,829
Inventory	(882)	-	(882)
Increase (decrease) in:			
Accounts payable	14,726	3,814	18,540
Accrued salaries and benefits	1,320	1,083	2,403
Compensated absences	2,226	568	2,794
Due to other governments	1,765	-	1,765
Total Adjustments	357,025	5,465	362,490
Net Cash Provided (Used) by Operating Activities	\$ 127,255	\$ 813,270	\$ 940,525

WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Golf courses	\$ 1,058,095	\$ 793,853	\$ (264,242)	\$ 919,033
Other	15,277	60,339	45,062	118,275
Total Operating Revenues	<u>1,073,372</u>	<u>854,192</u>	<u>(219,180)</u>	<u>1,037,308</u>
Operating Expenses				
Salaries and wages	320,638	305,186	15,452	299,319
Employee benefits	122,681	121,508	1,173	117,365
Services and supplies	471,969	435,227	36,742	435,395
Depreciation/amortization	217,668	222,041	(4,373)	222,118
Total Operating Expenses	<u>1,132,956</u>	<u>1,083,962</u>	<u>48,994</u>	<u>1,074,197</u>
Operating Income (Loss)	<u>(59,584)</u>	<u>(229,770)</u>	<u>(170,186)</u>	<u>(36,889)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	10,000	11,442	1,442	13,760
Net increase (decrease) in the fair value of investments	1,500	154	(1,346)	(14,186)
Gain (loss) on asset disposition	-	-	-	499
Contributions	1,005	1,005	-	1,000
Other nonoperating revenue	-	-	-	1,591
Total Nonoperating Revenues (Expenses)	<u>12,505</u>	<u>12,601</u>	<u>96</u>	<u>2,664</u>
Change in Net Position	<u>\$ (47,079)</u>	<u>(217,169)</u>	<u>\$ (170,090)</u>	<u>(34,225)</u>
Net Position, July 1		<u>3,644,949</u>		<u>3,679,174</u>
Net Position, June 30		<u>\$ 3,427,780</u>		<u>\$ 3,644,949</u>

**WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	2014			2013
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 1,073,372	\$ 970,021	\$ (103,351)	\$ 952,864
Cash from other sources	-	-	-	1,591
Cash payments for personnel costs	(443,319)	(423,148)	20,171	(411,416)
Cash payments for services and supplies	(471,969)	(419,618)	52,351	(421,180)
Net Cash Provided (Used) by Operating Activities	158,084	127,255	(30,829)	121,859
Cash Flows From Noncapital Financing Activities:				
Cash received from contributions	1,005	-	(1,005)	2,005
Cash Flows From Capital and Related Financing Activities:				
Dispositions of capital assets	-	-	-	499
Acquisition of capital assets	(115,000)	(16,493)	98,507	(52,270)
Net Cash Provided (Used) by Capital and Related Financing Activities	(115,000)	(16,493)	98,507	(51,771)
Cash Flows From Investing Activities:				
Investment earnings	11,500	11,826	326	(460)
Net Increase (Decrease) in Cash and Cash Equivalents	55,589	122,588	66,999	71,633
Cash and Cash Equivalents, July 1	894,995	846,327	(48,668)	774,694
Cash and Cash Equivalents, June 30	\$ 950,584	\$ 968,915	\$ 18,331	\$ 846,327
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 158,084	\$ (229,770)	\$ (387,854)	\$ (36,889)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	-	222,041	222,041	222,118
Other nonoperating revenue	-	-	-	1,591
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	115,829	115,829	(84,444)
Inventory	-	(882)	(882)	263
Increase (decrease) in:				
Accounts payable	-	14,726	14,726	6,618
Accrued salaries and benefits	-	1,320	1,320	3,589
Compensated absences	-	2,226	2,226	1,679
Due to other governments	-	1,765	1,765	7,334
Total Adjustments	-	357,025	357,025	158,748
Net Cash Provided (Used) by Operating Activities	\$ 158,084	\$ 127,255	\$ (30,829)	\$ 121,859

WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Building permits	\$ 1,665,000	\$ 2,387,116	\$ 722,116	\$ 1,652,043
Washoe County/TRPA	50,000	94,593	44,593	62,678
Other	10,000	9,006	(994)	9,577
Miscellaneous:				
Reimbursements	-	431	431	62
Total Operating Revenues	<u>1,725,000</u>	<u>2,491,146</u>	<u>766,146</u>	<u>1,724,360</u>
Operating Expenses				
Salaries and wages	926,454	848,699	77,755	826,173
Employee benefits	402,553	333,797	68,756	341,688
Services and supplies	487,434	500,845	(13,411)	442,240
Depreciation/amortization	13,465	-	13,465	12,579
Total Operating Expenses	<u>1,829,906</u>	<u>1,683,341</u>	<u>146,565</u>	<u>1,622,680</u>
Operating Income (Loss)	<u>(104,906)</u>	<u>807,805</u>	<u>912,711</u>	<u>101,680</u>
Nonoperating Revenues (Expenses)				
Investment earnings	3,216	13,329	10,113	8,775
Net increase (decrease) in the fair value of investments	-	993	993	(9,792)
Total Nonoperating Revenues (Expenses)	<u>3,216</u>	<u>14,322</u>	<u>11,106</u>	<u>(1,017)</u>
Change in Net Position	<u>\$ (101,690)</u>	<u>\$ 822,127</u>	<u>\$ 923,817</u>	<u>\$ 100,663</u>
Net Position, July 1		<u>493,866</u>		<u>393,203</u>
Net Position, June 30		<u>\$ 1,315,993</u>		<u>\$ 493,866</u>

WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 1,725,000	\$ 2,490,715	\$ 765,715	\$ 1,709,524
Cash received from other funds	-	-	-	14,774
Cash received from other sources	-	431	431	62
Cash payments for personnel costs	(1,325,508)	(1,180,844)	144,664	(1,160,295)
Cash payments for services and supplies	(487,433)	(497,032)	(9,599)	(441,309)
Net Cash Provided (Used) by Operating Activities	(87,941)	813,270	901,211	122,756
Cash Flows From Investing Activities:				
Investment earnings	3,216	12,727	9,511	(986)
Net Increase (Decrease) in Cash and Cash Equivalents	(84,725)	825,997	910,722	121,770
Cash and Cash Equivalents, July 1	574,495	685,440	110,945	563,670
Cash and Cash Equivalents, June 30	\$ 489,770	\$ 1,511,437	\$ 1,021,667	\$ 685,440
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (87,941)	807,805	\$ 895,746	\$ 101,680
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	-	12,579
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	3,814	3,814	931
Accrued salaries and benefits	-	1,083	1,083	11,149
Compensated absences	-	568	568	(3,583)
Total Adjustments	-	5,465	5,465	21,076
Net Cash Provided (Used) by Operating Activities	\$ (87,941)	\$ 813,270	\$ 901,211	\$ 122,756

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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

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

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Risk Management Fund

To account for revenues received for providing the County with property and liability insurance, workers' compensation and unemployment compensation insurance. 132

Health Benefits Fund

To account for the self-insured health plan and other contractual health insurance plans. 134

Equipment Services Fund

To account for revenues received for maintaining and purchasing automobiles and other vehicles and specialized large equipment for use by other County departments. 136

WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Assets				
Current Assets:				
Cash and investments	\$ 22,687,167	\$ 7,229,938	\$ 2,344,658	\$ 32,261,763
Accounts receivable	36,185	3,213,742	-	3,249,927
Interest receivable	53,496	19,534	-	73,030
Inventory	-	-	297,763	297,763
Other assets	110,066	-	146,080	256,146
Total Current Assets	<u>22,886,914</u>	<u>10,463,214</u>	<u>2,788,501</u>	<u>36,138,629</u>
Noncurrent Assets:				
Restricted cash and investments	2,301,657	-	-	2,301,657
Long-term prepaids	-	-	412,882	412,882
Long-term deposits	-	-	3,451,171	3,451,171
Capital Assets:				
Construction in progress	-	-	34,344	34,344
Buildings and improvements	-	-	24,990	24,990
Equipment	-	-	24,007,576	24,007,576
Software	-	-	20,260	20,260
Less accumulated depreciation	-	-	(18,541,369)	(18,541,369)
Total Noncurrent Assets	<u>2,301,657</u>	<u>-</u>	<u>9,409,854</u>	<u>11,711,511</u>
Total Assets	<u>25,188,571</u>	<u>10,463,214</u>	<u>12,198,355</u>	<u>47,850,140</u>
Liabilities				
Current Liabilities:				
Accounts payable	41,103	795,846	169,303	1,006,252
Accrued salaries and benefits	11,881	13,746	74,418	100,045
Compensated absences	20,790	21,893	170,394	213,077
Due to other governments	-	-	238	238
Pending claims	4,180,000	2,684,000	-	6,864,000
Total Current Liabilities	<u>4,253,774</u>	<u>3,515,485</u>	<u>414,353</u>	<u>8,183,612</u>
Noncurrent Liabilities:				
Compensated absences	6,726	7,083	55,122	68,931
Pending claims	6,235,343	-	-	6,235,343
Pending claims payable from restricted cash	2,301,657	-	-	2,301,657
Total Noncurrent Liabilities	<u>8,543,726</u>	<u>7,083</u>	<u>55,122</u>	<u>8,605,931</u>
Total Liabilities	<u>12,797,500</u>	<u>3,522,568</u>	<u>469,475</u>	<u>16,789,543</u>
Net Position				
Net investment in capital assets	-	-	5,545,801	5,545,801
Restricted for future claims	12,391,071	6,940,646	-	19,331,717
Unrestricted	-	-	6,183,079	6,183,079
Total Net Position	<u>\$ 12,391,071</u>	<u>\$ 6,940,646</u>	<u>\$ 11,728,880</u>	<u>\$ 31,060,597</u>

WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Operating Revenues				
Charges for Services:				
Self insurance fees	\$ 6,498,056	\$ 40,086,526	\$ -	\$ 46,584,582
Equipment service billings	-	-	6,434,653	6,434,653
Miscellaneous	570,608	2,244,133	22,739	2,837,480
Total Operating Revenues	<u>7,068,664</u>	<u>42,330,659</u>	<u>6,457,392</u>	<u>55,856,715</u>
Operating Expenses				
Salaries and wages	220,416	219,020	1,256,182	1,695,618
Employee benefits	82,663	89,608	573,310	745,581
Services and supplies	6,640,433	43,574,402	4,489,475	54,704,310
Depreciation	-	-	1,373,800	1,373,800
Total Operating Expenses	<u>6,943,512</u>	<u>43,883,030</u>	<u>7,692,767</u>	<u>58,519,309</u>
Operating Income (Loss)	<u>125,152</u>	<u>(1,552,371)</u>	<u>(1,235,375)</u>	<u>(2,662,594)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	292,278	115,137	95,486	502,901
Net increase (decrease) in the fair value of investments	8,480	(9,016)	-	(536)
Gain (loss) on asset disposition	-	-	166,793	166,793
Federal grants	-	265,233	-	265,233
Total Nonoperating Revenues (Expenses)	<u>300,758</u>	<u>371,354</u>	<u>262,279</u>	<u>934,391</u>
Income (Loss) Before Transfers	<u>425,910</u>	<u>(1,181,017)</u>	<u>(973,096)</u>	<u>(1,728,203)</u>
Transfers				
Water Resources Fund	-	-	210,780	210,780
Change in Net Position	425,910	(1,181,017)	(762,316)	(1,517,423)
Net Position, July 1	<u>11,965,161</u>	<u>8,121,663</u>	<u>12,491,196</u>	<u>32,578,020</u>
Net Position, June 30	<u>\$ 12,391,071</u>	<u>\$ 6,940,646</u>	<u>\$ 11,728,880</u>	<u>\$ 31,060,597</u>

