



**WASHOE COUNTY SCHOOL DISTRICT
OTHER POST-EMPLOYMENT BENEFITS (OPEB)
TRUSTEES COMMITTEE MEETING**

Thursday, June 27, 2019 at 1p.m.
WCSD Administration Building
425 East 9th Street, Admin Board Room
Reno, NV 89512

AGENDA

1. OPENING ITEMS

- 1.01 Call to Order - 1:00 p.m., WCSD Administration Building, 425 East 9th Street, Board Room, Reno, Nevada 89512
- 1.02 Roll Call
- 1.03 Public Comment - Comments from the public are invited at this time on topics not specifically addressed elsewhere in the agenda. A "Citizen's Request to Speak" card should be filled out and submitted to the Recording Secretary before speaking during the Public Comment section. All persons are limited to 3 minutes per item. In accordance with Open Meeting Law and on the advice of legal counsel, the public body is discouraged from discussing and precluded from deliberating and/or acting on items raised by Public Comment which are not already on the agenda. The public body may impose reasonable content-neutral restrictions on public comment such as willfully disruptive comments that are irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, or amounting to personal attacks or interfering with the rights of other speakers. Correspondence or written materials submitted for public comment by the general public shall be attached to the minutes of the meeting.

2. DISCUSSION, PRESENTATION AND ACTION ITEMS - Public comment: any individual may address the public body concerning any item listed below. A completed "Citizen's Right to Speak" card must be submitted to the public body at the meeting. During the discussion of each item on the agenda, the Chair will invite the individual to come forward to speak. Individuals are limited to three minutes per item.

- 2.01 ACTION TO ADOPT THE AGENDA – Items on this agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time (For Possible Action)
- 2.02 APPROVAL OF THE MINUTES FOR THE OPEB TRUSTEES COMMITTEE MEETING ON NOVEMBER 29, 2018 (For Possible Action)
- 2.03 DISCUSSION OF OPEB TRUST FUND FY2019 SECOND QUARTER FINANCIAL STATEMENTS (For Discussion Only)
- 2.04 DISCUSSION OF THE QUARTERLY PUBLIC EMPLOYEE RETIREMENT SYSTEM ("PERS") RETIREMENT BENEFITS INVESTMENT FUND ("RBIF") REPORT, FOR THE PERIOD ENDED DECEMBER 31, 2018 (For Discussion Only)

- 2.05 DISCUSSION OF OPEB TRUST FUND FY2019 THIRD QUARTER FINANCIAL STATEMENTS (For Discussion Only)
- 2.06 DISCUSSION OF THE QUARTERLY PUBLIC EMPLOYEE RETIREMENT SYSTEM ("PERS") RETIREMENT BENEFITS INVESTMENT FUND ("RBIF") REPORT, FOR THE PERIOD ENDED MARCH 31, 2019 (For Discussion Only)
- 2.07 DISCUSSION AND POSSIBLE ACTION TO ACCEPT THE OPEB BUDGET FOR FISCAL YEAR 2020 AS PREVIOUSLY ADOPTED BY THE WCSO BOARD OF TRUSTEES AS PART OF THE APPROVAL OF THE WASHOE COUNTY SCHOOL DISTRICT'S TENTATIVE BUDGET FOR FISCAL YEAR 2020 (For Discussion and Possible Action)
- 2.08 REVIEW OF ANNUAL INTERNAL REVENUE SERVICE (IRS) FORM 990, TO INCLUDE DISCLOSURE BY MEMBERS OF THE OPEB COMMITTEE OF ANY INTERESTS HELD THAT COULD GIVE RISE TO POTENTIAL CONFLICTS OF INTEREST (For Discussion Only)
- 2.09 ANNUAL AFFIRMATION BASED ON THE OPEB TRUST AGREEMENT THAT INVESTMENT INCOME EARNED BY WCSO OPEB TRUST FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2019 WILL BE USED FOR THE PAYMENT OF FUTURE BENEFITS OF THE TRUST (For Possible Action)

