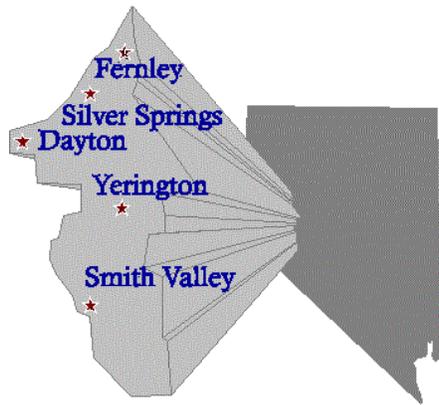


PRINTING

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Lyon County School District

STATE OF NEVADA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED

JUNE 30, 2008

LYON COUNTY SCHOOL DISTRICT
 JUNE 30, 2008
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*Required continuing disclosure pursuant to SEC Rule 15c2-12, as amended.

LYON COUNTY SCHOOL DISTRICT
INTRODUCTORY SECTION



25 EAST GOLDFIELD AVENUE
YERINGTON, NEVADA 89447

(775)463-6800
FAX (775)463-6808

SUPERINTENDENT
Caroline McIntosh

ASSOCIATE SUPERINTENDENT
Teri White

October 24, 2008

To the citizens of Lyon County School District:

The comprehensive annual financial report of the Lyon County School District for the fiscal year ended June 30, 2008 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of Lyon County School District. A section entitled "management's discussion and analysis" is required supplementary information and provides an overview of the District's financial condition. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Lyon County School District's financial report is prepared in accordance with the Governmental Accounting Standards Board's Statement No. 34. The objective of this Statement is to enhance the understandability and usefulness of the general purpose external financial report. The focus of the financial statements is on the financial condition of the District as a whole and government-wide financial statements present financial information much in the same manner as business-type entities. The reporting model also includes the fund concept, with financial information presented in this format with a focus on major funds.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and compliance. The introductory section includes this transmittal letter, the government's organizational chart and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements, and supplementary information including combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and includes continuing disclosures required by the Securities and Exchange Commission.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and auditors' reports on compliance and internal control with applicable laws and regulations, are included in the compliance section of this report.

The District provides a full range of educational services for students enrolled in grades K-12 as well as students enrolled in adult and early childhood programs. These services include regular, special, vocational, extra-curricular, adult, and other education programs.

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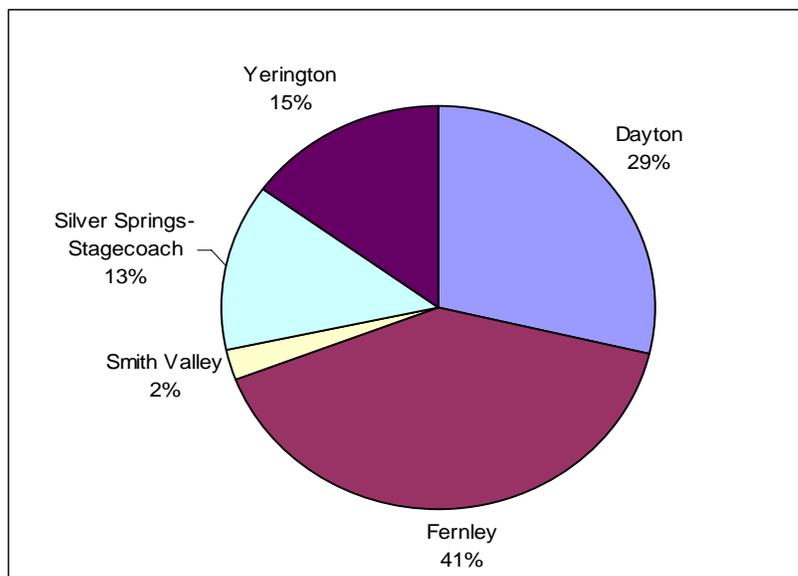
BOARD OF TRUSTEES

Maureen Williss, President • Terry Hall, Clerk • Russ Colletta, Member • James F. Huckaby, Member •
Neal McIntyre, Member • Jerry Peterson, Member • Charles Shirley, Member

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

The District's boundaries are coterminous with that of Lyon County. Lyon County encompasses 1993.8 square miles in west central Nevada and has an estimated population of 55,903. The District is comprised of eight elementary schools, four middle schools, four high schools, and one K-12 school located in five communities. The chart below reflects the distribution of the District's 9,175 students by area of attendance.

The District has experienced continued enrollment growth, increasing 51% in the last ten years. However, the rate of growth has been declining and only grew 1.1% this year. Economic indicators for Lyon County have not been as favorable during the past two years. Taxable sales did increase in 2008, but only recovered 2.7% of the 15.6% loss in 2007. This increase compared to a statewide decrease of 2.5%. The unemployment rate in Lyon County continued to increase, ending the year at 8.5% while the State of Nevada's rate increased from 4.5% to 6.4%. A positive sign is the continuing increase in assessed valuation which increased 229% in the last ten years and 22.1% this year.



Each of the five communities has its own demographic characteristics. The city of Fernley is located in the most northern part of the District and is approximately thirty miles east of the Reno-Sparks metropolitan area and has an economy based on manufacturing, warehousing and agriculture. The largest private employer within the District is located in Fernley along with several other major employers. Fernley continues to experience the most growth of all Lyon County communities with an increase in student enrollment of 4.5% compared to the 1.1% for the District.

Running east and west in the north central part of the District is the Highway 50 corridor. The communities within the corridor are within commuting distance to Carson City, Fernley, Fallon and Yerington. Dayton, at the west end of the corridor, is the second fastest growing community in the district, growing 2.0%, while Silver Springs and Stagecoach, at the east end of the corridor, had a decrease in enrollment of 3.2% this year. Besides providing housing for individuals working in other communities, Dayton has some agriculture and local industry. The Silver Springs and Stagecoach areas have a more limited economic base. Because Silver Springs is the gateway to Lahontan State Park and located at the junction of U.S. Highways 50 and 95A, visitors enjoying the recreational opportunities help support local retail business.

Yerington and Smith Valley have economies based principally on agriculture, raising alfalfa hay, row crops, and cattle. Yerington, the county seat, has a limited amount of manufacturing. Unlike the northern parts of the county, these communities have had relatively stable student enrollment.

The District's student population was comprised of 4.0% American Indian, 19.9% Hispanic, 72.0% White and 4.1% other, compared to 4.4%, 18.9%, 72.9% and 3.8%, respectively, in 2007. The number of students that applied for and met the federal criteria for free or reduced lunches remained almost constant at 35.4% compared to 35.3% last year. The percent of students enrolled in special education programs decreased from 13.8% of total student population in 2007 to 13.1% this year.

LONG-TERM CAPITAL ASSET REQUIREMENTS

The state demographer projects Lyon County will continue to see substantial population growth. A master facility plan was completed in 2008 to plan for future facility needs to meet the demand. The plan covers ten years and is to be accomplished in four phases.

The voters also approved a ballot question authorizing the District to issue general obligation bonds for up to ten years without returning to the voters as long as specific financial criteria are met. It is the District's intent to use the proceeds of bond sales to fund the projects identified in the master plan.

Riverview Elementary in Dayton was completed and opened in the fall of 2007. It and a waterline to East Valley Elementary in Fernley were the last major projects to be financed with the bond proceeds authorized by the voters in the 2004 election.

INVESTMENTS

Lyon County School District invests its excess cash with the Nevada State Treasurer's Local Government Investment Pool. The pool allows funds to remain liquid while providing good security and a reasonable yield. The yield decreased from 5.22% at the beginning of the year to 2.23% for June 2008 and averaged 3.99% compared to 5.17% for the 2007 fiscal year. The District also invests funds available for longer-term investments in the NVEST program administered by the Nevada State Treasurer. This program provides an intermediate term investment alternative and consists of separately managed accounts for each participant. Unlike the preceding year when the yield curve was such that the yield on intermediate investments was less than the short-term yield, the yield for the NVEST program for 2008 averaged 5.14% or more than a percentage point higher.

PROPERTY TAXES

Nevada statutes permit local school districts to incur debt up to 15% of their assessed valuation. Lyon County School District's unused bonding capacity was \$181,952,772 at June 30, 2008. However, the District is unable to issue that amount of additional debt because the combined ad valorem tax rate is statutorily limited to \$3.64 for all overlapping tax entities. The highest overlapping tax rate within the District is \$3.5957 and has remained the same since 2004-2005.

RISK MANAGEMENT

The District elected to assume some risk of loss that may result from property damage or liability claims. It elected to participate in a self-insured retention program whereby the District assumes all financial responsibility up to \$25,000 per claim. Any claims that may arise are paid from the Insurance Loss Fund, which had a fund balance at June 30, 2008 of \$69,556.

The District maintains two self-insurance plans, one for employee group health benefits and another for unemployment and workers compensation related to industrial injury. Employee health benefits are now covered under a fully insured plan so the fund balance is being held until a determination is made as to its ultimate distribution or use.

The workers compensation plan has reinsurance for individual claims that exceed \$250,000. At June 30, 2008, the fund had a reserve of \$1,459,360 in addition to a recorded liability of \$562,000 for incurred but unreported liabilities.

LABOR RELATIONS

Employees are represented by one of three associations. The Lyon County Education Association represents non-administrative licensed employees, the Lyon Chapter of the Nevada Classified School Employees Association represents all non-supervisory or confidential classified employees, and the Lyon County Administrators Association represents administrative employees. Two-year agreements covering 2008 and 2009 were negotiated with all groups and included, among other provisions, salary increases that cost the equivalent of approximately 5.5% and 2% for 2008 and 2009, respectively.

OTHER INFORMATION

State statutes require an annual audit by independent certified public accountants be completed within four months of the school district's year end. The Board of Lyon County School Trustees selected the accounting firm of Barnard, Vogler & Co., CPAs to perform the current audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act of 1984 and related OMB Circular A-133. The auditors' report on the basic financial statements and combining and individual fund statements is included in the financial section of this report. The auditors' reports related specifically to the single audit and state laws are included in the Compliance Section.

In closing, I thank the staff of the business office and all other Lyon County School District employees whose dedicated efforts made the preparation of this report possible.

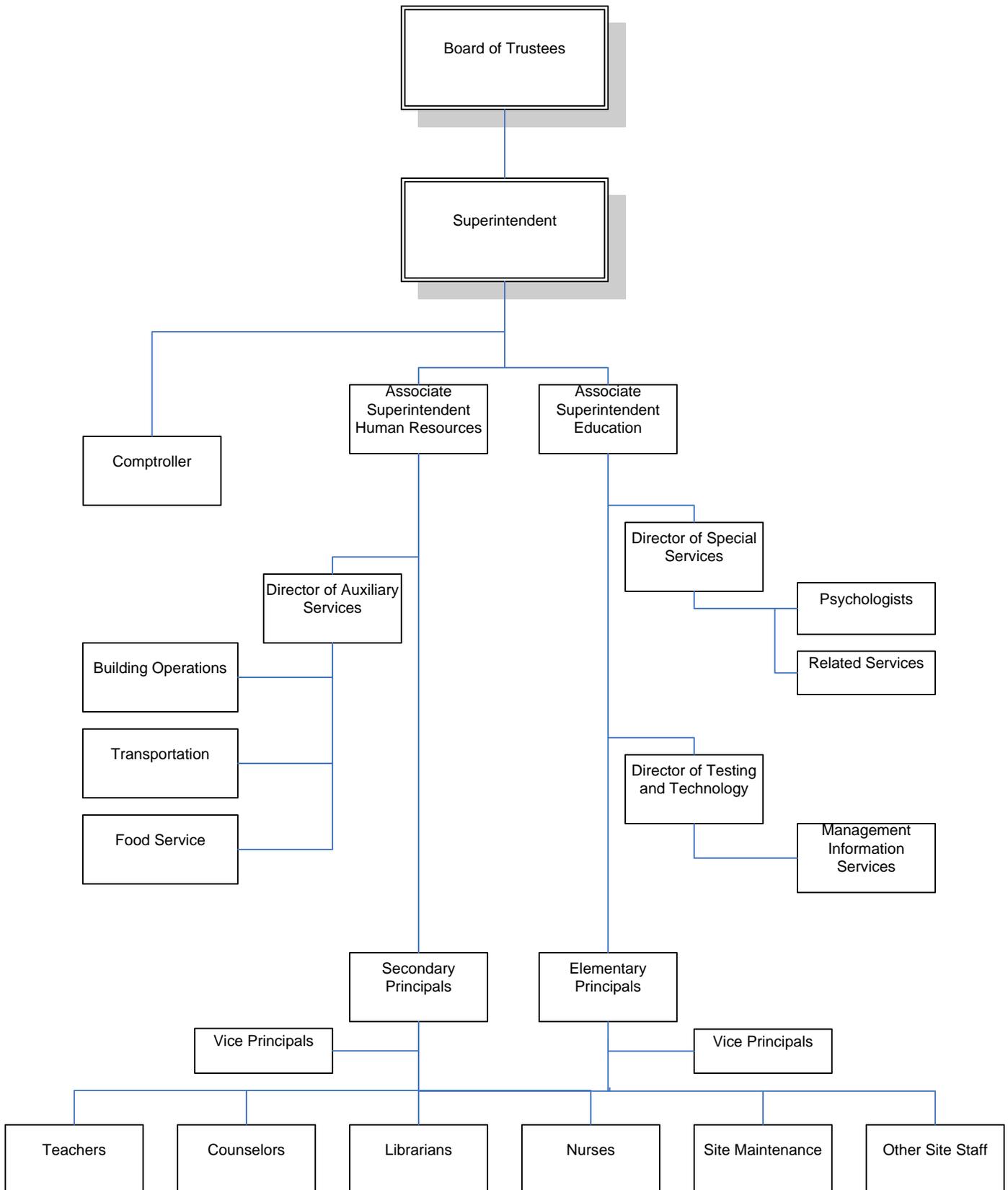
Respectfully Submitted,

LYON COUNTY SCHOOLS

A handwritten signature in black ink that reads "D. Wade Johnson". The signature is written in a cursive style with a large, prominent "D" and "J".

D. Wade Johnson,
Comptroller

LYON COUNTY SCHOOL DISTRICT
 ORGANIZATION CHART
 JUNE 30, 2008



PRINCIPAL OFFICERS
OF THE LYON COUNTY SCHOOL DISTRICT
FOR THE YEAR ENDED JUNE 30, 2008

BOARD OF TRUSTEES

Maureen Williss, President
Terry Hall, Clerk
Russ Colletta, Member
James F. Huckaby, Member
Jerry Peterson, Member
Charles Shirley, Member
Joe Slabbinck, Member

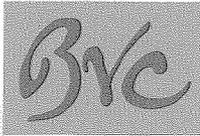
SUPERINTENDENT

Nat Lommori

ASSOCIATE SUPERINTENDENTS

Teresa White
Sean Moyle

LYON COUNTY SCHOOL DISTRICT
FINANCIAL SECTION



BARNARD VOGLER & CO.
Certified Public Accountants

100 West Liberty St.
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Reno, NV 89501

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775.323.6211
barnardvoglerco.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Lyon County School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lyon County School District as of and for the year ended June 30, 2008, which collectively comprise the Lyon County School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lyon County School District's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lyon County School District as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Special Education Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2008, on our consideration of Lyon County School District'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 13, 54 through 70, 74 through 77 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lyon County School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Lyon County School District. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Barnard, Vogler + Co.

Reno, Nevada
October 30, 2008

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

This section of the Lyon County School District's annual financial report presents a discussion and analysis of the District's financial performance for the fiscal year ending June 30, 2008. We encourage readers to read it in conjunction with the letter of transmittal and the financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Total net assets of the Lyon County School District increased 12.5% during the current fiscal year from \$56,272,682 to \$63,297,887. The net increase of \$7,025,205 was primarily attributable to a net investment in capital assets of \$3,250,268, an increase in assets restricted for debt service of \$1,812,920 and a \$1,935,895 increase in unrestricted net assets. The increases in net investment in capital assets illustrates the District's investment in facilities required to meet the demand of its growing student enrollment while the increase in net assets restricted for debt service reflects the increase in debt service fund balance resulting from increased assessed value. The increase in unrestricted net assets is primarily due to increases in the balances of the District's capital projects funds, other than the bonds projects fund. The District spent \$5,501,596 on facility acquisitions and construction compared to an annual provision for depreciation of \$3,919,833, and spent an additional \$4,000,000 to retire general obligation bonds.

At June 30, 2008, the District's governmental funds had a fund balance of \$31,988,774 compared to \$19,580,086 the preceding year. The \$12,408,688 increase included an increase of \$9,089,464 in the Bonds Projects Fund, attributable to the sale of general obligation bonds in the amount of \$11,500,000, and a \$1,754,105 increase in the Debt Service Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Lyon County School District's basic financial statements. The basic financial statements are comprised of the government-wide financial statements, fund financial statements and schedules, and notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Lyon County School District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Lyon County School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

net assets may serve as a useful indicator of whether the financial position of the Lyon County School District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets 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 only result in cash flows in future fiscal periods.

In many government entities, the government-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges by reporting them as business-type activities. Because the Lyon County School District has no functions in this category, the entire statement represents governmental activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Lyon County School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Lyon County School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. 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 a government's near-term financing requirements. To provide a better understanding of the relationship between the fund statements and government-wide statements, both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations between the two statement types.

The focus of the governmental fund statements is on major funds. The Lyon County School District has thirteen individual governmental funds of which the general, special education, debt service and bonds projects funds are considered major. These funds are disclosed separately in the fund balance sheet and fund statement of revenues, expenditures and changes in fund balances. The remaining nine funds are reported in combining statements in the supplementary information section of this report.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

The Lyon County School District adopts an annual budget for all its governmental funds. Budgetary comparison statements for the general and special education funds have been included in the basic financial statements to demonstrate compliance with the adopted budgets.

Proprietary Funds – Proprietary funds are comprised of enterprise funds and internal service funds. As reported previously, the Lyon County School District has no business-type activities to be accounted for in enterprise funds. Internal service funds are used to accumulate and allocate costs internally among the District's various programs and functions. The District uses two internal service funds to account for the cost of employees' health care, industrial injuries, and unemployment benefits. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining statements in the supplementary information section of this report.

Fiduciary Funds – Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others and are not reflected in the government-wide financial statements. The District's two fiduciary funds are the student scholarship fund, a private-purpose trust fund, and the student activity accounts, an agency fund.

Notes to Financial Statements

The notes provide additional information that is necessary for a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As mentioned previously under Financial Highlights, net assets increased \$7,025,205 or 12.5% during the fiscal year with all net asset categories realizing increases. The \$39,857,524 investment in capital assets is the book value of capital assets less any related debt. In determining this amount, related debt is reduced by any unspent debt proceeds. The District had \$68,108,420 of related debt offset by \$11,476,766 in unspent bond proceeds at year-end.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

Total net assets include \$7,639,793 restricted for servicing long-term debt, \$1,777,024 restricted for employee health benefits, and \$14,023,546 that is unrestricted and available for use at the discretion of the District within the parameters of the respective fund.

Current assets increased \$12,171,500 while current liabilities decreased \$646,149. The Bonds Projects Fund accounted for an increase of \$7,948,444 in current assets and a decrease of \$1,141,020 in current liabilities. The Debt Service Fund accounted for an additional increase of \$1,889,399 in current asset. The combined affect of changes in the current assets and liabilities of all other funds was a net increase in current assets over liabilities of \$1,838,786.

Although taxes receivable make up a relatively small part of current assets, it is worth noting the increase from \$380,429 to \$718,317, before the allowance for uncollectible accounts. The increase is an indication of the current economy and the real estate market.

Following are summary schedules of the District's net assets and changes in net assets.

LYON COUNTY SCHOOL DISTRICT'S NET ASSETS

	<u>2008</u>	<u>2007</u>
Assets:		
Current	\$ 45,353,345	\$ 33,181,845
Restricted assets	1,977,782	1,744,022
Capital assets	<u>96,489,178</u>	<u>94,945,570</u>
Total assets	<u>143,820,305</u>	<u>129,871,437</u>
Liabilities:		
Long-term liabilities outstanding	68,198,823	60,417,850
Other liabilities	<u>12,323,595</u>	<u>13,180,905</u>
Total liabilities	<u>80,522,418</u>	<u>73,598,755</u>
Net assets:		
Invested in capital assets, net of related debt	39,857,524	36,607,256
Restricted	9,416,817	7,577,775
Unrestricted	<u>14,023,546</u>	<u>12,087,651</u>
Total net assets	<u>\$63,297,887</u>	<u>\$56,272,682</u>

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

LYON COUNTY SCHOOL DISTRICT'S CHANGES IN NET ASSETS

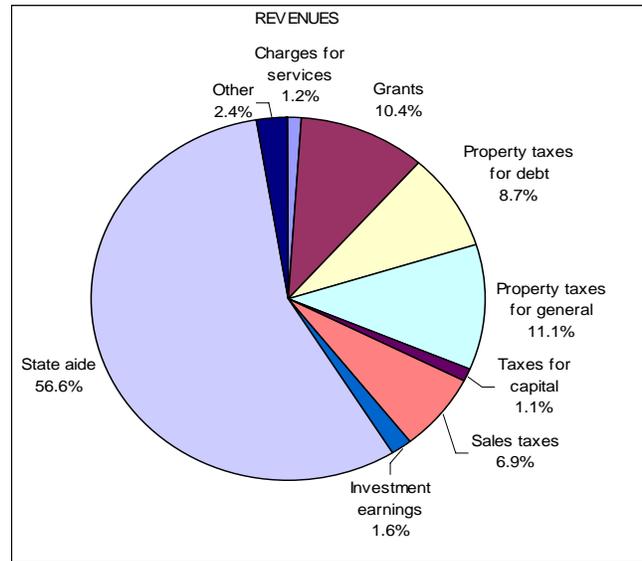
	2008	2007	PERCENT CHANGE
Revenues:			
Program revenues:			
Charges for services	\$ 1,079,610	\$ 1,109,391	(2.7)
Grants and contributions	9,548,891	10,235,833	(6.7)
General revenues:			
Property taxes	18,196,657	16,719,134	8.8
Local school support taxes	6,362,371	5,930,853	7.3
Other taxes and fees	3,054,214	3,500,387	(12.7)
State aid not restricted to specific purpose	52,054,138	48,290,779	7.8
Earnings on investments	1,438,067	1,720,964	(16.4)
Other	140,662	457,484	(69.3)
Total revenues	<u>91,874,610</u>	<u>87,964,825</u>	4.4
Expenses:			
Regular instruction	32,295,615	30,928,391	4.4
Special instruction	7,975,702	7,410,294	7.6
Other instruction	4,818,511	4,348,016	10.8
Support services:			
Student support	4,926,054	4,464,711	10.3
Instructional staff support	3,936,467	4,555,768	(13.6)
General administration	2,436,133	2,389,895	1.9
School administration	5,461,477	4,865,381	12.3
Central services	1,707,691	1,615,163	5.7
Operation and maintenance of plant	8,582,931	8,094,377	6.0
Student transportation	4,908,395	4,814,798	1.9
Other support services	192,461	172,275	11.7
Food service	2,834,835	2,597,415	9.1
Interest on long-term debt	2,608,285	2,768,740	(5.8)
Depreciation, unallocated	2,164,848	1,938,975	11.6
Total expenses	<u>84,849,405</u>	<u>80,964,199</u>	4.8
Increase in net assets	7,025,205	7,000,626	
Net assets, July 1	<u>56,272,682</u>	<u>49,272,056</u>	
Net assets, June 30	<u>\$63,297,887</u>	<u>\$56,272,682</u>	

Total revenues increased 4.4% compared to a 4.8% increase in expenses and a 1.1% increase in enrollment. Unrestricted state aide comprises 56.7% of total revenues, higher than the preceding year's 54.9% but less than the 57.4% eight years ago when the new reporting model was implemented. Grants and contributions decreased \$686,942 or from 11.6% to 10.4% of total revenues. The decrease was primarily due to a reduction in the state grant for "Innovation and Prevention of Remediation". This grant saw total revenue of \$1,590,469 compared to \$2,606,129 in 2007 when there was a significant grant carryover from the 2006 fiscal year. Other

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

taxes and fees experienced a 12.7% decrease. The residential construction tax, one of the key taxes in this category, decreased from \$712,448 to \$334,960, reflecting the slowing of new housing starts. The 7.3% increase in local school support (sales) taxes follows an 8.4% decrease the preceding year, which reflected the down turn in the construction industry. Charges for services were comprised mainly of foods sales in the Districts federal school lunch fund. Although there was a slight decrease in the number of meals served per student from the previous year, the reduction was primarily due to a shift of students from private pay status to reduced price or free meal status.

The accompanying chart reflects the primary revenue sources.



There were several functions with significant change in expenses. The most significant change was the decrease in expenses for instructional staff support. Beginning in 2006, the state awarded significant grants for innovative programs. Lyon County School District's emphasis was staff development, a significant component of the instructional staff support category. The expense for instructional staff support was 4% of total expenses in 2005, before the grants. It reached a high of 5.6% in 2007 but decreased 13.6% in 2008, to 4.6% of total expenses. The amount spent on staff support still exceeded the period before the initiative begun.

Expenses for other instruction increased 10.8%. The largest increase was in vocational instruction, followed by programs for limited English speakers then remedial instruction. Student support services increased 10.3%. This category includes the services of school counselors, nurses, and staff providing services related to special education and all areas contributed to the increase. School administration increased \$596,096 or 12.3%. The opening of Riverview Elementary school caused an increase of approximately \$240,000. The addition of a third vice principal at Fernley High School and hiring a temporary administrator for an employee on extended leave added to the increased cost in 2008.

General administration includes the cost of several employee incentive and benefit plans not specifically attributable to any program or function. Costs of \$1,868,139 and \$1,564,014 were incurred in 2008 and 2007 respectively. The major plans are an early retirement incentive plan, retirees health insurance, teacher signing bonuses, and state mandated retirement contributions paid on behalf of employees working in at-risk schools or in hard-to-fill positions.

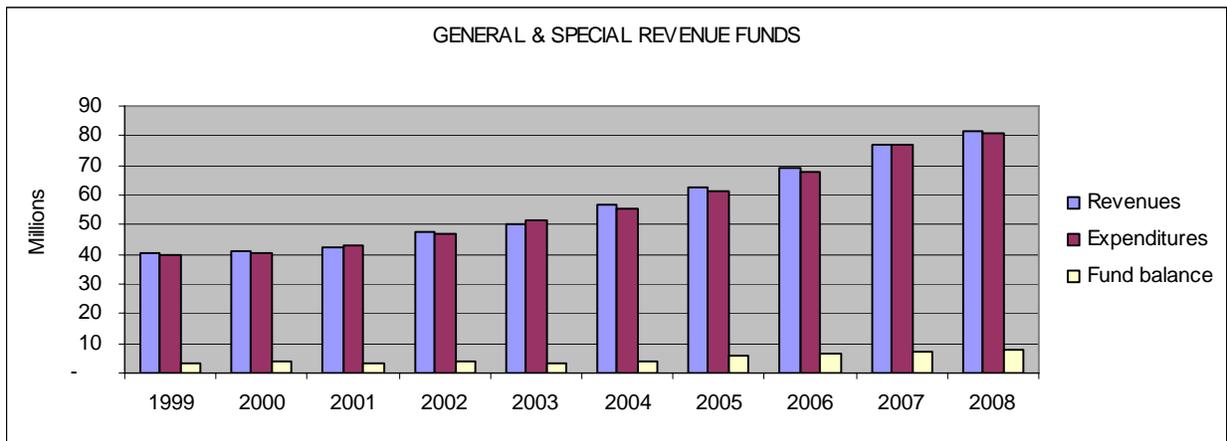
LYON COUNTY SCHOOL DISTRICT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2008

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The governmental funds reported an increase in fund balance of \$12,408,688 to \$31,988,774. This increase includes increases of \$9,089,464 in the bonds projects fund, \$1,754,105 in the debt service fund, and \$1,662,985 in the general fund. Expenditures for instructional programs of \$45,341,670 increased \$2,227,408 or 5.2% over the prior year compared to an increase in enrollment of 1.1%. The District continued to invest in facilities, spending \$3,491,124 or 3.8% of total expenditures. The amount paid to retire long-term debt increased from \$3,555,000 to \$4,000,000.