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ -	\$ 16,877,164	\$ -	\$ 16,877,164
Cash received from other funds	6,498,056	22,486,246	6,120,229	35,104,531
Cash received from others	534,423	2,245,245	337,163	3,116,831
Cash payments for personnel costs	(298,291)	(314,928)	(1,816,870)	(2,430,089)
Cash payments for services and supplies	(5,357,124)	(43,640,065)	(4,855,921)	(53,853,110)
Net Cash Provided (Used) by Operating Activities	1,377,064	(2,346,338)	(215,399)	(1,184,673)
Cash Flows From Noncapital Financing Activities:				
Federal grants	-	265,233	-	265,233
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	-	-	114,873	114,873
Proceeds from insurance recoveries	-	-	10,368	10,368
*Acquisition of capital assets	-	-	(1,381,406)	(1,381,406)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(1,256,165)	(1,256,165)
Cash Flows From Investing Activities:				
Investment earnings (loss)	307,649	116,729	-	424,378
**Proceeds from assets held for sale	-	-	1,647,328	1,647,328
**Equipment supply deposit paid	-	-	(2,034,971)	(2,034,971)
Net Cash Provided (Used) by Investing Activities	307,649	116,729	(387,643)	36,735
Net Increase (Decrease) in Cash and Cash Equivalents	1,684,713	(1,964,376)	(1,859,207)	(2,138,870)
Cash and Cash Equivalents, July 1	23,304,111	9,194,314	4,203,865	36,702,290
Cash and Cash Equivalents, June 30	\$ 24,988,824	\$ 7,229,938	\$ 2,344,658	\$ 34,563,420

(CONTINUED)

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Risk Management Fund</u>	<u>Health Benefits Fund</u>	<u>Equipment Services Fund</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 125,152	\$ (1,552,371)	\$ (1,235,375)	\$ (2,662,594)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	1,373,800	1,373,800
**Imputed rental expense	-	-	95,486	95,486
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(36,185)	(794,048)	-	(830,233)
Due from other governments	-	72,044	-	72,044
Inventory	-	-	(59,640)	(59,640)
Other assets	3,317	-	(266,385)	(263,068)
Increase (decrease) in:				
Accounts payable	(30,008)	(75,663)	(136,146)	(241,817)
Accrued salaries and benefits	2,556	2,354	7,753	12,663
Compensated absences	2,232	(8,654)	4,870	(1,552)
Due to other governments	-	-	238	238
Pending claims	1,310,000	10,000	-	1,320,000
Total Adjustments	1,251,912	(793,967)	1,019,976	1,477,921
Net Cash Provided (Used) by Operating Activities	\$ 1,377,064	\$ (2,346,338)	\$ (215,399)	\$ (1,184,673)

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

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$95,486 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,600,318 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$47,010.

*Acquisition of Capital Assets Financed by Cash	\$ -	\$ -	\$ 1,381,406	\$ 1,381,406
Capital transferred from other funds	-	-	210,780	210,780
Increase (decrease) in accounts payable	-	-	(156,862)	(156,862)
Total Acquisition of Capital Assets	\$ -	\$ -	\$ 1,435,324	\$ 1,435,324

WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 6,498,054	\$ 6,498,056	\$ 2	\$ 6,575,322
Miscellaneous:				
Other	170,000	570,608	400,608	565,711
Total Operating Revenues	<u>6,668,054</u>	<u>7,068,664</u>	<u>400,610</u>	<u>7,141,033</u>
Operating Expenses				
Salaries and wages	260,083	220,416	39,667	204,722
Employee benefits	98,557	82,663	15,894	72,715
Services and supplies	8,470,040	6,640,433	1,829,607	4,732,378
Total Operating Expenses	<u>8,828,680</u>	<u>6,943,512</u>	<u>1,885,168</u>	<u>5,009,815</u>
Operating Income (Loss)	<u>(2,160,626)</u>	<u>125,152</u>	<u>2,285,778</u>	<u>2,131,218</u>
Nonoperating Revenues (Expenses)				
Investment earnings	330,650	292,278	(38,372)	336,812
Net increase (decrease) in the fair value of investments	<u>-</u>	<u>8,480</u>	<u>8,480</u>	<u>(347,803)</u>
Total Nonoperating Revenues (Expenses)	<u>330,650</u>	<u>300,758</u>	<u>(29,892)</u>	<u>(10,991)</u>
Change in Net Position	<u>\$ (1,829,976)</u>	<u>425,910</u>	<u>\$ 2,255,886</u>	<u>2,120,227</u>
Net Position, July 1		<u>11,965,161</u>		<u>9,844,934</u>
Net Position, June 30		<u>\$ 12,391,071</u>		<u>\$ 11,965,161</u>

WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 6,668,054	\$ 6,498,056	\$ (169,998)	\$ 6,575,322
Cash received from others	-	534,423	534,423	576,240
Cash payments for personnel costs	(355,140)	(298,291)	56,849	(299,375)
Cash payments for services and supplies	(6,170,040)	(5,357,124)	812,916	(6,335,497)
Net Cash Provided (Used) by Operating Activities	<u>142,874</u>	<u>1,377,064</u>	<u>1,234,190</u>	<u>516,690</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>330,650</u>	<u>307,649</u>	<u>(23,001)</u>	<u>10,335</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>473,524</u>	<u>1,684,713</u>	<u>1,211,189</u>	<u>527,025</u>
Cash and Cash Equivalents, July 1	<u>25,472,018</u>	<u>23,304,111</u>	<u>(2,167,907)</u>	<u>22,777,086</u>
Cash and Cash Equivalents, June 30	<u>\$ 25,945,542</u>	<u>\$ 24,988,824</u>	<u>\$ (956,718)</u>	<u>\$ 23,304,111</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	<u>\$ (2,160,626)</u>	<u>\$ 125,152</u>	<u>\$ 2,285,778</u>	<u>\$ 2,131,218</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(36,185)	(36,185)	10,529
Other assets	-	3,317	3,317	(6,332)
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	(30,008)	(30,008)	2,789
Accrued salaries and benefits	-	2,556	2,556	(1,566)
Compensated absences	-	2,232	2,232	(20,372)
Due to others	-	-	-	(205,298)
Due to other governments	-	-	-	(1,673,278)
Pending claims	-	1,310,000	1,310,000	279,000
Total Adjustments	<u>-</u>	<u>1,251,912</u>	<u>1,251,912</u>	<u>(1,614,528)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (2,160,626)</u>	<u>\$ 1,377,064</u>	<u>\$ 3,537,690</u>	<u>\$ 516,690</u>

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 41,552,450	\$ 40,086,526	\$ (1,465,924)	\$ 39,890,554
Miscellaneous:				
Other	449,550	2,244,133	1,794,583	1,178,078
Total Operating Revenues	42,002,000	42,330,659	328,659	41,068,632
Operating Expenses				
Salaries and wages	243,717	219,020	24,697	240,850
Employee benefits	98,934	89,608	9,326	97,201
Services and supplies	44,842,033	43,574,402	1,267,631	43,082,942
Total Operating Expenses	45,184,684	43,883,030	1,301,654	43,420,993
Operating Income (Loss)	(3,182,684)	(1,552,371)	1,630,313	(2,352,361)
Nonoperating Revenues (Expenses)				
Investment earnings	105,500	115,137	9,637	157,906
Net increase (decrease) in the fair value of investments	-	(9,016)	(9,016)	(183,719)
Federal grants	300,000	265,233	(34,767)	273,081
Other nonoperating revenue	-	-	-	1,250,000
Total Nonoperating Revenues (Expenses)	405,500	371,354	(34,146)	1,497,268
Change in Net Position	\$ (2,777,184)	(1,181,017)	\$ 1,596,167	(855,093)
Net Position, July 1		8,121,663		8,976,756
Net Position, June 30		\$ 6,940,646		\$ 8,121,663

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 17,721,091	\$ 16,877,164	\$ (843,927)	\$ 17,587,734
Cash received from other funds	23,831,359	22,486,246	(1,345,113)	22,800,433
Cash received from others	449,550	2,245,245	1,795,695	2,428,078
Cash payments for personnel costs	(339,651)	(314,928)	24,723	(335,520)
Cash payments for services and supplies	(44,724,033)	(43,640,065)	1,083,968	(41,912,468)
Net Cash Provided (Used) by Operating Activities	(3,061,684)	(2,346,338)	715,346	568,257
Cash Flows From Noncapital Financing Activities:				
Federal grants	300,000	265,233	(34,767)	273,081
Cash Flows From Investing Activities:				
Investment earnings (loss)	105,500	116,729	11,229	(17,276)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,656,184)	(1,964,376)	691,808	824,062
Cash and Cash Equivalents, July 1	9,536,141	9,194,314	(341,827)	8,370,252
Cash and Cash Equivalents, June 30	\$ 6,879,957	\$ 7,229,938	\$ 349,981	\$ 9,194,314
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (3,182,684)	(1,552,371)	\$ 1,630,313	\$ (2,352,361)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Settlement from State of Nevada	-	-	-	1,250,000
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(794,048)	(794,048)	517,479
Due from other governments	-	72,044	72,044	(19,866)
Increase (decrease) in:				
Accounts payable	-	(75,663)	(75,663)	347,474
Accrued salaries and benefits	-	2,354	2,354	257
Compensated absences	3,000	(8,654)	(11,654)	2,274
Pending claims	118,000	10,000	(108,000)	823,000
Total Adjustments	121,000	(793,967)	(914,967)	2,920,618
Net Cash Provided (Used) by Operating Activities	\$ (3,061,684)	\$ (2,346,338)	\$ 715,346	\$ 568,257

WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Equipment service billings	\$ 6,784,035	\$ 6,434,653	\$ (349,382)	\$ 5,755,921
Miscellaneous:				
Other	15,000	22,739	7,739	22,857
Total Operating Revenues	<u>6,799,035</u>	<u>6,457,392</u>	<u>(341,643)</u>	<u>5,778,778</u>
Operating Expenses				
Salaries and wages	1,267,685	1,256,182	11,503	1,243,083
Employee benefits	569,107	573,310	(4,203)	520,261
Services and supplies	4,547,395	4,489,475	57,920	4,348,881
Depreciation	1,420,235	1,373,800	46,435	1,786,802
Total Operating Expenses	<u>7,804,422</u>	<u>7,692,767</u>	<u>111,655</u>	<u>7,899,027</u>
Operating Income (Loss)	<u>(1,005,387)</u>	<u>(1,235,375)</u>	<u>(229,988)</u>	<u>(2,120,249)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	131,900	95,486	(36,414)	118,903
Gain (loss) on asset disposition	100,000	166,793	66,793	192,734
Other nonoperating revenue	-	-	-	1,748
Total Nonoperating Revenues (Expenses)	<u>231,900</u>	<u>262,279</u>	<u>30,379</u>	<u>313,385</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(773,487)</u>	<u>(973,096)</u>	<u>(199,609)</u>	<u>(1,806,864)</u>
Capital Contributions				
Contributions from other funds	-	-	-	95,418
Transfers				
General Fund	-	-	-	(300,000)
Capital Improvement Fund	-	-	-	(34,675)
Water Resources Fund	-	210,780	210,780	-
Total Transfers	<u>-</u>	<u>210,780</u>	<u>210,780</u>	<u>(334,675)</u>
Change in Net Position	<u>\$ (773,487)</u>	<u>(762,316)</u>	<u>\$ 11,171</u>	<u>(2,046,121)</u>
Net Position, July 1		<u>12,491,196</u>		<u>14,537,317</u>
Net Position, June 30		<u>\$ 11,728,880</u>		<u>\$ 12,491,196</u>