3. CLOSING ITEMS

- 3.01 Announcement of Next Meeting: October 24, 2019, 1:00 p.m., WCSO Administration Building, 425 East 9th Street, Board Room, Reno, Nevada 89512
- 3.02 Public Comment - Comments from the public are invited at this time on topics not specifically addressed elsewhere in the agenda. A "Citizen's Request to Speak" card should be filled out and submitted to the Recording Secretary before speaking during the Public Comment section. All persons are limited to 3 minutes per item. In accordance with Open Meeting Law and on the advice of legal counsel, the public body is discouraged from discussing and precluded from deliberating and/or acting on items raised by Public Comment which are not already on the agenda. The public body may impose reasonable content-neutral restrictions on public comment such as willfully disruptive comments that are irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, or amounting to personal attacks or interfering with the rights of other speakers. Correspondence or written materials submitted for public comment by the general public shall be attached to the minutes of the meeting.
- 3.03 Adjourn Meeting

Forum Restrictions and Orderly Conduct of Business: The OPEB Committee conducts the business of the Washoe County School District during its meetings. The presiding officer may order the removal of any person whose statement or other conduct disrupts the orderly, efficient or safe conduct of the meeting. Warnings against disruptive comments or behavior may or may not be given prior to removal. The viewpoint of a speaker will not be restricted, but reasonable restrictions may be imposed upon the time, place and manner of speech. Irrelevant

and unduly repetitious statements and personal attacks which antagonize or incite others are examples of speech that may be reasonably limited.

Members of the public wishing to request supporting materials for this meeting or who are disabled and require special accommodations at the meeting should contact Valerie Phillips, Recording Secretary. Valerie Phillips can be contacted in writing at PO Box 30425, Reno, Nevada 89520-3425 or by telephone at 775-348-0312.

This agenda and supporting materials, when appropriate, have been posted at the following locations:

www.washoeschools.net

www.boardocs.com/nv/washoe/board.nsf/public

State of Nevada website (notice.nv.gov)

WCSD Central Administrative Building

Washoe County Administration Building

Washoe County Courthouse

Reno City Hall

Sparks City Hall

Sparks Library

Pyramid Lake Paiute Tribe Administration Building

Reno Sparks Indian Colony Administrative Office

**MINUTES OF THE
WASHOE COUNTY SCHOOL DISTRICT (WCSD)
OTHER POST-EMPLOYMENT BENEFITS (OPEB)
BOARD OF TRUSTEES MEETING
Thursday, November 29, 2018**

1.01 CALL TO ORDER

The meeting of the Washoe County School District Other Post-Employment Benefits (OPEB) Board of Trustees was called to order on Tuesday, August 30, 2018 at 1:00pm in the Board Room located at 425 E. 9th Street, Reno NV 89512

1.02 ROLL CALL

PRESENT: Chairman Mark Mathers, Danny Kitts

ABSENT: Tom Marshall

1.03 PUBLIC COMMENT

There was no response to the call for public comment.

1.04 On Motion by Danny Kitts, second by Mark Mathers, the OPEB Trustees Committee approved the agenda as presented (Yea: Mark Mathers, Danny Kitts). Final Resolution: Motion Carries 2-0

2. DISCUSSION, PRESENTATION AND ACTION ITEMS

2.01 APPROVAL OF THE MINUTES FOR THE OPEB TRUSTEES MEETING ON JUNE 13, 2018.

On motion by Danny Kitts, second by Mark Mathers, the OPEB Trustee Committee approved the minutes of June 13, 2018 as presented (Yea: Mark Mathers, Danny Kitts). Final Resolution: Motion Carries 2-0

2.02 DISCUSSION OF OPEB TRUST FUND FY2018 FOURTH QUARTER FINANCIAL STATEMENTS (For Discussion Only)

Robert Carson led the discussion.

Comparative financial statements from June 30, 2018 and June 30, 2017 were presented, showing a decrease of \$4 million versus this time last year. The decrease was due to the retiree expenses and the earnings were not quite as good as last year.

The income statement shows realized gains of \$1.3 million and unrealized gains of \$3.6 million year to date, with total revenues of just under \$5 million versus \$7 million last year, which accounts for the decrease in the fund balance.

The summary of the RBIF account shows net assets of \$58 million in June, with minimal gains with a realized gain of \$73K. Increase in total assets of \$33K in June.

2.03 DISCUSSION OF THE QUARTERLY PUBLIC EMPLOYEE RETIREMENT SYSTEM ("PERS") RETIREMENT BENEFITS INVESTMENT FUND ("RBIF") REPORT, FOR THE PERIOD ENDED JUNE 30, 2018 (For Discussion Only)

Robert Carson led the discussion.