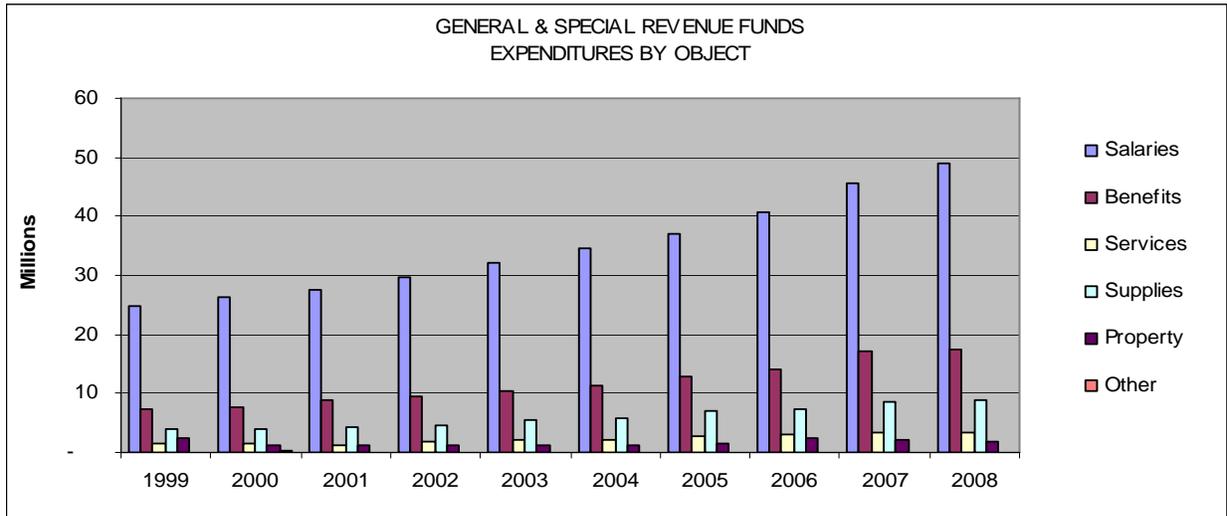
The \$31,988,774 combined fund balance includes \$8,994,224 reserved for debt service, outstanding contracts, and inventories. Another \$10,348,795 is designated for next year's expenditures. The remaining \$12,645,755 is unrestricted and undesignated but may be required to be spent for the purpose of the respective fund in which it is accounted. An example is the \$10,343,594 unrestricted and undesignated balance in the bonds projects fund required to be spent on capital improvements.

The general and special revenue funds may be considered the Lyon County School District's operating funds. They include all governmental funds except debt service and capital projects funds. The following chart compares the revenues to expenditures and fund balance for these funds for the last ten years.



Education is labor intensive as evidenced by the chart of expenditures by object on the following page. Salaries and benefits for the general and special revenue funds equaled 82.4% of total expenditures for the fiscal year ended June 30, 2008 and increased from 81.8% the preceding year.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008



The debt service fund's balance of \$7,939,700 equals 111.7% of next year's debt service requirement compared to 94.0% last year. Lyon County School District is allowed to accumulate more than the usual 100% maximum allowed by state regulation because of the authority granted by the voters in 2006 and its intent to issue additional debt.

The Lyon County School District has four capital projects funds. The bonds projects fund was created to account for the proceeds of bond sales and related interest earnings. During the year, \$2,489,759 was spent from the fund to complete Riverview Elementary school in Dayton, install a waterline to an elementary school in Fernley and for engineering services for planned site improvements. The bonds projects fund had a fund balance of \$11,476,766 at June 30, 2008 of which \$676,070 was reserved for outstanding contracts. The other three capital projects funds are used to accumulate resources, primarily motor vehicle privilege tax, residential construction tax, and interest earnings, for major capital acquisitions and improvements not part of the capital budgets related to bond elections. Expenditures were made from these other capital projects funds for improvements to parking areas and electrical upgrades to buildings. The balance of these three capital project funds at June 30, 2008 was \$4,899,830.

The employees' group insurance fund, used to account for transactions related to the Lyon County School District's self-insured group health plan, reported an operating loss of \$89,236. Due to poor claims history and the associated cost of remaining self-insured, the District now contracts with private insurance companies for employee health care. Consequently, only the cost of any outstanding claims and the District's insurance agent are accounted for in the fund. The employees' group insurance fund had a balance of \$1,777,024 at June 30, 2008. It is management's intent to retain the funds in a separate fund. Nevada law restricts the use of premiums deposited in a fund created for the purpose of providing self-funded health insurance and therefore, the fund's June 30 cash balance is reported as restricted along with the fund's net assets.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

BUDGETARY HIGHLIGHTS

School districts in Nevada are funded in large part by state support derived from student enrollment at the end of the first school month. State statutes require all school districts to amend their general fund budgets after "count day" enrollment is known. Lyon County School District takes this opportunity to incorporate other adjustments, such as revising the fund balance carryover, in the amendment. Budgets were increased by a net \$6,386,624 that affected the general fund, special education, adult and class size reduction funds. The increase was primarily due to \$1,388,812 of additional fund balance carryover and \$5,351,263 from an increase in the state per pupil guarantee amount. These increases were offset by a shortfall in enrollment projection. In addition, budgets were increased by the amount of donations received from private parties and adjusted to reflect grant budgets approved by grantor agencies. These accounted for budget increases of \$82,839 and \$6,778,084 respectively.

Because state law mandates the general fund budget be amended to reflect "count day" enrollment, general fund revenues usually approximate budget estimates. General fund revenues fell short of the final projection by 1.2% this year. Sales and property taxes were under projections by \$306,229 and \$434,835 respectively. Typically the state per pupil guarantee would require state funding be increased to mitigate the impact of these revenue shortfalls. However, due to the state's own fiscal problems, \$700,057 was withheld from state support. Expenditures are not as predictable and the general fund expenditures were 4.7% below appropriations compared to 4.3% in 2007.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The voters approved issuance of \$22 million in general obligation bonds in the 2004 general election. The following three projects were completed with the bond proceeds and related interest earnings at June 30, 2008 and a balance of \$555,336 remained available for future projects.

East Valley Elementary	\$ 10,368,756
Fernley Intermediate addition	2,881,554
Riverview Elementary	<u>9,902,247</u>
	<u>\$ 23,152,557</u>

An independent consulting firm completed a facilities master plan for Lyon County School District during 2008. The initial projects are site improvements throughout the District with an estimated cost of \$11,011,000. The District contracted for engineering services for the identified projects and sold bonds in June in the amount of \$11,500,000. At June 30, 2008, \$526,519 had been spent and \$676,070 encumbered for the planning and design.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

In addition to the contracts related to the above projects, there is \$28,000 for federal land acquisition through a joint use agreement with the City of Fernley and \$3,142 for the balance of an engineering contract for a athletic concession building.

Long-term Debt

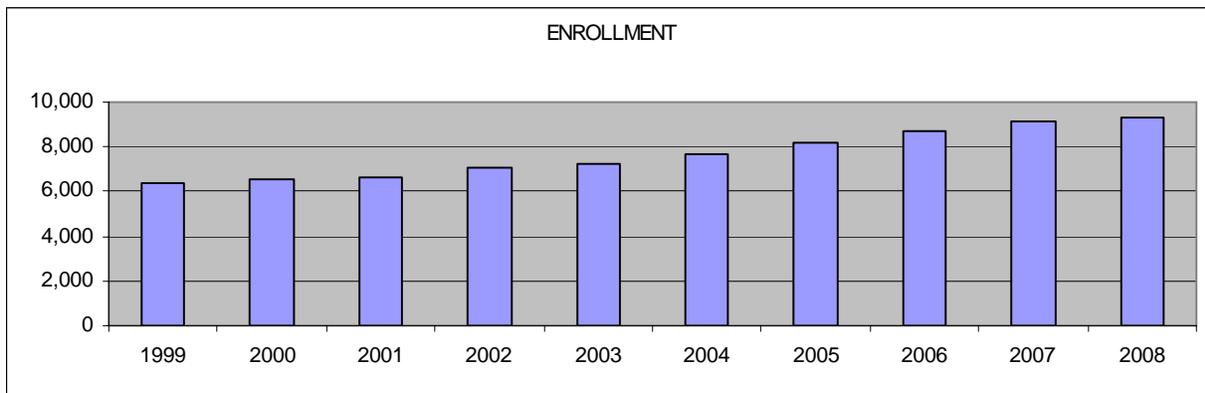
Following is a summary of changes in bonds outstanding.

General Obligation Bonds (at par):	
Balance outstanding, beginning of year	\$60,440,000
Issued	11,500,000
Matured and paid	<u>(4,000,000)</u>
Balance outstanding, end of year	<u>\$67,940,000</u>

A question on the November 2006 general election was passed by the voters, allowing the district to issue general obligation bonds during the next ten years. The bonds may only be issued if repayment is expected to be made without raising the property tax rate and other financial conditions are met. In March 2008, the District obtained authorization from the Debt Management Commission of Lyon County to issue up to \$53,500,000. The authorization is good for three years and the first of an anticipated series of bond sales was sold in June 2008 for \$11,500,000.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Although the District is one of the fastest growing school districts in the state with an average enrollment growth of 5% over the last five years, the growth rate declined significantly to only 1.1% this year.



The assessed valuation within the District increased 22.1% and averaged 17.2% over the last five years. Taxable sales within the District increase 7.3%, recovering most of the 9.1% decrease the preceding year.

LYON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

Because of Nevada's school funding formula, school districts are dependent on the state and its economic condition. The formula guarantees the majority of operating revenues by making up any shortfall in property tax or local school support tax (sales tax) collections. Therefore, the state's economy and political climate is of greater importance than the local economy when projecting future operating revenues. The 2008 Legislature adopted a biennial State budget to provide funding for Nevada public schools through June 30, 2009. The State had serious revenue shortfalls in 2008 that resulted in a \$700,057 deduction from guaranteed support. Some State grants for education were also eliminated in order to balance the State's budget.

In developing next year's budget the student enrollment, upon which most operating revenues are based, was estimated by rolling the current enrollment up a grade, with no provision for population change. The opening fund balances for the general and special revenue funds are \$2,454,879 greater than projected in aggregate. This excess is comprised of \$1,729,517 in the general fund and \$57,867 in the special education fund, with the remaining \$143,588 distributed among the remaining funds. The general funds excess fund balance will be required to mitigate a reduction in state basic support that occurred subsequent to adoption of the final budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Lyon County School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Comptroller's Office, 25 East Goldfield Avenue, Yerington, Nevada, 89777.

LYON COUNTY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	<u>2008</u>	<u>2007</u>
ASSETS		
Current Assets:		
Cash and investments - Note 3	\$ 41,285,292	\$ 29,276,619
Taxes receivable	407,731	137,555
Accounts receivable	21,944	239,980
Accrued interest	170,444	170,374
Due from other governments	2,873,985	2,838,157
Prepaid expenditures and deposits	223,456	238,045
Inventories	370,493	281,115
	<u>45,353,345</u>	<u>33,181,845</u>
Total Current Assets		
Noncurrent Assets:		
Restricted cash - Note 3	1,977,782	1,744,022
Capital assets - Note 5	141,489,091	136,992,258
Less: Accumulated depreciation	<u>(44,999,913)</u>	<u>(42,046,688)</u>
	96,489,178	94,945,570
	<u>98,466,960</u>	<u>96,689,592</u>
Total Noncurrent Assets		
	<u>143,820,305</u>	<u>129,871,437</u>
Total Assets		
LIABILITIES		
Current Liabilities:		
Accounts payable	2,097,883	2,250,324
Incurred but unreported claims - Note 9	562,000	501,106
Contract retention payable	-	735,250
Accrued payroll	8,703,885	8,812,693
Interest payable	405,481	377,778
Deposits	500	500
Unamortized bond premiums	168,420	285,617
Deferred revenue	385,426	217,637
Current portion of long-term obligations	<u>4,343,026</u>	<u>4,131,865</u>
	<u>16,666,621</u>	<u>17,312,770</u>
Total Current Liabilities		
Noncurrent Liabilities:		
General obligation bonds - Note 6	67,138,609	59,521,803
Accrued employee leave - Note 7	1,060,214	896,047
Less: Current portion of long-term obligations	<u>(4,343,026)</u>	<u>(4,131,865)</u>
	<u>63,855,797</u>	<u>56,285,985</u>
Total Noncurrent Liabilities		
	<u>80,522,418</u>	<u>73,598,755</u>
Total Liabilities		
NET ASSETS		
Investment in capital assets, net of related debt	39,857,524	36,607,256
Restricted for debt service	7,639,793	5,826,873
Restricted for employee benefits	1,777,024	1,750,902
Unrestricted	<u>14,023,546</u>	<u>12,087,651</u>
	<u>\$ 63,297,887</u>	<u>\$ 56,272,682</u>
Total Net Assets		

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	EXPENSES	CHARGES FOR SERVICES	OPERATING AND CAPITAL GRANTS	NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS 2008	2007
Instruction:					
Regular instruction	\$ 32,295,615	\$ -	\$ 3,813,781	\$ (28,481,834)	\$ (27,009,437)
Special instruction	7,975,702	-	878,393	(7,097,309)	(6,514,593)
Vocational instruction	1,434,772	-	233,794	(1,200,978)	(1,024,508)
Adult instruction	380,702	12,022	364,318	(4,362)	(52,399)
Other instruction	1,942,722	-	683,682	(1,259,040)	(1,193,535)
Extra-curricular activities	1,060,315	-	2,273	(1,058,042)	(1,013,642)
Total Instruction	45,089,828	12,022	5,976,241	(39,101,565)	(36,808,114)
Support Services:					
Student support	4,926,054	-	160,845	(4,765,209)	(4,357,544)
Instructional staff support	3,936,467	-	1,699,666	(2,236,801)	(2,022,453)
General administration	2,436,133	-	56,553	(2,379,580)	(2,317,928)
School administration	5,461,477	-	-	(5,461,477)	(4,852,587)
Central services	1,707,691	-	83,801	(1,623,890)	(1,524,764)
Operation and maintenance of plant	8,582,931	-	11,269	(8,571,662)	(8,092,377)
Student transportation	4,908,395	-	30,396	(4,877,999)	(4,767,267)
Other support services	192,461	-	-	(192,461)	(172,061)
Food service	2,834,835	1,067,588	1,530,120	(237,127)	3,835
Interest on long-term debt	2,608,285	-	-	(2,608,285)	(2,768,740)
Depreciation, unallocated	2,164,848	-	-	(2,164,848)	(1,938,975)
Total School District	\$ 84,849,405	\$ 1,079,610	\$ 9,548,891	(74,220,904)	(69,618,975)
General Revenues:					
Property taxes, levied for general purposes				10,209,650	9,381,335
Property taxes, levied for debt service				7,987,007	7,337,799
Local school support taxes				6,362,371	5,930,853
Taxes for capital acquisitions				1,017,878	1,409,943
Other taxes and fees				2,036,336	2,090,444
Earnings on investments				1,438,067	1,720,964
Other local sources				126,195	431,526
State aid not restricted to specific purpose				52,054,138	48,290,779
Federal aid not restricted to specific purpose				14,467	25,958
Total General Revenues				81,246,109	76,619,601
Change in Net Assets				7,025,205	7,000,626
Net Assets, July 1				56,272,682	49,272,056
Net Assets, June 30				\$ 63,297,887	\$ 56,272,682

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BONDS PROJECTS FUND
ASSETS AND OTHER DEBITS				
Cash and investments - Note 3	\$ 11,621,400	\$ 1,973,499	\$ 7,837,176	\$ 11,448,033
Taxes receivable, delinquent	402,923	-	315,394	-
Accounts receivable	15,813	500	-	-
Accrued interest	-	-	54,796	19,190
Due from other funds - Note 4	221	-	-	-
Due from other governments	1,937,831	-	24,486	-
Prepaid expenditures and deposits	40,365	-	200	176,077
Inventories	312,878	-	-	-
Total Assets	<u>\$ 14,331,431</u>	<u>\$ 1,973,999</u>	<u>\$ 8,232,052</u>	<u>\$ 11,643,300</u>
LIABILITIES				
Accounts payable	\$ 1,476,099	\$ 27,791	\$ -	\$ 166,534
Contract retention payable	-	-	-	-
Accrued payroll	5,832,458	1,552,113	-	-
Due to other funds - Note 4	65,843	18,724	-	-
Deposits	-	-	-	-
Deferred revenue	426,539	-	292,352	-
Total Liabilities	<u>7,800,939</u>	<u>1,598,628</u>	<u>292,352</u>	<u>166,534</u>
FUND BALANCES				
Reserved for debt service	-	-	7,939,700	-
Reserved for encumbrances - Note 8	-	-	-	676,070
Reserved for inventories	312,878	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	4,488,097	317,504	-	457,102
Undesignated	1,729,517	57,867	-	10,343,594
Total Fund Balances	<u>6,530,492</u>	<u>375,371</u>	<u>7,939,700</u>	<u>11,476,766</u>
Total Liabilities and Fund Balances	<u>\$ 14,331,431</u>	<u>\$ 1,973,999</u>	<u>\$ 8,232,052</u>	<u>\$ 11,643,300</u>

OTHER GOVERNMENTAL FUNDS	TOTALS	
	2008	2007
\$ 6,608,587	\$ 39,488,695	\$ 27,751,539
-	718,317	380,429
4,394	20,707	238,911
62,830	136,816	156,783
-	221	275
911,668	2,873,985	2,838,157
-	216,642	231,165
57,615	370,493	281,115
<u>\$ 7,645,094</u>	<u>\$ 43,825,876</u>	<u>\$ 31,878,374</u>
\$ 411,032	\$ 2,081,456	\$ 2,156,786
-	-	735,250
1,222,531	8,607,102	8,723,557
12,231	96,798	105,620
500	500	500
332,355	1,051,246	576,575
<u>1,978,649</u>	<u>11,837,102</u>	<u>12,298,288</u>
-	7,939,700	6,185,595
32,342	708,412	2,326,580
33,234	346,112	244,436
5,086,092	10,348,795	8,583,261
514,777	12,645,755	2,240,214
<u>5,666,445</u>	<u>31,988,774</u>	<u>19,580,086</u>
<u>\$ 7,645,094</u>	<u>\$ 43,825,876</u>	<u>\$ 31,878,374</u>

The accompanying notes are an integral part of these financial statements.

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LYON COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	2008	2007
Total Fund Balance - Governmental Funds	\$ 31,988,774	\$ 19,580,086
Capital assets used in governmental funds are not current financial resources and therefore not reported as governmental fund assets	96,489,178	94,945,570
Property taxes receivable not available to pay current obligations are deferred in the fund statements	356,275	116,064
Long-term liabilities, including general obligation bonds and the noncurrent liability for compensated absences, are not reported as fund liabilities since they will not be paid with current resources.	(68,198,823)	(60,417,850)
Issuance costs, premiums, and discounts related to long-term debt are not capitalized and amortized in the fund statements since they do not represent available resources.	(168,420)	(285,617)
The liability for interest on general obligation bonds is reported in the fund statements when due and as accrued in the statement of activities.	(405,481)	(377,778)
Internal service funds are used to account for various employee benefit programs. The assets and liabilities of the internal service funds are included with governmental activities.	3,236,384	2,712,207
Total Net Assets - Governmental Activities	\$ 63,297,887	\$ 56,272,682

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BONDS PROJECTS FUND
REVENUES:				
Property taxes	\$ 10,075,014	\$ -	\$ 7,881,432	\$ -
Sales taxes	6,362,371	-	-	-
Other local sources	2,182,395	991	456,396	79,223
State sources	49,765,464	2,288,674	-	-
Federal sources	7,029	-	-	-
	<u>68,392,273</u>	<u>2,289,665</u>	<u>8,337,828</u>	<u>79,223</u>
Total Revenues				
EXPENDITURES:				
Instruction:				
Regular instruction	28,549,865	-	-	-
Special instruction	-	7,140,716	-	-
Vocational instruction	1,254,201	-	-	-
Adult instruction	-	-	-	-
Other instruction	1,326,908	-	-	-
Extra-curricular activities	1,038,078	-	-	-
Support services:				
Student support	2,336,641	2,469,915	-	-
Instructional staff support	2,219,052	18,389	-	-
General administration	2,092,288	262,324	2,750	67,732
School administration	5,373,824	-	-	15,513
Central Services	1,662,904	-	-	-
Operations and maintenance of plant	8,600,076	-	-	-
Student transportation	4,330,319	749,061	-	-
Other support services	184,108	-	-	-
Food service	-	-	-	-
Facilities acquisition and construction	-	-	-	2,406,514
Debt service:				
Principal	-	-	4,000,000	-
Interest and call premium	-	-	2,580,973	-
	<u>58,968,264</u>	<u>10,640,405</u>	<u>6,583,723</u>	<u>2,489,759</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	<u>9,424,009</u>	<u>(8,350,740)</u>	<u>1,754,105</u>	<u>(2,410,536)</u>
OTHER FINANCING SOURCES (USES)				
Sale of property	13,976	-	-	-
Proceeds from bond sales	-	-	-	11,500,000
Operating transfers in - Note 4	-	7,600,000	-	-
Operating transfers out - Note 4	(7,775,000)	-	-	-
	<u>(7,761,024)</u>	<u>7,600,000</u>	<u>-</u>	<u>11,500,000</u>
Total Other Financing Sources (Uses)				
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	1,662,985	(750,740)	1,754,105	9,089,464
FUND BALANCE, July 1	<u>4,867,507</u>	<u>1,126,111</u>	<u>6,185,595</u>	<u>2,387,302</u>
FUND BALANCE, June 30	<u>\$ 6,530,492</u>	<u>\$ 375,371</u>	<u>\$ 7,939,700</u>	<u>\$ 11,476,766</u>

OTHER GOVERNMENTAL FUNDS	TOTALS	
	2008	2007
\$ -	\$ 17,956,446	\$ 16,675,354
-	6,362,371	5,930,853
3,060,929	5,779,934	6,797,442
5,040,124	57,094,262	53,921,350
<u>4,434,357</u>	<u>4,441,386</u>	<u>4,596,046</u>
<u>12,535,410</u>	<u>91,634,399</u>	<u>87,921,045</u>
3,864,131	32,413,996	31,345,520
878,393	8,019,109	7,395,561
225,178	1,479,379	1,179,940
378,826	378,826	414,252
683,682	2,010,590	1,765,841
1,773	1,039,851	1,013,148
160,845	4,967,401	4,477,020
1,697,894	3,935,335	4,552,955
55,553	2,480,647	2,387,805
-	5,389,337	4,970,669
166,229	1,829,133	1,640,373
155	8,600,231	8,074,277
30,396	5,109,776	4,815,596
-	184,108	165,432
2,829,871	2,829,871	2,559,325
1,084,610	3,491,124	11,227,983
-	4,000,000	3,555,000
<u>-</u>	<u>2,580,973</u>	<u>2,866,856</u>
<u>12,057,536</u>	<u>90,739,687</u>	<u>94,407,553</u>
<u>477,874</u>	<u>894,712</u>	<u>(6,486,508)</u>
-	13,976	1,224
-	11,500,000	-
175,000	7,775,000	8,210,000
<u>-</u>	<u>(7,775,000)</u>	<u>(8,210,000)</u>
<u>175,000</u>	<u>11,513,976</u>	<u>1,224</u>
652,874	12,408,688	(6,485,284)
<u>5,013,571</u>	<u>19,580,086</u>	<u>26,065,370</u>
<u>\$ 5,666,445</u>	<u>\$ 31,988,774</u>	<u>\$ 19,580,086</u>

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	2008	2007
Total Net Change in Fund Balances - Governmental Funds	\$ 12,408,688	\$ (6,485,284)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are reported in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the current period.	1,581,763	9,670,929
In the statement of activities, only the gain on the sale of capital assets is reported, whereas, the proceeds from the sale is a resource in the fund statements.	(38,155)	(17,998)
Because some property taxes will not be collected in time to pay obligations of the current period, they are not considered available revenues and are instead reported as deferred revenues. These revenues are accounted for as revenues in the statement of activities.	240,211	43,780
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the difference in expense recognition criteria.	(27,703)	163,387
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 the governmental funds.	(164,167)	(26,570)
Costs associated with the issuance of long-term debt and any discount or premium realized at the time of incurring debt are recognized as an expenditure and other financing source or use, respectively, in the fund statements. These costs are deferred in the statement of net assets and amortized over the life of the new debt in the statement of activities. This amount represents the net of amount capitalized and current amortization.	117,197	67,832
Any gain or loss on certain advance refundings of long-term debt are recognized currently in the fund statements. The gain or loss is deferred in the statement of assets and amortized as interest expense over the life of the debt in the statement of activities.	(116,806)	(133,103)

LYON COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	2008	2007
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.	\$ 4,000,000	\$ 3,555,000
The issuance of bonds is a resource in the governmental funds, but increases long-term liabilities in the statement of net assets and does not affect the statement of activities.	(11,500,000)	-
Internal service funds are used by the District to charge the costs of employee benefit programs to the individual funds. The net income (loss) of the internal service funds are reported with governmental activities.	524,177	162,653
Change in Net Assets	\$ 7,025,205	\$ 7,000,626

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Property taxes	\$ 10,509,849	\$ 10,509,849	\$ 10,075,014	\$ (434,835)	\$ 9,356,611
Sales taxes	6,668,600	6,668,600	6,362,371	(306,229)	5,930,853
Franchise fees	200,000	200,000	269,654	69,654	257,667
Motor vehicle privilege tax	1,870,395	1,870,395	1,747,624	(122,771)	1,784,927
Boat permits	25,000	25,000	30,170	5,170	31,525
Private donations	-	81,848	81,848	-	34,897
Environmental fines	-	5,000	19,058	14,058	47,850
Use of facilities fees	5,000	5,000	27,095	22,095	12,834
Other local revenue	10,000	5,000	6,946	1,946	6,125
	<u>19,288,844</u>	<u>19,370,692</u>	<u>18,619,780</u>	<u>(750,912)</u>	<u>17,463,289</u>
State sources:					
Distributive school fund	45,015,366	49,727,394	49,538,113	(189,281)	45,113,057
Elementary guidance counselor	50,000	50,000	50,000	-	50,000
Support for group health insurance	-	-	401	401	179,631
Support for retirees' health insurance	285,000	-	-	-	287,529
Retirement for teachers	-	-	-	-	204,770
Incentive pay for counselors	-	-	3,177	3,177	5,699
Transportation reimbursements	80,000	80,000	170,908	90,908	109,439
New teachers' signing bonus	186,000	-	-	-	178,000
Reimbursements from Nevada Petroleum Fund and Other	-	-	2,865	2,865	21,384
	<u>45,616,366</u>	<u>49,857,394</u>	<u>49,765,464</u>	<u>(91,930)</u>	<u>46,149,509</u>
Federal sources:					
Forest service	26,000	26,000	-	(26,000)	25,958
FEMA reimbursements	-	-	7,029	7,029	-
	<u>26,000</u>	<u>26,000</u>	<u>7,029</u>	<u>(18,971)</u>	<u>25,958</u>
Total Revenue	<u>64,931,210</u>	<u>69,254,086</u>	<u>68,392,273</u>	<u>(861,813)</u>	<u>63,638,756</u>
EXPENDITURES					
Regular programs:					
Instruction:					
Salaries	19,315,785	19,745,714	19,473,499	272,215	18,213,625
Benefits	7,378,831	7,462,605	6,667,951	794,654	6,603,801
Purchased services	91,016	91,783	84,419	7,364	98,777
Supplies	1,753,862	1,905,739	1,791,832	113,907	1,975,660
Property	420,031	651,210	529,839	121,371	514,049
Other	2,300	2,500	2,325	175	2,817
	<u>28,961,825</u>	<u>29,859,551</u>	<u>28,549,865</u>	<u>1,309,686</u>	<u>27,408,729</u>
Total Regular Programs	<u>28,961,825</u>	<u>29,859,551</u>	<u>28,549,865</u>	<u>1,309,686</u>	<u>27,408,729</u>

