

LANDER COUNTY SCHOOL DISTRICT, STATE OF NEVADA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS

**LANDER COUNTY SCHOOL DISTRICT
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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lander County School District
Battle Mountain, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lander County School District, Nevada (a Nevada local government unit) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lander County School District, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Changes in Accounting Principle

As described in Note 1 to the financial statements, in fiscal year 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Report on Summarized Comparative Information

We have previously audited Lander County School District's financial statements for the year ended June 30, 2019, and our report, dated October 9, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules related to pensions and OPEB and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lander County School District's basic financial statements. The combining and individual nonmajor fund financial statements and certain budgetary comparison information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2020, on our consideration of Lander County School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lander County School District's internal control over financial reporting and compliance.



HintonBurdick, PLLC
St. George, Utah
October 23, 2020

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**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

This document, the Management's Discussion and Analysis ("MD&A") serves to introduce the financial reports for the Lander County School District ("District"). It is an overview of our financial activities and is a required element of the Governmental Accounting Standards Board (GASB) in Statement No. 34 and subsequent Statements No. 37 and No. 38. This document is designed to assist the reader in understanding the District's financial position and financial transactions of the past year.

Financial Highlights

Government-Wide Statements:

Net position of the District at the close of the fiscal year is \$37,555,058, which is a decrease of \$804,059 from the prior fiscal year, excluding a restatement adjustment increase of \$415,597.

Capital assets totaled \$37,967,213 as compared to other assets totaling \$20,065,742.

General Fund:

The unassigned ending General Fund balance reported at the end of fiscal year 2020 was \$1,912,218 compared to \$1,525,964 in the prior fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Lander County School District's basic financial statements. The Lander County School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) 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 Lander County School District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Lander County School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Lander County School District is improving or deteriorating.

**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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

Both of the government-wide financial statements distinguish the functions of the Lander County School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Lander County School District does not consider any of its programs to be business-type activities.

Lander County School District
Net Position

	June 30, 2020	June 30, 2019	Increase
	Governmental	Governmental	Increase
	Activities	Activities	(Decrease)
Current assets	\$ 20,065,742	\$ 20,068,784	\$ (3,042)
Capital assets	37,967,213	38,074,903	(107,690)
Total assets	<u>58,032,955</u>	<u>58,143,687</u>	<u>(110,732)</u>
Deferred outflows of resources	<u>2,278,499</u>	<u>2,204,927</u>	<u>73,572</u>
Current liabilities	1,848,951	1,330,883	518,068
Current portion of long-term liabilities	292,000	337,000	(45,000)
Long-term liabilities	17,268,774	17,507,087	(238,313)
Total liabilities	<u>19,409,725</u>	<u>19,174,970</u>	<u>234,755</u>
Deferred inflows of resources	<u>3,346,671</u>	<u>3,230,124</u>	<u>116,547</u>
Net Position			
Net investment in capital assets	36,901,213	36,811,903	89,310
Restricted	6,910,348	8,796,111	(1,885,763)
Unrestricted	(6,256,503)	(7,664,494)	1,407,991
Total net position	<u>\$ 37,555,058</u>	<u>\$ 37,943,520</u>	<u>\$ (388,462)</u>

The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$37,555,058 as of June 30, 2020. The largest portion of total net position, \$36,901,213, is invested in capital assets.

**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Lander County School District
Changes in Net Position

	June 30, 2020 Governmental Activities	June 30, 2019 Governmental Activities	Increase (Decrease)
Revenues			
Program Revenues			
Charges for services	\$ 66,427	\$ 101,977	\$ (35,550)
Operating grants and contributions	2,393,821	2,349,400	44,421
Capital grants and contributions	235,254	-	235,254
Total Program Revenues	2,695,502	2,451,377	244,125
General Revenues			
Property taxes	8,932,834	10,617,252	(1,684,418)
Local school support taxes	1,559,723	1,315,900	243,823
Government services tax	578,298	591,622	(13,324)
State aid not restricted to specific purposes	364,568	90,983	273,585
Federal aid not restricted to specific purposes	2,125	2,255	(130)
Other local sources	2,843	10,863	(8,020)
Unrestricted investment earnings	406,730	235,877	170,853
Total General Revenues	11,847,121	12,864,752	(1,017,631)
Total Revenues	14,542,623	15,316,129	(773,506)
Expenses			
Instruction expenses	8,004,467	7,109,465	895,002
Support services expenses:			
Student support	628,997	378,401	250,596
Instructional staff support	1,009,680	870,044	139,636
General administration	664,141	831,753	(167,612)
School administration	924,545	829,601	94,944
Central services	467,657	434,097	33,560
Operations and maintenance	1,502,315	1,484,042	18,273
Student transportation	409,216	434,043	(24,827)
Other central services	42,498	27,781	14,717
Other support services	57,420	53,177	4,243
Operation of noninstructional services:			
Food services and other	355,782	285,423	70,359
Facilities acquisition and construction services	1,249,289	885,194	364,095
Interest	30,675	35,879	(5,204)
Total Expenses	15,346,682	13,658,900	1,687,782
Change in net position	(804,059)	1,657,229	(2,461,288)
Net Position Beginning	37,943,520	36,286,291	1,657,229
Restatement adjustment	415,597	-	415,597
Net Position Ending	\$ 37,555,058	\$ 37,943,520	\$ (388,462)

**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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 Lander 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 Lander County School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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, reconciliation is provided for a more comprehensive picture of the District's financial position.

Proprietary Funds - Funds that focus on the determination of operating income, changes in net position, financial position, and cash flows are reported in the proprietary funds. There are two types, enterprise funds and internal service funds. Enterprise funds are used to report an activity where a fee is charged to external users. Internal service funds report activities that provide goods and services to the other departments of the District. The District reports one internal service fund, the Health and Accident Insurance Fund.

Fiduciary Funds - Funds that are used to report assets held in a trustee or custodial capacity for others and therefore cannot be used to support the government's own programs. The District currently holds assets related to student activities of various schools in the sum of \$308,868.

The following schedule presents a summary of general fund revenue sources:

Description	FY2020	% of Total	FY2019	% of Total
Local sources	\$ 11,039,731	99%	\$ 12,509,181	99%
State sources	-	0%	-	0%
Federal sources	133,368	1%	90,983	1%
Total	\$ 11,173,099	100%	\$ 12,600,164	100%

General Fund – Local Sources:

County retail sales tax increased from fiscal year 2019 to fiscal year 2020 from \$1,315,900 to \$1,559,723 in local district revenues. Ad valorem taxes decreased in fiscal year 2020 from \$10,568,012 to \$8,879,943. Net proceeds of mines portion of the ad valorem decreased from \$6,455,380 to \$4,679,617. NRS 387.1235 reserves the net proceeds monies for use in the subsequent year.

General Fund – State Sources:

The District did not receive State Distributive School Account (DSA) revenues in the current or prior fiscal year. Lander County School District DSA revenue is based on a funding formula from the state that decreases the actual amount received by local school support tax (sales tax) and a portion of ad valorem tax collections. If the net proceeds of mines portion declines to a certain level, the DSA payment will increase.

**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

General Fund – Federal Sources:

Typically, the main portion of federal funds is from Impact Aid (Public Law 103-382), which provides revenue in lieu of property tax collections for those industries connected to federal land that are exempt from paying property taxes. Other small federal grants have been received to accomplish specific purposes as required in the grant document.

Special Education Fund

The District received \$528,065 in State sources for the Special Education Fund in fiscal year 2020. A transfer of \$738,065 was made from the General Fund to the Special Education Fund in fiscal year 2020. Total expenditures for fiscal year 2020 were \$1,195,063. This was an increase of \$396,378 from fiscal year 2019. The fund balance as of June 30, 2020 is 169,982.

Capital Projects Facilities and Site Improvement Fund

The District budgeted for and made capital improvements during fiscal year 2020. The District budgeted for and made a transfer from the general fund to this fund in the amount of \$974,400 for fiscal year 2020. Investment earnings and E-rate funding are up significantly in fiscal year 2020. The assigned fund balance at June 30, 2020 is \$4,658,794, which is an increase of \$767,859.

Notes to the Financial Statements

The notes to the financial statements complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

Capital Assets

At June 30, 2020, the District had \$37,967,213 (net of accumulated depreciation) invested in a broad range of capital assets, including land and improvements, buildings and improvements, and equipment. This amount represents a net decrease of \$107,690 or nearly 0% from last fiscal year.

See Note 5 of the financial statements for further details on the District's capital assets.

Long-Term Debt

As of June 30, 2020 the District had \$1,066,000 in bonds payable, which is a decrease of \$197,000 from the prior fiscal year.

Budgetary Highlights

The original budget (2019-2020) was approved in May 2019. Budgeted appropriations were developed with certain determinants remaining unknown; most important of which are the final certified enrollment and the prior year's ending fund balance. For this reason, the "original" budget is approved and submitted based on future resolution of these unknown issues. The 2019-2020 Amended Final Budget was filed, as required, on or before January 1, 2020. The second 2019-2020 Amended Final Budget was filed, as required, on or before June 30, 2020.

**LANDER COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Nevada statutes and District regulations require that Districts legally adopt budgets for all funds (except for agency funds). Budgets are prepared in accordance with generally accepted accounting principles and in accordance with state statutes. Budgeted amounts reflected in the accompanying financial statement recognize amendments made during the year. The final appropriated budget is prepared by fund, program and function. All appropriations lapse at year-end and encumbrances are re-appropriated in the ensuing fiscal year.

The Board adopted 2019-2020 Amended Final Budget for the General Fund reflected total revenues and other financing sources of \$15,985,158 with \$1,525,964 as an unrestricted opening fund balance. The budget reflected total expenditures and other financing uses of \$14,594,784.

Total actual General Fund revenues for fiscal year 2020 were \$11,173,099 compared to budgeted revenues of \$15,620,989. The difference primarily relates to ad valorem taxes. Total actual General Fund expenditures and transfers out were \$12,563,343 compared to budgeted expenditures and transfers of \$14,594,784. Most expenditure line items were under budget.

Economic Factors and Future Events

The District continued to receive an increased amount of funding for the fiscal year 2020 due to the receipt of net proceeds. In addition to this, the District continued to take fiscal action to maximize income from cash and investment assets. These additional revenues, however, are limited to this fiscal year. Legislation was passed that eliminates the receipt of net proceeds in future years. For this reason, some of the funding received this year was used to prepare for years in the near future when revenues received could be substantially less than the fiscal year 2020.

A greater emphasis has been given to multi-tiered systems of support (MTSS). Positions were maintained at all three schools. Grant funding has been used aggressively to address safe-school needs and to ensure a single-point entry at all buildings.

Updates have been added to the revised five year maintenance of buildings and facilities plan in order to keep the existing buildings and the new structures in top physical and mechanical condition. The District continues to utilize purchasing agreements in order to achieve savings wherever possible.

BASIC FINANCIAL STATEMENTS

LANDER COUNTY SCHOOL DISTRICT
Statement of Net Position
June 30, 2020
(With Comparative Totals for June 30, 2019)

	2020	2019
Assets		
Cash and investments	\$ 19,064,357	\$ 19,168,237
Receivables (net of allowance for uncollectibles)	857,360	789,413
Taxes receivable, delinquent	144,025	111,134
Capital assets not being depreciated	175,737	175,737
Capital assets being depreciated, net of accumulated depreciation	37,791,476	37,899,166
Total assets	58,032,955	58,143,687
Deferred Outflows of Resources		
Deferred outflows related to pensions	1,942,063	1,962,963
Deferred outflows related to OPEB	336,436	241,964
Total deferred outflows of resources	2,278,499	2,204,927
Liabilities		
Accounts payable	663,249	286,756
Accrued liabilities	1,183,447	1,013,169
Accrued interest payable	2,255	2,672
Advances	-	28,286
Noncurrent liabilities:		
Due within one year	292,000	337,000
Due in more than one year	1,105,448	1,185,577
Net pension liability	11,538,099	11,963,468
Net other postemployment benefits liability	4,625,227	4,358,042
Total liabilities	19,409,725	19,174,970
Deferred Inflows of Resources		
Deferred inflows related to pensions	2,900,928	2,722,148
Deferred inflows related to OPEB	445,743	507,976
Total deferred outflows of resources	3,346,671	3,230,124
Net Position		
Net investment in capital assets	36,901,213	36,811,903
Restricted for:		
Net proceeds of minerals	4,679,617	6,455,380
Local funds	606,489	592,716
Adult education	2,868	3,296
Federal funds	25,417	1,835
State funds	32,214	6,306
Claims	1,148,881	1,736,578
Student scholarship and awards	393,420	-
Teacher advancement	21,442	-
Unrestricted	(6,256,503)	(7,664,494)
Total net position	\$ 37,555,058	\$ 37,943,520

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

LANDER COUNTY SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

Functions/Programs	Expenses	Program Revenues			Net (Expense) / Revenue and Change in Net Position for Governmental Funds	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2020	2019
Primary government:						
Programs						
Regular	\$ 5,696,370	\$ -	\$ 683,333	\$ -	\$ (5,013,037)	\$ (4,557,451)
Special	1,484,403	-	791,344	-	(693,059)	(142,330)
Vocational	431,098	-	45,004	-	(386,094)	(269,903)
Other instructional	98,560	-	78,860	-	(19,700)	(46,732)
Co-curricular and extra-curricular	238,570	-	-	-	(238,570)	(276,017)
Adult education	55,466	203	54,747	-	(516)	(2,347)
Total program	<u>8,004,467</u>	<u>203</u>	<u>1,653,288</u>	<u>-</u>	<u>(6,350,976)</u>	<u>(5,294,780)</u>
Support services						
Student support	628,997	1,475	241,059	-	(386,463)	(285,761)
Instructional staff support	1,009,680	-	107,552	-	(902,128)	(725,382)
General administration	664,141	-	645	-	(663,496)	(821,661)
School administration	924,545	-	-	-	(924,545)	(829,601)
Central services	467,657	-	-	-	(467,657)	(434,097)
Operations and maintenance	1,502,315	-	81,446	-	(1,420,869)	(1,397,816)
Student transportation	409,216	-	-	-	(409,216)	(434,043)
Other central services	42,498	-	-	-	(42,498)	(27,781)
Other support	57,420	-	54,022	-	(3,398)	(1,720)
Total support services	<u>5,706,469</u>	<u>1,475</u>	<u>484,724</u>	<u>-</u>	<u>(5,220,270)</u>	<u>(4,957,862)</u>
Operation of noninstructional services						
Food services operations	355,782	64,749	255,809	-	(35,224)	(33,808)
Total operation of noninstructional	<u>355,782</u>	<u>64,749</u>	<u>255,809</u>	<u>-</u>	<u>(35,224)</u>	<u>(33,808)</u>
Facilities acquisition and construction						
Land improvement	44,580	-	-	-	(44,580)	(13,090)
Building acquisition and construction	513,978	-	-	-	(513,978)	(513,786)
Site improvements	18,544	-	-	-	(18,544)	-
Building improvements	672,187	-	-	235,254	(436,933)	(358,318)
Total facilities acquisition and construction	<u>1,249,289</u>	<u>-</u>	<u>-</u>	<u>235,254</u>	<u>(1,014,035)</u>	<u>(885,194)</u>
Interest on long-term debt	30,675	-	-	-	(30,675)	(35,879)
Total primary government	<u>\$ 15,346,682</u>	<u>\$ 66,427</u>	<u>\$ 2,393,821</u>	<u>\$ 235,254</u>	<u>(12,651,180)</u>	<u>(11,207,523)</u>
General revenues:						
Property taxes, levied for general purposes					8,932,834	10,617,252
Local school support taxes					1,559,723	1,315,900
Governmental services tax					578,298	591,622
State aid not restricted to specific purposes					364,568	90,983
Federal aid not restricted to specific purposes					2,125	2,255
Other local sources					2,843	10,863
Unrestricted investment earnings					406,730	235,877
Total general revenues					<u>11,847,121</u>	<u>12,864,752</u>
Change in net position					(804,059)	1,657,229
Net position - beginning					37,943,520	36,286,291
Restatement adjustment					415,597	-
Net position - ending					<u>\$ 37,555,058</u>	<u>\$ 37,943,520</u>