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 6,410,337	\$ 6,120,229	\$ (290,108)	\$ 5,415,686
Cash received from others	388,698	337,163	(51,535)	364,840
Cash payments for personnel costs	(1,836,792)	(1,816,870)	19,922	(1,715,391)
Cash payments for services and supplies	(4,220,892)	(4,855,921)	(635,029)	(4,389,570)
Net Cash Provided (Used) by Operating Activities	<u>741,351</u>	<u>(215,399)</u>	<u>(956,750)</u>	<u>(324,435)</u>
Cash Flows from Noncapital Financing Activities:				
Transfer to General Fund	-	-	-	(300,000)
Transfer to Capital Improvement Fund	-	-	-	(34,675)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(334,675)</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	100,000	114,873	14,873	105,958
Proceeds from insurance recoveries	-	10,368	10,368	4,702
*Acquisition of capital assets	(2,019,288)	(1,381,406)	637,882	(1,265,383)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,919,288)</u>	<u>(1,256,165)</u>	<u>663,123</u>	<u>(1,154,723)</u>
Cash Flows From Investing Activities:				
**Proceeds from assets held for sale	-	1,647,328	1,647,328	1,633,000
**Equipment supply deposit received	1,600,000	-	(1,600,000)	83,000
**Equipment supply deposit paid	(2,500,000)	(2,034,971)	465,029	(1,416,200)
Net Cash Provided (Used) by Investing Activities	<u>(900,000)</u>	<u>(387,643)</u>	<u>512,357</u>	<u>299,800</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(2,077,937)</u>	<u>(1,859,207)</u>	<u>218,730</u>	<u>(1,514,033)</u>
Cash and Cash Equivalents, July 1	<u>4,105,770</u>	<u>4,203,865</u>	<u>98,095</u>	<u>5,717,898</u>
Cash and Cash Equivalents, June 30	<u>\$ 2,027,833</u>	<u>\$ 2,344,658</u>	<u>\$ 316,825</u>	<u>\$ 4,203,865</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (1,005,387)	\$ (1,235,375)	\$ (229,988)	\$ (2,120,249)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,420,235	1,373,800	(46,435)	1,786,802
Other nonoperating revenue	-	-	-	1,748
**Imputed rental expense	-	95,486	95,486	118,903
Change in assets and liabilities:				
(Increase) decrease in:				
Inventory	-	(59,640)	(59,640)	(58,528)
Prepaid lease expense	326,503	(266,385)	(592,888)	(123,262)
Increase (decrease) in:				
Accounts payable	-	(136,146)	(136,146)	22,215
Accrued salaries and benefits	-	7,753	7,753	9,679
Compensated absences	-	4,870	4,870	38,274
Due to other governments	-	238	238	(17)
Total Adjustments	<u>1,746,738</u>	<u>1,019,976</u>	<u>(726,762)</u>	<u>1,795,814</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 741,351</u>	<u>\$ (215,399)</u>	<u>\$ (956,750)</u>	<u>\$ (324,435)</u>

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

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$95,486 have been imputed to give recognition to these transactions. Lease deposits totaling \$1,600,318 were forfeited to acquire the leased assets which were subsequently sold during the year at a gain of \$47,010.

*Acquisition of Capital Assets Financed by Cash	\$ 2,019,288	\$ 1,381,406	\$ 637,882	\$ 1,265,383
Capital transferred from other funds	-	210,780	(210,780)	95,418
Lease deposits capitalized	-	-	-	83,000
Increase (decrease) in accounts payable	-	(156,862)	156,862	40,117
Total Acquisition of Capital Assets	<u>\$ 2,019,288</u>	<u>\$ 1,435,324</u>	<u>\$ 583,964</u>	<u>\$ 1,483,918</u>



FIDUCIARY FUNDS

FIDUCIARY FUNDS

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

Agency Funds:

Intergovernmental

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

Public Guardian/Administrator Trust Funds

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

Court Trust

Accounts for District Court cash bonds.

Payroll Revolving

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

Southwest Pointe Arrowcreek SAD 23

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

Treasurer Unapportioned

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

Washoe County School District Debt Service Fund

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

Sheriff's Trust

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

Children's Trust Fund

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

May Foundation Building Trust

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

Senior Services Trust

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

Financial Assurances

Accounts for assets held by the County as performance guarantees.

Western Regional Water Commission

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

Other Agencies

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

WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Intergovernmental				
Assets:				
Cash and investments	\$ 10,510,723	\$ 268,599,240	\$ 267,586,303	\$ 11,523,660
Property taxes receivable	5,690,634	2,318,553	3,574,056	4,435,131
Total Assets	<u>\$ 16,201,357</u>	<u>\$ 270,917,793</u>	<u>\$ 271,160,359</u>	<u>\$ 15,958,791</u>
Liabilities:				
Due to other governments	<u>\$ 16,201,357</u>	<u>\$ 270,917,793</u>	<u>\$ 271,160,359</u>	<u>\$ 15,958,791</u>
Public Guardian/Administrator Trust Funds				
Assets:				
Cash and investments	\$ 3,885,113	\$ 5,980,402	5,654,217	\$ 4,211,298
Liabilities:				
Due to others	<u>\$ 3,885,113</u>	<u>\$ 5,980,402</u>	<u>\$ 5,654,217</u>	<u>\$ 4,211,298</u>
Court Trust				
Assets:				
Cash and investments	\$ 6,256,219	\$ 8,645,204	\$ 9,929,950	\$ 4,971,473
Liabilities:				
Due to others	<u>\$ 6,256,219</u>	<u>\$ 8,645,204</u>	<u>\$ 9,929,950</u>	<u>\$ 4,971,473</u>
Payroll Revolving				
Assets:				
Cash and investments	\$ 3,992,146	\$ 253,055,491	\$ 252,748,224	\$ 4,299,413
Accounts receivable	593	1,992	638	1,947
Total Assets	<u>\$ 3,992,739</u>	<u>\$ 253,057,483</u>	<u>\$ 252,748,862</u>	<u>\$ 4,301,360</u>
Liabilities:				
Due to others	<u>\$ 3,992,739</u>	<u>\$ 253,057,483</u>	<u>\$ 252,748,862</u>	<u>\$ 4,301,360</u>
Southwest Pointe Arrowcreek SAD 23				
Assets:				
Cash and investments	\$ 3,213,839	\$ 148	\$ 3,213,987	\$ -
Liabilities:				
Due to others	<u>\$ 3,213,839</u>	<u>\$ 148</u>	<u>\$ 3,213,987</u>	<u>\$ -</u>
Treasurer Unapportioned				
Assets:				
Cash and investments	\$ 1,801,268	\$ 472,475,482	\$ 472,329,129	\$ 1,947,621
Accounts receivable	161,547	194,303	353,239	2,611
Total Assets	<u>\$ 1,962,815</u>	<u>\$ 472,669,785</u>	<u>\$ 472,682,368</u>	<u>\$ 1,950,232</u>
Liabilities:				
Due to other governments	<u>\$ 1,962,815</u>	<u>\$ 472,669,785</u>	<u>\$ 472,682,368</u>	<u>\$ 1,950,232</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Washoe County School District Debt Service Fund				
Assets:				
Property taxes receivable	\$ 1,048,950	\$ 428,792	\$ 664,857	\$ 812,885
Liabilities:				
Due to other governments	\$ 1,048,950	\$ 428,792	\$ 664,857	\$ 812,885
Sheriff's Trust				
Assets:				
Cash and investments	\$ 1,415,812	\$ 8,103,108	\$ 8,047,208	\$ 1,471,712
Liabilities:				
Due to others	\$ 1,415,812	\$ 8,103,108	\$ 8,047,208	\$ 1,471,712
Children's Trust Fund				
Assets:				
Cash and investments	\$ 465,996	\$ 706,209	\$ 762,353	\$ 409,852
Liabilities:				
Due to others	\$ 465,996	\$ 706,209	\$ 762,353	\$ 409,852
May Foundation Building Trust				
Assets:				
Cash and investments	\$ 338,074	\$ 379,818	\$ 398,769	\$ 319,123
Liabilities:				
Due to others	\$ 338,074	\$ 379,818	\$ 398,769	\$ 319,123
Senior Services Trust				
Assets:				
Cash and investments	\$ 24,212	\$ 329,175	\$ 323,102	\$ 30,285
Liabilities:				
Due to others	\$ 24,212	\$ 329,175	\$ 323,102	\$ 30,285
Financial Assurances				
Assets:				
Cash and investments	\$ 292,476	\$ 298,783	\$ 181,331	\$ 409,928
Financial assurances	426,474	1,359,579	364,844	1,421,209
Total Assets	\$ 718,950	\$ 1,658,362	\$ 546,175	\$ 1,831,137
Liabilities:				
Due to others	\$ 718,950	\$ 1,658,362	\$ 546,175	\$ 1,831,137
Western Regional Water Commission				
Assets:				
Accounts Receivable	\$ 304,006	\$ 1,469,428	\$ 1,462,574	\$ 310,860
Due from other governments	46,878	76,402	46,878	76,402
Total Assets	\$ 350,884	\$ 1,545,830	\$ 1,509,452	\$ 387,262
Liabilities:				
Due to others	\$ 350,884	\$ 1,545,830	\$ 1,509,452	\$ 387,262

(CONTINUED)

WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014

	Balance		Balance		Balance		Balance
	July 1, 2013	Additions	Deductions	June 30, 2014			June 30, 2014
Other Agencies:							
Assets:							
Cash and investments	\$ 1,790	\$ 4,786	\$ 4,254	\$ 2,322			
Other deposits	17,952	-	1,243	16,709			
Total Assets	\$ 19,742	\$ 4,786	\$ 5,497	\$ 19,031			
Liabilities:							
Due to others/governments	\$ 19,742	\$ 4,786	\$ 5,497	\$ 19,031			
Totals, Agency Funds:							
Assets:							
Cash and investments	\$ 32,197,668	\$ 1,018,577,846	\$ 1,021,178,827	\$ 29,596,687			
Financial assurances	426,474	1,359,579	364,844	1,421,209			
Accounts receivable	466,146	1,665,723	1,816,451	315,418			
Property taxes receivable	6,739,584	2,747,345	4,238,913	5,248,016			
Due from other governments	46,878	76,402	46,878	76,402			
Other deposits	17,952	-	1,243	16,709			
Total Assets	\$ 39,894,702	\$ 1,024,426,895	\$ 1,027,647,156	\$ 36,674,441			
Liabilities:							
Due to others/governments	\$ 39,894,702	\$ 1,024,426,895	\$ 1,027,647,156	\$ 36,674,441			