LYON COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
Vocational programs:					
Instruction:					
Salaries	\$ 710,949	\$ 856,095	\$ 869,145	\$ (13,050)	\$ 715,862
Benefits	252,362	308,639	285,519	23,120	236,516
Purchased services	4,550	4,550	2,593	1,957	2,318
Supplies	89,900	96,174	84,481	11,693	80,876
Property	11,477	13,819	12,368	1,451	11,396
Other	200	200	95	105	95
Total Vocational Programs	<u>1,069,438</u>	<u>1,279,477</u>	<u>1,254,201</u>	<u>25,276</u>	<u>1,047,063</u>
Adult programs:					
Instruction:					
Purchased services	-	-	-	-	10,190
Other instructional programs:					
Summer school:					
Salaries	-	200	4,946	(4,746)	5,916
Benefits	-	-	143	(143)	260
Supplies	-	-	48	(48)	-
	<u>-</u>	<u>200</u>	<u>5,137</u>	<u>(4,937)</u>	<u>6,176</u>
Homebound:					
Salaries	45,000	45,000	23,786	21,214	50,744
Benefits	2,937	2,937	750	2,187	2,660
Purchased services	500	500	-	500	661
	<u>48,437</u>	<u>48,437</u>	<u>24,536</u>	<u>23,901</u>	<u>54,065</u>
Alternate placement:					
Salaries	289,840	262,405	251,689	10,716	284,504
Benefits	107,287	96,427	76,889	19,538	101,183
Supplies	950	950	-	950	391
	<u>398,077</u>	<u>359,782</u>	<u>328,578</u>	<u>31,204</u>	<u>386,078</u>
English as a second language:					
Salaries	605,328	742,857	677,043	65,814	544,872
Benefits	246,191	289,811	242,747	47,064	209,657
Purchased services	400	17,500	600	16,900	1,807
Supplies	23,101	23,536	23,627	(91)	16,511
Property	3,176	10,700	17,497	(6,797)	739
Other	1,000	-	-	-	-
	<u>879,196</u>	<u>1,084,404</u>	<u>961,514</u>	<u>122,890</u>	<u>773,586</u>
Remedial:					
Salaries	200	4,000	5,699	(1,699)	1,535
Benefits	-	-	272	(272)	113
Supplies	4,500	7,550	1,172	6,378	296
Property	-	-	-	-	3,054
	<u>4,700</u>	<u>11,550</u>	<u>7,143</u>	<u>4,407</u>	<u>4,998</u>
Total Other Instructional Programs	<u>1,330,410</u>	<u>1,504,373</u>	<u>1,326,908</u>	<u>177,465</u>	<u>1,224,903</u>

LYON COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Extra-curricular activities:					
Co-curricular:					
Salaries	\$ 174,500	\$ 192,500	\$ 190,047	\$ 2,453	\$ 173,191
Benefits	6,502	7,762	7,589	173	6,596
Purchased services	5,900	5,900	8,456	(2,556)	10,480
Supplies	15,300	48,663	35,721	12,942	4,809
Property	1,266	2,666	2,344	322	3,272
Other	6,850	5,636	2,145	3,491	2,858
	<u>210,318</u>	<u>263,127</u>	<u>246,302</u>	<u>16,825</u>	<u>201,206</u>
Athletic:					
Salaries	456,692	483,679	468,073	15,606	457,621
Benefits	48,253	45,588	35,376	10,212	34,295
Purchased services	199,400	179,000	141,988	37,012	185,141
Supplies	95,012	111,341	121,317	(9,976)	102,783
Property	24,488	28,800	12,329	16,471	16,232
Other	7,450	12,350	12,693	(343)	9,037
	<u>831,295</u>	<u>860,758</u>	<u>791,776</u>	<u>68,982</u>	<u>805,109</u>
Total Extra-curricular Activities	<u>1,041,613</u>	<u>1,123,885</u>	<u>1,038,078</u>	<u>85,807</u>	<u>1,006,315</u>
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	1,676,128	1,720,792	1,738,745	(17,953)	1,517,573
Benefits	627,682	613,115	569,503	43,612	523,834
Purchased services	4,048	3,845	705	3,140	745
Supplies	23,065	26,953	20,234	6,719	15,880
Property	8,200	8,200	7,234	966	5,175
Other	400	300	220	80	146
	<u>2,339,523</u>	<u>2,373,205</u>	<u>2,336,641</u>	<u>36,564</u>	<u>2,063,353</u>
Instructional staff support:					
Salaries	1,351,097	1,427,705	1,421,491	6,214	1,271,034
Benefits	445,358	428,246	411,006	17,240	402,794
Purchased services	141,005	299,552	151,567	147,985	68,748
Supplies	170,154	261,660	194,091	67,569	204,518
Property	21,100	54,520	39,367	15,153	24,154
Other	5,570	770	1,530	(760)	898
	<u>2,134,284</u>	<u>2,472,453</u>	<u>2,219,052</u>	<u>253,401</u>	<u>1,972,146</u>
General administration:					
Salaries	515,639	394,341	409,316	(14,975)	484,214
Benefits	976,535	1,304,479	1,363,355	(58,876)	1,416,221
Purchased services	173,140	282,056	268,575	13,481	137,250
Supplies	19,700	24,100	22,646	1,454	19,217
Property	5,000	6,000	3,820	2,180	4,877
Other	31,000	31,000	24,576	6,424	17,237
	<u>1,721,014</u>	<u>2,041,976</u>	<u>2,092,288</u>	<u>(50,312)</u>	<u>2,079,016</u>

LYON COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Undistributed expenditures (continued):					
Support services (continued):					
School administration:					
Salaries	\$ 3,578,831	\$ 3,849,532	\$ 3,808,320	\$ 41,212	\$ 3,325,661
Benefits	1,253,579	1,211,538	1,185,430	26,108	1,105,384
Purchased services	192,747	210,449	157,421	53,028	156,474
Supplies	112,595	149,264	140,034	9,230	121,967
Property	135,493	123,891	75,042	48,849	243,913
Other	79,397	14,018	7,577	6,441	6,021
	<u>5,352,642</u>	<u>5,558,692</u>	<u>5,373,824</u>	<u>184,868</u>	<u>4,959,420</u>
Central services:					
Salaries	937,026	980,213	981,101	(888)	872,442
Benefits	298,267	275,268	261,542	13,726	272,077
Purchased services	360,460	303,570	267,615	35,955	262,486
Supplies	31,250	67,090	40,889	26,201	42,215
Property	35,700	156,896	102,699	54,197	36,127
Other	76,900	76,900	9,058	67,842	1,902
	<u>1,739,603</u>	<u>1,859,937</u>	<u>1,662,904</u>	<u>197,033</u>	<u>1,487,249</u>
Operation and maintenance of plant:					
Salaries	3,322,192	3,441,698	3,351,131	90,567	3,087,956
Benefits	1,256,072	1,126,575	1,058,658	67,917	1,092,025
Purchased services	962,000	1,052,069	1,023,307	28,762	844,379
Supplies	3,061,000	3,265,200	3,122,951	142,249	2,981,472
Property	121,500	96,500	37,787	58,713	60,463
Other	40,600	40,600	6,242	34,358	7,667
	<u>8,763,364</u>	<u>9,022,642</u>	<u>8,600,076</u>	<u>422,566</u>	<u>8,073,962</u>
Student transportation:					
Salaries	2,202,409	2,202,373	2,130,761	71,612	1,999,105
Benefits	740,920	657,632	599,669	57,963	604,021
Purchased services	297,800	320,700	274,681	46,019	320,899
Supplies	714,300	620,000	613,325	6,675	563,065
Property	728,500	755,500	711,473	44,027	603,227
Other	200	200	410	(210)	118
	<u>4,684,129</u>	<u>4,556,405</u>	<u>4,330,319</u>	<u>226,086</u>	<u>4,090,435</u>
Other support services:					
Salaries	130,573	135,641	137,205	(1,564)	119,924
Benefits	42,023	40,235	40,406	(171)	36,649
Purchased services	-	-	532	(532)	149
Supplies	2,000	2,000	4,175	(2,175)	2,370
Property	1,500	1,500	1,515	(15)	6,126
Other	-	-	275	(275)	-
	<u>176,096</u>	<u>179,376</u>	<u>184,108</u>	<u>(4,732)</u>	<u>165,218</u>
Total Support Services	<u>26,910,655</u>	<u>28,064,686</u>	<u>26,799,212</u>	<u>1,265,474</u>	<u>24,890,799</u>
Facilities acquisition and construction:					
Site improvement:					
Purchased services	-	-	-	-	37,222

LYON COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
Facilities acquisition and construction (continued):					
Building Acquisition & Const.					
Property	\$ 20,000	\$ -	\$ -	\$ -	\$ 13,386
Other	5,000	-	-	-	-
	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,386</u>
Building improvements:					
Purchased services	25,000	25,000	-	25,000	22,313
Supplies	-	-	-	-	30,567
	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>52,880</u>
Total Facilities Acquisition and Construction	<u>50,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>103,488</u>
 Total Undistributed Expenditures	<u>26,960,655</u>	<u>28,089,686</u>	<u>26,799,212</u>	<u>1,290,474</u>	<u>24,994,287</u>
 Total Expenditures	<u>59,363,941</u>	<u>61,856,972</u>	<u>58,968,264</u>	<u>2,888,708</u>	<u>55,691,487</u>
 Excess of Revenues over Expenditures	<u>5,567,269</u>	<u>7,397,114</u>	<u>9,424,009</u>	<u>2,026,895</u>	<u>7,947,269</u>
 OTHER FINANCING SOURCES (USES)					
Sale of property	-	-	13,976	13,976	1,224
Operating transfers out	(7,590,000)	(8,275,000)	(7,775,000)	500,000	(8,210,000)
Contingency	(522,544)	(389,621)	-	389,621	-
	<u>(8,112,544)</u>	<u>(8,664,621)</u>	<u>(7,761,024)</u>	<u>903,597</u>	<u>(8,208,776)</u>
 Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(2,545,275)</u>	<u>(1,267,507)</u>	<u>1,662,985</u>	<u>2,930,492</u>	<u>(261,507)</u>
 FUND BALANCE, July 1	<u>3,545,275</u>	<u>4,867,507</u>	<u>4,867,507</u>	<u>-</u>	<u>5,129,014</u>
 FUND BALANCE, June 30	<u>\$ 1,000,000</u>	<u>\$ 3,600,000</u>	<u>\$ 6,530,492</u>	<u>\$ 2,930,492</u>	<u>\$ 4,867,507</u>

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Private donations	\$ -	\$ 991	\$ 991	\$ -	\$ 777
State sources:					
Distributive school fund	2,142,442	2,265,542	2,272,896	7,354	2,122,830
Special salary enhancement	-	-	15,778	15,778	18,440
	<u>2,142,442</u>	<u>2,265,542</u>	<u>2,288,674</u>	<u>23,132</u>	<u>2,141,270</u>
Total Revenue	<u>2,142,442</u>	<u>2,266,533</u>	<u>2,289,665</u>	<u>23,132</u>	<u>2,142,047</u>
EXPENDITURES					
Special instructional programs:					
Salaries	4,936,456	5,405,274	5,107,868	297,406	4,570,816
Benefits	2,108,099	2,027,352	1,849,263	178,089	1,775,699
Purchased services	6,786	7,286	1,220	6,066	1,678
Supplies	87,124	79,534	51,336	28,198	54,335
Property	5,753	7,675	3,533	4,142	2,340
Other	3,300	3,300	43	3,257	170
	<u>7,147,518</u>	<u>7,530,421</u>	<u>7,013,263</u>	<u>517,158</u>	<u>6,405,038</u>
Total Special Programs					
Gifted and talented instructional programs:					
Salaries	92,528	131,645	93,160	38,485	69,427
Benefits	36,270	52,766	33,503	19,263	25,893
Purchased services	3,500	500	354	146	-
Supplies	2,780	9,780	436	9,344	279
Other	100	100	-	100	-
	<u>135,178</u>	<u>194,791</u>	<u>127,453</u>	<u>67,338</u>	<u>95,599</u>
Total Gifted and Talented Program					
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	1,566,064	1,678,927	1,565,599	113,328	1,425,368
Benefits	534,526	547,182	494,777	52,405	469,297
Purchased services	276,650	361,650	398,024	(36,374)	405,908
Supplies	9,200	9,200	11,515	(2,315)	4,697
Property	1,500	1,500	-	1,500	1,230
	<u>2,387,940</u>	<u>2,598,459</u>	<u>2,469,915</u>	<u>128,544</u>	<u>2,306,500</u>
Instructional staff support:					
Salaries	9,000	9,000	15,212	(6,212)	25,804
Benefits	600	600	1,038	(438)	1,614
Purchased services	20,579	21,151	1,110	20,041	18,048
Supplies	3,000	3,000	1,029	1,971	2,028
	<u>33,179</u>	<u>33,751</u>	<u>18,389</u>	<u>15,362</u>	<u>47,494</u>

LYON COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Undistributed expenditures (continued):					
Support services (continued):					
General administration:					
Salaries	\$ 177,988	\$ 190,079	\$ 198,115	\$ (8,036)	\$ 163,919
Benefits	53,953	52,852	50,475	2,377	49,159
Purchased services	19,000	19,000	12,103	6,897	14,970
Supplies	9,350	6,350	1,631	4,719	4,422
Property	1,200	900	-	900	-
Other	2,100	3,400	-	3,400	2,352
	<u>263,591</u>	<u>272,581</u>	<u>262,324</u>	<u>10,257</u>	<u>234,822</u>
Transportation:					
Salaries	253,218	260,172	263,100	(2,928)	236,546
Benefits	124,146	103,864	95,090	8,774	99,108
Purchased services	-	-	-	-	7
Supplies	250,000	350,000	390,279	(40,279)	341,969
Other	-	-	592	(592)	-
	<u>627,364</u>	<u>714,036</u>	<u>749,061</u>	<u>(35,025)</u>	<u>677,630</u>
Total Undistributed Expenditures	<u>3,312,074</u>	<u>3,618,827</u>	<u>3,499,689</u>	<u>119,138</u>	<u>3,266,446</u>
Total Expenditures	<u>10,594,770</u>	<u>11,344,039</u>	<u>10,640,405</u>	<u>703,634</u>	<u>9,767,083</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(8,452,328)</u>	<u>(9,077,506)</u>	<u>(8,350,740)</u>	<u>726,766</u>	<u>(7,625,036)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	7,500,000	8,100,000	7,600,000	(500,000)	8,150,000
Contingency	(36,207)	(48,605)	-	48,605	-
Total Other Financing Sources (Uses)	<u>7,463,793</u>	<u>8,051,395</u>	<u>7,600,000</u>	<u>(451,395)</u>	<u>8,150,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(988,535)	(1,026,111)	(750,740)	275,371	524,964
FUND BALANCE, July 1	<u>1,088,535</u>	<u>1,126,111</u>	<u>1,126,111</u>	<u>-</u>	<u>601,147</u>
FUND BALANCE, June 30	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 375,371</u>	<u>\$ 275,371</u>	<u>\$ 1,126,111</u>

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 AS OF JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS	
	2008	2007
ASSETS		
Cash and investments - Note 3	\$ 1,796,597	\$ 1,525,080
Accounts receivable	1,016	794
Accrued interest	33,628	13,591
Due from other funds - Note 4	96,783	88,170
Deposits	6,814	6,880
Restricted cash - Note 3	1,977,782	1,744,022
Total Assets	3,912,620	3,378,537
LIABILITIES		
Accounts payable	16,412	76,088
Incurred but unreported claims - Note 9	562,000	501,106
Deferred revenue	97,824	89,136
Total Liabilities	676,236	666,330
NET ASSETS		
Restricted for employee benefits program	1,777,024	1,750,902
Unrestricted	1,459,360	961,305
Total Net Assets	\$ 3,236,384	\$ 2,712,207

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS	
	2008	2007
OPERATING REVENUES		
Charges for services	\$ 757,976	\$ 1,397,046
OPERATING EXPENSES		
Medical claims	7,208	786,252
Workers compensation premiums	212,556	175,383
Unemployment claims	45,466	28,873
Reinsurance premiums	47,269	138,940
Administrative services	103,525	183,858
Supplies	-	1,043
Other	13,008	25,545
Total Operating Expenses	429,032	1,339,894
Operating Income (Loss)	328,944	57,152
NONOPERATING REVENUES		
Earnings on investments	195,233	105,501
Net Income (Loss)	524,177	162,653
NET ASSETS, July 1	2,712,207	2,549,554
NET ASSETS, June 30	\$ 3,236,384	\$ 2,712,207

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	<u>GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS</u>	
	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Premiums received from other funds	\$ 757,976	\$ 1,287,124
Premiums received from insured	(941)	110,888
Payments of benefits	(248,595)	(1,424,990)
Reimbursement from providers	-	41,729
Deposit refund	6,880	-
Insurance premiums paid	(62,204)	(124,005)
Payments for administrative services and supplies	(110,027)	(185,023)
State assessments	<u>(13,008)</u>	<u>(25,545)</u>
 Net Cash Provided (Used) by Operating Activities	 <u>330,081</u>	 <u>(319,822)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest paid on investments	<u>175,196</u>	<u>109,630</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 505,277	 (210,192)
 CASH AND CASH EQUIVALENTS, July 1	 <u>3,269,102</u>	 <u>3,479,294</u>
 CASH AND CASH EQUIVALENTS, June 30	 <u>\$ 3,774,379</u>	 <u>\$ 3,269,102</u>
 <u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
 OPERATING INCOME (LOSS)	 <u>\$ 328,944</u>	 <u>\$ 57,152</u>
 Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	(8,835)	122,122
Decrease in deposits	6,880	-
Increase in prepaid expenses	(6,814)	-
Increase (decrease) in accounts payable	(59,676)	73,509
Increase (decrease) in liability for incurred but not reported claims	60,894	(502,894)
Increase (decrease) in deferred revenues	<u>8,688</u>	<u>(69,711)</u>
 Total Adjustments	 <u>1,137</u>	 <u>(376,974)</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>\$ 330,081</u>	 <u>\$ (319,822)</u>

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 AS OF JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	PRIVATE- PURPOSE TRUST	AGENCY	TOTALS	
			2008	2007
ASSETS				
Cash and investments - Note 3	\$ 827,721	\$ 543,409	\$ 1,371,130	\$ 1,253,002
Accrued interest	5,900	-	5,900	4,307
Due from other funds - Note 4	-	15	15	17,450
Total Assets	833,621	543,424	1,377,045	1,274,759
LIABILITIES				
Due to other funds - Note 4	-	221	221	475
Due to student groups	-	543,203	543,203	471,087
Total Liabilities	-	543,424	543,424	471,562
NET ASSETS				
Restricted:				
Nonexpendable	473,408	-	473,408	473,408
Expendable	360,213	-	360,213	329,789
Total Net Assets	\$ 833,621	\$ -	\$ 833,621	\$ 803,197

The accompanying notes are an integral part of these financial statements.

LYON COUNTY SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	PRIVATE-PURPOSE TRUST	
	2008	2007
ADDITIONS		
Private donations	\$ 1,100	\$ 254,121
Interest	47,491	35,930
Total Additions	48,591	290,051
DEDUCTIONS		
Scholarships paid	18,167	17,521
Change in Net Assets	30,424	272,530
NET ASSETS, July 1	803,197	530,667
NET ASSETS, June 30	\$ 833,621	\$ 803,197

The accompanying notes are an integral part of these financial statements.

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LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - Summary of Significant Accounting Policies:

The accounting policies of the Lyon County School District (District) conform to generally accepted accounting principles as applicable to governments. A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Reporting Entity

The District is governed by a separately elected seven member board. The Board is legally separate and fiscally independent from other governing bodies with decision making authority, authority to levy taxes, the power to designate management, the ability to significantly influence operations and is accountable for fiscal matters. Therefore, the District is a primary government and is not reported as a component unit by any other entity, nor is the Board accountable for any other entity required to be included in the District's comprehensive annual financial report.

Government-wide and Fund Financial Statements

The statement of net assets and statement of activities comprise the government-wide financial statements and report information on all of the nonfiduciary activities of the school District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Since the District currently has no business-type activities, all activities are reported as governmental.

The statement of activities demonstrates the degree to which the direct expenses of a given program or function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program or function and grants and contribution that are restricted to meeting the operational or capital requirements of a particular program or function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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. Major individual governmental funds and major individual enterprise funds, if any, are reported as

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

separate columns in the fund statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are internal service funds and fiduciary funds. Under this method, revenues are recognized at the time they are earned and expenses are recognized when the related liabilities are incurred. This basis also provides for matching of costs to the benefiting fiscal periods by capitalizing costs to be depreciated or amortized. Property taxes are recognized as revenues in the year for which they are levied. Grants and private donations are recognized as revenue as soon as all 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. This method provides for recognizing expenditures at the time liabilities are incurred, while revenues are recorded when measurable and available to finance expenditures of the fiscal period. An exception to this general rule is that principal and interest on general long-term debt are recognized as expenditures when due. Available is defined as being due and collected within the current period or within 60 days of fiscal year end. Revenues due but received after the 60 day period are recorded as receivables and deferred revenue since the revenue is not available.

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District reports the following major governmental funds.

General Fund: The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Education Fund: The special education fund accounts for all costs, other than those paid by grants, directly related to providing instructional and support services to students with special needs.

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Bonds Projects Fund: The bond projects fund is used to account for all proceeds, interest earnings, and expenditures related to general obligation bonds sold for the purpose of acquiring or constructing major capital facilities.

The District reports the following nonmajor governmental funds.

Federal Grants Fund	State Grants Fund
Insurance Loss Fund	Capital Projects Fund
Federal School Lunch Fund	Building and Sites Fund
Adult Diploma Fund	Residential Construction Tax Fund
Class Size Reduction Fund	

Additionally, the District reports the following fund types:

Internal service funds are used to account for the charges to other funds and employees for the cost of various employee benefit programs on a cost reimbursement basis.

The private-purpose trust fund is used to account for the resources legally held in trust for the purpose of awarding future student scholarships.

The agency fund is used to account for assets held by the District in a trustee capacity or as an agent for students and student groups.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the food service program and other programs and functions of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various programs and functions concerned.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided, and operating grants and contributions. Resources dedicated by the District are reported as general revenues as are all tax revenues.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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. The principal operating revenues of the District's internal service funds are the premiums charged to governmental programs and functions as well as past and present employees for coverage under the respective plans. Operating expenses include the cost of benefits paid, administration, and reinsurance.

Cash and Investments

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by NRS 355.170. Investments are stated at cost, which approximates market value.

Pursuant to NRS 355.170, the District may only invest in the following types of securities:

- . United States bonds and debentures maturing within ten (10) years from the date of purchase.
- . Certain farm loan bonds.
- . Securities of the United States Treasury, United States Postal Service or the Federal National Mortgage Association maturing within ten (10) years from the date of purchase.
- . Negotiable certificates of deposit from commercial banks and insured savings and loan associations within the State of Nevada.
- . Certain securities issued by local governments of the State of Nevada.
- . Other securities expressly provided by other statutes, including repurchase agreements.
- . Certain short-term commercial paper issued by U.S. Corporations.
- . Certain "AAA" rated mutual funds that invest in Federal securities.

Inventories and Prepaid Items

Inventories are recorded at cost using the first-in/first-out (FIFO) method, which approximates market value. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Restricted Assets

State law prohibits any money paid into a fund created for the purpose of providing self-funded health insurance from being used for any other purpose. Prohibited transactions include loaning money to other funds or governmental entities.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$500 (\$5,000 for infrastructure), and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair value as of the date of donation.

Property, plant and equipment is being depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Infrastructure	20
Site and building improvements	20
Vehicles	8
Computer and related equipment	5
Other equipment	5-15

Long-term Obligations

In the 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 or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the proportionate-to-stated-interest-requirements method.

In the 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 are reported as current expenditures of the fund receiving the proceeds.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Vacation Time and Sick Leave Benefits

The costs of vacation time and sick leave benefits are not accrued as earned but are recorded as payroll costs only when the time is actually used in the governmental fund statements. The full cost of accrued vacation for those classified and administrative employees who earn vacation time is recorded in the government-wide financial statements.

The majority of the employees of the District are teachers and classified staff who accumulate sick leave up to 180 days with no vacation time provided. Although sick leave may be accumulated, the amount paid to an employee upon termination, retirement or death is based on a predetermined daily dollar amount that is based on the length of service and number of sick leave days accumulated. An employee's compensation is limited to \$5,400 and subject further to an annual aggregate limitation. Such payments are made each September to qualifying employees who terminated employment during the previous year. Any current liability that may exist at year-end is recorded in the General Fund. The estimated liability to employees separating from service in future years is recorded in the government-wide financial statements.

Fund Equity

Fund balances in the governmental fund financial statements have been classified into three components, reserved, unreserved – designated, and unreserved - undesignated. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. Those amounts designated for subsequent year's expenditures represent available fund balance up to the budgeted opening fund balance for the succeeding fiscal year. Undesignated fund balance represents any remaining fund balance not reserved or designated.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Statement of Cash Flows

For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Data

Comparative data shown for the prior year has been extracted from the 2006-2007 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for 2006-2007. Such information can only be obtained by referring to the financial report for that year. Certain amounts in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 - Budgets and Budgetary Accounting:

The District adheres to the Local Government Budget Act incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data reflected in these financial statements:

1. On or before April 15, the Lyon County School District Board of Trustees files a tentative budget with the Nevada Department of Taxation and the Nevada Department of Education for all funds other than Trust and Agency Funds, which are not required to be budgeted. Although not required, management has elected to adopt annual budgets to improve fiscal accountability for private-purpose trust funds.
2. Prior to June 1, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the members of the Board. The final budget is then forwarded to the Nevada Tax Commission to approve the requested ad valorem tax rate.
3. Prior to January 1, each school district must adopt an amendment to its final budget to reflect the change in revenue to be received from actual student enrollment.
4. Formal budgetary integration in the financial records is employed to enhance management control during the year for all funds.
5. Budgets for funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Appropriations lapse at year-end.
6. Budgeted amounts within funds, and between funds, may be transferred if amounts do not exceed the amounts originally budgeted. Such transfers are to be approved by the Budget Officer and/or the Board of Trustees, depending on established

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

criteria. Budget augmentations in excess of original budgetary amounts may be made only with prior approval of the Lyon County School District Board of Trustees, following a scheduled and noticed public hearing.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations of the various functions of the general fund, or total appropriations of the individual special revenue and capital project funds, except for bond repayments, short-term financing repayment and any other long-term contract expressly authorized by law or payments for the construction of public works from funds provided by the proceeds of a sale of bonds or short-term financing.

The following augmentations were made to the 2008 budget.

Fund	Originally Adopted	Augmentations			Final
		Board Action	Private Donations	Grants	
Major Governmental Funds:					
General	\$68,476,485	\$5,563,260	\$ 81,848	\$ -	\$74,121,593
Special Education	10,730,977	760,676	991	-	11,492,644
Nonmajor Governmental Funds:					
Federal Grants	-	-	-	3,664,674	3,664,674
State Grants	-	-	-	3,113,410	3,113,410
Adult Education	381,933	6,776	-	-	388,709
Class Size Reduction	2,231,891	55,912	-	-	2,287,803

NOTE 3 - Cash Equivalents and Investments:

Cash includes not only currency on hand but demand deposits with banks or other financial institutions. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Cash equivalents are short-term, highly liquid investments that (a) are readily convertible to known amounts of cash and (b) are so near to their maturity that they present insignificant risk of changes in value because of changes in interest rates.