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

LANDER COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Special Education	Capital Projects Facilities & Site Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 7,651,737	\$ 434,210	\$ 4,655,874	\$ 5,064,766	\$ 17,806,587
Taxes receivable, delinquent	144,025	-	-	-	144,025
Due from other funds	107,939	-	-	-	107,939
Due from other governments	451,818	-	81,446	300,930	834,194
Total assets	<u>\$ 8,355,519</u>	<u>\$ 434,210</u>	<u>\$ 4,737,320</u>	<u>\$ 5,365,696</u>	<u>\$ 18,892,745</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities:					
Accounts payable	\$ 294,955	\$ 156,912	\$ 78,526	\$ 132,856	\$ 663,249
Accrued liabilities	812,483	95,332	-	31,274	939,089
Due to other funds	97,359	11,984	-	110,899	220,242
Total liabilities	<u>1,204,797</u>	<u>264,228</u>	<u>78,526</u>	<u>275,029</u>	<u>1,822,580</u>
Deferred inflows of resources:					
Unavailable revenue	144,025	-	-	-	144,025
Total deferred inflows of resources	<u>144,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,025</u>
Fund balances:					
Restricted for:					
Net proceeds of minerals (NRS 387.1235)	4,679,617	-	-	-	4,679,617
Local funds	-	-	-	606,489	606,489
Adult education	-	-	-	2,868	2,868
Federal funds	-	-	-	25,417	25,417
State funds	-	-	-	32,214	32,214
Student scholarship and awards	393,420	-	-	-	393,420
Teacher advancement	21,442	-	-	-	21,442
Committed for:					
Rental properties	-	-	-	265,303	265,303
Stabilization	-	-	-	725,473	725,473
Compensated absences	-	-	-	217,533	217,533
Assigned to:					
Food services	-	-	-	317,154	317,154
Debt service	-	-	-	228,090	228,090
Capital projects	-	-	4,658,794	2,670,126	7,328,920
Other purposes	-	169,982	-	-	169,982
Unassigned	1,912,218	-	-	-	1,912,218
Total fund balances	<u>7,006,697</u>	<u>169,982</u>	<u>4,658,794</u>	<u>5,090,667</u>	<u>16,926,140</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,355,519</u>	<u>\$ 434,210</u>	<u>\$ 4,737,320</u>	<u>\$ 5,365,696</u>	<u>\$ 18,892,745</u>

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

LANDER COUNTY SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2020

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds		\$ 16,926,140
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 50,733,809	
Accumulated depreciation	<u>(12,766,596)</u>	37,967,213
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows related to pensions	1,942,063	
Deferred inflows related to pensions	(2,900,928)	
Deferred outflows related to OPEB	336,436	
Deferred inflows related to OPEB	<u>(445,743)</u>	(1,068,172)
Deferred inflows of resources represent amounts that are not available to fund current expenditures, and therefore, are not reported as revenues in the governmental funds.		
		144,025
The District's insurance internal service fund is used by management to charge the costs of certain activities of individual funds. The net position of the internal service fund is reported with the governmental activities.		
		1,148,881
Some liabilities, including bonds payable, pension liabilities and interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	(1,066,000)	
Compensated absences	(331,448)	
Net pension liability	(11,538,099)	
Net OPEB obligation	(4,625,227)	
Accrued interest payable	<u>(2,255)</u>	<u>(17,563,029)</u>
Net position of governmental activities		<u><u>\$ 37,555,058</u></u>

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

LANDER COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Special Education	Capital Projects Facilities & Site Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Local sources	\$ 11,039,731	\$ -	\$ 448,823	\$ 156,556	\$ 11,645,110
State sources	-	528,065	-	1,094,254	1,622,319
Federal sources	133,368	-	231,200	877,735	1,242,303
Total revenues	<u>11,173,099</u>	<u>528,065</u>	<u>680,023</u>	<u>2,128,545</u>	<u>14,509,732</u>
Expenditures					
Programs					
Regular	4,964,145	-	-	479,495	5,443,640
Special	-	1,195,063	-	204,743	1,399,806
Vocational	336,579	-	-	61,527	398,106
Other instructional	-	-	-	78,860	78,860
Co-curricular and extra-curricular	227,578	-	-	-	227,578
Adult education	-	-	-	55,378	55,378
Total program expenditures	<u>5,528,302</u>	<u>1,195,063</u>	<u>-</u>	<u>880,003</u>	<u>7,603,368</u>
Support services expenditures					
Student support	296,272	-	-	303,464	599,736
Instructional staff support	693,964	-	-	265,230	959,194
General administration	654,132	-	-	9,092	663,224
School administration	869,354	-	-	10,393	879,747
Central services	414,402	-	25,021	7,575	446,998
Operations and maintenance	1,398,652	-	99,210	59,626	1,557,488
Student transportation	308,123	-	-	237,681	545,804
Other central services	41,890	-	-	-	41,890
Other support	5,000	-	-	48,218	53,218
Total support service expenditures	<u>4,681,789</u>	<u>-</u>	<u>124,231</u>	<u>941,279</u>	<u>5,747,299</u>
Operation of noninstructional services					
Food services	-	-	-	341,915	341,915
Facilities acquisition and construction services					
Land improvement	-	-	19,140	-	19,140
Site improvements	-	-	28,007	-	28,007
Building improvements	-	-	715,186	209,043	924,229
Total facilities acquisition and construction expenditures	<u>-</u>	<u>-</u>	<u>762,333</u>	<u>209,043</u>	<u>971,376</u>
Debt service					
Principal	-	-	-	197,000	197,000
Interest	-	-	-	31,092	31,092
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,092</u>	<u>228,092</u>
Total expenditures	<u>10,210,091</u>	<u>1,195,063</u>	<u>886,564</u>	<u>2,600,332</u>	<u>14,892,050</u>
Excess revenues over (under) expenditures	<u>963,008</u>	<u>(666,998)</u>	<u>(206,541)</u>	<u>(471,787)</u>	<u>(382,318)</u>
Other financing sources (uses)					
Transfers in	-	738,065	974,400	640,787	2,353,252
Transfers out	(2,353,252)	-	-	-	(2,353,252)
Total other financing sources and uses	<u>(2,353,252)</u>	<u>738,065</u>	<u>974,400</u>	<u>640,787</u>	<u>-</u>
Net change in fund balances	(1,390,244)	71,067	767,859	169,000	(382,318)
Fund balances - beginning of year	7,981,344	98,915	3,890,935	4,921,667	16,892,861
Restatement adjustment	415,597	-	-	-	415,597
Fund balances - end of year	<u>\$ 7,006,697</u>	<u>\$ 169,982</u>	<u>\$ 4,658,794</u>	<u>\$ 5,090,667</u>	<u>\$ 16,926,140</u>

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

LANDER COUNTY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds \$ (382,318)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	\$ 1,110,951	
Depreciation expense	<u>(1,066,060)</u>	44,891

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets. (152,581)

Pension and OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the reported net pension liability and OPEB liability are measured a year before the report date. Pension expense and OPEB expense, which are the change in the net pension liability and OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, are reported in the statement of activities.

Pension contributions	937,779	
Pension expense	(712,090)	
OPEB contributions	249,399	
OPEB expense	<u>(359,879)</u>	115,209

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal repayments		197,000
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Because some property taxes and other revenues will not be collected in time to pay for obligations of the current period, they are not considered available revenues in the governmental funds and are instead reported as deferred inflows of resources. The changes in such deferred inflows of resources are accounted for as revenue in the statement of activities.

32,891

Accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded in the statement of activities. This adjustment reflects the change in interest payable.

417

The District's insurance internal service fund is used by management to charge the costs of certain activities of individual funds. The change in net position of the internal service fund is reported with the governmental activities.

(587,697)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences		<u>(71,871)</u>
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Change in net position of governmental activities		<u><u>\$ (804,059)</u></u>
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The accompanying notes are an integral part of the financial statements.

LANDER COUNTY SCHOOL DISTRICT
PROPRIETARY FUND
Statement of Net Position
June 30, 2020

	Governmental Activities, Internal Service, Health and Accident Insurance Fund
Assets	
Cash and investments	\$ 1,257,770
Accounts receivable	23,166
Due from other funds	<u>112,303</u>
Total assets	<u>1,393,239</u>
Liabilities	
Accrued liabilities	<u>244,358</u>
Net Position	
Restricted for claims	<u><u>\$ 1,148,881</u></u>

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

**LANDER COUNTY SCHOOL DISTRICT
 PROPRIETARY FUND
 Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended June 30, 2020**

	<u>Governmental Activities, Internal Service, Health and Accident Insurance Fund</u>
Operating revenues	
Local sources	<u>\$ 1,533,530</u>
Operating expenses	
Support services expenses	<u>2,135,782</u>
Net operating income (loss)	<u>(602,252)</u>
Nonoperating income (expenses)	
Investment earnings	<u>14,555</u>
Change in net position	(587,697)
Total net position-beginning	<u>1,736,578</u>
Total net position-ending	<u><u>\$ 1,148,881</u></u>

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

**LANDER COUNTY SCHOOL DISTRICT
 PROPRIETARY FUND
 Statement of Cash Flows
 For the Year Ended June 30, 2020**

	<u>Governmental Activities, Internal Service, Health and Accident Insurance Fund</u>
Cash flows from operating activities:	
Cash received from employer premiums	\$ 1,073,149
Cash received from employee premiums	453,406
Cash paid for health claims	(1,652,730)
Cash paid for supplemental insurance and administration	<u>(390,412)</u>
Net cash flows from operating activities	<u>(516,587)</u>
Cash flows from investing activities:	
Interest and dividends received	<u>14,555</u>
Net cash flows from investing activities	<u>14,555</u>
Net change in cash and cash equivalents	(502,032)
Cash and cash equivalents at beginning of year	<u>1,759,802</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,257,770</u></u>
Reconciliation of operating income (loss) to net cash cash flows from operating activities:	
Operating income (loss)	\$ (602,252)
Adjustments to reconcile net operating income (loss) to net cash flows from operating activities:	
(Increase) decrease in accounts receivable	7,506
(Increase) decrease in due from other funds	(14,481)
Increase (decrease) in accounts payable	<u>92,640</u>
Net cash flows from operating activities	<u><u>\$ (516,587)</u></u>

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

LANDER COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
Student Activities
Statement of Fiduciary Net Position
June 30, 2020

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 308,868
Total assets	<u>308,868</u>
Liabilities	
Total liabilities	<u>-</u>
Net Position	
Restricted for:	
Student groups	<u>308,868</u>
Total net position	<u><u>\$ 308,868</u></u>

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

**LANDER COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
Student Activities
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020**

	Custodial Funds
Additions	
Student activities	\$ 285,442
Total additions	285,442
DEDUCTIONS	
Student activities	287,173
Total deductions	287,173
Net increase (decrease) in fiduciary net position	(1,731)
Net position - beginning	310,599
Net position - ending	\$ 308,868

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

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable. No business-type activities or component units are reported.

Reporting Entity

The Lander County School District (the District) is authorized under NRS 386.010 and is governed by an elected Board consisting of seven members. The Board possesses final decision making authority and is held primarily accountable for those decisions. The Board is responsible for approving the budget, establishing spending limitations, funding any deficits and borrowing funds and/or issuing bonds to finance District operations and construction.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. As to the District, there are no component units which are included to form the reporting entity.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

The government reports the following major governmental funds:

General Fund – the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Education Fund – used to account for state and local funding used to provide special education to qualifying students.

Capital Projects Facilities and Site Improvement Fund – used to account for the resources used for the acquisition or construction of designated capital assets (except those financed by proprietary or trust funds) including, but not limited to supplies, professional services, equipment and other capital outlay.

Additionally, the District reports the following fund types:

Internal Service (Proprietary) Fund – used to account for operations that provide services to other departments within the District on a cost-reimbursement basis. The District currently has one internal service fund, Health and Accident Insurance Fund, which accounts for transactions relating to health insurance coverage for employees and retired employees.

Fiduciary Funds

Student Activity Custodial Funds – used to account for assets held for student groups and organizations. They are custodial in nature and cannot be used to support the District’s own programs.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Budgets and Budgetary Accounting

Budgets are prepared, filed, noticed and public hearings held in accordance with the Local Government Budget Act (NRS 354). The Board of Trustees may prepare additional financial information and hold additional meetings and/or public hearings other than those identified in statute in order to disseminate to, and solicit information from, the general public. The provisions of this Act include the following major procedures to establish the budgetary data which is reflected in these financial statements.

1. On or before April 15, the Board files a tentative budget with the Nevada Department of Taxation for all funds other than Fiduciary Funds, which are not required to be budgeted. The appropriated budget is prepared by fund, function and department.
2. Public budget hearings on the tentative budgets are held prior to the adoption of the budget to obtain taxpayer comments.
3. On or before June 1, 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 must then be forwarded to the Nevada Department of Taxation for final approval.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

4. On or before January 1, the Board must adopt an amendment to its final budget to reflect any necessary adjustments as a result of the District's completed pupil count.
5. The Department of Taxation shall examine the submitted documents for compliance with law and with appropriate regulations and shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance. The written notice must indicate the manner in which the submitted documents fail to comply with law or appropriate regulations.
6. Whenever the governing body receives from the Department of Taxation a notice of lack of compliance, the governing body shall forthwith proceed to amend the tentative budget to effect compliance with the law and with the appropriate regulation.