**STATISTICAL SECTION
(unaudited)**

STATISTICAL SECTION

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

Schedules

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

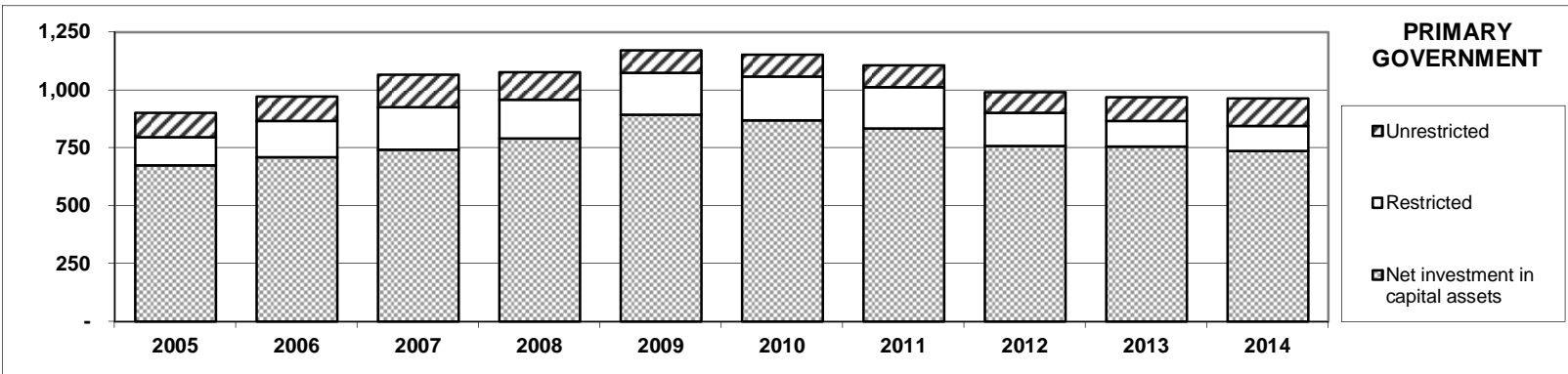
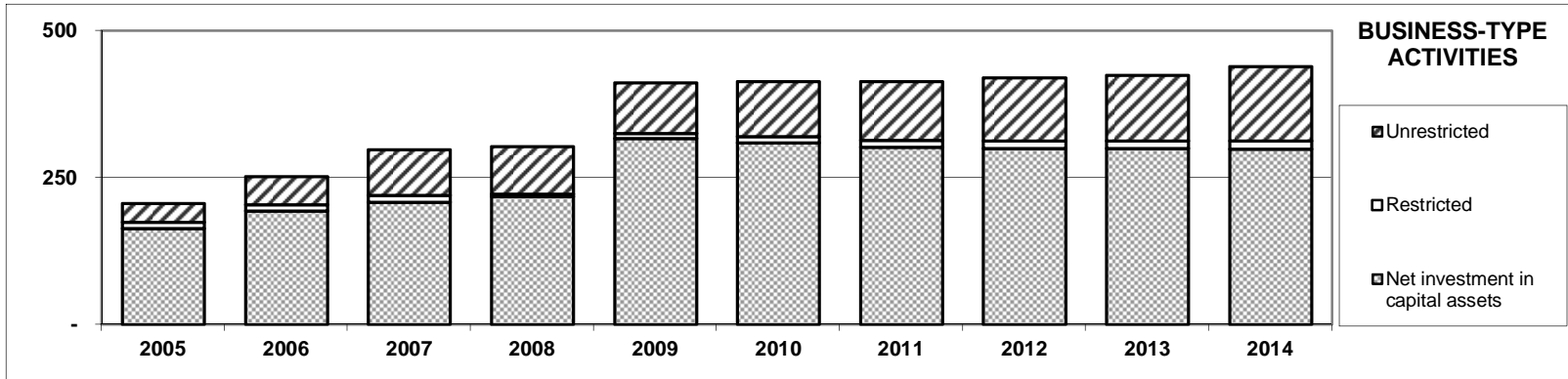
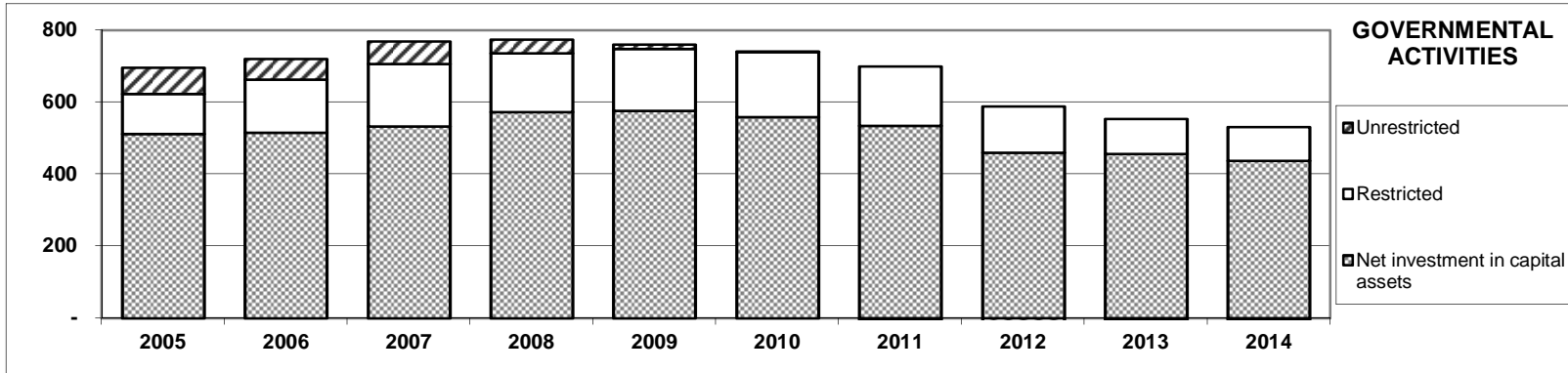
Operating Information

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

Sources:

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

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



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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012 ⁵	2013	2014
Governmental Activities⁶										
Net investment in capital assets ¹	\$ 512,205	\$ 515,565	\$ 533,139	\$ 572,750	\$ 576,532	\$ 559,117	\$ 533,468	\$ 459,302	\$ 455,643	\$ 437,044
Restricted	110,398	146,510	172,141	163,355	170,975	179,707	164,800	128,284	98,124	94,056
Unrestricted ²	72,505	58,471	62,505	37,009	12,622	462	(7,038)	(17,395)	(8,579)	(6,492)
Total Governmental Activities Net Position	<u>\$ 695,108</u>	<u>\$ 720,546</u>	<u>\$ 767,785</u>	<u>\$ 773,114</u>	<u>\$ 760,129</u>	<u>\$ 739,286</u>	<u>\$ 691,230</u>	<u>\$ 570,191</u>	<u>\$ 545,188</u>	<u>\$ 524,608</u>
Business-type Activities⁷										
Net investment in capital assets ¹	\$ 163,659	\$ 193,534	\$ 209,030	\$ 218,033	\$ 317,680	\$ 310,154	\$ 301,997	\$ 300,261	\$ 300,163	\$ 299,618
Restricted ³	10,469	11,309	11,264	4,376	8,515	10,004	11,875	12,804	12,801	13,461
Unrestricted	32,609	47,523	78,219	81,278	85,743	93,616	100,843	107,298	111,894	126,597
Total Business-type Activities Net Position	<u>\$ 206,737</u>	<u>\$ 252,366</u>	<u>\$ 298,513</u>	<u>\$ 303,687</u>	<u>\$ 411,938</u>	<u>\$ 413,774</u>	<u>\$ 414,715</u>	<u>\$ 420,363</u>	<u>\$ 424,858</u>	<u>\$ 439,676</u>
Primary Government										
Net investment in capital assets ¹	\$ 675,864	\$ 709,099	\$ 742,169	\$ 790,783	\$ 894,212	\$ 869,271	\$ 835,465	\$ 759,563	\$ 755,806	\$ 736,662
Restricted	120,867	157,819	183,405	167,731	179,490	189,711	176,675	141,088	110,925	107,517
Unrestricted	105,114	105,994	140,724	118,287	98,365	94,078	93,805	89,903	103,315	120,105
Total Primary Government Net Position ⁴	<u>\$ 901,845</u>	<u>\$ 972,912</u>	<u>\$ 1,066,298</u>	<u>\$ 1,076,801</u>	<u>\$ 1,172,067</u>	<u>\$ 1,153,060</u>	<u>\$ 1,105,945</u>	<u>\$ 990,554</u>	<u>\$ 970,046</u>	<u>\$ 964,284</u>

Information is presented on the accrual basis of accounting.

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

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

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

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

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

⁶ Fiscal years 2005-2011 include amounts for Sierra and/or Truckee Meadows Fire Protection Districts. Fiscal year 2012 has been restated to exclude these component units that are now discreetly presented.

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

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities										
General government	\$ 59,613	\$ 66,386	\$ 71,933	\$ 93,781	\$ 99,921	\$ 103,576	\$ 120,606	\$ 107,954	\$ 85,898	\$ 80,958
Judicial	56,078	56,811	55,170	58,415	58,766	57,896	55,394	55,469	57,573	59,317
Public safety	117,840	123,110	139,435	152,410	161,395	155,600	149,376	125,573	138,149	137,584
Public works	38,039	34,488	35,365	39,397	41,722	39,309	39,447	39,675	37,188	48,420
Health and sanitation	19,459	24,218	26,052	27,861	27,858	22,749	22,826	18,429	18,785	18,384
Welfare	48,918	52,603	59,761	66,193	64,048	66,764	69,506	68,137	66,370	65,651
Culture and recreation	25,606	43,296	32,019	53,447	38,364	27,993	27,850	24,989	23,614	21,803
Community support	575	854	1,468	1,555	1,662	1,736	303	309	343	178
Interest on long-term debt	9,348	9,146	10,601	11,267	11,028	8,984	8,505	7,174	7,349	5,525
Total Governmental Activities Expenses	375,476	410,912	431,804	504,326	504,764	484,607	493,813	447,709	435,269	437,820
Business-type Activities										
Utilities ¹	41,469	24,381	29,465	38,022	32,508	29,541	28,451	30,029	30,844	28,300
Golf courses	2,038	1,844	1,824	1,741	1,757	1,893	2,070	874	979	952
Building permits	3,007	3,160	3,229	2,441	1,871	1,207	1,324	1,372	1,329	1,357
Total Business-type Activities Expenses	46,514	29,385	34,518	42,204	36,136	32,641	31,845	32,275	33,152	30,609
Total Primary Government Expenses	\$ 421,990	\$ 440,297	\$ 466,322	\$ 546,530	\$ 540,900	\$ 517,248	\$ 525,658	\$ 479,984	\$ 468,421	\$ 468,429
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 11,116	\$ 14,339	\$ 15,373	\$ 20,940	\$ 21,509	\$ 22,920	\$ 33,139	\$ 32,902	\$ 31,306	\$ 27,106
Judicial	6,293	7,043	7,251	7,999	8,117	9,376	10,309	10,056	10,412	9,904
Public safety	7,917	10,795	10,859	11,275	12,579	15,141	14,367	13,075	15,311	16,205
Other	11,632	12,486	15,240	15,092	15,763	14,658	13,912	10,061	10,521	15,261
Operating grants, interest and contributions	50,523	51,465	50,382	55,506	54,398	55,842	60,660	64,561	63,432	57,083
Capital grants, interest and contributions	23,262	19,449	33,858	43,987	34,590	17,467	7,157	25,205	7,413	12,245
Total Governmental Activities	110,743	115,577	132,963	154,799	146,956	135,404	139,544	155,860	138,395	137,804
Program Revenues										
Business-type Activities										
Charges for Services										
Utilities	21,813	25,415	29,547	28,461	27,903	27,382	29,274	30,466	31,539	32,287
Golf courses	1,666	1,650	1,713	1,583	1,617	1,720	1,944	1,090	1,037	854
Building permits	3,682	2,461	1,958	2,063	1,419	1,018	1,137	1,401	1,724	2,491
Operating grants, interest and contributions	383	174	550	612	34	49	123	94	449	112

(CONTINUED)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Business-type Activities (continued)										
Capital grants, interest and contributions	\$ 31,927	\$ 44,159	\$ 42,412	\$ 19,214	\$ 110,304	\$ 5,040	\$ 4,286	\$ 1,921	\$ 4,448	\$ 8,107
Total Business-type Activities										
Program Revenues	59,471	73,859	76,180	51,933	141,277	35,209	36,764	34,972	39,197	43,851
Total Primary Government Program Revenues	\$ 170,214	\$ 189,436	\$ 209,143	\$ 206,732	\$ 288,233	\$ 170,613	\$ 176,308	\$ 190,832	\$ 177,592	\$ 181,655
Net (Expense)/Revenue										
Governmental activities	\$ (264,733)	\$ (295,335)	\$ (298,841)	\$ (349,527)	\$ (357,808)	\$ (349,203)	\$ (354,269)	\$ (291,849)	\$ (296,874)	\$ (300,016)
Business-type activities	12,957	44,474	41,662	9,729	105,141	2,568	4,919	2,697	6,045	13,242
Total Primary Government Net (Expense) Revenue	\$ (251,776)	\$ (250,861)	\$ (257,179)	\$ (339,798)	\$ (252,667)	\$ (346,635)	\$ (349,350)	\$ (289,152)	\$ (290,829)	\$ (286,774)
General Revenues and Other Changes in Net Position Governmental Activities										
Taxes and Intergovernmental										
Ad valorem	\$ 162,041	\$ 174,728	\$ 197,335	\$ 210,184	\$ 223,457	\$ 220,530	\$ 201,469	\$ 172,540	\$ 167,294	\$ 168,009
Consolidated	100,674	109,656	107,152	98,567	83,070	74,119	74,985	70,985	75,489	80,809
Other intergovernmental	25,935	26,250	26,578	27,787	21,231	19,114	19,791	18,840	18,530	19,832
Unrestricted investment earnings	4,634	2,684	7,567	9,586	7,906	4,944	2,153	3,403	174	1,594
Other	14,954	7,686	7,673	8,972	9,334	9,658	10,037	9,045	8,934	8,981
Extraordinary/special items	-	-	-	-	-	-	-	(67,832)	-	-
Transfers	200	(231)	(225)	(240)	(91)	(5)	(2,222)	(45)	1,450	211
Total Governmental Activities	308,438	320,773	346,080	354,856	344,907	328,360	306,213	206,936	271,871	279,436
Business-type Activities										
Unrestricted investment earnings	1,377	836	4,166	4,201	4,114	3,121	1,924	3,040	(100)	1,591
Other	72	88	95	20	2,019	-	(62)	-	-	-
Extraordinary/special items	-	-	-	-	-	(3,858)	(8,061)	-	-	-
Transfers	(200)	232	225	231	91	5	2,222	45	(1,450)	(211)
Total Business-type Activities	1,249	1,156	4,486	4,452	6,224	(732)	(3,977)	3,085	(1,550)	1,380
Total Primary Government General Revenues and Other Changes	\$ 309,687	\$ 321,929	\$ 350,566	\$ 359,308	\$ 351,131	\$ 327,628	\$ 302,236	\$ 210,021	\$ 270,321	\$ 280,816
Change in Net Position										
Governmental activities	\$ 43,705	\$ 25,438	\$ 47,239	\$ 5,329	\$ (12,901)	\$ (20,843)	\$ (48,056)	\$ (84,913)	\$ (25,003)	\$ (20,580)
Business-type activities	14,206	45,630	46,148	14,181	111,365	1,836	942	5,782	4,495	14,622
Total Primary Government Change in Net Position	\$ 57,911	\$ 71,068	\$ 93,387	\$ 19,510	\$ 98,464	\$ (19,007)	\$ (47,114)	\$ (79,131)	\$ (20,508)	\$ (5,958)

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

¹ Fiscal years 2005-2011 include amounts for Sierra and/or Truckee Meadows FPDs. Fiscal year 2012 has been restated to exclude these component units that are now discreetly presented.