A portion of the District's cash and investments is restricted by Nevada Statutes. The amount restricted at June 30, 2008, is \$1,977,782, representing the cash balance in the employees' group insurance fund reduced by related liabilities and \$225,000 held in a restricted bank account to secure future workers compensation claims.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

The following schedule summarizes cash and investments for the District at June 30, 2008:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash Balances Held By:			
Governmental Funds	\$39,488,695	\$ -	\$39,488,695
Proprietary (Internal Service) Funds	<u>1,796,597</u>	<u>1,977,782</u>	<u>3,774,379</u>
	41,285,292	1,977,782	43,263,074
Fiduciary Funds	<u>1,371,130</u>	<u>-</u>	<u>1,371,130</u>
	\$42,656,422	\$1,977,782	\$44,634,204
Total Cash and Investments	<u>\$42,656,422</u>	<u>\$1,977,782</u>	<u>\$44,634,204</u>

Balances Classified by Depository:		
Cash on hand		\$ 2,117
Wells Fargo Bank, checking		494,711
Wells Fargo Bank, money market savings		20,620
Wells Fargo Bank, certificate of deposit		225,000
Citibank, checking		140,710
Nevada State Bank, checking		182,419
Bank of America, checking		<u>110,643</u>
Subtotal Cash		1,176,220
Wells Fargo Bank, through State of Nevada's NVEST program		11,390,389
Held in State Treasurer's Investment Pool		<u>32,067,595</u>
Total Cash and Investments		<u>\$44,634,204</u>

The following is a list of cash and deposits indicating collateral or insurance on these deposits:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash on hand	\$ 2,117	\$ -
Insured (FDIC)	400,000	400,000
Uninsured but collateralized by securities held in the name of the Office of the State Treasurer/Nevada Collateral Pool	<u>774,103</u>	<u>1,676,199</u>
	<u>\$1,176,220</u>	<u>\$2,076,199</u>

The Local Government Investment Pool is authorized by NRS 355.167 and is administered by the State Treasurer. Administrative policies are adopted by the State Board of Finance, which has oversight responsibilities of the Fund. The fair value of the District's position in the pool equals the value of the pool shares. The \$32,067,595 investment in the State Treasurer's Local Government Investment Pool is carried at market. The Pool is an unrated external investment pool with an average weighted maturity of 78 days as of June 30, 2008.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

As of June 30, 2008, the District had the following investments and maturities held at Wells Fargo Bank.

	Fair Value	Investment Maturities (In Years)		Ratings	
		Less Than 1	1-3	Moody's	S&P
Corporate bonds & notes:					
Asset backed securities	\$ 1,457,553	\$ -	\$1,457,553	AAA	AAA
Financials	1,612,141	394,974	1,217,167	A1-AAA	A-AAA
Industrials	576,732	-	576,732	A2	A
Utilities	122,845	-	122,845	A2	A
Other global	122,364	-	122,364	A2	A
U.S. Government and Agencies:					
Treasuries	758,821	-	758,821		
Agency pools	1,052,494	-	1,052,494		
Agency bonds	4,819,748	1,472,069	3,347,679		
Agency mortgage-backed	<u>747,105</u>	<u>-</u>	<u>747,105</u>		
	<u>11,269,803</u>	<u>\$1,867,043</u>	<u>\$9,402,760</u>		
Government money market fund	<u>120,586</u>				
 Total Investments	 <u>\$11,390,389</u>				

Investments held by Wells Fargo Bank are made through the NVEST program sponsored by the Nevada State Treasurer. Through this program, local governments may invest in longer term securities than available through the Local Government Investment Pool. The District entered into this program July 1, 2005. SableRiver Capital Management is the portfolio manager and have a duration objective of three years, which will be met as conditions warrant. Securities purchased through this program are held in a separate safekeeping account at Wells Fargo Bank and registered in the name of the District. The District's corporate securities are rated by Standard & Poor's and Moody's rating agencies as indicated above. The U.S. Government and Agencies securities are backed by the U.S. government and unrated.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 4 - Interfund Receivables, Payables and Transfers:

Interfund receivable and payable balances at June 30, 2008 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Funds:		
General Fund	\$ 221	\$ 65,843
Special Education Fund	-	18,724
Nonmajor Governmental Funds:		
Federal Grants Fund	-	3,381
Federal School Lunch Fund	-	1,769
Adult Education Fund	-	509
Class Size Reduction Fund	-	4,056
State Grants Fund	<u>-</u>	<u>2,516</u>
Total Governmental Funds	221	96,798
Internal Service Funds:		
Unemployment Insurance Fund	96,783	-
Fiduciary Fund:		
Student Activity Fund	<u>15</u>	<u>221</u>
Total All Funds	<u>\$ 97,019</u>	<u>\$ 97,019</u>

Interfund transfers are shown as other financing sources or uses as appropriate in all governmental and fiduciary funds. Transfers between funds during the year ended June 30, 2008 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$7,775,000
Special Education Fund	7,600,000	-
Insurance Loss Fund	50,000	-
Class Size Reduction Fund	<u>125,000</u>	<u>-</u>
	<u>\$7,775,000</u>	<u>\$7,775,000</u>

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 5 - Capital Assets:

Capital asset activity for the year ended June 30, 2008 was as follows.

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Not subject to depreciation:				
Land	\$ 5,930,383	\$ 139,200	\$ -	\$ 6,069,583
Construction in progress	<u>8,232,983</u>	<u>3,342,266</u>	<u>10,942,716</u>	<u>632,533</u>
	<u>14,163,366</u>	<u>3,481,466</u>	<u>10,942,716</u>	<u>6,702,116</u>
Subject to depreciation:				
Buildings and improvements	97,936,860	10,405,187	-	108,342,047
Infrastructure	1,946,761	556,485	-	2,503,246
Vehicles	9,690,307	654,090	171,308	10,173,089
Other equipment	<u>13,254,964</u>	<u>1,347,084</u>	<u>833,455</u>	<u>13,768,593</u>
	<u>122,828,892</u>	<u>12,962,846</u>	<u>1,004,763</u>	<u>134,786,975</u>
Less accumulated depreciation:				
Buildings and improvements	(25,546,270)	(2,109,120)	-	(27,655,390)
Infrastructure	(685,361)	(94,603)	-	(779,964)
Vehicles	(7,505,977)	(538,039)	(171,308)	(7,872,708)
Other equipment	<u>(8,309,080)</u>	<u>(1,178,071)</u>	<u>(795,300)</u>	<u>(8,691,851)</u>
	<u>(42,046,688)</u>	<u>(3,919,833)</u>	<u>(966,608)</u>	<u>(44,999,913)</u>
Depreciable assets, net	<u>80,782,204</u>	<u>9,043,013</u>	<u>38,155</u>	<u>89,787,062</u>
Governmental activities capital assets, net	<u>\$94,945,570</u>	<u>\$12,524,479</u>	<u>\$10,980,871</u>	<u>\$96,489,178</u>

Depreciation expense was charged to programs and functions as follows.

Regular instruction	\$ 575,736
Special instruction	50,384
Vocational instruction	91,369
Adult instruction	5,183
Other instruction	21,365
Extra curricular activities	40,349
Support services:	
Student support	19,393
Instructional staff support	40,420
General administration	8,815
School administration	155,498
Central services	66,744
Operation and maintenance of plant	81,633
Student transportation	559,204
Other support services	895
Food service	37,999
Unallocated	<u>2,164,846</u>
	<u>\$3,919,833</u>

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 6 - Long-Term Debt:

General Obligation Bonds

The District issues general obligation bonds to provide proceeds for major capital acquisitions or improvements. These bonds are direct obligations and pledge the full faith and credit of the District. Bonds are often sold at a premium or discount. These, along with the respective issue costs are reported in the fund statements in the year incurred but deferred and amortized over the life of the debt in the statement of net assets and statement of activities. Similarly, any gain or loss derived from current or qualifying advance refundings is amortized in the government-wide financial statements. General obligation bond debt and related deferrals consist of the following at June 30, 2008.

<u>Series</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest Rate on Outstanding Debt</u>	<u>Original Amount Issued</u>	<u>Balance June 30, 2008</u>	<u>Due Within One Year</u>
2001B	2/1/01	6/1/09	4.1%	\$ 4,820,000	\$ 1,120,000	\$ 1,120,000
2001A	2/1/01	6/1/11	5.0%	12,000,000	1,675,000	390,000
2002	5/29/02	6/1/16	4.3% - 4.75%	13,000,000	5,345,000	625,000
2003	1/29/03	3/1/09	2.95%	4,710,000	780,000	780,000
2004	12/1/04	4/1/25	3.25% - 5.0%	9,000,000	8,300,000	360,000
2005	8/18/05	6/1/21	3.67%	9,610,000	9,295,000	85,000
2005	9/20/05	6/1/22	3.76%	5,820,000	5,660,000	25,000
2005	9/20/05	4/1/25	3.625%-5.0%	13,000,000	12,830,000	175,000
2006	3/8/06	6/1/15	5.0%	12,580,000	11,435,000	695,000
2008	6/5/08	4/1/28	4.618%	11,500,000	<u>11,500,000</u>	<u>-</u>
					67,940,000	4,255,000
Deferred loss on advance refundings					<u>(801,391)</u>	<u>(100,314)</u>
					<u>\$67,138,609</u>	<u>\$4,154,686</u>

At June 30, 2008, the District's limit of bonded indebtedness as defined by NRS 387.400 was \$249,892,772. The District had \$67,940,000 in bonded debt outstanding and an unused bonding capacity of \$181,952,772.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2008 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008-2009	\$4,255,000	\$2,856,144	\$7,111,144
2009-2010	4,440,000	2,775,586	7,215,586
2010-2011	4,450,000	2,567,674	7,017,674
2011-2012	4,975,000	2,357,454	7,332,454
2012-2013	4,450,000	2,132,471	6,582,471
2013-2014	4,665,000	1,934,171	6,599,171
2014-2015	4,870,000	1,717,047	6,587,047
2015-2016	3,375,000	1,495,962	4,870,962
2016-2017	3,535,000	1,349,131	4,884,131
2017-2018	3,685,000	1,202,296	4,887,296
2018-2019	3,840,000	1,056,689	4,896,689
2019-2020	3,995,000	904,443	4,899,443
2020-2021	4,175,000	744,648	4,919,648
2021-2022	3,225,000	577,433	3,802,433
2022-2023	2,335,000	444,147	2,779,147
2023-2024	2,450,000	342,702	2,792,702
2024-2025	2,560,000	235,426	2,795,426
2025-2026	845,000	122,839	967,839
2026-2027	885,000	83,817	968,817
2027-2028	930,000	42,947	972,947

Advance Refundings

In 2006 the District issued two bond series totaling \$15,430,000 of general obligation refunding bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in irrevocable trusts for the purpose of generating resources for all future debt service payments of \$14,250,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$1,086,845. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 7 - Changes in Long-Term Debt:

During the year ended June 30, 2008, the following changes occurred in long-term liabilities.

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2008</u>	<u>Due Within One Year</u>
General obligation bonds payable	\$60,440,000	\$ 11,500,000	\$4,000,000	\$67,940,000	\$4,255,000
Less deferred loss on refundings	<u>(918,197)</u>	<u>-</u>	<u>(116,806)</u>	<u>(801,391)</u>	<u>(100,314)</u>
	59,521,803	11,500,000	3,883,194	67,138,609	4,154,686
Estimated short-term leave liability	573,464	251,227	-	824,691	-
Accrued vacation payable	<u>322,583</u>	<u>-</u>	<u>87,060</u>	<u>235,523</u>	<u>188,340</u>
Total Long-Term Obligations Payable	<u>\$60,417,850</u>	<u>\$11,751,227</u>	<u>\$3,970,254</u>	<u>\$68,198,823</u>	<u>\$4,343,026</u>

NOTE 8 - Major Contracts and Other Commitments Outstanding:

<u>Contractor</u>	<u>Original Contract Amount</u>	<u>Balance July 1, 2007</u>	<u>Contracts and Change Orders Issued</u>	<u>Accruals and Payments</u>	<u>Balance June 30, 2008</u>	<u>Description</u>
Casey Jones, AIA	\$1,138,065	\$ 79,740	\$ (74,309)	\$ 5,431	\$ -	Architect for various projects from 2004 election
Casey Jones, AIA	31,415	-	31,415	28,273	3,142	Architect for Silver Stage High concession booth
Lumas and Associates	1,197,500	-	1,197,500	521,430	676,070	Engineering of district-wide paving projects
Ray Ferguson Construction	8,570,450	1,261,535	49,494	1,311,029	-	Construction of Riverview Elementary

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

<u>Contractor</u>	<u>Original Contract Amount</u>	<u>Balance July 1, 2007</u>	<u>Contracts and Change Orders Issued</u>	<u>Accruals and Payments</u>	<u>Balance June 30, 2008</u>	<u>Description</u>
Q & D Construction	\$ 420,000	\$ 523,822	\$ (11,929)	\$ 511,893	\$ -	East Valley Elementary water line
Lumas and Associates	14,000	6,300	1,918	8,218	-	East Valley Elementary water line
City of Fernley	28,000	28,000	-	-	28,000	Joint Use Agreement for BLM land
MGT of America	127,543	127,543	-	127,543	-	Facility Master Plan study
PK Electric	33,400	12,590	(6,800)	5,790	-	Engineering for various electric upgrades
PK Electric	8,000	-	8,000	6,800	1,200	Engineering for Fernley High vocational
Mariner Electric	160,600	160,600	-	160,600	-	Fernley Elementary electric upgrade
Lumas and Associates	43,400	12,850	(457)	12,393	-	Engineering for parking areas
		<u>\$2,212,980</u>	<u>\$1,194,832</u>	<u>\$2,699,400</u>	<u>\$ 708,412</u>	

In addition to the above contracts, Lyon County School District entered into an agreement with Riverpark Properties, LLC in which the company dedicated land to the District for construction of a new elementary school. Section 3 of that agreement states; "The District will cause Riverpark to receive credits against the fees set forth in the Residential Construction Tax, Lyon County Ordinance No. 497, which credit will be in the amount of the cost incurred by Riverpark for construction of one-half of the Roadways improvements adjacent to the school property, or \$250,000, whichever is less, provided that Riverpark constructs the Roadways improvements." Riverpark incurred costs in excess of \$500,000 and claimed credits of \$139,200 as of June 30, 2008. This amount is reported as cost of land in the Residential Construction Tax fund.

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 9 - Risk Financing:

Self-Insured Group Health Plan

Prior to July 1, 2006, the District had a self-insured group health plan for employees accounted for in the employees' group insurance fund. As of July 1, 2006, only dental and vision care were self-insured and other medical care was covered by a traditional private insurance plan. Then, on July 1, 2007 the dental and vision benefits were also covered by fully insured plans. The current year expenses represent the amount by which actual outstanding claims exceeded the June 30, 2007 reported liability for incurred but unreported claims and the fees paid to the district's insurance agent. Changes in the incurred but unreported claims liability for the past two fiscal years were:

	<u>2008</u>	<u>2007</u>
Beginning of fiscal year	\$ 24,106	\$ 615,000
Current year claims and changes in estimates	7,208	786,252
Claim payments	<u>(31,314)</u>	<u>(1,377,146)</u>
Balance at fiscal year end	<u>\$ -</u>	<u>\$ 24,106</u>

Self-Insured Workers Compensation Benefits

Effective July 1, 2003, the District adopted a self-insured program for providing workers compensation benefits paid due to work related injuries. The program is accounted for in the employee compensation protection fund along with transactions related to unemployment benefits. Under the self-insured program, the District contracts with a third party administrator to process claims and purchased reinsurance to cover individual claims that exceed \$250,000. The liability for incurred but unreported claims is \$562,000 as determined by an independent actuary. Interfund premiums are based on rates expected to meet current expenditures and fund the liability for incurred but unreported claims. Changes in the claims liability for the year are:

	<u>2008</u>	<u>2007</u>
Beginning of fiscal year	\$ 477,000	\$ 389,000
Current year claims and changes in estimates	212,556	175,383
Claim payments	<u>(127,556)</u>	<u>(87,383)</u>
Balance at fiscal year end	<u>\$ 562,000</u>	<u>\$ 477,000</u>

LYON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Property and Liability Claims

The District's property and liability insurance policy includes a self-insured retention provision whereby the District is responsible for claims up to \$25,000 per occurrence. Claims are paid from the insurance loss fund, which is supported by operating transfers from the General Fund. The amount of annual operating transfer, if any, is based on historical claims information and the insurance loss fund's current balance. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

NOTE 10 - Defined Benefit Pension Plan:

Plan Description

The District contributes to the Public Employees Retirement System of Nevada (PERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of Nevada. Total wages subject to PERS for the year were \$44,562,480. PERS provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Nevada Legislature retains the authority to establish and amend benefit provisions which are set forth in Chapter 286 of the Statutes of the State of Nevada. The Public Employees Retirement System of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to Public Employees Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Funding Policy

The District is enrolled in the combined employee/employer pay contribution plan and the employer pay contribution plan of PERS. Plan member contribution rates for both plans are established by NRS 286.410 and are actuarially determined.

Plan members covered under the combined employee/employer contribution plan were required to contribute 10.5% of their compensation for the year ended June 30, 2008. The District is required by statute to contribute a matching percentage of employee compensation.

Under the employer pay contribution plan, the District is required to contribute all amounts due under the Plan. Those contributions are 20.5% of covered payroll.

LYON COUNTY SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2008

The School District made all required contributions to PERS during the past three years, which were as follows.

	<u>2008</u>	<u>2007</u>	<u>2005</u>
Employer plan	\$7,511,270	\$6,761,258	\$6,109,871
Employer/employee plan	<u>831,803</u>	<u>724,351</u>	<u>1,190,518</u>
	<u>\$8,343,073</u>	<u>\$7,485,609</u>	<u>\$7,300,389</u>

LYON COUNTY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2008

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	SPECIAL REVENUE				
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION
ASSETS AND OTHER DEBITS					
Cash and investments	\$ 180,348	\$ 112,241	\$ 718,380	\$ 70,167	\$ 423,345
Accounts receivable	1,321	-	2,498	575	-
Accrued interest	-	-	-	-	-
Due from other governments	258,108	14,467	15,965	-	-
Inventories	-	-	57,615	-	-
	<u>\$ 439,777</u>	<u>\$ 126,708</u>	<u>\$ 794,458</u>	<u>\$ 70,742</u>	<u>\$ 423,345</u>
LIABILITIES					
Accounts payable	\$ 52,312	\$ 57,152	\$ 4,456	\$ 1,121	\$ -
Accrued payroll	272,129	-	131,275	41,109	363,065
Due to other funds	3,381	-	1,769	509	4,056
Due to other governments	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenue	111,955	-	44,126	-	-
	<u>439,777</u>	<u>57,152</u>	<u>181,626</u>	<u>42,739</u>	<u>367,121</u>
FUND BALANCES					
Fund balances:					
Reserved for encumbrances	-	-	-	-	-
Reserved for inventories	-	-	33,234	-	-
Unreserved:					
Designated for subsequent year's expenditures	-	69,556	528,368	13,347	56,224
Undesignated	-	-	51,230	14,656	-
	<u>-</u>	<u>69,556</u>	<u>612,832</u>	<u>28,003</u>	<u>56,224</u>
Total Fund Balances	<u>-</u>	<u>69,556</u>	<u>612,832</u>	<u>28,003</u>	<u>56,224</u>
Total Liabilities and Fund Balances	<u>\$ 439,777</u>	<u>\$ 126,708</u>	<u>\$ 794,458</u>	<u>\$ 70,742</u>	<u>\$ 423,345</u>

FUNDS		CAPITAL PROJECTS FUNDS				TOTALS	
STATE GRANTS	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES	RESIDENTIAL CONSTRUCTION TAX	TOTAL	2008	2007
\$ 352,590	\$ 1,857,071	\$ 1,658,672	\$ 2,391,856	\$ 700,988	\$ 4,751,516	\$ 6,608,587	\$ 5,854,393
-	4,394	-	-	-	-	4,394	4,400
-	-	-	61,530	1,300	62,830	62,830	101,928
502,975	791,515	55,147	-	65,006	120,153	911,668	778,160
-	57,615	-	-	-	-	57,615	78,340
<u>\$ 855,565</u>	<u>\$ 2,710,595</u>	<u>\$ 1,713,819</u>	<u>\$ 2,453,386</u>	<u>\$ 767,294</u>	<u>\$ 4,934,499</u>	<u>\$ 7,645,094</u>	<u>\$ 6,817,221</u>
\$ 256,610	\$ 371,651	\$ 32,969	\$ -	\$ -	\$ 32,969	404,620	\$ 256,585
414,953	1,222,531	-	-	-	-	1,222,531	1,187,260
2,516	12,231	-	-	-	-	12,231	13,951
6,412	6,412	-	-	-	-	6,412	169,756
-	-	-	500	-	500	500	500
175,074	331,155	-	1,200	-	1,200	332,355	175,598
<u>855,565</u>	<u>1,943,980</u>	<u>32,969</u>	<u>1,700</u>	<u>-</u>	<u>34,669</u>	<u>1,978,649</u>	<u>1,803,650</u>
-	-	32,342	-	-	32,342	32,342	327,640
-	33,234	-	-	-	-	33,234	41,661
-	667,495	1,220,947	2,451,686	745,964	4,418,597	5,086,092	3,593,546
-	65,886	427,561	-	21,330	448,891	514,777	1,050,724
-	766,615	1,680,850	2,451,686	767,294	4,899,830	5,666,445	5,013,571
<u>\$ 855,565</u>	<u>\$ 2,710,595</u>	<u>\$ 1,713,819</u>	<u>\$ 2,453,386</u>	<u>\$ 767,294</u>	<u>\$ 4,934,499</u>	<u>\$ 7,645,094</u>	<u>\$ 6,817,221</u>

LYON COUNTY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	SPECIAL REVENUE				
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION
REVENUES:					
Local sources	\$ -	\$ 51,393	\$ 1,067,588	\$ 12,022	\$ -
State sources	-	-	11,567	349,221	2,125,825
Federal sources	2,908,366	7,438	1,518,553	-	-
Total Revenues	<u>2,908,366</u>	<u>58,831</u>	<u>2,597,708</u>	<u>361,243</u>	<u>2,125,825</u>
EXPENDITURES:					
Instruction:					
Regular instruction	817,228	-	-	-	2,231,562
Special instruction	878,393	-	-	-	-
Vocational instruction	115,967	-	-	-	-
Adult instruction	-	-	-	363,729	-
Other instruction	342,193	-	-	-	-
Co-curricular activities	1,773	-	-	-	-
Support Services:					
Student support	160,845	-	-	-	-
Instructional staff support	426,470	-	-	-	-
General administration	55,553	-	-	-	-
School administration	-	-	-	-	-
Central services	83,836	82,428	-	-	-
Operations and maintenance of plant	-	-	-	-	-
Student transportation	26,108	-	-	-	-
Other support services	-	-	-	-	-
Food service	-	-	2,829,871	-	-
Facilities acquisition and construction	-	-	-	-	-
Total Expenditures	<u>2,908,366</u>	<u>82,428</u>	<u>2,829,871</u>	<u>363,729</u>	<u>2,231,562</u>
Excess (Deficiency) of Revenues over Expenditures	-	(23,597)	(232,163)	(2,486)	(105,737)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	50,000	-	-	125,000
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-	26,403	(232,163)	(2,486)	19,263
FUND BALANCE, July 1	-	43,153	844,995	30,489	36,961
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 69,556</u>	<u>\$ 612,832</u>	<u>\$ 28,003</u>	<u>\$ 56,224</u>

FUNDS		CAPITAL PROJECTS FUNDS				TOTALS	
STATE GRANTS	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES	RESIDENTIAL CONSTRUCTION TAX	TOTAL	2008	2007
\$ -	\$ 1,131,003	\$ 682,918	\$ 875,279	\$ 371,729	\$ 1,929,926	\$ 3,060,929	\$ 3,440,538
2,553,511	5,040,124	-	-	-	-	5,040,124	5,630,571
-	4,434,357	-	-	-	-	4,434,357	4,570,088
<u>2,553,511</u>	<u>10,605,484</u>	<u>682,918</u>	<u>875,279</u>	<u>371,729</u>	<u>1,929,926</u>	<u>12,535,410</u>	<u>13,641,197</u>
812,037	3,860,827	-	-	3,304	3,304	3,864,131	3,936,791
-	878,393	-	-	-	-	878,393	894,924
109,211	225,178	-	-	-	-	225,178	132,877
15,097	378,826	-	-	-	-	378,826	404,062
341,489	683,682	-	-	-	-	683,682	540,938
-	1,773	-	-	-	-	1,773	6,833
-	160,845	-	-	-	-	160,845	107,167
1,271,424	1,697,894	-	-	-	-	1,697,894	2,533,315
-	55,553	-	-	-	-	55,553	71,967
-	-	-	-	-	-	-	11,249
(35)	166,229	-	-	-	-	166,229	153,124
-	-	-	155	-	155	155	315
4,288	30,396	-	-	-	-	30,396	47,531
-	-	-	-	-	-	-	214
-	2,829,871	-	-	-	-	2,829,871	2,559,325
-	-	103,015	103,000	878,595	1,084,610	1,084,610	92,656
<u>2,553,511</u>	<u>10,969,467</u>	<u>103,015</u>	<u>103,155</u>	<u>881,899</u>	<u>1,088,069</u>	<u>12,057,536</u>	<u>11,493,288</u>
-	(363,983)	579,903	772,124	(510,170)	841,857	477,874	2,147,909
-	175,000	-	-	-	-	175,000	60,000
-	(188,983)	579,903	772,124	(510,170)	841,857	652,874	2,207,909
-	955,598	1,100,947	1,679,562	1,277,464	4,057,973	5,013,571	2,805,662
<u>\$ -</u>	<u>\$ 766,615</u>	<u>\$ 1,680,850</u>	<u>\$ 2,451,686</u>	<u>\$ 767,294</u>	<u>\$ 4,899,830</u>	<u>\$ 5,666,445</u>	<u>\$ 5,013,571</u>

LYON COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Ad valorem taxes	\$ 8,221,496	\$ 8,221,496	\$ 7,881,432	\$ (340,064)	\$ 7,318,743
Earnings on investments	300,000	300,000	456,396	156,396	365,935
Total Revenue	<u>8,521,496</u>	<u>8,521,496</u>	<u>8,337,828</u>	<u>(183,668)</u>	<u>7,684,678</u>
EXPENDITURES					
Undistributed expenditures:					
Support services:					
General administration					
Purchased services	<u>5,000</u>	<u>5,000</u>	<u>2,750</u>	<u>2,250</u>	<u>2,000</u>
Debt service:					
General obligation bonds:					
Principal retirement	4,000,000	4,000,000	4,000,000	-	3,555,000
Interest	<u>2,580,311</u>	<u>2,580,311</u>	<u>2,580,973</u>	<u>(662)</u>	<u>2,866,856</u>
	<u>6,580,311</u>	<u>6,580,311</u>	<u>6,580,973</u>	<u>(662)</u>	<u>6,421,856</u>
Total Expenditures	<u>6,585,311</u>	<u>6,585,311</u>	<u>6,583,723</u>	<u>1,588</u>	<u>6,423,856</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,936,185</u>	<u>1,936,185</u>	<u>1,754,105</u>	<u>(182,080)</u>	<u>1,260,822</u>
FUND BALANCE, July 1	<u>6,190,580</u>	<u>6,190,580</u>	<u>6,185,595</u>	<u>(4,985)</u>	<u>4,924,773</u>
FUND BALANCE, June 30	<u>\$ 8,126,765</u>	<u>\$ 8,126,765</u>	<u>\$ 7,939,700</u>	<u>\$ (187,065)</u>	<u>\$ 6,185,595</u>