The market return on the S&P index was over 14%. The market return on International Stocks was 7% netting out to 8.3% market return.

2.04 ANNUAL AFFIRMATION BASED ON THE OPEB TRUST AGREEMENT THAT INVESTMENT INCOME EARNED BY WCSD OPEB TRUST FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2018 WILL BE USED FOR THE PAYMENT OF FUTURE BENEFITS OF THE TRUST (For Possible Action)

Robert Carson led the discussion, explaining that the corpus and the interest must stay with the trust according to article 4.5 of the OPEB Trust Agreement.

On motion by Danny Kitts, second by Mark Mathers, the OPEB committee that all future income will be used for the payment of future benefits of the trust (Yea: Mark Mathers Danny Kitts). Final Resolution: Motions carries 2-0.

3. CLOSING ITEMS

3.01 Announcement of Next Meeting: November 29, 2018

3.02 No public comments

3.03 Meeting adjourned 1:10 pm

**WASHOE COUNTY SCHOOL DISTRICT
COMPARATIVE STATEMENT OF NET POSITION
OPEB TRUST FUND
AS OF DECEMBER 31, 2018 AND 2017**

	<u>December 31, 2018</u>	<u>December 31, 2017</u>	<u>Increase (Decrease)</u>
ASSETS			
Current Assets			
Cash	\$ 712,483	\$ 5,239,632	\$ (4,527,149)
RBIF participation units	18,795,399	57,768,670	(38,973,271)
RBIF investments accounted for in health insurance fund	<u>34,279,184</u>	<u>-</u>	<u>34,279,184</u>
Total Assets	53,787,066	63,008,302	(9,221,236)
NET POSITION	<u>\$ 53,787,066</u>	<u>\$ 63,008,302</u>	<u>\$ (9,221,236)</u>

WASHOE COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION
OPEB TRUST FUND
FOR THE PERIODS ENDED DECEMBER 31, 2018 AND 2017

	<u>FY19 Budget</u>	<u>December 31, 2018</u>	<u>Variance to Final Budget</u>	<u>December 31, 2017</u>	<u>FY2019-FY2018 Variance</u>
REVENUES					
Earnings on investments	\$ 1,000,000	\$ 615,782	\$ (384,218)	\$ 632,009	\$ (16,227)
Realized gain/(loss)	-	(154,678)	(154,678)	-	(154,678)
Unrealized gain/(loss)	3,000,000	(3,422,022)	(6,422,022)	4,070,966	(7,492,988)
Contributions by employer	<u>2,140,019</u>	<u>508,362</u>	<u>(1,631,657)</u>	<u>-</u>	<u>508,362</u>
Total revenues	<u>6,140,019</u>	<u>(2,452,556)</u>	<u>(8,592,575)</u>	<u>4,702,975</u>	<u>(7,155,531)</u>
EXPENDITURES					
PEBP expenditure	3,600,000	1,635,559	1,964,441	1,710,010	(74,451)
Other professional services	20,000	-	20,000	-	-
Retiree medical	1,640,019	410,005	1,230,014	2,378,314	(1,968,309)
Retiree life insurance	<u>750,000</u>	<u>-</u>	<u>750,000</u>	<u>-</u>	<u>-</u>
Total expenditures	6,010,019	2,045,564	3,964,455	4,088,324	(2,042,760)
Change in net position	130,000	(4,498,120)	(12,557,030)	614,651	(5,112,771)
NET POSITION - July 1	60,513,651	24,006,002	(36,507,649)	62,393,651	(38,387,649)
Add: Assets accounted for in health insurance fund	<u>-</u>	<u>34,279,184</u>	<u>34,279,184</u>	<u>-</u>	<u>34,279,184</u>
NET POSITION - September 30	<u>\$ 60,643,651</u>	<u>\$ 53,787,066</u>	<u>\$ (6,856,585)</u>	<u>\$ 63,008,302</u>	<u>\$ (9,221,236)</u>

WASHOE COUNTY SCHOOL DISTRICT
Summary of Changes to WCSD RBIF Account
For the Period Ended December 31, 2018 and 2017