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

³ Fiscal year 2013 has been restated as a result of a reorganization which formed the Community Services Department. Certain expenditures were reclassified to different functions to better reflect activities within the Genral Government and Public Works functions.

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009 ²	2010	2011 ¹	2012	2013	2014
General Fund										
Reserved	\$ 5,031	\$ 5,693	\$ 6,716	\$ 8,818	\$ 1,422	\$ 750	\$ -	\$ -	\$ -	\$ -
Unreserved	50,462	47,064	34,973	34,504	30,263	31,173	-	-	-	-
Nonspendable	-	-	-	-	-	-	304	1	-	19
Restricted	-	-	-	-	-	-	760	750	801	792
Committed	-	-	-	-	-	-	5,277	4,718	4,598	4,519
Assigned ⁶	-	-	-	-	-	-	8,641	6,009	6,727	1,107
Unassigned ⁷	-	-	-	-	-	-	23,789	24,845	26,908	40,170
Total General Fund	<u>55,493</u>	<u>52,757</u>	<u>41,689</u>	<u>43,322</u>	<u>31,685</u>	<u>31,923</u>	<u>38,771</u>	<u>36,323</u>	<u>39,034</u>	<u>46,607</u>
All Other Governmental Funds⁵										
Reserved	13,756	58,589	56,053	63,587	59,909	57,274	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds ³	53,734	74,086	91,445	109,818	114,692	56,236	-	-	-	-
Capital Projects Funds	109,718	68,987	69,827	48,288	41,668	42,385	-	-	-	-
Nonspendable	-	-	-	-	-	-	112	67	75	39
Restricted	-	-	-	-	-	-	114,048	96,853	75,788	72,526
Committed	-	-	-	-	-	-	19,816	17,808	18,167	13,273
Assigned	-	-	-	-	-	-	143	3,559	5,076	7,482
Unassigned	-	-	-	-	-	-	-	(123)	(258)	(418)
Total All Other Governmental Funds ⁴	<u>177,208</u>	<u>201,662</u>	<u>217,325</u>	<u>221,693</u>	<u>216,269</u>	<u>155,895</u>	<u>134,119</u>	<u>118,164</u>	<u>98,848</u>	<u>92,902</u>
Total All Governmental Funds	<u>\$ 232,701</u>	<u>\$ 254,419</u>	<u>\$ 259,014</u>	<u>\$ 265,015</u>	<u>\$ 247,954</u>	<u>\$ 187,818</u>	<u>\$ 172,890</u>	<u>\$ 154,487</u>	<u>\$ 137,882</u>	<u>\$ 139,509</u>

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

¹ Fund Balances for fiscal year 2011 through 2014 have been classified in accordance with new GASB 54 fund balance reporting standards.

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

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

⁴ The decrease in other governmental fund balances in 2011 included \$10.6 million for early extinguishment of debt and \$3.9 million paid to the County's OPEB Trust. The decrease in fiscal year 2012 was primarily due to the payment of \$17.8 million to the Truckee River Flood Management Authority, a joint powers authority. Fluctuations in all other governmental fund balances primarily reflect financing, construction in progress and completion of large capital projects.

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

⁶ The decrease in General Fund assigned fund balance from fiscal year 2013 to fiscal year 2014 was due to budgeted shortfall of \$5.6 million in fiscal year 2013.

⁷ The increase in unassigned fund balance for the General Fund from fiscal year 2013 to fiscal year 2014 is mostly due to a \$9.7 million increase in revenue from Ad Valorem Taxes, Consolidated Taxes, and Charges for Services.

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008 ²	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 156,755	\$ 168,427	\$ 185,688	\$ 196,290	\$ 207,848	\$ 204,577	\$ 190,232	\$ 178,395	\$ 170,260	\$ 170,915
Licenses and permits	9,818	10,033	10,783	11,130	11,150	10,655	9,713	9,183	9,501	9,936
Intergovernmental revenues	176,841	185,802	175,878	177,622	156,555	149,258	155,018	162,361	170,082	168,204
Charges for services	18,608	19,851	23,177	22,096	24,211	27,940	28,247	26,254	33,530	35,694
Fines and forfeits	7,610	8,623	8,740	9,625	10,792	10,563	10,996	9,999	10,528	10,490
Miscellaneous	14,769	11,992	21,581	24,419	21,591	14,354	9,902	13,399	6,915	10,981
Total Revenues	384,401	404,728	425,847	441,182	432,147	417,347	404,108	399,591	400,816	406,220
Expenditures										
Current										
General government ³	53,836	59,397	64,567	62,187	65,098	124,146	61,386	84,484	62,493	50,210
Judicial	44,650	48,885	52,673	55,721	55,628	53,874	53,667	53,818	54,214	55,637
Public safety	92,141	102,838	110,126	119,421	122,072	120,544	118,455	121,656	131,732	128,364
Public works	15,979	17,962	19,145	20,414	17,960	14,654	14,110	14,759	15,568	26,124
Health and sanitation ¹	18,699	22,435	23,496	22,008	22,534	20,459	19,366	17,659	20,558	21,558
Welfare	47,080	50,308	56,964	63,684	61,292	63,705	66,408	69,045	65,639	69,364
Culture and recreation	22,044	25,578	41,048	26,519	24,199	21,203	20,417	19,474	18,859	18,201
Community support	571	836	1,469	1,555	1,662	1,733	305	309	343	178
Intergovernmental	6,573	4,453	4,865	5,179	17,791	19,059	16,981	8,243	8,447	8,790
Capital outlay	74,765	51,880	51,850	52,070	31,635	9,180	16,682	23,390	21,355	12,571
Debt Service										
Principal	13,707	15,215	16,363	20,890	24,713	15,380	22,825	37,114	21,689	7,943
Interest	8,587	9,204	10,152	10,438	11,587	9,400	8,532	7,588	7,090	5,627
Other	547	437	445	416	360	585	182	645	796	98
Total Expenditures	399,179	409,428	453,163	460,502	456,531	473,922	419,316	458,184	428,783	404,665
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,778)	(4,700)	(27,316)	(19,320)	(24,384)	(56,575)	(15,208)	(58,593)	(27,967)	1,555

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008 ²	2009	2010	2011	2012	2013	2014
Other Financing Sources (Uses)										
Debt issued	\$ 27,438	\$ 29,169	\$ 35,119	\$ 18,943	\$ 21,489	\$ -	\$ -	\$ 38,518	\$ 46,919	\$ -
Debt premium (discount)	409	(75)	468	-	73	-	-	-	-	-
Proceeds from asset disposition	7,028	52	53	162	25	1,561	38	178	49	33
Proceeds from insurance recoveries	-	-	-	-	-	-	-	-	-	40
Refunding payment to escrow agent	-	-	-	-	(10,436)	-	-	-	(37,391)	-
Transfers in	42,453	59,304	67,910	39,641	44,291	42,793	38,374	54,590	34,103	30,676
Transfers out	(47,732)	(62,244)	(71,770)	(39,855)	(47,202)	(47,883)	(38,132)	(35,309)	(32,318)	(30,676)
Total Other Financing Sources (Uses)	<u>29,596</u>	<u>26,206</u>	<u>31,780</u>	<u>18,891</u>	<u>8,240</u>	<u>(3,529)</u>	<u>280</u>	<u>57,977</u>	<u>11,362</u>	<u>73</u>
Special Item ⁴	-	-	-	-	-	-	-	(17,787)	-	-
Net Change in Fund Balances	\$ <u>14,818</u>	\$ <u>21,506</u>	\$ <u>4,464</u>	\$ <u>(429)</u>	\$ <u>(16,144)</u>	\$ <u>(60,104)</u>	\$ <u>(14,928)</u>	\$ <u>(18,403)</u>	\$ <u>(16,605)</u>	\$ <u>1,628</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>5%</u>	<u>5%</u>	<u>5%</u>	<u>6%</u>	<u>8%</u>	<u>5%</u>	<u>7%</u>	<u>10%</u>	<u>7%</u>	<u>3%</u>

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

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

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

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

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

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

	Fiscal Year Ended June 30,										Change, 2005-2014
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Ad valorem ¹	\$ 152,862	\$ 164,892	\$ 182,157	\$ 193,369	\$ 204,836	\$ 202,122	\$ 187,709	\$ 173,849	\$ 167,698	\$ 168,571	10.3%
Residential construction ²	1,110	825	547	229	97	29	48	68	132	215	-80.6%
Special assessment ³	643	478	713	425	843	508	383	3,053	933	676	5.1%
Car rental fee	1,295	1,371	1,367	1,397	1,257	1,142	1,256	1,152	1,196	1,142	-11.8%
Room tax	335	334	378	342	293	265	275	272	300	311	-7.2%
Motor vehicle fuel tax ⁴	510	527	526	528	523	511	561	-	-	-	n/a
	<u>\$ 156,755</u>	<u>\$ 168,427</u>	<u>\$ 185,688</u>	<u>\$ 196,290</u>	<u>\$ 207,849</u>	<u>\$ 204,577</u>	<u>\$ 190,232</u>	<u>\$ 178,394</u>	<u>\$ 170,259</u>	<u>\$ 170,915</u>	9.0%

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

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

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

² Decreases in construction tax revenues from prior years is due to the continued unfavorable economic conditions in the housing market. However, the improving trend continued in 2014.

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

⁴ Motor vehicle fuel tax was reclassified to intergovernmental revenue in 2012.

