Washoe County School District

Fiscal Year 2026-27
Budget in Brief









Business and Financial Services

425 East Ninth Street | Reno, Nevada 89512

LETTER FROM THE CFO

Dear Washoe County Residents,

In May 2026, the Washoe County School District's Board of Trustees adopted the Final Budget for Fiscal Year 2026-27 (July 1, 2026, through June 30, 2027). The Fiscal Year 2026-27 budget process began with a $18.4 million General Fund budget deficit mainly due to flat State funding, declining enrollment, and cost increases.

After revising the enrollment projection for FY27, due to a delay in a new charter school opening, the District's revised deficit was $15 million. Of the $15 million deficit, $10 million was due to State funding increasing by only $4.2 million (a 1.7% revenue increase), while base costs for employee salary step increases, benefit increases, and inflationary increases for goods and services increased by $14.2 million (a 2.1% overall cost increase). The remaining $5 million portion of the deficit was due to a projected enrollment decline of 519 students. The District has experienced declining enrollment for several years, due to declining birth rates and the expansion of charter school options.

The District began working to resolve the deficit in the summer of 2025. The first round of reductions occurred in September 2025, with the Board approving a reductions to the utilities budget, a resetting of projected turnover savings, and other cost reduction options, leaving $5.7 million to resolve. In January 2026, The Board approved a $5.7 million reduction plan that included a reduction of 48 central services positions.

The focus of the 2026-27 budget process was to preserve and maintain as many prior school investments as possible, while still resolving the budget deficit. The District was able to preserve important programs, including the maintenance of current class sizes, preserving deans and assistant principals at elementary schools, maintaining supports to Collaborative Schools, and maintaining expanded student clubs and activities.

Outside of the General Fund, the District's budget included an expansion of grant-funded Pre-K programs, more behavioral supports for students, the maintenance of strong Debt Service Fund reserves, and a Capital Improvement Plan that continues to invest in our school buildings.

This Budget-in-Brief document is intended to provide you with facts about our school district; the District's approach to balancing the budget; major sources of funding; as well as major changes included in the Fiscal Year 2026-27 budget. Additionally, you can view the detail of the District's budget in a variety of ways by visiting Interactive Budget in the District's Data Gallery.

We hope you find this budget document useful to understanding the Washoe County School District's Fiscal Year 2026-27 budget.

Respectfully,

Mark Mathers
Chief Financial Officer

RECAP OF 2026-27 GENERAL FUND BUDGET PROCESS

A summary of the Fiscal Year 2026-27 General Fund budget process is below. The initial General Fund budget deficit was $18.4 million, but was reduced down to $15 million based on a revised student enrollment projection due to a delay in the opening of a new charter school. The remaining $15 million budget deficit was resolved over the course of several months, ending with the Board's approval of a $5.7 million reduction plan that reduced central services positions. The $15 million budget deficit was due to inadequate State funding to cover ongoing base costs ($10 million), and enrollment declines ($5 million). The table below shows how much of each factor is responsible for the deficit.

Reasons for General Fun Budget Deficit

Inadequate State Funding ($10 million)

- Base per-pupil funding increased only 0.75%, from $9,708 to $9,781.
- In a flat enrollment scenario, total General Fund revenues would have increased only $4.2M, or 1.7%, from FY26 to FY27.
- At the same time, base budget costs which fund employee step increases, health insurance increases, inflationary increases to services and goods, etc. increased $14.2M, or 2.1%.