The District maintains site-based budgets that identify costs associated with each site and/or department in addition to other formats that may be prescribed by the Board of Trustees or required by Nevada Revised Statutes. Each site will be recognized as a separate unit and will be analyzed as to use of resources and performance.

Generally, budgets for all funds are adopted in accordance with generally accepted accounting principles. All uncommitted appropriations lapse at fiscal year-end.

Budget changes may be required to reflect changes in revenue and/or expenditures. Any transfer, increase or decrease in budget appropriations are conducted pursuant to NRS 354.

Actual expenditures may not exceed budgetary appropriations of the various governmental functions per NRS.

There were no budget violations for the year ended June 30, 2020.

Property Taxes

Taxes on real property are levied and the lien attached on July 1 (the levy date) of the year for which the taxes are levied. Taxes on property are due on the third Monday in August; however, they may be made in four installments payable on the third Monday in August, and the first Mondays in October, January and March. Any tax paid more than ten days late is assessed a penalty. In the event of nonpayment, a tax lien is taken on the first Monday in May, and the County Treasurer is authorized to hold the property for two additional years, subject to redemption upon payment of taxes, penalties and costs, together with the interest at the rate of 10% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer, upon approval of the Board of county Commissioners, obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to sell the property to satisfy the tax lien. As such, real property taxes receivable reflect only those taxes receivable from the delinquent roll years and current taxes collected within 60 days of year-end. No provision for uncollectible accounts has been established, as management does not anticipate any material collection losses with respect to remaining balances.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

The State of Nevada limits the total taxes levied by all overlapping governmental units within the boundaries of Lander County to an amount not to exceed \$3.64 per \$100 of assessed valuation of the property being taxed, except in cases of severe financial emergency as defined by NRS 354.705. In 2005, the Nevada State Legislature passed additional legislation that provides for a partial abatement of the ad valorem taxes levied on qualified property. The abatement limits the increase of taxpayer's bill to 3% over the previous year's tax amount for a primary residence and some rental properties. All other property has a higher limit of 69%.

The Nevada Legislature enacted "tax shift" legislation designed to reduce the level of property taxes collected throughout the State. The District receives a share of sales tax allocated as local school support taxes. The amount of sales tax to be distributed to each governmental entity in Nevada is determined by a formula developed and approved by the State Legislature.

All property taxes are collected by Lander County and general fund property taxes are remitted to the District monthly.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

For purposes of the statement of cash flows, the District considers all time deposits, certificates of deposit, and all highly liquid investments, generally with original maturities of three months or less to be cash equivalents.

Investments for the government are reported at fair value (generally based on quoted market prices) with unrealized gains/losses recorded as adjustments to investment earnings.

Investment earnings related to unrestricted investments of the general fund are primarily assigned and reported in the capital projects facilities and site improvement fund.

Receivables

Receivables, as stated in the balance sheet, are considered collectible. Accordingly, an allowance for uncollectible accounts is not deemed necessary.

Inventories and prepaid items

Expenditures for supplies held for future consumption and minor equipment purchases are charged against appropriations of all governmental funds at the time of purchase. Any inventories of such supplies at year end are not material to the individual funds and are not recognized in these financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Buildings	60 years
Building/Land/Site improvements	10-35 years
Equipment	3-40 years
Vehicles/Buses	10-30 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures by the governmental fund upon acquisition.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District has two items that qualify for reporting in this category; the deferred pension related items (see Note 10) and the deferred OPEB related items (see Note 11). These amounts are deferred and recognized as an outflow of resources in future periods.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has three items that qualify for reporting in this category; unavailable delinquent property taxes, the deferred pension related items (see Note 10) and the deferred OPEB related items (see Note 11). The unavailable delinquent property taxes are deferred in the governmental funds balance sheet and recognized as an inflow of resources in the period that the amounts become available.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined based on annual actuarial reports. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing board is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Superintendent is authorized to assign amounts to a specific purpose in accordance with the District's budget policy pending Board approval. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenditures/Expenses

Program revenues

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

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for these compensated absences is recorded as a long-term liability in the government-wide statements. A liability for these accounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Proprietary funds operating and nonoperating revenues and expenses

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 internal service fund are charges for insurance premiums. Operating expenses for internal service funds include the cost of claims and administrative costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Prior-Year Summarized Comparative Information

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 1. Summary of Accounting Policies, Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications Prior Year Balances

Certain reclassifications have been made to the presentation of the prior fiscal year information to correspond to the current fiscal year's format. Total net position/fund balances and change in net position/fund balances are unchanged due to these reclassifications.

New Pronouncements

For the year ended June 30, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. GASB Statement No. 84 improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Implementation of this new statement resulted in a restatement of beginning fund balance in the general fund and net position in the government-wide financial statements (see Note 14).

NOTE 2. Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 15.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 17.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 3. Deposits and Investments

Deposits and investments of the District at June 30, 2020 consist of the following:

	Carrying Amount-Fair Value
Deposits:	
Cash on hand	\$ 588
Cash in bank	6,688,283
Investments:	
Wells Fargo Securities:	
Money market mutual funds	670,735
Bonds-certificates of deposit	6,856,932
Bonds-US Agencies	5,119,624
Municipal bonds	37,063
Total cash and investments	\$ 19,373,225

A reconciliation of cash and investments as shown on the statement of net position is as follows:

Cash and investments	\$ 19,064,357
Fiduciary fund cash and investments	308,868
Total cash and investments	\$ 19,373,225

Deposits

Custodial Credit Risk

For deposits this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2020, none of the District's bank balance was exposed to custodial credit risk because it was insured or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Investments

State statutes authorize the District to invest in the State Treasurer's investment pool, bonds and debentures of the United States, obligations of the Federal Land Banks, bills and notes of the U.S. Postal Service, obligations of the Federal National Mortgage Association, short-term bonds of local governments, and banker's acceptances. The District has not adopted a formal investments policy that would further limit its investments choices nor further limit its exposure to certain risks as set forth below.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 3. Deposits and Investments, Continued

As of June 30, 2020 the District had the following investments, maturities, and quality ratings:

Investment Type	Fair Value	Credit Rating (1)		Weighted Average Maturity - Days (2)
		S&P	Moody's	
Wells Fargo Securities:				
Money market mutual funds	\$ 670,735	AAAm	Aaa-mf	36
Bonds-certificates of deposit (3)	6,856,932	N/A	N/A	228
Bonds-US Agencies	5,119,624	AA+	Aaa	267
Bonds-Municipal	37,063	AA	Aa3 to Aaa	1,895
Total Fair Value	<u>\$ 12,684,354</u>			

(1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable.

(2) Interest rate risk is estimated using the weighted average days to maturity.

(3) FDIC insured.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's policy for managing its exposure to fair value loss arising from decreasing interest rates is to comply with the provision of the Nevada Revised Statutes (NRS).

Credit risk

For an investment, this is the risk that, in the event of a failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that were in the possession of an outside party. The District does not have a formal investment policy. Credit risk is reduced by investing in the Nevada Local Government Investment pool and other investments authorized by NRS.

Fair value measurements

As noted above, the District holds investments that are measured at fair value on a recurring basis. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The money market mutual funds, bonds—certificates of deposits, bonds—US Agencies, and municipal bonds, as listed previously, are valued using significant other observable inputs (Level 2 inputs).

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 4. Interfund Receivables, Payables, and Transfers

Interfund account balances due to/from consisted of the following at June 30, 2020:

	Due From Other Funds	Due To Other Funds
General fund	\$ 107,939	\$ 97,359
Special education fund	-	11,984
Internal service fund	112,303	-
Nonmajor funds	-	110,899
Total	\$ 220,242	\$ 220,242

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the fiscal year ended June 30, 2020 are as follows:

	Transfers In	Transfers Out
General fund	\$ -	\$ 2,353,252
Special education	738,065	-
Capital projects fund	974,400	-
Nonmajor funds	640,787	-
Total	\$ 2,353,252	\$ 2,353,252

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 5. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

Governmental Activities:	Balance 06/30/19	Additions	Deletions	Balance 06/30/20
Capital assets, not being depreciated:				
Land	\$ 175,737	\$ -	\$ -	\$ 175,737
Total capital assets, not being depreciated:	<u>175,737</u>	<u>-</u>	<u>-</u>	<u>175,737</u>
Capital assets, being depreciated:				
Buildings and improvements	45,543,527	825,421	(92,772)	46,276,176
Improvements other than buildings	993,865	7,759	(62,543)	939,081
Equipment and vehicles	3,459,667	277,771	(394,623)	3,342,815
Total capital assets, being depreciated:	<u>49,997,059</u>	<u>1,110,951</u>	<u>(549,938)</u>	<u>50,558,072</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,723,234)	(866,276)	42,518	(10,546,992)
Improvements other than buildings	(529,586)	(30,254)	45,004	(514,836)
Equipment and vehicles	(1,845,073)	(169,530)	309,835	(1,704,768)
Total accumulated depreciation	<u>(12,097,893)</u>	<u>(1,066,060)</u>	<u>397,357</u>	<u>(12,766,596)</u>
Total capital assets, being depreciated, net	<u>37,899,166</u>	<u>44,891</u>	<u>(152,581)</u>	<u>37,791,476</u>
Governmental activities capital assets, net	<u>\$ 38,074,903</u>	<u>\$ 44,891</u>	<u>\$ (152,581)</u>	<u>\$ 37,967,213</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<u>Function and Activity</u>	
Regular programs	\$ 1,903
Vocational programs	3,302
Co-curricular and extra-curricular programs	2,600
Support Services:	
Student support	811
Instructional staff support	30,318
Operations and maintenance	32,026
Student transportation	87,292
Operation of non-instructional services:	
Food service operations	5,200
Facilities and sites improvements:	
Land improvement	12,924
Building acquisition and construction	513,978
Site Improvements	18,544
Building improvements	357,162
	<u>\$ 1,066,060</u>

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 6. Long-Term Liabilities

Long-term liabilities at June 30, 2020 consisted of the following:

Governmental Activities:	Balance 06/30/19	Additions	Retirements	Balance 06/30/20	Current Portion
Bonds payable (direct placement)	\$ 1,263,000	\$ -	\$ (197,000)	\$ 1,066,000	\$ 202,000
Accrued compensated absences	259,577	127,521	(55,650)	331,448	90,000
Net pension liability	11,963,468	-	(425,369)	11,538,099	-
Net OPEB liability	4,358,042	267,185	-	4,625,227	-
Total long-term liabilities	\$ 17,844,087	\$ 394,706	\$ (678,019)	\$ 17,560,774	\$ 292,000

The District has outstanding general obligation bonds from a direct placement related to governmental activities. See above table. The direct placement is not secured by a lien on revenues or any asset. It's a direct and general obligation of the District. In the event of default (i.e. failing to pay the principal and interest when due), the interest rate becomes 5%. The District has no unused lines of credit.

The aggregate maturities of bonds payable (direct placement) are as follows:

Period Ending June 30	Principal	Interest	Total
2021	\$ 202,000	\$ 25,765	\$ 227,765
2022	207,000	20,305	227,305
2023	213,000	14,698	227,698
2024	219,000	8,931	227,931
2025	225,000	3,004	228,004
	<u>\$ 1,066,000</u>	<u>\$ 72,703</u>	<u>\$ 1,138,703</u>

The following is a listing of long-term liabilities as of June 30, 2020:

Bonds payable:

Governmental activities:

General Obligation (Limited Tax) Medium-Term, Series 2015, with semi-annual interest payments ranging between \$12,000 and \$52,000, and annual principal payments ranging between \$177,000 and \$225,000, bearing interest at 2.67%, maturing December 2024.

\$ 1,066,000

Total bonds payable

1,066,000

Accrued compensated absences

331,448

Net pension liability

11,538,099

Net OPEB liability

4,625,227

Total long-term liabilities

17,560,774

Less current portion:

(292,000)

Net long-term liabilities

\$ 17,268,774

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 7. Nevada Plan for Local Education Agency Financing

The Nevada Plan is the means used to finance elementary and secondary education in Nevada's public schools. The State develops a guaranteed amount of funding for the District. Funding consists of state support received through the distributive school account and locally collected revenues through a 2.25 cent local school support tax and 25 cents of the ad valorem tax.

The District receives funding based on the number of students enrolled on the last day of the first school month. The funding rate is determined by a formula that considers the demographic characteristics of the District. In addition, transportation costs are included using approximately 85% of the actual historical costs adjusted for inflation according to the Consumer Price Index. A wealth adjustment based on the District's ability to generate revenues in addition to the guaranteed funding is also included in the formula.

Special education is funded on a unit basis, with the amount per unit established by the legislature. A unit includes the full-time services of licensed personnel providing a program of instruction in accordance with minimum standards prescribed by the State Board of Education. To protect the District from decreases in enrollment by 5% or more, the Nevada Revised Statutes contain a Hold Harmless Provision. If the District's enrollment decreases, the guaranteed level of funding is based on the highest enrollment figures from the prior two years. If the decrease in enrollment is less than 5%, funding is based on the prior year enrollment figures.

NOTE 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks, except for injuries to employees, are covered by commercial insurance purchased from independent third parties.

The District joined together with similar public agencies (cities, counties, school and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (POOL) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The District pays an annual premium and specific deductibles, as necessary to POOL for its general insurance coverage. POOL is considered a self-sustaining risk pool that will provide liability coverage of its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities. Cyber security coverage is provided to its members up to \$2,000,000 per event with a \$2,000,000 annual aggregate per member with a sublimit for privacy response expense of \$500,000.

The District has also joined together with similar public agencies, under the Nevada Interlocal Cooperation Act, to create an intergovernmental self-insured association for workers compensation insurance, the Public Agency Compensation Trust (PACT). The District pays premiums based on payroll costs to PACT. PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 8. Risk Management, Continued

The District continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by POOL. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

The Health and Accident Insurance Fund is accounted for as an internal service fund where assets are set aside for health claim settlements. The District maintains stop loss insurance coverage from an outside insurance carrier for any claims in excess of \$80,000 per occurrence with a limit of liability for the coverage period of \$1,000,000.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors.