	<u>December 31, 2018</u>	<u>FY19 YTD</u>	<u>December 31, 2017</u>	<u>FY18 YTD</u>
Net Assets - Beginning of Period	\$ 55,885,194	\$ 58,036,639	\$ 65,209,330	\$ 61,067,199
Changes to Net Assets				
Investment Gain/Loss	2	59	39	146
Realized Gain/Loss	14,974	(79,296)	233,327	1,187,311
Interest Income	33,413	188,868	29,221	179,090
Dividend Income	60,386	433,823	48,905	457,926
Change in Unrealized Appreciation	(2,920,054)	(3,497,463)	249,651	2,883,509
Trust Expenses	<u>354</u>	<u>(8,361)</u>	<u>(1,803)</u>	<u>(6,511)</u>
Total Changes to Net Assets	(2,810,925)	(2,962,370)	559,340	4,701,471
Disbursements	-	2,000,000	8,000,000	-
Net Assets - End of Period	<u>\$ 53,074,269</u>	<u>\$ 53,074,269</u>	<u>\$ 57,768,670</u>	<u>\$ 65,768,670</u>

Retirement Benefits Investment Fund

December 31, 2018

Performance

Asset Class	Market Value	Target Allocation	Actual Allocation	FYTD Return	One Year	3 Years	5 Years	10 Years	Since Inception (2008)
U.S. Stocks- S&P 500 Index	\$ 227,797,076	50.5%	50.8%	-6.8%	-4.4%	9.2%	8.5%	13.1%	8.0%
Market Return				-6.9%	-4.4%	9.3%	8.5%	13.1%	7.9%
Int'l Stocks- MSCI World x US Index	\$ 92,583,493	21.5%	20.7%	-11.6%	-13.8%	3.0%	0.7%	6.2%	1.4%
Market Return				-11.6%	-14.0%	2.8%	0.5%	6.3%	1.3%
U.S. Bonds- U.S. Bond Index	\$ 123,776,079	28.0%	27.6%	194.0%	0.9%	1.4%	2.2%	2.9%	3.1%
Market Return				2.0%	0.9%	1.4%	2.0%	2.1%	2.9%
	\$ 3,940,052	0.0%	0.9%						
Total RBIF Fund	\$ 448,096,700	100.0%	100.0%	-5.3%	-4.8%	5.8%	5.1%	8.7%	5.5%
Market Return				-5.4%	-5.0%	5.6%	5.0%	8.8%	5.6%

**WASHOE COUNTY SCHOOL DISTRICT
COMPARATIVE STATEMENT OF NET POSITION
OPEB TRUST FUND
AS OF MARCH 31, 2019 AND 2018**

	<u>March 31, 2019</u>	<u>March 31, 2018</u>	<u>Increase (Decrease)</u>
ASSETS			
Current Assets			
Cash	\$ 169,755	\$ 1,785,732	\$ (1,615,977)
RBIF participation units	23,954,915	57,154,285	(33,199,370)
RBIF investments accounted for in health insurance fund	<u>34,279,184</u>	<u>-</u>	<u>34,279,184</u>
Total Assets	58,403,854	58,940,017	(536,163)
NET POSITION	<u>\$ 58,403,854</u>	<u>\$ 58,940,017</u>	<u>\$ (536,163)</u>

WASHOE COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION
OPEB TRUST FUND
FOR THE PERIODS ENDED MARCH 31, 2019 AND 2018

	FY19 Budget	March 31, 2019	Variance to Final Budget	March 31, 2018	FY2019-FY2018 Variance
REVENUES					
Earnings on investments	\$ 1,000,000	\$ 973,507	\$ (26,493)	\$ 946,481	\$ 27,026
Realized gain/(loss)	-	(68,065)	(68,065)	-	(68,065)
Unrealized gain/(loss)	3,000,000	1,293,713	(1,706,287)	3,143,611	(1,849,898)
Contributions by employer	2,140,019	1,586,548	(553,471)	-	1,586,548
Total revenues	6,140,019	3,785,703	(2,354,316)	4,090,092	(304,389)
EXPENDITURES					
PEBP expenditure	3,600,000	2,437,021	1,162,979	2,543,726	(106,705)
Other professional services	20,000	-	20,000	-	-
Retiree medical	1,640,019	1,230,014	410,005	5,000,000	(3,769,986)
Retiree life insurance	750,000	-	750,000	-	-
Total expenditures	6,010,019	3,667,035	2,342,984	7,543,726	(3,876,691)
Change in net position	130,000	118,668	(4,697,300)	(3,453,634)	3,572,302
NET POSITION - July 1	60,513,651	24,006,002	(36,507,649)	62,393,651	(38,387,649)
Add: Assets accounted for in health insurance fund	-	34,279,184	34,279,184	-	34,279,184
NET POSITION - September 30	\$ 60,643,651	\$ 58,403,854	\$ (2,239,797)	\$ 58,940,017	\$ (536,163)