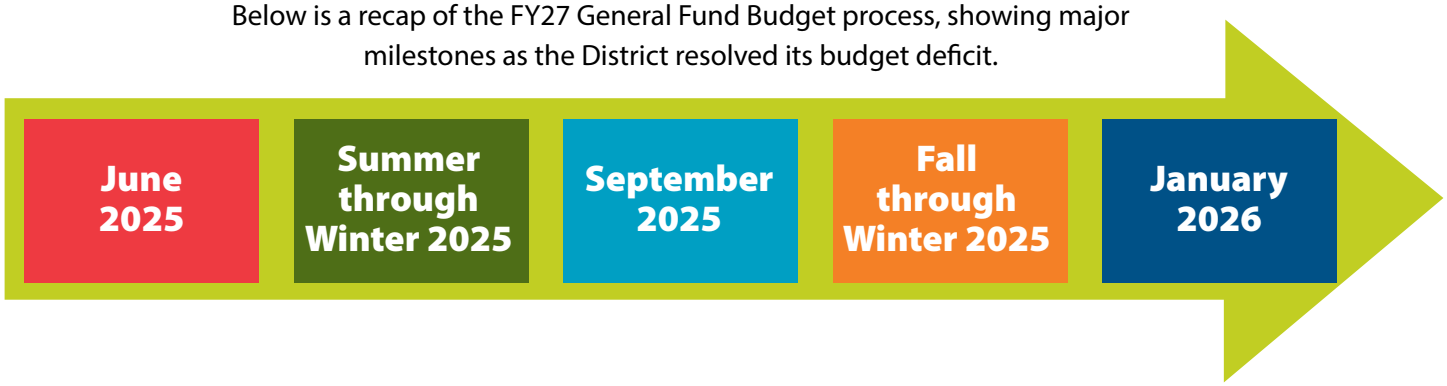
The net shortfall is thus $10.0 million.

Enrollment Declines ($5 million)

- After excluding the impact of the charter school in North Valleys, enrollment is projected to decrease by 519 students.
- After accounting for reduced enrollment-based school allocations due to this decline, the total net impact to revenues is a **shortfall of $5.0 million.**

Recap of FY27 General Fund Budget Process

Below is a recap of the FY27 General Fund Budget process, showing major milestones as the District resolved its budget deficit.



June 2025	Summer through Winter 2025	September 2025	Fall through Winter 2025	January 2026
Deficit of at least $10 million identified. Board authorizes reviews of vacancies and new and renewing contracts.	Vacancy and contract reviews conducted by Financial Review Committee.	Initial deficit of $18.4 million is estimated but is reduced to $8.3 million: - Utilities budget and turnover savings will save$5.7 million - Other reductions save $3.1 million	Executive Team evaluated Central Office 10% reduction scenarios and other cost reduction options.	Board approved updated enrollment scenario and approved $5.7 million budget reduction plan to resolve FY27 deficit.

DISTRICT-WIDE BUDGET

District-Wide Fiscal Year 2026-27 Budgeted Expenditures by Fund Type



General Fund
$675.0 million

Special Revenue Funds
$293.0 million

Capital Projects Funds
$257.6 million

Debt Service Funds
$158.0 million

Internal Service Funds
$124.9 million

Enterprise Fund
$31.9 million

The Fiscal Year 2026-27 District-wide expenditure budget amounts to $1.54 billion. This budget includes $164.9 million in interfund transfers, resulting in a net District-wide expenditure budget of $1.38 billion. As illustrated in the pie chart, the majority of the expenditures occur in the District's General Fund ($675 million), which supports daily operations.

Capital Projects funds make up $257.6 million of the District's expenditure budget. These funds pay for projects in the District's Capital Improvement Plan. The District budgets $158 million of expenditures for Debt Service funds to account for the principal and interest payments for the District's long and medium-term debt payments related to capital projects.

The District also has $293 million in budgeted Special Revenue fund expenditures that account for revenue sources that are restricted for specific purposes, such as Title I, weighted funding under the Pupil Centered Funding Plan, Special Education, and other grant programs.

In Fiscal Year 2026-27, WCSD budgeted $124.9 million in expenditures of Internal Service funds that account for employee health insurance, worker's compensation, and the District's property and casualty insurance program.

Lastly, the District has $31.9 million budgeted for expenditures in its Enterprise Fund, which accounts for activities related to the District's Nutrition Services program.

DISTRICT STAFF

In order to provide services to its students and families, the District is staffed with 7,346 Full-Time Equivalent (FTE) positions. Of that, 4,195 FTEs are for licensed personnel (teachers, deans, librarians, counselors, nurses, principals and assistant principals) that provide instruction or direct support to our schools.

The remaining 3,151 FTEs represent non-licensed personnel, such as bus drivers, custodian/maintenance positions, school secretaries, clerical staff, teacher aides and assistants, School Police and Nutrition Services workers that all provide direct support to schools. Also included are other central services positions that provide indirect support to schools (Human Resources, Business & Financial Services, Information Technology, etc.)

