

# **Lyon County School District**

STATE OF NEVADA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED

JUNE 30, 2009

LYON COUNTY SCHOOL DISTRICT  
 JUNE 30, 2009  
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\*Required continuing disclosure pursuant to SEC Rule 15c2-12, as amended.



***LYON COUNTY SCHOOL DISTRICT***  
***INTRODUCTORY SECTION***

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YERINGTON, NEVADA 89447

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

**SUPERINTENDENT**  
Caroline McIntosh

DEPUTY SUPERINTENDENT  
Keith Savage

October 22, 2009

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, 2009 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 internal control and compliance 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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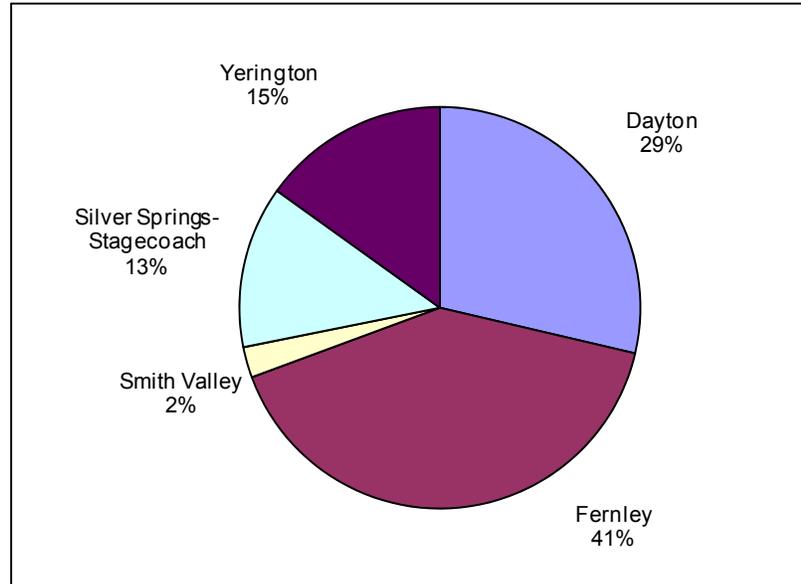
BOARD OF TRUSTEES

Charles Shirley, President • Neal McIntyre, Clerk • John Stevens, Member • James F. Huckaby, Member •  
Theo McCormick, Member • Maureen Willis, Member • Jason Sanderson, 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 55,820. 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 8,937 students by area of attendance.

The District has experienced continued enrollment growth, increasing 41% in the last ten years. However, starting last year, the trend slowed and this year the District had a 3.6% decline in enrollment. Economic indicators for Lyon County have not been as favorable in recent years. Taxable sales decreased 25.5%. This decrease compared to a statewide decrease of 20.5%. The unemployment rate in Lyon County continued to worsen, increasing from 8.5% in 2008 to an annual rate of 15.4% in 2009. The State of Nevada's rate increased from 6.4% to 11.5%. The assessed valuation increased 11.5% this year but decreased 11% for 2009-10 as declining property values begin impacting county tax appraisals.



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 has grown from 30% of the District's enrollment in 2000 to 41% in 2009 but still realized a 3.1% loss in enrollment.

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, but experienced a 3.8% decline in enrollment. Silver Springs and Stagecoach, at the east end of the corridor, began experiencing a loss of students in 2008, and has declined 8% since 2007. Besides providing housing for individuals working in other communities, Dayton has some agriculture and local industry. The Silver Springs and Stagecoach areas have a 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 local recreational opportunities help support 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 but have also seen recent declines in enrollment.

The District's student population was comprised of 4.3% American Indian, 20.9% Hispanic, 70.5% White and 4.3% other, compared to 4.0%, 19.9%, 72.0% and 4.1%, respectively, in 2008. The number of students that applied for and met the federal criteria for free or reduced lunches declined slightly from 35.4% last year to 34.4% this year. The percent of students enrolled in special education programs increased from 13.1% of total student population in 2008 to 13.7% in 2009.

## LONG-TERM CAPITAL ASSET REQUIREMENTS

A report by the state demographer dated August 18, 2008, projects Lyon County will continue to see substantial population growth, reaching over 100,000 by 2026. 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.

Land was purchased for a new elementary and intermediate school in Fernley during 2009 and the intermediate school was designed and bids for construction were being solicited at year end.

## 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 2.23% at the beginning of the year to .36% for June 2009 and averaged 1.45% compared to 3.99% for the 2008 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. Although the yield decreased from 5.14% in 2008 to 3.33% this year, it outperformed the Local Government Investment Pool by 1.88%.

## 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 \$214,913,732 at June 30, 2009. 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, 2009 of \$7,479.

The District maintains a self-insurance plan for unemployment benefits and compensation to workers with industrial related injuries. The workers compensation plan has reinsurance for individual claims that exceed \$250,000. At June 30, 2009, the fund had a reserve of \$1,888,296 in addition to a recorded liability of \$576,000 for incurred but unreported liabilities.

Employee health benefits were previously covered by a self-insured plan and the remaining fund balance is being held until a determination is made as to its ultimate distribution or use.

## 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 personnel. 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 Schettler, Macy, & Silva, LLC 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

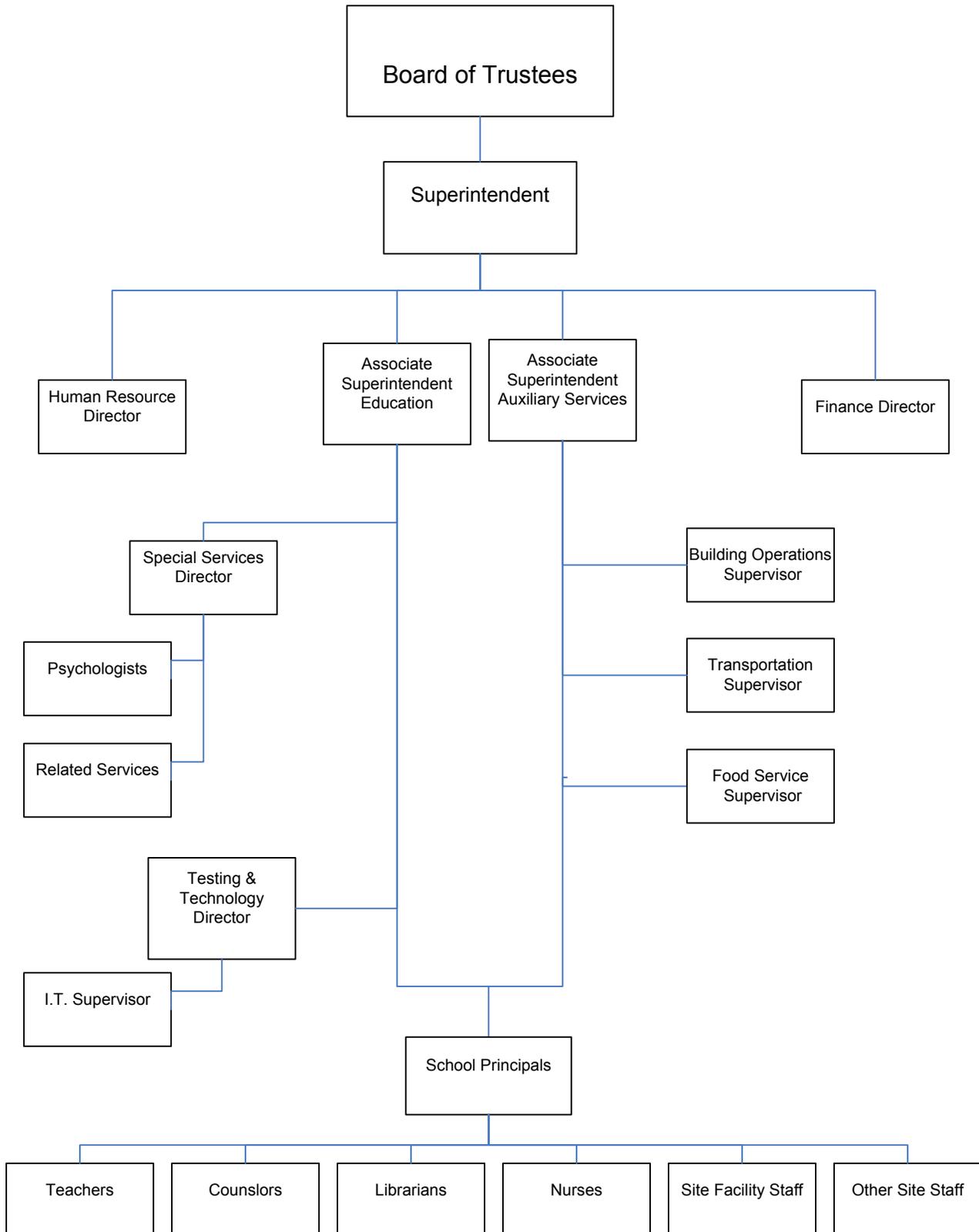
A handwritten signature in black ink that reads "D. Wade Johnson". The signature is written in a cursive style with a large, prominent "D" and "J".

D. Wade Johnson,  
Comptroller

# LYON COUNTY SCHOOL DISTRICT

## ORGANIZATION CHART

JUNE 30, 2009



PRINCIPAL OFFICERS  
OF THE LYON COUNTY SCHOOL DISTRICT  
FOR THE YEAR ENDED JUNE 30, 2009

BOARD OF TRUSTEES

Charles Shirley, President  
Neal McIntyre, Clerk  
James F. Huckaby, Member  
Jerry Peterson, Member  
Jason Sanderson, Member  
John Stevens, Member  
Maureen Willis, Member

SUPERINTENDENT

Caroline McIntosh

ASSOCIATE SUPERINTENDENTS

Teresa White  
Keith Savage

***LYON COUNTY SCHOOL DISTRICT***  
***FINANCIAL SECTION***

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Lyon County School District  
Yerington, Nevada

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lyon County School District, Yerington, Nevada (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the 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 District as of June 30, 2009, 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 27, 2009, on our consideration of the 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 should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 3 through 13 and the schedule of funding progress related to the District's other postemployment benefits on page 59 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 inquiries 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 District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section 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 the District. The combining and individual nonmajor fund financial statements and schedules 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 section 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.

*Schettler, Macy & Silva, LLC*

Reno, Nevada  
October 27, 2009

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

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 ended June 30, 2009. 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 \$63,297,887 to \$67,204,679. The net increase of \$3,906,792 was primarily attributable to a net investment in capital assets of \$4,848,052, and an increase in assets restricted for debt service of \$1,777,714. These increases were offset in part by a \$2,713,850 decrease in unrestricted net assets. The decrease in unrestricted net assets was in large part due to a net liability for postemployment benefits of \$1,890,526. This is the first year the effect of the Governmental Accounting Standard Board's Statement 45 was reported. The statement requires the current recognition in the government-wide statements of the cost and associated liability for postemployment benefits to be provided existing and future retirees. The cost associated with past service is being amortized over thirty years and will continue to have a negative impact on unrestricted net assets unless current funding of the future costs is elected.

The increase in net investment in capital assets illustrates the District's investment in facilities required to meet the demand of past and anticipated growth in student enrollment. The decrease in unrestricted net assets is due to a \$2,751,369 decrease in the balances of the District's capital projects funds, other than the bonds projects fund. The District spent \$12,887,296 on facility acquisitions and construction compared to an annual provision for depreciation of \$4,156,348, and spent an additional \$4,255,000 to retire general obligation bonds.

At June 30, 2009, the District's governmental funds had a fund balance of \$23,964,502 compared to \$31,988,774 the preceding year. The \$8,024,272 decrease included a decrease of \$8,051,194 in the Bonds Projects Fund.

Student enrollment decreased by 335 students or 3.6%, the first decline in many years. State education funding includes a hold harmless provision that allows districts to be paid based on the higher of their current or preceding year's enrollment. This provision provided \$2,123,236 in state revenue.

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

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 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.

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

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.

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.

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

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 \$3,906,792 or 6.2% during the fiscal year. The \$45,506,967 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 \$66,102,822 of related debt offset by \$3,425,572 in unspent bond proceeds at year-end.

Total net assets include \$9,417,507 restricted for servicing long-term debt, \$1,771,900 restricted for employee health benefits, and \$10,508,305 that is unrestricted and available for use at the discretion of the District within the parameters of the respective fund.

Current assets decreased \$7,897,415 after an increase of \$12,171,500 last year. Current liabilities decreased \$686,115. The Bonds Projects Fund accounted for a decrease of \$8,136,500 in current assets while the Debt Service Fund accounted for an increase of \$1,594,468. The combined effect of changes in the current assets and liabilities of all other funds was a net decrease in current assets over liabilities of \$669,268.

Taxes receivable make up a relatively small part of current assets. However, it is worth noting the increase from \$380,429 at June 30, 2007 to \$718,317 at June 30 2008 to \$1,305,288 at June 30, 2009. These amounts are gross receivables and not net of an allowance for uncollectible accounts as stated on in the Statement of Net Assets. The increases are an indication of the current economic condition and local real estate market.

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

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

LYON COUNTY SCHOOL DISTRICT'S NET ASSETS

	<u>2009</u>	<u>2008</u>
Assets:		
Current	\$ 37,455,930	\$ 45,353,345
Restricted assets	1,929,556	1,977,782
Other noncurrent assets	26,606	-
Capital assets	<u>105,184,217</u>	<u>99,489,178</u>
Total assets	<u>144,596,309</u>	<u>143,820,305</u>
Liabilities:		
Long-term liabilities	65,937,396	68,198,823
Other liabilities	<u>11,454,234</u>	<u>12,323,595</u>
Total liabilities	<u>77,391,630</u>	<u>80,522,418</u>
Net assets:		
Invested in capital assets, net of related debt	45,506,967	40,658,915
Restricted	11,189,407	9,416,817
Unrestricted	<u>10,508,305</u>	<u>13,222,155</u>
Total net assets	<u>\$67,204,679</u>	<u>\$63,297,877</u>

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

LYON COUNTY SCHOOL DISTRICT'S CHANGES IN NET ASSETS

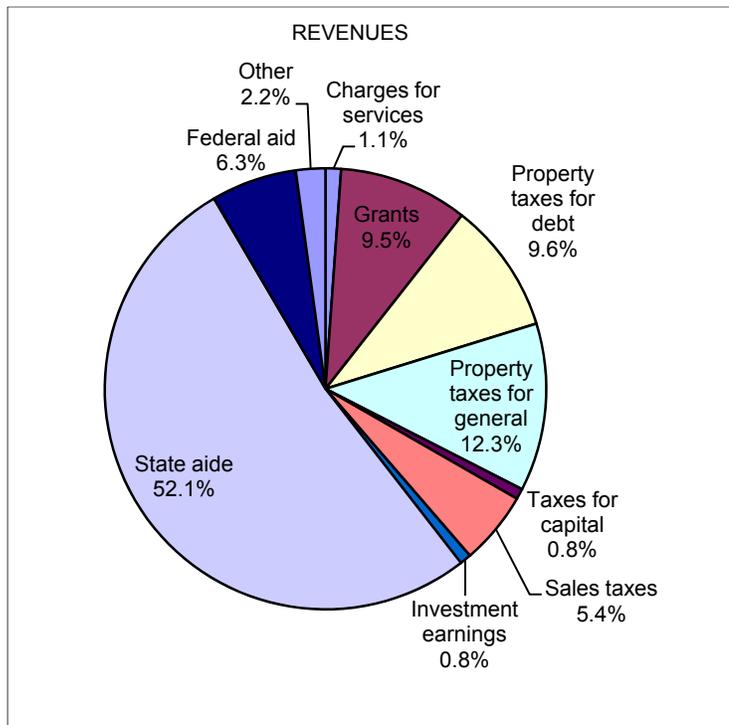
	<u>2009</u>	<u>2008</u>	<u>PERCENT CHANGE</u>
Revenues:			
Program revenues:			
Charges for services	\$ 1,032,341	\$ 1,079,610	(4.4)
Grants and contributions	8,601,614	9,548,891	(9.9)
General revenues:			
Property taxes	19,930,537	18,196,657	9.5
Local school support taxes	4,865,193	6,362,371	(23.5)
Other taxes and fees	2,569,029	3,054,214	(15.9)
State aid not restricted to specific purpose	47,337,658	52,054,138	(9.1)
Federal aid not restricted to specific purpose	5,700,332	14,467	n/a
Earnings on investments	757,641	1,438,067	(47.3)
Other	<u>100,048</u>	<u>126,195</u>	(20.7)
Total revenues	<u>90,894,393</u>	<u>91,874,610</u>	(1.1)
Expenses:			
Regular instruction	33,096,764	32,295,615	2.5
Special instruction	8,733,900	7,975,702	9.5
Other instruction	4,822,743	4,818,511	(.1)
Support services:			
Student support	5,284,605	4,926,054	7.3
Instructional staff support	3,887,677	3,936,467	(1.2)
General administration	1,990,608	2,436,133	(18.3)
School administration	5,593,015	5,461,477	2.4
Central services	1,843,248	1,707,691	7.9
Operation and maintenance of plant	8,502,351	8,582,931	(.9)
Student transportation	4,866,231	4,908,395	(.9)
Other support services	202,094	192,461	5.0
Food service	2,805,796	2,834,835	(1.0)
Interest on long-term debt	2,967,337	2,608,285	13.8
Depreciation, unallocated	<u>2,391,232</u>	<u>2,164,848</u>	10.5
Total expenses	<u>86,987,601</u>	<u>84,849,405</u>	2.5
Increase in net assets	3,906,792	7,025,205	
Net assets, July 1	<u>63,297,887</u>	<u>56,272,682</u>	
Net assets, June 30	<u>\$67,204,679</u>	<u>\$63,297,887</u>	

LYON COUNTY SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2009

Total revenues decreased 1.1% compared to a 2.5% increase in expenses and a 3.6% decrease in enrollment. Unrestricted state aid comprised 52.1% of total revenues compared to 56.7% the preceding year. Included in the unrestricted federal aid is \$5,512,036 of State Fiscal Stabilization Funds the State used to make up for revenue shortfalls in the state's Distributed School Account. If these funds had not been required to balance the state's budget, unrestricted state aid would have been 58.1% of total revenues. Grants and contributions decreased \$947,277 or from 10.4% to 9.5% of total revenues. There was a general decline in grant revenue with the only significant reduction coming from a \$387,517 reduction in the state teacher incentive grant. Other taxes and fees experienced a 15.9% decrease following a 12.7% decrease in 2008. The residential construction tax, one of the key taxes in this category, decreased from \$712,448 in 2007 to \$334,960 in 2008 to \$79,440 in 2009, reflecting the depressed housing market. The 23.5% decrease in local school support (sales) taxes follows a 7.3% increase the preceding year that was a result of a new major shopping center. This again reflects the current economic condition within Lyon County and loss of construction industry sales. The loss of sales tax revenue is compensated by additional state aid since sales and property tax revenues are both part of the state guarantee formula. The requirement for the state to make up for this revenue shortfall exacerbated the state's fiscal problem that led to the aforementioned federal aid.

Charges for services were comprised mainly of sales in the District's Federal School Lunch Fund. There was approximately 19% less full price meals sold and 4% less reduced price meals. Some of these students became eligible for free meals as there were 7% more free meals sold. Even with the significant decrease in the number of paid meals sold, the revenue from lunch and breakfast sales decreased just over 1% due to an increase in the price of meals. Total meals served decreased approximately 6%.

The accompanying chart reflects the primary revenue sources.



LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

Beginning in 2009, the annual cost of providing postemployment benefits is accrued and reported in the government-wide financial statements. This \$1,890,526 charge is applied to all functions containing labor costs, which is all but depreciation and interest on long-term debt. If this added expense were eliminated, the reported increases would be less and decreases greater. Other than depreciation and interest on long-term debt, the only function with a significant change in expense was an 18.3% reduction in general administration. The net decrease of \$445,525 can be attributed primarily to the \$389,668 reduction in cost of the early retirement benefit. The cost of student transportation and the operation and maintenance of plant decreased from the preceding year. In response to the cuts in state support, cost savings measures were implemented such as hiring freezes and monitoring of utilities. The cost of electricity and natural gas decreased 5% or \$112,444. The drop in vehicle fuel prices contributed to savings as fuel costs decreased from \$482,795 to \$324,529.

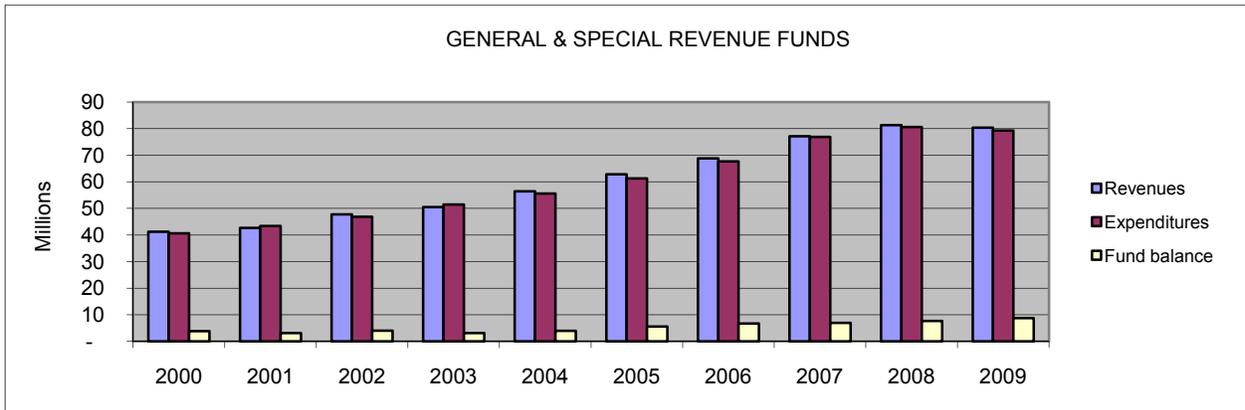
FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The governmental funds reported a decrease in fund balance of \$8,024,272 to \$23,964,502. This decrease includes a combined decrease of \$10,802,563 in the four capital projects funds, offset in part by an increase of \$1,708,549 in the Debt Service Fund. Expenditures for instructional programs of \$45,458,898 increased \$117,147 or .3% over the prior year compared to a decrease in enrollment of 3.6%. The District continued to invest in facilities, spending \$11,982,125 or 12.2% of total expenditures. The amount paid to retire long-term debt increased from \$4,000,000 to \$4,255,000.

The \$23,964,502 combined fund balance includes \$13,549,088 reserved for debt service, outstanding contracts, and inventories. Another \$5,580,202 is designated for next year's expenditures. The remaining \$4,835,212 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 \$1,321,114 unrestricted and undesignated balance in the bonds projects fund required to be spent on capital improvements.

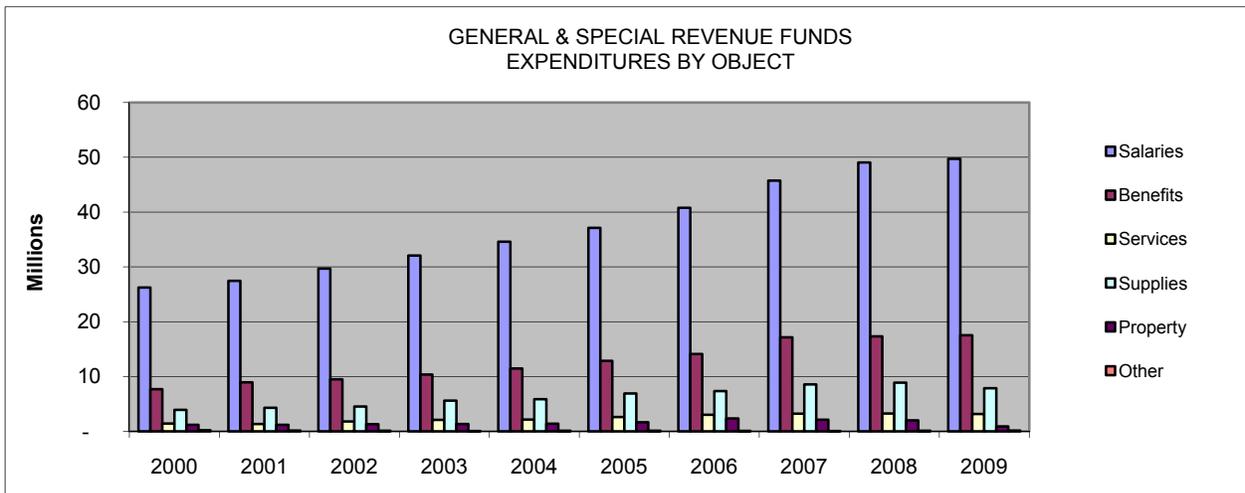
The general and special revenue funds account for Lyon County School District's current operating revenues and expenditures. They include all governmental funds except debt service and capital projects funds. The following chart compares the revenues to expenditures and fund balance for these funds for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

LYON COUNTY SCHOOL DISTRICT  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2009



Education is labor intensive as evidenced by the following chart of expenditures by object. Salaries and benefits for the general and special revenue funds equaled 84.8% of total expenditures for the fiscal year ended June 30, 2009 and increased from 82.4% the preceding year. Labor agreements, which had been negotiated for a two year period ending June 30, 2009, provided for a 2% increase in salaries plus step moves for experience and education. Also, student enrollment decreased more than anticipated causing some excess staff that was left intact for the school year rather than disrupt class schedules.