LYON COUNTY SCHOOL DISTRICT
 BONDS PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Earnings on investments	\$ 25,000	\$ 25,000	\$ 79,223	\$ 54,223	\$ 443,425
Private land donation	-	-	-	-	370,942
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>79,223</u>	<u>54,223</u>	<u>814,367</u>
EXPENDITURES					
Undistributed expenditures:					
Support services:					
General administration:					
Purchased services	-	-	67,732	(67,732)	-
School administration:					
Property	-	-	15,513	(15,513)	-
Total Support Services	<u>-</u>	<u>-</u>	<u>83,245</u>	<u>(83,245)</u>	<u>-</u>
Facilities acquisition and construction:					
Land Acquisition	-	-	-	-	370,942
Site Improvement:					
Purchased services	110,000	110,000	1,041,782	(931,782)	20,183
Other	-	-	5,089	(5,089)	5,172
Total Site Improvement	<u>110,000</u>	<u>110,000</u>	<u>1,046,871</u>	<u>(936,871)</u>	<u>25,355</u>
Building acquisition and construction:					
Purchased services	1,000,000	1,000,000	1,338,298	(338,298)	10,177,953
Supplies	-	-	21,345	(21,345)	281
Property	-	-	-	-	10,659
Other	150,000	150,000	-	150,000	446,649
Total Building Acquisition and Construction	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,359,643</u>	<u>(209,643)</u>	<u>10,635,542</u>
Building improvements:					
Purchased services	375,000	375,000	-	375,000	-
Total Facilities Acquisition and Construction	<u>1,635,000</u>	<u>1,635,000</u>	<u>2,406,514</u>	<u>(771,514)</u>	<u>11,031,839</u>
Total Undistributed Expenditures	<u>1,635,000</u>	<u>1,635,000</u>	<u>2,489,759</u>	<u>(854,759)</u>	<u>11,031,839</u>
Total Expenditures	<u>1,635,000</u>	<u>1,635,000</u>	<u>2,489,759</u>	<u>(854,759)</u>	<u>11,031,839</u>
Excess (Deficiency) of Revenues over Expenditures	(1,610,000)	(1,610,000)	(2,410,536)	(800,536)	(10,217,472)

LYON COUNTY SCHOOL DISTRICT
 BONDS PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
OTHER FINANCING SOURCES					
Proceeds from bond sale	\$ -	\$ -	\$ 11,500,000	\$ 11,500,000	\$ -
Contingency	(44,574)	(44,574)	-	44,574	-
	<u>(44,574)</u>	<u>(44,574)</u>	<u>11,500,000</u>	<u>11,544,574</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures	(1,654,574)	(1,654,574)	9,089,464	10,744,038	(10,217,472)
FUND BALANCE, July 1	<u>1,654,574</u>	<u>1,654,574</u>	<u>2,387,302</u>	<u>732,728</u>	<u>12,604,774</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,476,766</u>	<u>\$ 11,476,766</u>	<u>\$ 2,387,302</u>

LYON COUNTY SCHOOL DISTRICT
 FEDERAL GRANTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Federal sources:					
Restricted, state agency:					
Improving America's Schools Act:					
Title I:					
Basic	\$ -	\$ 941,514	\$ 806,787	\$ (134,727)	\$ 1,001,186
Migrant	-	21,319	13,525	(7,794)	20,043
Neglected or Delinquent	-	28,118	23,435	(4,683)	19,334
School Improvement	-	103,090	82,950	(20,140)	114,675
School Improvement - Sec 1003(g)	-	46,540	29,481	(17,059)	-
Title II, Eisenhower					
Professional Development	-	271,698	243,795	(27,903)	267,238
Education through technology	-	10,088	8,351	(1,737)	76,186
Title III, Language Acquisition	-	51,657	51,657	-	54,196
Title IV, Safe and Drug-Free Schools Act	-	19,716	14,927	(4,789)	23,472
Title V, Innovative Programs	-	24,305	23,904	(401)	27,402
Workforce Incentive	-	-	-	-	5,481
Title VI, State Assessment	-	41,000	34,618	(6,382)	41,261
Title IX, Education technology	-	-	-	-	16,886
Individuals with Disabilities					
Education Act	-	1,619,758	1,101,296	(518,462)	979,925
PL 105-17:					
Early Childhood Development	-	58,198	49,909	(8,289)	57,267
Project Improve	-	-	-	-	(5,000)
Special Pilot Intervention	-	-	-	-	3,653
Carl D. Perkins Vocational					
Education and Technology Act:					
Basic	-	89,152	85,089	(4,063)	93,340
Technical Preparation	-	-	-	-	3,000
School Reform Demonstration	-	-	1,573	1,573	24,061
Advance Placement					
Fee Payment	-	-	-	-	387
Nevada Reading First	-	251,999	250,898	(1,101)	264,829
Learn & Serve America	-	37,000	36,649	(351)	-
Employee Criminal History	-	48,462	48,462	-	1,872
Nevada Arts Council	-	1,060	1,060	-	-
	-	<u>3,664,674</u>	<u>2,908,366</u>	<u>(756,308)</u>	<u>3,090,694</u>
EXPENDITURES					
Regular instructional programs:					
Salaries	-	413,570	413,674	(104)	549,070
Benefits	-	154,109	134,235	19,874	198,202
Purchased services	-	12,533	14,280	(1,747)	35,707
Supplies	-	142,238	168,426	(26,188)	130,911
Property	-	96,727	86,613	10,114	150,640
Other	-	770	-	770	-
	-	<u>819,947</u>	<u>817,228</u>	<u>2,719</u>	<u>1,064,530</u>
Total Regular Programs	-	<u>819,947</u>	<u>817,228</u>	<u>2,719</u>	<u>1,064,530</u>

LYON COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Special instructional programs:					
Salaries	\$ -	\$ 735,480	\$ 583,435	\$ 152,045	\$ 576,174
Benefits	-	270,342	213,019	57,323	244,547
Purchased services	-	94,075	24,509	69,566	28,916
Supplies	-	41,093	29,357	11,736	10,075
Property	-	42,100	28,073	14,027	16,426
Other	-	-	-	-	850
Total Special Programs	-	1,183,090	878,393	304,697	876,988
Vocation instructional programs:					
Purchased services	-	3,223	2,827	396	-
Supplies	-	33,766	33,457	309	19,535
Property	-	79,734	79,683	51	71,039
Total Vocation Programs	-	116,723	115,967	756	90,574
Other instructional programs:					
Summer programs:					
Salaries	-	39,630	26,592	13,038	52,517
Benefits	-	1,825	1,158	667	2,364
Purchased services	-	-	-	-	55
Supplies	-	5,000	585	4,415	1,093
Total Summer Programs	-	46,455	28,335	18,120	56,029
English as a second language:					
Salaries	-	-	39,288	(39,288)	11,985
Benefits	-	-	14,388	(14,388)	4,533
Supplies	-	22,797	22,796	1	18,217
Property	-	20,677	20,677	-	-
Total English as a second language	-	43,474	97,149	(53,675)	34,735
Remedial:					
Salaries	-	74,691	64,813	9,878	74,178
Benefits	-	15,240	12,865	2,375	16,576
Purchased services	-	147,771	68,007	79,764	108,856
Supplies	-	64,000	33,783	30,217	38,737
Property	-	9,770	37,241	(27,471)	3,242
Other	-	-	-	-	1,058
Total Remedial	-	311,472	216,709	94,763	242,647
Total Other Instructional Programs	-	401,401	342,193	59,208	333,411

LYON COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
Co-curricular activities:					
Salaries	\$ -	\$ -	\$ 1,720	\$ (1,720)	\$ -
Benefits	-	-	53	(53)	-
Purchased services	-	-	-	-	5,150
Total Co-curricular Activities	-	-	1,773	(1,773)	5,150
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	-	30,124	27,699	2,425	11,653
Benefits	-	6,905	4,631	2,274	593
Purchased services	-	92,595	51,030	41,565	6,977
Supplies	-	129,327	42,424	86,903	69,645
Property	-	50,425	35,061	15,364	14,352
	-	309,376	160,845	148,531	103,220
Instructional staff support:					
Salaries	-	239,143	256,502	(17,359)	217,901
Benefits	-	64,979	78,644	(13,665)	58,349
Purchased services	-	173,726	78,353	95,373	114,544
Supplies	-	31,516	12,171	19,345	57,321
Property	-	30,000	-	30,000	5,028
Other	-	800	800	-	-
	-	540,164	426,470	113,694	453,143
General administration:					
Salaries	-	53,702	33,638	20,064	48,208
Benefits	-	17,905	12,028	5,877	15,077
Purchased services	-	36,125	2,651	33,474	5,524
Supplies	-	58,658	6,573	52,085	289
Property	-	2,500	663	1,837	-
	-	168,890	55,553	113,337	69,098
School administration:					
Salaries	-	-	-	-	2,164
Benefits	-	-	-	-	119
Supplies	-	-	-	-	3,683
	-	-	-	-	5,966
Central services:					
Salaries	-	38,000	33,973	4,027	39,159
Benefits	-	3,000	983	2,017	1,084
Purchased services	-	-	418	(418)	3,718
Supplies	-	-	-	-	2,921
Property	-	48,462	48,462	-	-
	-	89,462	83,836	5,626	46,882

LYON COUNTY SCHOOL DISTRICT
 FEDERAL GRANTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
Undistributed expenditures (continued):					
Support services (continued):					
Student transportation:					
Salaries	\$ -	\$ 15,070	\$ 11,204	\$ 3,866	\$ 16,853
Benefits	-	2,051	1,722	329	2,282
Supplies	-	18,500	13,182	5,318	22,597
	<u>-</u>	<u>35,621</u>	<u>26,108</u>	<u>9,513</u>	<u>41,732</u>
Total Support Services	<u>-</u>	<u>1,143,513</u>	<u>752,812</u>	<u>390,701</u>	<u>720,041</u>
Total Expenditures	<u>-</u>	<u>3,664,674</u>	<u>2,908,366</u>	<u>756,308</u>	<u>3,090,694</u>
Excess of Revenues over Expenditures	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LYON COUNTY SCHOOL DISTRICT
INSURANCE LOSS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Insurance recoveries	\$ -	\$ -	\$ 51,393	\$ 51,393	\$ -
Federal sources:					
Federal Emergency Management	-	-	7,438	7,438	-
Total Revenue	-	-	58,831	58,831	-
EXPENDITURES					
Undistributed expenditures:					
Central services:					
Purchased services,					
Cottonwood Elementary flood	-	-	33,978	(33,978)	-
Supplies, theft & damage	-	-	5,893	(5,893)	439
Damage from freeze					
Salaries	-	-	-	-	10,000
Benefits	-	-	-	-	634
Purchased services	-	-	7,159	(7,159)	12,560
Supplies	-	-	1,562	(1,562)	24,099
Property replacement	-	-	-	-	8,006
Other claim settlements	120,000	120,000	25,000	95,000	6,987
Community services - flood					
assistance:					
Operations and maintenance					
of plant	-	-	1,602	(1,602)	-
Transportation	-	-	6,007	(6,007)	-
Food service	-	-	1,227	(1,227)	-
Total Expenditures	120,000	120,000	82,428	37,572	62,725
Excess (Deficiency)					
of Revenues over					
Expenditures	(120,000)	(120,000)	(23,597)	96,403	(62,725)
OTHER FINANCING SOURCES					
Operating transfer in	50,000	50,000	50,000	-	20,000
Excess (Deficiency) of					
Other Financing					
Sources over					
Expenditures	(70,000)	(70,000)	26,403	96,403	(42,725)
FUND BALANCE, July 1	75,878	75,878	43,153	(32,725)	85,878
FUND BALANCE, June 30	\$ 5,878	\$ 5,878	\$ 69,556	\$ 63,678	\$ 43,153

LYON COUNTY SCHOOL DISTRICT
 FEDERAL SCHOOL LUNCH FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Daily sales, lunch	\$ 666,000	\$ 666,000	\$ 643,069	\$ (22,931)	\$ 656,313
Daily sales, breakfast	98,000	98,000	91,362	(6,638)	95,120
Daily sales, a la carte	312,000	312,000	279,515	(32,485)	298,239
Daily sales, overage	-	-	3,340	3,340	2,973
Community Services Agency	35,000	35,000	29,610	(5,390)	32,380
In district sales	5,500	5,500	20,692	15,192	14,541
	<u>1,116,500</u>	<u>1,116,500</u>	<u>1,067,588</u>	<u>(48,912)</u>	<u>1,099,566</u>
State sources:					
State match	-	-	11,567	11,567	22,290
Federal sources:					
School lunch program	1,036,000	1,036,000	1,051,687	15,687	1,019,655
School breakfast program	312,000	312,000	295,354	(16,646)	303,789
Commodity foods program	100,000	100,000	171,512	71,512	155,950
	<u>1,448,000</u>	<u>1,448,000</u>	<u>1,518,553</u>	<u>70,553</u>	<u>1,479,394</u>
Total Revenue	<u>2,564,500</u>	<u>2,564,500</u>	<u>2,597,708</u>	<u>33,208</u>	<u>2,601,250</u>
EXPENDITURES					
Food service program:					
Salaries	995,034	995,034	1,037,584	(42,550)	915,185
Benefits	312,805	312,805	279,173	33,632	271,995
Purchased services	79,050	79,050	76,956	2,094	69,119
Supplies, food	1,306,000	1,306,000	1,283,129	22,871	1,183,776
Supplies, other	137,000	137,000	130,781	6,219	115,398
Property	121,000	121,000	21,498	99,502	3,202
Other	1,000	1,000	750	250	650
	<u>2,951,889</u>	<u>2,951,889</u>	<u>2,829,871</u>	<u>122,018</u>	<u>2,559,325</u>
Total Expenditures	<u>2,951,889</u>	<u>2,951,889</u>	<u>2,829,871</u>	<u>122,018</u>	<u>2,559,325</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(387,389)</u>	<u>(387,389)</u>	<u>(232,163)</u>	<u>155,226</u>	<u>41,925</u>
OTHER FINANCING USES					
Contingency	(71,361)	(71,361)	-	71,361	-
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	<u>(458,750)</u>	<u>(458,750)</u>	<u>(232,163)</u>	<u>226,587</u>	<u>41,925</u>
FUND BALANCE, July 1	<u>688,750</u>	<u>688,750</u>	<u>844,995</u>	<u>156,245</u>	<u>803,070</u>
FUND BALANCE, June 30	<u>\$ 230,000</u>	<u>\$ 230,000</u>	<u>\$ 612,832</u>	<u>\$ 382,832</u>	<u>\$ 844,995</u>

LYON COUNTY SCHOOL DISTRICT
ADULT DIPLOMA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
REVENUES					
Local sources:					
Tuition	\$ 4,000	\$ 9,000	\$ 12,022	\$ 3,022	\$ 9,825
State sources:					
Distributive school fund	350,715	349,220	349,221	1	342,573
Total Revenue	<u>354,715</u>	<u>358,220</u>	<u>361,243</u>	<u>3,023</u>	<u>352,398</u>
EXPENDITURES					
Adult instructional programs:					
Salaries	243,725	260,059	256,170	3,889	266,509
Benefits	83,881	79,578	79,581	(3)	89,879
Purchased services	28,300	27,850	23,349	4,501	14,516
Supplies	6,175	5,025	3,619	1,406	18,996
Property	1,000	2,100	925	1,175	11,499
Other	350	350	85	265	215
Total Expenditures	<u>363,431</u>	<u>374,962</u>	<u>363,729</u>	<u>11,233</u>	<u>401,614</u>
Excess (Deficiency) of Revenues over Expenditures	(8,716)	(16,742)	(2,486)	14,256	(49,216)
OTHER FINANCING USES					
Contingency	(8,502)	(3,747)	-	3,747	-
Excess (Deficiency) of Revenues over Expenditures and other financing uses	(17,218)	(20,489)	(2,486)	18,003	(49,216)
FUND BALANCE, July 1	<u>27,218</u>	<u>30,489</u>	<u>30,489</u>	<u>-</u>	<u>79,705</u>
FUND BALANCE, June 30	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 28,003</u>	<u>\$ 18,003</u>	<u>\$ 30,489</u>

LYON COUNTY SCHOOL DISTRICT
 CLASS SIZE REDUCTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
State sources:					
Distributive school fund	\$ 2,180,663	\$ 2,125,842	\$ 2,125,825	\$ (17)	\$ 2,090,653
EXPENDITURES					
Regular instructional programs:					
Salaries	1,605,745	1,642,774	1,652,927	(10,153)	1,536,144
Benefits	626,146	626,958	578,635	48,323	574,760
Other	-	13,071	-	13,071	-
Total Expenditures	<u>2,231,891</u>	<u>2,282,803</u>	<u>2,231,562</u>	<u>51,241</u>	<u>2,110,904</u>
Excess (Deficiency) of Revenues over Expenditures	(51,228)	(156,961)	(105,737)	51,224	(20,251)
OTHER FINANCING SOURCES					
Operating transfer in	<u>40,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>40,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures	(11,228)	(31,961)	19,263	51,224	19,749
FUND BALANCE, July 1	<u>11,228</u>	<u>36,961</u>	<u>36,961</u>	<u>-</u>	<u>17,212</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 56,224</u>	<u>\$ 51,224</u>	<u>\$ 36,961</u>

LYON COUNTY SCHOOL DISTRICT
STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
State sources:					
Innovation & Prevention of Remediation	\$ -	\$ 2,108,404	\$ 1,590,469	\$ (517,935)	\$ 2,606,129
Education Technology	-	-	(35)	(35)	43,303
Library Books	-	22,000	21,947	(53)	12,721
Career & Technical Education	-	125,258	109,211	(16,047)	44,667
Regional Professional Development	-	203,800	184,304	(19,496)	276,939
Alternative Education Program for Disruptive Pupils	-	-	-	-	65,371
Adult High School Leadership	-	21,130	15,097	(6,033)	2,448
Performance Pay	-	-	-	-	123,477
Incentive Pay	-	416,412	416,112	(300)	-
Full Day Kindergarten	-	110,406	110,406	-	-
Teacher Signing Bonuses	-	106,000	106,000	-	-
Total Revenue	-	3,113,410	2,553,511	(559,899)	3,175,055
EXPENDITURES					
Regular instructional programs:					
Salaries	-	462,374	400,371	62,003	307,381
Benefits	-	251,185	265,636	(14,451)	87,355
Purchased services	-	-	-	-	4,000
Supplies	-	146,414	133,012	13,402	187,458
Property	-	13,018	13,018	-	175,163
Total Regular Programs	-	872,991	812,037	60,954	761,357
Special instructional programs:					
Salaries	-	-	-	-	15,201
Benefits	-	-	-	-	436
Property	-	-	-	-	2,299
Total Special Programs	-	-	-	-	17,936
Vocational instructional programs:					
Salaries	-	609	609	-	2,078
Benefits	-	-	-	-	60
Purchased services	-	5,812	4,076	1,736	873
Supplies	-	72,934	63,393	9,541	20,701
Property	-	44,299	39,729	4,570	18,591
Other	-	1,604	1,404	200	-
Total Vocational Programs	-	125,258	109,211	16,047	42,303
Adult instructional programs:					
Salaries	-	14,030	10,246	3,784	-
Benefits	-	7,100	4,851	2,249	-
Supplies	-	-	-	-	2,448
Total Adult Programs	-	21,130	15,097	6,033	2,448

LYON COUNTY SCHOOL DISTRICT
STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Other instructional programs:					
Summer school:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 7,949
Benefits	-	-	-	-	226
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,175</u>
Alternative placement:					
Salaries	-	-	-	-	918
Benefits	-	-	-	-	22
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>940</u>
English as second language:					
Salaries	-	-	34,968	(34,968)	46,571
Benefits	-	-	12,533	(12,533)	17,103
	<u>-</u>	<u>-</u>	<u>47,501</u>	<u>(47,501)</u>	<u>63,674</u>
Remediation:					
Salaries	-	177,245	155,533	21,712	67,189
Benefits	-	36,905	38,230	(1,325)	3,549
Supplies	-	95,692	100,225	(4,533)	34,000
Property	-	14,243	-	14,243	30,000
	<u>-</u>	<u>324,085</u>	<u>293,988</u>	<u>30,097</u>	<u>134,738</u>
Total Other Instructional Programs	<u>-</u>	<u>324,085</u>	<u>341,489</u>	<u>(17,404)</u>	<u>207,527</u>
Cocurricular activities:					
Salaries	-	-	-	-	1,636
Benefits	-	-	-	-	47
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,683</u>
Total Cocurricular Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,683</u>
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	-	-	-	-	3,836
Benefits	-	-	-	-	111
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,947</u>
Instructional staff support:					
Salaries	-	1,194,527	826,481	368,046	1,327,869
Benefits	-	285,832	266,075	19,757	391,510
Purchased services	-	106,682	46,851	59,831	320,045
Supplies	-	156,833	116,890	39,943	30,668
Property	-	16,072	15,127	945	10,080
	<u>-</u>	<u>1,759,946</u>	<u>1,271,424</u>	<u>488,522</u>	<u>2,080,172</u>
General administration:					
Salaries	-	-	-	-	2,292
Benefits	-	-	-	-	577
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,869</u>

LYON COUNTY SCHOOL DISTRICT
STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2007
	ORIGINAL	FINAL			
Undistributed expenditures (continued):					
Support services (continued):					
School administration:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 5,133
Benefits	-	-	-	-	150
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,283</u>
Central services:					
Salaries	-	-	-	-	208
Benefits	-	-	-	-	6
Purchased services	-	-	-	-	2,500
Property	-	-	(35)	35	40,803
	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>35</u>	<u>43,517</u>
Student transportation:					
Salaries	-	5,000	1,160	3,840	2,104
Benefits	-	-	196	(196)	247
Supplies	-	5,000	2,932	2,068	3,448
	<u>-</u>	<u>10,000</u>	<u>4,288</u>	<u>5,712</u>	<u>5,799</u>
Other support services:					
Salaries	-	-	-	-	208
Benefits	-	-	-	-	6
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214</u>
Total Undistributed Expenditures	<u>-</u>	<u>1,769,946</u>	<u>1,275,677</u>	<u>494,269</u>	<u>2,141,801</u>
Total Expenditures	<u>-</u>	<u>3,113,410</u>	<u>2,553,511</u>	<u>559,899</u>	<u>3,175,055</u>
Excess of Revenues over Expenditures	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LYON COUNTY SCHOOL DISTRICT
CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Motor vehicle privilege tax	\$ 731,574	\$ 731,574	\$ 682,918	\$ (48,656)	\$ 697,495
EXPENDITURES					
Undistributed expenditures:					
Facilities acquisition and construction:					
Land acquisition					
Property	28,000	28,000	-	28,000	-
Site Improvement:					
Purchased services	250,000	250,000	5,274	244,726	-
Building acquisition and construction:					
Purchased services					
Silver Springs Bus Yard	475,000	475,000	23,102	451,898	5,305
Fernley High athletic facility	80,000	80,000	35,603	44,397	-
Silver Stage High athletic facility	-	-	29,772	(29,772)	-
Other	-	-	2,024	(2,024)	-
	555,000	555,000	90,501	464,499	5,305
Building improvements:					
Purchased services					
Fernley High vocational	-	-	7,240	(7,240)	-
Total Facilities Acquisition and Construction	833,000	833,000	103,015	729,985	5,305
Total Expenditures	833,000	833,000	103,015	729,985	5,305
Excess (Deficiency) of Revenues over Expenditures	(101,426)	(101,426)	579,903	681,329	692,190
FUND BALANCE, July 1	528,757	528,757	1,100,947	572,190	408,757
FUND BALANCE, June 30	\$ 427,331	\$ 427,331	\$ 1,680,850	\$ 1,253,519	\$ 1,100,947

LYON COUNTY SCHOOL DISTRICT
BUILDING AND SITES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Earnings on investments	\$ 600,000	\$ 600,000	\$ 865,679	\$ 265,679	\$ 866,992
Rents	8,000	8,000	9,600	1,600	9,600
Total Revenue	<u>608,000</u>	<u>608,000</u>	<u>875,279</u>	<u>267,279</u>	<u>876,592</u>
EXPENDITURES					
Undistributed expenditures:					
Support services:					
Rental operations, supplies	<u>1,000</u>	<u>1,000</u>	<u>155</u>	<u>845</u>	<u>315</u>
Facilities acquisition and construction:					
Land acquisition:					
Fernley	-	-	3,000	(3,000)	-
Site improvement:					
Silver Springs parking:					
Purchased services	50,000	50,000	50,000	-	-
Building acquisition and construction:					
Purchased services, Silver Springs transportation facility					
	1,002,000	1,002,000	-	1,002,000	-
Building improvements:					
Purchased services, Yerington Intermediate					
	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Total Facilities Acquisition and Construction	<u>1,102,000</u>	<u>1,102,000</u>	<u>103,000</u>	<u>999,000</u>	<u>-</u>
Total Expenditures	<u>1,103,000</u>	<u>1,103,000</u>	<u>103,155</u>	<u>999,845</u>	<u>315</u>
Excess (Deficiency) of Revenues over Expenditures	(495,000)	(495,000)	772,124	1,267,124	876,277
FUND BALANCE, July 1	<u>1,535,285</u>	<u>1,535,285</u>	<u>1,679,562</u>	<u>144,277</u>	<u>803,285</u>
FUND BALANCE, June 30	<u>\$ 1,040,285</u>	<u>\$ 1,040,285</u>	<u>\$ 2,451,686</u>	<u>\$ 1,411,401</u>	<u>\$ 1,679,562</u>

LYON COUNTY SCHOOL DISTRICT
RESIDENTIAL CONSTRUCTION TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Local sources:					
Residential construction tax	\$ 635,000	\$ 635,000	\$ 334,960	\$ (300,040)	\$ 712,448
Earnings on investments	46,000	46,000	36,769	(9,231)	44,612
	<u>681,000</u>	<u>681,000</u>	<u>371,729</u>	<u>(309,271)</u>	<u>757,060</u>
EXPENDITURES					
Regular instruction programs:					
Supplies	-	-	3,304	(3,304)	-
Facilities acquisition and construction:					
Land acquisition:					
Property, Riverview Elementary	-	-	139,200	(139,200)	-
Site improvement:					
Purchased services	325,000	325,000	434,344	(109,344)	38,880
Supplies	-	-	23,961	(23,961)	-
	<u>325,000</u>	<u>325,000</u>	<u>458,305</u>	<u>(133,305)</u>	<u>38,880</u>
Building improvements:					
Purchased services	152,500	152,500	281,090	(128,590)	12,599
Property	-	-	-	-	35,872
	<u>152,500</u>	<u>152,500</u>	<u>281,090</u>	<u>(128,590)</u>	<u>48,471</u>
Total Facilities Acquisition and Construction	<u>477,500</u>	<u>477,500</u>	<u>878,595</u>	<u>(401,095)</u>	<u>87,351</u>
Total Expenditures	<u>477,500</u>	<u>477,500</u>	<u>881,899</u>	<u>(404,399)</u>	<u>87,351</u>
Excess (Deficiency) of Revenues over Expenditures	203,500	203,500	(510,170)	(713,670)	669,709
FUND BALANCE, July 1	<u>864,655</u>	<u>864,655</u>	<u>1,277,464</u>	<u>412,809</u>	<u>607,755</u>
FUND BALANCE, June 30	<u>\$ 1,068,155</u>	<u>\$ 1,068,155</u>	<u>\$ 767,294</u>	<u>\$ (300,861)</u>	<u>\$ 1,277,464</u>