District-Wide Full-Time Equivalent Positions



PUPIL CENTERED FUNDING PLAN



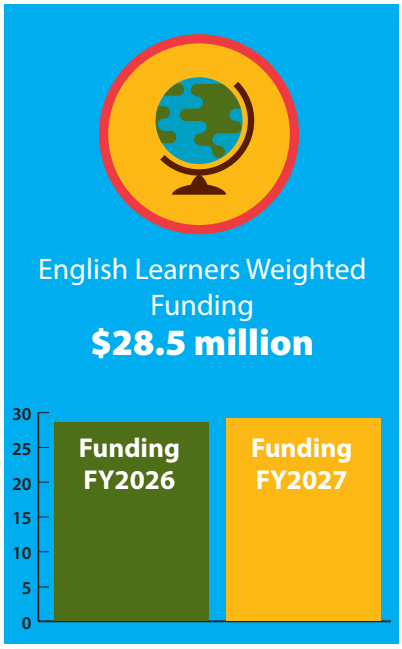
Base Funding
$661.5 million

English Learners Weighted Funding
$28.5 million

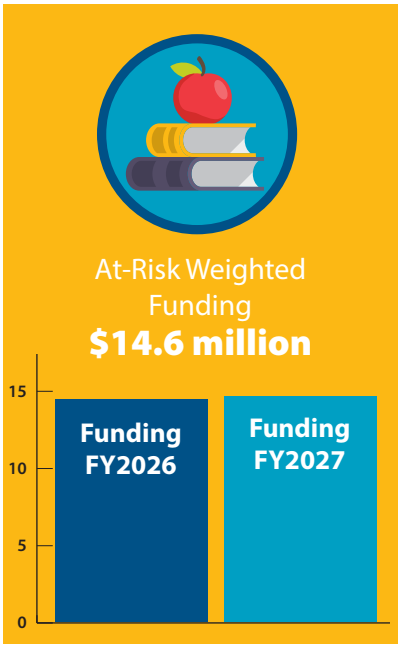
At-Risk Weighted Funding
$14.5 million

Gifted & Talented Weighted Funding
$1.5 million

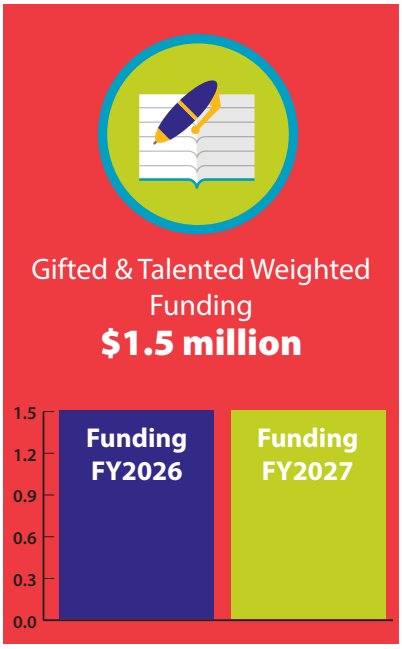
The Fiscal Year 2026-27 District-Wide Budget includes $706 million in State funding through the Pupil Centered Funding Plan. Base Funding includes $661.1 million in General Fund revenues to support everyday operations. Weighted Funding categories include funding to provide services to students in need of additional supports. These funds will be spent on students in need of these additional supports and in alignment with the District's new Strategic Plan.



Weighted funding for English Learners increased by $0.3 million FY2027.



Weighted funding for At-Risk students increased by $0.1 million in FY2027.



Weighted funding for Gifted & Talented remained flat at $1.5 million in FY2027.

GENERAL FUND REVENUE

General Fund revenues total $670 million, consisting of State, local, federal, and other sources. Under the Pupil Centered Funding Plan, WCSD receives 98.6% of its General Fund revenue from the State. The $670 million is made up of:

Adjusted Base Per-Pupil Funding
$564.6 million

This is the District's per pupil amount of $9,781 multiplied by the projected average daily enrollment (57,722 students) for the 2026-27 school year.

Transportation
$25.6 million

This is a fixed amount of revenue based on the District's historical transportation costs, so that the District has guaranteed revenue for transporting students to school.