With labor agreements and most staffing in place, the District focused primarily on non-labor costs when responding to reductions in revenue for the 2009 fiscal year. In addition to the reductions in expenditures previously discussed, the purchase of school buses and copier equipment was deferred. Because both are capitalized in the government-wide statements, they are not reflected in the prior year comparison presented above. However, the deferral resulted in a reduction in fund expenditures of \$673,108 from the preceding year.



LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

The Debt Service Fund's balance of \$9,648,249 equals 121.8% of next year's debt service requirement compared to 111.7% last year. Lyon County School District is allowed to accumulate more than the 100% allowed by state regulation because of the authority granted by the voters in 2006 and its intent to issue additional debt, as it did in July 2009 when general obligation bonds totaling \$21,545,000 were sold.

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, \$8,194,090 was spent from the fund on a number of projects including paving projects, synthetic sport tracks, new elementary and middle schools in Fernley, and the remodel of Dayton Elementary school. The Bonds Projects Fund had a fund balance of \$3,425,572 at June 30, 2009 of which \$2,104,458 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. Major expenditures from these funds are the purchase of land for two new schools in Fernley, and improvements to athletic facilities. The balance of these three capital project funds at June 30, 2009 was \$2,148,461, of which \$1,538,317 was reserved for outstanding contracts. In July 2009, the District entered into a \$20,657,000 contract for the construction of a new middle school in Fernley to be funded by the aforementioned bond issue sold just after the fiscal year end.

The employees' group insurance fund, previously accounted for transactions related to the Lyon County School District's self-insured group health plan. The District is no longer self-insured and only administrative costs of administering its fully insured plan are charged to the fund. The employees' group insurance fund had a balance of \$1,771,900 at June 30, 2009. Management has not determined an appropriate use for the funds and intends to retain the funds in a separate fund until such determination is made. Nevada law restricts the use of premiums deposited in a fund created for the purpose of providing self-funded health insurance to the purpose for which they were assessed and therefore, the fund's June 30 cash balance is reported as restricted along with the fund's net assets.

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. The state's actual revenues came in significantly below projections, requiring the Governor to call a special legislative session. The Legislature passed a school funding bill decreasing Lyon County School

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

District's per pupil guarantee by \$138 plus requested \$655,269 be reduced from general fund support or a state funded program as determined by the District. This reduction, coupled with not meeting projected student enrollment, resulted in a significant loss of revenue. However, the impact of the reduced revenue was mitigated by a fund balance carryover that exceeded projected by \$2,042,395 and resulted in a net reduction of \$620,317 to the General Fund budget. The Special Education and Class Size Reduction Funds had a combined net reduction of \$321,355. 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 \$85,912 and \$6,000,206 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 were only \$30,123 over projected. Sales and property taxes were under projections by \$455,202 and \$1,184,277 respectively. The state per pupil guarantee requires state funding be increased to mitigate the impact of these revenue shortfalls. However, due to the state's own fiscal problems, the state applied for and received a federal State Fiscal Stabilization grant that it passed through to local districts in lieu of mandated state support. Consequently, the amount received from the state's distributive school account was \$3,670,199 below projection but \$5,512,036 of federal support was received that was not anticipated.

Expenditures are not as predictable and the General Fund expenditures were 6.3% below appropriations compared to 4.7% in 2008. Cost savings were implemented to meet current revenue reductions as well as increase the fund balance to improve the District's financial position and prepare for the possible continuation of a weak economy. Functions with the largest budget variances are general administration, operation and maintenance of plant, and student transportation. These are the same functions that experienced significant changes from the preceding year and are explained in the Government-Wide Financial Analysis section of this report.

#### 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 projects were financed with the bond proceeds and related interest earnings. At June 30, 2009 there was an encumbered balance of \$491,671 for the outstanding Dayton Elementary School renovation contract.

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

Projects financed with 2004 and 2005 bond issues  
authorized in 2004 general election:

East Valley Elementary	\$ 10,292,404
Fernley Intermediate addition	2,881,554
Riverview Elementary	9,902,247
Dayton Elementary Renovation	<u>148,080</u>
	<u>\$ 23,224,285</u>

An independent consulting firm completed a facilities master plan for Lyon County School District during 2008. The initial projects were site improvements throughout the District with an estimated cost of \$11,011,000. The District sold bonds in June 2008 in the amount of \$11,500,000 and commenced construction of most identified projects. At June 30, 2009, \$8,635,867 had been spent towards the projects, \$1,612,787 was encumbered for outstanding contracts, and \$1,321,114 remained available for future projects.

In addition to the contracts related to the above projects, the District's three other capital projects funds incurred expenditures totaling \$3,788,035 for additional projects or to supplement funding for projects financed primarily with bond proceeds. These funds had a combined fund balance of \$2,148,461 that included \$1,538,317 encumbered for outstanding contracts.

Long-term Debt

Following is a summary of changes in bonds outstanding.

General Obligation Bonds (at par):	
Balance outstanding, beginning of year	\$67,940,000
Issued	-
Matured and paid	<u>(4,255,000)</u>
Balance outstanding, end of year	<u>\$63,685,000</u>

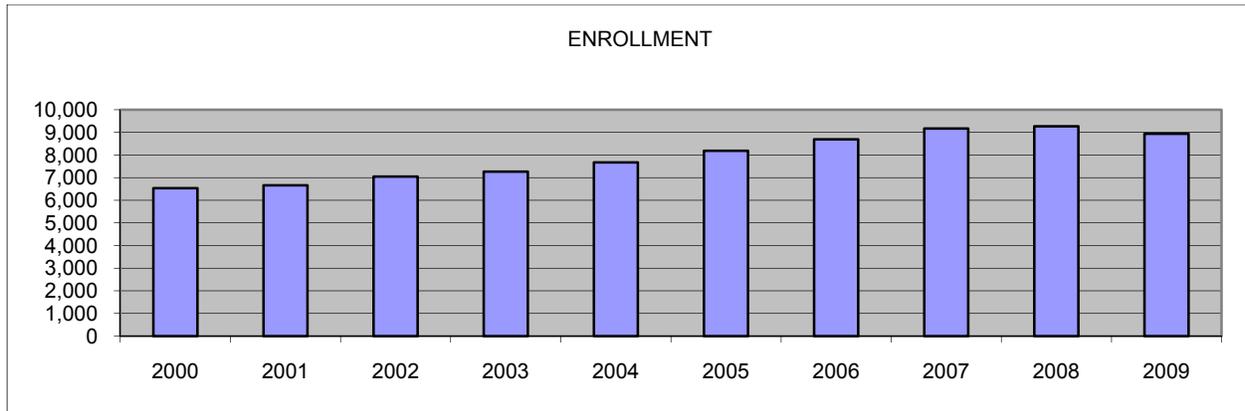
A question on the November 2006 general election was passed by the voters, allowing the district to issue general obligation bonds during the next ten years. The bonds may only be issued if repayment is expected to be made without raising the property tax rate and other financial conditions are met. In March 2009, 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. A second issue in the amount of \$21,545,000 was sold July 21, 2009, subsequent to year end.

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Lyon County's economy has changed significantly. Within a few years it has gone from one of the fastest growing counties in the nation to a county with one of the highest unemployment rates. New housing starts are virtually non-existent whereas for many years the construction industry was a major source of employment. The District had an average enrollment growth of 4.2% over the preceding ten years and 5.5% as recent as 2007. However, student enrollment decreased 3.6% in 2009 and decreased an additional 1.9% for the upcoming 2009-10 school year.

Other indicators of the current economic condition are the unemployment rate and change in taxable sales. The 2009 unemployment rate for Lyon County was 15.4% and 16.3% for September 2009. Taxable sales within the District decreased 25.5%. Assessed valuation within the District increased 11.49% for 2009, averaged 18.2% over the last five years, but decreased 11% for the 2009-10 fiscal year. Even with next year's decrease, ad valorem taxes should stay relatively stable as tax abatements mitigate some of the effect of declining values.



The Nevada school funding formula guarantees the majority of operating revenues by making up any shortfall in property tax and 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 2009 Legislature adopted a biennial State budget to provide funding for Nevada public schools through June 30, 2011. The State had serious revenue shortfalls and passed an education budget predicated on cuts in spending including salary reductions.

In projecting state revenues for the 2010 fiscal year budget, the 2009 student enrollment was used even though a loss of enrollment was projected. This was done because state funding includes a hold harmless provision that allows district's revenues to be based on the higher of the current or preceding

LYON COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009

year's enrollment. The opening fund balances for the general and special revenue funds are \$2,903,954 greater than projected in aggregate. This excess is comprised of \$2,400,771 in the General Fund, \$228,545 in the Special Education Fund, and \$274,638 distributed among the remaining funds.

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.

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LYON COUNTY SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current Assets:		
Cash and investments - Note 3	\$ 27,748,860	\$ 41,285,292
Taxes receivable	942,914	407,731
Accounts receivable	6,683,853	21,944
Accrued interest	84,503	170,444
Due from other governments	1,650,448	2,873,985
Prepaid expenditures and deposits	56,555	223,456
Inventories	<u>288,797</u>	<u>370,493</u>
Total Current Assets	<u>37,455,930</u>	<u>45,353,345</u>
Noncurrent Assets:		
Restricted cash - Note 3	1,929,556	1,977,782
Other postemployment benefits - Note 11	26,606	-
Capital assets - Note 5		
Land, improvements, and construction in progress	13,774,639	6,702,116
Other capital assets, net of depreciation	<u>91,409,578</u>	<u>89,787,062</u>
Total Noncurrent Assets	<u>107,140,379</u>	<u>98,466,960</u>
Total Assets	<u>144,596,309</u>	<u>143,820,305</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	1,180,726	2,097,883
Incurred but unreported claims - Note 9	576,000	562,000
Contract retention payable	89,613	-
Accrued payroll	8,817,719	8,703,885
Interest payable	465,881	405,481
Due to other governments	6,718	-
Deposits	500	500
Unamortized bond premiums	118,899	168,420
Deferred revenue	198,178	385,426
Current portion of long-term obligations	<u>4,526,272</u>	<u>4,343,026</u>
Total Current Liabilities	<u>15,980,506</u>	<u>16,666,621</u>
Noncurrent Liabilities:		
General obligation bonds - Note 6	62,983,923	67,138,609
Accrued employee leave - Note 7	1,036,341	1,060,214
Obligation for other postemployment benefits - Note 11	1,917,132	-
Less: Current portion of long-term obligations	<u>(4,526,272)</u>	<u>(4,343,026)</u>
Total Noncurrent Liabilities	<u>61,411,124</u>	<u>63,855,797</u>
Total Liabilities	<u>77,391,630</u>	<u>80,522,418</u>
<b>NET ASSETS</b>		
Investment in capital assets, net of related debt	45,506,967	40,658,915
Restricted for debt service	9,417,507	7,639,793
Restricted for employee benefits	1,771,900	1,777,024
Unrestricted	<u>10,508,305</u>	<u>13,222,155</u>
Total Net Assets	<u>\$ 67,204,679</u>	<u>\$ 63,297,887</u>

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

LYON COUNTY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS 2009	2008
Instruction:					
Regular instruction	\$ 33,096,764	\$ -	\$ 3,235,206	\$ (29,861,558)	\$ (28,481,834)
Special instruction	8,733,900	-	735,188	(7,998,712)	(7,097,309)
Vocational instruction	1,387,082	-	79,975	(1,307,107)	(1,200,978)
Adult instruction	359,685	8,098	365,186	13,599	(4,362)
Other instruction	1,959,000	-	496,260	(1,462,740)	(1,259,040)
Extra-curricular activities	1,116,976	-	27,752	(1,089,224)	(1,058,042)
Total Instruction	46,653,407	8,098	4,939,567	(41,705,742)	(39,101,565)
Support Services:					
Student support	5,284,605	-	107,844	(5,176,761)	(4,765,209)
Instructional staff support	3,887,677	-	1,708,068	(2,179,609)	(2,236,801)
General administration	1,990,608	-	95,126	(1,895,482)	(2,379,580)
School administration	5,593,015	-	-	(5,593,015)	(5,461,477)
Central services	1,843,248	-	39,636	(1,803,612)	(1,623,890)
Operation and maintenance of plant	8,502,351	-	9,100	(8,493,251)	(8,571,662)
Student transportation	4,866,231	-	56,100	(4,810,131)	(4,877,999)
Other support services	202,094	-	-	(202,094)	(192,461)
Food service	2,805,796	1,024,243	1,646,173	(135,380)	(237,127)
Interest on long-term debt	2,967,337	-	-	(2,967,337)	(2,608,285)
Depreciation, unallocated	2,391,232	-	-	(2,391,232)	(2,164,848)
Total School District	\$ 86,987,601	\$ 1,032,341	\$ 8,601,614	(77,353,646)	(74,220,904)
General Revenues:					
Property taxes, levied for general purposes				11,182,810	10,209,650
Property taxes, levied for debt service				8,747,727	7,987,007
Local school support taxes				4,865,193	6,362,371
Taxes for capital acquisitions				702,962	1,017,878
Other taxes and fees				1,866,067	2,036,336
Earnings on investments				757,641	1,438,067
Other local sources				100,048	126,195
State aid not restricted to specific purpose				47,337,658	52,054,138
Federal aid not restricted to specific purpose				5,700,332	14,467
Total General Revenues				81,260,438	81,246,109
Change in Net Assets				3,906,792	7,025,205
Net Assets, July 1				63,297,887	56,272,682
Net Assets, June 30				\$ 67,204,679	\$ 63,297,887

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

LYON COUNTY SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>BONDS PROJECTS FUND</u>
<b>ASSETS AND OTHER DEBITS</b>				
Cash and investments - Note 3	\$ 6,199,037	\$ 2,410,354	\$ 9,554,099	\$ 3,503,299
Taxes receivable, delinquent	732,403	-	572,885	-
Accounts receivable	6,679,674	-	-	2,377
Accrued interest	-	-	39,555	1,124
Due from other funds - Note 4	989,533	-	-	-
Due from other governments	-	-	31,732	-
Prepaid expenditures and deposits	-	-	200	-
Inventories	218,067	-	-	-
	<u>\$ 14,818,714</u>	<u>\$ 2,410,354</u>	<u>\$ 10,198,471</u>	<u>\$ 3,506,800</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 444,203	\$ 38,866	\$ -	\$ 13,937
Contract retention payable	-	-	-	67,291
Accrued payroll	6,088,163	1,615,163	-	-
Due to other funds - Note 4	75,939	19,371	-	-
Due to other governments	-	-	-	-
Deposits	-	-	-	-
Deferred revenue	833,499	-	550,222	-
	<u>7,441,804</u>	<u>1,673,400</u>	<u>550,222</u>	<u>81,228</u>
<b>FUND BALANCES</b>				
Reserved for debt service	-	-	9,648,249	-
Reserved for encumbrances - Note 8	-	-	-	2,104,458
Reserved for inventories	218,067	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	4,758,072	508,409	-	-
Undesignated	2,400,771	228,545	-	1,321,114
	<u>7,376,910</u>	<u>736,954</u>	<u>9,648,249</u>	<u>3,425,572</u>
Total Fund Balances	<u>7,376,910</u>	<u>736,954</u>	<u>9,648,249</u>	<u>3,425,572</u>
Total Liabilities and Fund Balances	<u>\$ 14,818,714</u>	<u>\$ 2,410,354</u>	<u>\$ 10,198,471</u>	<u>\$ 3,506,800</u>

OTHER GOVERNMENTAL FUNDS	TOTALS	
	2009	2008
\$ 3,809,964	\$ 25,476,753	\$ 39,488,695
-	1,305,288	718,317
1,009	6,683,060	20,707
21,590	62,269	136,816
-	989,533	221
1,618,716	1,650,448	2,873,985
-	200	216,642
70,730	288,797	370,493
<u>\$ 5,522,009</u>	<u>\$ 36,456,348</u>	<u>\$ 43,825,876</u>
\$ 629,829	\$ 1,126,835	\$ 2,081,456
22,322	89,613	-
1,017,017	8,720,343	8,607,102
1,000,641	1,095,951	96,798
6,718	6,718	-
500	500	500
68,165	1,451,886	1,051,246
<u>2,745,192</u>	<u>12,491,846</u>	<u>11,837,102</u>
-	9,648,249	7,939,700
1,538,317	3,642,775	708,412
39,997	258,064	346,112
313,721	5,580,202	10,348,795
884,782	4,835,212	12,645,755
<u>2,776,817</u>	<u>23,964,502</u>	<u>31,988,774</u>
<u>\$ 5,522,009</u>	<u>\$ 36,456,348</u>	<u>\$ 43,825,876</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	2009	2008
Total Fund Balance - Governmental Funds	\$ 23,964,502	\$ 31,988,774
Capital assets used in governmental funds are not current financial resources and therefore not reported as governmental fund assets	105,184,217	96,489,178
Property taxes receivable not available to pay current obligations are deferred in the fund statements	891,334	356,275
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.	(64,020,264)	(68,198,823)
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.	(118,899)	(168,420)
The liability for interest on general obligation bonds is reported in the fund statements when due and as accrued in the statement of activities.	(465,881)	(405,481)
The liability for estimated future payments for benefits provided current and future retirees are not reported as fund liabilities since they will not be paid from current resources. An asset is recorded when current and past contributions exceed the plan's liability.	(1,890,526)	-
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.	3,660,196	3,236,384
Total Net Assets - Governmental Activities	\$ 67,204,679	\$ 63,297,887

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BONDS PROJECTS FUND
<b>REVENUES:</b>				
Property taxes	\$ 10,882,890	\$ -	\$ 8,512,588	\$ -
Sales taxes	4,865,193	-	-	-
Other local sources	2,037,576	1,069	309,355	206,234
State sources	44,815,754	2,521,904	-	-
Federal sources	5,700,332	-	-	-
	<u>68,301,745</u>	<u>2,522,973</u>	<u>8,821,943</u>	<u>206,234</u>
<b>Total Revenues</b>				
<b>EXPENDITURES:</b>				
Instruction:				
Regular instruction	29,070,501	-	-	-
Special instruction	-	7,670,338	-	-
Vocational instruction	1,277,660	-	-	-
Adult instruction	-	-	-	-
Other instruction	1,401,634	-	-	-
Extra-curricular activities	1,086,380	-	-	63,338
Support services:				
Student support	2,482,464	2,599,891	-	-
Instructional staff support	2,115,353	16,322	-	-
General administration	1,733,572	194,598	2,250	-
School administration	5,403,844	-	-	-
Central Services	1,607,925	-	-	-
Operations and maintenance of plant	8,398,111	-	-	-
Student transportation	3,506,726	780,241	-	-
Other support services	196,157	-	-	-
Food service	-	-	-	-
Facilities acquisition and construction	-	-	-	8,194,090
Debt service:				
Principal	-	-	4,255,000	-
Interest	-	-	2,856,144	-
	<u>58,280,327</u>	<u>11,261,390</u>	<u>7,113,394</u>	<u>8,257,428</u>
<b>Total Expenditures</b>				
Excess (Deficiency) of				
Revenues over Expenditures	<u>10,021,418</u>	<u>(8,738,417)</u>	<u>1,708,549</u>	<u>(8,051,194)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of property	-	-	-	-
Proceeds from bond sales	-	-	-	-
Operating transfers in - Note 4	-	9,100,000	-	-
Operating transfers out - Note 4	(9,175,000)	-	-	-
	<u>(9,175,000)</u>	<u>9,100,000</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>				
Net Changes in Fund Balances	846,418	361,583	1,708,549	(8,051,194)
FUND BALANCE, July 1	<u>6,530,492</u>	<u>375,371</u>	<u>7,939,700</u>	<u>11,476,766</u>
FUND BALANCE, June 30	<u>\$ 7,376,910</u>	<u>\$ 736,954</u>	<u>\$ 9,648,249</u>	<u>\$ 3,425,572</u>

OTHER GOVERNMENTAL FUNDS	TOTALS	
	2009	2008
\$ -	\$ 19,395,478	\$ 17,956,446
-	4,865,193	6,362,371
2,077,158	4,631,392	5,779,934
4,370,251	51,707,909	57,094,262
4,133,005	9,833,337	4,441,386
<u>10,580,414</u>	<u>90,433,309</u>	<u>91,634,399</u>
3,238,169	32,308,670	32,413,996
734,119	8,404,457	8,019,109
69,602	1,347,262	1,479,379
350,340	350,340	378,826
494,260	1,895,894	2,010,590
2,557	1,152,275	1,039,851
107,844	5,190,199	4,967,401
1,707,068	3,838,743	3,935,335
94,126	2,024,546	2,480,647
-	5,403,844	5,389,337
159,864	1,767,789	1,829,133
-	8,398,111	8,600,231
53,370	4,340,337	5,109,776
-	196,157	184,108
2,745,688	2,745,688	2,829,871
3,788,035	11,982,125	3,491,124
-	4,255,000	4,000,000
-	2,856,144	2,580,973
<u>13,545,042</u>	<u>98,457,581</u>	<u>90,739,687</u>
<u>(2,964,628)</u>	<u>(8,024,272)</u>	<u>894,712</u>
-	-	13,976
-	-	11,500,000
75,000	9,175,000	7,775,000
-	(9,175,000)	(7,775,000)
<u>75,000</u>	<u>-</u>	<u>11,513,976</u>
(2,889,628)	(8,024,272)	12,408,688
<u>5,666,445</u>	<u>31,988,774</u>	<u>19,580,086</u>
<u>\$ 2,776,817</u>	<u>\$ 23,964,502</u>	<u>\$ 31,988,774</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	2009	2008
Net Change in Fund Balances - Governmental Funds	\$ (8,024,272)	\$ 12,408,688
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 exceed depreciation in the current period.	8,730,947	1,581,763
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.	(35,909)	(38,155)
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.	535,060	240,211
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.	(60,400)	(27,703)
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.	23,873	(164,167)
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.	49,521	117,197
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 net assets and amortized as interest expense over the life of the debt in the statement of activities.	(100,314)	(116,806)

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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	2009	2008
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.	\$ 4,255,000	\$ 4,000,000
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)
The full cost of postemployment benefits to current employees earned during the current year and the amortization of the past cost is recognized as an expense in the statement of activities while only the current contributions are reported in the fund statements.	(1,890,526)	-
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.	423,812	524,177
Change in Net Assets	\$ 3,906,792	\$ 7,025,205