LYON COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2008	2007
ASSETS				
Cash and investments	\$ 1,795,556	\$ 1,041	\$ 1,796,597	\$ 1,525,080
Accounts receivable	-	1,016	1,016	794
Accrued interest	17,216	16,412	33,628	13,591
Due from other funds	96,783	-	96,783	88,170
Deposits and prepaid expenses	-	6,814	6,814	6,880
	<u>1,909,555</u>	<u>25,283</u>	<u>1,934,838</u>	<u>1,634,515</u>
Restricted cash	<u>225,000</u>	<u>1,752,782</u>	<u>1,977,782</u>	<u>1,744,022</u>
Total Assets	<u>\$ 2,134,555</u>	<u>\$ 1,778,065</u>	<u>\$ 3,912,620</u>	<u>\$ 3,378,537</u>
LIABILITIES				
Accounts payable	\$ 16,412	\$ -	\$ 16,412	\$ 76,088
Incurred but unreported claims	562,000	-	562,000	501,106
Deferred revenue	96,783	1,041	97,824	89,136
Total Liabilities	<u>675,195</u>	<u>1,041</u>	<u>676,236</u>	<u>666,330</u>
NET ASSETS				
Restricted for employee benefits program	-	1,777,024	1,777,024	1,750,902
Unrestricted	<u>1,459,360</u>	<u>-</u>	<u>1,459,360</u>	<u>961,305</u>
Total Net Assets	<u>1,459,360</u>	<u>1,777,024</u>	<u>3,236,384</u>	<u>2,712,207</u>
Total Liabilities and Net Assets	<u>\$ 2,134,555</u>	<u>\$ 1,778,065</u>	<u>\$ 3,912,620</u>	<u>\$ 3,378,537</u>

LYON COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2008	2007
OPERATING REVENUES				
Charges for services	\$ 757,976	\$ -	\$ 757,976	\$ 1,397,046
OPERATING EXPENSES				
Medical claims	-	7,208	7,208	786,252
Workers compensation claims	212,556	-	212,556	175,383
Unemployment claims	45,466	-	45,466	28,873
Reinsurance premiums	47,269	-	47,269	138,940
Administrative services	21,497	82,028	103,525	183,858
Supplies	-	-	-	1,043
Other	13,008	-	13,008	25,545
Total Operating Expenses	<u>339,796</u>	<u>89,236</u>	<u>429,032</u>	<u>1,339,894</u>
Operating Income (Loss)	418,180	(89,236)	328,944	57,152
NONOPERATING REVENUES				
Interest earned	<u>79,875</u>	<u>115,358</u>	<u>195,233</u>	<u>105,501</u>
Net Income (Loss)	498,055	26,122	524,177	162,653
NET ASSETS, July 1	<u>961,305</u>	<u>1,750,902</u>	<u>2,712,207</u>	<u>2,549,554</u>
NET ASSETS, June 30	<u>\$ 1,459,360</u>	<u>\$ 1,777,024</u>	<u>\$ 3,236,384</u>	<u>\$ 2,712,207</u>

LYON COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Premiums received from other funds	\$ 757,976	\$ -	\$ 757,976	\$ 1,287,124
Premiums received from insured	-	(941)	(941)	110,888
Payment of benefits	(164,002)	(84,593)	(248,595)	(1,424,990)
Reimbursements from providers	-	-	-	41,729
Deposit refund	-	6,880	6,880	-
Insurance premiums paid	(62,204)	-	(62,204)	(124,005)
Payments for administrative services and supplies	(21,185)	(88,842)	(110,027)	(185,023)
State assessments	(13,008)	-	(13,008)	(25,545)
	<u>497,577</u>	<u>(167,496)</u>	<u>330,081</u>	<u>(319,822)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest paid on investments	<u>62,659</u>	<u>112,537</u>	<u>175,196</u>	<u>109,630</u>
	560,236	(54,959)	505,277	(210,192)
Net Increase (Decrease) in Cash and Cash Equivalents				
CASH AND CASH EQUIVALENTS, July 1	<u>1,460,320</u>	<u>1,808,782</u>	<u>3,269,102</u>	<u>3,479,294</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 2,020,556</u>	<u>\$ 1,753,823</u>	<u>\$ 3,774,379</u>	<u>\$ 3,269,102</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
OPERATING INCOME (LOSS)	<u>\$ 418,180</u>	<u>\$ (89,236)</u>	<u>\$ 328,944</u>	<u>\$ 57,152</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	(8,415)	(420)	(8,835)	122,122
Decrease in deposits	-	6,880	6,880	-
Increase in prepaid expenses	-	(6,814)	(6,814)	-
Increase (decrease) in accounts payable	(5,801)	(53,875)	(59,676)	73,509
Increase (decrease) in liability for incurred but not reported claims	85,000	(24,106)	60,894	(502,894)
Increase (decrease) in deferred revenues	8,613	75	8,688	(69,711)
	<u>79,397</u>	<u>(78,260)</u>	<u>1,137</u>	<u>(376,974)</u>
Total Adjustments				
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 497,577</u>	<u>\$ (167,496)</u>	<u>\$ 330,081</u>	<u>\$ (319,822)</u>

LYON COUNTY SCHOOL DISTRICT
EMPLOYEE COMPENSATION PROTECTION FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
OPERATING REVENUES					
Interfund charges	\$ 730,000	\$ 730,000	\$ 757,976	\$ 27,976	\$ 630,365
OPERATING EXPENSES					
Workers compensation claims	700,000	700,000	212,556	487,444	175,383
Unemployment claims	100,000	100,000	45,466	54,534	28,873
Insurance premiums	60,000	60,000	47,269	12,731	67,781
Administrative services	37,000	37,000	21,497	15,503	16,625
Other	-	-	13,008	(13,008)	25,545
	<u>897,000</u>	<u>897,000</u>	<u>339,796</u>	<u>557,204</u>	<u>314,207</u>
Operating Income (Loss)	(167,000)	(167,000)	418,180	585,180	316,158
NONOPERATING REVENUES					
Earnings on investments	<u>30,000</u>	<u>30,000</u>	<u>79,875</u>	<u>49,875</u>	<u>-</u>
Net Income (Loss)	(137,000)	(137,000)	498,055	635,055	316,158
FUND BALANCE, July 1	<u>841,747</u>	<u>841,747</u>	<u>961,305</u>	<u>119,558</u>	<u>645,147</u>
FUND BALANCE, June 30	<u>\$ 704,747</u>	<u>\$ 704,747</u>	<u>\$ 1,459,360</u>	<u>\$ 754,613</u>	<u>\$ 961,305</u>

LYON COUNTY SCHOOL DISTRICT
EMPLOYEE COMPENSATION PROTECTION FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from other funds	\$ 730,000	\$ 730,000	\$ 757,976	\$ 27,976	\$ 630,365
Payment of benefits	(700,000)	(700,000)	(164,002)	535,998	(111,633)
Insurance premiums paid	(55,000)	(55,000)	(62,204)	(7,204)	(52,846)
Payments for administrative services	(42,000)	(42,000)	(21,185)	20,815	(16,517)
Other	-	-	(13,008)	(13,008)	(25,545)
Net Cash Provided (Used) by Operating Activities	(67,000)	(67,000)	497,577	564,577	423,824
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest paid on investments	-	-	62,659	62,659	-
Net Increase (Decrease) in Cash and Cash Equivalents	(67,000)	(67,000)	560,236	627,236	423,824
CASH AND CASH EQUIVALENTS, July 1	1,333,096	1,333,096	1,460,320	127,224	1,036,496
CASH AND CASH EQUIVALENTS, June 30	\$ 1,266,096	\$ 1,266,096	\$ 2,020,556	\$ 754,460	\$ 1,460,320
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ (167,000)	\$ (167,000)	\$ 418,180	\$ 585,180	\$ 316,158
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Decrease (increase) in accounts receivable	-	-	(8,415)	(8,415)	(14,623)
Increase (decrease) in accounts payable	-	-	(5,801)	(5,801)	19,864
Increase in liability for incurred but not reported claims	100,000	100,000	85,000	(15,000)	88,000
Increase in deferred revenue	-	-	8,613	8,613	14,425
Total Adjustments	100,000	100,000	79,397	(20,603)	107,666
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (67,000)	\$ (67,000)	\$ 497,577	\$ 564,577	\$ 423,824

LYON COUNTY SCHOOL DISTRICT
 EMPLOYEES' GROUP INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		(NEGATIVE)	
OPERATING REVENUES					
Interfund premiums	\$ 709,000	\$ 709,000	\$ -	\$ (709,000)	\$ 655,793
Premiums charged others	113,000	113,000	-	(113,000)	110,888
Total Operating Revenues	<u>822,000</u>	<u>822,000</u>	<u>-</u>	<u>(822,000)</u>	<u>766,681</u>
OPERATING EXPENSES					
Medical claims	690,000	690,000	7,208	682,792	786,252
Insurance premiums	75,000	75,000	-	75,000	71,159
Administrative services	167,000	167,000	82,028	84,972	167,233
Supplies	1,000	1,000	-	1,000	1,043
Total Operating Expenses	<u>933,000</u>	<u>933,000</u>	<u>89,236</u>	<u>843,764</u>	<u>1,025,687</u>
Operating Income (Loss)	(111,000)	(111,000)	(89,236)	21,764	(259,006)
NONOPERATING REVENUES					
Earnings on investments	90,000	90,000	115,358	25,358	105,501
Net Income (Loss)	(21,000)	(21,000)	26,122	47,122	(153,505)
FUND BALANCE, July 1	<u>1,824,407</u>	<u>1,824,407</u>	<u>1,750,902</u>	<u>(73,505)</u>	<u>1,904,407</u>
FUND BALANCE, June 30	<u>\$ 1,803,407</u>	<u>\$ 1,803,407</u>	<u>\$ 1,777,024</u>	<u>\$ (26,383)</u>	<u>\$ 1,750,902</u>

LYON COUNTY SCHOOL DISTRICT
EMPLOYEES' GROUP INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	BUDGET		ACTUAL	VARIANCE	2007
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Premiums received from other funds	\$ 709,000	\$ 709,000	\$ -	\$ (709,000)	\$ 656,759
Premiums received from insured	113,000	113,000	(941)	(113,941)	110,888
Payment of medical claims	(665,000)	(665,000)	(84,593)	580,407	(1,313,357)
Reimbursements from providers	-	-	-	-	41,729
Deposit refund	-	-	6,880	6,880	-
Insurance premiums paid	(625,000)	(625,000)	-	625,000	(71,159)
Payments for administrative services and supplies	382,000	382,000	(88,842)	(470,842)	(168,506)
Net Cash Provided (Used) by Operating Activities	<u>(86,000)</u>	<u>(86,000)</u>	<u>(167,496)</u>	<u>(81,496)</u>	<u>(743,646)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest paid on investments	90,000	90,000	112,537	22,537	109,630
Net Increase (Decrease) in Cash and Cash Equivalents	4,000	4,000	(54,959)	(58,959)	(634,016)
CASH AND CASH EQUIVALENTS, July 1	<u>1,862,798</u>	<u>1,862,798</u>	<u>1,808,782</u>	<u>(54,016)</u>	<u>2,442,798</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 1,866,798</u>	<u>\$ 1,866,798</u>	<u>\$ 1,753,823</u>	<u>\$ (112,975)</u>	<u>\$ 1,808,782</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	<u>\$ (111,000)</u>	<u>\$ (111,000)</u>	<u>\$ (89,236)</u>	<u>\$ 21,764</u>	<u>\$ (259,006)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Decrease (increase) in accounts receivable	-	-	(420)	(420)	136,745
Increase (decrease) in accounts payable	-	-	(53,875)	(53,875)	53,645
Decrease in liability for incurred but not reported claims	25,000	25,000	(24,106)	(49,106)	(590,894)
Decrease in deposits	-	-	6,880	6,880	-
Increase in prepaid expense	-	-	(6,814)	(6,814)	-
Increase (decrease) in deferred revenue	-	-	75	75	(84,136)
Total Adjustments	<u>25,000</u>	<u>25,000</u>	<u>(78,260)</u>	<u>(103,260)</u>	<u>(484,640)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (86,000)</u>	<u>\$ (86,000)</u>	<u>\$ (167,496)</u>	<u>\$ (81,496)</u>	<u>\$ (743,646)</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
<u>YERINGTON ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 13,237	\$ 35,727	\$ 38,167	\$ 10,797
Liabilities:				
Due to other funds	\$ -	\$ 150	\$ -	\$ 150
Due to student groups	13,237	35,577	38,167	10,647
	<u>\$ 13,237</u>	<u>\$ 35,727</u>	<u>\$ 38,167</u>	<u>\$ 10,797</u>
<u>YERINGTON INTERMEDIATE</u>				
Assets:				
Cash and investments	\$ 36,568	\$ 57,662	\$ 58,155	\$ 36,075
Liabilities:				
Due to student groups	\$ 36,568	\$ 57,662	\$ 58,155	\$ 36,075
	<u>\$ 36,568</u>	<u>\$ 57,662</u>	<u>\$ 58,155</u>	<u>\$ 36,075</u>
<u>YERINGTON HIGH</u>				
Assets:				
Cash and investments	\$ 84,962	\$ 222,030	\$ 192,556	\$ 114,436
Liabilities:				
Due to student groups	\$ 84,962	\$ 222,030	\$ 192,556	\$ 114,436
	<u>\$ 84,962</u>	<u>\$ 222,030</u>	<u>\$ 192,556</u>	<u>\$ 114,436</u>
<u>SMITH VALLEY SCHOOLS</u>				
Assets:				
Cash and investments	\$ 26,023	\$ 124,965	\$ 113,230	\$ 37,758
Liabilities:				
Due to student groups	\$ 26,023	\$ 124,965	\$ 113,230	\$ 37,758
	<u>\$ 26,023</u>	<u>\$ 124,965</u>	<u>\$ 113,230</u>	<u>\$ 37,758</u>
<u>SILVER SPRINGS ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 24,262	\$ 7,857	\$ 11,959	\$ 20,160
Liabilities:				
Due to other funds	\$ 40	\$ -	\$ 40	\$ -
Due to student groups	24,222	7,857	11,919	20,160
	<u>\$ 24,262</u>	<u>\$ 7,857</u>	<u>\$ 11,959</u>	<u>\$ 20,160</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
<u>SILVER STAGE MIDDLE</u>				
Assets:				
Cash and investments	\$ 5,896	\$ 33,756	\$ 30,772	\$ 8,880
Due from other funds	-	15	-	15
	<u>\$ 5,896</u>	<u>\$ 33,771</u>	<u>\$ 30,772</u>	<u>\$ 8,895</u>
Liabilities:				
Due to student groups	<u>\$ 5,896</u>	<u>\$ 33,771</u>	<u>\$ 30,772</u>	<u>\$ 8,895</u>
<u>SILVER STAGE HIGH</u>				
Assets:				
Cash and investments	\$ 37,798	\$ 105,191	\$ 99,441	\$ 43,548
Due from other funds	2,691	-	2,691	-
	<u>\$ 40,489</u>	<u>\$ 105,191</u>	<u>\$ 102,132</u>	<u>\$ 43,548</u>
Liabilities:				
Due to student groups	<u>\$ 40,489</u>	<u>\$ 105,191</u>	<u>\$ 102,132</u>	<u>\$ 43,548</u>
<u>FERNLEY ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 17,519</u>	<u>\$ 20,956</u>	<u>\$ 14,902</u>	<u>\$ 23,573</u>
Liabilities:				
Due to student groups	<u>\$ 17,519</u>	<u>\$ 20,956</u>	<u>\$ 14,902</u>	<u>\$ 23,573</u>
<u>COTTONWOOD ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 23,045</u>	<u>\$ 36,179</u>	<u>\$ 31,193</u>	<u>\$ 28,031</u>
Liabilities:				
Due to other funds	\$ -	\$ 14	\$ -	\$ 14
Due to student groups	23,045	36,165	31,193	28,017
	<u>\$ 23,045</u>	<u>\$ 36,179</u>	<u>\$ 31,193</u>	<u>\$ 28,031</u>
<u>EAST VALLEY ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 6,456</u>	<u>\$ 28,345</u>	<u>\$ 26,415</u>	<u>\$ 8,386</u>
Liabilities:				
Due to student groups	<u>\$ 6,456</u>	<u>\$ 28,345</u>	<u>\$ 26,415</u>	<u>\$ 8,386</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>BALANCE JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2008</u>
<u>FERNLEY INTERMEDIATE</u>				
Assets:				
Cash and investments	\$ 19,654	\$ 73,875	\$ 72,104	\$ 21,425
Liabilities:				
Due to student groups	\$ 19,654	\$ 73,875	\$ 72,104	\$ 21,425
<u>FERNLEY HIGH</u>				
Assets:				
Cash and investments	\$ 42,465	\$ 313,203	\$ 303,810	\$ 51,858
Liabilities:				
Due to other funds	\$ -	\$ 57	\$ -	\$ 57
Due to student groups	42,465	313,146	303,810	51,801
	<u>\$ 42,465</u>	<u>\$ 313,203</u>	<u>\$ 303,810</u>	<u>\$ 51,858</u>
<u>DAYTON ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 6,794	\$ 19,289	\$ 16,117	\$ 9,966
Liabilities:				
Due to other funds	\$ 175	\$ -	\$ 175	\$ -
Due to student groups	6,619	19,289	15,942	9,966
	<u>\$ 6,794</u>	<u>\$ 19,289</u>	<u>\$ 16,117</u>	<u>\$ 9,966</u>
<u>SUTRO ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 9,119	\$ 8,415	\$ 5,053	\$ 12,481
Liabilities:				
Due to other funds	\$ 60	\$ -	\$ 60	\$ -
Due to student groups	9,059	8,415	4,993	12,481
	<u>\$ 9,119</u>	<u>\$ 8,415</u>	<u>\$ 5,053</u>	<u>\$ 12,481</u>
<u>RIVERVIEW ELEMENTARY</u>				
Assets:				
Cash and investments	\$ -	\$ 30,960	\$ 22,659	\$ 8,301
Liabilities:				
Due to student groups	\$ -	\$ 30,960	\$ 22,659	\$ 8,301

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
<hr/> <u>DAYTON INTERMEDIATE</u> <hr/>				
Assets:				
Cash and investments	\$ 24,773	\$ 64,421	\$ 63,685	\$ 25,509
Liabilities:				
Due to student groups	\$ 24,773	\$ 64,421	\$ 63,685	\$ 25,509
<hr/> <u>DAYTON HIGH</u> <hr/>				
Assets:				
Cash and investments	\$ 75,341	\$ 188,871	\$ 181,987	\$ 82,225
Due from other funds	14,759	-	14,759	-
	<u>\$ 90,100</u>	<u>\$ 188,871</u>	<u>\$ 196,746</u>	<u>\$ 82,225</u>
Liabilities:				
Due to student groups	\$ 90,100	\$ 188,871	\$ 196,746	\$ 82,225
<hr/> <u>TOTALS</u> <hr/>				
Assets:				
Cash and investments	\$ 453,912	\$ 1,371,702	\$ 1,282,205	\$ 543,409
Due from other funds	17,450	15	17,450	15
	<u>\$ 471,362</u>	<u>\$ 1,371,717</u>	<u>\$ 1,299,655</u>	<u>\$ 543,424</u>
Liabilities:				
Due to other funds	\$ 275	\$ 221	\$ 275	\$ 221
Due to student groups	471,087	1,371,496	1,299,380	543,203
	<u>\$ 471,362</u>	<u>\$ 1,371,717</u>	<u>\$ 1,299,655</u>	<u>\$ 543,424</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I BASIC	TITLE I MIGRANT	TITLE I, PART D NEGLECTED OR DELINQUENT	TITLE I SCHOOL IMPROVEMENT	TITLE I - 1003(g) SCHOOL IMPROVEMENT
Regular instruction programs:					
Salaries	\$ 268,916	\$ -	\$ -	\$ -	\$ -
Benefits	88,609	-	-	-	-
Purchased services	11,771	-	-	1,710	-
Supplies	65,287	-	8,198	35,390	-
Property	64,305	-	13,965	7,777	-
	<u>498,888</u>	<u>-</u>	<u>22,163</u>	<u>44,877</u>	<u>-</u>
Special instruction programs:					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
Purchased services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vocational instruction programs:					
Purchased services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Summer instruction programs:					
Salaries	26,592	-	-	-	-
Benefits	1,158	-	-	-	-
Supplies	585	-	-	-	-
	<u>28,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
English as a Second Language					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Remediation programs:					
Salaries	25,458	-	-	261	-
Benefits	1,807	-	-	8	-
Purchased services	68,007	-	-	-	-
Supplies	6,950	-	-	26,903	1,731
Property	-	-	-	9,491	27,750
	<u>102,222</u>	<u>-</u>	<u>-</u>	<u>36,663</u>	<u>29,481</u>
Co-curricular activities:					
Salaries	1,720	-	-	-	-
Benefits	53	-	-	-	-
	<u>1,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undistributed expenditures:					
Student support:					
Salaries	-	11,269	-	-	-
Benefits	-	3,956	-	-	-
Purchased services	-	-	-	-	-
Supplies	2,741	(2,625)	-	-	-
Property	1,547	-	-	-	-
	<u>4,288</u>	<u>12,600</u>	<u>-</u>	<u>-</u>	<u>-</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I BASIC	TITLE I MIGRANT	TITLE I, PART D NEGLECTED OR DELINQUENT	TITLE I SCHOOL IMPROVEMENT	TITLE I - 1003(g) SCHOOL IMPROVEMENT
Undistributed expenditures (continued):					
Instructional staff support:					
Salaries	\$ 76,376	\$ -	\$ -	\$ 452	\$ -
Benefits	20,580	-	-	13	-
Purchased services	27,778	-	-	945	-
Supplies	6,106	-	-	-	-
Other	-	-	-	-	-
	<u>130,840</u>	<u>-</u>	<u>-</u>	<u>1,410</u>	<u>-</u>
General administration:					
Salaries	23,826	700	943	-	-
Benefits	8,687	225	329	-	-
Purchased services	-	-	-	-	-
Supplies	2,814	-	-	-	-
Property	-	-	-	-	-
	<u>35,327</u>	<u>925</u>	<u>1,272</u>	<u>-</u>	<u>-</u>
Central services:					
Salaries	735	-	-	-	-
Benefits	21	-	-	-	-
Purchased services	-	-	-	-	-
Property	-	-	-	-	-
	<u>756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Student transportation:					
Salaries	3,846	-	-	-	-
Benefits	512	-	-	-	-
Supplies	-	-	-	-	-
	<u>4,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Expenditures	 <u>\$ 806,787</u>	 <u>\$ 13,525</u>	 <u>\$ 23,435</u>	 <u>\$ 82,950</u>	 <u>\$ 29,481</u>

<u>TITLE II, PART A TRAINING AND RECRUITING</u>	<u>TITLE II, PART D EDUCATION TECHNOLOGY- FORMULA</u>	<u>TITLE III LANGUAGE ACQUISITION</u>	<u>TITLE IV SAFE & DRUG FREE SCHOOLS</u>	<u>TITLE V INNOVATIVE PROGRAMS</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,828
-	-	-	-	199
6,000	-	-	-	5,977
-	2,587	2,788	-	491
-	-	-	-	800
<u>6,000</u>	<u>2,587</u>	<u>2,788</u>	<u>-</u>	<u>11,295</u>
2,413	-	1,540	768	261
880	-	577	192	75
-	-	-	-	-
-	-	3,279	-	-
-	-	-	-	-
<u>3,293</u>	<u>-</u>	<u>5,396</u>	<u>960</u>	<u>336</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 243,795</u>	<u>\$ 8,351</u>	<u>\$ 51,657</u>	<u>\$ 14,927</u>	<u>\$ 23,904</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2007

	I.D.E.A. LOCAL PLAN	EARLY CHILDHOOD	PL 105-79 SCHOOL REFORM	CARL PERKINS	NEVADA ARTS COUNCIL
Regular instruction programs:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Purchased services	-	-	-	-	230
Supplies	-	-	-	-	289
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>519</u>
Special instruction programs:					
Salaries	562,149	21,286	-	-	-
Benefits	204,268	8,751	-	-	-
Purchased services	24,509	-	-	-	-
Supplies	12,595	16,762	-	-	-
Property	24,963	3,110	-	-	-
	<u>828,484</u>	<u>49,909</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vocational instruction programs:					
Purchased Services	-	-	-	-	-
Supplies	-	-	-	20,699	-
Property	-	-	-	58,619	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,318</u>	<u>-</u>
Summer instruction programs:					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
English as a Second Language					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Remediation programs:					
Salaries	-	-	1,260	-	-
Benefits	-	-	37	-	-
Purchased services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,297</u>	<u>-</u>	<u>-</u>
Co-curricular activities:					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undistributed expenditures:					
Student support:					
Salaries	13,406	-	-	-	-
Benefits	394	-	-	-	-
Purchased services	44,980	-	-	-	-
Supplies	39,012	-	-	-	-
Property	33,514	-	-	-	-
	<u>131,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

LEARN AND SERVE AMERICA	STATE ASSESSMENTS	NEVADA READING FIRST	EMPLOYEE CRIMINAL HISTORY	TOTALS
\$ -	\$ -	\$ 7,609	\$ -	\$ 413,674
-	-	707	-	134,235
-	-	-	-	14,280
-	-	41,720	-	168,426
-	-	566	-	86,613
-	-	50,602	-	817,228
-	-	-	-	583,435
-	-	-	-	213,019
-	-	-	-	24,509
-	-	-	-	29,357
-	-	-	-	28,073
-	-	-	-	878,393
2,827	-	-	-	2,827
12,758	-	-	-	33,457
21,064	-	-	-	79,683
36,649	-	-	-	115,967
-	-	-	-	26,592
-	-	-	-	1,158
-	-	-	-	585
-	-	-	-	28,335
-	-	-	-	39,288
-	-	-	-	14,388
-	-	-	-	22,796
-	-	-	-	20,677
-	-	-	-	97,149
-	-	37,834	-	64,813
-	-	11,013	-	12,865
-	-	-	-	68,007
-	-	(1,801)	-	33,783
-	-	-	-	37,241
-	-	47,046	-	216,709
-	-	-	-	1,720
-	-	-	-	53
-	-	-	-	1,773
-	-	-	-	27,699
-	-	-	-	4,631
-	-	-	-	51,030
-	-	-	-	42,424
-	-	-	-	35,061
-	-	-	-	160,845

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2007

	I.D.E.A. LOCAL PLAN	EARLY CHILDHOOD	PL 105-79 SCHOOL REFORM	CARL PERKINS	NEVADA ARTS COUNCIL
Undistributed expenditures (continued):					
Instructional staff support:					
Salaries	\$ 61,901	\$ -	\$ -	\$ -	\$ -
Benefits	19,350	-	-	-	-
Purchased services	34,512	-	276	1,521	541
Supplies	199	-	-	-	-
Other	-	-	-	-	-
	<u>115,962</u>	<u>-</u>	<u>276</u>	<u>1,521</u>	<u>541</u>
General administration:					
Salaries	-	-	-	3,187	-
Benefits	-	-	-	1,063	-
Purchased services	2,651	-	-	-	-
Supplies	480	-	-	-	-
Property	663	-	-	-	-
	<u>3,794</u>	<u>-</u>	<u>-</u>	<u>4,250</u>	<u>-</u>
Central services:					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
Purchased services	-	-	-	-	-
Property	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Student transportation:					
Salaries	7,358	-	-	-	-
Benefits	1,210	-	-	-	-
Supplies	13,182	-	-	-	-
	<u>21,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Expenditures	 <u>\$ 1,101,296</u>	 <u>\$ 49,909</u>	 <u>\$ 1,573</u>	 <u>\$ 85,089</u>	 <u>\$ 1,060</u>

<u>LEARN AND SERVE AMERICA</u>	<u>STATE ASSESSMENTS</u>	<u>NEVADA READING FIRST</u>	<u>EMPLOYEE CRIMINAL HISTORY</u>	<u>TOTALS</u>
\$ -	\$ -	\$ 113,945	\$ -	\$ 256,502
-	-	38,502	-	78,644
-	-	803	-	78,353
-	-	-	-	12,171
-	-	-	-	800
<u>-</u>	<u>-</u>	<u>153,250</u>	<u>-</u>	<u>426,470</u>
-	-	-	-	33,638
-	-	-	-	12,028
-	-	-	-	2,651
-	-	-	-	6,573
-	-	-	-	663
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,553</u>
-	33,238	-	-	33,973
-	962	-	-	983
-	418	-	-	418
-	-	-	48,462	48,462
<u>-</u>	<u>34,618</u>	<u>-</u>	<u>48,462</u>	<u>83,836</u>
-	-	-	-	11,204
-	-	-	-	1,722
-	-	-	-	13,182
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,108</u>
<u>\$ 36,649</u>	<u>\$ 34,618</u>	<u>\$ 250,898</u>	<u>\$ 48,462</u>	<u>\$2,908,366</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, STATE GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2008