Changes in the balances of the claims liabilities during the past two fiscal years are as follows:

	Unpaid Claims Beginning	Incurred Claims (Including) (IBNRs)	Claim Payments	Unpaid Claims Ending
Self-insurance health				
2019-2020	\$ 151,718	\$ 1,849,070	\$ 1,756,430	\$ 244,358
2018-2019	143,500	1,459,955	1,451,737	151,718

NOTE 9. Stabilization Fund

NRS 354.6115 states that the governing body of a local government may, by resolution, establish a fund to stabilize the operation of the local government and mitigate the effects of natural disasters. The District's stabilization fund is reported in a separate special revenue fund and includes a specific committed revenue source. The NRS also states that the money in this fund may be used only if the total actual revenue of the local government falls short of the total anticipated revenue in the general fund for the fiscal year in which the local government uses that money; or to pay expenses incurred by the local government to mitigate the effects of a natural disaster. The District's resolution on these committed funds further details when these funds may be used, which is not expected to occur routinely.

In addition, NRS 354.6115 states that the balance in the stabilization amount must not exceed 10 percent of the expenditures from the general fund for the previous fiscal year, excluding any federal funds expended by the local government.

During the fiscal year ended June 30, 2020, the District complied with the provisions of this section.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 10. Retirement and Pension Plans

Public Employees' Retirement System of Nevada (PERS)

Plan description

PERS administers a cost-sharing, multiple-employer, defined benefit pension plan, which includes regular members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010, and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 - .579.

Vesting

Regular members entering the system prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members who entered the system on or after July 1, 2015, are eligible for retirement at age 65 with 5 years of service, or at age 62 with 10 years of service or at age 55 with 30 years of service or any age with 33 1/3 years of service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Regular members become fully vested as to benefits upon completion of five years of service.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 10. Retirement and Pension Plans, Continued

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. In one plan, contributions are shared equally by employer and employee. In the other plan, employees can take a reduced salary and have contributions made by the employer (EPC).

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2019 and June 30, 2020 the Statutory Employer/employee matching rate was 14.50% and 15.25%, respectively, for Regular members. The Employer-pay contribution (EPC) rate was 28.00% and 29.25%, respectively, for Regular members.

The District's contribution for the year ended June 30, 2020 was \$937,779, which was equal to the required contribution.

Investment policy

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following was the Board adopted policy target asset allocation as of June 30, 2019:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return*
U.S. stocks	42%	5.50%
International stocks	18%	5.75%
U.S bonds	28%	0.25%
Private markets	12%	6.80%

*As of June 30, 2019, PERS' long-term inflation assumption was 2.75%.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 10. Retirement and Pension Plans, Continued

Pension liability

Net pension liability

At June 30, 2020, the District reported a liability of \$11,538,099 for its proportionate share of the PERS' net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2019. The District's proportion measured as of June 30, 2019, was 0.084620 percent, which was a decrease of 0.003100 percent from its proportion measured as of June 30, 2018.

Pension liability discount rate sensitivity

The following presents the net pension liability of the PERS as of June 30, 2019, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current discount rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of Net pension (asset) / liability	\$ 17,865,350	\$ 11,538,099	\$ 6,278,548

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report (CAFR), available on the PERS website. www.nvpers.org.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 10. Retirement and Pension Plans, Continued

Actuarial assumptions

The District's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Investment rate of return	7.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of the experience study for the period July 1, 2012 through June 30, 2016.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 10. Retirement and Pension Plans, Continued

Pension expense and deferred outflows/inflows of resources related to pensions

For the year ended June 30, 2020, the District recognized pension expense for PERS of \$712,090. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 432,666	\$ 332,802
Changes in assumptions or other inputs	469,553	-
Net difference between projected and actual earnings on pension plan investments	-	573,979
Subtotal	902,219	906,781
Changes in proportion	102,065	1,994,147
Contributions subsequent to the measurement date	937,779	-
Total	\$ 1,942,063	\$ 2,900,928

Average expected remaining service lives 6.18 years

The \$937,779 reported as deferred outflows of resources related to PERS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pensions, excluding the changes in proportion, will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2021	\$ 32,492
2022	(218,914)
2023	60,141
2024	74,500
2025	42,340
2026	4,879

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB)

Plan description

The District contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Additionally, the District administers a single-employer defined benefit healthcare plan, Lander County School District Employee Health Benefits Plan (LCSDEHBP). Each plan provides medical and life insurance benefits to eligible retired District employees and beneficiaries. In addition, PEBP provides dental and vision benefits.

Benefit provisions for PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. Benefit provisions for LCSDEHBP are established pursuant to NRS 287.023 and amended through negotiations between the District and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to board of trustees.

Benefits provided

PEBP

PEBP closed to non-State public agency retirees on September 1, 2008 unless the agency's active employees are participating in PEBP. However, the District is responsible for a portion of the PEBP subsidy for a former employee retiring after September 1, 2008 from the State or from a Non-State public agency whose active employees participate in PEBP. For a retiree to participate in the PEBP program, the participant must be receiving a PERS benefit. PERS eligibility requirements vary by employee group and benefit type.

Those retirees and former employees who were eligible and elected PEBP coverage are entitled to a subsidy toward their premium cost based on their years of covered employment under Nevada PERS. The subsidy is shared on a pro-rata basis by the employers for which the retiree has worked and earned PERS service credit. Thus, the District is obligated to subsidize health care premiums for former employees as well as those who retired directly from the District.

The Nevada Legislature changes the benefit subsidies from time to time. The monthly subsidy continues to be based on years of credited service under Nevada PERS, though the level differs for pre-Medicare and Medicare eligible retirees. The subsidy ends at the earlier of the retiree's death or the date he or she discontinues coverage.

There are exceptions to the amounts shown below:

- (a) Participants who retired before January 1, 1994 receive the 15 year subsidy, regardless of their years of covered service and
- (b) Participants do not receive a subsidy if they were hired by their last employer on or after January 1, 2010, retired with less than 15 years of service and were not disabled.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Agency subsidy for PEBP coverage for non-state pre-medicare retirees: The subsidy provided to pre-Medicare retirees varies based on the type of plan selected (PPO or HMO) and by the level of coverage taken (e.g., single, two party, family, etc.). The chart below shows our understanding of monthly amounts payable beginning July 2018 for those with 15 years of PERS service. Actual pre-Medicare subsidies for September 2018, as invoiced to the District by individual, were used for the valuation. Some subsidy increases are expected pursuant to SB 552, to be phased in through 2022.

Coverage Level	PPO CDHP		Statewide EPO/HMO	
	Base Subsidy	SB 552 Subsidy	Base Subsidy	SB 552 Subsidy
	<i>For 15 years of PERS service</i>			
Retiree Only	\$ 813.80	\$ 163.65	\$ 398.00	\$ (11.66)
Retiree + Spouse	1,389.86	419.51	630.93	(28.22)
Retiree + Child(ren)	1,212.52	384.79	527.69	(5.39)
Retiree + Family	1,788.58	640.65	760.62	(21.95)

HRA contributions for non-state medicare retirees covered by the exchange: Amounts paid for Medicare eligible retirees covered by the Exchange do not vary by type of plan or coverage level; they vary only by years of PERS membership service. On September 1, 2018, the monthly subsidy for retirees on the Medicare Exchange is \$12 per month per year of PERS service. The maximum benefit payable is \$240 per month.

LCSDEHBP

Employees who retire from the District are eligible to continue their coverage under the health plans and life insurance plan offered by the District to its active employees or, if they retired prior to September 1, 2008, could elect to participate in the Public Employees' Benefit Plan (PEBP).

Retirees may elect to continue their medical, dental, vision and life insurance coverage for themselves and their dependents under the programs made available to the District's active employees, but are required to pay 100% of the monthly premiums.

The only conditions to be eligible for coverage as a retiree are:

1. The employee must have qualified for and started his or her retirement benefits from Nevada PERS;
2. The employee was eligible for benefits while employed by the District; and
3. The District is the employee's last Nevada public agency employer.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

District health plan premium rates: A composite monthly premium rate applies to medical, dental and vision coverage and the premium varies based on the family members covered. The District healthcare plan's monthly premium rates in effect beginning October 1, 2018 through September 30, 2019 were:

Coverage Level	Active Employees	Retirees	
		Pre Medicare	Post Medicare
Employee only	\$ 775	\$ 600	\$ 450
Employee & 1 dependent	1,275	1,100	950
Employee & 2 dependents	1,375	1,200	1,050
Employee & 3 or more dependents	1,475	1,300	1,150

Life insurance: Retirees who continue the healthcare coverage are also eligible to continue life insurance coverage through the District at their own expense. The coverage (face amount of insurance) is \$5,000 for all retirees, regardless of age and the premium is \$1.85 per month. No life insurance coverage is available through the District for dependents of retirees.

Employees covered by benefit terms

PEBP

There are no active District employees covered by or eligible for coverage under PEBP. There are 70 former employees for whom the District pays a subsidy toward the cost of PEPB coverage.

LCSDEHBP

There are 110 active employees for the September 2018 valuation and all are participating in the medical program. There are 14 retirees covered by the District's healthcare and life insurance plans.

Contributions

PEBP

District contributions to the Plan occur as benefits are paid to retirees. In this PEBP program, the only benefit payments occur in the form of direct payments to PEBP on behalf of currently covered retirees. Contributions to the Plan from the District were \$161,424 for the year ended June 30, 2020.

LCSDEHBP

District contributions to the Plan occur as benefits are paid to retirees. Benefit payments may occur in the form of direct payments for premiums and taxes ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). Contributions to the Plan from the District were \$87,975 for the year ended June 30, 2020.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Plan financial reports

Information about PEBP's financial report is available at <https://pebp.state.nv.us/>. LCSDEHBP does not issue a separate financial report.

OPEB liability

Net OPEB liability

At June 30, 2020, the District reported a net OPEB liability of \$2,774,657 for PEBP and \$1,850,570 for LCSDEBHP. The net liability was measured as of June 30, 2019 and the total liability was determined by an actuarial valuation as of September 1, 2018. An OPEB trust has not been established so the total liability is equal to net liability. There are no assets accumulated in a trust that meet the criteria in GASB 75 (paragraph 4) to pay related benefits. The total OPEB liability as of June 30, 2019 reflects a change in the use of discount rates of 3.62% as of June 30, 2018 and 3.13% as of June 30, 2019. There were no other significant changes of actuarial assumptions. The projections are based on established patterns of practice.

OPEB liability discount rate sensitivity

The following presents the net OPEB liability calculated using the discount rate of 3.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability - PEBP	\$ 3,110,764	\$ 2,774,657	\$ 2,492,153
Net OPEB liability - LCSDEHBP	2,080,458	1,850,570	1,660,018

OPEB liability healthcare cost trend rates sensitivity

The following presents the net OPEB liability calculated using current healthcare cost trend rates, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Medical Trend</u>	<u>1% Increase</u>
Net OPEB liability - PEBP	\$ 2,511,387	\$ 2,774,657	\$ 3,081,368
Net OPEB liability - LCSDEHBP	1,611,131	1,850,570	2,240,673

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Actuarial assumptions

PEBP

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Salary increases	N/A – no active employee in this plan
Discount rate	3.13%
Funding method	Entry age normal cost, closed group, level percent of pay
Healthcare cost trend rates	Pre-Medicare subsidy increase: 6.25% for 7/1/19, 6.00% for 7/1/20, 5.75% for 7/1/21, 5.50% for 7/1/22, 5.25% for 7/1/23, 5.00% for 7/1/24 and later years Medicare subsidy increase: 4.50% for 7/1/20 and later years

The basic mortality rates used in this valuation are based on the most recently published report of the Nevada Public Employees Retirement System, dated June 30, 2017, except for a different basis used to project future mortality improvements.

Non-disabled life rates for regular employees:

Males and Females: Headcount-Weighted RP-2014 Healthy Annuitant Table

These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2018 on a generational basis from 2018 forward.

The discount rate used to measure the total OPEB liability was 3.13% as of June 30, 2019. The District funds the PEBP OPEB liability on a pay-as-you-go basis. Therefore, the discount rate used in this valuation is based on the Fidelity Municipal Bond AA 20 Year Maturity Yield.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

LCSDEHBP

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Salary increases	4.00%
Discount rate	3.13%
Funding method	Entry age normal cost, closed group, level percent of pay
Healthcare trend	Medical premium increase: actual for 10/1/19, 6.00% for 10/1/20, 5.75% for 10/1/21, 5.50% for 10/1/22, 5.25% for 10/1/23, 5.00% for 10/1/24 and later years

The demographic actuarial assumptions used in this valuation are based on the most recently published report of the Nevada Public Employees Retirement System, dated June 30, 2017, which covers the employees included in this valuation except for a different basis used to project future mortality improvements.

Non-disabled life rates for regular employees:

Males and Females: Headcount-Weighted RP-2014 Healthy Annuitant Table set forward 1 year

Pre-retirement life rates for regular employees:

Males and Females: Headcount-Weighted RP-2014 Employee Table

These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2018 on a generational basis from 2018 forward (i.e. mortality is projected to improve each year until the payments anticipated in any future year occur).

The discount rate used to measure the total OPEB liability was 3.13% as of June 30, 2019. The District funds the PEBP OPEB liability on a pay-as-you-go basis. Therefore, the discount rate used in this valuation is based on the Fidelity Municipal Bond AA 20 Year Maturity Yield.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Changes in the net OPEB liability

PEBP

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB (asset) liability (a) - (b)
Balances at June 30, 2019	\$ 2,704,337	\$ -	\$ 2,704,337
Changes during the period:			
Service cost	-		-
Interest cost	94,852		94,852
Expected investment income		-	-
Employer contributions		169,228	(169,228)
Changes of benefit terms	-		-
Benefit payments	(169,228)	(169,228)	-
Assumption changes	144,696		144,696
Plan experience	-		-
Investment experience		-	-
Net changes	<u>70,320</u>	<u>-</u>	<u>70,320</u>
Balances at June 30, 2020	<u>\$ 2,774,657</u>	<u>\$ -</u>	<u>\$ 2,774,657</u>

LCSDEHBP

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB (asset) liability (a) - (b)
Balances at June 30, 2019	\$ 1,653,705	\$ -	\$ 1,653,705
Changes during the period:			
Service cost	109,767		109,767
Interest cost	62,521		62,521
Expected investment income		-	-
Employer contributions		72,736	(72,736)
Changes of benefit terms	-		-
Benefit payments	(72,736)	(72,736)	-
Assumption changes	97,313		97,313
Plan experience	-		-
Investment experience		-	-
Net changes	<u>196,865</u>	<u>-</u>	<u>196,865</u>
Balances at June 30, 2020	<u>\$ 1,850,570</u>	<u>\$ -</u>	<u>\$ 1,850,570</u>

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Plan fiduciary net position

Detailed information about PEBP's fiduciary net position is available in a separately issued PEBP financial report. LCSDEHBP does not issue a separate financial report.

OPEB expense

For the year ended June 30, 2020, the District recognized OPEB expense for PEBP of \$239,548 and for LCSDEHBP of \$120,331.