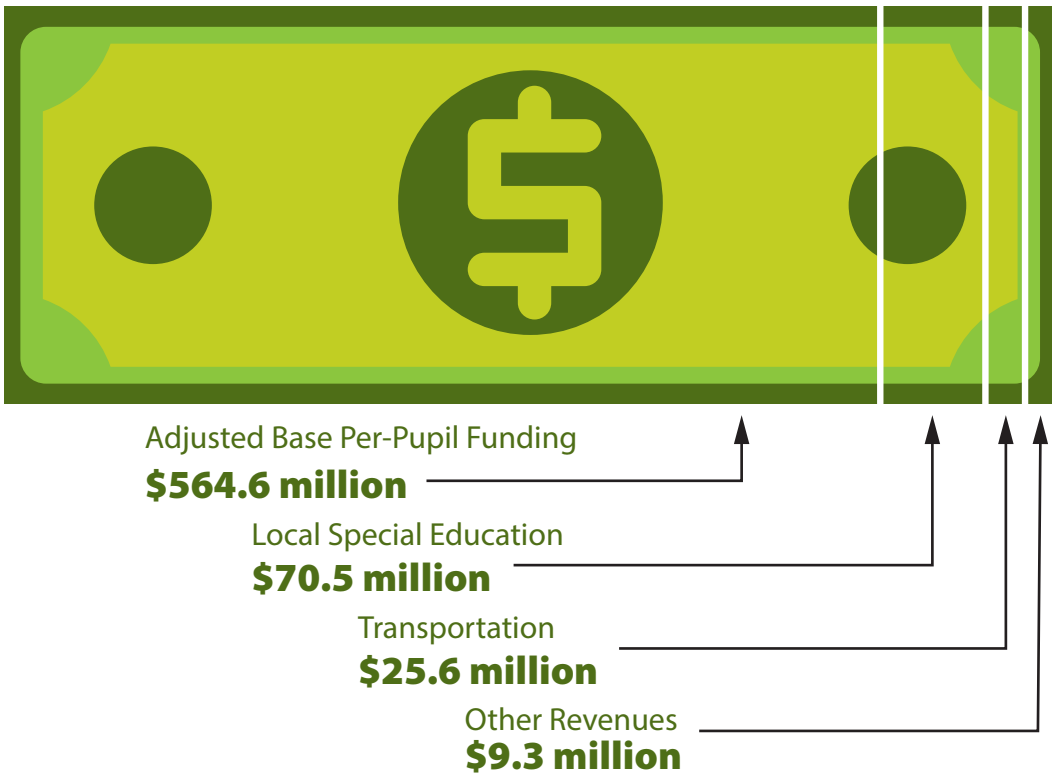
Local Special Education
$70.5 million

This is a fixed amount of revenue based on historical amounts the District has had to transfer from its General Fund to the Special Education fund due to shortfalls in State Special Education Funding.

Other Revenues
$9.3 million

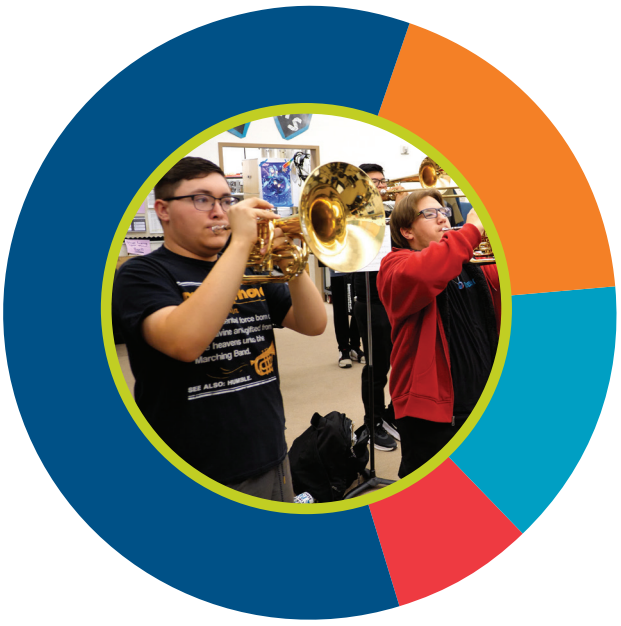
In addition to State revenue, WCSD's General Fund receives $8.8 million in various local revenues, $450,000 in Charter School Sponsorship Fee Revenue, $370,000 in federal revenues and $50,000 in other revenues. The largest single revenue in this category is investment earnings.

General Fund Revenue Categories



GENERAL FUND APPROPRIATIONS BY FUNCTION

The District has a structurally-balanced budget, meaning its General Fund expenditure budget of $675 million equals its total General Fund revenues. The chart below shows how the District spends its per pupil revenue, which is spent mainly on student instruction and student/school supports (78%) and which provides positions like teachers, counselors, nurses, and psychologists, along with curriculum and supplies budgets. The section below the chart provides examples of what is included in each expenditure category on a per pupil basis.