	INNOVATION & PREVENTION OF REMEDIATION	EDUCATION TECHNOLOGY	SIGNING BONUSES	LIBRARY BOOKS	CAREER & TECHNICAL EDUCATION
Regular instruction programs:					
Salaries	\$ 25,528	\$ -	\$ 106,000	\$ -	\$ -
Benefits	7,961	-	-	-	-
Supplies	130,928	-	-	-	-
Property	13,018	-	-	-	-
	<u>177,435</u>	<u>-</u>	<u>106,000</u>	<u>-</u>	<u>-</u>
Vocational instruction programs:					
Salaries	-	-	-	-	609
Purchased services	-	-	-	-	4,076
Supplies	-	-	-	-	63,393
Property	-	-	-	-	39,729
Other	-	-	-	-	1,404
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,211</u>
English as a second language:					
Salaries	34,968	-	-	-	-
Benefits	12,533	-	-	-	-
	<u>47,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Remedial instruction programs:					
Salaries	155,533	-	-	-	-
Benefits	38,230	-	-	-	-
Supplies	100,225	-	-	-	-
	<u>293,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Adult instruction programs:					
Salaries	-	-	-	-	-
Benefits	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undistributed expenditures:					
Instructional staff support:					
Salaries	701,837	-	-	-	-
Benefits	236,362	-	-	-	-
Purchased services	29,940	-	-	-	-
Supplies	86,261	-	-	21,947	-
Property	12,857	-	-	-	-
	<u>1,067,257</u>	<u>-</u>	<u>-</u>	<u>21,947</u>	<u>-</u>
Central Services:					
Property	-	(35)	-	-	-
	<u>-</u>	<u>(35)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Student transportation:					
Salaries	1,160	-	-	-	-
Benefits	196	-	-	-	-
Supplies	2,932	-	-	-	-
	<u>4,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 1,590,469</u>	<u>\$ (35)</u>	<u>\$ 106,000</u>	<u>\$ 21,947</u>	<u>\$ 109,211</u>

<u>FULL DAY KINDERGARTEN</u>	<u>INCENTIVE PAY</u>	<u>ADULT HIGH SCHOOL LEADERSHIP</u>	<u>REGIONAL PROFESSIONAL DEVELOPMENT</u>	<u>TOTALS</u>
\$ 79,843	\$ 189,000	\$ -	\$ -	\$ 400,371
30,563	227,112	-	-	265,636
-	-	-	2,084	133,012
-	-	-	-	13,018
<u>110,406</u>	<u>416,112</u>	<u>-</u>	<u>2,084</u>	<u>812,037</u>
-	-	-	-	609
-	-	-	-	4,076
-	-	-	-	63,393
-	-	-	-	39,729
-	-	-	-	1,404
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,211</u>
-	-	-	-	34,968
-	-	-	-	12,533
-	-	-	-	47,501
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,533</u>
-	-	-	-	38,230
-	-	-	-	100,225
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,988</u>
-	-	10,246	-	10,246
-	-	4,851	-	4,851
<u>-</u>	<u>-</u>	<u>15,097</u>	<u>-</u>	<u>15,097</u>
-	-	-	124,644	826,481
-	-	-	29,713	266,075
-	-	-	16,911	46,851
-	-	-	8,682	116,890
-	-	-	2,270	15,127
<u>-</u>	<u>-</u>	<u>-</u>	<u>182,220</u>	<u>1,271,424</u>
-	-	-	-	(35)
-	-	-	-	(35)
-	-	-	-	1,160
-	-	-	-	196
-	-	-	-	2,932
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,288</u>
<u>\$ 110,406</u>	<u>\$ 416,112</u>	<u>\$ 15,097</u>	<u>\$ 184,304</u>	<u>\$ 2,553,511</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF BOND FUND PROJECT EXPENDITURES
2004 BOND ISSUE
FOR THE YEAR ENDED JUNE 30, 2008

	<u>EAST VALLEY ELEMENTARY</u>		<u>RIVERVIEW ELEMENTARY</u>	
	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>
EXPENDITURES				
Undistributed expenditures:				
Support services:				
Property	\$ -	\$ -	\$ 15,513	\$ 15,513
Facilities Acquisition and construction:				
Land acquisition	-	354,525	-	370,942
Site improvements	520,352	545,707	-	-
Building acquisition and construction	<u>-</u>	<u>9,468,524</u>	<u>1,359,643</u>	<u>9,515,792</u>
Total facilities acquisition and construction	<u>\$ 520,352</u>	<u>\$ 10,368,756</u>	<u>\$ 1,375,156</u>	<u>\$ 9,902,247</u>

FERNLEY INTERMEDIATE SCHOOL ADDITION		TOTALS	
<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>
\$ -	\$ -	\$ 15,513	\$ 15,513
-	-	-	725,467
-	-	520,352	545,707
<u>-</u>	<u>2,881,554</u>	<u>1,359,643</u>	<u>21,865,870</u>
<u>\$ -</u>	<u>\$ 2,881,554</u>	<u>\$ 1,895,508</u>	<u>\$ 23,152,557</u>

LYON COUNTY SCHOOL DISTRICT
 SCHEDULE OF BOND FUND PROJECT EXPENDITURES
 2006 BOND ISSUE
 FOR THE YEAR ENDED JUNE 30, 2008

	<u>PAVING PROJECTS</u>		<u>TOTALS</u>	
	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>
EXPENDITURES				
Facilities Acquisition and construction:				
Site improvements:				
Purchased services:				
Silver Springs	\$ 160,650	\$ 160,650	\$ 160,650	\$ 160,650
Dayton	117,827	117,827	117,827	117,827
Fernley	77,053	77,053	77,053	77,053
Yerington	165,900	165,900	165,900	165,900
Other	<u>5,089</u>	<u>5,089</u>	<u>5,089</u>	<u>5,089</u>
Total facilities acquisition and construction	<u>\$ 526,519</u>	<u>\$ 526,519</u>	<u>\$ 526,519</u>	<u>\$ 526,519</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF RESIDENTIAL CONSTRUCTION TAX BY AREA
FOR THE YEAR ENDED JUNE 30, 2008

	<u>DAYTON</u>	<u>FERNLEY</u>	<u>SILVER- STAGE</u>	<u>SMITH VALLEY</u>	<u>YERINGTON</u>	<u>TOTAL</u>
REVENUES						
Residential construction tax	\$ 129,200	\$ 114,048	\$ 36,288	\$ 14,256	\$ 41,168	\$ 334,960
Earnings on investments	<u>18,675</u>	<u>8,982</u>	<u>4,721</u>	<u>2,096</u>	<u>2,295</u>	<u>36,769</u>
Total Revenue	<u>147,875</u>	<u>123,030</u>	<u>41,009</u>	<u>16,352</u>	<u>43,463</u>	<u>371,729</u>
EXPENDITURES						
Regular instruction programs:						
Supplies	-	-	-	-	3,304	3,304
Facilities Acquisition and construction:						
Land acquisition:						
Property, Riverview	139,200	-	-	-	-	139,200
Site improvements:						
Purchased services:						
Engineering	10,422	-	23,927	-	-	34,349
Construction contractor	201,930	-	196,518	-	-	398,448
Other	226	-	113	1,208	-	1,547
Supplies	-	-	-	23,961	-	23,961
Building improvements:						
Purchased services:						
Engineering	-	-	-	-	1,860	1,860
Construction contractor	-	160,600	-	-	118,420	279,020
Other	-	-	-	-	210	210
Total facilities acquisition and construction	<u>351,778</u>	<u>160,600</u>	<u>220,558</u>	<u>25,169</u>	<u>123,794</u>	<u>881,899</u>
	(203,903)	(37,570)	(179,549)	(8,817)	(80,331)	(510,170)
FUND BALANCE, July 1	<u>559,734</u>	<u>338,313</u>	<u>225,018</u>	<u>49,654</u>	<u>104,745</u>	<u>1,277,464</u>
FUND BALANCE, June 30	<u>\$ 355,831</u>	<u>\$ 300,743</u>	<u>\$ 45,469</u>	<u>\$ 40,837</u>	<u>\$ 24,414</u>	<u>\$ 767,294</u>

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LYON COUNTY SCHOOL DISTRICT
STATISTICAL SECTION

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LYON COUNTY SCHOOL DISTRICT
SUMMARY OF NET ASSETS
LAST EIGHT YEARS
(UNAUDITED)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Assets				
Current assets	\$ 30,537,080	\$ 38,345,147	\$ 32,382,903	\$ 26,067,222
Noncurrent assets	<u>50,898,587</u>	<u>59,559,047</u>	<u>63,582,447</u>	<u>70,214,148</u>
Total Assets	<u>81,435,667</u>	<u>97,904,194</u>	<u>95,965,350</u>	<u>96,281,370</u>
Liabilities				
Current liabilities	9,020,635	11,338,893	11,745,575	12,551,089
Noncurrent liabilities	<u>40,020,752</u>	<u>51,024,209</u>	<u>48,417,596</u>	<u>45,061,046</u>
Total Liabilities	<u>49,041,387</u>	<u>62,363,102</u>	<u>60,163,171</u>	<u>57,612,135</u>
Net Assets				
Investment in capital assets, net of related debt	20,862,102	22,129,526	23,973,022	25,854,580
Restricted for debt service	4,538,439	4,364,354	4,212,877	4,014,111
Restricted for employee benefits program	-	-	-	3,064,329
Unrestricted	<u>6,993,739</u>	<u>9,047,212</u>	<u>7,616,280</u>	<u>5,736,215</u>
Total Net Assets	<u>\$ 32,394,280</u>	<u>\$ 35,541,092</u>	<u>\$ 35,802,179</u>	<u>\$ 38,669,235</u>

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 27,981,617	\$ 40,456,913	\$ 33,181,845	\$ 45,353,345
<u>79,011,579</u>	<u>87,190,166</u>	<u>96,689,592</u>	<u>98,466,960</u>
<u>106,993,196</u>	<u>127,647,079</u>	<u>129,871,437</u>	<u>143,820,305</u>
12,689,167	18,202,125	17,312,770	16,666,621
<u>51,010,501</u>	<u>60,172,898</u>	<u>56,285,985</u>	<u>63,855,797</u>
<u>63,699,668</u>	<u>78,375,023</u>	<u>73,598,755</u>	<u>80,522,418</u>
31,777,537	34,600,264	36,607,256	39,857,524
2,928,874	4,386,518	5,826,873	7,639,793
2,899,342	1,904,407	1,750,902	1,777,024
<u>5,687,775</u>	<u>8,380,867</u>	<u>12,087,651</u>	<u>14,023,546</u>
<u>\$ 43,293,528</u>	<u>\$ 49,272,056</u>	<u>\$ 56,272,682</u>	<u>\$ 63,297,887</u>

LYON COUNTY SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST EIGHT YEARS
(UNAUDITED)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Expenses				
Instruction:				
Regular instruction	\$ 19,279,124	\$ 20,312,786	\$ 22,084,209	\$ 23,942,839
Special instruction	5,052,221	5,589,429	6,618,994	6,950,915
Vocational instruction	876,221	880,320	1,085,838	1,044,062
Adult instruction	210,983	281,018	354,975	347,969
Other instruction	853,926	862,412	1,204,275	1,266,578
Extra-curricular activities	-	-	-	-
Total Instruction	<u>26,272,475</u>	<u>27,925,965</u>	<u>31,348,291</u>	<u>33,552,363</u>
Support Services:				
Student support	1,250,922	1,536,798	1,792,052	1,710,569
Instructional staff support	1,474,501	1,536,158	2,171,653	2,476,527
General administration	1,132,570	1,406,916	1,296,877	1,540,582
School administration	3,287,069	3,510,279	3,714,306	3,859,666
Central services	615,636	872,579	814,078	818,256
Operation and maintenance of plant	4,706,701	5,093,813	5,868,048	6,030,681
Student transportation	2,726,586	2,975,674	2,964,240	3,354,959
Other support services	-	-	-	-
Food service	1,617,545	1,672,758	1,846,191	2,013,136
Interest on long-term debt	1,799,442	2,164,355	2,598,397	2,479,673
Depreciation, unallocated	1,155,586	1,219,891	1,365,849	1,579,946
Payments on behalf of other entities	102,994	63,020	2,707	-
Total Expenses	<u>46,142,027</u>	<u>49,978,206</u>	<u>55,782,689</u>	<u>59,416,358</u>
Program Revenues:				
Charges for services:				
Food service sales	735,395	751,984	735,107	775,470
Adult tuition	1,980	2,320	2,300	1,350
Operating grants and contributions	4,062,202	5,083,325	6,243,431	6,667,608
Total Program Revenues	<u>4,799,577</u>	<u>5,837,629</u>	<u>6,980,838</u>	<u>7,444,428</u>
Total Net Expense	<u>41,342,450</u>	<u>44,140,577</u>	<u>48,801,851</u>	<u>51,971,930</u>
General Revenues:				
Property taxes, levied for general purposes	5,197,309	5,425,270	5,611,115	6,123,434
Property taxes, levied for debt service	4,066,659	4,251,578	4,446,038	4,867,236
Local school support taxes	3,892,178	4,232,124	4,185,748	4,646,178
Taxes for capital acquisitions	399,378	366,204	417,356	496,031
Other taxes and fees	960,878	1,165,591	1,252,849	1,384,310
Interest earnings	1,120,023	752,199	405,634	204,578
Other local sources	110,419	167,894	434,089	429,528
State aid not restricted to specific purpose	27,748,541	30,870,191	32,297,856	36,675,291
Federal aid not restricted to specific purpose	8,897	56,338	12,253	12,400
Total General Revenues	<u>43,504,282</u>	<u>47,287,389</u>	<u>49,062,938</u>	<u>54,838,986</u>
Change in Net Assets	2,161,832	3,146,812	261,087	2,867,056
Net Assets, July 1	<u>30,232,448</u>	<u>32,394,280</u>	<u>35,541,092</u>	<u>35,802,179</u>
Net Assets, June 30	<u>\$ 32,394,280</u>	<u>\$ 35,541,092</u>	<u>\$ 35,802,179</u>	<u>\$ 38,669,235</u>

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 25,143,580	\$ 27,800,118	\$ 30,928,391	\$ 32,295,615
5,980,176	6,619,505	7,410,294	7,975,702
1,093,998	1,114,269	1,176,858	1,434,772
310,483	353,329	407,245	380,702
1,218,830	1,279,505	1,734,473	1,942,722
<u>846,472</u>	<u>919,614</u>	<u>1,029,440</u>	<u>1,060,315</u>
<u>34,593,539</u>	<u>38,086,340</u>	<u>42,686,701</u>	<u>45,089,828</u>
3,694,068	4,105,077	4,464,711	4,926,054
2,575,073	3,268,002	4,555,768	3,936,467
1,845,718	2,076,936	2,389,895	2,436,133
4,123,425	4,472,083	4,865,381	5,461,477
1,296,477	1,387,351	1,615,163	1,707,691
6,539,094	7,174,620	8,094,377	8,582,931
3,813,259	4,478,832	4,814,798	4,908,395
-	-	172,275	192,461
2,163,788	2,387,042	2,597,415	2,834,835
2,520,818	2,694,196	2,768,740	2,608,285
1,646,027	1,717,689	1,938,975	2,164,848
<u>22,509</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>64,833,795</u>	<u>71,848,168</u>	<u>80,964,199</u>	<u>84,849,405</u>
841,524	974,196	1,099,566	1,067,588
1,300	1,602	9,825	12,022
<u>7,429,795</u>	<u>8,688,192</u>	<u>10,235,833</u>	<u>9,548,891</u>
<u>8,272,619</u>	<u>9,663,990</u>	<u>11,345,224</u>	<u>10,628,501</u>
<u>56,561,176</u>	<u>62,184,178</u>	<u>69,618,975</u>	<u>74,220,904</u>
6,979,050	8,069,049	9,381,335	10,209,650
5,463,268	6,316,214	7,337,799	7,987,007
5,449,244	6,473,111	5,930,853	6,362,371
588,921	1,274,580	1,409,943	1,017,878
1,812,016	1,950,959	2,090,444	2,036,336
435,916	1,225,404	1,355,029	1,438,067
317,834	329,151	797,461	126,195
40,126,659	42,511,387	48,290,779	52,054,138
<u>12,561</u>	<u>12,851</u>	<u>25,958</u>	<u>14,467</u>
<u>61,185,469</u>	<u>68,162,706</u>	<u>76,619,601</u>	<u>81,246,109</u>
4,624,293	5,978,528	7,000,626	7,025,205
<u>38,669,235</u>	<u>43,293,528</u>	<u>49,272,056</u>	<u>56,272,682</u>
<u>\$ 43,293,528</u>	<u>\$ 49,272,056</u>	<u>\$ 56,272,682</u>	<u>\$ 63,297,887</u>

LYON COUNTY SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (UNAUDITED)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
General Fund				
Reserved	\$ 193,112	\$ 225,471	\$ 186,116	\$ 109,882
Unreserved	<u>2,277,967</u>	<u>2,814,310</u>	<u>2,012,152</u>	<u>2,794,490</u>
Total General Fund	<u>\$ 2,471,079</u>	<u>\$ 3,039,781</u>	<u>\$ 2,198,268</u>	<u>\$ 2,904,372</u>
All Other Governmental Funds				
Reserved for debt service	\$ 3,407,684	\$ 4,404,093	\$ 4,538,439	\$ 4,572,184
Reserved for other	1,184,759	309,430	902,650	3,988,980
Unreserved, reported in:				
Special revenue funds	755,325	814,362	988,416	1,120,722
Capital projects funds	<u>1,594,588</u>	<u>885,376</u>	<u>12,589,911</u>	<u>13,574,927</u>
Total Other Governmental Funds	<u>\$ 6,942,356</u>	<u>\$ 6,413,261</u>	<u>\$ 19,019,416</u>	<u>\$ 23,256,813</u>

2003	2004	2005	2006	2007	2008
\$ 126,914	\$ 213,379	\$ 174,991	\$ 87,047	\$ 330,318	\$ 312,878
<u>1,670,577</u>	<u>2,287,303</u>	<u>3,813,268</u>	<u>5,041,967</u>	<u>4,537,189</u>	<u>6,217,614</u>
<u>\$ 1,797,491</u>	<u>\$ 2,500,682</u>	<u>\$ 3,988,259</u>	<u>\$ 5,129,014</u>	<u>\$ 4,867,507</u>	<u>\$ 6,530,492</u>
\$ 4,338,141	\$ 4,172,160	\$ 3,185,017	\$ 4,924,773	\$ 6,185,595	\$ 7,939,700
3,361,681	4,103,248	902,918	2,611,812	2,240,698	741,646
1,290,725	1,459,235	1,558,145	1,556,781	2,040,048	1,108,752
<u>9,599,619</u>	<u>4,670,392</u>	<u>7,723,598</u>	<u>11,842,990</u>	<u>4,246,238</u>	<u>15,668,184</u>
<u>\$ 18,590,166</u>	<u>\$ 14,405,035</u>	<u>\$ 13,369,678</u>	<u>\$ 20,936,356</u>	<u>\$ 14,712,579</u>	<u>\$ 25,458,282</u>

LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENITURES AND
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN YEARS
(UNAUDITED)

	1999	2000	2001	2002
REVENUES:				
Property taxes	\$ 8,625,111	\$ 9,507,651	\$ 9,215,017	\$ 9,725,003
Sales taxes	3,237,374	3,721,801	3,892,178	4,232,124
Other local sources	2,874,732	3,264,429	3,341,173	3,206,192
State sources	29,297,531	28,682,080	29,290,332	32,666,561
Federal sources	2,184,012	2,264,337	2,529,308	3,343,293
	<u>46,218,760</u>	<u>47,440,298</u>	<u>48,268,008</u>	<u>53,173,173</u>
Total Revenues				
EXPENDITURES:				
Instruction:				
Regular instruction	18,675,733	18,233,272	19,318,487	20,536,155
Special instruction	3,235,250	3,499,590	3,960,106	4,414,200
Vocational instruction	802,153	869,007	837,398	815,442
Adult instruction	338,459	265,955	215,494	285,277
Other instruction	573	18,106	-	-
Extra-curricular activities	731,465	964,971	707,694	686,755
Support services:				
Student support	1,937,631	2,141,407	2,384,086	2,696,741
Instructional staff support	1,275,191	1,227,130	1,436,730	1,504,643
General administration	1,389,208	1,141,892	1,189,492	1,441,887
School administration	3,069,605	3,140,779	3,325,976	3,537,471
Central Services	425,015	536,447	546,966	862,105
Operations and maintenance of plant	4,172,273	4,309,981	4,750,867	5,024,861
Student transportation	2,570,920	2,799,983	3,070,392	3,434,393
Other support services	-	-	-	-
Food service	1,466,091	1,568,296	1,632,489	1,664,516
Facilities acquisition and construction	3,217,113	2,619,011	953,407	10,013,467
Debt service:				
Principal	1,905,000	2,130,000	2,415,000	2,300,000
Interest and call premium	1,917,505	1,808,478	1,781,802	2,074,568
Payments on behalf of other entities	-	132,336	102,994	63,020
	<u>47,129,185</u>	<u>47,406,641</u>	<u>48,629,380</u>	<u>61,355,501</u>
Total Expenditures				
Excess (Deficiency) of				
Revenues over Expenditures	<u>(910,425)</u>	<u>33,657</u>	<u>(361,372)</u>	<u>(8,182,328)</u>
OTHER FINANCING SOURCES (USES)				
Sale of property	3,266	5,950	2,044	-
Proceeds from bond sales	-	-	16,875,433	13,125,829
Payments from refunded bond escrow agent	-	-	-	-
Payments to refunded bond escrow agent	-	-	(4,751,463)	-
	<u>3,266</u>	<u>5,950</u>	<u>12,126,014</u>	<u>13,125,829</u>
Total Other Financing Sources (Uses)				
Excess (Deficiency) of Revenues				
and Other Financing Sources over				
Expenditures and Other Financing Uses	(907,159)	39,607	11,764,642	4,943,501
FUND BALANCE, July 1				
	<u>10,320,594</u>	<u>9,413,435</u>	<u>9,453,042</u>	<u>21,217,684</u>
FUND BALANCE, June 30				
	<u>\$ 9,413,435</u>	<u>\$ 9,453,042</u>	<u>\$ 21,217,684</u>	<u>\$ 26,161,185</u>
Debt service as a percentage of				
noncapital expenditures	9.5%	9.7%	9.7%	9.3%

2003	2004	2005	2006	2007	2008
\$ 10,123,599	\$ 11,081,319	\$ 12,503,451	\$ 14,379,350	\$ 16,675,354	\$ 17,956,446
4,185,748	4,646,178	5,449,244	6,473,111	5,930,853	6,362,371
3,247,335	3,291,267	3,950,642	5,869,057	6,797,442	5,779,934
34,105,727	38,792,822	42,887,647	46,217,672	53,921,350	57,094,262
<u>4,447,813</u>	<u>4,562,477</u>	<u>4,681,368</u>	<u>4,881,593</u>	<u>4,596,046</u>	<u>4,441,386</u>
<u>56,110,222</u>	<u>62,374,063</u>	<u>69,472,352</u>	<u>77,820,783</u>	<u>87,921,045</u>	<u>91,634,399</u>
22,072,257	24,160,903	25,391,025	27,811,002	31,345,520	32,413,996
5,167,494	5,390,545	6,024,373	6,460,857	7,395,561	8,019,109
1,027,932	1,002,404	1,067,314	1,069,230	1,179,940	1,479,379
295,617	345,722	308,016	348,601	414,252	378,826
176,043	236,610	1,222,570	1,271,148	1,765,841	2,010,590
931,305	834,639	935,665	888,381	1,013,148	1,039,851
3,062,351	3,517,863	3,728,231	4,278,094	4,477,020	4,967,401
2,168,042	2,450,220	2,596,645	3,243,863	4,552,955	3,935,335
1,313,054	1,314,367	1,985,864	2,271,466	2,387,805	2,480,647
3,665,179	3,874,978	4,238,475	4,503,629	4,970,669	5,389,337
814,070	1,049,194	1,273,551	1,347,330	1,640,373	1,829,133
5,779,971	5,980,639	6,554,849	7,078,555	8,074,277	8,600,231
3,464,835	3,368,158	3,868,605	4,431,018	4,815,596	5,109,776
-	-	-	-	165,432	184,108
1,868,274	2,030,492	2,143,757	2,427,771	2,559,325	2,829,871
5,384,556	5,215,921	10,186,680	10,194,681	11,227,983	3,491,124
2,110,000	2,685,000	4,275,000	2,535,000	3,555,000	4,000,000
2,641,367	2,398,348	2,372,187	2,305,484	2,866,856	2,580,973
<u>2,707</u>	<u>-</u>	<u>22,509</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>61,945,054</u>	<u>65,856,003</u>	<u>78,195,316</u>	<u>82,466,110</u>	<u>94,407,553</u>	<u>90,739,687</u>
<u>(5,834,832)</u>	<u>(3,481,940)</u>	<u>(8,722,964)</u>	<u>(4,645,327)</u>	<u>(6,486,508)</u>	<u>894,712</u>
10,851	-	2,198	3,802	1,224	13,976
4,720,606	-	9,126,117	41,593,486	-	11,500,000
-	-	46,869	-	-	-
<u>(4,670,153)</u>	<u>-</u>	<u>-</u>	<u>(28,244,528)</u>	<u>-</u>	<u>-</u>
<u>61,304</u>	<u>-</u>	<u>9,175,184</u>	<u>13,352,760</u>	<u>1,224</u>	<u>11,513,976</u>
(5,773,528)	(3,481,940)	452,220	8,707,433	(6,485,284)	12,408,688
<u>26,161,185</u>	<u>20,387,657</u>	<u>16,905,717</u>	<u>17,357,937</u>	<u>26,065,370</u>	<u>19,580,086</u>
<u>\$ 20,387,657</u>	<u>\$ 16,905,717</u>	<u>\$ 17,357,937</u>	<u>\$ 26,065,370</u>	<u>\$ 19,580,086</u>	<u>\$ 31,988,774</u>
9.2%	9.1%	10.8%	7.2%	8.4%	8.2%

GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
LAST TEN YEARS
(UNAUDITED)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
REVENUES:				
Property taxes	\$ 4,200,957	\$ 4,792,878	\$ 5,157,240	\$ 5,450,791
Sales taxes	3,237,374	3,721,801	3,892,178	4,232,124
Other local sources	1,000,192	1,072,492	1,061,032	1,299,541
State sources	25,645,947	25,751,317	26,262,198	29,179,250
Federal sources	<u>47,492</u>	<u>51,957</u>	<u>8,897</u>	<u>56,438</u>
 Total Revenues	 <u>34,131,962</u>	 <u>35,390,445</u>	 <u>36,381,545</u>	 <u>40,218,144</u>
EXPENDITURES:				
Instruction programs:				
Regular	16,113,016	16,512,597	17,495,678	18,255,925
Vocational	684,350	750,442	737,211	730,665
Other	573	841	-	-
Extra-curricular	<u>679,998</u>	<u>735,755</u>	<u>707,694</u>	<u>686,755</u>
	17,477,937	17,999,635	18,940,583	19,673,345
Undistributed programs:				
Support services:				
Student support	1,075,129	1,193,523	1,268,129	1,357,739
Instructional staff support	1,104,462	1,137,720	1,294,571	1,258,418
General administration	1,216,804	970,242	906,293	1,162,637
School administration	3,040,771	3,140,779	3,310,386	3,536,199
Central services	425,015	523,085	536,260	666,642
Operation and maintenance of plant	4,160,806	4,308,847	4,750,867	5,024,861
Student transportation	2,498,681	2,717,202	2,776,839	3,081,299
Other support services	-	-	-	-
Payments to/for other entities	-	104,576	100,244	62,591
Facilities acquisition and construction	5,400	1,134	43,886	18,309
Other financing uses	<u>2,685,000</u>	<u>2,725,000</u>	<u>3,295,000</u>	<u>3,670,000</u>
 Total Expenditures and Other Financing Uses	 <u>33,690,005</u>	 <u>34,821,743</u>	 <u>37,223,058</u>	 <u>39,512,040</u>
 Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	 441,957	 568,702	 (841,513)	 706,104
FUND BALANCE, July 1	<u>2,029,122</u>	<u>2,471,079</u>	<u>3,039,781</u>	<u>2,198,268</u>
FUND BALANCE, June 30	<u>\$ 2,471,079</u>	<u>\$ 3,039,781</u>	<u>\$ 2,198,268</u>	<u>\$ 2,904,372</u>