Deferred outflows/inflows of resources related to OPEB

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

PEBP

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 161,424	\$ -
Total	\$ 161,424	\$ -

The amount (\$161,424) reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

LCSDEHBP

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 87,037	\$ 180,795
Plan experience	-	264,948
Contributions subsequent to the measurement date	87,975	-
Total	\$ 175,012	\$ 445,743

Expected average remaining service life:	9.47 years
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LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

The amount (\$87,975) reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending	June	Deferred Outflows
30,		(Inflows) of
<u>30,</u>		<u>Resources</u>
2021	\$	(51,957)
2022		(51,957)
2023		(51,957)
2024		(51,957)
2025		(51,957)
Thereafter		(98,921)

Combined balances for OPEB plans

The combined balances for both the PEBP and LCSDEHBP OPEB plans as of and for the year ended June 30, 2020 are as follows:

	<u>PEBP</u>	<u>LCSDEHBP</u>	<u>Combined</u>
Net OPEB liability	\$ 2,774,657	\$ 1,850,570	\$ 4,625,227
Deferred outflows	161,424	175,012	336,436
Deferred inflows	-	445,743	445,743
OPEB expense	239,548	120,331	359,879

NOTE 12. Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability in the applicable funds. The amounts, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

LANDER COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2020

NOTE 13. Tax Abatements

The State of Nevada has entered into various tax abatement agreements that reduce the tax revenues of local governments. Taxes reduced include Consolidated Tax (Basic City-County Relief Tax and Supplemental City-County Relief Tax), Local School Support Tax, Local Option Taxes and Property Taxes. The State's tax abatement programs that reduce tax revenues of local governments include the following:

- NRS 360.753 - Partial abatement of one or more of personal property and local sales and use taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft.
- NRS 360.754 - Partial abatement of one or more of property and local sales and use taxes imposed on a new or expanded data center.
- NRS 701A.370 - Partial abatement of one or more of property and local sales and use taxes imposed on renewable energy facilities.
- NRS 374.357 - Partial abatement of sales and use taxes imposed on eligible machinery or equipment used by certain new or expanded businesses.
- NRS 360.965 - An abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes for capital investments at least \$3.5 billion.

Following are the gross dollar amounts, on an accrual basis, by which the State's abatements reduced the sales and use tax revenue of the District for the year ended June 30, 2020:

NRS 701A.370 – Renewable Energy - \$32,935

NOTE 14. Restatement Adjustment

Fund balance in the general fund and net position in the government-wide financial statements as of July 1, 2019 has been restated by \$415,597 for the implementation of GASB Statement No. 84, *Fiduciary Activities*. The Tom Norris student scholarship and awards and Tom Norris teacher advancement funds (reported in fiduciary funds prior to fiscal year 2020) are no longer considered to be fiduciary activities and are now included in the general fund of the District.

Also, with this change, the student activities are now custodial funds instead of agency funds, and the related funds are presented as net position rather than liabilities. Although not shown on the statement of changes in fiduciary net position, the amount restated is \$310,599 (beginning net position).

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REQUIRED SUPPLEMENTARY INFORMATION

**LANDER COUNTY SCHOOL DISTRICT
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Ad valorem taxes	\$ 13,569,724	\$ 13,569,724	\$ 8,879,943	\$ (4,689,781)	\$ 10,568,012
Franchise taxes	-	-	-	-	-
Governmental services tax	594,936	594,936	578,298	(16,638)	591,622
School support tax	1,274,020	1,274,020	1,559,723	285,703	1,315,900
Tuition, regular day school	20,000	20,000	-	(20,000)	18,400
Department of Wildlife	2,500	2,500	2,125	(375)	2,255
Investment earnings	-	21,591	15,323	(6,268)	2,948
Other local revenue	3,010	4,845	4,319	(526)	10,044
Total from local sources	15,464,190	15,487,616	11,039,731	(4,447,885)	12,509,181
Federal sources					
Impact aid	-	91,853	91,853	-	34,222
National forest	25,000	40,960	40,958	(2)	53,038
E-rate funds	14,168	560	557	(3)	3,723
Total from federal sources	39,168	133,373	133,368	(5)	90,983
Total revenues	15,503,358	15,620,989	11,173,099	(4,447,890)	12,600,164
Expenditures					
Regular programs					
Instruction					
Salaries and wages	3,565,395	3,312,435	3,247,665	64,770	2,998,458
Employee benefits	1,639,995	1,545,845	1,472,771	73,074	1,329,678
Purchased services	78,360	91,485	45,384	46,101	62,429
Supplies	205,055	268,664	190,298	78,366	137,202
Other	9,600	8,860	8,027	833	5,287
Total instruction	5,498,405	5,227,289	4,964,145	263,144	4,533,054
Total regular programs	5,498,405	5,227,289	4,964,145	263,144	4,533,054
Vocational programs					
Instruction					
Salaries and wages	233,945	243,165	231,924	11,241	180,515
Employee benefits	100,175	102,505	98,995	3,510	74,764
Purchased services	7,500	7,000	1,999	5,001	4,433
Supplies	4,500	5,000	3,561	1,439	4,549
Other	875	875	100	775	860
Total vocational programs	346,995	358,545	336,579	21,966	265,121

(continued)

**LANDER COUNTY SCHOOL DISTRICT
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

Expenditures (Continued):	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Co-curricular and extra-curricular programs					
Co-curricular activities					
Instruction					
Salaries and wages	\$ 43,550	\$ 42,165	\$ 32,682	\$ 9,483	\$ 29,621
Employee benefits	2,020	3,405	3,037	368	2,786
Purchased services	700	700	225	475	537
Total instruction	<u>46,270</u>	<u>46,270</u>	<u>35,944</u>	<u>10,326</u>	<u>32,944</u>
Student transportation					
Employee benefits	1,560	1,560	51	1,509	573
Purchased services	11,345	11,345	837	10,508	7,256
Total student transportation	<u>12,905</u>	<u>12,905</u>	<u>888</u>	<u>12,017</u>	<u>7,829</u>
Total co-curricular activities	<u>59,175</u>	<u>59,175</u>	<u>36,832</u>	<u>22,343</u>	<u>40,773</u>
Extra-curricular activities					
Instruction					
Salaries and wages	109,105	114,105	84,960	29,145	95,651
Employee benefits	7,040	9,370	7,669	1,701	8,465
Purchased services	61,850	48,850	43,532	5,318	41,643
Supplies	36,250	34,250	18,377	15,873	33,170
Other	1,120	1,120	1,559	(439)	540
Total instruction	<u>215,365</u>	<u>207,695</u>	<u>156,097</u>	<u>51,598</u>	<u>179,469</u>
Student transportation					
Salaries and wages	22,570	22,570	17,359	5,211	22,073
Employee benefits	8,095	8,095	1,838	6,257	2,243
Purchased services	8,750	8,750	4,868	3,882	5,042
Supplies	30,000	30,000	10,584	19,416	23,159
Total student transportation	<u>69,415</u>	<u>69,415</u>	<u>34,649</u>	<u>34,766</u>	<u>52,517</u>
Total extra-curricular activities	<u>284,780</u>	<u>277,110</u>	<u>190,746</u>	<u>86,364</u>	<u>231,986</u>
Total co-curricular and extra-curricular	<u>343,955</u>	<u>336,285</u>	<u>227,578</u>	<u>108,707</u>	<u>272,759</u>
Support services - student support					
Salaries and wages	332,440	204,055	198,359	5,696	156,116
Employee benefits	183,140	116,090	93,238	22,852	83,334
Purchased services	1,000	1,000	-	1,000	49
Supplies	8,610	14,100	4,675	9,425	5,443
Other	135	135	-	135	-
Total student support	<u>525,325</u>	<u>335,380</u>	<u>296,272</u>	<u>39,108</u>	<u>244,942</u>
Support services - instructional staff support					
Salaries and wages	192,205	192,290	160,148	32,142	173,421
Employee benefits	275,130	240,155	231,628	8,527	238,377
Purchased services	253,050	253,050	161,719	91,331	154,646
Supplies	375,040	302,389	140,469	161,920	184,320
Other	-	-	-	-	715
Total instructional staff support	<u>1,095,425</u>	<u>987,884</u>	<u>693,964</u>	<u>293,920</u>	<u>751,479</u>

(continued)

**LANDER COUNTY SCHOOL DISTRICT
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

Expenditures (Continued):	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Support services - general administration					
Salaries and wages	\$ 219,250	\$ 178,895	\$ 177,928	\$ 967	\$ 226,078
Employee benefits	99,300	80,825	75,085	5,740	89,694
Purchased services	236,000	259,110	192,393	66,717	198,758
Supplies	128,725	81,514	35,021	46,493	35,750
Other	174,450	199,280	173,705	25,575	271,753
Total general administration	857,725	799,624	654,132	145,492	822,033
Support services - school administration					
Salaries and wages	595,235	584,518	576,896	7,622	551,379
Employee benefits	271,055	267,980	261,025	6,955	241,926
Purchased services	25,700	23,414	12,607	10,807	19,340
Supplies	12,830	19,556	18,656	900	13,992
Other	3,500	1,150	170	980	475
Total school administration	908,320	896,618	869,354	27,264	827,112
Support services - central services					
Salaries and wages	310,080	316,290	267,585	48,705	276,462
Employee benefits	146,470	124,935	113,229	11,706	133,411
Purchased services	1,000	1,000	-	1,000	-
Other	57,600	61,500	33,588	27,912	7,161
Total central services	515,150	503,725	414,402	89,323	417,034
Support services - operation and maintenance					
Salaries and wages	383,050	378,315	361,437	16,878	372,925
Employee benefits	193,800	196,160	188,667	7,493	191,788
Purchased services	939,585	962,975	769,816	193,159	658,501
Supplies	112,100	138,732	78,253	60,479	83,106
Other	1,550	1,550	479	1,071	892
Total operation and maintenance	1,630,085	1,677,732	1,398,652	279,080	1,307,212
Support services - student transportation					
Salaries and wages	178,038	166,218	151,617	14,601	149,465
Employee benefits	76,610	75,410	57,183	18,227	53,903
Purchased services	89,500	102,375	57,063	45,312	92,367
Supplies	57,500	58,700	42,260	16,440	36,272
Other	500	500	-	500	-
Total student transportation	402,148	403,203	308,123	95,080	332,007
Support services - other central services					
Salaries and wages	-	38,610	38,513	97	16,200
Employee benefits	-	3,377	3,377	-	3,033
Purchased services	-	-	-	-	7,831
Total other central services	-	41,987	41,890	97	27,064
Support services - other					
Other	-	373,260	5,000	368,260	-
Total other support	-	373,260	5,000	368,260	-
Total support services expenditures	5,934,178	6,019,413	4,681,789	1,337,624	4,728,883
Operation of noninstructional services					
Food services					
Supplies	2,000	-	-	-	2,401
Other	150	-	-	-	150
Total food services	2,150	-	-	-	2,551
Total expenditures	12,125,683	11,941,532	10,210,091	1,731,441	9,802,368
Excess of revenues over/(under) expenditures	3,377,675	3,679,457	963,008	(2,716,449)	2,797,796

(continued)

**LANDER COUNTY SCHOOL DISTRICT
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Other sources (uses)					
Transfers in	\$ -	\$ 21,442	\$ -	\$ (21,442)	\$ 2,254
Transfers out	(3,006,142)	(2,653,252)	(2,353,252)	300,000	(8,461,704)
Sale of capital assets	2,500	2,500	-	(2,500)	9,951
Total other financing sources (uses):	<u>(3,003,642)</u>	<u>(2,629,310)</u>	<u>(2,353,252)</u>	<u>276,058</u>	<u>(8,449,499)</u>
Net change in fund balance	374,033	1,050,147	(1,390,244)	(2,440,391)	(5,651,703)
Fund balance, beginning of year	7,981,344	7,981,344	7,981,344	-	13,633,047
Restatement adjustment	-	-	415,597	(415,597)	-
Fund balance, end of year	<u>\$ 8,355,377</u>	<u>\$ 9,031,491</u>	<u>\$ 7,006,697</u>	<u>\$ (2,855,988)</u>	<u>\$ 7,981,344</u>

**LANDER COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
State sources					
Distributive school fund	\$ 639,845	\$ 508,522	\$ 528,065	\$ 19,543	\$ 644,803
Expenditures					
Special programs					
Instruction					
Salaries and wages	683,730	696,989	673,641	23,348	445,098
Employee benefits	320,185	359,085	337,620	21,465	194,625
Purchased services	2,000	20,890	18,391	2,499	(428)
Supplies	2,500	14,754	11,911	2,843	2,172
Total special programs	1,008,415	1,091,718	1,041,563	50,155	641,467
Student support					
Salaries and wages	91,655	54,125	54,124	1	107,438
Employee benefits	39,520	23,000	22,493	507	44,502
Total student support	131,175	77,125	76,617	508	151,940
Instructional staff support					
Salaries and wages	-	49,795	46,503	3,292	-
Employee benefits	410	25,755	24,578	1,177	555
Total instructional staff support	410	75,550	71,081	4,469	555
Other support					
Purchased services	4,000	2,055	2,052	3	2,678
Supplies	3,500	5,445	3,750	1,695	2,045
Total other support	7,500	7,500	5,802	1,698	4,723
Total expenditures	1,147,500	1,251,893	1,195,063	56,830	798,685
Excess of revenues over (under) expenditures	(507,655)	(743,371)	(666,998)	76,373	(153,882)
Other financing sources (uses)					
Transfers in	507,655	738,065	738,065	-	231,129
Net change in fund balance	-	(5,306)	71,067	76,373	77,247
Fund balance, beginning of year	98,915	98,915	98,915	-	21,668
Fund balance, end of year	\$ 98,915	\$ 93,609	\$ 169,982	\$ 76,373	\$ 98,915

LANDER COUNTY SCHOOL DISTRICT
Schedule of the Proportionate Share of the Net Pension Liability
Public Employees' Retirement System of Nevada
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year (Measurement Date)					
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability (asset)	0.08462%	0.08772%	0.09781%	0.10753%	0.10547%	0.10776%
Proportionate share of the net pension liability (asset)	\$ 11,538,099	\$ 11,963,468	\$ 13,009,053	\$ 14,470,185	\$ 12,085,966	\$ 11,230,684
Covered payroll	\$ 5,818,287	\$ 5,812,909	\$ 6,271,187	\$ 6,511,993	\$ 6,322,085	\$ 6,341,258
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	198.31%	205.81%	207.44%	222.21%	191.17%	177.10%
Plan fiduciary net position as a percentage of the total pension liability	76.5%	75.2%	74.4%	72.2%	75.1%	76.3%