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Local sources:					
Property taxes	\$ 11,338,092	\$ 11,338,092	\$ 10,882,890	\$ (455,202)	\$ 10,075,014
Sales taxes	6,049,470	6,049,470	4,865,193	(1,184,277)	6,362,371
Franchise fees	200,000	200,000	270,444	70,444	269,654
Motor vehicle privilege tax	1,836,796	1,836,796	1,595,623	(241,173)	1,747,624
Boat permits	25,000	25,000	28,527	3,527	30,170
Private donations	-	84,843	97,289	12,446	81,848
Environmental fines	-	5,000	-	(5,000)	19,058
Use of facilities fees	5,000	5,000	25,893	20,893	27,095
Other local revenue	10,000	5,000	19,800	14,800	6,946
	<u>19,464,358</u>	<u>19,549,201</u>	<u>17,785,659</u>	<u>(1,763,542)</u>	<u>18,619,780</u>
State sources:					
Distributive school fund	51,238,190	48,330,478	44,632,222	(3,698,256)	49,538,113
Elementary guidance counselor	50,000	50,000	50,000	-	50,000
Support for group health insurance	-	-	-	-	401
Incentive pay for counselors	-	-	6,186	6,186	3,177
Transportation reimbursements	100,000	170,000	121,294	(48,706)	170,908
Reimbursements from Nevada Petroleum Fund and Other	-	-	6,052	6,052	2,865
	<u>51,388,190</u>	<u>48,550,478</u>	<u>44,815,754</u>	<u>(3,734,724)</u>	<u>49,765,464</u>
Federal sources:					
Forest service	25,000	200,000	186,108	(13,892)	-
State Fiscal Stabilization Fund	-	-	5,512,036	5,512,036	-
Federal land leases	-	-	2,188	2,188	-
FEMA reimbursements	-	-	-	-	7,029
	<u>25,000</u>	<u>200,000</u>	<u>5,700,332</u>	<u>5,500,332</u>	<u>7,029</u>
<b>Total Revenue</b>	<u>70,877,548</u>	<u>68,299,679</u>	<u>68,301,745</u>	<u>2,066</u>	<u>68,392,273</u>
<b>EXPENDITURES</b>					
Regular programs:					
Instruction:					
Salaries	20,366,515	20,135,630	19,966,608	169,022	19,473,499
Benefits	7,213,719	7,108,224	6,919,143	189,081	6,667,951
Purchased services	85,418	99,224	107,856	(8,632)	84,419
Supplies	1,731,083	2,058,146	1,700,920	357,226	1,791,832
Property	533,550	558,623	372,560	186,063	529,839
Other	3,902	4,602	3,414	1,188	2,325
	<u>29,934,187</u>	<u>29,964,449</u>	<u>29,070,501</u>	<u>893,948</u>	<u>28,549,865</u>
<b>Total Regular Programs</b>	<u>29,934,187</u>	<u>29,964,449</u>	<u>29,070,501</u>	<u>893,948</u>	<u>28,549,865</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Vocational programs:					
Instruction:					
Salaries	\$ 929,147	\$ 922,975	\$ 870,377	\$ 52,598	\$ 869,145
Benefits	317,946	315,015	295,160	19,855	285,519
Purchased services	5,350	5,418	405	5,013	2,593
Supplies	98,800	98,281	91,806	6,475	84,481
Property	9,477	25,701	19,667	6,034	12,368
Other	200	200	245	(45)	95
Total Vocational Programs	<u>1,360,920</u>	<u>1,367,590</u>	<u>1,277,660</u>	<u>89,930</u>	<u>1,254,201</u>
Other instructional programs:					
Summer school:					
Salaries	-	-	-	-	4,946
Benefits	-	-	-	-	143
Supplies	-	-	-	-	48
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,137</u>
Homebound:					
Salaries	45,000	40,000	20,611	19,389	23,786
Benefits	2,937	2,592	608	1,984	750
Purchased services	500	500	76	424	-
	<u>48,437</u>	<u>43,092</u>	<u>21,295</u>	<u>21,797</u>	<u>24,536</u>
Alternate placement:					
Salaries	267,505	264,141	248,343	15,798	251,689
Benefits	92,984	92,442	79,177	13,265	76,889
Supplies	950	950	108	842	-
	<u>361,439</u>	<u>357,533</u>	<u>327,628</u>	<u>29,905</u>	<u>328,578</u>
English as a second language:					
Salaries	773,567	774,468	732,772	41,696	677,043
Benefits	287,228	279,505	273,778	5,727	242,747
Purchased services	17,500	17,500	6,493	11,007	600
Supplies	24,456	34,307	22,772	11,535	23,627
Property	8,900	7,425	-	7,425	17,497
	<u>1,111,651</u>	<u>1,113,205</u>	<u>1,035,815</u>	<u>77,390</u>	<u>961,514</u>
Remedial:					
Salaries	200	9,000	13,514	(4,514)	5,699
Benefits	-	-	3,166	(3,166)	272
Supplies	3,500	2,500	216	2,284	1,172
	<u>3,700</u>	<u>11,500</u>	<u>16,896</u>	<u>(5,396)</u>	<u>7,143</u>
Total Other Instructional Programs	<u>1,525,227</u>	<u>1,525,330</u>	<u>1,401,634</u>	<u>123,696</u>	<u>1,326,908</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Extra-curricular activities:					
Co-curricular:					
Salaries	\$ 193,000	\$ 193,500	\$ 187,974	\$ 5,526	\$ 190,047
Benefits	7,762	8,332	7,038	1,294	7,589
Purchased services	10,600	10,600	10,371	229	8,456
Supplies	17,099	17,498	15,909	1,589	35,721
Property	266	5,945	3,219	2,726	2,344
Other	3,150	3,990	2,770	1,220	2,145
	<u>231,877</u>	<u>239,865</u>	<u>227,281</u>	<u>12,584</u>	<u>246,302</u>
Athletic:					
Salaries	487,843	490,148	486,313	3,835	468,073
Benefits	47,134	48,783	36,904	11,879	35,376
Purchased services	197,050	193,262	170,474	22,788	141,988
Supplies	98,903	108,550	120,427	(11,877)	121,317
Property	31,100	53,774	33,740	20,034	12,329
Other	21,950	28,875	11,241	17,634	12,693
	<u>883,980</u>	<u>923,392</u>	<u>859,099</u>	<u>64,293</u>	<u>791,776</u>
Total Extra-curricular Activities	<u>1,115,857</u>	<u>1,163,257</u>	<u>1,086,380</u>	<u>76,877</u>	<u>1,038,078</u>
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	1,799,860	1,842,551	1,822,908	19,643	1,738,745
Benefits	614,669	640,986	634,659	6,327	569,503
Purchased services	2,845	2,450	2,400	50	705
Supplies	24,253	27,809	19,343	8,466	20,234
Property	1,200	800	2,669	(1,869)	7,234
Other	2,400	700	485	215	220
	<u>2,445,227</u>	<u>2,515,296</u>	<u>2,482,464</u>	<u>32,832</u>	<u>2,336,641</u>
Instructional staff support:					
Salaries	1,478,016	1,446,124	1,379,258	66,866	1,421,491
Benefits	413,044	401,279	407,542	(6,263)	411,006
Purchased services	275,805	284,428	187,472	96,956	151,567
Supplies	136,774	175,461	130,643	44,818	194,091
Property	42,235	26,253	10,073	16,180	39,367
Other	2,235	3,235	365	2,870	1,530
	<u>2,348,109</u>	<u>2,336,780</u>	<u>2,115,353</u>	<u>221,427</u>	<u>2,219,052</u>
General administration:					
Salaries	395,753	421,238	397,190	24,048	409,316
Benefits	1,412,444	1,538,739	1,070,697	468,042	1,363,355
Purchased services	149,800	439,500	198,348	241,152	268,575
Supplies	24,100	25,600	27,503	(1,903)	22,646
Property	10,000	11,000	15,730	(4,730)	3,820
Other	31,000	31,000	24,104	6,896	24,576
	<u>2,023,097</u>	<u>2,467,077</u>	<u>1,733,572</u>	<u>733,505</u>	<u>2,092,288</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Undistributed expenditures (continued):					
Support services (continued):					
School administration:					
Salaries	\$ 4,035,213	\$ 3,890,408	\$ 3,842,911	\$ 47,497	\$ 3,808,320
Benefits	1,288,858	1,227,802	1,218,787	9,015	1,185,430
Purchased services	212,363	207,336	148,112	59,224	157,421
Supplies	150,872	139,259	122,827	16,432	140,034
Property	150,535	126,380	62,681	63,699	75,042
Other	14,768	14,746	8,526	6,220	7,577
	<u>5,852,609</u>	<u>5,605,931</u>	<u>5,403,844</u>	<u>202,087</u>	<u>5,373,824</u>
Central services:					
Salaries	1,029,670	1,025,330	974,862	50,468	981,101
Benefits	298,067	288,229	268,785	19,444	261,542
Purchased services	405,750	405,250	268,226	137,024	267,615
Supplies	92,050	97,250	55,029	42,221	40,889
Property	35,500	42,000	31,104	10,896	102,699
Other	2,100	2,100	9,919	(7,819)	9,058
	<u>1,863,137</u>	<u>1,860,159</u>	<u>1,607,925</u>	<u>252,234</u>	<u>1,662,904</u>
Operation and maintenance of plant:					
Salaries	3,609,332	3,464,111	3,355,731	108,380	3,351,131
Benefits	1,217,212	1,160,799	1,102,205	58,594	1,058,658
Purchased services	1,056,000	1,056,000	1,119,387	(63,387)	1,023,307
Supplies	3,285,000	3,295,250	2,762,012	533,238	3,122,951
Property	56,500	61,550	52,280	9,270	37,787
Other	38,600	38,600	6,496	32,104	6,242
	<u>9,262,644</u>	<u>9,076,310</u>	<u>8,398,111</u>	<u>678,199</u>	<u>8,600,076</u>
Student transportation:					
Salaries	2,281,007	2,241,384	2,083,993	157,391	2,130,761
Benefits	716,009	738,671	637,247	101,424	599,669
Purchased services	291,950	293,250	233,341	59,909	274,681
Supplies	719,150	677,180	422,353	254,827	613,325
Property	758,000	160,000	128,916	31,084	711,473
Other	200	200	876	(676)	410
	<u>4,766,316</u>	<u>4,110,685</u>	<u>3,506,726</u>	<u>603,959</u>	<u>4,330,319</u>
Other support services:					
Salaries	141,895	144,091	144,126	(35)	137,205
Benefits	42,596	42,736	42,740	(4)	40,406
Purchased services	1,000	5,000	933	4,067	532
Supplies	5,500	5,500	6,247	(747)	4,175
Property	-	2,100	2,111	(11)	1,515
Other	500	500	-	500	275
	<u>191,491</u>	<u>199,927</u>	<u>196,157</u>	<u>3,770</u>	<u>184,108</u>
Total Support Services	<u>28,752,630</u>	<u>28,172,165</u>	<u>25,444,152</u>	<u>2,728,013</u>	<u>26,799,212</u>
Facilities acquisition and construction:					
Site improvement:					
Purchased services	-	5,400	-	5,400	-

LYON COUNTY SCHOOL DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
Total Undistributed Expenditures	\$ 28,752,630	\$ 28,177,565	\$ 25,444,152	\$ 2,733,413	\$ 26,799,212
Total Expenditures	62,688,821	62,198,191	58,280,327	3,917,864	58,968,264
Excess of Revenues over Expenditures	8,188,727	6,101,488	10,021,418	3,919,930	9,424,009
OTHER FINANCING SOURCES (USES)					
Sale of property	-	-	-	-	13,976
Operating transfers out	(9,100,000)	(9,175,000)	(9,175,000)	-	(7,775,000)
Contingency	(376,824)	(256,980)	-	256,980	-
Total Other Financing Sources (Uses)	(9,476,824)	(9,431,980)	(9,175,000)	256,980	(7,761,024)
Net Changes in Fund Balance	(1,288,097)	(3,330,492)	846,418	4,176,910	1,662,985
FUND BALANCE, July 1	4,488,097	6,530,492	6,530,492	-	4,867,507
FUND BALANCE, June 30	<u>\$ 3,200,000</u>	<u>\$ 3,200,000</u>	<u>\$ 7,376,910</u>	<u>\$ 4,176,910</u>	<u>\$ 6,530,492</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Local sources:					
Private donations	\$ -	\$ 1,069	\$ 1,069	\$ -	\$ 991
State sources:					
Distributive school fund	2,480,832	2,480,832	2,508,889	28,057	2,272,896
Special salary enhancement	-	-	13,015	13,015	15,778
	<u>2,480,832</u>	<u>2,480,832</u>	<u>2,521,904</u>	<u>41,072</u>	<u>2,288,674</u>
<b>Total Revenue</b>	<u>2,480,832</u>	<u>2,481,901</u>	<u>2,522,973</u>	<u>41,072</u>	<u>2,289,665</u>
<b>EXPENDITURES</b>					
Special instructional programs:					
Salaries	5,538,796	5,540,718	5,461,345	79,373	5,107,868
Benefits	2,144,003	2,146,982	2,025,785	121,197	1,849,263
Purchased services	7,586	5,657	1,067	4,590	1,220
Supplies	79,487	70,894	42,497	28,397	51,336
Property	4,400	6,400	2,502	3,898	3,533
Other	3,300	1,325	62	1,263	43
	<u>7,777,572</u>	<u>7,771,976</u>	<u>7,533,258</u>	<u>238,718</u>	<u>7,013,263</u>
Total Special Programs					
Gifted and talented instructional programs:					
Salaries	135,646	97,797	97,216	581	93,160
Benefits	50,929	35,563	35,505	58	33,503
Purchased services	500	500	-	500	354
Supplies	9,580	9,580	4,359	5,221	436
Property	-	8,000	-	8,000	-
Other	100	100	-	100	-
	<u>196,755</u>	<u>151,540</u>	<u>137,080</u>	<u>14,460</u>	<u>127,453</u>
Total Gifted and Talented Program					
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	1,676,614	1,854,591	1,678,070	176,521	1,565,599
Benefits	551,943	609,480	540,658	68,822	494,777
Purchased services	361,650	348,900	375,174	(26,274)	398,024
Supplies	8,500	11,100	5,989	5,111	11,515
Property	1,500	1,500	-	1,500	-
	<u>2,600,207</u>	<u>2,825,571</u>	<u>2,599,891</u>	<u>225,680</u>	<u>2,469,915</u>
Instructional staff support:					
Salaries	-	9,000	13,969	(4,969)	15,212
Benefits	-	986	1,419	(433)	1,038
Purchased services	19,901	19,500	703	18,797	1,110
Supplies	3,000	3,500	231	3,269	1,029
	<u>22,901</u>	<u>32,986</u>	<u>16,322</u>	<u>16,664</u>	<u>18,389</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Undistributed expenditures (continued):					
Support services (continued):					
General administration:					
Salaries	\$ 194,946	\$ 146,965	\$ 144,948	\$ 2,017	\$ 198,115
Benefits	55,816	42,756	41,546	1,210	50,475
Purchased services	16,000	11,500	5,029	6,471	12,103
Supplies	6,000	7,000	3,065	3,935	1,631
Property	900	1,400	-	1,400	-
Other	3,000	3,000	10	2,990	-
	<u>276,662</u>	<u>212,621</u>	<u>194,598</u>	<u>18,023</u>	<u>262,324</u>
Transportation:					
Salaries	272,621	302,535	282,658	19,877	263,100
Benefits	111,947	120,708	110,626	10,082	95,090
Supplies	350,000	400,000	386,851	13,149	390,279
Other	-	-	106	(106)	592
	<u>734,568</u>	<u>823,243</u>	<u>780,241</u>	<u>43,002</u>	<u>749,061</u>
Total Undistributed Expenditures	<u>3,634,338</u>	<u>3,894,421</u>	<u>3,591,052</u>	<u>303,369</u>	<u>3,499,689</u>
Total Expenditures	<u>11,608,665</u>	<u>11,817,937</u>	<u>11,261,390</u>	<u>556,547</u>	<u>10,640,405</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(9,127,833)</u>	<u>(9,336,036)</u>	<u>(8,738,417)</u>	<u>597,619</u>	<u>(8,350,740)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	8,975,000	9,100,000	9,100,000	-	7,600,000
Contingency	(64,671)	(64,335)	-	64,335	-
Total Other Financing Sources (Uses)	<u>8,910,329</u>	<u>9,035,665</u>	<u>9,100,000</u>	<u>64,335</u>	<u>7,600,000</u>
Net Changes in Fund Balance	(217,504)	(300,371)	361,583	661,954	(750,740)
FUND BALANCE, July 1	<u>317,504</u>	<u>375,371</u>	<u>375,371</u>	<u>-</u>	<u>1,126,111</u>
FUND BALANCE, June 30	<u>\$ 100,000</u>	<u>\$ 75,000</u>	<u>\$ 736,954</u>	<u>\$ 661,954</u>	<u>\$ 375,371</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS	
	2009	2008
<b>ASSETS</b>		
Cash and investments - Note 3	\$ 2,272,107	\$ 1,796,597
Accounts receivable	43	1,016
Accrued interest	22,234	33,628
Due from other funds - Note 4	97,376	96,783
Deposits	56,355	6,814
Restricted cash - Note 3	1,929,556	1,977,782
Total Assets	4,377,671	3,912,620
<b>LIABILITIES</b>		
Accounts payable	44,099	16,412
Incurred but unreported claims - Note 9	576,000	562,000
Deferred revenue	97,376	97,824
Total Liabilities	717,475	676,236
<b>NET ASSETS</b>		
Restricted for employee benefits program	1,771,900	1,777,024
Unrestricted	1,888,296	1,459,360
Total Net Assets	\$ 3,660,196	\$ 3,236,384

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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS	
	2009	2008
OPERATING REVENUES		
Charges for services	\$ 846,848	\$ 757,976
OPERATING EXPENSES		
Medical claims	(3,379)	7,208
Workers compensation premiums	313,671	212,556
Unemployment claims	108,046	45,466
Reinsurance premiums	27,418	47,269
Administrative services	110,412	103,525
Other	10,119	13,008
Total Operating Expenses	566,287	429,032
Operating Income (Loss)	280,561	328,944
NONOPERATING REVENUES		
Earnings on investments	143,251	195,233
Net Income (Loss)	423,812	524,177
NET ASSETS, July 1	3,236,384	2,712,207
NET ASSETS, June 30	\$ 3,660,196	\$ 3,236,384

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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	<u>GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS</u>	
	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Premiums received from other funds	\$ 846,848	\$ 757,976
Premiums received from insured	-	(941)
Payments of benefits	(380,928)	(248,595)
Reimbursement from providers	3,311	-
Deposit refund	-	6,880
Deposit paid	(56,355)	-
Insurance premiums paid	(27,418)	(62,204)
Payments for administrative services and supplies	(102,700)	(110,027)
State assessments	<u>(10,119)</u>	<u>(13,008)</u>
Net Cash Provided (Used) by Operating Activities	<u>272,639</u>	<u>330,081</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest paid on investments	<u>154,645</u>	<u>175,196</u>
Net Increase (Decrease) in Cash and Cash Equivalents	427,284	505,277
CASH AND CASH EQUIVALENTS, July 1	<u>3,774,379</u>	<u>3,269,102</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 4,201,663</u>	<u>\$ 3,774,379</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
OPERATING INCOME (LOSS)	<u>\$ 280,561</u>	<u>\$ 328,944</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	380	(8,835)
Decrease in deposits	(56,355)	6,880
Increase in prepaid expenses	-	(6,814)
Increase (decrease) in accounts payable	27,687	(59,676)
Increase (decrease) in liability for incurred but not reported claims	20,814	60,894
Increase (decrease) in deferred revenues	<u>(448)</u>	<u>8,688</u>
Total Adjustments	<u>(7,922)</u>	<u>1,137</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 272,639</u>	<u>\$ 330,081</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	PRIVATE PURPOSE TRUST - STUDENT SCHOLARSHIPS	AGENCY - STUDENT ACTIVITY FUND	TOTALS	
			2009	2008
<b>ASSETS</b>				
Cash and investments - Note 3	\$ 911,614	\$ 553,791	\$ 1,465,405	\$ 1,371,130
Accrued interest	6,131	-	6,131	5,900
Due from other funds - Note 4	-	9,792	9,792	15
	<u>917,745</u>	<u>563,583</u>	<u>1,481,328</u>	<u>1,377,045</u>
Total Assets				
<b>LIABILITIES</b>				
Due to other funds - Note 4	-	750	750	221
Due to student groups	-	562,833	562,833	543,203
	<u>-</u>	<u>563,583</u>	<u>563,583</u>	<u>543,424</u>
Total Liabilities				
<b>NET ASSETS</b>				
Restricted:				
Nonexpendable	474,103	-	474,103	473,408
Expendable	443,642	-	443,642	360,213
	<u>474,103</u>	<u>-</u>	<u>474,103</u>	<u>473,408</u>
	<u>443,642</u>	<u>-</u>	<u>443,642</u>	<u>360,213</u>
Total Net Assets	<u>\$ 917,745</u>	<u>\$ -</u>	<u>\$ 917,745</u>	<u>\$ 833,621</u>

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	PRIVATE-PURPOSE TRUST STUDENT SCHOLARSHIPS	
	2009	2008
ADDITIONS		
Private donations	\$ 73,492	\$ 1,100
Interest	37,590	47,491
Total Additions	111,082	48,591
DEDUCTIONS		
Scholarships paid	26,958	18,167
Change in Net Assets	84,124	30,424
NET ASSETS, July 1	833,621	803,197
NET ASSETS, June 30	\$ 917,745	\$ 833,621

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

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include charges paid by the recipient of the goods or services offered by the program. Grants and contributions 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.

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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 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, 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.

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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.

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 no business-type activities or enterprise funds which require selection of which standards to follow.

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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.

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.

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

- . 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, except for commodities, which are stated at their fair 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.

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 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 are 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

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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.

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.

Postemployment Benefits Other than Pensions

Postemployment expenditures are comprised of monthly payments to the Nevada Public Employees' Benefit Program (PEBP) for the District's subsidy of retiree insurance premiums and the portion of insurance premiums paid to private insurers on behalf of active employees that

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

represent the implicit cost of retiree coverage. The payments to PEBP are charged to the General Fund while the employee insurance premiums are charged to the respective fund to which the employees' payroll costs are charged. The District has elected to fund postemployment benefits using the pay-as-you-go basis.

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.

Property Taxes

All real property in Lyon County is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The valuation of the property and its improvements is being assessed at 35 percent of "taxable value" as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. The maximum tax rate was established in the State Constitution at \$5 per \$100 of assessed valuation; however, as a result of legislative action the tax rate has been further limited to \$3.64 per \$100 of assessed value except in cases of severe financial emergency as defined in NRS 354.705.

Taxes on real property are a lien on the property and attach on July 1 (the levy date) of the year for which the taxes are levied.

Taxes may be paid in four installments payable on the third Monday in August and the first Mondays in October, January, and March to the Lyon County Treasurer. Penalties are assessed if

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, if taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest, and costs before sale.

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.

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 2007-2008 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for 2007-2008. 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.

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

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 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 2009 budget.

Fund	Originally Adopted	Augmentations			Final
		Board Action	Private Donations	Grants	
Major Governmental Funds:					
General	\$75,365,645	(\$620,317)	\$ 84,843	\$ -	\$74,830,171
Special Education	11,773,336	(182,867)	1,069	-	11,957,272
Nonmajor Governmental Funds:					
Federal Grants	-	-	-	3,920,816	3,920,816
State Grants	-	-	-	2,079,390	2,079,390
Class Size Reduction	2,385,192	(138,488)	-	-	2,246,704

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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, 2009, is \$1,929,556, representing the cash balance of \$1,703,384 in the Employees' Group Insurance Fund and \$226,172 held in a restricted bank account to secure future workers compensation claims.

The following schedule summarizes cash and investments for the District at June 30, 2009:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash Balances Held By:			
Governmental Funds	\$25,476,753	\$ -	\$25,476,753
Proprietary (Internal Service) Funds	<u>2,272,107</u>	<u>1,929,556</u>	<u>4,201,663</u>
	27,748,860	1,929,556	29,678,416
Fiduciary Funds	<u>1,465,405</u>	<u>-</u>	<u>1,465,405</u>
Total Cash and Investments	<u>\$29,214,265</u>	<u>\$1,929,556</u>	<u>\$31,143,821</u>

Balances Classified by Depository:		
Cash on hand		\$ 1,965
Wells Fargo Bank, checking		55,814
Wells Fargo Bank, money market savings		20,357
Wells Fargo Bank, certificate of deposit		226,172
Nevada State Bank, checking		183,558
Bank of America, checking		<u>118,102</u>
Subtotal Cash		605,968
Wells Fargo Bank, through State of Nevada's NVEST program		11,958,769
Held in State Treasurer's Investment Pool		<u>18,579,084</u>
Total Cash and Investments		<u>\$31,143,821</u>

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

	Carrying Amount	Bank Balance
Cash on hand	\$ 1,965	\$ -
Insured (FDIC)	604,003	552,829
Uninsured but collateralized by securities held in the name of the Office of the State Treasurer/Nevada Collateral Pool	-	1,565,719
	\$ 605,968	\$2,118,548

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 \$18,579,084 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 65 days as of June 30, 2009.

As of June 30, 2009, the District had the following investments and maturities held at Wells Fargo Bank.

	Fair Value	Investment Maturities (In Years)			Ratings	
		< 1	1-3	> 3	Moody's	S&P
Corporate bonds & notes:						
Asset backed securities	\$ 1,539,465	\$ 62,147	\$ 312,872	\$1,164,444	AAA	AAA
Financials	1,676,225	112,236	1,511,456	52,532	A3-AA2	A-AAA
Industrials	912,246	138,897	665,300	108,048	A-AA3	A-AAA
Utilities	274,974	121,836	106,360	46,778	A2-AA2	A-AAA
U.S. Government and Agencies:						
Treasuries	1,102,732	-	577,871	524,860	TSY	TSY
Agency bonds	3,753,593	421,000	2,029,659	1,302,934	AGC	AGC
Agency pools	781,722	174,692	503,500	103,530	AGC	AGC
Agency mortgage-backed	1,424,706	-	136,494	1,288,212	AGC	AGC
	11,465,663	\$1,030,809	\$5,843,513	\$4,591,341		
Government money market fund	461,856					
Receivable from sold securities	31,250					
<b>Total Investments</b>	<b>\$11,958,769</b>					

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. StableRiver Capital Management is the portfolio manager and manages the portfolio with a duration objective of three years. 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 NVEST program has specific investment guidelines to address the various risk types.

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Interest Rate Risk Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. To limit exposure to interest rate risk, Nevada Statutes limits banker's acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturities. The District's investment in U.S. Agency mortgage backed securities consists of securities issued by the Federal National Mortgage Association, Federal Farm Credit Bank, and Federal Home Loans Bank. Since investments in these agencies are in many cases backed by assets such as mortgages they are subject to prepayment risk.