WASHOE COUNTY SCHOOL DISTRICT
Summary of Changes to WCSD RBIF Account
For the Period Ended March 31, 2019 and 2018

	<u>March 31, 2019</u>	<u>FY19 YTD</u>	<u>March 31, 2018</u>	<u>FY18 YTD</u>
Net Assets - Beginning of Period	\$ 57,301,223	\$ 58,036,639	\$ 57,978,840	\$ 61,067,199
Changes to Net Assets				
Investment Gain/Loss	-	261	24	232
Realized Gain/Loss	39,540	(68,326)	5,141	1,212,170
Interest Income	33,799	282,182	30,281	266,097
Dividend Income	113,072	701,629	106,317	688,379
Change in Unrealized Appreciation	747,086	1,293,714	(964,649)	1,931,210
Trust Expenses	<u>(620)</u>	<u>(11,999)</u>	<u>(1,669)</u>	<u>(11,002)</u>
Total Changes to Net Assets	932,877	2,197,461	(824,555)	4,087,086
Disbursements	-	2,000,000	-	8,000,000
Net Assets - End of Period	\$ <u><u>58,234,100</u></u>	\$ <u><u>58,234,100</u></u>	\$ <u><u>57,154,285</u></u>	\$ <u><u>57,154,285</u></u>

Retirement Benefits Investment Fund

March 31, 2019

Performance

Asset Class	Market Value	Target Allocation	Actual Allocation	FYTD Return	One Year	3 Years	5 Years	10 Years	Since Inception (2008)
U.S. Stocks- S&P 500 Index	\$ 258,762,035	50.5%	51.6%	5.8%	9.5%	13.5%	10.9%	15.9%	9.0%
Market Return				5.9%	9.5%	13.5%	10.9%	15.9%	9.0%
Int'l Stocks- MSCI World x US Index	\$ 106,397,371	21.5%	21.2%	-2.4%	-3.3%	7.5%	2.6%	9.2%	2.3%
Market Return				-2.2%	-3.4%	7.4%	2.4%	9.0%	2.2%
U.S. Bonds- U.S. Bond Index	\$ 132,986,924	28.0%	26.5%	4.1%	4.2%	1.1%	2.2%	3.3%	3.2%
Market Return				4.1%	4.2%	1.0%	2.2%	2.4%	3.0%
	\$ 3,836,140	0.0%	0.8%						
Total RBIF Fund	\$ 501,982,470	100.0%	100.0%	3.9%	5.6%	8.7%	6.7%	10.8%	6.3%
Market Return				3.8%	5.3%	8.5%	6.6%	10.9%	6.3%

OPEB TRUST FUND	(1)	(2)	(3)	(4)
	ACTUAL	ESTIMATED	FISCAL YEAR 2019-20	
	YEAR ENDING	CURRENT YEAR	TENTATIVE	FINAL
	6/30/2018	ENDING 6/30/19	APPROVED	APPROVED
ADDITIONS				
Contributions by Employer		2,140,019	2,140,019	
Earnings (loss) on Investments	4,977,195	1,000,000	1,000,000	
Adjustment to fair market value				
Transfers IN				
Total Additions	4,977,195	3,140,019	3,140,019	0
DEDUCTIONS				
200 Benefits	9,085,661	6,010,019	5,990,019	
Transfers OUT	34,279,184			
Total Deductions	43,364,845	6,010,019	5,990,019	0
NET INCREASE/DECREASE	(38,387,650)	(2,870,000)	(2,850,000)	0
Assets				
Beginning July 1	62,393,651	24,006,002	21,136,002	0
Ending June 30	24,006,002	21,136,002	18,286,002	0