Note: The District implemented GASB 68 in fiscal year 2015. Some prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Schedule of Contributions
Public Employees' Retirement System of Nevada
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year						
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 937,779	\$ 814,561	\$ 813,808	\$ 877,967	\$ 911,679	\$ 813,969	\$ 816,437
Contributions in relation to the contractually required contribution	\$ (937,779)	\$ (814,561)	\$ (813,808)	\$ (877,967)	\$ (911,679)	\$ (813,969)	\$ (816,437)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,412,167	\$ 5,818,287	\$ 5,812,909	\$ 6,271,187	\$ 6,511,993	\$ 6,322,085	\$ 6,341,258
Contributions as a percentage of covered payroll	14.62%	14.00%	14.00%	14.00%	14.00%	12.88%	12.88%

Note: The District implemented GASB 68 in fiscal year 2015. Some prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Schedule of Changes in the Net OPEB Liability and Related Ratios
PEBP
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year (Measurement Date)		
	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability			
Service cost	\$ -	\$ -	\$ -
Interest cost	94,852	90,963	83,053
Changes of benefit terms	-	-	-
Benefit payments	(169,228)	(170,971)	(163,280)
Assumption changes	144,696	(90,189)	(205,059)
Plan experience	-	233,913	-
Net change in total OPEB liability	70,320	63,716	(285,286)
Total OPEB liability - beginning	2,704,337	2,640,621	2,925,907
Total OPEB liability - ending (a)	<u>\$ 2,774,657</u>	<u>\$ 2,704,337</u>	<u>\$ 2,640,621</u>
Plan fiduciary net position			
Employer contributions	\$ 169,228	\$ 170,971	\$ 163,280
Net investment income	-	-	-
Benefit payments	(169,228)	(170,971)	(163,280)
Investment experience	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	\$ 2,774,657	\$ 2,704,337	\$ 2,640,621

Note: The District implemented GASB 75 in fiscal year 2018. Prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Schedule of Changes in the Net OPEB Liability and Related Ratios
LCSDEHBP
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year		
	(Measurement Date)		
	2020	2019	2018
	(2019)	(2018)	(2017)
Total OPEB liability			
Service cost	\$ 109,767	\$ 142,343	\$ 156,041
Interest cost	62,521	73,394	60,901
Changes of benefit terms	-	-	-
Benefit payments	(72,736)	(83,207)	(78,728)
Assumption changes	97,313	(103,842)	(146,283)
Plan experience	-	(335,884)	-
Net change in total OPEB liability	196,865	(307,196)	(8,069)
Total OPEB liability - beginning	1,653,705	1,960,901	1,968,970
Total OPEB liability - ending (a)	<u>\$ 1,850,570</u>	<u>\$ 1,653,705</u>	<u>\$ 1,960,901</u>
Plan fiduciary net position			
Employer contributions	\$ 72,736	\$ 83,207	\$ 78,728
Net investment income	-	-	-
Benefit payments	(72,736)	(83,207)	(78,728)
Investment experience	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	\$ 1,850,570	\$ 1,653,705	\$ 1,960,901
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%
Covered-employee payroll	\$ 6,367,618	\$ 6,122,710	\$ 6,734,899
Net OPEB liability as a percentage of covered payroll	29.06%	27.01%	29.12%

Note: The District implemented GASB 75 in fiscal year 2018. Prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Schedule of OPEB Contributions
PEBP
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year		
	2019	2019	2018
Contractually required contributions	\$ 161,424	\$ 169,228	\$ 170,971
Contributions in relation to the contractually required contribution	<u>\$ (161,424)</u>	<u>\$ (169,228)</u>	<u>\$ (170,971)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The District implemented GASB 75 in fiscal year 2018. Prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Schedule of OPEB Contributions
LCSDEHBP
June 30, 2020
Last 10 Fiscal Years

	Reporting Fiscal Year		
	2020	2019	2018
Contractually required contributions	\$ 87,975	\$ 72,736	\$ 83,207
Contributions in relation to the contractually required contribution	\$ (87,975)	\$ (72,736)	\$ (83,207)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 6,823,995	\$ 6,254,667	\$ 6,122,710
Contributions as a percentage of covered payroll	1.29%	1.16%	1.36%

Note: The District implemented GASB 75 in fiscal year 2018. Prior year information is not available.

LANDER COUNTY SCHOOL DISTRICT
Notes to Required Supplementary Information
June 30, 2020

NOTE 1. OPEB – Factors that Affect Trends

There are no factors (e.g. changes in benefit terms, the use of different assumptions, changes in investment policies) that significantly affect trends in the amounts reported in the required schedules.

NOTE 2. OPEB – Plan Assets

There are no assets accumulated in a trust that meet the criteria in GASB 75 (paragraph 4) to pay related benefits.

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SUPPLEMENTARY INFORMATION

**LANDER COUNTY SCHOOL DISTRICT
FACILITY AND SITE IMPROVEMENT FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Investment earnings	\$ 245,000	\$ 345,000	\$ 367,377	\$ 22,377	\$ 232,930
Miscellaneous	-	81,446	81,446	-	86,226
Total local sources	<u>245,000</u>	<u>426,446</u>	<u>448,823</u>	<u>22,377</u>	<u>319,156</u>
Federal sources					
E-rate funds	-	-	231,200	231,200	-
Total from federal sources	<u>-</u>	<u>-</u>	<u>231,200</u>	<u>231,200</u>	<u>-</u>
Total revenues	<u>245,000</u>	<u>426,446</u>	<u>680,023</u>	<u>253,577</u>	<u>319,156</u>
Expenditures					
Support services					
Central services					
Property and equipment	-	25,021	25,021	-	-
Total central services	<u>-</u>	<u>25,021</u>	<u>25,021</u>	<u>-</u>	<u>-</u>
Operations and maintenance					
Purchased services	-	106,425	99,210	7,215	237,587
Supplies	-	-	-	-	614
Total operations and maintenance	<u>-</u>	<u>106,425</u>	<u>99,210</u>	<u>7,215</u>	<u>238,201</u>
Facilities acquisition and construction services					
Land improvements					
Purchased services	-	100,000	19,140	80,860	-
Total land improvements	<u>-</u>	<u>100,000</u>	<u>19,140</u>	<u>80,860</u>	<u>-</u>
Site improvements					
Purchased services	35,000	35,000	28,007	6,993	5,379
Total site improvements	<u>35,000</u>	<u>35,000</u>	<u>28,007</u>	<u>6,993</u>	<u>5,379</u>
Building improvements					
Purchased services	1,135,500	1,084,000	476,429	607,571	61,594
Supplies	-	1,500	332	1,168	-
Property and equipment	7,225	7,225	238,425	(231,200)	-
Total building improvements	<u>1,142,725</u>	<u>1,092,725</u>	<u>715,186</u>	<u>377,539</u>	<u>61,594</u>
Total facilities and construction services	<u>1,177,725</u>	<u>1,227,725</u>	<u>762,333</u>	<u>465,392</u>	<u>66,973</u>
Total expenditures	<u>1,177,725</u>	<u>1,334,150</u>	<u>886,564</u>	<u>472,607</u>	<u>305,174</u>
Excess of revenues over (under) expenditures	<u>(932,725)</u>	<u>(907,704)</u>	<u>(206,541)</u>	<u>726,184</u>	<u>13,982</u>
Other financing sources (uses)					
Transfers in	974,400	974,400	974,400	-	2,878,400
Total other financing sources and uses	<u>974,400</u>	<u>974,400</u>	<u>974,400</u>	<u>-</u>	<u>2,878,400</u>
Net change in fund balance	41,675	66,696	767,859	726,184	2,892,382
Fund balance, beginning of year	3,890,935	3,890,935	3,890,935	-	998,553
Fund balance, end of year	<u>\$ 3,932,610</u>	<u>\$ 3,957,631</u>	<u>\$ 4,658,794</u>	<u>\$ 726,184</u>	<u>\$ 3,890,935</u>

**LANDER COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2020**

	Special Revenue Funds								Capital Project Funds			Total 2020	
	Local Funds	NV Education Funding Plan	Class-Size Reduction	Adult Education	State Funds	Food Services	Federal Funds	Stabilization	Compensated Absences	Building and Sites	Extraordinary Maintenance		Debt Service Fund
Assets													
Cash and investments	\$ 871,792	\$ -	\$ 28,793	\$ 3,132	\$ -	\$ 317,772	\$ -	\$ 725,473	\$ 219,588	\$ 1,248,851	\$ 1,421,275	\$ 228,090	\$ 5,064,766
Due from other governments	-	-	-	-	132,517	1,134	167,279	-	-	-	-	-	300,930
Total assets	<u>\$ 871,792</u>	<u>\$ -</u>	<u>\$ 28,793</u>	<u>\$ 3,132</u>	<u>\$ 132,517</u>	<u>\$ 318,906</u>	<u>\$ 167,279</u>	<u>\$ 725,473</u>	<u>\$ 219,588</u>	<u>\$ 1,248,851</u>	<u>\$ 1,421,275</u>	<u>\$ 228,090</u>	<u>\$ 5,365,696</u>
Liabilities and Fund Balances													
Liabilities:													
Accounts payable	\$ -	\$ -	\$ -	\$ 194	\$ 10,370	\$ 1,740	\$ 120,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,856
Accrued liabilities	-	-	23,309	70	1,688	12	4,140	-	2,055	-	-	-	31,274
Due to other funds	-	-	2,960	-	90,769	-	17,170	-	-	-	-	-	110,899
Total liabilities	<u>-</u>	<u>-</u>	<u>26,269</u>	<u>264</u>	<u>102,827</u>	<u>1,752</u>	<u>141,862</u>	<u>-</u>	<u>2,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,029</u>
Fund balances:													
Restricted													
Local funds	606,489	-	-	-	-	-	-	-	-	-	-	-	606,489
Adult education	-	-	-	2,868	-	-	-	-	-	-	-	-	2,868
Federal funds	-	-	-	-	-	-	25,417	-	-	-	-	-	25,417
State funds	-	-	2,524	-	29,690	-	-	-	-	-	-	-	32,214
Committed													
Rental properties	265,303	-	-	-	-	-	-	-	-	-	-	-	265,303
Stabilization	-	-	-	-	-	-	-	725,473	-	-	-	-	725,473
Compensated absences	-	-	-	-	-	-	-	-	217,533	-	-	-	217,533
Assigned													
Food services	-	-	-	-	-	317,154	-	-	-	-	-	-	317,154
Capital projects	-	-	-	-	-	-	-	-	-	1,248,851	1,421,275	-	2,670,126
Debt service	-	-	-	-	-	-	-	-	-	-	-	228,090	228,090
Total fund balances	<u>871,792</u>	<u>-</u>	<u>2,524</u>	<u>2,868</u>	<u>29,690</u>	<u>317,154</u>	<u>25,417</u>	<u>725,473</u>	<u>217,533</u>	<u>1,248,851</u>	<u>1,421,275</u>	<u>228,090</u>	<u>5,090,667</u>
Total liabilities and fund balance	<u>\$ 871,792</u>	<u>\$ -</u>	<u>\$ 28,793</u>	<u>\$ 3,132</u>	<u>\$ 132,517</u>	<u>\$ 318,906</u>	<u>\$ 167,279</u>	<u>\$ 725,473</u>	<u>\$ 219,588</u>	<u>\$ 1,248,851</u>	<u>\$ 1,421,275</u>	<u>\$ 228,090</u>	<u>\$ 5,365,696</u>

**LANDER COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2020**

	Special Revenue Funds								Capital Project Funds			Total 2020	
	Local Funds	NV Education Funding Plan	Class-Size Reduction	Adult Education	State Funds	Food Services	Federal Funds	Compensated Stabilization	Compensated Absences	Building and Sites	Extraordinary Maintenance		Debt Service Fund
Revenues													
Local sources	\$ 43,310	\$ -	\$ -	\$ 203	\$ -	\$ 64,749	\$ -	\$ 31,041	\$ 17,253	\$ -	\$ -	\$ -	\$ 156,556
State sources	-	58,800	152,004	54,747	828,703	-	-	-	-	-	-	-	1,094,254
Federal sources	-	-	-	-	-	255,809	621,926	-	-	-	-	-	877,735
Total revenues	<u>43,310</u>	<u>58,800</u>	<u>152,004</u>	<u>54,950</u>	<u>828,703</u>	<u>320,558</u>	<u>621,926</u>	<u>31,041</u>	<u>17,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,128,545</u>
Expenditures													
Regular programs	5,452	58,800	152,004	-	26,701	-	217,098	-	19,440	-	-	-	479,495
Special programs	-	-	-	-	-	-	204,743	-	-	-	-	-	204,743
Vocational programs	-	-	-	-	36,636	-	24,891	-	-	-	-	-	61,527
Other instructional programs	-	-	-	-	78,860	-	-	-	-	-	-	-	78,860
Adult education programs	-	-	-	55,378	-	-	-	-	-	-	-	-	55,378
Support services expenditures													
Student support	2,500	-	-	-	216,075	-	84,889	-	-	-	-	-	303,464
Instructional staff support	11,245	-	-	-	187,262	-	66,723	-	-	-	-	-	265,230
General administration	9,092	-	-	-	-	-	-	-	-	-	-	-	9,092
School administration	-	-	-	-	-	-	-	-	10,393	-	-	-	10,393
Central services	-	-	-	-	-	-	-	-	7,575	-	-	-	7,575
Operations and maintenance	-	-	-	-	-	-	-	-	2,789	36,176	20,661	-	59,626
Student transportation	-	-	-	-	-	-	-	-	-	237,681	-	-	237,681
Other support	-	-	-	-	48,218	-	-	-	-	-	-	-	48,218
Operation of noninstructional services													
Food services operations	1,248	-	-	-	-	340,667	-	-	-	-	-	-	341,915
Facilities acquisition and construction services													
Building improvements	-	-	-	-	209,043	-	-	-	-	-	-	-	209,043
Debt service													
Principal	-	-	-	-	-	-	-	-	-	-	-	197,000	197,000
Interest	-	-	-	-	-	-	-	-	-	-	-	31,092	31,092
Total expenditures	<u>29,537</u>	<u>58,800</u>	<u>152,004</u>	<u>55,378</u>	<u>802,795</u>	<u>340,667</u>	<u>598,344</u>	<u>-</u>	<u>40,197</u>	<u>273,857</u>	<u>20,661</u>	<u>228,092</u>	<u>2,600,332</u>
Excess of revenues over (under) expenditures	<u>13,773</u>	<u>-</u>	<u>-</u>	<u>(428)</u>	<u>25,908</u>	<u>(20,109)</u>	<u>23,582</u>	<u>31,041</u>	<u>(22,944)</u>	<u>(273,857)</u>	<u>(20,661)</u>	<u>(228,092)</u>	<u>(471,787)</u>
Other financing sources (uses):													
Transfers in	-	-	-	-	-	100,000	-	-	-	312,700	-	228,087	640,787
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,700</u>	<u>-</u>	<u>228,087</u>	<u>640,787</u>
Net change in fund balances	13,773	-	-	(428)	25,908	79,891	23,582	31,041	(22,944)	38,843	(20,661)	(5)	169,000
Fund balance, beginning of year	858,019	-	2,524	3,296	3,782	237,263	1,835	694,432	240,477	1,210,008	1,441,936	228,095	4,921,667
Fund balance, end of year	<u>\$ 871,792</u>	<u>\$ -</u>	<u>\$ 2,524</u>	<u>\$ 2,868</u>	<u>\$ 29,690</u>	<u>\$ 317,154</u>	<u>\$ 25,417</u>	<u>\$ 725,473</u>	<u>\$ 217,533</u>	<u>\$ 1,248,851</u>	<u>\$ 1,421,275</u>	<u>\$ 228,090</u>	<u>\$ 5,090,667</u>