Credit Risk Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. Nevada Statutes limit investment in money market mutual funds and asset-backed securities to the "AAA" rating (or equivalent) by a nationally recognized statistical rating organization. The District's corporate securities are in most cases rated by both Standard & Poor's and Moody's rating agencies as indicated above. The U.S. Agency pools and mortgage-backed securities are backed by the U.S. government and unrated.

Concentration Risk To limit exposure to concentrations of credit risk, the NVEST guidelines limit investment in asset backed securities, bankers' acceptances, non-U.S. agency collateralized mortgage obligations, commercial paper, corporate notes, negotiable certificates of deposit and U.S. Treasuries to 20% of total par value of the portfolio on the date of purchase. The District has less than 5% of total investments in any single issuer, excluding U.S. government obligations and pooled investments.

Custodial Credit Risk Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District's bank deposits are generally covered by FDIC insurance and are collateralized by the Office of the State Treasurer.

LYON COUNTY SCHOOL DISTRICT  
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NOTE 4 - Interfund Receivables, Payables and Transfers:

The cost of worker's compensation and unemployment benefits are accounted for in an internal service fund which assesses each fund a rate based on its gross payroll. The amount due the Employee Compensation Protection Fund at year end represents the portion attributable to year end accrued salaries. Some grants had outstanding cash requests at June 30 resulting in cash deficits funded by the General Fund. Interfund receivable and payable balances at June 30, 2009 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Funds:		
General Fund	\$ 989,533	\$ 75,939
Special Education Fund	-	19,371
Nonmajor Governmental Funds:		
Federal Grants Fund	-	50,358
Federal School Lunch Fund	-	1,855
Adult Education Fund	-	676
Class Size Reduction Fund	-	3,987
State Grants Fund	<u>-</u>	<u>943,765</u>
Total Governmental Funds	989,533	1,095,951
Internal Service Funds:		
Employee Compensation Protection Fund	97,376	-
Fiduciary Fund:		
Student Activity Fund	<u>9,792</u>	<u>750</u>
Total All Funds	<u>\$ 1,096,701</u>	<u>\$ 1,096,701</u>

Interfund transfers are shown as other financing sources or uses as appropriate in all governmental and fiduciary funds. The following transfers are required to cover operating costs in excess of fund revenues. Transfers between funds during the year ended June 30, 2009 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$9,175,000
Special Education Fund	9,100,000	-
Insurance Loss Fund	50,000	-
Class Size Reduction Fund	<u>25,000</u>	<u>-</u>
	<u>\$9,175,000</u>	<u>\$9,175,000</u>

LYON COUNTY SCHOOL DISTRICT  
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NOTE 5 - Capital Assets:

Capital asset activity for the year ended June 30, 2009 was as follows.

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Not subject to depreciation:				
Land	\$ 6,069,583	\$ 2,663,901	\$ -	\$ 8,733,484
Construction in progress	<u>632,533</u>	<u>5,011,929</u>	<u>603,307</u>	<u>5,041,155</u>
	<u>6,702,116</u>	<u>7,675,830</u>	<u>603,307</u>	<u>13,774,639</u>
Subject to depreciation:				
Buildings and improvements	108,342,047	444,571	-	108,786,618
Infrastructure	2,503,246	4,457,990	-	6,961,236
Vehicles	10,173,089	96,794	24,925	10,244,958
Other equipment	<u>13,768,593</u>	<u>815,418</u>	<u>877,759</u>	<u>13,706,252</u>
	<u>134,786,975</u>	<u>5,814,773</u>	<u>902,684</u>	<u>139,699,064</u>
Less accumulated depreciation:				
Buildings and improvements	(27,655,390)	(2,210,609)	-	(29,865,999)
Infrastructure	(779,964)	(219,962)	-	(999,926)
Vehicles	(7,872,708)	(513,224)	(24,925)	(8,361,007)
Other equipment	<u>(8,691,851)</u>	<u>(1,212,553)</u>	<u>(841,850)</u>	<u>(9,062,554)</u>
	<u>(44,999,913)</u>	<u>(4,156,348)</u>	<u>(866,775)</u>	<u>(48,289,486)</u>
Depreciable assets, net	<u>89,787,062</u>	<u>1,658,425</u>	<u>35,909</u>	<u>91,409,578</u>
Governmental activities capital assets, net	<u>\$96,489,178</u>	<u>\$ 9,334,255</u>	<u>\$ 639,216</u>	<u>\$105,184,217</u>

Depreciation expense was charged to programs and functions as follows.

Regular instruction	\$ 603,025
Special instruction	50,245
Vocational instruction	81,881
Adult instruction	4,878
Other instruction	29,164
Extra curricular activities	42,235
Support services:	
Student support	20,348
Instructional staff support	42,337
General administration	9,915
School administration	154,198
Central services	74,038
Operation and maintenance of plant	71,275
Student transportation	545,970
Other support services	1,184
Food service	34,423
Unallocated	<u>2,391,232</u>
	<u>\$4,156,348</u>

LYON COUNTY SCHOOL DISTRICT  
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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 refunding is amortized in the government-wide financial statements. General obligation bond debt and related deferrals consist of the following at June 30, 2009.

<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, 2009</u>	<u>Due Within One Year</u>
2001A	2/1/01	6/1/11	5.0%	\$12,000,000	\$ 1,285,000	\$ 625,000
2002	5/29/02	6/1/16	4.3% - 4.75%	13,000,000	4,720,000	760,000
2004	12/1/04	4/1/25	3.25% - 5.0%	9,000,000	7,940,000	375,000
2005	8/18/05	6/1/21	3.67%	9,610,000	9,210,000	90,000
2005	9/20/05	6/1/22	3.76%	5,820,000	5,635,000	30,000
2005	9/20/05	4/1/25	3.625%-5.0%	13,000,000	12,665,000	540,000
2006	3/8/06	6/1/15	5.0%	12,580,000	10,740,000	1,920,000
2009	6/5/08	4/1/28	4.618%	11,500,000	<u>11,500,000</u>	<u>100,000</u>
					63,685,000	4,440,000
Deferred loss on advance refunding					<u>(701,077)</u>	<u>(82,495)</u>
					<u>\$62,983,923</u>	<u>\$4,357,505</u>

At June 30, 2009, the District's limit of bonded indebtedness as defined by NRS 387.400 was \$278,598,732. The District had \$63,685,000 in bonded debt outstanding and an unused bonding capacity of \$214,913,732.

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The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2009 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
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  
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Note 7 - Changes in Long-Term Debt:

During the year ended June 30, 2009, the following changes occurred in long-term liabilities.

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>	<u>Due Within One Year</u>
General obligation bonds payable	\$67,940,000	\$ -	\$4,255,000	\$63,685,000	\$4,440,000
Less deferred loss on refundings	<u>(801,391)</u>	<u>-</u>	<u>(100,314)</u>	<u>(701,077)</u>	<u>(82,495)</u>
	67,138,609	-	4,154,686	62,983,923	4,357,505
Other post-employment Obligations	-	1,890,526	-	1,890,526	-
Estimated short-term leave liability	824,691	-	26,468	798,223	-
Accrued vacation payable	<u>235,523</u>	<u>2,595</u>	<u>-</u>	<u>238,118</u>	<u>168,767</u>
<b>Total Long-Term Obligations Payable</b>	<b><u>\$68,198,823</u></b>	<b><u>\$1,893,121</u></b>	<b><u>\$4,181,154</u></b>	<b><u>\$65,910,790</u></b>	<b><u>\$4,526,272</u></b>

NOTE 8 - Major Contracts and Other Commitments Outstanding:

<u>Contractor</u>	<u>Original Contract Amount</u>	<u>Balance July 1, 2008</u>	<u>Contracts and Change Orders Issued</u>	<u>Accruals and Payments</u>	<u>Balance June 30, 2009</u>	<u>Description</u>
City of Fernley	\$ 28,000	\$ 28,000	\$ -	\$ -	\$ 28,000	Joint Use Agreement for BLM land
Casey Jones, AIA	31,415	3,142	38,695	41,837	-	Architect for Silver Stage High concession booth
PK Electric	8,000	1,200	-	1,200	-	Engineering for Fernley High vocational
Lumas and Associates	1,197,500	676,070	-	375,987	300,083	Engineering of district-wide paving projects
Tate, Snyder, Kimsey Architects	2,679,250	-	2,693,950	1,920,029	773,921	Architects for new schools in Fernley

LYON COUNTY SCHOOL DISTRICT  
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<u>Contractor</u>	<u>Original Contract Amount</u>	<u>Balance July 1, 2008</u>	<u>Contracts and Change Orders Issued</u>	<u>Accruals and Payments</u>	<u>Balance June 30, 2009</u>	<u>Description</u>
Lumos and Associates	\$ 124,700	\$ -	\$ 148,400	\$ 134,845	\$ 13,555	Engineers for new schools In Fernley
Lumos and Associates	43,050	-	43,050	39,550	3,500	Engineers for parking at Sutro & Cottonwood Elem.
Horizon Construction	77,907	-	77,907	-	77,907	Sutro Elem. parking lot
King Construction	52,425	-	52,425	-	52,425	Cottonwood Elementary parking lot
Tate, Snyder, Kimsey Architects	145,100	-	145,100	123,335	21,765	Architects for Dayton Elem. renovation
K7 Construction	990,000	-	990,000	-	990,000	Dayton Elem. renovation
Diversified Concrete	22,892	-	22,892	-	22,892	Dayton Elem. asbestos abatement
Brett T. Long Landscape Architecture	22,000	-	22,000	14,000	8,000	Architect for synthetic sports fields
Granite Construction Company	446,446	-	446,446	223,223	223,223	Ground work for synthetic sports fields
Sportex Construction Services, Inc.	350,103	-	350,103	261,898	88,205	Install synthetic sports field at Fernley High
Sportex Construction Services, Inc.	350,103	-	350,103	-	350,103	Install synthetic sports field at Dayton High
WWW Construction	190,719	-	190,719	-	190,719	Fernley High Lift station
Atlas Contractors	498,477	-	498,477	-	498,477	Dayton High access road
		<u>\$ 708,412</u>	<u>\$6,070,267</u>	<u>\$3,135,904</u>	<u>\$3,642,775</u>	

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NOTE 9 - Risk Financing:

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 \$576,000 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:

	2009	2008
Beginning of fiscal year	\$ 562,000	\$ 477,000
Current year claims and changes in estimates	313,671	212,556
Claim payments	(299,671)	(127,556)
Balance at fiscal year end	\$ 576,000	\$ 562,000

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 \$45,958,795. 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

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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, 2009. 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.

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

	2009	2008	2007
Employer plan	\$7,681,728	\$7,511,270	\$6,761,258
Employer/employee plan	891,105	831,803	724,351
	<u>\$8,572,833</u>	<u>\$8,343,073</u>	<u>\$7,485,609</u>

NOTE 11 - Postemployment Benefits Other Than Pensions:

Retirees of Lyon County School District may receive postemployment benefits through the Nevada Public Employee's Benefits Plan or through the District's health care plan offered its active employees. Following are information on both plans.

LYON COUNTY SCHOOL DISTRICT  
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Plan Descriptions

Nevada Public Employee's Benefits Plan The District contributes to the Nevada Public Employees' Benefits Plan (PEBP), an agent multiple-employer defined benefit plan, which provides medical benefits to eligible retired District employees and their beneficiaries. PEBP is administered by the Board of the Public Employee's Benefits Program, consisting of nine appointed members. Before November 30, 2008, NRS 287.023 allowed retirees of local governments meeting established criteria to enroll in the PEBP and required local governments to subsidize the cost of their retirees' premiums. Although retirees may no longer enroll in the PEBP, retirees enrolled as of November 30, 2008 may remain in the plan with continued premium subsidies paid by the District. The PEBP issues a publicly available report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Benefit Program, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701. The information is also available on their website at [www.pebp.state.nv.us](http://www.pebp.state.nv.us) or by calling (800)326-5496.

Lyon County School District Health Care Plan The District administers a single-employer defined benefit Healthcare Plan (LCHCP). This plan provides postemployment healthcare and life insurance benefits to retirees of the District. Any retiree that participates in the Nevada Public Employees' Retirement System (PERS) may purchase coverage for themselves and dependents at the same premium charged active employees. Because retirees pay the same premium as active employees rather than a higher rate that would result from rating retirees as a separate insured group, the District incurs the cost of an implicit premium subsidy. A separate report was not issued for the plan.

Membership of the LCHCP consisted of 1,065 active plan members and 45 retirees as of July 1, 2007, the date of the latest actuarial valuation.

Funding Policy

Nevada Public Employee's Benefits Plan The contribution requirements of plan members and Lyon County School District are established and may be amended by the Board of Public Employees' Benefits Program. The amount of subsidy an individual retiree is entitled is predicated on the years of service and a legislatively determined base amount. The District is billed monthly for the subsidies for District retirees. The District contributed \$640,652 during the fiscal year on behalf of 217 participating retirees.

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JUNE 30, 2009

Lyon County School District Health Care Plan Retirees electing to continue coverage under the LCHCP must pay the full cost of premiums. The District pays the full cost of the premiums for active employees and, therefore, pays the implicit cost of retirees' coverage. The District has elected to pay the implicit cost of postemployment benefits on the pay-as-you-go basis.

The annual required contribution rate was 4.12% of payroll for 2008, the last actuarial valuation. The District obtains healthcare and life insurance coverage through private insurers. NRS 288.150 specifies insurance benefits are subject to mandatory bargaining. The current agreements with employee associations provide for a committee to review and make recommendations to plan design and the selection of insurers to the Lyon County School District Board of Trustees. The amount employees contribute towards their insurance premium is negotiated with each association and was the full cost of the employee's coverage for 2009.

Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for the healthcare benefits:

	<u>LCHCP</u>	<u>PEBP</u>	<u>Total</u>
Annual required contribution:			
Normal cost	\$1,550,747	\$ -	\$1,550,747
Amortization of unfunded annual liability	406,130	590,429	996,559
Interest	<u>78,275</u>	<u>23,617</u>	<u>101,892</u>
	2,035,152	614,046	2,649,198
Contributions made	<u>(118,020)</u>	<u>(640,652)</u>	<u>(758,672)</u>
Increase in OPEB obligation	1,917,132	(26,606)	1,890,526
Net OPEB obligation, beginning of year	-	-	-
Net OPEB obligation, end of year	<u>\$1,917,132</u>	<u>\$ (26,606)</u>	<u>\$1,890,526</u>

LYON COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2009	\$2,649,198	28.6%	\$1,890,526

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability was \$26,079,445. The covered payroll was \$37,825,000 and the ratio of unfunded actuarial accrued liability to payroll was 68.9 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As this is the initial year of reporting the OPEB obligation and cost, only one year is presented.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2007, actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4% investment rate of return. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over thirty years.

LYON COUNTY SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2009

OTHER POSTEMPLOYMENT BENEFITS  
 SCHEDULE OF FUNDING PROGRESS

	<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Liability (AAL) - Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
LCHCP	6/30/09	7/1/2007	\$ -	\$10,628,218	\$10,628,218	0.00%	\$37,825,000	28.1%
PEBP	6/30/09	7/1/2007	\$ -	\$15,451,227	\$15,451,227	0.00%	\$37,825,000	40.8%

LYON COUNTY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AS OF JUNE 30, 2009

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	SPECIAL REVENUE				
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION
<b>ASSETS AND OTHER DEBITS</b>					
Cash and investments	\$ -	\$ 49,951	\$ 640,818	\$108,101	\$ 396,661
Accounts receivable	-	-	441	568	-
Accrued interest	-	-	-	-	-
Due from other governments	364,624	-	15,685	-	-
Inventories	-	-	70,730	-	-
	<u>364,624</u>	<u>-</u>	<u>70,730</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 364,624</u>	<u>\$ 49,951</u>	<u>\$ 727,674</u>	<u>\$108,669</u>	<u>\$ 396,661</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 50,004	\$ 42,472	\$ 1,827	\$ 644	\$ -
Contract retention payable	-	-	-	-	-
Accrued payroll	242,459	-	134,552	56,402	360,304
Due to other funds	50,358	-	1,855	676	3,987
Due to other governments	6,718	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenue	15,085	-	51,880	-	-
	<u>364,624</u>	<u>42,472</u>	<u>190,114</u>	<u>57,722</u>	<u>364,291</u>
Total Liabilities	<u>364,624</u>	<u>42,472</u>	<u>190,114</u>	<u>57,722</u>	<u>364,291</u>
<b>FUND BALANCES</b>					
Fund balances:					
Reserved for encumbrances	-	-	-	-	-
Reserved for inventories	-	-	39,997	-	-
Unreserved:					
Designated for subsequent year's expenditures	-	7,479	251,212	36,030	19,000
Undesignated	-	-	246,351	14,917	13,370
	<u>-</u>	<u>7,479</u>	<u>537,560</u>	<u>50,947</u>	<u>32,370</u>
Total Fund Balances	<u>-</u>	<u>7,479</u>	<u>537,560</u>	<u>50,947</u>	<u>32,370</u>
Total Liabilities and Fund Balances	<u>\$ 364,624</u>	<u>\$ 49,951</u>	<u>\$ 727,674</u>	<u>\$108,669</u>	<u>\$ 396,661</u>

FUNDS		CAPITAL PROJECTS FUNDS					
STATE GRANTS	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES	RESIDENTIAL	TOTAL	TOTALS	
				CONSTRUCTION TAX		2009	2008
\$ -	\$ 1,195,531	\$ 1,692,437	\$ 203,870	\$ 718,126	\$ 2,614,433	\$ 3,809,964	\$ 6,608,587
-	1,009	-	-	-	-	1,009	4,394
-	-	-	21,371	219	21,590	21,590	62,830
1,178,654	1,558,963	53,353	-	6,400	59,753	1,618,716	911,668
-	70,730	-	-	-	-	70,730	57,615
<u>\$1,178,654</u>	<u>\$ 2,826,233</u>	<u>\$ 1,745,790</u>	<u>\$ 225,241</u>	<u>\$ 724,745</u>	<u>\$ 2,695,776</u>	<u>\$ 5,522,009</u>	<u>\$ 7,645,094</u>
\$ 11,589	\$ 106,536	\$ 260,821	\$ -	\$ 262,472	\$ 523,293	629,829	\$ 404,620
-	-	22,322	-	-	22,322	22,322	-
223,300	1,017,017	-	-	-	-	1,017,017	1,222,531
943,765	1,000,641	-	-	-	-	1,000,641	12,231
-	6,718	-	-	-	-	6,718	6,412
-	-	-	500	-	500	500	500
-	66,965	-	1,200	-	1,200	68,165	332,355
<u>1,178,654</u>	<u>2,197,877</u>	<u>283,143</u>	<u>1,700</u>	<u>262,472</u>	<u>547,315</u>	<u>2,745,192</u>	<u>1,978,649</u>
-	-	1,230,215	-	308,102	1,538,317	1,538,317	32,342
-	39,997	-	-	-	-	39,997	33,234
-	313,721	-	-	-	-	313,721	5,086,092
-	274,638	232,432	223,541	154,171	610,144	884,782	514,777
-	628,356	1,462,647	223,541	462,273	2,148,461	2,776,817	5,666,445
<u>\$1,178,654</u>	<u>\$ 2,826,233</u>	<u>\$ 1,745,790</u>	<u>\$ 225,241</u>	<u>\$ 724,745</u>	<u>\$ 2,695,776</u>	<u>\$ 5,522,009</u>	<u>\$ 7,645,094</u>

LYON COUNTY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 AS OF JUNE 30, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	SPECIAL REVENUE				
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION
REVENUES:					
Local sources	\$ -	\$ 8,151	\$ 1,024,243	\$ 8,098	\$ -
State sources	-	-	11,961	365,186	2,165,480
Federal sources	2,498,793	-	1,634,212	-	-
<b>Total Revenues</b>	<b>2,498,793</b>	<b>8,151</b>	<b>2,670,416</b>	<b>373,284</b>	<b>2,165,480</b>
EXPENDITURES:					
Instruction:					
Regular instruction	724,123	-	-	-	2,214,334
Special instruction	734,119	-	-	-	-
Vocational instruction	69,602	-	-	-	-
Adult instruction	-	-	-	350,340	-
Other instruction	197,689	-	-	-	-
Co-curricular activities	2,557	-	-	-	-
Support Services:					
Student support	107,844	-	-	-	-
Instructional staff support	480,052	-	-	-	-
General administration	94,126	-	-	-	-
Central services	39,636	120,228	-	-	-
Operations and maintenance of plant	-	-	-	-	-
Student transportation	49,045	-	-	-	-
Food service	-	-	2,745,688	-	-
Facilities acquisition and construction	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,498,793</b>	<b>120,228</b>	<b>2,745,688</b>	<b>350,340</b>	<b>2,214,334</b>
Excess (Deficiency) of Revenues over Expenditures	-	(112,077)	(75,272)	22,944	(48,854)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	50,000	-	-	25,000
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>(62,077)</b>	<b>(75,272)</b>	<b>22,944</b>	<b>(23,854)</b>
FUND BALANCE, July 1	-	69,556	612,832	28,003	56,224
FUND BALANCE, June 30	\$ -	\$ 7,479	\$ 537,560	\$ 50,947	\$ 32,370