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Real Property Assessed Value										
Residential	\$ 7,359,180	\$ 8,112,575	\$ 9,503,764	\$ 10,767,225	\$ 12,389,860	\$ 10,680,846	\$ 9,426,219	\$ 8,665,389	\$ 8,336,767	\$ 8,419,073
Commercial	2,401,256	2,629,471	2,898,745	3,317,724	3,598,911	3,779,799	3,489,578	3,306,237	3,402,688	3,330,546
Industrial	760,477	805,595	900,363	973,242	1,096,143	1,092,343	1,022,668	996,407	986,821	985,955
Other	1,361,320	1,490,866	1,600,955	1,885,497	2,430,308	1,475,332	1,584,556	1,329,717	1,374,092	1,286,207
Personal Property Assessed Value	635,384	596,491	703,276	691,628	738,274	748,403	636,184	636,409	612,022	713,824
Less: Tax Exempt Property	1,501,359	1,655,650	1,861,784	2,529,824	3,046,485	2,677,247	2,500,354	2,258,785	2,422,281	2,417,652
Total Assessed Value	<u>\$ 11,016,258</u>	<u>\$ 11,979,348</u>	<u>\$ 13,745,319</u>	<u>\$ 15,105,492</u>	<u>\$ 17,207,011</u>	<u>\$ 15,099,476</u>	<u>\$ 13,658,851</u>	<u>\$ 12,675,374</u>	<u>\$ 12,290,109</u>	<u>\$ 12,317,953</u>
Estimated Actual Taxable Value	\$ 31,475,023	\$ 34,226,709	\$ 39,272,340	\$ 43,158,549	\$ 49,162,889	\$ 43,141,360	\$ 39,025,289	\$ 36,215,354	\$ 35,114,597	\$ 35,194,151
Assessed Value to Taxable Value	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Total Direct Tax Rate	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917

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Source: Washoe County Assessor

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

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Washoe County										
Operating Rate	.9231	.9231	.9401	.9592	.9629	.9612	.9611	.9806	.9891	1.0037
Voter Approved										
Child Protective Services	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400
Regional Animal Services	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300
Senior Services	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100
Library Expansion	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200
Legislative Overrides										
Indigent Insurance	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150
Indigent Health	.1000	.1000	.0950	.0800	.0800	.0800	.0750	.0700	.0600	.0600
Capital Acquisition	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500
Youth Services	.0083	.0083	.0077	.0077	.0077	.0077	.0088	.0088	.0095	.0062
Detention Center	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774
SCCRT Loss	-	-	-	-	-	-	-	.0050	.0050	-
Family Court	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192
AB 104 Fair Share Tax	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272
Debt Service	.0715	.0715	.0601	.0560	.0523	.0540	.0580	.0385	.0393	.0330
Total, Washoe County Direct Rate	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>	<u>1.3917</u>
State of Nevada	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700
Washoe County School District	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>	<u>1.1385</u>
Total, Washoe County Unincorporated Area	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>	<u>2.7002</u>
Cities										
City of Reno	.9456	.9456	.9456	.9456	.9456	.9456	.9456	.9456	.9598	.9598
City of Sparks	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9161
Fire Districts										
North Lake Tahoe Fire Protection District	.4746	.5118	.5070	.5142	.5226	.5275	.5389	.5525	.6414	.6291
Sierra Fire Protection District	.4200	.4200	.4200	.4200	.5200	.5200	.5200	.5200	.5400	.5400
Truckee Meadows Fire Protection District	.4713	.4713	.4713	.4713	.4713	.4713	.4713	.4713	.5400	.5400
General Improvement Districts										
Gerlach	-	-	-	-	-	.2500	.2500	.2998	.2998	.2998
Incline Village	.0730	.0702	.0687	.0711	.0741	.0755	.0806	.1129	.1153	.1105
Palomino Valley	.4353	.4168	.4270	.4270	.4885	.4885	.4885	.4885	.4198	.4198
Other Special Districts										
Lemmon Valley Underground Water Basin	.0020	.0019	.0017	.0012	-	-	-	-	-	-
Sun Valley Water & Sanitation District	.1329	.1329	.1329	.1329	.1329	.1457	.1736	.1736	.1836	.1836
Truckee Meadows Underground Water	.0005	.0005	.0004	.0004	.0005	.0004	.0005	-	-	-

**WASHOE COUNTY, NEVADA
PRINCIPAL PROPERTY TAX PAYERS FISCAL YEARS 2013 AND 2005
(AMOUNTS EXPRESSED IN THOUSANDS)**

Tax Payer	2014			2005		
	Valuation	Rank	Percent of Total Assessed Valuation	Valuation	Rank	Percent of Total Assessed Valuation
Peppermill Casinos, Inc.	\$ 85,230	1	0.69%	\$ 45,885	3	0.38%
Golden Road Motor Inn, Inc.	41,536	2	0.34%	33,912	7	0.28%
Prologis NA3 LLC	33,797	3	0.27%	-	-	-
Sparks Legends Development, Inc.	30,697	4	0.25%	-	-	-
MPT of Reno LLC	27,993	5	0.23%	-	-	-
Circus Circus & Eldorado Joint Venture	26,715	6	0.22%	65,115	2	0.54%
Northwestern Mutual Life Insurance	25,425	7	0.21%	-	-	-
Nevada Pacific Devel Corp.	25,107	8	0.20%	-	-	-
International Game Technology	24,850	9	0.20%	34,430	6	0.29%
Par Industrial LLC	23,275	10	0.19%	-	-	-
DP Industrial LLC	-	-	-	98,562	1	0.82%
Washoe Medical Center	-	-	-	39,692	4	0.33%
Eldorado Resorts LLC	-	-	-	38,707	5	0.32%
Harrah's Club	-	-	-	31,390	8	0.26%
FHR Corporation	-	-	-	25,921	9	0.22%
Lennar Reno LLC	-	-	-	24,132	10	0.20%
	<u>344,625</u>		<u>2.80%</u>	<u>437,746</u>		<u>3.64%</u>
	<u>11,973,328</u>		<u>97.20%</u>	<u>11,541,602</u>		<u>96.36%</u>
	<u>\$ 12,317,953</u>		<u>100.00%</u>	<u>\$ 11,979,349</u>		<u>100.00%</u>

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Source: Washoe County Assessor's Office

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

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net Secured Roll Taxes Levied	\$ 372,704	\$ 404,224	\$ 446,362	\$ 480,945	\$ 514,531	\$ 504,823	\$ 458,717	\$ 422,799	\$ 411,058	\$ 411,260
Current Year										
Tax Collections	370,001	401,305	442,446	472,860	504,268	495,281	451,994	416,849	405,977	407,469
Percent of Taxes Levied	99.27%	99.28%	99.12%	98.32%	98.01%	98.11%	98.53%	98.59%	98.76%	99.08%
Delinquent Tax Collections	2,698	2,914	3,850	7,890	10,019	9,002	6,177	4,387	3,280	-
Totals to Date										
Tax Collections	372,699	404,219	446,296	480,750	514,287	504,283	458,171	421,236	409,257	407,469
Percent of Taxes Levied	100.00%	100.00%	99.99%	99.96%	99.95%	99.89%	99.88%	99.63%	99.56%	99.08%

Source: Washoe County Treasurer's Office

Note: Property tax levies changed less than .05% in fiscal year 2014. In 2012, property levies declined 8% and in 2011 by 9%, which was the largest recorded decline in property tax since 1982. Between 2004 and 2009 property tax levies increased 48% or approximately 12% per year. The increase in fiscal year 2007 included the addition of Sierra Fire Protection District. Current year tax collections dropped in fiscal year 2009 to 98%, the lowest level since 1995. In fiscal year 2014, the collection rate improved to its highest level since fiscal year 2007, the beginning of the housing crisis and economic recession.

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
General Bonded Debt	\$ 168,350	\$ 185,562	\$ 206,573	\$ 188,307	\$ 166,471	\$ 154,621	\$ 135,562	\$ 129,700	\$ 120,146	\$ 114,217
Revenue Bonds	20,940	19,486	19,010	37,446	46,856	45,703	44,658	43,527	42,419	41,222
Capital Leases/Notes	410	394	377	359	341	320	-	-	-	-
Certificates of Participation	12,042	10,264	8,405	6,447	4,398	2,250	-	-	-	-
Special Assessment Bonds	2,960	2,674	3,058	2,733	3,453	3,065	2,729	10,738	9,061	8,117
Total Governmental Activities	<u>204,702</u>	<u>218,380</u>	<u>237,423</u>	<u>235,292</u>	<u>221,519</u>	<u>205,959</u>	<u>182,949</u>	<u>183,965</u>	<u>171,626</u>	<u>163,556</u>
Business-type Activities										
General Bonded Debt	37,540	114,340	120,921	117,111	112,532	72,244	67,258	63,713	59,947	57,175
Capital leases/notes	862	829	794	757	727	675	-	-	-	-
Total Business-type Activities	<u>38,402</u>	<u>115,169</u>	<u>121,715</u>	<u>117,868</u>	<u>113,259</u>	<u>72,919</u>	<u>67,258</u>	<u>63,713</u>	<u>59,947</u>	<u>57,175</u>
Total primary government	<u>\$ 243,104</u>	<u>\$ 333,549</u>	<u>\$ 359,138</u>	<u>\$ 353,160</u>	<u>\$ 334,778</u>	<u>\$ 278,878</u>	<u>\$ 250,207</u>	<u>\$ 247,678</u>	<u>\$ 231,573</u>	<u>\$ 220,731</u>
Percentage of personal income	1.37%	1.80%	1.79%	1.84%	1.94%	1.60%	1.38%	1.33%	1.27%	1.17%
Per capita ¹	\$ 619	\$ 833	\$ 879	\$ 851	\$ 801	\$ 660	\$ 588	\$ 576	\$ 536	\$ 506
General Bonded Debt										
General Bonded Debt	\$ 205,890	\$ 299,902	\$ 327,494	\$ 305,418	\$ 279,003	\$ 226,865	\$ 202,820	\$ 193,413	\$ 180,093	\$ 171,392
Less restricted resources	7,121	11,112	12,242	12,823	13,866	11,656	11,952	11,127	11,007	10,674
Total Net General Bonded Debt	<u>\$ 198,769</u>	<u>\$ 288,790</u>	<u>\$ 315,252</u>	<u>\$ 292,595</u>	<u>\$ 265,137</u>	<u>\$ 215,209</u>	<u>\$ 190,868</u>	<u>\$ 182,286</u>	<u>\$ 169,086</u>	<u>\$ 160,718</u>
Percentage of Actual Property Value ²	0.63%	0.84%	0.80%	0.68%	0.54%	0.50%	0.49%	0.50%	0.48%	0.46%
Per capita ¹	\$ 506	\$ 721	\$ 771	\$ 705	\$ 635	\$ 510	\$ 449	\$ 424	\$ 391	\$ 368

Note: Details regarding Washoe County's outstanding debt can be found in the notes to the financial statements. Where applicable all debt is presented net of original issuance discounts, premiums, and deferred refunding charges.

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

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

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 1,101,625	\$ 1,197,935	\$ 1,374,532	\$ 1,510,549	\$ 1,720,701	\$ 1,509,948	\$ 1,365,885	\$ 1,267,537	\$ 1,229,011	\$ 1,231,795
Total net debt subject to limitation	304,404	409,186	437,011	412,262	382,579	332,977	308,142	295,697	277,578	268,292
Legal Debt Margin	\$ 797,221	\$ 788,749	\$ 937,521	\$ 1,098,287	\$ 1,338,122	\$ 1,176,971	\$ 1,057,743	\$ 971,840	\$ 951,433	\$ 963,503
Total net debt subject to limitation as a percentage of debt limit	28%	34%	32%	27%	22%	22%	23%	23%	23%	22%

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2014

Assessed value of taxable property for fiscal year ended June 30, 2014	\$ 12,317,953
Debt limit (10% of Assessed Valuation)	\$ 1,231,795
Debt applicable to limit	
Governmental activities	\$ 163,556
Business-type activities	57,175
Reno-Sparks Convention and Visitors' Authority	121,766
Total Bonded Debt	342,497
Special assessment bonds	8,117
Special revenue bonds	41,222
Amount available for repayment of general obligation bonds	24,866
Total net debt subject to debt limitation	268,292
Legal Debt Margin	\$ 963,503

Note: The statutory county debt limit is 10% of the assessed value of all taxable property in the County, as set forth in Chapter 244A.059 of the Nevada Revised Statutes. The statutory debt limit for recreational bonds issued by the Reno-Sparks Convention and Visitors Authority (RSCVA) is further limited to 3% of the total assessed valuation by Nevada Revised Statutes 244A.453 and 244A.655. RSCVA's total outstanding recreational debt of \$121,766 is below the 3% limit of \$369,539.