Direct Instruction – $5,873 per pupil
Regular Instruction, Special Programs, Vocational Programs, Co-curricular Programs, and Transfers to Special Education and Gifted & Talented Instruction

Student & School Support – $1,800 per pupil *Student Support, School Administration, Instructional Staff Support*

Operations & Transportation – $1,379 per pupil *Operations, Maintenance, Utilities, and Student Transportation*

Central Services – $729 per pupil
General Administration, Central Support, Contingency, and Other Interfund Transfers

- Direct Instruction includes positions like classroom teachers, deans, aides, assistants, substitute teachers, and athletic coaches, along with textbook and other instructional material costs. In total, these costs are $405.3 million.
- Student and School Support include positions such as school principals, assistant principals, other office staff, counselors, nurses, psychologists, and curriculum support staff. These costs are $124.2 million of the District's General Fund budget.
- Operations and Transportation includes bus drivers and bus fuel, custodians, maintenance staff, utility costs, and school police positions. These costs make up $95.2 million of the General Fund budget.
- Central Services is for the Board, Superintendent, General Counsel, Community Relations and other services such as Finance and Purchasing, Human Resources, Information Technology, and Accountability, all of which support schools. The General Fund budget for Central Services is $50.3 million.

GENERAL FUND BY EXPENDITURE TYPE

The chart below shows the major expenditure categories in the General Fund. The most significant cost in the General Fund is for salaries and benefits, due to the 4,570 Full-Time Equivalent positions that provide services and supports to students and schools. The FY27 budget funds employee step increases, cost of living adjustments, and a 7.5% health insurance rate increase.

Salaries and Benefits costs were reduced by $5.7 million, due to 48 central services positions being deleted during the budget process.

Utility costs for electricity and natural gas have stabilized resulting in the opportunity to lower the utilities budget by $2 million compared to FY27.

The categories in the chart below include non-personnel costs funded in the 2026-27 General Fund budget.

Salaries and Benefits
$618.5 million

Utilities
$14.8 million

Other
$14.9 million

Property and Liability Insurance
$10 million

Instructional Materials
$7.9 million

Repairs and Maintenance
$4.0 million

Information and Technology Licenses
$3.4 million

Transportation Fuel
$1.5 million



CAPITAL PROJECTS FUND

Washoe County School District's Fiscal Year 2026-27 Capital Projects budget aligns with its Capital Improvement Program (CIP) and provides $257.6 million in capital investments. The District's CIP is a five-year plan which provides the timeline for forecasted capital projects and equipment purchases, and identifies options for financing the plan. These investments include capital renewal, facility modernization projects, a school information technology device refresh program, and the acquisition of a new Enterprise Resource Planning system, along with other capital projects.

Annual Capital Renewal	**$48,737,564**
Facility Modernization Projects	**$134,406,291**
IT Device Refresh/ERP System	**$12,394,097**
School Buses	**$3,500,000**
Other Major Projects	**$12,484,207**
Debt Service Costs	**$46,097,553**

Major financing sources for the District's CIP include:

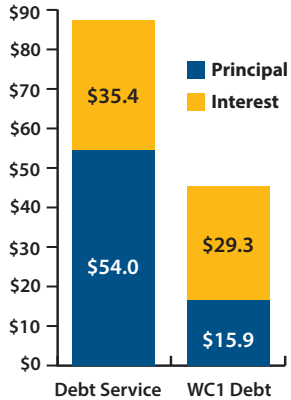
- Mix of debt financing and pay-as-you-go (PAYGO) sources
- WC-1 Sales Tax (0.54% on sales of goods) – $66.6 million
  - Supports WC-1 bonds' debt service and can be used for "pay as you go "(PAYGO) projects
  - The 2026-27 budget includes a planned $50 million bond issuance to fund capital projects
- Property Taxes ($0.3885 per $100 of assessed valuation) – $101.5 million
  - Supports rollover bonds' debt service and can be used for PAYGO projects
  - The 2026-27 budget includes two planned $150 million bond issuances to fund capital projects
- Government Services Tax (tax on MSRP of vehicles)

DEBT SERVICE FUNDS

The district has two debt services funds to pay the principal and interest payments on its medium and long-term debt. The Debt Service Fund receives property tax revenues that are used to pay the District's principal and interest on long-term debt from previous issuances of rollover bonds. This fund also receives a transfer from a Capital Projects Fund in order to make debt payments on the District's medium-term debt vehicle fleet purchases.