FUNDS		CAPITAL PROJECTS FUNDS				TOTALS	
STATE GRANTS	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES	RESIDENTIAL CONSTRUCTION TAX	TOTAL	2009	2008
\$ -	\$ 1,040,492	\$ 623,522	\$ 321,956	\$ 91,188	\$ 1,036,666	\$ 2,077,158	\$ 3,060,929
1,827,624	4,370,251	-	-	-	-	4,370,251	5,040,124
-	4,133,005	-	-	-	-	4,133,005	4,434,357
<u>1,827,624</u>	<u>9,543,748</u>	<u>623,522</u>	<u>321,956</u>	<u>91,188</u>	<u>1,036,666</u>	<u>10,580,414</u>	<u>12,535,410</u>
299,712	3,238,169	-	-	-	-	3,238,169	3,864,131
-	734,119	-	-	-	-	734,119	878,393
-	69,602	-	-	-	-	69,602	225,178
-	350,340	-	-	-	-	350,340	378,826
296,571	494,260	-	-	-	-	494,260	683,682
-	2,557	-	-	-	-	2,557	1,773
-	107,844	-	-	-	-	107,844	160,845
1,227,016	1,707,068	-	-	-	-	1,707,068	1,697,894
-	94,126	-	-	-	-	94,126	55,553
-	159,864	-	-	-	-	159,864	166,229
-	-	-	-	-	-	-	155
4,325	53,370	-	-	-	-	53,370	30,396
-	2,745,688	-	-	-	-	2,745,688	2,829,871
-	-	841,725	2,550,101	396,209	3,788,035	3,788,035	1,084,610
<u>1,827,624</u>	<u>9,757,007</u>	<u>841,725</u>	<u>2,550,101</u>	<u>396,209</u>	<u>3,788,035</u>	<u>13,545,042</u>	<u>12,057,536</u>
-	(213,259)	(218,203)	(2,228,145)	(305,021)	(2,751,369)	(2,964,628)	477,874
-	75,000	-	-	-	-	75,000	175,000
-	(138,259)	(218,203)	(2,228,145)	(305,021)	(2,751,369)	(2,889,628)	652,874
-	766,615	1,680,850	2,451,686	767,294	4,899,830	5,666,445	5,013,571
<u>\$ -</u>	<u>\$ 628,356</u>	<u>\$ 1,462,647</u>	<u>\$ 223,541</u>	<u>\$ 462,273</u>	<u>\$ 2,148,461</u>	<u>\$ 2,776,817</u>	<u>\$ 5,666,445</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 8,869,819	\$ 8,869,819	\$ 8,512,588	\$ (357,231)	\$ 7,881,432
Earnings on investments	300,000	300,000	309,355	9,355	456,396
Total Revenue	<u>9,169,819</u>	<u>9,169,819</u>	<u>8,821,943</u>	<u>(347,876)</u>	<u>8,337,828</u>
<b>EXPENDITURES</b>					
Undistributed expenditures:					
Support services:					
General administration:					
Purchased services	5,000	5,000	2,250	2,750	2,750
Debt service:					
General obligation bonds:					
Principal retirement	4,255,000	4,255,000	4,255,000	-	4,000,000
Interest	2,884,637	2,884,637	2,856,144	28,493	2,580,973
	<u>7,139,637</u>	<u>7,139,637</u>	<u>7,111,144</u>	<u>28,493</u>	<u>6,580,973</u>
Total Expenditures	<u>7,144,637</u>	<u>7,144,637</u>	<u>7,113,394</u>	<u>31,243</u>	<u>6,583,723</u>
Excess (Deficiency) of Revenues over Expenditures	2,025,182	2,025,182	1,708,549	(316,633)	1,754,105
FUND BALANCE, July 1	<u>8,196,780</u>	<u>8,196,780</u>	<u>7,939,700</u>	<u>(257,080)</u>	<u>6,185,595</u>
FUND BALANCE, June 30	<u>\$10,221,962</u>	<u>\$10,221,962</u>	<u>\$ 9,648,249</u>	<u>\$ (573,713)</u>	<u>\$ 7,939,700</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ 340,000	\$ 340,000	\$ 124,182	\$ (215,818)	\$ 79,223
City of Fernley cost share	-	-	73,975	73,975	-
Utility construction rebate	-	-	2,377	2,377	-
Private donations	-	-	5,700	5,700	-
Total Revenues	<u>340,000</u>	<u>340,000</u>	<u>206,234</u>	<u>(133,766)</u>	<u>79,223</u>
<b>EXPENDITURES</b>					
Athletic instructional programs:					
Supplies	-	-	27,483	(27,483)	-
Property	-	-	35,855	(35,855)	-
	<u>-</u>	<u>-</u>	<u>63,338</u>	<u>(63,338)</u>	<u>-</u>
Undistributed expenditures:					
Support services:					
General administration:					
Purchased services	-	-	-	-	67,732
School administration:					
Property	-	-	-	-	15,513
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,245</u>
Facilities acquisition and construction:					
Site Improvement:					
Purchased services	11,011,000	11,011,000	5,958,835	5,052,165	1,041,782
Supplies	-	-	2,200	(2,200)	-
Other	-	-	16,236	(16,236)	5,089
	<u>11,011,000</u>	<u>11,011,000</u>	<u>5,977,271</u>	<u>5,033,729</u>	<u>1,046,871</u>
Building acquisition and construction:					
Purchased services	-	-	1,976,904	(1,976,904)	1,338,298
Supplies	-	-	-	-	21,345
Other	-	-	91,835	(91,835)	-
	<u>-</u>	<u>-</u>	<u>2,068,739</u>	<u>(2,068,739)</u>	<u>1,359,643</u>
Building improvements:					
Purchased services	497,102	497,102	133,420	363,682	-
Other	-	-	14,660	(14,660)	-
	<u>497,102</u>	<u>497,102</u>	<u>148,080</u>	<u>349,022</u>	<u>-</u>
Total Facilities Acquisition and Construction	<u>11,508,102</u>	<u>11,508,102</u>	<u>8,194,090</u>	<u>3,314,012</u>	<u>2,406,514</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Total Undistributed Expenditures	\$11,508,102	\$11,508,102	\$ 8,194,090	\$ 3,314,012	\$ 2,489,759
Total Expenditures	<u>11,508,102</u>	<u>11,508,102</u>	<u>8,257,428</u>	<u>3,250,674</u>	<u>2,489,759</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,168,102)</u>	<u>(11,168,102)</u>	<u>(8,051,194)</u>	<u>3,116,908</u>	<u>(2,410,536)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from bond sale	11,500,000	11,500,000	-	(11,500,000)	11,500,000
Contingency	<u>(289,000)</u>	<u>(289,000)</u>	<u>-</u>	<u>289,000</u>	<u>-</u>
	<u>11,211,000</u>	<u>11,211,000</u>	<u>-</u>	<u>(11,211,000)</u>	<u>11,500,000</u>
Net Change in Fund Balances	42,898	42,898	(8,051,194)	(8,094,092)	9,089,464
FUND BALANCE, July 1	<u>457,102</u>	<u>457,102</u>	<u>11,476,766</u>	<u>11,019,664</u>	<u>2,387,302</u>
FUND BALANCE, June 30	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 3,425,572</u>	<u>\$ 2,925,572</u>	<u>\$ 11,476,766</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Federal sources:					
Restricted, state agency:					
Improving America's Schools Act:					
Title I:					
Basic	\$ -	\$ 946,920	\$ 705,092	\$ (241,828)	\$ 806,787
Migrant	-	20,969	20,969	-	13,525
Neglected or Delinquent	-	28,459	26,159	(2,300)	23,435
School Improvement	-	35,250	18,704	(16,546)	82,950
School Improvement - Sec 1003(g)	-	67,059	8,851	(58,208)	29,481
Title II, Eisenhower					
Training and Recruiting Education Through Technology	-	307,390	205,273	(102,117)	243,795
Technology	-	10,442	10,442	-	8,351
Title III, Immigrant	-	29,263	29,081	(182)	51,657
Title III, LEP	-	58,074	57,749	(325)	-
Title IV, Safe and Drug-Free Schools Act					
Schools Act	-	20,620	10,163	(10,457)	14,927
Title V, Innovative Programs	-	4,047	2,614	(1,433)	23,904
Title VI, State Assessment	-	45,000	39,139	(5,861)	34,618
Title IX, Education technology	-	87,115	87,115	-	-
Individuals with Disabilities					
Education Act, Local Plan	-	1,879,925	966,014	(913,911)	1,101,296
PL 105-17:					
Early Childhood Development	-	55,824	30,713	(25,111)	49,909
District Improvement	-	50,000	50,000	-	-
Carl D. Perkins Vocational					
Education and Technology Act	-	81,425	74,707	(6,718)	85,089
School Reform Demonstration	-	-	-	-	1,573
HIV Implementation materials	-	6,814	6,653	(161)	-
Nevada Reading First	-	181,594	148,105	(33,489)	250,898
U.S.D.A. Specialty Crop	-	4,626	1,250	(3,376)	-
Learn & Serve America	-	-	-	-	36,649
Employee Criminal History	-	-	-	-	48,462
Nevada Arts Council	-	-	-	-	1,060
	-	<u>3,920,816</u>	<u>2,498,793</u>	<u>(1,422,023)</u>	<u>2,908,366</u>
<b>EXPENDITURES</b>					
Regular instructional programs:					
Salaries	-	320,571	272,752	47,819	413,674
Benefits	-	124,733	90,555	34,178	134,235
Purchased services	-	14,565	6,841	7,724	14,280
Supplies	-	262,348	278,492	(16,144)	168,426
Property	-	101,714	75,483	26,231	86,613
	-	<u>823,931</u>	<u>724,123</u>	<u>99,808</u>	<u>817,228</u>
Total Regular Programs	-	<u>823,931</u>	<u>724,123</u>	<u>99,808</u>	<u>817,228</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
Special instructional programs:					
Salaries	\$ -	\$ 639,130	\$ 520,528	\$ 118,602	\$ 583,435
Benefits	-	224,472	184,712	39,760	213,019
Purchased services	-	149,850	18,554	131,296	24,509
Supplies	-	189,576	10,325	179,251	29,357
Property	-	275,000	-	275,000	28,073
Total Special Programs	-	1,478,028	734,119	743,909	878,393
Vocation instructional programs:					
Purchased services	-	975	958	17	2,827
Supplies	-	24,534	23,497	1,037	33,457
Property	-	46,006	45,147	859	79,683
Total Vocation Programs	-	71,515	69,602	1,913	115,967
Other instructional programs:					
Summer programs:					
Salaries	-	-	-	-	26,592
Benefits	-	-	-	-	1,158
Supplies	-	-	-	-	585
Total Summer Programs	-	-	-	-	28,335
English as a second language:					
Salaries	-	47,670	49,671	(2,001)	39,288
Benefits	-	4,013	4,542	(529)	14,388
Supplies	-	31,250	327	30,923	22,796
Property	-	-	-	-	20,677
Total English as a second language	-	82,933	54,540	28,393	97,149
Remedial:					
Salaries	-	115,401	90,155	25,246	64,813
Benefits	-	34,412	12,497	21,915	12,865
Purchased services	-	109,164	40,497	68,667	68,007
Supplies	-	-	-	-	33,783
Property	-	-	-	-	37,241
Total Remedial	-	258,977	143,149	115,828	216,709
Total Other Instructional Programs	-	341,910	197,689	144,221	342,193

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
Co-curricular activities:					
Salaries	\$ -	\$ 1,800	\$ 1,754	\$ 46	\$ 1,720
Benefits	-	-	112	(112)	53
Purchased services	-	1,700	691	1,009	-
Total Co-curricular Activities	-	3,500	2,557	943	1,773
Undistributed expenditures:					
Support services:					
Student support:					
Salaries	-	29,760	27,522	2,238	27,699
Benefits	-	6,075	5,324	751	4,631
Purchased services	-	42,550	11,984	30,566	51,030
Supplies	-	92,784	40,179	52,605	42,424
Property	-	69,022	22,835	46,187	35,061
	-	240,191	107,844	132,347	160,845
Instructional staff support:					
Salaries	-	307,244	247,349	59,895	256,502
Benefits	-	81,694	72,829	8,865	78,644
Purchased services	-	196,735	111,750	84,985	78,353
Supplies	-	94,632	44,378	50,254	12,171
Property	-	17,075	1,797	15,278	-
Other	-	2,000	1,949	51	800
	-	699,380	480,052	219,328	426,470
General administration:					
Salaries	-	40,617	32,749	7,868	33,638
Benefits	-	15,864	11,719	4,145	12,028
Purchased services	-	18,000	288	17,712	2,651
Supplies	-	61,760	49,370	12,390	6,573
Property	-	9,000	-	9,000	663
	-	145,241	94,126	51,115	55,553
Central services:					
Salaries	-	42,000	34,196	7,804	33,973
Benefits	-	100	982	(882)	983
Purchased services	-	2,200	1,500	700	418
Supplies	-	1,300	1,700	(400)	-
Property	-	-	1,258	(1,258)	48,462
	-	45,600	39,636	5,964	83,836

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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
Undistributed expenditures (continued):					
Support services (continued):					
Student transportation:					
Salaries	\$ -	\$ 26,100	\$ 13,605	\$ 12,495	\$ 11,204
Benefits	-	2,420	2,041	379	1,722
Supplies	-	23,000	16,321	6,679	13,182
	<u>-</u>	<u>71,520</u>	<u>49,045</u>	<u>22,475</u>	<u>26,108</u>
Total Support Services	<u>-</u>	<u>1,201,932</u>	<u>770,703</u>	<u>431,229</u>	<u>752,812</u>
Total Expenditures	<u>-</u>	<u>3,920,816</u>	<u>2,498,793</u>	<u>1,422,023</u>	<u>2,908,366</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Local sources:					
Insurance recoveries	\$ -	\$ -	\$ 8,151	\$ 8,151	\$ 51,393
Federal sources:					
Federal Emergency Management	-	-	-	-	7,438
Total Revenue	-	-	8,151	8,151	58,831
<b>EXPENDITURES</b>					
Undistributed expenditures:					
Central services:					
Purchased services,					
Cottonwood Elementary flood	-	-	-	-	33,978
Transportation theft & damages	-	-	37,496	(37,496)	-
Supplies, theft & damage	-	-	7,915	(7,915)	5,893
Damage from freeze					
Purchased services	-	-	25,000	(25,000)	7,159
Supplies	-	-	-	-	1,562
Student accidents	-	-	27,311	(27,311)	-
Employee claims	-	-	22,006	(22,006)	-
Reward program	-	-	500	(500)	-
Other claim settlements	160,000	160,000	-	160,000	25,000
Community services - flood assistance:					
Operations and maintenance of plant	-	-	-	-	1,602
Transportation	-	-	-	-	6,007
Food service	-	-	-	-	1,227
Total Expenditures	160,000	160,000	120,228	39,772	82,428
Excess (Deficiency) of Revenues over Expenditures	(160,000)	(160,000)	(112,077)	47,923	(23,597)
<b>OTHER FINANCING SOURCES</b>					
Operating transfer in	50,000	50,000	50,000	-	50,000
Net Change in Fund Balances	(110,000)	(110,000)	(62,077)	47,923	26,403
FUND BALANCE, July 1	127,953	127,953	69,556	(58,397)	43,153
FUND BALANCE, June 30	\$ 17,953	\$ 17,953	\$ 7,479	\$ (10,474)	\$ 69,556

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Local sources:					
Daily sales, lunch	\$ 785,000	\$ 785,000	\$ 643,475	\$ (141,525)	\$ 643,069
Daily sales, breakfast	97,800	97,800	81,176	(16,624)	91,362
Daily sales, a la carte	272,000	272,000	245,269	(26,731)	279,515
Daily sales, overage	-	-	2,781	2,781	3,340
Community Services Agency	27,000	27,000	35,053	8,053	29,610
In district sales	5,500	5,500	16,489	10,989	20,692
	<u>1,187,300</u>	<u>1,187,300</u>	<u>1,024,243</u>	<u>(163,057)</u>	<u>1,067,588</u>
State sources:					
State match	-	-	11,961	11,961	11,567
Federal sources:					
School lunch program	1,079,000	1,079,000	1,128,023	49,023	1,051,687
School breakfast program	298,000	298,000	329,158	31,158	295,354
Commodity foods program	170,000	170,000	177,031	7,031	171,512
	<u>1,547,000</u>	<u>1,547,000</u>	<u>1,634,212</u>	<u>87,212</u>	<u>1,518,553</u>
<b>Total Revenue</b>	<u>2,734,300</u>	<u>2,734,300</u>	<u>2,670,416</u>	<u>(63,884)</u>	<u>2,597,708</u>
<b>EXPENDITURES</b>					
Food service program:					
Salaries	1,168,559	1,168,559	1,062,245	106,314	1,037,584
Benefits	330,267	330,267	296,626	33,641	279,173
Purchased services	85,100	85,100	73,617	11,483	76,956
Supplies, food	1,410,000	1,410,000	1,196,749	213,251	1,283,129
Supplies, other	143,000	143,000	111,171	31,829	130,781
Property	15,000	15,000	2,870	12,130	21,498
Other	1,000	1,000	2,410	(1,410)	750
	<u>3,152,926</u>	<u>3,152,926</u>	<u>2,745,688</u>	<u>407,238</u>	<u>2,829,871</u>
<b>Total Expenditures</b>	<u>3,152,926</u>	<u>3,152,926</u>	<u>2,745,688</u>	<u>407,238</u>	<u>2,829,871</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(418,626)</u>	<u>(418,626)</u>	<u>(75,272)</u>	<u>343,354</u>	<u>(232,163)</u>
<b>OTHER FINANCING USES</b>					
Contingency	<u>(14,742)</u>	<u>(14,742)</u>	<u>-</u>	<u>14,742</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(433,368)</u>	<u>(433,368)</u>	<u>(75,272)</u>	<u>358,096</u>	<u>(232,163)</u>
<b>FUND BALANCE, July 1</b>	<u>528,368</u>	<u>528,368</u>	<u>612,832</u>	<u>84,464</u>	<u>844,995</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 95,000</u>	<u>\$ 95,000</u>	<u>\$ 537,560</u>	<u>\$ 442,560</u>	<u>\$ 612,832</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>REVENUES</b>					
Local sources:					
Tuition	\$ 8,500	\$ 8,500	\$ 8,098	\$ (402)	\$ 12,022
State sources:					
Distributive school fund	380,402	380,402	365,186	(15,216)	349,221
Total Revenue	<u>388,902</u>	<u>388,902</u>	<u>373,284</u>	<u>(15,618)</u>	<u>361,243</u>
<b>EXPENDITURES</b>					
Adult instructional programs:					
Salaries	273,096	273,096	241,520	31,576	256,170
Benefits	84,240	84,240	83,867	373	79,581
Purchased services	28,650	28,650	16,700	11,950	23,349
Supplies	4,750	4,750	3,703	1,047	3,619
Property	5,500	5,500	4,490	1,010	925
Other	350	350	60	290	85
Total Expenditures	<u>396,586</u>	<u>396,586</u>	<u>350,340</u>	<u>46,246</u>	<u>363,729</u>
Excess (Deficiency) of Revenues over Expenditures	(7,684)	(7,684)	22,944	30,628	(2,486)
FUND BALANCE, July 1	<u>13,347</u>	<u>13,347</u>	<u>28,003</u>	<u>14,656</u>	<u>30,489</u>
FUND BALANCE, June 30	<u>\$ 5,663</u>	<u>\$ 5,663</u>	<u>\$ 50,947</u>	<u>\$ 45,284</u>	<u>\$ 28,003</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
REVENUES					
State sources:					
Distributive school fund	\$ 2,252,653	\$ 2,165,480	\$ 2,165,480	\$ -	\$ 2,125,825
EXPENDITURES					
Regular instructional programs:					
Salaries	1,749,608	1,633,148	1,628,157	4,991	1,652,927
Benefits	625,470	588,078	586,177	1,901	578,635
Other	5,114	15,478	-	15,478	-
Total Expenditures	2,380,192	2,236,704	2,214,334	22,370	2,231,562
Excess (Deficiency) of Revenues over Expenditures	(127,539)	(71,224)	(48,854)	22,370	(105,737)
OTHER FINANCING SOURCES					
Operating transfer in	75,000	25,000	25,000	-	125,000
Net Change in Fund Balances	(52,539)	(46,224)	(23,854)	22,370	19,263
FUND BALANCE, July 1	57,539	56,224	56,224	-	36,961
FUND BALANCE, June 30	\$ 5,000	\$ 10,000	\$ 32,370	\$ 22,370	\$ 56,224

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
State sources:					
Innovation & Prevention of Remediation	\$ -	\$ 1,725,114	\$ 1,460,113	\$ (265,001)	\$ 1,590,469
Education Technology	-	-	-	-	(35)
Library Books	-	-	-	-	21,947
Career & Technical Education	-	-	-	-	109,211
Regional Professional Development	-	165,150	149,790	(15,360)	184,304
Adult High School Leadership	-	-	-	-	15,097
Incentive Pay	-	-	28,595	28,595	416,112
Full Day Kindergarten	-	117,126	117,126	-	110,406
Teacher Signing Bonuses	-	72,000	72,000	-	106,000
Total Revenue	-	2,079,390	1,827,624	(251,766)	2,553,511
<b>EXPENDITURES</b>					
Regular instructional programs:					
Salaries	-	234,410	175,083	59,327	400,371
Benefits	-	19,634	70,133	(50,499)	265,636
Supplies	-	67,864	54,496	13,368	133,012
Property	-	-	-	-	13,018
Total Regular Programs	-	321,908	299,712	22,196	812,037
Vocational instructional programs:					
Salaries	-	-	-	-	609
Purchased services	-	-	-	-	4,076
Supplies	-	-	-	-	63,393
Property	-	-	-	-	39,729
Other	-	-	-	-	1,404
Total Vocational Programs	-	-	-	-	109,211
Adult instructional programs:					
Salaries	-	-	-	-	10,246
Benefits	-	-	-	-	4,851
Total Adult Programs	-	-	-	-	15,097
English as second language:					
Salaries	-	35,596	35,573	23	34,968
Benefits	-	14,545	14,545	-	12,533
Total English as second language	-	50,141	50,118	23	47,501

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
Remediation:					
Salaries	\$ -	\$ 189,767	\$ 189,770	\$ (3)	\$ 155,533
Benefits	-	49,100	44,927	4,173	38,230
Supplies	-	13,000	11,756	1,244	100,225
	-	251,867	246,453	5,414	293,988
Total Other Instructional Programs	-	302,008	296,571	5,437	341,489
Undistributed expenditures:					
Support services:					
Instructional staff support:					
Salaries	-	1,019,589	905,951	113,638	826,481
Benefits	-	356,344	295,591	60,753	266,075
Purchased services	-	68,182	19,548	48,634	46,851
Supplies	-	6,359	5,926	433	116,890
Property	-	-	-	-	15,127
	-	1,450,474	1,227,016	223,458	1,271,424
Central services:					
Property	-	-	-	-	(35)
Student transportation:					
Salaries	-	3,000	1,235	1,765	1,160
Benefits	-	-	149	(149)	196
Supplies	-	2,000	2,941	(941)	2,932
	-	5,000	4,325	675	4,288
Total Undistributed Expenditures	-	1,455,474	1,231,341	224,133	1,275,677
Total Expenditures	-	2,079,390	1,827,624	251,766	2,553,511
Excess of Revenues over Expenditures	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LYON COUNTY SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Local sources:					
Motor vehicle privilege tax	\$ 718,432	\$ 718,432	\$ 623,522	\$ (94,910)	\$ 682,918
<b>EXPENDITURES</b>					
Undistributed expenditures:					
Facilities acquisition and construction:					
Land acquisition:					
Property	28,000	28,000	-	28,000	-
Architecture and engineering:					
Purchased services					
New Fernley schools	300,000	300,000	137,662	162,338	-
Site Improvement:					
Purchased services					
Fernley High turf field	350,000	350,000	111,612	238,388	-
Dayton High turf field	350,000	350,000	111,612	238,388	-
Other	120,000	120,000	47,060	72,940	5,274
	<u>820,000</u>	<u>820,000</u>	<u>270,284</u>	<u>549,716</u>	<u>5,274</u>
Building acquisition and construction:					
Silver Stage High athletic facility:					
Purchased services	130,000	130,000	342,047	(212,047)	29,772
Fernley High athletic facility:					
Purchased services	-	-	1,599	(1,599)	35,603
Supplies	-	-	22,230	(22,230)	-
Other	-	-	994	(994)	-
	<u>-</u>	<u>-</u>	<u>24,823</u>	<u>(24,823)</u>	<u>35,603</u>
Silver Springs Bus Yard					
Purchased services	-	-	(681)	681	23,102
Property	-	-	36,098	(36,098)	-
	<u>-</u>	<u>-</u>	<u>35,417</u>	<u>(35,417)</u>	<u>23,102</u>
Purchased services, other	-	-	-	-	2,024
Total Building Acquisition and Construction	<u>130,000</u>	<u>130,000</u>	<u>402,287</u>	<u>(272,287)</u>	<u>90,501</u>
Building improvements:					
Purchased services					
Dayton Elementary	500,000	500,000	-	500,000	-
Fernley High vocational	30,000	30,000	31,492	(1,492)	7,240
	<u>530,000</u>	<u>530,000</u>	<u>31,492</u>	<u>498,508</u>	<u>7,240</u>

LYON COUNTY SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
Total Facilities Acquisition and Construction	\$ 1,808,000	\$ 1,808,000	\$ 841,725	\$ 966,275	\$ 103,015
Excess (Deficiency) Net Changes in Fund Balance	(1,089,568)	(1,089,568)	(218,203)	871,365	579,903
FUND BALANCE, July 1	1,220,947	1,220,947	1,680,850	459,903	1,100,947
FUND BALANCE, June 30	\$ 131,379	\$ 131,379	\$ 1,462,647	\$ 1,331,268	\$ 1,680,850

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ 800,000	\$ 800,000	\$ 312,356	\$ (487,644)	\$ 865,679
Rents	8,000	8,000	9,600	1,600	9,600
Total Revenue	<u>808,000</u>	<u>808,000</u>	<u>321,956</u>	<u>(486,044)</u>	<u>875,279</u>
<b>EXPENDITURES</b>					
Undistributed expenditures:					
Support services:					
Rental operations, supplies	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>155</u>
Facilities acquisition and construction:					
Land acquisition:					
Fernley	3,000,000	3,000,000	2,550,101	449,899	3,000
Site improvement:					
Silver Springs parking:					
Purchased services	-	-	-	-	50,000
Building improvements:					
Purchased services,					
Yerington Intermediate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total Facilities Acquisition and Construction	<u>3,000,000</u>	<u>3,000,000</u>	<u>2,550,101</u>	<u>449,899</u>	<u>103,000</u>
Total Expenditures	<u>3,002,000</u>	<u>3,002,000</u>	<u>2,550,101</u>	<u>451,899</u>	<u>103,155</u>
Excess (Deficiency) of Revenues over Expenditures	(2,194,000)	(2,194,000)	(2,228,145)	(34,145)	772,124
FUND BALANCE, July 1	<u>2,586,562</u>	<u>2,586,562</u>	<u>2,451,686</u>	<u>(134,876)</u>	<u>1,679,562</u>
FUND BALANCE, June 30	<u>\$ 392,562</u>	<u>\$ 392,562</u>	<u>\$ 223,541</u>	<u>\$ (169,021)</u>	<u>\$ 2,451,686</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2008
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Local sources:					
Residential construction tax	\$ 440,800	\$ 440,800	\$ 79,440	\$ (361,360)	\$ 334,960
Earnings on investments	24,500	24,500	11,748	(12,752)	36,769
<b>Total Revenue</b>	<u>465,300</u>	<u>465,300</u>	<u>91,188</u>	<u>(374,112)</u>	<u>371,729</u>
<b>EXPENDITURES</b>					
Regular instruction programs:					
Supplies	-	-	-	-	3,304
Facilities acquisition and construction:					
Land acquisition:					
Property, Riverview Elementary	110,800	110,800	110,800	-	139,200
	<u>110,800</u>	<u>110,800</u>	<u>110,800</u>	<u>-</u>	<u>139,200</u>
Site improvement:					
Purchased services					
Fernley High, turf field	350,000	350,000	271,783	78,217	-
Dayton High, turf field	350,000	350,000	13,626	336,374	-
Other	-	-	-	-	434,344
Supplies	-	-	-	-	23,961
	<u>700,000</u>	<u>700,000</u>	<u>285,409</u>	<u>414,591</u>	<u>458,305</u>
Building improvements:					
Purchased services	-	-	-	-	281,090
<b>Total Facilities Acquisition and Construction</b>	<u>810,800</u>	<u>810,800</u>	<u>396,209</u>	<u>414,591</u>	<u>878,595</u>
<b>Total Expenditures</b>	<u>810,800</u>	<u>810,800</u>	<u>396,209</u>	<u>414,591</u>	<u>881,899</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(345,500)	(345,500)	(305,021)	40,479	(510,170)
<b>FUND BALANCE, July 1</b>	<u>745,964</u>	<u>745,964</u>	<u>767,294</u>	<u>21,330</u>	<u>1,277,464</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 400,464</u>	<u>\$ 400,464</u>	<u>\$ 462,273</u>	<u>\$ 61,809</u>	<u>\$ 767,294</u>