OPEB TRUST FUND	(1)	(2)	(3)	(4)
	ACTUAL	ESTIMATED	FISCAL YEAR 2019-20	
	YEAR ENDING	CURRENT YEAR	TENTATIVE	FINAL
	6/30/2018	ENDING 6/30/19	APPROVED	APPROVED
ADDITIONS				
Contributions by Employer		2,140,019	2,140,019	2,140,019
Earnings (loss) on Investments	4,977,195	1,000,000	1,000,000	1,000,000
Adjustment to fair market value				
Transfers IN				
Total Additions	4,977,195	3,140,019	3,140,019	3,140,019
DEDUCTIONS				
200 Benefits	9,085,661	6,010,019	5,990,019	5,990,019
Transfers OUT	34,279,184			
Total Deductions	43,364,845	6,010,019	5,990,019	5,990,019
NET INCREASE/DECREASE	(38,387,650)	(2,870,000)	(2,850,000)	(2,850,000)
Assets				
Beginning July 1	62,393,651	24,006,002	21,136,002	21,136,002
Ending June 30	24,006,002	21,136,002	18,286,002	18,286,002

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

June 30, 2018

Prepared for	Washoe County School District OPEB Trust 425 E. Ninth St Reno, NV 89520-3425
Prepared by	Eide Bailly LLP 5441 Kietzke Ln, Ste 150 Reno, NV 89511-2094
Amount due or refund	No amount is due.
Make check payable to	No amount is due.
Mail tax return and check (if applicable) to	Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0027
Return must be mailed on or before	May 15, 2019
Special Instructions	The return should be signed and dated.

EXTENDED TO MAY 15, 2019

Form **990-T****Exempt Organization Business Income Tax Return**
(and proxy tax under section 6033(e))

OMB No. 1545-0687

2017For calendar year 2017 or other tax year beginning JUL 1, 2017, and ending JUN 30, 2018.▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Department of the Treasury
Internal Revenue ServiceOpen to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed	Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.)	D Employer identification number (Employees' trust, see instructions.)
B Exempt under section <input checked="" type="checkbox"/> 501(c)(9) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		WASHOE COUNTY SCHOOL DISTRICT OPEB TRUST	26-2800962
		Number, street, and room or suite no. If a P.O. box, see instructions. 425 E. NINTH ST	E Unrelated business activity codes (See instructions.)
		City or town, state or province, country, and ZIP or foreign postal code RENO, NV 89520-3425	900001
C Book value of all assets at end of year 24,006,001.		F Group exemption number (See instructions.) ▶	
		G Check organization type ▶ <input type="checkbox"/> 501(c) corporation <input checked="" type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity. ▶ INVESTMENT ACTIVITIES

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ ☐ Yes ☒ No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ **MARK MATHERS** Telephone number ▶ **775-348-0314**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales				
b Less returns and allowances				
c Balance ▶	1c			
2 Cost of goods sold (Schedule A, line 7)	2			
3 Gross profit. Subtract line 2 from line 1c	3			
4a Capital gain net income (attach Schedule D)	4a			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b			
c Capital loss deduction for trusts	4c			
5 Income (loss) from partnerships and S corporations (attach statement)	5			
6 Rent income (Schedule C)	6			
7 Unrelated debt-financed income (Schedule E)	7			
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)...	8			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9	2,635,666.	2,635,666.	
10 Exploited exempt activity income (Schedule I)	10			
11 Advertising income (Schedule J)	11			
12 Other income (See instructions; attach schedule)	12			
13 Total. Combine lines 3 through 12	13	2,635,666.	2,635,666.	

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	0.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	0.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	0.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> See instructions and:		
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):		
(1) \$	(2) \$	(3) \$
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$		
(2) Additional 3% tax (not more than \$100,000) \$		
c Income tax on the amount on line 34		35c
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from:		
<input checked="" type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)		36 0.
37 Proxy tax. See instructions		37
38 Alternative minimum tax		38
39 Tax on Non-Compliant Facility Income. See instructions		39
40 Total. Add lines 37, 38 and 39 to line 35c or 36, whichever applies		40 0.