**LANDER COUNTY SCHOOL DISTRICT
LOCAL FUNDS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Grants	\$ -	\$ 11,815	\$ 11,815	\$ -	\$ -
Donations	50,000	50,645	30,645	(20,000)	82,587
Other local revenue	-	850	850	-	-
Total revenues	<u>50,000</u>	<u>63,310</u>	<u>43,310</u>	<u>(20,000)</u>	<u>82,587</u>
Expenditures					
Regular programs					
Instruction					
Salaries and wages	-	3,620	2,399	1,221	2,288
Employee benefits	-	630	294	336	206
Supplies	-	3,358	2,759	599	4,061
Other	-	-	-	-	2,354
Total regular programs	<u>-</u>	<u>7,608</u>	<u>5,452</u>	<u>2,156</u>	<u>8,909</u>
Vocational programs					
Facilities acquisition and construction					
Supplies	-	179,219	-	179,219	-
Total vocational programs	<u>-</u>	<u>179,219</u>	<u>-</u>	<u>179,219</u>	<u>-</u>
Support services					
Support services - student support					
Supplies	-	2,500	2,500	-	-
Total student support	<u>-</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>-</u>
Support services - instructional staff support					
Purchased services	10,000	20,000	-	20,000	-
Supplies	10,000	31,814	11,245	20,569	1,309
Total instructional staff support	<u>20,000</u>	<u>51,814</u>	<u>11,245</u>	<u>40,569</u>	<u>1,309</u>
Support services - general administration					
Supplies	-	5,635	1,446	4,189	2,102
Other	-	20,000	7,646	12,354	7,300
Total general administration	<u>-</u>	<u>25,635</u>	<u>9,092</u>	<u>16,543</u>	<u>9,402</u>
Support services - operation and maintenance					
Purchased services	-	265,303	-	265,303	-
Supplies	10,000	36,322	-	36,322	-
Total operation and maintenance	<u>10,000</u>	<u>301,625</u>	<u>-</u>	<u>301,625</u>	<u>-</u>
Operation of noninstructional services					
Food service program					
Supplies	-	9,748	1,248	8,500	-
Total food service program	<u>-</u>	<u>9,748</u>	<u>1,248</u>	<u>8,500</u>	<u>-</u>
Facilities acquisition and construction					
Site improvements					
Supplies	20,000	72,645	-	72,645	-
Total building improvements	<u>20,000</u>	<u>72,645</u>	<u>-</u>	<u>72,645</u>	<u>-</u>
Building improvements					
Supplies	-	239,971	-	239,971	-
Total building improvements	<u>-</u>	<u>239,971</u>	<u>-</u>	<u>239,971</u>	<u>-</u>
Total expenditures	<u>50,000</u>	<u>888,265</u>	<u>29,537</u>	<u>861,228</u>	<u>19,620</u>
Net change in fund balance	-	(824,955)	13,773	841,228	62,967
Fund balance, beginning of year	<u>858,019</u>	<u>858,019</u>	<u>858,019</u>	<u>-</u>	<u>795,052</u>
Fund balance, end of year	<u>\$ 858,019</u>	<u>\$ 33,064</u>	<u>\$ 871,792</u>	<u>\$ 841,228</u>	<u>\$ 858,019</u>

**LANDER COUNTY SCHOOL DISTRICT
 NV EDUCATION FUNDING PLAN
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2020
 (With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
State sources					
Grants	\$ -	\$ 58,800	\$ 58,800	\$ -	\$ 25,200
Total revenue	-	58,800	58,800	-	25,200
Expenditures					
Regular programs					
Instruction					
Salaries and wages	-	34,522	34,522	-	16,219
Employee benefits	-	24,278	24,278	-	8,981
Total expenditures	-	58,800	58,800	-	25,200
Net change in fund balance	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

LANDER 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, 2020
(With Comparative Totals for June 30, 2019)

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
State sources					
Grants	\$ 149,928	\$ 152,004	\$ 152,004	\$ -	\$ 123,499
Expenditures					
Regular programs					
Instruction					
Salaries and wages	100,492	102,818	102,818	-	101,873
Employee benefits	49,436	49,186	49,186	-	49,585
Total expenditures	149,928	152,004	152,004	-	151,458
Net change in fund balance	-	-	-	-	(27,959)
Fund balance, beginning of year	2,524	2,524	2,524	-	30,483
Fund balance, end of year	\$ 2,524	\$ 2,524	\$ 2,524	\$ -	\$ 2,524

**LANDER COUNTY SCHOOL DISTRICT
ADULT EDUCATION FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Fees	\$ -	\$ 203	\$ 203	\$ -	\$ 486
State sources					
Grants	59,225	60,790	54,747	(6,043)	67,554
Total revenue	<u>59,225</u>	<u>60,993</u>	<u>54,950</u>	<u>(6,043)</u>	<u>68,040</u>
Expenditures					
Adult education programs					
Instruction					
Salaries and wages	50,330	52,071	48,944	3,127	53,989
Employee benefits	5,025	5,219	4,524	695	5,106
Purchased services	2,500	2,500	1,288	1,212	4,600
Supplies	1,370	3,874	-	3,874	2,221
Other	-	625	622	3	1,810
Total expenditures	<u>59,225</u>	<u>64,289</u>	<u>55,378</u>	<u>8,911</u>	<u>67,726</u>
Net change in fund balance	-	(3,296)	(428)	2,868	314
Fund balance, beginning of year	<u>3,296</u>	<u>3,296</u>	<u>3,296</u>	<u>-</u>	<u>2,982</u>
Fund balance, end of year	<u>\$ 3,296</u>	<u>\$ -</u>	<u>\$ 2,868</u>	<u>\$ 2,868</u>	<u>\$ 3,296</u>

LANDER COUNTY SCHOOL DISTRICT
STATE FUNDS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
State sources					
Grants	\$ -	\$ 1,019,192	\$ 827,703	\$ (191,489)	\$ 545,717
Donations	-	1,000	1,000	-	-
Total revenues	-	1,020,192	828,703	(191,489)	545,717
Expenditures					
Regular programs					
Instruction					
Salaries and wages	-	6,649	6,649	-	48,270
Employee benefits	-	-	-	-	23,087
Purchased services	-	43,000	14,293	28,707	66,363
Supplies	-	12,500	5,759	6,741	83,725
Other	-	-	-	-	12,046
Total regular programs	-	62,149	26,701	35,448	233,491
Vocational programs					
Instruction					
Purchased services	-	15,756	5,100	10,656	7,862
Supplies	-	70,616	31,536	39,080	40,285
Total vocational programs	-	86,372	36,636	49,736	48,147
Other instructional programs					
Instruction					
Salaries and wages	-	43,151	43,151	-	-
Employee benefits	-	35,709	35,709	-	-
Total other instructional programs	-	78,860	78,860	-	-
Support services					
Support services - student support					
Salaries and wages	-	141,425	141,425	-	66,129
Employee benefits	-	74,650	74,650	-	18,309
Supplies	-	382	-	382	-
Total student support	-	216,457	216,075	382	84,438
Support services - instructional staff support					
Salaries and wages	-	95,855	95,375	480	62,969
Employee benefits	-	49,817	49,816	1	42,065
Purchased services	-	46,422	33,900	12,522	7,189
Supplies	-	16,537	8,171	8,366	3,049
Total instructional staff support	-	208,631	187,262	21,369	115,272
Support services - school administration					
Supplies	-	-	-	-	3,890
Total school administration support	-	-	-	-	3,890
Support services - other support					
Salaries and wages	-	29,578	29,578	-	43,748
Employee benefits	-	18,640	18,640	-	17,709
Total other support	-	48,218	48,218	-	61,457
Facilities acquisition and construction services					
Building improvements					
Purchased services	-	270,609	182,573	88,036	-
Supplies	-	52,678	26,470	26,208	-
Total building improvements	-	323,287	209,043	114,244	-
Total expenditures	-	1,023,974	802,795	221,179	546,695
Net change in fund balance	-	(3,782)	25,908	29,690	(978)
Fund balance, beginning of year	3,782	3,782	3,782	-	4,760
Fund balance, end of year	\$ 3,782	\$ -	\$ 29,690	\$ 29,690	\$ 3,782

LANDER COUNTY SCHOOL DISTRICT
FOOD SERVICES FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Daily sales	\$ 85,000	\$ 64,635	\$ 64,749	\$ 114	\$ 80,511
Federal sources					
Grant	100,000	195,000	195,589	589	147,994
Food distribution program	20,000	20,000	59,296	39,296	22,496
Special milk program for children	-	-	924	924	614
Total federal sources	<u>120,000</u>	<u>215,000</u>	<u>255,809</u>	<u>40,809</u>	<u>171,104</u>
Total revenue	<u>205,000</u>	<u>279,635</u>	<u>320,558</u>	<u>40,923</u>	<u>251,615</u>
Expenditures					
Operation of noninstructional services					
Food service operations					
Salaries and wages	121,895	121,895	110,370	11,525	98,851
Employee benefits	30,670	34,200	32,758	1,442	25,867
Purchased services	11,250	11,250	4,200	7,050	5,604
Supplies	202,819	202,820	192,754	10,066	141,819
Other	1,000	1,000	585	415	3,026
Total expenditures	<u>367,634</u>	<u>371,165</u>	<u>340,667</u>	<u>30,498</u>	<u>275,167</u>
Excess of revenues over (under) expenditures	<u>(162,634)</u>	<u>(91,530)</u>	<u>(20,109)</u>	<u>71,421</u>	<u>(23,552)</u>
Other financing sources (uses)					
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>175,050</u>
Net change in fund balance	<u>(62,634)</u>	<u>8,470</u>	<u>79,891</u>	<u>71,421</u>	<u>151,498</u>
Fund balance, beginning of year	<u>237,263</u>	<u>237,263</u>	<u>237,263</u>	<u>-</u>	<u>85,765</u>
Fund balance, end of year	<u>\$ 174,629</u>	<u>\$ 245,733</u>	<u>\$ 317,154</u>	<u>\$ 71,421</u>	<u>\$ 237,263</u>

**LANDER COUNTY SCHOOL DISTRICT
FEDERAL FUNDS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Federal sources					
Grants	\$ -	\$ 689,153	\$ 621,926	\$ (67,227)	\$ 616,110
Total revenues	-	689,153	621,926	(67,227)	616,110
Expenditures					
Regular programs					
Instruction					
Salaries and wages	-	74,287	74,272	15	70,023
Employee benefits	-	39,904	39,882	22	36,022
Purchased services	-	13,171	13,171	-	4,987
Supplies	-	112,470	89,773	22,697	968
Total regular programs	-	239,832	217,098	22,734	112,000
Special programs					
Instruction					
Salaries and wages	-	40,503	40,503	-	157,957
Employee benefits	-	23,733	23,733	-	83,560
Supplies	-	53,482	49,650	3,832	-
Total instruction	-	117,718	113,886	3,832	241,517
Student support					
Purchased services	-	57,600	43,481	14,119	56,984
Supplies	-	2,903	2,301	602	-
Total student support	-	60,503	45,782	14,721	56,984
Instructional staff support					
Salaries and wages	-	28,169	28,169	-	27,270
Employee benefits	-	17,055	16,906	149	16,196
Total instructional staff support	-	45,224	45,075	149	43,466
Total special programs	-	223,445	204,743	18,702	341,967

(continued)

**LANDER COUNTY SCHOOL DISTRICT
FEDERAL FUNDS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

Expenditures (continued):	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Vocational programs					
Instruction					
Purchased services	\$ -	\$ 36,038	\$ 21,485	\$ 14,553	\$ 5,950
Supplies	-	7,500	3,406	4,094	4,344
Total vocational programs	-	43,538	24,891	18,647	10,294
Support services					
Student support					
Salaries and wages	-	180	180	-	2,413
Employee benefits	-	10,088	10,088	-	10,234
Purchased services	-	71,706	64,883	6,823	27,467
Supplies	-	12,459	9,738	2,721	242
Total student support	-	94,433	84,889	9,544	40,356
Instructional staff support					
Salaries and wages	-	24,262	17,469	6,793	50,022
Employee benefits	-	2,750	1,728	1,022	2,516
Purchased services	-	47,391	36,852	10,539	23,929
Supplies	-	10,008	5,845	4,163	28,091
Other	-	5,329	4,829	500	5,100
Total instructional staff support	-	89,740	66,723	23,017	109,658
Total support services	-	184,173	151,612	32,561	150,014
Total expenditures	-	690,988	598,344	92,644	614,275
Net change in fund balance	-	(1,835)	23,582	25,417	1,835
Fund balance, beginning of year	1,835	1,835	1,835	-	-
Fund balance, end of year	\$ 1,835	\$ -	\$ 25,417	\$ 25,417	\$ 1,835

**LANDER COUNTY SCHOOL DISTRICT
STABILIZATION OF OPERATIONS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Ad valorem taxes	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Investment earnings	-	18,800	21,041	2,241	-
Total revenue	-	28,800	31,041	2,241	10,000
Expenditures					
Total expenditures	-	-	-	-	-
Excess of revenues over (under) expenditures	-	28,800	31,041	2,241	10,000
Other financing sources (uses)					
Transfers in	-	-	-	-	684,432
Net change in fund balance	-	28,800	31,041	2,241	694,432
Fund balance, beginning of year	694,432	694,432	694,432	-	-
Fund balance, end of year	\$ 694,432	\$ 723,232	\$ 725,473	\$ 2,241	\$ 694,432