LYON COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2009	2008
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,272,107	\$ -	\$ 2,272,107	\$ 1,796,597
Accounts receivable	-	43	43	1,016
Accrued interest	10,116	12,118	22,234	33,628
Due from other funds	97,376	-	97,376	96,783
Deposits and prepaid expenses	-	56,355	56,355	6,814
	<u>2,379,599</u>	<u>68,516</u>	<u>2,448,115</u>	<u>1,934,838</u>
Restricted cash	<u>226,172</u>	<u>1,703,384</u>	<u>1,929,556</u>	<u>1,977,782</u>
Total Assets	<u>\$ 2,605,771</u>	<u>\$ 1,771,900</u>	<u>\$ 4,377,671</u>	<u>\$ 3,912,620</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 44,099	\$ -	\$ 44,099	\$ 16,412
Incurred but unreported claims	576,000	-	576,000	562,000
Deferred revenue	97,376	-	97,376	97,824
Total Liabilities	<u>717,475</u>	<u>-</u>	<u>717,475</u>	<u>676,236</u>
<b>NET ASSETS</b>				
Restricted for employee benefits program	-	1,771,900	1,771,900	1,777,024
Unrestricted	<u>1,888,296</u>	<u>-</u>	<u>1,888,296</u>	<u>1,459,360</u>
Total Net Assets	<u>1,888,296</u>	<u>1,771,900</u>	<u>3,660,196</u>	<u>3,236,384</u>
Total Liabilities and Net Assets	<u>\$ 2,605,771</u>	<u>\$ 1,771,900</u>	<u>\$ 4,377,671</u>	<u>\$ 3,912,620</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2009	2008
OPERATING REVENUES				
Charges for services	\$ 846,848	\$ -	\$ 846,848	\$ 757,976
OPERATING EXPENSES				
Medical claims	-	(3,379)	(3,379)	7,208
Workers compensation claims	313,671	-	313,671	212,556
Unemployment claims	108,046	-	108,046	45,466
Reinsurance premiums	27,418	-	27,418	47,269
Administrative services	25,132	85,280	110,412	103,525
Other	10,119	-	10,119	13,008
Total Operating Expenses	<u>484,386</u>	<u>81,901</u>	<u>566,287</u>	<u>429,032</u>
Operating Income (Loss)	362,462	(81,901)	280,561	328,944
NONOPERATING REVENUES				
Earnings on investments	<u>66,474</u>	<u>76,777</u>	<u>143,251</u>	<u>195,233</u>
Net Income (Loss)	428,936	(5,124)	423,812	524,177
NET ASSETS, July 1	<u>1,459,360</u>	<u>1,777,024</u>	<u>3,236,384</u>	<u>2,712,207</u>
NET ASSETS, June 30	<u>\$ 1,888,296</u>	<u>\$ 1,771,900</u>	<u>\$ 3,660,196</u>	<u>\$ 3,236,384</u>

LYON COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	EMPLOYEE COMPENSATION PROTECTION FUND	EMPLOYEES' GROUP INSURANCE FUND	TOTALS	
			2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Premiums received from other funds	\$ 846,848	\$ -	\$ 846,848	\$ 757,976
Premiums received from insured	-	-	-	(941)
Payment of benefits	(380,928)	-	(380,928)	(248,595)
Reimbursements from providers	-	3,311	3,311	-
Deposit refund	-	-	-	6,880
Deposit paid	-	(56,355)	(56,355)	-
Insurance premiums paid	(27,418)	-	(27,418)	(62,204)
Payments for administrative services and supplies	(24,234)	(78,466)	(102,700)	(110,027)
State assessments	(10,119)	-	(10,119)	(13,008)
	<u>404,149</u>	<u>(131,510)</u>	<u>272,639</u>	<u>330,081</u>
<b>Net Cash Provided (Used) by Operating Activities</b>				
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest paid on investments	<u>73,574</u>	<u>81,071</u>	<u>154,645</u>	<u>175,196</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>				
	<u>477,723</u>	<u>(50,439)</u>	<u>427,284</u>	<u>505,277</u>
<b>CASH AND CASH EQUIVALENTS, July 1</b>				
	<u>2,020,556</u>	<u>1,753,823</u>	<u>3,774,379</u>	<u>3,269,102</u>
<b>CASH AND CASH EQUIVALENTS, June 30</b>				
	<u>\$ 2,498,279</u>	<u>\$ 1,703,384</u>	<u>\$ 4,201,663</u>	<u>\$ 3,774,379</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
OPERATING INCOME (LOSS)	<u>\$ 362,462</u>	<u>\$ (81,901)</u>	<u>\$ 280,561</u>	<u>\$ 328,944</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	(593)	973	380	(8,835)
Decrease (increase) in deposits	-	(56,355)	(56,355)	6,880
Decrease (Increase) in prepaid expenses	-	-	-	(6,814)
Increase (decrease) in accounts payable	27,687	-	27,687	(59,676)
Increase (decrease) in liability for incurred but not reported claims	14,000	6,814	20,814	60,894
Increase (decrease) in deferred revenues	593	(1,041)	(448)	8,688
	<u>41,687</u>	<u>(49,609)</u>	<u>(7,922)</u>	<u>1,137</u>
<b>Total Adjustments</b>				
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
	<u>\$ 404,149</u>	<u>\$ (131,510)</u>	<u>\$ 272,639</u>	<u>\$ 330,081</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
OPERATING REVENUES					
Interfund charges	\$ 762,000	\$ 762,000	\$ 846,848	\$ 84,848	\$ 757,976
OPERATING EXPENSES					
Workers compensation claims	1,000,000	1,000,000	313,671	686,329	212,556
Unemployment claims	150,000	150,000	108,046	41,954	45,466
Insurance premiums	60,000	60,000	27,418	32,582	47,269
Administrative services	29,000	29,000	25,132	3,868	21,497
Other	18,000	18,000	10,119	7,881	13,008
	<u>1,257,000</u>	<u>1,257,000</u>	<u>484,386</u>	<u>772,614</u>	<u>339,796</u>
Operating Income (Loss)	(495,000)	(495,000)	362,462	857,462	418,180
NONOPERATING REVENUES					
Earnings on investments	<u>60,000</u>	<u>60,000</u>	<u>66,474</u>	<u>6,474</u>	<u>79,875</u>
Net Income (Loss)	(435,000)	(435,000)	428,936	863,936	498,055
FUND BALANCE, July 1	<u>1,430,705</u>	<u>1,430,705</u>	<u>1,459,360</u>	<u>28,655</u>	<u>961,305</u>
FUND BALANCE, June 30	<u>\$ 995,705</u>	<u>\$ 995,705</u>	<u>\$ 1,888,296</u>	<u>\$ 892,591</u>	<u>\$ 1,459,360</u>

LYON COUNTY SCHOOL DISTRICT  
EMPLOYEE COMPENSATION PROTECTION FUND  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from other funds	\$ 762,000	\$ 762,000	\$ 846,848	\$ 84,848	\$ 757,976
Payment of benefits	(1,150,000)	(1,150,000)	(380,928)	769,072	(164,002)
Insurance premiums paid	(55,000)	(55,000)	(27,418)	27,582	(62,204)
Payments for administrative services	(52,000)	(52,000)	(24,234)	27,766	(21,185)
Other	-	-	(10,119)	(10,119)	(13,008)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(495,000)</b>	<b>(495,000)</b>	<b>404,149</b>	<b>899,149</b>	<b>497,577</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received on investments	-	-	73,574	73,574	62,659
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(495,000)</b>	<b>(495,000)</b>	<b>477,723</b>	<b>972,723</b>	<b>560,236</b>
CASH AND CASH EQUIVALENTS, July 1	1,865,720	1,865,720	2,020,556	154,836	1,460,320
CASH AND CASH EQUIVALENTS, June 30	\$ 1,370,720	\$ 1,370,720	\$ 2,498,279	\$ 1,127,559	\$ 2,020,556
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
OPERATING INCOME (LOSS)	\$ (495,000)	\$ (495,000)	\$ 362,462	\$ 857,462	\$ 418,180
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Decrease (increase) in accounts receivable	-	-	(593)	(593)	(8,415)
Increase (decrease) in accounts payable	-	-	27,687	27,687	(5,801)
Increase in liability for incurred but not reported claims	-	-	14,000	14,000	85,000
Increase in deferred revenue	-	-	593	593	8,613
<b>Total Adjustments</b>	<b>-</b>	<b>-</b>	<b>41,687</b>	<b>41,687</b>	<b>79,397</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (495,000)</b>	<b>\$ (495,000)</b>	<b>\$ 404,149</b>	<b>\$ 899,149</b>	<b>\$ 497,577</b>

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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
OPERATING EXPENSES					
Medical claims	-	-	(3,379)	3,379	7,208
Administrative services	86,000	86,000	85,280	720	82,028
Total Operating Expenses	86,000	86,000	81,901	4,099	89,236
Operating Income (Loss)	(86,000)	(86,000)	(81,901)	4,099	(89,236)
NONOPERATING REVENUES					
Earnings on investments	75,000	75,000	76,777	1,777	115,358
Net Income (Loss)	(11,000)	(11,000)	(5,124)	5,876	26,122
FUND BALANCE, July 1	1,770,902	1,770,902	1,777,024	6,122	1,750,902
FUND BALANCE, June 30	<u>\$ 1,759,902</u>	<u>\$ 1,759,902</u>	<u>\$ 1,771,900</u>	<u>\$ 11,998</u>	<u>\$ 1,777,024</u>

LYON COUNTY SCHOOL DISTRICT  
EMPLOYEES' GROUP INSURANCE FUND  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)

	BUDGET		ACTUAL	VARIANCE	2008
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Premiums received from insured	\$ -	\$ -	\$ -	\$ -	\$ (941)
Payment of medical claims	-	-	-	-	(84,593)
Reimbursements from providers	-	-	3,311	3,311	-
Deposit refund	-	-	-	-	6,880
Deposit paid	-	-	(56,355)	(56,355)	-
Payments for administrative services and supplies	(86,000)	(86,000)	(78,466)	7,534	(88,842)
Net Cash Provided (Used) by Operating Activities	(86,000)	(86,000)	(131,510)	(45,510)	(167,496)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest paid on investments	75,000	75,000	81,071	6,071	112,537
Net Increase (Decrease) in Cash and Cash Equivalents	(11,000)	(11,000)	(50,439)	(39,439)	(54,959)
CASH AND CASH EQUIVALENTS, July 1	1,828,782	1,828,782	1,753,823	(74,959)	1,808,782
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 1,817,782</u>	<u>\$ 1,817,782</u>	<u>\$ 1,703,384</u>	<u>\$ (114,398)</u>	<u>\$ 1,753,823</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
OPERATING INCOME (LOSS)	\$ (86,000)	\$ (86,000)	\$ (81,901)	\$ 4,099	\$ (89,236)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Decrease (increase) in accounts receivable	-	-	973	973	(420)
Increase (decrease) in accounts payable	-	-	-	-	(53,875)
Decrease in liability for incurred but not reported claims	-	-	-	-	(24,106)
Decrease (increase) in deposits	-	-	(56,355)	(56,355)	6,880
Increase in prepaid expense	-	-	6,814	6,814	(6,814)
Increase (decrease) in deferred revenue	-	-	(1,041)	(1,041)	75
Total Adjustments	-	-	(49,609)	(49,609)	(78,260)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (86,000)</u>	<u>\$ (86,000)</u>	<u>\$ (131,510)</u>	<u>\$ (45,510)</u>	<u>\$ (167,496)</u>

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>BALANCE</u> <u>JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<u>YERINGTON ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 10,797	\$ 18,690	\$ 25,761	\$ 3,726
Liabilities:				
Due to other funds	\$ 150	\$ -	\$ 150	\$ -
Due to student groups	10,647	18,690	25,611	3,726
	<u>\$ 10,797</u>	<u>\$ 18,690</u>	<u>\$ 25,761</u>	<u>\$ 3,726</u>
<u>YERINGTON INTERMEDIATE</u>				
Assets:				
Cash and investments	\$ 36,075	\$ 34,095	\$ 39,920	\$ 30,250
Due from other funds	-	6,215	-	6,215
	<u>\$ 36,075</u>	<u>\$ 40,310</u>	<u>\$ 39,920</u>	<u>\$ 36,465</u>
Liabilities:				
Due to student groups	\$ 36,075	\$ 40,310	\$ 39,920	\$ 36,465
	<u>\$ 36,075</u>	<u>\$ 40,310</u>	<u>\$ 39,920</u>	<u>\$ 36,465</u>
<u>YERINGTON HIGH</u>				
Assets:				
Cash and investments	\$ 114,436	\$ 212,060	\$ 219,914	\$ 106,582
Due from other funds	-	8	-	8
	<u>\$ 114,436</u>	<u>\$ 212,068</u>	<u>\$ 219,914</u>	<u>\$ 106,590</u>
Liabilities:				
Due to student groups	\$ 114,436	\$ 212,068	\$ 219,914	\$ 106,590
	<u>\$ 114,436</u>	<u>\$ 212,068</u>	<u>\$ 219,914</u>	<u>\$ 106,590</u>
<u>SMITH VALLEY SCHOOLS</u>				
Assets:				
Cash and investments	\$ 37,758	\$ 105,286	\$ 109,135	\$ 33,909
Liabilities:				
Due to student groups	\$ 37,758	\$ 105,286	\$ 109,135	\$ 33,909
	<u>\$ 37,758</u>	<u>\$ 105,286</u>	<u>\$ 109,135</u>	<u>\$ 33,909</u>
<u>SILVER SPRINGS ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 20,160	\$ 7,588	\$ 8,050	\$ 19,698
Liabilities:				
Due to student groups	\$ 20,160	\$ 7,588	\$ 8,050	\$ 19,698
	<u>\$ 20,160</u>	<u>\$ 7,588</u>	<u>\$ 8,050</u>	<u>\$ 19,698</u>

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>BALANCE JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2009</u>
<u>SILVER STAGE MIDDLE</u>				
Assets:				
Cash and investments	\$ 8,880	\$ 31,386	\$ 35,137	\$ 5,129
Due from other funds	<u>15</u>	<u>-</u>	<u>15</u>	<u>-</u>
	<u>\$ 8,895</u>	<u>\$ 31,386</u>	<u>\$ 35,152</u>	<u>\$ 5,129</u>
Liabilities:				
Due to student groups	<u>\$ 8,895</u>	<u>\$ 31,386</u>	<u>\$ 35,152</u>	<u>\$ 5,129</u>
<u>SILVER STAGE HIGH</u>				
Assets:				
Cash and investments	\$ 43,548	\$ 81,072	\$ 76,507	\$ 48,113
Due from other funds	<u>-</u>	<u>3,229</u>	<u>-</u>	<u>3,229</u>
	<u>\$ 43,548</u>	<u>\$ 84,301</u>	<u>\$ 76,507</u>	<u>\$ 51,342</u>
Liabilities:				
Due to student groups	<u>\$ 43,548</u>	<u>\$ 84,301</u>	<u>\$ 76,507</u>	<u>\$ 51,342</u>
<u>FERNLEY ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 23,573</u>	<u>\$ 22,011</u>	<u>\$ 28,439</u>	<u>\$ 17,145</u>
Liabilities:				
Due to student groups	<u>\$ 23,573</u>	<u>\$ 22,011</u>	<u>\$ 28,439</u>	<u>\$ 17,145</u>
<u>COTTONWOOD ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 28,031</u>	<u>\$ 29,059</u>	<u>\$ 24,763</u>	<u>\$ 32,327</u>
Liabilities:				
Due to other funds	\$ 14	\$ -	\$ 14	\$ -
Due to student groups	<u>28,017</u>	<u>29,059</u>	<u>24,749</u>	<u>32,327</u>
	<u>\$ 28,031</u>	<u>\$ 29,059</u>	<u>\$ 24,763</u>	<u>\$ 32,327</u>
<u>EAST VALLEY ELEMENTARY</u>				
Assets:				
Cash and investments	<u>\$ 8,386</u>	<u>\$ 24,710</u>	<u>\$ 20,535</u>	<u>\$ 12,561</u>
Liabilities:				
Due to student groups	<u>\$ 8,386</u>	<u>\$ 24,710</u>	<u>\$ 20,535</u>	<u>\$ 12,561</u>

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>BALANCE</u> <u>JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<u>FERNLEY INTERMEDIATE</u>				
Assets:				
Cash and investments	\$ 21,425	\$ 58,309	\$ 53,158	\$ 26,576
Liabilities:				
Due to student groups	\$ 21,425	\$ 58,309	\$ 53,158	\$ 26,576
<u>FERNLEY HIGH</u>				
Assets:				
Cash and investments	\$ 51,858	\$ 310,386	\$ 284,579	\$ 77,665
Due from other funds	-	340	-	340
	<u>\$ 51,858</u>	<u>\$ 310,726</u>	<u>\$ 284,579</u>	<u>\$ 78,005</u>
Liabilities:				
Due to other funds	\$ 57		\$ 57	\$ -
Due to student groups	51,801	310,726	284,522	78,005
	<u>\$ 51,858</u>	<u>\$ 310,726</u>	<u>\$ 284,579</u>	<u>\$ 78,005</u>
<u>DAYTON ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 9,966	\$ 19,037	\$ 18,879	\$ 10,124
Liabilities:				
Due to student groups	\$ 6,647	\$ 19,037	\$ 18,879	\$ 10,124
<u>SUTRO ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 12,481	\$ 6,087	\$ 5,135	\$ 13,433
Liabilities:				
Due to other funds	\$ -	\$ 60	\$ -	\$ 60
Due to student groups	12,481	6,027	5,135	13,373
	<u>\$ 12,481</u>	<u>\$ 6,087</u>	<u>\$ 5,135</u>	<u>\$ 13,433</u>
<u>RIVERVIEW ELEMENTARY</u>				
Assets:				
Cash and investments	\$ 8,301	\$ 19,611	\$ 19,429	\$ 8,483
Liabilities:				
Due to student groups	\$ 8,301	\$ 19,611	\$ 19,429	\$ 8,483

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF STUDENT ACTIVITY ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>BALANCE</u> <u>JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<hr/> <u>DAYTON INTERMEDIATE</u> <hr/>				
Assets:				
Cash and investments	\$ 25,509	\$ 67,376	\$ 69,170	\$ 23,715
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Liabilities:				
Due to student groups	\$ 25,509	\$ 67,376	\$ 69,170	\$ 23,715
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<hr/> <u>DAYTON HIGH</u> <hr/>				
Assets:				
Cash and investments	\$ 82,225	\$ 210,812	\$ 208,682	\$ 84,355
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Liabilities:				
Due to other funds	\$ -	\$ 690	\$ -	\$ 690
Due to student groups	82,225	210,122	208,682	83,665
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>\$ 82,225</u>	<u>\$ 210,812</u>	<u>\$ 208,682</u>	<u>\$ 84,355</u>
<hr/> <u>TOTALS</u> <hr/>				
Assets:				
Cash and investments	\$ 543,409	\$ 1,257,575	\$ 1,247,193	\$ 553,791
Due from other funds	15	9,792	15	9,792
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>\$ 543,424</u>	<u>\$ 1,267,367</u>	<u>\$ 1,247,208</u>	<u>\$ 563,583</u>
Liabilities:				
Due to other funds	\$ 221	\$ 750	\$ 221	\$ 750
Due to student groups	543,203	1,266,617	1,246,987	562,833
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>\$ 543,424</u>	<u>\$ 1,267,367</u>	<u>\$ 1,247,208</u>	<u>\$ 563,583</u>

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	TITLE I BASIC	TITLE I MIGRANT	TITLE I NEGLECTED OR DELINQUENT	TITLE I SCHOOL IMPROVEMENT	TITLE I - 1003(g) SCHOOL IMPROVEMENT	TITLE II, PART A TRAINING AND RECRUITING	TITLE II, PART D EDUCATION THROUGH TECHNOLOGY	TITLE III IMMIGRANT	TITLE III LIMITED ENGLISH PROFICIENT	TITLE IV SAFE & DRUG FREE SCHOOLS	TITLE V INNOVATIVE PROGRAMS
Regular instruction programs:											
Salaries	\$ 168,923	\$ -	\$ -	\$ -	\$ 252	\$ 103,177	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	53,578	-	-	-	24	36,915	-	-	-	-	-
Purchased services	4,352	-	-	-	-	-	-	-	-	-	-
Supplies	108,290	-	18,288	7,906	-	-	7,417	-	31,250	-	2,630
Property	64,685	-	-	10,798	-	-	-	-	-	-	-
	<u>399,828</u>	<u>-</u>	<u>18,288</u>	<u>18,704</u>	<u>276</u>	<u>140,092</u>	<u>7,417</u>	<u>-</u>	<u>31,250</u>	<u>-</u>	<u>2,630</u>
Special instruction programs:											
Salaries	-	-	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-	-	-	-
Supplies	307	-	-	-	-	-	-	-	-	-	-
	<u>307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
English as a Second Language											
Salaries	-	2,001	-	-	-	-	-	27,740	19,930	-	-
Benefits	-	529	-	-	-	-	-	23	3,990	-	-
Supplies	239	88	-	-	-	-	-	-	-	-	-
	<u>239</u>	<u>2,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,763</u>	<u>23,920</u>	<u>-</u>	<u>-</u>
Remediation programs:											
Salaries	48,351	-	-	-	305	-	-	-	-	-	-
Benefits	4,742	-	-	-	29	-	-	-	-	-	-
Purchased services	40,497	-	-	-	-	-	-	-	-	-	-
	<u>93,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co-curricular activities:											
Salaries	1,754	-	-	-	-	-	-	-	-	-	-
Benefits	112	-	-	-	-	-	-	-	-	-	-
Purchased services	691	-	-	-	-	-	-	-	-	-	-
	<u>2,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undistributed expenditures:											
Student support:											
Salaries	-	12,824	-	-	-	-	-	-	-	1,104	-
Benefits	-	4,827	-	-	-	-	-	-	-	96	-
Purchased services	-	-	-	-	-	-	-	-	-	9,475	-
Supplies	4,701	-	-	-	-	-	-	-	-	1,424	-
Property	-	-	-	-	-	-	-	-	-	(1,936)	-
	<u>4,701</u>	<u>17,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,163</u>	<u>-</u>
Instructional staff support:											
Salaries	\$ 106,292	\$ -	\$ -	\$ -	\$ -	\$ 4,859	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	31,674	-	-	-	-	141	-	-	-	-	-
Purchased services	16,552	-	5,100	-	4,257	24,057	-	-	-	-	-
Supplies	5,197	-	-	-	3,984	28,658	3,025	-	-	-	-
Property	-	-	1,797	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,965	-	-	-	-	(16)
	<u>159,715</u>	<u>-</u>	<u>6,897</u>	<u>-</u>	<u>8,241</u>	<u>59,680</u>	<u>3,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16)</u>
General administration:											
Salaries	22,680	500	739	-	-	4,171	-	999	1,955	-	-
Benefits	9,011	200	235	-	-	1,330	-	319	624	-	-
Purchased services	-	-	-	-	-	-	-	-	-	-	-
Supplies	757	-	-	-	-	-	-	-	-	-	-
	<u>32,448</u>	<u>700</u>	<u>974</u>	<u>-</u>	<u>-</u>	<u>5,501</u>	<u>-</u>	<u>1,318</u>	<u>2,579</u>	<u>-</u>	<u>-</u>
Central services:											
Salaries	483	-	-	-	-	-	-	-	-	-	-
Benefits	14	-	-	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-
	<u>497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Student transportation:											
Salaries	-	-	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-	-	-
Purchased services	11,210	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-
	<u>11,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 705,092	\$ 20,969	\$ 26,159	\$ 18,704	\$ 8,851	\$ 205,273	\$ 10,442	\$ 29,081	\$ 57,749	\$ 10,163	\$ 2,614