Part IV Tax and Payments

41a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	41a	
b Other credits (see instructions)	41b	
c General business credit. Attach Form 3800	41c	
d Credit for prior year minimum tax (attach Form 8801 or 8827)	41d	
e Total credits. Add lines 41a through 41d	41e	
42 Subtract line 41e from line 40	42	0.
43 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	43	
44 Total tax. Add lines 42 and 43	44	0.
45a Payments: A 2016 overpayment credited to 2017	45a	
b 2017 estimated tax payments	45b	
c Tax deposited with Form 8868	45c	
d Foreign organizations: Tax paid or withheld at source (see instructions)	45d	
e Backup withholding (see instructions)	45e	
f Credit for small employer health insurance premiums (Attach Form 8941)	45f	
g Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other	45g	
46 Total payments. Add lines 45a through 45g	46	
47 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	47	
48 Tax due. If line 46 is less than the total of lines 44 and 47, enter amount owed	48	0.
49 Overpayment. If line 46 is larger than the total of lines 44 and 47, enter amount overpaid	49	0.
50 Enter the amount of line 49 you want: Credited to 2018 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	50	

Part V Statements Regarding Certain Activities and Other Information (see instructions)

51 At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here	Yes	No
		X
52 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		X
53 Enter the amount of tax-exempt interest received or accrued during the tax year \$		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Eide Bailly LLP
CPA's & BUSINESS ADVISORS

Signature of officer

Date

CHAIRMAN

Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
KIRK GARDNER, CPA	KIRK GARDNER, CPA	05/13/19		P00225248
Firm's name	Firm's EIN			
EIDE BAILLY LLP	45-0250958			
Firm's address			Phone no.	
5441 KIETZKE LN, STE 150 RENO, NV 89511-2094			775-689-9100	

Form 990-T (2017)

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **N/A**

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a Additional section 263A costs (attach schedule)	4a				
4b Other costs (attach schedule)	4b				
5 Total. Add lines 1 through 4b	5				

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

(1)
(2)
(3)
(4)

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total 0.	Total 0.	

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)

(b) Total deductions.

Enter here and on page 1, Part I, line 6, column (B)

0.

0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property		2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A). 0.	Enter here and on page 1, Part I, line 7, column (B). 0.
Total dividends-received deductions included in column 8			0.	0.

Form 990-T (2017)

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				

			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
Totals			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1) INTEREST AND DIVIDENDS	1,350,109.		1,350,109.	1,350,109.
(2) REALIZED GAINS ON SALE OF				
(3) SECURITIES	1,285,557.		1,285,557.	1,285,557.
(4)				
		Enter here and on page 1, Part I, line 9, column (A).	STMT 2	Enter here and on page 1, Part I, line 9, column (B).
Totals		2,635,666.		2,635,666.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.
Totals		0.	0.			0.

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	0.	0.				0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

Form 990-T (2017)

FOOTNOTES

STATEMENT

1

THE ORGANIZATION IS MAKING THE DE MINIMIS SAFE HARBOR
ELECTION UNDER REG. SEC. 1.263(A)-1(F).

FORM 990-T

SCHEDULE G - INCOME SET-ASIDES

STATEMENT 2

DESCRIPTION OF SET-ASIDE	ACTIVITY NUMBER	AMOUNT	TOTAL
INTEREST AND DIVIDENDS		1,350,109.	
- SUBTOTAL -	1		1,350,109.
REALIZED GAINS ON SALE OF SECURITIES		1,285,557.	
- SUBTOTAL -	2		1,285,557.
TOTAL OF FORM 990-T, SCHEDULE G, COLUMN 4			2,635,666.

Application for Automatic Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	WASHOE COUNTY SCHOOL DISTRICT OPEB TRUST	26-2800962
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
File by the due date for filing your return. See instructions.	425 E. NINTH ST	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	RENO, NV 89520-3425	

Enter the Return Code for the return that this application is for (file a separate application for each return)		0	1
Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

MARK MATHERS

- The books are in the care of ► **425 E. NINTH ST - RENO, NV 89520-3425**
- Telephone No. ► **775-348-0314** Fax No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☐ calendar year _____ or
► ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018**

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

MAIL TO: DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0045

Application for Automatic Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

► **Information about Form 8868 and its instructions is at www.irs.gov/form8868.**

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Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	WASHOE COUNTY SCHOOL DISTRICT OPEB TRUST	26-2800962
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	425 E. NINTH ST	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	RENO, NV 89520-3425	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 6

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

MARK MATHERS

- The books are in the care of ► **425 E. NINTH ST - RENO, NV 89520-3425**

Telephone No. ► **775-348-0314**

Fax No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☐ calendar year _____ or
 ► ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018**

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**MAIL TO: DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0045**