**WASHOE COUNTY, NEVADA
DIRECT AND OVERLAPPING DEBT JUNE 30, 2014
(AMOUNTS EXPRESSED IN THOUSANDS)**

Name of Government Unit	Debt Outstanding	Presently Self-Supporting Debt	Percent Applicable¹	Applicable Net Debt
Direct²				
Washoe County				
Governmental Activity Bonds	\$ 114,217	\$ -	100%	\$ 114,217
Revenue Bond ³	41,222	41,222	100%	-
Special Assessment Bonds ⁴	8,117	8,117	100%	-
Total Direct Debt	<u>163,556</u>	<u>49,339</u>		<u>114,217</u>
Overlapping				
Washoe County School District	506,095	-	100%	506,095
Reno-Sparks Convention and Visitors Authority	121,766	121,766	100%	-
City of Reno	71,300	-	100%	71,300
City of Reno supported by specific revenue	327,555	327,555	100%	-
Reno - Special Assessment Bonds ³	17,016	17,016	100%	-
City of Sparks	2,975	-	100%	2,975
Sparks - Sewer and Utility Bonds	43,663	43,663	100%	-
Incline Village General Improvement District	14,047	14,047	100%	-
State of Nevada	1,887,605	548,210	14.72%	197,159
Total Overlapping Debt	<u>2,992,022</u>	<u>1,072,257</u>		<u>777,529</u>
Total General Obligation Direct and Overlapping Debt	<u>\$ 3,155,578</u>	<u>\$ 1,121,596</u>		<u>\$ 891,746</u>

¹ Based on fiscal year 2013-14 assessed valuation in the respective jurisdiction.

² Includes all governmental debt activities and amounts are net of related discounts, premiums and deferred refunding charges.

³ Revenue bonds are not general obligation, but are special limited obligation of the County payable solely from the pledged revenue.

⁴ Special assessment bonds are not general obligations of Washoe County, or of the City of Reno. If, however, the special assessments collected with all other available resources were insufficient to meet debt service requirements on these bonds, the respective bond ordinances require that the deficiency be made up with the government's general fund.

WASHOE COUNTY, NEVADA
PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Special Assessment Bonds ¹										
Pledged Revenue	\$ 411	\$ 546	\$ 440	\$ 524	\$ 455	\$ 639	\$ 501	\$ 1,686	\$ 1,508	\$ 1,161
Debt Service Requirements										
Principal	517	381	330	311	265	374	322	570	1,664	894
Interest	92	159	100	118	107	157	148	251	389	344
Total Debt Service Requirements	\$ 609	\$ 540	\$ 430	\$ 429	\$ 372	\$ 531	\$ 470	\$ 821	\$ 2,053	\$ 1,238
Coverage Ratios	0.67	1.01	1.02	1.22	1.22	1.20	1.07	2.05	0.73	0.94
Sales Tax Revenue Bonds ²										
Pledged Revenue	\$ 8,261	\$ 8,507	\$ 9,313	\$ 8,386	\$ 8,475	\$ 7,040	\$ 6,802	\$ 7,263	\$ 7,148	\$ 7,672
Debt Service Requirements										
Principal	435	455	475	500	520	545	570	595	625	655
Interest	978	960	941	921	899	876	852	826	798	768
Total Debt Service Requirements	\$ 1,413	\$ 1,415	\$ 1,416	\$ 1,421	\$ 1,419	\$ 1,421	\$ 1,422	\$ 1,421	\$ 1,423	\$ 1,423
Coverage Ratios	5.85	6.01	6.58	5.90	5.97	4.95	4.78	5.11	5.02	5.39
Car Rental Fee Revenue Bonds ³										
Pledged Revenue	\$ 1,295	\$ 1,371	\$ 1,367	\$ 1,397	\$ 1,257	\$ 1,142	\$ 1,256	\$ 1,152	\$ 1,196	\$ 1,142
Debt Service Requirements										
Principal	200	999	-	-	-	588	456	516	463	522
Interest	37	27	-	-	1,174	934	897	873	680	492
Total Debt Service Requirements	\$ 237	\$ 1,026	\$ -	\$ -	\$ 1,174	\$ 1,522	\$ 1,353	\$ 1,389	\$ 1,143	\$ 1,014
Coverage Ratios	5.46	1.34	-	-	1.07	0.75	0.93	0.83	1.05	1.13

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

Pledged revenue for Special Assessment Bonds includes assessments, assessment forfeitures, interest and penalties. Additional details regarding bonds for various assessment districts can be found in Notes 9, 10 and 11. Coverage ratios are impacted by timing differences. Cash balances are adequate for debt service. Remaining cash at June 30, 2014 in the Special Assessment Debt Service Fund is \$1,681.

Pledged revenue for the Sales Tax Revenue Bonds represents pledged sales tax collections at the rate of 0.125% of taxable sales. Sales tax revenues are accounted for in the Truckee River Flood Management Infrastructure Fund. The bonds are payable solely from pledged sales tax revenue. Unspent sales tax revenues total \$167 at June 30, 2014.

Pledged revenue for the Baseball Stadium Revenue Bonds (2004 - 2007, paid in full June 2007) consists of a 2% short-term car rental fee. Car rental fees collected per NRS 244A.810 are accounted for in the Other Restricted Fund. Subsequently, Senior and Subordinate Car Rental Lien Revenue Bonds were issued February 2008 and are payable solely from pledged car rental fee revenues. Unspent car rental fee revenues total \$250 at June 30, 2014.

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population ¹	392,716	400,453	408,724	414,793	417,722	422,227	425,400	429,908	432,324	436,647
Total Personal Income ²	\$ 17,701,863	\$ 18,514,793	\$ 20,040,275	\$ 19,222,621	\$ 17,286,483	\$ 17,409,987	\$ 18,121,519	\$ 18,656,484	\$ 18,284,145	\$ 18,832,669
Per Capita Income ²	\$ 45	\$ 46	\$ 49	\$ 46	\$ 41	\$ 41	\$ 43	\$ 43	\$ 47	\$ 48
Median Age ³	36.1	36.5	34.5	36.5	36.4	37.0	37.2	37.0	37.6	37.6
School Enrollment ⁴	62,098	62,390	63,044	63,635	63,310	62,452	62,324	62,220	62,424	62,986
Unemployment Rate (Percent) ⁵	4.0	4.0	4.5	6.8	11.6	13.6	13.2	12.3	9.8	7.2
Total Labor Force ⁵	210,650	218,144	220,337	221,785	224,089	221,954	225,481	222,532	219,550	206,624
Construction Activity-Total Value ⁶	\$ 342,300	\$ 307,686	\$ 225,085	\$ 202,519	\$ 85,657	\$ 55,952	\$ 67,721	\$ 95,876	\$ 126,468	\$ 203,086
Number of New Family Units ⁶	1,113	851	557	240	103	36	55	83	74	120
Taxable Sales ⁷	\$ 6,687,447	\$ 7,268,593	\$ 7,202,641	\$ 6,823,701	\$ 5,707,791	\$ 5,176,982	\$ 5,282,936	\$ 5,522,605	\$ 5,824,726	\$ 6,370,685
Gross Income Gaming Revenue ⁸	\$ 1,016,864	\$ 1,072,937	\$ 1,069,608	\$ 996,615	\$ 867,198	\$ 788,509	\$ 751,467	\$ 738,152	\$ 741,038	\$ 744,962
Total Passenger Air Traffic ⁹	5,097,170	5,149,700	5,014,382	4,841,257	3,979,015	3,777,701	3,795,421	3,561,557	3,514,421	3,312,839

Sources:

- ¹ Annual population for years 2007 and prior, per Nevada Workforce Informer, Data Analysis 2010 US Census-Nevada; for years 2008 through 2013, per Governor Certified Population of Nevada's Counties, Cities and Towns 2000 to 2013. 2014 data source: Washoe County Community Development, with projected growth rate applied to the 2010 US census.
- ² U.S. Department of Commerce, Bureau of Economic Analysis (BEA) FY 2012 and prior; Washoe County Community Development Demographic Information FY 2013 - FY 2014; BEA 2012 Estimate with Compound Annual Growth Rate applied - FY - 2014
- ³ Nevada State Demographer FY 2001 - FY 2007; Demographics USA FY 2008; Center for Regional Studies, University of Nevada, Reno, FY 2009 - FY 2013; trend applied to US Census Bureau 2008-2012 American Community Survey 5-Year Estimates - FY 2014.
- ⁴ Washoe County School District
- ⁵ Total represents the average labor force during the fiscal year. Nevada State Department of Employment, Training and Rehabilitation (DETR)
- ⁶ Washoe County Building and Safety Department
- ⁷ Nevada State Department of Taxation
- ⁸ Nevada State Gaming Control Board
- ⁹ Reno/Tahoe International Airport (RTIA)

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

<u>Employer</u>	<u>December, 2013</u>			<u>December, 2004</u>		
	<u>Employees¹</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees¹</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Washoe County School District	8,250	1	4.38%	8,750	1	4.28%
University of Nevada - Reno	4,250	2	2.26%	4,750	2	2.33%
Renown Medical Center / Washoe Medical Center ²	2,750	3	1.46%	2,250	5	1.10%
Washoe County	2,250	4	1.19%	2,750	3	1.35%
Peppermill Hotel Casino - Reno	2,250	5	1.19%	1,750	9	0.86%
International Game Technology	2,250	6	1.19%	2,750	4	1.35%
Integrity Staffing Solutions	1,750	7	0.93%	2,250	6	1.10%
Silver Legacy Resort Casino	1,750	8	0.93%	2,250	7	1.10%
Atlantis Casino Resort	1,750	9	0.93%	-	-	-
Eldorado Hotel & Casino	1,250	10	0.66%	1,750	10	0.86%
City of Reno	-	-	-	1,750	8	0.86%
Total Washoe County Covered Employment	188,324			204,291		

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

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

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

Function/Program	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	455.5	465.6	483.8	461.4	413.2	378.0	363.4	323.8	315.9	320.8
Judicial	491.5	497.6	520.8	522.1	499.9	483.1	470.4	458.6	452.4	463.8
Public safety	891.3	964.5	1,007.9	1,009.4	1,007.2	974.2	939.8	898.9	892.8	911.6
Public works	116.0	115.0	119.0	111.0	104.0	90.0	87.8	72.4	74.0	122.0
Health and sanitation	198.5	205.5	207.9	185.8	168.9	169.6	170.8	161.0	153.3	154.3
Welfare	213.0	231.1	251.5	259.5	249.8	244.3	239.9	228.6	229.7	233.9
Culture and recreation	428.3	438.5	437.8	362.7	283.8	227.9	219.0	203.9	214.4	210.3
Utilities	86.8	93.2	94.1	95.4	84.4	77.1	72.2	64.7	63.4	59.0
Golf courses	28.6	21.9	24.9	19.9	18.9	14.9	10.9	9.9	9.9	10.9
Building permits	31.0	31.0	29.0	20.0	14.0	13.0	13.0	12.0	12.8	13.0
Total ¹	2,940.5	3,063.9	3,176.7	3,047.2	2,844.1	2,672.1	2,587.2	2,433.8	2,418.6	2,499.6
Function/Program % of Total										
General government	15%	15%	15%	15%	15%	14%	14%	13%	13%	13%
Judicial	17%	16%	16%	16%	18%	18%	18%	19%	19%	19%
Public safety	30%	31%	31%	33%	35%	36%	36%	37%	37%	36%
Public works	4%	4%	4%	4%	3%	3%	3%	3%	3%	5%
Health and sanitation	7%	7%	7%	6%	6%	6%	7%	7%	5%	6%
Welfare	7%	8%	8%	9%	9%	9%	9%	9%	9%	9%
Culture and recreation	15%	14%	14%	12%	10%	9%	8%	8%	9%	8%
Utilities	3%	3%	3%	3%	3%	3%	3%	3%	3%	2%
Golf courses	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Building permits	1%	1%	1%	1%	0%	1%	1%	0%	1%	1%

Source: Washoe County human resource system

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

¹ Washoe County full-time equivalent employee totals declined over fiscal years 2008 to 2013 due to budget reduction programs including delays in filling open positions and reductions in force.