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES, FEDERAL GRANTS FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	TITLE IX PART C EDUCATION TECHNOLOGY	I.D.E.A. LOCAL PLAN	EARLY CHILDHOOD DEVELOPMENT	I.D.E.A. DISTRICT IMPROVEMENT	CARL PERKINS	HIV IMPLEMENTATION MATERIALS	U.S.D.A. SPECIALTY CROP	STATE ASSESSMENTS	NEVADA READING FIRST	TOTALS
Regular instruction programs:										
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ 272,752
Benefits	-	-	-	-	-	-	-	-	38	90,555
Purchased services	-	-	-	-	-	-	1,250	-	1,239	6,841
Supplies	87,115	-	-	-	-	6,653	-	-	8,943	278,492
Property	-	-	-	-	-	-	-	-	-	75,483
	<u>87,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,653</u>	<u>1,250</u>	<u>-</u>	<u>10,620</u>	<u>724,123</u>
Special instruction programs:										
Salaries	-	499,894	20,634	-	-	-	-	-	-	520,528
Benefits	-	177,436	7,276	-	-	-	-	-	-	184,712
Purchased services	-	18,554	-	-	-	-	-	-	-	18,554
Supplies	-	7,215	2,803	-	-	-	-	-	-	10,325
	<u>-</u>	<u>703,099</u>	<u>30,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>734,119</u>
Vocational instruction programs:										
Purchased Services	-	-	-	-	958	-	-	-	-	958
Supplies	-	-	-	-	23,497	-	-	-	-	23,497
Property	-	-	-	-	45,147	-	-	-	-	45,147
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,602</u>
English as a Second Language										
Salaries	-	-	-	-	-	-	-	-	-	49,671
Benefits	-	-	-	-	-	-	-	-	-	4,542
Supplies	-	-	-	-	-	-	-	-	-	327
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,540</u>
Remediation programs:										
Salaries	-	-	-	-	-	-	-	-	41,499	90,155
Benefits	-	-	-	-	-	-	-	-	7,726	12,497
Purchased services	-	-	-	-	-	-	-	-	-	40,497
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,225</u>	<u>143,149</u>
Co-curricular activities:										
Salaries	-	-	-	-	-	-	-	-	-	1,754
Benefits	-	-	-	-	-	-	-	-	-	112
Purchased services	-	-	-	-	-	-	-	-	-	691
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,557</u>
Undistributed expenditures:										
Student support:										
Salaries	-	13,594	-	-	-	-	-	-	-	27,522
Benefits	-	401	-	-	-	-	-	-	-	5,324
Purchased services	-	2,509	-	-	-	-	-	-	-	11,984
Supplies	-	34,054	-	-	-	-	-	-	-	40,179
Property	-	24,771	-	-	-	-	-	-	-	22,835
	<u>-</u>	<u>75,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,844</u>
Instructional staff support:										
Salaries	\$ -	\$ 74,120	\$ -	\$ -	\$ 1,450	\$ -	\$ -	\$ -	\$ 60,628	\$ 247,349
Benefits	-	20,232	-	-	139	-	-	-	20,643	72,829
Purchased services	-	6,672	-	47,741	1,523	-	-	-	5,848	111,750
Supplies	-	114	-	2,259	-	-	-	-	1,141	44,378
Property	-	-	-	-	-	-	-	-	-	1,797
Other	-	-	-	-	-	-	-	-	-	1,949
	<u>-</u>	<u>101,138</u>	<u>-</u>	<u>50,000</u>	<u>3,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,260</u>	<u>480,052</u>
General administration:										
Salaries	-	-	-	-	1,705	-	-	-	-	32,749
Benefits	-	-	-	-	-	-	-	-	-	11,719
Purchased services	-	-	-	-	288	-	-	-	-	288
Supplies	-	48,613	-	-	-	-	-	-	-	49,370
	<u>-</u>	<u>48,613</u>	<u>-</u>	<u>-</u>	<u>1,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,126</u>
Central services:										
Salaries	-	-	-	-	-	-	-	33,713	-	34,196
Benefits	-	-	-	-	-	-	-	968	-	982
Purchased services	-	-	-	-	-	-	-	1,500	-	1,500
Supplies	-	-	-	-	-	-	-	1,700	-	1,700
Property	-	-	-	-	-	-	-	1,258	-	1,258
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,139</u>	<u>-</u>	<u>39,636</u>
Student transportation:										
Salaries	-	13,605	-	-	-	-	-	-	-	13,605
Benefits	-	2,041	-	-	-	-	-	-	-	2,041
Purchased services	-	5,868	-	-	-	-	-	-	-	17,078
Supplies	-	16,321	-	-	-	-	-	-	-	16,321
	<u>-</u>	<u>37,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,045</u>
Total Expenditures	\$ 87,115	\$ 966,014	\$ 30,713	\$ 50,000	\$ 74,707	\$ 6,653	\$ 1,250	\$ 39,139	\$ 148,105	\$ 2,498,793

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES, STATE GRANTS FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	INNOVATION & PREVENTION OF REMEDIATION	SIGNING BONUSES	FULL DAY KINDERGARTEN	INCENTIVE PAY	REGIONAL PROFESSIONAL DEVELOPMENT	TOTALS
Regular instruction programs						
Salaries	\$ 18,683	\$ 72,000	\$ 84,400	\$ -	\$ -	\$ 175,083
Benefits	8,812	-	32,726	28,595	-	70,133
Supplies	54,496	-	-	-	-	54,496
Property	-	-	-	-	-	-
	<u>81,991</u>	<u>72,000</u>	<u>117,126</u>	<u>28,595</u>	<u>-</u>	<u>299,712</u>
English as a second language						
Salaries	35,573	-	-	-	-	35,573
Benefits	14,545	-	-	-	-	14,545
	<u>50,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,118</u>
Remedial instruction programs						
Salaries	189,770	-	-	-	-	189,770
Benefits	44,927	-	-	-	-	44,927
Supplies	11,756	-	-	-	-	11,756
	<u>246,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,453</u>
Undistributed expenditures						
Instructional staff support:						
Salaries	793,857	-	-	-	112,094	905,951
Benefits	264,945	-	-	-	30,646	295,591
Purchased services	18,003	-	-	-	1,545	19,548
Supplies	421	-	-	-	5,505	5,926
Property	-	-	-	-	-	-
	<u>1,077,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,790</u>	<u>1,227,016</u>
Student transportation						
Salaries	1,235	-	-	-	-	1,235
Benefits	149	-	-	-	-	149
Supplies	2,941	-	-	-	-	2,941
	<u>4,325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,325</u>
 Total Expenditures:	 <u>\$ 1,460,113</u>	 <u>\$ 72,000</u>	 <u>\$ 117,126</u>	 <u>\$ 28,595</u>	 <u>\$ 149,790</u>	 <u>\$ 1,827,624</u>

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF BOND FUND PROJECT EXPENDITURES  
2004 and 2005 BOND ISSUES (2004 ELECTION)  
FOR THE YEAR ENDED JUNE 30, 2009 AND PROJECT-TO-DATE

	EAST VALLEY ELEMENTARY		RIVERVIEW ELEMENTARY		FERNLEY INTERMEDIATE SCHOOL ADDITION		DAYTON ELEMENTARY REMODEL		TOTALS	
	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE
EXPENDITURES										
Undistributed expenditures:										
Support services:										
Property	\$ -	\$ -	\$ -	\$ 15,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,513
Facilities Acquisition and construction:										
Land acquisition	-	354,525	-	370,942	-	-	-	-	-	725,467
Site improvements	-	469,355	-	-	-	-	-	-	-	469,355
Building acquisition and construction	-	9,468,524	-	9,515,792	-	2,881,554	-	-	-	21,865,870
Building improvements	-	-	-	-	-	-	148,080	148,080	148,080	148,080
Total facilities acquisition and construction	\$ -	\$ 10,292,404	\$ -	\$ 9,902,247	\$ -	\$ 2,881,554	\$ 148,080	\$ 148,080	\$ 148,080	\$ 23,224,285

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF BOND FUND PROJECT EXPENDITURES  
2008 BOND ISSUE  
FOR THE YEAR ENDED JUNE 30, 2009 AND PROJECT-TO-DATE

	PAVING PROJECTS		SYNTHETIC TRACKS		FERNLEY INTERMEDIATE IV		FERNLEY ELEMENTARY II		TOTALS	
	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE	CURRENT YEAR	TOTAL TO DATE
EXPENDITURES										
Athletic instruction programs	\$ -	\$ -	\$ 63,338	\$ 63,338	\$ -	\$ -	\$ -	\$ -	\$ 63,338	\$ 63,338
Facilities Acquisition and construction:										
Site improvements	3,902,950	4,429,469	2,074,321	2,074,321	-	-	-	-	5,977,271	6,503,790
Building acquisition and construction	-	-	-	-	1,411,389	1,411,389	657,350	657,350	2,068,739	2,068,739
Total facilities acquisition and construction	3,902,950	4,429,469	2,074,321	2,074,321	1,411,389	1,411,389	657,350	657,350	8,046,010	8,572,529
Total Expenditures	\$ 3,902,950	\$ 4,429,469	\$ 2,137,659	\$ 2,137,659	\$ 1,411,389	\$ 1,411,389	\$ 657,350	\$ 657,350	\$ 8,109,348	\$ 8,635,867

LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF RESIDENTIAL CONSTRUCTION TAX BY AREA  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>DAYTON</u>	<u>FERNLEY</u>	<u>SILVER- STAGE</u>	<u>SMITH VALLEY</u>	<u>YERINGTON</u>	<u>TOTAL</u>
<b>REVENUES</b>						
Residential construction tax	\$ 39,760	\$ 1,584	\$ 15,888	\$ 1,584	\$ 20,624	\$ 79,440
Earnings on investments	5,471	4,375	775	643	484	11,748
Total Revenue	<u>45,231</u>	<u>5,959</u>	<u>16,663</u>	<u>2,227</u>	<u>21,108</u>	<u>91,188</u>
<b>EXPENDITURES</b>						
Facilities Acquisition and construction:						
Land acquisition:						
Property, Riverview	110,800	-	-	-	-	110,800
Site improvements:						
Purchased services:						
Construction contractor	-	261,898	-	-	-	261,898
Other	13,626	9,885	-	-	-	23,511
Total facilities acquisition and construction	<u>124,426</u>	<u>271,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>396,209</u>
	(79,195)	(265,824)	16,663	2,227	21,108	(305,021)
FUND BALANCE, July 1	<u>355,831</u>	<u>300,743</u>	<u>45,469</u>	<u>40,837</u>	<u>24,414</u>	<u>767,294</u>
FUND BALANCE, June 30	<u>\$ 276,636</u>	<u>\$ 34,919</u>	<u>\$ 62,132</u>	<u>\$ 43,064</u>	<u>\$ 45,522</u>	<u>\$ 462,273</u>

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***LYON COUNTY SCHOOL DISTRICT***  
***STATISTICAL SECTION***

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Assets</b>									
Current assets	\$ 30,537,080	\$ 38,345,147	\$ 32,382,903	\$ 26,067,222	\$ 27,981,617	\$ 40,456,913	\$ 33,181,845	\$ 45,353,345	\$ 37,455,930
Noncurrent assets	<u>50,898,587</u>	<u>59,559,047</u>	<u>63,582,447</u>	<u>70,214,148</u>	<u>79,011,579</u>	<u>87,190,166</u>	<u>96,689,592</u>	<u>98,466,960</u>	<u>107,140,379</u>
<b>Total Assets</b>	<u>81,435,667</u>	<u>97,904,194</u>	<u>95,965,350</u>	<u>96,281,370</u>	<u>106,993,196</u>	<u>127,647,079</u>	<u>129,871,437</u>	<u>143,820,305</u>	<u>144,596,309</u>
<b>Liabilities</b>									
Current liabilities	9,020,635	11,338,893	11,745,575	12,551,089	12,689,167	18,202,125	17,312,770	16,666,621	15,980,506
Noncurrent liabilities	<u>40,020,752</u>	<u>51,024,209</u>	<u>48,417,596</u>	<u>45,061,046</u>	<u>51,010,501</u>	<u>60,172,898</u>	<u>56,285,985</u>	<u>63,855,797</u>	<u>61,411,124</u>
<b>Total Liabilities</b>	<u>49,041,387</u>	<u>62,363,102</u>	<u>60,163,171</u>	<u>57,612,135</u>	<u>63,699,668</u>	<u>78,375,023</u>	<u>73,598,755</u>	<u>80,522,418</u>	<u>77,391,630</u>
<b>Net Assets</b>									
Investment in capital assets, net of related debt	20,862,102	22,129,526	23,973,022	25,854,580	31,777,537	34,600,264	36,607,256	39,857,524	45,506,967
Restricted for debt service	4,538,439	4,364,354	4,212,877	4,014,111	2,928,874	4,386,518	5,826,873	7,639,793	9,417,507
Restricted for employee benefits program	-	-	-	3,064,329	2,899,342	1,904,407	1,750,902	1,777,024	1,771,900
Unrestricted	<u>6,993,739</u>	<u>9,047,212</u>	<u>7,616,280</u>	<u>5,736,215</u>	<u>5,687,775</u>	<u>8,380,867</u>	<u>12,087,651</u>	<u>14,023,546</u>	<u>10,508,305</u>
<b>Total Net Assets</b>	<u>\$ 32,394,280</u>	<u>\$ 35,541,092</u>	<u>\$ 35,802,179</u>	<u>\$ 38,669,235</u>	<u>\$ 43,293,528</u>	<u>\$ 49,272,056</u>	<u>\$ 56,272,682</u>	<u>\$ 63,297,887</u>	<u>\$ 67,204,679</u>

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Expenses</b>									
Instruction:									
Regular instruction	\$ 19,279,124	\$ 20,312,786	\$ 22,084,209	\$ 23,942,839	\$ 25,143,580	\$ 27,800,118	\$ 30,928,391	\$ 32,295,615	\$ 33,096,764
Special instruction	5,052,221	5,589,429	6,618,994	6,950,915	5,980,176	6,619,505	7,410,294	7,975,702	8,733,900
Vocational instruction	876,221	880,320	1,085,838	1,044,062	1,093,998	1,114,269	1,176,858	1,434,772	1,387,082
Adult instruction	210,983	281,018	354,975	347,969	310,483	353,329	407,245	380,702	359,685
Other instruction	853,926	862,412	1,204,275	1,266,578	1,218,830	1,279,505	1,734,473	1,942,722	1,959,000
Extra-curricular activities	-	-	-	-	846,472	919,614	1,029,440	1,060,315	1,116,976
<b>Total Instruction</b>	<b>26,272,475</b>	<b>27,925,965</b>	<b>31,348,291</b>	<b>33,552,363</b>	<b>34,593,539</b>	<b>38,086,340</b>	<b>42,686,701</b>	<b>45,089,828</b>	<b>46,653,407</b>
Support Services:									
Student support	1,250,922	1,536,798	1,792,052	1,710,569	3,694,068	4,105,077	4,464,711	4,926,054	5,284,605
Instructional staff support	1,474,501	1,536,158	2,171,653	2,476,527	2,575,073	3,268,002	4,555,768	3,936,467	3,887,677
General administration	1,132,570	1,406,916	1,296,877	1,540,582	1,845,718	2,076,936	2,389,895	2,436,133	1,990,608
School administration	3,287,069	3,510,279	3,714,306	3,859,666	4,123,425	4,472,083	4,865,381	5,461,477	5,593,015
Central services	615,636	872,579	814,078	818,256	1,296,477	1,387,351	1,615,163	1,707,691	1,843,248
Operation and maintenance of plant	4,706,701	5,093,813	5,868,048	6,030,681	6,539,094	7,174,620	8,094,377	8,582,931	8,502,351
Student transportation	2,726,586	2,975,674	2,964,240	3,354,959	3,813,259	4,478,832	4,814,798	4,908,395	4,866,231
Other support services	-	-	-	-	-	-	172,275	192,461	202,094
Food service	1,617,545	1,672,758	1,846,191	2,013,136	2,163,788	2,387,042	2,597,415	2,834,835	2,805,796
Interest on long-term debt	1,799,442	2,164,355	2,598,397	2,479,673	2,520,818	2,694,196	2,768,740	2,608,285	2,967,337
Depreciation, unallocated	1,155,586	1,219,891	1,365,849	1,579,946	1,646,027	1,717,689	1,938,975	2,164,848	2,391,232
Payments on behalf of other entities	102,994	63,020	2,707	-	22,509	-	-	-	-
<b>Total Expenses</b>	<b>46,142,027</b>	<b>49,978,206</b>	<b>55,782,689</b>	<b>59,416,358</b>	<b>64,833,795</b>	<b>71,848,168</b>	<b>80,964,199</b>	<b>84,849,405</b>	<b>86,987,601</b>
Program Revenues:									
Charges for services:									
Food service sales	735,395	751,984	735,107	775,470	841,524	974,196	1,099,566	1,067,588	1,024,243
Adult tuition	1,980	2,320	2,300	1,350	1,300	1,602	9,825	12,022	8,098
Operating grants and contributions	4,062,202	5,083,325	6,243,431	6,667,608	7,429,795	8,688,192	10,235,833	9,548,891	8,601,614
<b>Total Program Revenues</b>	<b>4,799,577</b>	<b>5,837,629</b>	<b>6,980,838</b>	<b>7,444,428</b>	<b>8,272,619</b>	<b>9,663,990</b>	<b>11,345,224</b>	<b>10,628,501</b>	<b>9,633,955</b>
<b>Total Net Expense</b>	<b>41,342,450</b>	<b>44,140,577</b>	<b>48,801,851</b>	<b>51,971,930</b>	<b>56,561,176</b>	<b>62,184,178</b>	<b>69,618,975</b>	<b>74,220,904</b>	<b>77,353,646</b>
General Revenues:									
Property taxes, levied for general purposes	5,197,309	5,425,270	5,611,115	6,123,434	6,979,050	8,069,049	9,381,335	10,209,650	11,182,810
Property taxes, levied for debt service	4,066,659	4,251,578	4,446,038	4,867,236	5,463,268	6,316,214	7,337,799	7,987,007	8,747,727
Local school support taxes	3,892,178	4,232,124	4,185,748	4,646,178	5,449,244	6,473,111	5,930,853	6,362,371	4,865,193
Taxes for capital acquisitions	399,378	366,204	417,356	496,031	588,921	1,274,580	1,409,943	1,017,878	702,962
Other taxes and fees	960,878	1,165,591	1,252,849	1,384,310	1,812,016	1,950,959	2,090,444	2,036,336	1,866,067
Interest earnings	1,120,023	752,199	405,634	204,578	435,916	1,225,404	1,355,029	1,438,067	757,641
Other local sources	110,419	167,894	434,089	429,528	317,834	329,151	797,461	126,195	100,048
State aid not restricted to specific purpose	27,748,541	30,870,191	32,297,856	36,675,291	40,126,659	42,511,387	48,290,779	52,054,138	47,337,658
Federal aid not restricted to specific purpose	8,897	56,338	12,253	12,400	12,561	12,851	25,958	14,467	5,700,332
<b>Total General Revenues</b>	<b>43,504,282</b>	<b>47,287,389</b>	<b>49,062,938</b>	<b>54,838,986</b>	<b>61,185,469</b>	<b>68,162,706</b>	<b>76,619,601</b>	<b>81,246,109</b>	<b>81,260,438</b>
<b>Change in Net Assets</b>	<b>2,161,832</b>	<b>3,146,812</b>	<b>261,087</b>	<b>2,867,056</b>	<b>4,624,293</b>	<b>5,978,528</b>	<b>7,000,626</b>	<b>7,025,205</b>	<b>3,906,792</b>
Net Assets, July 1	30,232,448	32,394,280	35,541,092	35,802,179	38,669,235	43,293,528	49,272,056	56,272,682	63,297,887
Net Assets, June 30	\$ 32,394,280	\$ 35,541,092	\$ 35,802,179	\$ 38,669,235	\$ 43,293,528	\$ 49,272,056	\$ 56,272,682	\$ 63,297,887	\$ 67,204,679

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 225,471	\$ 186,116	\$ 109,882	\$ 126,914	\$ 213,379	\$ 174,991	\$ 87,047	\$ 330,318	\$ 312,878	\$ 218,067
Unreserved	<u>2,814,310</u>	<u>2,012,152</u>	<u>2,794,490</u>	<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>7,158,843</u>
Total General Fund	<u>\$ 3,039,781</u>	<u>\$ 2,198,268</u>	<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>\$ 6,530,492</u>	<u>\$ 7,376,910</u>
All Other Governmental Funds										
Reserved for debt service	\$ 4,404,093	\$ 4,538,439	\$ 4,572,184	\$ 4,338,141	\$ 4,172,160	\$ 3,185,017	\$ 4,924,773	\$ 6,185,595	\$ 7,939,700	\$ 9,648,249
Reserved for other	309,430	902,650	3,988,980	3,361,681	4,103,248	902,918	2,611,812	2,240,698	741,646	3,682,772
Unreserved, reported in:										
Special revenue funds	814,362	988,416	1,120,722	1,290,725	1,459,235	1,558,145	1,556,781	2,040,048	1,108,752	1,325,313
Capital projects funds	<u>885,376</u>	<u>12,589,911</u>	<u>13,574,927</u>	<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>1,931,258</u>
Total Other Governmental Funds	<u>\$ 6,413,261</u>	<u>\$ 19,019,416</u>	<u>\$ 23,256,813</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>	<u>\$ 16,587,592</u>

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES:</b>										
Property taxes	\$ 9,507,651	\$ 9,215,017	\$ 9,725,003	\$ 10,123,599	\$ 11,081,319	\$ 12,503,451	\$ 14,379,350	\$ 16,675,354	\$ 17,956,446	\$ 19,395,478
Sales taxes	3,721,801	3,892,178	4,232,124	4,185,748	4,646,178	5,449,244	6,473,111	5,930,853	6,362,371	4,865,193
Other local sources	3,264,429	3,341,173	3,206,192	3,247,335	3,291,267	3,950,642	5,869,057	6,797,442	5,779,934	4,631,392
State sources	28,682,080	29,290,332	32,666,561	34,105,727	38,792,822	42,887,647	46,217,672	53,921,350	57,094,262	51,707,909
Federal sources	2,264,337	2,529,308	3,343,293	4,447,813	4,562,477	4,681,368	4,881,593	4,596,046	4,441,386	9,833,337
<b>Total Revenues</b>	<b>47,440,298</b>	<b>48,268,008</b>	<b>53,173,173</b>	<b>56,110,222</b>	<b>62,374,063</b>	<b>69,472,352</b>	<b>77,820,783</b>	<b>87,921,045</b>	<b>91,634,399</b>	<b>90,433,309</b>
<b>EXPENDITURES:</b>										
Instruction:										
Regular instruction	18,233,272	19,318,487	20,536,155	22,072,257	24,160,903	25,391,025	27,811,002	31,345,520	32,413,996	32,308,670
Special instruction	3,499,590	3,960,106	4,414,200	5,167,494	5,390,545	6,024,373	6,460,857	7,395,561	8,019,109	8,404,457
Vocational instruction	869,007	837,398	815,442	1,027,932	1,002,404	1,067,314	1,069,230	1,179,940	1,479,379	1,347,262
Adult instruction	265,955	215,494	285,277	295,617	345,722	308,016	348,601	414,252	378,826	350,340
Other instruction	18,106	-	-	176,043	236,610	1,222,570	1,271,148	1,765,841	2,010,590	1,895,894
Extra-curricular activities	964,971	707,694	686,755	931,305	834,639	935,665	888,381	1,013,148	1,039,851	1,152,275
Support services:										
Student support	2,141,407	2,384,086	2,696,741	3,062,351	3,517,863	3,728,231	4,278,094	4,477,020	4,967,401	5,190,199
Instructional staff support	1,227,130	1,436,730	1,504,643	2,168,042	2,450,220	2,596,645	3,243,863	4,552,955	3,935,335	3,838,743
General administration	1,141,892	1,189,492	1,441,887	1,313,054	1,314,367	1,985,864	2,271,466	2,387,805	2,480,647	2,024,546
School administration	3,140,779	3,325,976	3,537,471	3,665,179	3,874,978	4,238,475	4,503,629	4,970,669	5,389,337	5,403,844
Central Services	536,447	546,966	862,105	814,070	1,049,194	1,273,551	1,347,330	1,640,373	1,829,133	1,767,789
Operations and maintenance of plant	4,309,981	4,750,867	5,024,861	5,779,971	5,980,639	6,554,849	7,078,555	8,074,277	8,600,231	8,398,111
Student transportation	2,799,983	3,070,392	3,434,393	3,464,835	3,368,158	3,868,605	4,431,018	4,815,596	5,109,776	4,340,337
Other support services	-	-	-	-	-	-	-	165,432	184,108	196,157
Food service	1,568,296	1,632,489	1,664,516	1,868,274	2,030,492	2,143,757	2,427,771	2,559,325	2,829,871	2,745,688
Facilities acquisition and construction	2,619,011	953,407	10,013,467	5,384,556	5,215,921	10,186,680	10,194,681	11,227,983	3,491,124	11,982,125
Debt service:										
Principal	2,130,000	2,415,000	2,300,000	2,110,000	2,685,000	4,275,000	2,535,000	3,555,000	4,000,000	4,255,000
Interest and call premium	1,808,478	1,781,802	2,074,568	2,641,367	2,398,348	2,372,187	2,305,484	2,866,856	2,580,973	2,856,144
Payments on behalf of other entities	132,336	102,994	63,020	2,707	-	22,509	-	-	-	-
<b>Total Expenditures</b>	<b>47,406,641</b>	<b>48,629,380</b>	<b>61,355,501</b>	<b>61,945,054</b>	<b>65,856,003</b>	<b>78,195,316</b>	<b>82,466,110</b>	<b>94,407,553</b>	<b>90,739,687</b>	<b>98,457,581</b>
Excess (Deficiency) of Revenues over Expenditures	33,657	(361,372)	(8,182,328)	(5,834,832)	(3,481,940)	(8,722,964)	(4,645,327)	(6,486,508)	894,712	(8,024,272)
<b>OTHER FINANCING SOURCES (USES)</b>										
Sale of property	5,950	2,044	-	10,851	-	2,198	3,802	1,224	13,976	-
Proceeds from bond sales	-	16,875,433	13,125,829	4,720,606	-	9,126,117	41,593,486	-	11,500,000	-
Payments from refunded bond escrow agent	-	-	-	-	-	46,869	-	-	-	-
Payments to refunded bond escrow agent	-	(4,751,463)	-	(4,670,153)	-	-	(28,244,528)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,950</b>	<b>12,126,014</b>	<b>13,125,829</b>	<b>61,304</b>	<b>-</b>	<b>9,175,184</b>	<b>13,352,760</b>	<b>1,224</b>	<b>11,513,976</b>	<b>-</b>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	39,607	11,764,642	4,943,501	(5,773,528)	(3,481,940)	452,220	8,707,433	(6,485,284)	12,408,688	(8,024,272)
<b>FUND BALANCE, July 1</b>	<b>9,413,435</b>	<b>9,453,042</b>	<b>21,217,684</b>	<b>26,161,185</b>	<b>20,387,657</b>	<b>16,905,717</b>	<b>17,357,937</b>	<b>26,065,370</b>	<b>19,580,086</b>	<b>31,988,774</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 9,453,042</b>	<b>\$ 21,217,684</b>	<b>\$ 26,161,185</b>	<b>\$ 20,387,657</b>	<b>\$ 16,905,717</b>	<b>\$ 17,357,937</b>	<b>\$ 26,065,370</b>	<b>\$ 19,580,086</b>	<b>\$ 31,988,774</b>	<b>\$ 23,964,502</b>
Debt service as a percentage of noncapital expenditures	9.7%	9.7%	9.3%	9.2%	9.1%	10.8%	7.2%	8.4%	8.2%	9.0%