	2003	2004	2005	2006	2007	2008
\$	5,677,561	\$ 6,214,083	\$ 7,012,710	\$ 8,066,046	\$ 9,356,611	\$ 10,075,014
	4,185,748	4,646,178	5,449,244	6,473,111	5,930,853	6,362,371
	1,388,644	1,450,221	1,949,187	2,193,115	2,177,049	2,196,371
	30,623,681	34,853,857	38,221,955	40,433,950	46,149,509	49,765,464
	12,253	12,400	12,561	12,851	25,958	7,029
	<u>41,887,887</u>	<u>47,176,739</u>	<u>52,645,657</u>	<u>57,179,073</u>	<u>63,639,980</u>	<u>68,406,249</u>
	19,551,956	21,378,865	22,138,204	24,425,096	27,408,729	28,549,865
	907,194	903,558	971,619	972,022	1,047,063	1,254,201
	6,722	32,003	943,547	969,891	1,235,093	1,326,908
	876,264	834,639	902,246	886,868	1,006,315	1,038,078
	<u>21,342,136</u>	<u>23,149,065</u>	<u>24,955,616</u>	<u>27,253,877</u>	<u>30,697,200</u>	<u>32,169,052</u>
	1,476,413	1,606,300	1,709,342	1,799,230	2,063,353	2,336,641
	1,532,269	1,570,586	1,678,631	1,802,527	1,972,146	2,219,052
	964,636	1,014,412	1,612,648	1,761,026	2,079,016	2,092,288
	3,663,462	3,874,261	4,169,524	4,402,958	4,959,420	5,373,824
	723,049	968,598	1,111,744	1,257,114	1,487,249	1,662,904
	5,759,257	5,929,642	6,554,450	7,078,555	8,073,962	8,600,076
	3,004,897	2,864,726	3,238,893	3,794,310	4,090,435	4,330,319
	-	-	-	-	165,218	184,108
	-	-	-	-	-	-
	38,649	20,958	67,232	313,721	103,488	-
	<u>4,490,000</u>	<u>5,475,000</u>	<u>6,060,000</u>	<u>6,575,000</u>	<u>8,210,000</u>	<u>7,775,000</u>
	<u>42,994,768</u>	<u>46,473,548</u>	<u>51,158,080</u>	<u>56,038,318</u>	<u>63,901,487</u>	<u>66,743,264</u>
	(1,106,881)	703,191	1,487,577	1,140,755	(261,507)	1,662,985
	<u>2,904,372</u>	<u>1,797,491</u>	<u>2,500,682</u>	<u>3,988,259</u>	<u>5,129,014</u>	<u>4,867,507</u>
\$	<u>1,797,491</u>	<u>2,500,682</u>	<u>3,988,259</u>	<u>5,129,014</u>	<u>4,867,507</u>	<u>6,530,492</u>

ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

Fiscal Year	Assessed Valuation	Net Proceeds of Mines	Total Assessed Valuation	Percent Change
1999	\$ 553,401,955	\$ 90,000	\$ 553,491,955	9.29%
2000	615,055,680	130,000	615,185,680	11.15%
2001	671,944,241	200,000	672,144,241	9.26%
2002	722,002,643	100,000	722,102,643	7.43%
2003	762,293,482	100,000	762,393,482	5.58%
2004	810,679,187	200,000	810,879,187	6.36%
2005	897,481,383	200,000	897,681,383	10.70%
2006	1,052,893,222	200,000	1,053,093,222	17.31%
2007	1,364,367,737	250,000	1,364,617,737	29.58%
2008	1,665,751,811	200,000	1,665,951,811	22.08%

TAX LEVIES, COLLECTIONS AND DELINQUENCIES
LAST TEN YEARS
(UNAUDITED)

Fiscal Year Ending June 30	Net Levy Roll*	<u>Current Collection</u> Amount	Percent of Levy	Delinquent Tax Collected	Cumulative Tax Collected	Collected as a % of Net Levy Roll
1999	\$ 13,230,074	\$ 12,756,008	96.42%	\$ 312,896	\$ 13,068,904	98.78%
2000	14,463,615	13,969,790	96.59%	405,041	14,374,831	99.39%
2001	14,806,392	14,167,942	95.69%	462,386	14,630,328	98.81%
2002	15,991,254	15,424,646	96.46%	436,619	15,861,265	99.19%
2003	17,604,003	16,543,358	93.97%	924,467	17,467,825	99.23%
2004	19,981,873	19,526,921	97.72%	301,830	19,828,751	99.23%
2005	23,545,462	23,089,856	98.06%	279,610	23,369,466	99.25%
2006	27,494,746	26,945,099	98.00%	327,650	27,272,749	99.19%
2007	32,718,013	32,086,686	98.07%	356,078	32,442,764	99.16%
2008	36,187,712	34,808,274	96.19%	-	34,808,274	96.19%

*Ad valorem taxes included on roll levied by Lyon County for all entities in County.

STATEWIDE AVERAGE AND OVERLAPPING TAX RATES
 LAST TEN YEARS
 (Using Highest Overlapping Tax Rate In District)
 (Unaudited)

Fiscal Year	Lyon County	School District	State of Nevada	Combined Special Districts	Total Combined Rate	Statewide Average
1999	0.7279	1.5400	0.1500	0.9311	3.3490	2.9716
2000	0.7317	1.4867	0.1500	0.9712	3.3396	3.0042
2001	0.7317	1.3367	0.1500	0.9989	3.2173	3.0339
2002	0.7577	1.3367	0.1500	0.8737	3.1181	3.0563
2003	0.7839	1.3367	0.1500	1.0862	3.3568	3.0758
2004	0.8350	1.3367	0.1700	1.2246	3.5663	3.1150
2005	0.8644	1.3367	0.1700	1.2246	3.5957	3.1182
2006	0.8644	1.3367	0.1700	1.2246	3.5957	3.1182
2007	0.8644	1.3367	0.1700	1.2246	3.5957	3.1471
2008	0.8644	1.3367	0.1700	1.2246	3.5957	3.1526

TEN LARGEST PROPERTY-OWNING TAXPAYERS
YEARS ENDED JUNE 30, 2008 AND JUNE 30, 1999
(Unaudited)

Taxpayer	Type of Business	2008		1999	
		Assessed Value	Percent of Assessed Value	Assessed Value	Percent of Assessed Value
Sierra Pacific Power	Public utility	\$ 34,300,618	2.06%	\$ 31,497,543	5.69%
Amazon.com	Retail	15,365,107	0.92%	-	
Quebecor	Printing	13,581,886	0.82%	5,316,540	0.96%
Southwest Gas Corp.	Public utility	10,073,559	0.60%	8,839,179	1.60%
Trex Company Inc	Manufacturing	9,669,656	0.58%	-	
Sherman-Williams Acceptance Corp	Warehousing	9,266,253	0.56%	-	
Nevada Cement	Manufacturing	8,417,510	0.51%	6,051,100	1.09%
Reynen & Bardis	Land development	7,713,948	0.46%	-	
Sonterra Development Co. Inc.	Real Estate	7,777,290	0.47%	4,171,470	0.75%
MSC Industrial Direct Co. Inc.	Warehousing	6,725,046	0.40%	-	
SBC	Public utility	-	-	6,265,529	1.13%
Bank One Trust Co.	Warehousing	-	-	7,123,648	1.29%
Louisiana Pacific Corp	Manufacturing	-	-	5,244,841	0.95%
Arimetico, Inc.	Mining	-	-	4,311,450	0.78%
Comlaw NO 445 LMT	Real Estate	-	-	3,682,420	0.67%
		<u>\$ 122,890,873</u>	7.38%	<u>\$ 82,503,720</u>	14.91%

STATUTORY DEBT LIMITATION
LAST TEN YEARS
(Unaudited)

Fiscal Year	Assessed Valuation	Debt Limit	Outstanding General Obligation Debt	Additional Statutory Debt Capacity
1999	\$ 553,491,955	\$ 83,023,793	\$ 34,135,000	\$ 48,888,793
2000	615,185,680	92,277,852	32,005,000	60,272,852
2001	672,144,241	100,821,636	42,010,000	58,811,636
2002	722,102,643	108,315,396	52,710,000	55,605,396
2003	762,393,482	114,359,022	50,700,000	63,659,022
2004	810,879,187	121,631,878	48,015,000	73,616,878
2005	897,681,383	134,652,207	52,740,000	81,912,207
2006	1,053,093,222	157,963,983	63,995,000	93,968,983
2007	1,364,617,737	204,692,661	60,440,000	144,252,661
2008	1,665,951,811	249,892,772	67,940,000	181,952,772

DIRECT GENERAL OBLIGATION DEBT RATIOS
LAST TEN YEARS
(Unaudited)

Fiscal Year	Population	Assessed Valuation	Taxable Valuation	Gross Direct General Obligation Debt Amount	Per Capita	As Percent of	
						Assessed Valuation	Taxable Valuation
1999	32,302	\$ 553,491,955	\$ 1,581,405,586	\$ 34,135,000	\$ 1,057	6.17%	2.16%
2000	33,916	615,185,680	1,757,673,371	32,005,000	944	5.20%	1.82%
2001	35,685	672,144,241	1,920,412,117	42,010,000	1,177	6.25%	2.19%
2002	37,329	722,102,643	2,063,150,409	52,710,000	1,412	7.30%	2.55%
2003	38,777	762,393,482	2,178,267,091	50,700,000	1,307	6.65%	2.33%
2004	41,244	810,879,187	2,316,797,677	48,015,000	1,164	5.92%	2.07%
2005	44,646	897,681,383	2,564,803,951	52,740,000	1,181	5.88%	2.06%
2006	48,860	1,053,093,222	3,008,837,777	63,995,000	1,310	6.08%	2.13%
2007	54,031	1,364,617,737	3,898,907,820	60,440,000	1,119	4.43%	1.55%
2008	55,903	1,665,951,811	4,759,862,317	67,940,000	1,215	4.08%	1.43%

LYON COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
LAST TEN YEARS
(Unaudited)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
REVENUES				
Ad valorem taxes	\$ 4,424,154	\$ 4,714,773	\$ 4,057,777	\$ 4,274,212
Earnings on investments	<u>152,088</u>	<u>221,314</u>	<u>272,214</u>	<u>135,101</u>
	<u>4,576,242</u>	<u>4,936,087</u>	<u>4,329,991</u>	<u>4,409,313</u>
EXPENDITURES				
Bonds:				
Principal retirement	1,905,000	2,130,000	2,415,000	2,300,000
Interest	1,917,505	1,808,478	1,781,802	2,074,568
Other	<u>1,200</u>	<u>1,200</u>	<u>47,813</u>	<u>1,000</u>
	<u>3,823,705</u>	<u>3,939,678</u>	<u>4,244,615</u>	<u>4,375,568</u>
Excess (Deficiency) of Revenues over Expenditures	<u>752,537</u>	<u>996,409</u>	<u>85,376</u>	<u>33,745</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from bond sales	-	-	4,800,433	-
Payments to (from) refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>(4,751,463)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>48,970</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	752,537	996,409	134,346	33,745
FUND BALANCE, July 1	<u>2,655,147</u>	<u>3,407,684</u>	<u>4,404,093</u>	<u>4,538,439</u>
FUND BALANCE, June 30	<u>\$ 3,407,684</u>	<u>\$ 4,404,093</u>	<u>\$ 4,538,439</u>	<u>\$ 4,572,184</u>

	2003	2004	2005	2006	2007	2008
\$	4,446,038	\$ 4,867,236	\$ 5,490,741	\$ 6,313,304	\$ 7,318,743	\$ 7,881,432
	<u>82,048</u>	<u>51,631</u>	<u>123,934</u>	<u>183,367</u>	<u>365,935</u>	<u>456,396</u>
	<u>4,528,086</u>	<u>4,918,867</u>	<u>5,614,675</u>	<u>6,496,671</u>	<u>7,684,678</u>	<u>8,337,828</u>
	2,110,000	2,685,000	4,275,000	2,535,000	3,555,000	4,000,000
	2,641,367	2,398,348	2,372,187	2,305,484	2,866,856	2,580,973
	<u>61,215</u>	<u>1,500</u>	<u>1,500</u>	<u>174,398</u>	<u>2,000</u>	<u>2,750</u>
	<u>4,812,582</u>	<u>5,084,848</u>	<u>6,648,687</u>	<u>5,014,882</u>	<u>6,423,856</u>	<u>6,583,723</u>
	<u>(284,496)</u>	<u>(165,981)</u>	<u>(1,034,012)</u>	<u>1,481,789</u>	<u>1,260,822</u>	<u>1,754,105</u>
	4,720,606	-	-	28,502,495	-	-
	<u>(4,670,153)</u>	<u>-</u>	<u>46,869</u>	<u>(28,244,528)</u>	<u>-</u>	<u>-</u>
	<u>50,453</u>	<u>-</u>	<u>46,869</u>	<u>257,967</u>	<u>-</u>	<u>-</u>
	(234,043)	(165,981)	(987,143)	1,739,756	1,260,822	1,754,105
	<u>4,572,184</u>	<u>4,338,141</u>	<u>4,172,160</u>	<u>3,185,017</u>	<u>4,924,773</u>	<u>6,185,595</u>
\$	<u>4,338,141</u>	<u>\$ 4,172,160</u>	<u>\$ 3,185,017</u>	<u>\$ 4,924,773</u>	<u>\$ 6,185,595</u>	<u>\$ 7,939,700</u>

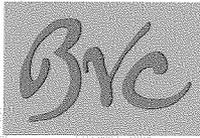
LYON COUNTY SCHOOL DISTRICT
STUDENT ENROLLMENT
LAST TEN YEARS
(UNAUDITED)

	1998-99 FISCAL YEAR		1999-2000 FISCAL YEAR		2000-2001 FISCAL YEAR		2001-02 FISCAL YEAR		2002-03 FISCAL YEAR	
	NUMBER	ANNUAL GROWTH PERCENT	NUMBER	ANNUAL GROWTH PERCENT	NUMBER	ANNUAL GROWTH PERCENT	NUMBER	ANNUAL GROWTH PERCENT	NUMBER	ANNUAL GROWTH PERCENT
<u>ATTENDANCE AREA</u>										
Dayton	1,859	6.2	1,967	5.8	2,011	2.2	2,108	4.8	2,058	(2.4)
Fernley	1,858	4.0	1,945	4.7	2,081	7.0	2,289	10.0	2,249	(1.7)
Smith Valley	271	(9.0)	277	2.2	255	(7.9)	254	(0.4)	233	(8.3)
Silver Springs/Stagecoach	855	10.5	855	-	853	(0.2)	869	1.9	1,186	36.5
Yerington	1,501	(3.0)	1,495	(0.4)	1,465	(2.0)	1,501	2.5	1,528	1.8
Regional Youth Center	-	-	-	-	-	-	25	n/a	12	(52.0)
Total	<u>6,344</u>	3.1	<u>6,539</u>	3.1	<u>6,665</u>	1.9	<u>7,046</u>	5.7	<u>7,266</u>	3.1
<u>GRADE LEVEL</u>										
Pre-kindergarten	58	(19.4)	71	22.4	89	25.4	101	13.5	106	5.0
Kindergarten	434	6.9	470	8.3	435	(7.4)	486	11.7	447	(8.0)
1st-4th	1,966	2.7	2,019	2.7	2,039	1.0	2,081	2.1	2,215	6.4
5th-8th	2,064	2.5	2,127	3.1	2,174	2.2	2,311	6.3	2,369	2.5
9th-12th	<u>1,822</u>	4.2	<u>1,852</u>	1.6	<u>1,928</u>	4.1	<u>2,067</u>	7.2	<u>2,129</u>	3.0
	<u>6,344</u>	3.1	<u>6,539</u>	3.1	<u>6,665</u>	1.9	<u>7,046</u>	5.7	<u>7,266</u>	3.1

2003-04 FISCAL YEAR		2004-05 FISCAL YEAR		2005-06 FISCAL YEAR		2006-07 FISCAL YEAR		2007-08 FISCAL YEAR	
NUMBER	ANNUAL GROWTH PERCENT								
2,198	6.8	2,330	6.0	2,466	5.8	2,605	5.6	2,656	2.0
2,460	9.4	2,833	15.2	3,271	15.5	3,586	9.6	3,749	4.5
242	3.9	245	1.2	241	(1.6)	241	-	224	(7.1)
1,263	6.5	1,265	0.2	1,243	(1.7)	1,265	1.8	1,225	(3.2)
1,496	(2.1)	1,499	0.2	1,459	(2.7)	1,460	0.1	1,400	(4.1)
<u>18</u>	50.0	<u>18</u>	-	<u>16</u>	(11.1)	<u>18</u>	12.5	<u>18</u>	-
<u>7,677</u>	5.7	<u>8,190</u>	6.7	<u>8,696</u>	6.2	<u>9,175</u>	5.5	<u>9,272</u>	1.1
105	(0.9)	139	32.4	119	(14.4)	107	(10.1)	143	33.6
510	14.1	568	11.4	659	16.0	665	0.9	673	1.2
2,264	2.2	2,396	5.8	2,549	6.4	2,756	8.1	2,820	2.3
2,544	7.4	2,699	6.1	2,783	3.1	2,964	6.5	2,933	(1.0)
<u>2,254</u>	5.9	<u>2,388</u>	5.9	<u>2,586</u>	8.3	<u>2,683</u>	3.8	<u>2,703</u>	0.7
<u>7,677</u>	5.7	<u>8,190</u>	6.7	<u>8,696</u>	6.2	<u>9,175</u>	5.5	<u>9,272</u>	1.1

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LYON COUNTY SCHOOL DISTRICT
COMPLIANCE SECTION



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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 Board of Trustees
Lyon County School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lyon County School District as of and for the year ended June 30, 2008, which collectively comprise Lyon County School District's basic financial statements and have issued our report thereon dated October 30, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lyon County School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lyon County School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lyon County School District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies, that adversely affects the Lyon County School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Lyon County School District's financial statements that is more than inconsequential will not be prevented or detected by the Lyon County School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Lyon County School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

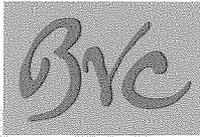
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lyon County School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant 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*.

This report is intended solely for the information and use of management, the board of trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Barnard, Vogler + Co.

Reno, Nevada
October 30, 2008



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REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*

To the Board of Trustees
Lyon County School District

Compliance

We have audited the compliance of Lyon County School District, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Lyon County School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Lyon County School District's management. Our responsibility is to express an opinion on Lyon County School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lyon County School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Lyon County School District's compliance with those requirements.

In our opinion, Lyon County School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of Lyon County School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Lyon County School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion of the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lyon County School District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the board of trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Barnard, Vogler + Co.

Reno, Nevada
October 30, 2008

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LYON COUNTY SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>
<u>U.S. Department of Education:</u>			
Passed through the University and Community College System of Nevada:			
Carl Perkins, Technical Education	84.243	96BP149774	\$ 3,000
Passed through the State Department of Education:			
P.L. 105-17, Individuals with Disabilities Education Act:			
Local Plan for Education of the Handicapped	84.027*	2007-2715-11	1,269,318
Early Childhood Development, L.E.A. Flow-Through	84.173*	2007-2715-51	59,641
Pilot Intervention Systems	84.323	2007-2715-103	5,000
P.L. 105-332, Carl D. Perkins, Basic	84.048A	2008-2676-11	89,152
Title I:			
Part A, Helping Disadvantaged			
Children Meet High Standards	84.010		941,515
Part C, Education of Migrant Children			
	84.011		22,519
Part D, Neglected or Delinquent			
	84.010		28,119
Part F, Comprehensive School Reform Demonstration:			
Fernley High School	84.332		10,063
Cottonwood Elementary School	84.332		16,538
Advanced Placement Fee Payment Program	84.330	2007-2709-04	516
School Improvement			
Yerington Elementary School	84.010		21,320
Dayton Elementary School	84.010		-
Yerington Intermediate School	84.010		46,770
District	84.010		35,000
Section 1003(g)	84.010	2008-2712-102	46,540
Title II, Part A, Teacher and Principal Training	84.367		271,698
Title II, Part D, Enhancing Education Through Technology:			
Formula			
	84.318		10,089
Competitive			
	84.318	2007-2713-78	87,136
Title III, English Language Acquisition, LEP	84.365A		51,656
Title III, English Language Acquisition, Immigrant	84.365A		-
Title IV, Safe and Drug-Free Schools and Communities Act			
	84.186		19,716
Title V, Innovative Programs	84.298		25,837
Title VI, State Assessment	84.369	2008-2713-43	41,000
Nevada Reading First	84.357	2008-2712-53	251,999
Nevada Reading First Level III Academy	84.357	2007-2712-71	3,000
Workforce Incentive	17.267	2007-2676-11	5,984
Total U.S. Department of Education			

<u>JULY 1, 2007 DEFERRED REVENUE (GRANT RECEIVABLE)</u>	<u>GRANT RECEIPTS (NET OF REFUNDS)</u>	<u>EXPENDITURES</u>	<u>JUNE 30, 2008 DEFERRED REVENUE (GRANT RECEIVABLE)</u>
\$ (3,000)	\$ 3,000	\$ -	\$ -
159,936	1,044,474	1,101,296	103,114
(1,443)	42,458	49,909	(8,894)
1,347	(1,347)	-	-
2,012	45,102	85,089	(37,975)
13,664	695,086	806,787	(98,037)
(1,306)	11,729	13,525	(3,102)
653	23,774	23,435	992
967	-	-	967
1,573	-	1,573	-
129	(129)	-	-
-	21,320	21,320	-
(16,423)	16,242	(181)	-
(1,119)	37,782	36,663	-
-	9,230	25,148	(15,918)
-	-	29,481	(29,481)
1,070	203,479	243,795	(39,246)
635	8,216	8,351	500
2,177	(2,177)	-	-
(478)	52,135	51,657	-
(11,780)	11,780	-	-
(8,291)	19,737	14,927	(3,481)
(574)	22,386	23,904	(2,092)
340	40,660	34,618	6,382
(10,552)	242,599	251,824	(19,777)
3,103	(4,029)	(926)	-
503	(503)	-	-
<u>133,143</u>	<u>2,543,004</u>	<u>2,822,195</u>	<u>(146,048)</u>

LYON COUNTY SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>
<u>U.S. Department of Agriculture:</u>			
Passed through the State Department of Education:			
National School Lunch Program	10.555	N/A	\$ 893,385
National School Breakfast Program	10.553	N/A	279,000
Passed through the State Department of General Services:			
Food Distribution Program (noncash revenue & expenditures)	10.550	N/A	141,864
Passed through the State of Nevada Controller:			
Forest Service for Schools and Roads	10.666	N/A	12,561
Total U.S. Department of Agriculture			
<u>Department of Health and Human Services</u>			
Passed through the Nevada Department of Health and Human Services:			
National and State Background Checks	93.785	11-P-93035/9	40,965
<u>U.S. Corporation for National and Community Service</u>			
Passed through the Nevada Department of Education:			
Learn and Serve America	94.004	202-412	37,000
<u>National Endowment for the Arts</u>			
Passed through the Nevada Department of of cultural Affairs:			
Nevada Arts Council, Promotion of the Arts Partnership Agreements	45.025	ALFA18-08	1,060
Total Federal Financial Assistance			

*Major programs

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - BASIS OF PRESENTATION

This schedule of expenditures of federal awards includes the federal grant activity of Lyon County School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed.

<u>JULY 1, 2007 DEFERRED REVENUE (GRANT RECEIVABLE)</u>	<u>GRANT RECEIPTS (NET OF REFUNDS)</u>	<u>EXPENDITURES</u>	<u>JUNE 30, 2008 DEFERRED REVENUE (GRANT RECEIVABLE)</u>
\$ (151,975) (46,565)	\$1,203,662 341,919	\$1,051,687 295,354	\$ - -
36,680	159,213	171,512	24,381
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(161,860)</u>	<u>1,704,794</u>	<u>1,518,553</u>	<u>24,381</u>
<u>(1,872)</u>	<u>50,334</u>	<u>48,462</u>	<u>-</u>
<u>-</u>	<u>36,649</u>	<u>36,649</u>	<u>-</u>
<u>-</u>	<u>954</u>	<u>1,060</u>	<u>(106)</u>
<u>\$ (30,589)</u>	<u>\$4,335,735</u>	<u>\$4,426,919</u>	<u>\$ (121,773)</u>

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LYON COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements, combining financial statements and individual fund schedules of Lyon County School District.
2. No significant deficiencies related to the audit of the financial statements are reported in the *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*.
3. No instances of noncompliance material to the financial statements of Lyon County School District, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs in the *Report On Compliance With Requirements Applicable To Each Major Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Lyon County School District expresses an unqualified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for Lyon County School District are reported in this Schedule.
7. The programs tested as major programs include:
 - P.L. 105-17, Individuals with Disabilities Education Act, Local Plan for Education of the Handicapped, CFDA #84.027
 - P.L. 105-17, Individuals with Disabilities Education Act. Early Childhood Development, L.E.A. Flow-Through, CFDA #84.173
8. The threshold for distinguishing Types A and B programs was \$300,000 or more.
9. Lyon County School District qualified as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

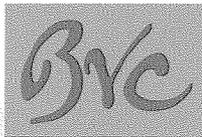
None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

D. SUMMARY OF PRIOR AUDIT FINDINGS

No prior year findings



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REPORT ON COMPLIANCE WITH NEVADA REVISED
STATUTES AND REGULATIONS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS

To the Board of Trustees
Lyon County School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lyon County School District as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 30, 2008. 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.

Compliance with Nevada Revised Statutes and regulations applicable to Lyon County School District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether Lyon County School District's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of Nevada Revised Statutes (NRS) and the Nevada Administrative Code, 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 that are required to be reported.

NRS 354.624 and 354.6241 require that we provide a statement of assurance that specified funds are being used in accordance with the provisions of Chapter 354, whether the funds are being administered in accordance with accounting principles generally accepted in the United States of America, whether the reserve in the funds are limited to an amount that is reasonable and necessary to carry out the purposes of the funds, and sources of revenues available for the funds, the statutory and regulatory requirements of the funds, and the fund balance and retained earnings of the funds. We applied procedures to test the District's compliance with these requirements applicable to the following funds:

- Special Revenue Funds
- Capital Projects Funds
- Internal Service Funds
- Fiduciary Funds

The results of our audit procedures did not disclose any instances of noncompliance with the requirements referred to above. Each fund can be found within these financial statements, which will detail the sources of revenue, including transfers from any other funds, and the fund balance or retained earnings of each fund.

This report is intended solely for the information and use of management, the board of trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Barnard, Vogler & Co.

Reno, Nevada
October 30, 2008

LYON COUNTY SCHOOL DISTRICT
INDEPENDENT AUDITOR'S COMMENTS

AUDITORS' COMMENTS

STATUTE COMPLIANCE

The District conformed to all significant statutory constraints on its financial administration during the year.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The District conformed to all significant statutory constraints on its financial administration during the year.

CURRENT YEAR AUDIT RECOMMENDATIONS

We did not note any financial weaknesses of a magnitude to justify inclusion within our audit report.

PRIOR YEAR AUDIT RECOMMENDATIONS

We did not note any financial weaknesses of a magnitude to justify inclusion within our audit report.