The WC-1 Debt Service Fund receives sales tax revenue which is used to make debt payments on long-term debt for new schools and school improvements. This fund is also used for pay-as-you-go capital projects, allowing the District to pay for capital projects without issuing debt. The chart to the right shows the budgeted principal and interest payments for each of the District's Debt Service funds.

2026–27 Principal and Interest Payments
(in millions)



SPECIAL REVENUE FUNDS

The District budgeted $293.4 million in special revenue fund expenditures, funded by $285.8 million in revenues and $7.6 million in fund balance. These special revenues funds provide funding for many student and staff support programs outside of the General Fund operations. These funds include federal grants like Title I and IDEA. State revenues include Special Education and weighted funding under the Pupil-Centered Funding Plan. The District receives various other grants across the federal, state and local levels.

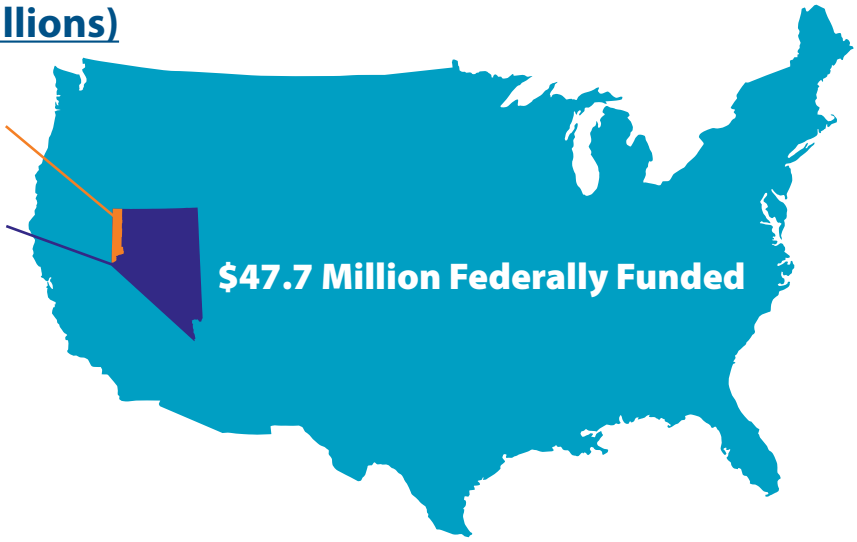
Revenues by Source (in millions)

$22.5 Million Locally Funded

$120.3 Million State Funded

$95.3 Million Transfers from General Fund

- $88.2M to Special Education
- $5.2M to Gifted & Talented
- $1.9M to Medicaid



Expenditures by Fund (in millions)

State Special Ed – $126.1

Other Special Revenue Funds – $86.9

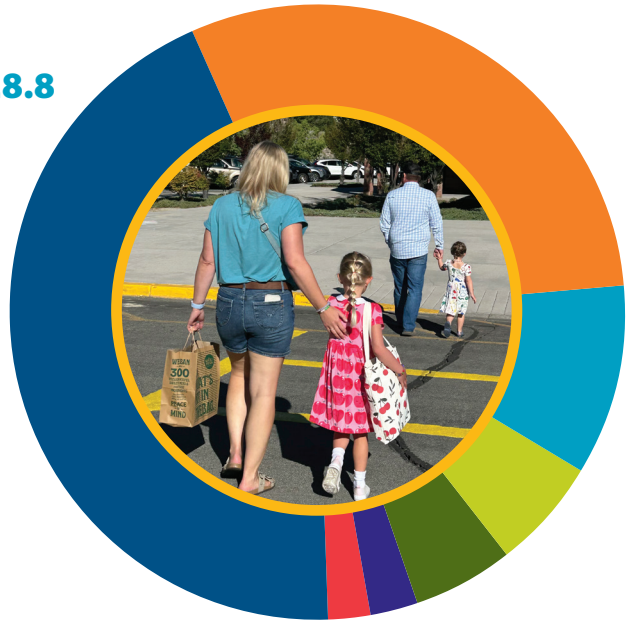
English Learners Weighted Funding – $28.8