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

Function/Program	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Judicial ¹										
District Court Cases Filed										
Criminal	3,025	3,150	3,232	3,008	2,679	2,508	2,163	2,122	3,016	n/r
Civil	4,028	3,956	4,104	4,219	4,749	4,835	4,543	4,142	3,934	n/r
Family	10,185	11,139	12,307	12,060	11,248	11,606	11,349	10,630	10,657	n/r
Juvenile	4,779	2,720	2,558	2,287	2,084	1,888	1,859	1,866	2,013	n/r
District Court Cases Disposed										
Criminal	2,864	2,974	3,050	3,058	2,504	2,293	2,027	1,927	2,617	n/r
Civil	2,831	2,644	2,690	2,369	2,481	2,839	2,782	2,389	3,317	n/r
Family	9,565	9,226	7,884	7,939	6,967	6,533	6,975	6,955	10,059	n/r
Juvenile	4,080	4,306	5,552	5,650	5,120	4,653	4,518	4,327	1,182	n/r
Justice Courts Cases Filed										
Criminal	9,877	10,306	11,293	11,423	11,835	11,262	10,249	8,770	7,853	8,089
Civil	25,451	22,204	23,211	23,403	22,389	20,005	18,670	16,517	17,560	13,049
Traffic and parking violations	55,835	57,337	61,949	62,850	64,121	65,637	71,585	72,544	56,354	37,755
Justice Courts Cases Disposed										
Criminal	7,452	8,736	9,062	9,715	11,710	10,957	9,141	8,995	8,480	10,084
Civil	14,261	13,398	12,803	16,799	18,766	20,207	17,303	10,233	18,575	14,823
Traffic and parking violations	38,732	40,968	44,709	47,528	53,068	49,004	50,437	48,485	55,811	36,882
Public Safety ²										
Police										
Arrests (Valley and Incline)	3,496	3,239	3,694	4,716	4,510	4,547	4,816	3,654	2,993	2,389
Citations issued	9,093	6,291	12,802	12,800	12,835	10,277	13,526	11,950	13,839	11,771
Alarms	2,367	1,472	2,151	2,600	2,533	2,002	1,754	499	1,424	1,410
Crime lab analysis requests	8,708	9,138	12,965	10,384	9,600	8,905	7,907	7,379	6,378	5,809
Warrants processed	2,403	2,122	2,175	2,832	2,771	2,479	2,605	2,189	1,980	2,025
Detention										
Bookings	23,861	25,000	27,468	27,351	26,778	24,558	23,233	21,553	20,755	20,852
Civil protective custody	2,819	2,800	2,771	2,957	2,827	2,705	2,460	1,667	353	259
Average daily population	1,073	1,087	1,169	1,090	1,072	1,071	1,019	1,018	1,050	1,052
Animal Services										
Calls for service responded to	10,385	26,180	33,430	34,534	31,712	31,045	34,769	37,269	33,617	33,393
Number of animals impounded	6,571	12,929	12,756	13,116	11,463	10,707	12,071	12,548	14,300	13,620

(CONTINUED)

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Health and Sanitation ²										
Permitted Food Establishments	3,153	3,169	3,277	3,321	3,329	3,317	3,352	3,308	3,425	3,571
Air quality permits issued	1,175	1,296	1,282	1,301	1,370	1,277	1,356	1,315	1,334	1,377
Birth certificates issued	12,931	13,404	16,229	15,394	13,395	11,424	9,071	7,761	7,229	6,834
Death certificates issued	24,980	24,904	24,143	24,259	23,913	25,011	22,183	18,878	21,166	19,551
Welfare ²										
Adult Services ³										
Nursing home bed days ⁴	110,968	97,579	97,361	84,305	94,055	87,903	82,336	7,091	6,798	6,912
Supportive housing program bed days	n/r	n/r	n/r	n/r	n/r	n/r	n/r	20,946	22,842	25,640
Adult group care bed days	n/r	n/r	n/r	n/r	n/r	n/r	n/r	13,690	8,629	7,336
Clinic accepts	3,639	3,243	2,089	1,608	1,828	2,078	2,617	n/r	n/r	2,599
Emergency room accepts	2,380	2,916	3,943	4,554	2,952	2,974	2,257	n/r	n/r	n/r
Total general assistance applications	3,687	3,923	3,971	4,768	4,184	3,474	3,317	n/r	n/r	n/r
Clients receiving general assistance	941	1,120	1,264	1,309	1,274	956	747	18	3	1
Served in burial	n/r	n/r	n/r	n/r	n/r	n/r	n/r	374	412	458
Children's Services										
Number of children in legal custody	955	987	991	973	831	771	718	612	811	928
Average length of stay in paid foster care (days)	277	278	483	468	544	452	458	422	388	356
Number of adoptions finalized	107	100	136	119	120	138	141	184	110	117
Number of adoption subsidies	490	563	727	737	811	911	1,055	1,172	1,126	1,269
Number of child welfare reports received	6,729	6,967	6,716	7,373	6,777	6,466	6,869	7,364	7,525	7,396
Number of child welfare investigations	2,271	2,252	2,935	2,995	2,496	2,371	2,523	2,469	2,178	2,196
Culture and Recreation ²										
Parks and Recreation										
Golf courses - total rounds of golf	54,602	61,496	71,579	64,531	67,792	59,694	64,315	76,664	75,834	74,511
Aquatics - pool attendance ⁵	23,176	26,824	51,292	47,000	14,677	8,643	14,621	n/r	26,903	46,729
Library										
Visitors to libraries ('000s)	1,260	1,323	1,659	1,668	1,750	1,404	1,214	1,265	1,228	1,172
Volumes in collection('000s)	920	941	978	959	916	874	858	760	723	668
Total volumes borrowed('000s)	1,933	2,148	2,310	2,254	2,226	2,258	2,123	2,341	2,283	2,203
Senior Services ⁶										
Number of unduplicated clients served	6,029	6,081	6,115	6,149	4,444	4,950	5,126	5,237	5,037	4,563

(CONTINUED)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Utilities/Water ² (continued)										
Water										
Customer count	18,087	19,635	20,855	21,643	22,036	22,263	22,523	22,789	23,092	23,722
Average daily consumption (thousands of gallons)	11,004	11,058	12,709	12,153	12,877	11,584	11,472	12,194	13,143	12,929
Peak daily consumption (thousands of gallons)	22,973	22,571	22,307	26,191	25,491	24,390	22,945	24,113	24,030	23,823
Wastewater										
Customer count	15,067	16,464	17,989	19,086	19,552	19,850	20,120	20,354	20,572	21,068
Building Permits ²										
Commercial construction	173	233	208	235	260	192	81	287	258	211
Residential construction	1,204	949	677	350	137	64	43	96	168	246
Miscellaneous	2,144	2,310	1,944	1,637	1,189	1,023	495	1,195	1,090	1,212

n/r = not reported

¹ Uniform System for Judicial Records, Nevada AOC, Planning & Analysis Division

² Various Washoe County Departments

³ Effective 3/1/12 Adult Services implemented the Health Care Assistance Program facilitated by a third party administrator. New tracking metrics were established to monitor program effectiveness.

⁴ Washoe County and the State of Nevada share responsibility for nursing home beds. Effective 7/1/12 tracking information is no longer supported on State reports.

⁵ Bowers Pool closed in 2009 and reopened in 2013.

⁶ The decrease in the number of unduplicated clients served can be directly attributed to the outsourcing of the Senior Law Program, July 1, 2013.

WASHOE COUNTY, NEVADA
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Information Technology										
Business applications	185	182	176	119	123	127	133	136	147	147
Networked buildings and small facilities	134	137	141	137	137	217	216	214	216	226
Network wireless coverage (square miles) ⁴	400	400	425	400	400	400	400	400	600	1,440
Network personal computers	3,167	3,350	3,450	3,350	3,627	3,500	3,500	3,388	3,480	3,660
Equipment Services										
Vehicles	1,000	1,005	1,017	1,017	1,001	987	972	978	954	939
Judicial										
District courts/justice courts	12	10	10	10	10	10	10	10	12	12
District courts/justice courts locations	6	6	6	6	6	6	6	6	6	6
Public Safety										
Juvenile services facilities	2	2	2	2	2	2	2	2	2	2
Sheriffs detention center/substations	3	3	3	3	3	3	3	3	3	3
Sheriffs patrol aircraft (helicopters)	3	3	3	3	3	3	3	3	3	3
Sheriffs patrol/search and rescue boats (in excess of 20 feet)	3	3	3	3	2	2	2	2	2	3
Crime lab	1	1	1	1	1	1	1	1	1	1
Regional emergency operations / training center	2	2	2	2	2	2	2	2	2	2
Public Works										
Paved streets (miles)	685	690	696	707	708	709	709	710	723	723
Unpaved streets (miles)	405	405	405	405	358	376	368	368	368	368
Traffic signals	14	14	17	17	17	17	16	16	17	17
Bridges	79	79	73	73	73	73	73	73	73	73
Culture and Recreation										
Libraries	13	13	13	13	13	13	13	13	13	13
Major/regional parks	13	13	13	13	13	13	13	13	13	13
Community/neighborhood parks ¹	33	33	35	36	37	36	33	33	33	33
Developed park acreage ¹	1,753	1,756	1,756	1,810	2,451	2,438	1,872	1,872	1,872	1,872
Undeveloped park acreage ²	5,942	5,943	6,377	7,854	7,380	7,367	10,017	10,017	10,017	10,017

(CONTINUED)

**WASHOE COUNTY, NEVADA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Culture and Recreation (continued)										
Special use facilities	4	5	5	5	5	5	5	5	5	5
Playgrounds ¹	43	44	48	50	51	50	47	46	46	46
Golf courses	2	2	2	2	2	2	2	2	2	2
Swimming pools/waterpark	2	3	3	3	3	2	2	2	2	3
Camping sites	64	64	64	64	64	64	64	64	64	64
Sheltered group picnic facilities	38	39	43	44	57	55	52	52	52	52
Regional shooting facilities	1	1	2	2	2	2	2	2	2	2
Baseball fields	30	30	33	33	33	32	29	28	28	28
Soccer fields	18	18	22	26	26	25	25	25	25	25
Tennis courts	22	22	22	22	22	22	22	22	22	22
Volleyball courts	8	8	8	8	8	7	7	7	20	20
Historical buildings/museums	3	4	5	5	6	6	6	6	6	6
Amphitheaters	3	3	4	4	4	4	4	4	4	4
Arboretum and botanical garden	1	1	1	1	1	1	1	1	1	1
Specialized childrens' facility	3	3	3	3	3	3	3	3	3	3
Established bicycle paths (miles)	20	20	20	20	20	20	20	20	20	20
Hiking trails (miles) ²	36	37	41	45	45	45	158	158	158	158
Bike moto cross facility	1	1	1	1	1	-	-	-	-	-
Horse arenas	5	5	5	5	5	5	5	5	5	5
Skateboard parks	4	4	4	4	4	3	3	3	3	3
Utilities										
Water										
Water mains (miles) ³	245	297	387	475	483	473	487	476	480	565
Wastewater										
Storm sewers (miles)	231	250	262	276	285	288	288	288	289	290
Reclaimed Water										
Reclaimed mains (miles)	n/r	n/r	n/r	n/r	n/r	n/r	n/r	n/r	40	40

n/r = not reported

Sources: Washoe County capital asset records and departments

¹ The decrease in FY 2011 is due to the transfer of ownership of three parks to local governments.

² The increase in FY 2011 is due to GIS data collection that was not previously available.

³Water mains (miles) has been restated to remove STMGID which is no longer a component unit.

⁴The increase in FY 2014 is due to completed wireless project.

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AUDITOR'S COMMENTS AND REPORTS

AUDITOR'S COMMENTS AND REPORTS

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**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Honorable Board of Commissioners of
Washoe County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washoe County, Nevada (Washoe County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Washoe County's basic financial statements, and have issued our report thereon dated October 29, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Washoe County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Washoe County's internal control. Accordingly, we do not express an opinion on the effectiveness of Washoe County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washoe County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Washoe County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washoe County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Reno, Nevada
October 29, 2014

AUDITOR'S COMMENTS

STATUTE COMPLIANCE

The required disclosure on compliance with the Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

There was one potential statute violation related to the calculation of witness fees noted in the audit report for the year ended June 30, 2013. Corrective action was taken in the current year.

PRIOR YEAR RECOMMENDATIONS

There were no financial statement findings or federal award findings reported in the prior year report.

CURRENT YEAR RECOMMENDATIONS

There were no financial statement findings reported for the current year.