LYON COUNTY SCHOOL DISTRICT  
GENERAL FUND  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
LAST TEN YEARS  
(UNAUDITED)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES:</b>										
Property taxes	\$ 4,792,878	\$ 5,157,240	\$ 5,450,791	\$ 5,677,561	\$ 6,214,083	\$ 7,012,710	\$ 8,066,046	\$ 9,356,611	\$ 10,075,014	\$ 10,882,890
Sales taxes	3,721,801	3,892,178	4,232,124	4,185,748	4,646,178	5,449,244	6,473,111	5,930,853	6,362,371	4,865,193
Other local sources	1,072,492	1,061,032	1,299,541	1,388,644	1,450,221	1,949,187	2,193,115	2,177,049	2,196,371	2,037,576
State sources	25,751,317	26,262,198	29,179,250	30,623,681	34,853,857	38,221,955	40,433,950	46,149,509	49,765,464	44,815,754
Federal sources	51,957	8,897	56,438	12,253	12,400	12,561	12,851	25,958	7,029	5,700,332
<b>Total Revenues</b>	<b>35,390,445</b>	<b>36,381,545</b>	<b>40,218,144</b>	<b>41,887,887</b>	<b>47,176,739</b>	<b>52,645,657</b>	<b>57,179,073</b>	<b>63,639,980</b>	<b>68,406,249</b>	<b>68,301,745</b>
<b>EXPENDITURES:</b>										
Instruction programs:										
Regular	16,512,597	17,495,678	18,255,925	19,551,956	21,378,865	22,138,204	24,425,096	27,408,729	28,549,865	29,070,501
Vocational	750,442	737,211	730,665	907,194	903,558	971,619	972,022	1,047,063	1,254,201	1,277,660
Other	841	-	-	6,722	32,003	943,547	969,891	1,235,093	1,326,908	1,401,634
Extra-curricular	735,755	707,694	686,755	876,264	834,639	902,246	886,868	1,006,315	1,038,078	1,086,380
	17,999,635	18,940,583	19,673,345	21,342,136	23,149,065	24,955,616	27,253,877	30,697,200	32,169,052	32,836,175
Undistributed programs:										
Support services:										
Student support	1,193,523	1,268,129	1,357,739	1,476,413	1,606,300	1,709,342	1,799,230	2,063,353	2,336,641	2,482,464
Instructional staff support	1,137,720	1,294,571	1,258,418	1,532,269	1,570,586	1,678,631	1,802,527	1,972,146	2,219,052	2,115,353
General administration	970,242	906,293	1,162,637	964,636	1,014,412	1,612,648	1,761,026	2,079,016	2,092,288	1,733,572
School administration	3,140,779	3,310,386	3,536,199	3,663,462	3,874,261	4,169,524	4,402,958	4,959,420	5,373,824	5,403,844
Central services	523,085	536,260	666,642	723,049	968,598	1,111,744	1,257,114	1,487,249	1,662,904	1,607,925
Operation and maintenance of plant	4,308,847	4,750,867	5,024,861	5,759,257	5,929,642	6,554,450	7,078,555	8,073,962	8,600,076	8,398,111
Student transportation	2,717,202	2,776,839	3,081,299	3,004,897	2,864,726	3,238,893	3,794,310	4,090,435	4,330,319	3,506,726
Other support services	-	-	-	-	-	-	-	165,218	184,108	196,157
Payments to/for other entities	104,576	100,244	62,591	-	-	-	-	-	-	-
Facilities acquisition and construction	1,134	43,886	18,309	38,649	20,958	67,232	313,721	103,488	-	-
Other financing uses	2,725,000	3,295,000	3,670,000	4,490,000	5,475,000	6,060,000	6,575,000	8,210,000	7,775,000	9,175,000
<b>Total Expenditures and Other Financing Uses</b>	<b>34,821,743</b>	<b>37,223,058</b>	<b>39,512,040</b>	<b>42,994,768</b>	<b>46,473,548</b>	<b>51,158,080</b>	<b>56,038,318</b>	<b>63,901,487</b>	<b>66,743,264</b>	<b>67,455,327</b>
<b>Net Changes in Fund Balance</b>	<b>568,702</b>	<b>(841,513)</b>	<b>706,104</b>	<b>(1,106,881)</b>	<b>703,191</b>	<b>1,487,577</b>	<b>1,140,755</b>	<b>(261,507)</b>	<b>1,662,985</b>	<b>846,418</b>
<b>FUND BALANCE, July 1</b>	<b>2,471,079</b>	<b>3,039,781</b>	<b>2,198,268</b>	<b>2,904,372</b>	<b>1,797,491</b>	<b>2,500,682</b>	<b>3,988,259</b>	<b>5,129,014</b>	<b>4,867,507</b>	<b>6,530,492</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 3,039,781</b>	<b>\$ 2,198,268</b>	<b>\$ 2,904,372</b>	<b>\$ 1,797,491</b>	<b>\$ 2,500,682</b>	<b>\$ 3,988,259</b>	<b>\$ 5,129,014</b>	<b>\$ 4,867,507</b>	<b>\$ 6,530,492</b>	<b>\$ 7,376,910</b>

LYON COUNTY SCHOOL DISTRICT  
 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%
2009	1,857,024,881	300,000	1,857,324,881	11.49%

LYON COUNTY SCHOOL DISTRICT  
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%	925,295	17,468,653	99.23%
2004	19,981,873	19,526,921	97.72%	302,852	19,829,773	99.24%
2005	23,545,462	23,089,856	98.06%	280,651	23,370,507	99.26%
2006	27,494,746	26,945,099	98.00%	345,922	27,291,021	99.26%
2007	32,718,013	32,086,686	98.07%	459,152	32,545,838	99.47%
2008	36,187,712	34,808,274	96.19%	781,839	35,590,113	98.35%
2009	39,412,730	37,299,273	94.64%	-	37,299,273	94.64%

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

LYON COUNTY SCHOOL DISTRICT  
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
2009	0.8644	1.3367	0.1700	1.2246	3.5957	3.1727

The direct operating tax rate of 75¢ per \$100 of assessed value is established by Nevada Revised Statute. The Board of Trustees does not have authority to modify the rate.

LYON COUNTY SCHOOL DISTRICT  
TEN LARGEST PROPERTY-OWNING TAXPAYERS  
YEARS ENDED JUNE 30, 2009 AND JUNE 30, 2000  
(Unaudited)

Taxpayer	Type of Business	2009		2000	
		Assessed Value	Percent of Assessed Value	Assessed Value	Percent of Assessed Value
Sierra Pacific Power	Public utility	\$ 46,884,210	2.52%	\$ 35,189,390	5.72%
Amazon.com	Retail	7,491,316	0.40%	16,305,060	2.65%
Quebecor	Printing	15,759,407	0.85%	19,214,134	3.12%
Southwest Gas Corp.	Public utility	13,040,461	0.70%	7,496,932	1.22%
Trex Company Inc	Manufacturing	10,591,956	0.57%	-	-
Sherman-Williams Acceptance Corp	Warehousing	9,106,647	0.49%	-	-
Nevada Cement	Manufacturing	7,766,000	0.42%	6,315,080	1.03%
Reynen & Bardis	Land development	12,167,115	0.66%	-	-
MSC Industrial Direct Co. Inc.	Warehousing	7,161,530	0.39%	6,005,725	0.98%
1600 East Newlands Dr. LLC	Real Estate	8,955,822	0.48%	-	-
SBC	Public utility	-	-	5,493,707	0.89%
Louisiana Pacific Corp	Manufacturing	-	-	4,567,645	0.74%
Arimetico, Inc.	Mining	-	-	4,467,560	0.73%
Teachers Insurance & Annuity (UPS)	Transportation	-	-	4,281,668	0.70%
		<u>\$ 138,924,464</u>	7.48%	<u>\$ 109,336,901</u>	17.77%

LYON COUNTY SCHOOL DISTRICT  
 STATUTORY DEBT LIMITATION  
 LAST TEN YEARS  
 (Unaudited)

Fiscal Year	Assessed Valuation	Debt Limit	Outstanding General Obligation Debt	Additional Statutory Debt Capacity	Percent of Legal Debt Margin to Legal Debt Limit
2000	\$ 615,185,680	\$ 92,277,852	\$ 32,005,000	\$ 60,272,852	65.32%
2001	672,144,241	100,821,636	42,010,000	58,811,636	58.33%
2002	722,102,643	108,315,396	52,710,000	55,605,396	51.34%
2003	762,393,482	114,359,022	50,700,000	63,659,022	55.67%
2004	810,879,187	121,631,878	48,015,000	73,616,878	60.52%
2005	897,681,383	134,652,207	52,740,000	81,912,207	60.83%
2006	1,053,093,222	157,963,983	63,995,000	93,968,983	59.49%
2007	1,364,617,737	204,692,661	60,440,000	144,252,661	70.47%
2008	1,665,951,811	249,892,772	67,940,000	181,952,772	72.81%
2009	1,857,324,881	278,598,732	63,685,000	214,913,732	77.14%

The debt limit for Nevada school districts is 15% of assessed valuation.

All debt issued by Lyon County School District is general obligation debt, to be repaid from property taxes levied for the express purpose of debt repayment and attributable to governmental activities.

LYON COUNTY SCHOOL DISTRICT  
 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
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%
2009	55,820	1,857,324,881	5,306,642,517	63,685,000	1,141	3.43%	1.20%

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES</b>										
Ad valorem taxes	\$ 4,714,773	\$ 4,057,777	\$ 4,274,212	\$ 4,446,038	\$ 4,867,236	\$ 5,490,741	\$ 6,313,304	\$ 7,318,743	\$ 7,881,432	\$ 8,512,588
Earnings on investments	221,314	272,214	135,101	82,048	51,631	123,934	183,367	365,935	456,396	309,355
	<u>4,936,087</u>	<u>4,329,991</u>	<u>4,409,313</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>	<u>8,821,943</u>
<b>EXPENDITURES</b>										
Bonds:										
Principal retirement	2,130,000	2,415,000	2,300,000	2,110,000	2,685,000	4,275,000	2,535,000	3,555,000	4,000,000	4,255,000
Interest	1,808,478	1,781,802	2,074,568	2,641,367	2,398,348	2,372,187	2,305,484	2,866,856	2,580,973	2,856,144
Other	1,200	47,813	1,000	61,215	1,500	1,500	174,398	2,000	2,750	2,250
	<u>3,939,678</u>	<u>4,244,615</u>	<u>4,375,568</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>7,113,394</u>
Excess (Deficiency) of Revenues over Expenditures	<u>996,409</u>	<u>85,376</u>	<u>33,745</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>	<u>1,708,549</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from bond sales	-	4,800,433	-	4,720,606	-	-	28,502,495	-	-	-
Payments to (from) refunded bond escrow agent	-	(4,751,463)	-	(4,670,153)	-	46,869	(28,244,528)	-	-	-
	<u>-</u>	<u>48,970</u>	<u>-</u>	<u>50,453</u>	<u>-</u>	<u>46,869</u>	<u>257,967</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>996,409</u>	<u>134,346</u>	<u>33,745</u>	<u>(234,043)</u>	<u>(165,981)</u>	<u>(987,143)</u>	<u>1,739,756</u>	<u>1,260,822</u>	<u>1,754,105</u>	<u>1,708,549</u>
FUND BALANCE, July 1	<u>3,407,684</u>	<u>4,404,093</u>	<u>4,538,439</u>	<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>7,939,700</u>
FUND BALANCE, June 30	<u>\$ 4,404,093</u>	<u>\$ 4,538,439</u>	<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>\$ 7,939,700</u>	<u>\$ 9,648,249</u>

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

	1999-2000		2000-2001		2001-02		2002-03		2003-04		2004-05		2005-06		2006-07		2007-08		2008-09	
	FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR	
	NUMBER	ANNUAL GROWTH PERCENT																		
<u>ATTENDANCE AREA</u>																				
Dayton	1,967	5.8	2,011	2.2	2,108	4.8	2,058	(2.4)	2,198	6.8	2,330	6.0	2,466	5.8	2,605	5.6	2,656	2.0	2,555	(3.8)
Fernley	1,945	4.7	2,081	7.0	2,289	10.0	2,249	(1.7)	2,460	9.4	2,833	15.2	3,271	15.5	3,586	9.6	3,749	4.5	3,632	(3.1)
Smith Valley	277	2.2	255	(7.9)	254	(0.4)	233	(8.3)	242	3.9	245	1.2	241	(1.6)	241	-	224	(7.1)	221	(1.3)
Silver Springs/Stagecoach	855	-	853	(0.2)	869	1.9	1,186	36.5	1,263	6.5	1,265	0.2	1,243	(1.7)	1,265	1.8	1,225	(3.2)	1,164	(5.0)
Yerington	1,495	(0.4)	1,465	(2.0)	1,501	2.5	1,528	1.8	1,496	(2.1)	1,499	0.2	1,459	(2.7)	1,460	0.1	1,400	(4.1)	1,347	(3.8)
Regional Youth Center	-	-	-	-	25	n/a	12	(52.0)	18	50.0	18	-	16	(11.1)	18	12.5	18	-	18	-
<b>Total</b>	<b>6,539</b>	<b>3.1</b>	<b>6,665</b>	<b>1.9</b>	<b>7,046</b>	<b>5.7</b>	<b>7,266</b>	<b>3.1</b>	<b>7,677</b>	<b>5.7</b>	<b>8,190</b>	<b>6.7</b>	<b>8,696</b>	<b>6.2</b>	<b>9,175</b>	<b>5.5</b>	<b>9,272</b>	<b>1.1</b>	<b>8,937</b>	<b>(3.6)</b>
<u>GRADE LEVEL</u>																				
Pre-kindergarten	71	22.4	89	25.4	101	13.5	106	5.0	105	(0.9)	139	32.4	119	(14.4)	107	(10.1)	143	33.6	121	(15.4)
Kindergarten	470	8.3	435	(7.4)	486	11.7	447	(8.0)	510	14.1	568	11.4	659	16.0	665	0.9	673	1.2	662	(1.6)
1st-4th	2,019	2.7	2,039	1.0	2,081	2.1	2,215	6.4	2,264	2.2	2,396	5.8	2,549	6.4	2,756	8.1	2,820	2.3	2,733	(3.1)
5th-8th	2,127	3.1	2,174	2.2	2,311	6.3	2,369	2.5	2,544	7.4	2,699	6.1	2,783	3.1	2,964	6.5	2,933	(1.0)	2,797	(4.6)
9th-12th	1,852	1.6	1,928	4.1	2,067	7.2	2,129	3.0	2,254	5.9	2,388	5.9	2,586	8.3	2,683	3.8	2,703	0.7	2,624	(2.9)
<b>Total</b>	<b>6,539</b>	<b>3.1</b>	<b>6,665</b>	<b>1.9</b>	<b>7,046</b>	<b>5.7</b>	<b>7,266</b>	<b>3.1</b>	<b>7,677</b>	<b>5.7</b>	<b>8,190</b>	<b>6.7</b>	<b>8,696</b>	<b>6.2</b>	<b>9,175</b>	<b>5.5</b>	<b>9,272</b>	<b>1.1</b>	<b>8,937</b>	<b>(3.6)</b>

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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  
Yerington, Nevada

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lyon County School District, Yerington, Nevada (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 27, 2009. 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 the 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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 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 District's financial statements that is more than inconsequential will not be prevented or detected by the 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 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 the 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.

*Schettler, Macy & Silva, LLC*

Reno, Nevada  
October 27, 2009



**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  
Yerington, Nevada

***Compliance***

We have audited the compliance of the Lyon County School District, Yerington, Nevada (the 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, 2009. The District's major federal programs are identified in the summary of auditor's 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 the District's management. Our responsibility is to express an opinion on the 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 the 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 the District's compliance with those requirements.

In our opinion, the 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, 2009.

***Internal Control Over Compliance***

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts,

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 on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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.

*Schettler, Macy + Silva, LLC*

Reno, Nevada  
October 27, 2009

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LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT
<u>U.S. Department of Education:</u>			
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	2008-2715-11	\$1,954,925
Early Childhood Development, L.E.A. Flow-Through	84.173	2008-2715-51	58,198
District Improvement	84.323		50,000
P.L. 105-332, Carl D. Perkins, Basic	84.048A	2009-2676-11	81,425
Title I:			
Part A, Helping Disadvantaged			
Children Meet High Standards	84.010		946,920
Part C, Education of Migrant Children	84.011		20,969
Part D, Neglected or Delinquent	84.010		28,459
Part F, Comprehensive School Reform Demonstration:			
Fernley High School	84.332		10,063
School Improvement	84.010		35,250
School Improvement, Section 1003(g)	84.377	2009-2712-087	67,059
Title II, Part A, Teacher and Principal Training	84.367		307,390
Title II, Part D, Enhancing Education			
Through Technology	84.318		10,442
Title III, English Language Acquisition, LEP	84.365A		58,074
Title III, English Language Acquisition, Immigrant	84.365A		30,000
Title IV, Safe and Drug-Free Schools			
and Communities Act	84.186		20,620
Title V, Innovative Programs	84.298		4,048
Title VI, State Assessment	84.369	2009-2713-43	45,000
Title IX, Education Technology			
Nevada Reading First	84.357	2009-2712-53	181,594
HIV Instruction Materials Implementation	93.938	2009-2611-04	6,814
State Fiscal Stabilization Fund	84.394*	5,512,036	
Total U.S. Department of Education			
<u>U.S. Department of Agriculture:</u>			
Passed through the State Department of Education:			
National School Lunch Program	10.555*	N/A	1,128,023
National School Breakfast Program	10.553*	N/A	329,158
Passed through the State Department of			
General Services:			
Food Distribution Program			
(noncash revenue & expenditures)	10.550	N/A	
Passed through the State of Nevada Controller:			
Forest Service for Schools and Roads	10.666	N/A	186,108

<u>JULY 1, 2008 DEFERRED REVENUE (GRANT RECEIVABLE)</u>	<u>GRANT RECEIPTS (NET OF REFUNDS)</u>	<u>EXPENDITURES</u>	<u>JUNE 30, 2009 DEFERRED REVENUE (GRANT RECEIVABLE)</u>
103,114	802,422	966,014	(60,478)
(8,894)	37,726	30,713	(1,881)
-	-	50,000	(50,000)
(37,975)	119,400	74,707	6,718
(98,037)	695,539	705,092	(107,590)
(3,102)	22,119	20,969	(1,952)
992	27,467	26,159	2,300
967	(967)	-	-
(15,918)	44,966	18,704	10,344
(29,481)	35,000	8,851	(3,332)
(39,246)	213,645	205,273	(30,874)
500	9,942	10,442	-
-	24,420	29,081	(4,661)
-	58,668	57,749	919
(3,481)	15,196	10,163	1,552
(2,092)	4,458	2,614	(248)
6,382	30,585	39,139	(2,172)
(19,777)	67,696	148,105	(100,186)
-	87,115	87,115	-
-	6,653	6,653	-
-	<u>5,512,036</u>	<u>5,512,036</u>	-
<u>(146,048)</u>	<u>7,814,086</u>	<u>8,009,579</u>	<u>(341,541)</u>
-	1,128,023	1,128,023	-
-	329,158	329,158	-
24,381	183,384	177,031	30,734
-	186,108	186,108	-

LYON COUNTY SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009

<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>
Passed through the Nevada Department of Agriculture Specialty Crop Block Grant	10.169	PID 0509-17	4,626
Total U.S. Department of Agriculture			
<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, 2008 DEFERRED REVENUE (GRANT RECEIVABLE)</u>	<u>GRANT RECEIPTS (NET OF REFUNDS)</u>	<u>EXPENDITURES</u>	<u>JUNE 30, 2009 DEFERRED REVENUE (GRANT RECEIVABLE)</u>
<u>-</u>	<u>-</u>	<u>1,250</u>	<u>(1,250)</u>
<u>24,381</u>	<u>1,826,673</u>	<u>1,821,570</u>	<u>29,484</u>
<u>(106)</u>	<u>106</u>	<u>-</u>	<u>-</u>
<u>\$(121,773)</u>	<u>\$9,640,865</u>	<u>\$9,831,149</u>	<u>\$ (312,057)</u>

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LYON COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2009

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Lyon County School District.
2. No significant deficiencies relating to the audit of the financial statements are disclosed 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 were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported 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 of Lyon County School District expresses an unqualified opinion on all major federal award programs.
6. No audit findings relative to the major federal award programs for Lyon County School District are reported in this schedule.
7. The major programs tested for Lyon County School District for the year ended June 30, 2009 are as follows:

State Fiscal Stabilization Fund (SFSF)	84.394
<i>Child Nutrition Cluster</i>	
School Breakfast Program	10.553
National School Lunch Program	10.555

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Lyon County School District was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS**

None.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT**

None.

**D. SUMMARY OF PRIOR AUDIT FINDINGS**

There were no prior year audit findings.



## INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Trustees  
Lyon County School District  
Yerington, Nevada

We have reviewed management's assertion that the reserve fund balances/net assets in funds of Lyon County School District as of June 30, 2009 were reasonable and necessary to carry out the purposes of the funds in accordance with criteria established by the State of Nevada Legislative Counsel Bureau. Lyon County School District's management is responsible for the assertion.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that management's assertion referred to above is not fairly stated, in all material respects, in conformity with the interpretation of reasonable and necessary provided by the State of Nevada Legislative Counsel Bureau in reference to the requirements of Nevada Revised Statute 354.6241.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Schettler, Macy + Silva, LLC*

Reno, Nevada  
October 27, 2009

***LYON COUNTY SCHOOL DISTRICT***  
***INDEPENDENT AUDITOR'S COMMENTS***

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LYON COUNTY SCHOOL DISTRICT  
INDEPENDENT AUDITORS' COMMENTS  
JUNE 30, 2009

**STATUTE COMPLIANCE**

***Current Year***

The District complied with all significant statutory constraints on its financial administration during the year.

***Prior Year***

There were no potential violations reported in the financial statements for the year ended June 30, 2008.

**AUDIT RECOMMENDATIONS**

***Current Year***

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

***Prior Year***

There were no financial weaknesses of a magnitude which justified inclusion within the audit report for the year ended June 30, 2008.