At-Risk Weighted Funding – $16.7

Title I – $15.3

IDEA – $12.5

GATE Weighted Funding – $6.7



INTERNAL SERVICE FUNDS

WCSD has three internal service funds that fund various programs. The Property & Casualty Fund includes the district's property and liability insurance premium costs, along with costs related to damaged property and other liabilities. The District has a self-funded health insurance program, so the Health Insurance Fund tracks the revenue and expenditures of that program. Lastly, the Workers' Compensation Fund tracks the district's workers compensation insurance and claim costs. The chart below shows the total budgeted expenditures for each of the internal services funds.



Health Insurance – $110.6 million

The Health Insurance Fund accounts for all revenues and expenditures associated with the District's self-funded health insurance program. A 7.5% health insurance premium rate increase is budgeted effective January 1, 2027.



Property & Casualty – $10.3 million

The Property & Casualty Fund is used to cover losses and damage to District property, legal settlements, and insurance premiums for excess insurance. Property and liability insurance rates have been stable recently.



Workers' Compensation – $3.9 million

The Workers' Compensation Fund accounts for revenues and expenditures associated with the District's workers' compensation program that provides benefits to employees who are injured on the job.

ENTERPRISE FUND – $31.9 MILLION

The District has one enterprise fund which accounts for activities related to the its Nutrition Services program. The costs of the Nutrition Services program are supported mainly by federal meal reimbursements and some user charges for a la carte meals.

This fund is projected to lose $3.3 million in FY27. Solutions to resolve the $3.3 million deficit and provide long-term stability to the fund will be presented during FY27.



OUTLOOK BEYOND FISCAL YEAR 2026-27

With 98.8% of Washoe County School District's revenues received directly from the State through the Pupil Centered Funding Plan, the District is almost entirely dependent on State Education Fund revenues for daily operations. The status of those revenues and other financial impacts from the 2027 legislative session will impact the District's 2027-28 budget and beyond.



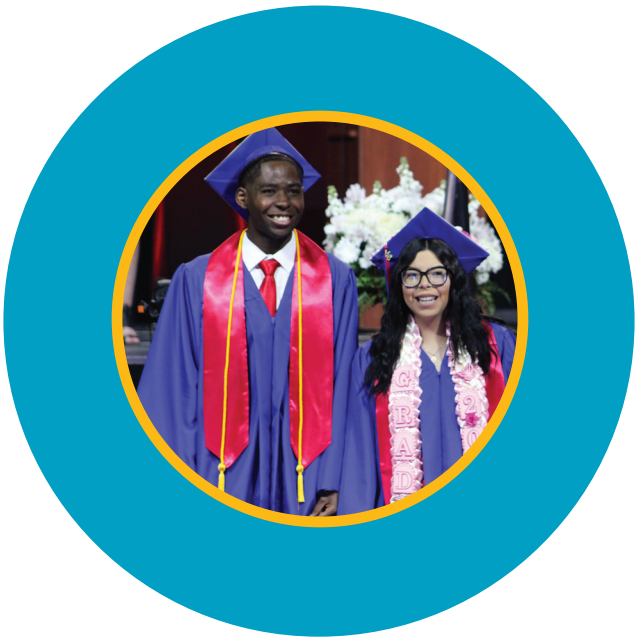
The Washoe County School District has also been experiencing declining enrollment since 2019. Nearly 88% oft he District's General Fund revenues are based on enrollment, so future enrollment trends will greatly impact District revenues.

The factors outlined above, along with other future revenue and expenditure impacts, will result in continuous changes to the District's financial outlook. Future budgets will be adjusted to respond to these changes and to align with the District's strategic plan to improve student outcomes.

THANK YOU

Thank you for your time reading about the Washoe County School District's Fiscal Year 2026-27 budget. Again, this Budget-in-Brief document is intended to provide you with facts about our school district; the District's approach to balancing the budget; major sources of funding; as well as major changes included in the Fiscal Year 2026-27 budget. You can view the detail of the District's budget in a variety of ways by visiting Interactive Budget in the District's Data Gallery.





OUR PROMISE

We will know every student by
NAME, STRENGTH and NEED
so they graduate prepared for the future they choose and we will deliver on this promise in partnership with our
FAMILIES and COMMUNITY.