**LANDER COUNTY SCHOOL DISTRICT
COMPENSATED ABSENCES
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Ad valorem taxes	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Investment earnings	-	6,775	7,253	478	-
Total revenue	-	16,775	17,253	478	10,000
Expenditures					
Regular programs					
Instruction					
Salaries and wages	-	18,550	18,454	96	12,088
Employee benefits	-	1,915	986	929	910
Total regular programs	-	20,465	19,440	1,025	12,998
Support services					
Support services - school administration					
Salaries and wages	-	9,650	9,646	4	-
Employee benefits	-	750	747	3	-
Total school administration	-	10,400	10,393	7	-
Support services - central services					
Salaries and wages	-	187,425	6,797	180,628	12,210
Employee benefits	-	26,162	778	25,384	934
Total central services	-	213,587	7,575	206,012	13,144
Support services - operations and maintenance					
Salaries and wages	-	2,555	2,551	4	7,849
Employee benefits	-	245	238	7	655
Total operations and maintenance	-	2,800	2,789	11	8,504
Total expenditures	-	236,852	40,197	1,025	34,646
Excess of revenues over (under) expenditures	-	(220,077)	(22,944)	1,503	(24,646)
Other financing sources (uses)					
Transfers in	-	-	-	-	265,123
Net change in fund balance	-	(220,077)	(22,944)	1,503	240,477
Fund balance, beginning of year	240,477	240,477	240,477	-	-
Fund balance, end of year	\$ 240,477	\$ 20,400	\$ 217,533	\$ 1,503	\$ 240,477

**LANDER 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, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance	Actual 2019
	Original	Final		(Unfavorable)	
Revenues					
Local sources					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Support services					
Operations and maintenance					
Purchased services	40,000	40,000	3,663	36,337	45,985
Supplies	20,000	-	-	-	26,172
Property and equipment	5,000	40,000	32,513	7,487	12,259
Total operations and maintenance	<u>65,000</u>	<u>80,000</u>	<u>36,176</u>	<u>43,824</u>	<u>84,416</u>
Student transportation					
Property and equipment	231,000	237,700	237,681	19	-
Total student transportation	<u>231,000</u>	<u>237,700</u>	<u>237,681</u>	<u>19</u>	<u>-</u>
Total expenditures	<u>296,000</u>	<u>317,700</u>	<u>273,857</u>	<u>43,843</u>	<u>84,416</u>
Excess of revenues over (under) expenditures	<u>(296,000)</u>	<u>(317,700)</u>	<u>(273,857)</u>	<u>43,843</u>	<u>(84,416)</u>
Other financing sources (uses)					
Transfers in	296,000	312,700	312,700	-	1,171,190
Total other financing sources and uses	<u>296,000</u>	<u>312,700</u>	<u>312,700</u>	<u>-</u>	<u>1,171,190</u>
Net change in fund balance	-	(5,000)	38,843	43,843	1,086,774
Fund balance, beginning of year	1,210,008	1,210,008	1,210,008	-	123,234
Fund balance, end of year	<u>\$ 1,210,008</u>	<u>\$ 1,205,008</u>	<u>\$ 1,248,851</u>	<u>\$ 43,843</u>	<u>\$ 1,210,008</u>

**LANDER COUNTY SCHOOL DISTRICT
EXTRAORDINARY MAINTENANCE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Local sources					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Support services					
Operation and maintenance					
Purchased services	100,000	60,000	13,736	46,264	36,070
Supplies	-	40,000	6,925	33,075	3,269
Total operation and maintenance	<u>100,000</u>	<u>100,000</u>	<u>20,661</u>	<u>79,339</u>	<u>39,339</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>20,661</u>	<u>79,339</u>	<u>39,339</u>
Excess of revenues over (under) expenditures	<u>(100,000)</u>	<u>(100,000)</u>	<u>(20,661)</u>	<u>79,339</u>	<u>(39,339)</u>
Other financing sources (uses)					
Transfers in	100,000	-	-	-	1,100,000
Total other financing sources and uses	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100,000</u>
Net change in fund balance	-	(100,000)	(20,661)	79,339	1,060,661
Fund balance, beginning of year	<u>1,441,936</u>	<u>1,441,936</u>	<u>1,441,936</u>	<u>-</u>	<u>381,275</u>
Fund balance, end of year	<u>\$ 1,441,936</u>	<u>\$ 1,341,936</u>	<u>\$ 1,421,275</u>	<u>\$ 79,339</u>	<u>\$ 1,441,936</u>

LANDER COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2019
	Original	Final			
Revenues					
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
Expenditures					
Debt service:					
Principal	197,000	197,000	197,000	-	192,000
Interest	31,092	31,092	31,092	-	36,285
Total debt service	228,092	228,092	228,092	-	228,285
Excess of revenues over (under) expenditures	(228,092)	(228,092)	(228,092)	-	(228,285)
Other financing sources (uses)					
Transfers in	228,087	228,087	228,087	-	456,380
Total other financing sources and uses	228,087	228,087	228,087	-	456,380
Net change in fund balance	(5)	(5)	(5)	-	228,095
Fund balance, beginning of year	228,095	228,095	228,095	-	-
Fund balance, end of year	\$ 228,090	\$ 228,090	\$ 228,090	\$ -	\$ 228,095

**LANDER COUNTY SCHOOL DISTRICT
HEALTH AND ACCIDENT INSURANCE FUND
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)**

	Budgeted Amounts		Actual	Variance	Actual 2019
	Original	Final		Favorable (Unfavorable)	
Operating revenues					
Local Sources					
Dependent and retiree coverage	\$ 250,000	\$ 400,000	\$ 445,900	\$ 45,900	\$ 406,353
Employee coverage	1,070,000	1,070,000	1,087,630	17,630	974,965
Total operating revenues	<u>1,320,000</u>	<u>1,470,000</u>	<u>1,533,530</u>	<u>63,530</u>	<u>1,381,318</u>
Operating expenditures					
Support services					
Benefits	1,820,400	2,500,000	2,135,782	364,218	1,780,226
Total support services	<u>1,820,400</u>	<u>2,500,000</u>	<u>2,135,782</u>	<u>364,218</u>	<u>1,780,226</u>
Total operating expenditures	<u>1,820,400</u>	<u>2,500,000</u>	<u>2,135,782</u>	<u>364,218</u>	<u>1,780,226</u>
Operating income (loss)	<u>(500,400)</u>	<u>(1,030,000)</u>	<u>(602,252)</u>	<u>427,748</u>	<u>(398,908)</u>
Nonoperating revenues (expenditures)					
Investment earnings	<u>400</u>	<u>22,000</u>	<u>14,555</u>	<u>(7,445)</u>	<u>324</u>
Income (loss) before transfers	(500,000)	(1,008,000)	(587,697)	420,303	(398,584)
Transfers in	500,000	-	-	-	1,500,000
Transfers out	-	-	-	-	<u>(2,254)</u>
Change in net position	-	(1,008,000)	(587,697)	420,303	1,099,162
Net position, beginning of year	<u>1,736,578</u>	<u>1,736,578</u>	<u>1,736,578</u>	-	<u>637,416</u>
Net position, end of year	<u>\$ 1,736,578</u>	<u>\$ 728,578</u>	<u>\$ 1,148,881</u>	<u>\$ 420,303</u>	<u>\$ 1,736,578</u>

**LANDER COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
Student Activities
Combining Statement of Fiduciary Net Position
June 30, 2020**

	Custodial Funds				
	Battle Mountain High School	Eleanor Lemaire Junior High	Austin Schools	Battle Mountain Elementary School	Total
Assets					
Cash and investments	\$ 185,468	\$ 16,778	\$ 38,214	\$ 68,408	\$ 308,868
Total assets	<u>185,468</u>	<u>16,778</u>	<u>38,214</u>	<u>68,408</u>	<u>308,868</u>
Liabilities					
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position					
Restricted for:					
Student groups	<u>185,468</u>	<u>16,778</u>	<u>38,214</u>	<u>68,408</u>	<u>308,868</u>
Total net position	<u><u>\$ 185,468</u></u>	<u><u>\$ 16,778</u></u>	<u><u>\$ 38,214</u></u>	<u><u>\$ 68,408</u></u>	<u><u>\$ 308,868</u></u>

**LANDER COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
Student Activities
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020**

	Custodial Funds				Total
	Battle Mountain High School	Eleanor Lemaire Junior High	Austin Schools	Battle Mountain Elementary School	
Additions					
Student activities	\$ 215,859	\$ 50,351	\$ 1,652	\$ 17,580	\$ 285,442
Total additions	<u>215,859</u>	<u>50,351</u>	<u>1,652</u>	<u>17,580</u>	<u>285,442</u>
Deductions					
Student activities	201,461	54,685	-	31,027	287,173
Total deductions	<u>201,461</u>	<u>54,685</u>	<u>-</u>	<u>31,027</u>	<u>287,173</u>
Net increase (decrease) in fiduciary net position	14,398	(4,334)	1,652	(13,447)	(1,731)
Net position - beginning	171,070	21,112	36,562	81,855	310,599
Net position - ending	<u>\$ 185,468</u>	<u>\$ 16,778</u>	<u>\$ 38,214</u>	<u>\$ 68,408</u>	<u>\$ 308,868</u>

FEDERAL AND STATE REPORTS

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

Board of Trustees
Lander County School District
Battle Mountain, Nevada

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lander County School District, State of Nevada, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lander County School District's basic financial statements and have issued our report thereon dated October 23, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lander County School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Standard*.

Purpose of this Report

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



HintonBurdick, PLLC
St. George, Utah
October 23, 2020



**Independent Auditor's Report on Compliance with
Statutes and Administrative Code in
Accordance with NRS 354.624(4)(C) and 354.6241**

Board of Trustees
Lander County School District
Battle Mountain, Nevada

We have audited the basic financial statements of the Lander County School District School, State of Nevada, for the year ended June 30, 2020, and have issued our report thereon dated October 23, 2020. Our audit also included test work on Lander County School District's compliance with selected requirements identified in the State of Nevada Revised Statutes (NRS) including, but not limited to, NRS section 354.624 and section 354.6241.

The management of Lander County School District, State of Nevada, is responsible for the District's compliance with the Nevada Revised Statutes (NRS) and regulations (Nevada Administrative Code). Our responsibility is to express an opinion on compliance with those requirements based on our audit and make specific statements regarding funds established and the status of prior year finding and recommendations; accordingly, we make the following statements:

There were no instances of noncompliance in the prior year needing correction for the year ended June 30, 2020.

The District has complied with the provisions of NRS 354.6113.

The District has complied with the provisions of NRS 354.6115.

Lander County School District appears to be using all of its funds expressly for the purposes for which they were created in accordance with NRS 354.624.

NRS 354.624 requires that a schedule of all fees imposed by the District which are subject to the provisions of NRS 354.5989 be presented. The District does not impose fees that are subject to NRS 354.5989.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *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 material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, Lander County School District complied, in all material respects, with the requirements identified above for the year ended June 30, 2020.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Nevada Revised Statutes (NRS) and regulations (Nevada Administrative Code) and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.



HintonBurdick, PLLC
St. George, Utah
October 23, 2020

LANDER COUNTY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

<u>Grantor Agency</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Department of Agriculture			
(Passed through the State of Nevada Department of Agriculture)			
National School Lunch Program	10.555	N-08-13	\$ 195,589
Commodity Supplemental Food Program	10.565	N-08-13	59,296
(Passed through Lander County, Nevada)			
Schools and Roads - Grants to States	10.665	N/A	40,960
Total U.S. Department of Agriculture			<u>295,845</u>
U.S. Department of Education			
Impact Aid	84.041		91,853
Rural Education	84.358A		42,318
Indian Education - Grants to Local Educational Agencies	84.060		4,967
(Passed through the State of Nevada Department of Education)			
Title I Grants to Local Educational Agencies	84.010	20-633-08000	123,096
Special Education Cluster (IDEA)			
Special Education - Grants to States	84.027	20-639-08000	239,967
Special Education - Grants to States	84.027	20-641-08000	23,846
Total 84.027			<u>263,813</u>
Special Education - Preschool Grants	84.173	20-665-08000	23,311
Total Special Education Cluster			<u>287,124</u>
Career and Technical Education - Basic Grants to States	84.048	20-631-08000	8,368
Career and Technical Education - Basic Grants to States	84.048	20-634-08000	16,523
Total 84.048			<u>24,891</u>
Safe and Drug-Free Schools and Communities	84.184	20-682-08000	3,695
Safe and Drug-Free Schools and Communities	84.184	20-782-08000	4,947
Total 84.184			<u>8,642</u>
Improving Teacher Quality State Grants	84.367	20-709-08000	20,407
Student Support and Academic Enrichment	84.424	20-715-08000	10,000
CARES Act - ESSER	84.425D	20-740-08000	76,899
Total U.S. Department of Education			<u>690,197</u>
Total expenditure of federal awards			<u>\$ 986,042</u>

LANDER COUNTY SCHOOL DISTRICT
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2020

NOTE 1. Summary of Significant Accounting Policies and Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Lander County School District (the District) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance, wherein certain type of expenditures are not allowable or are limited as to reimbursement.

NOTE 2. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance for the year ended June 30, 2020.

NOTE 3. Federal Loans and Loan Guarantee Programs Outstanding

The District had no balances of loan and loan guarantee programs outstanding as of June 30, 2020.



**Independent Auditor's Report on Compliance for
Each Major Program and on Internal Control Over Compliance
Required by the Uniform Guidance**

Board of Trustees
Lander County School District
Battle Mountain, Nevada

Report on Compliance for Each Major Federal Program

We have audited Lander County School District, State of Nevada's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lander County School District's major federal programs for the year ended June 30, 2020. Lander County School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Lander County School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, Lander County School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Lander County School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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 Lander County School District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



HintonBurdick, PLLC
St. George, Utah
October 23, 2020

**LANDER COUNTY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified
 Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal Control over major programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 200.516? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster: Special Education—Grants to States Special Education—Preschool Grants
84.041	Impact Aid
84.425D	CARES Act – Elementary and Secondary School Emergency Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

**LANDER COUNTY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

Section II - Financial Statement Findings

INTERNAL CONTROL OVER FINANCIAL REPORTING:

Material Weakness:

None noted

Significant Deficiencies:

None noted

COMPLIANCE AND OTHER MATTERS:

Compliance:

None noted

Other Matters:

None noted

Section III - Federal Award Findings and Questioned Costs

INTERNAL CONTROL OVER FEDERAL AWARDS:

None noted

COMPLIANCE AND OTHER MATTERS:

None noted

**LANDER COUNTY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

Section IV – Summary Schedule of Prior Audit Findings

FINANCIAL STATEMENT FINDINGS

INTERNAL CONTROL OVER FINANCIAL REPORTING:

Material Weakness:

Not applicable

Significant Deficiencies:

Not applicable

COMPLIANCE AND OTHER MATTERS:

Compliance:

Not applicable

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

INTERNAL CONTROL OVER FEDERAL AWARDS:

Not applicable

COMPLIANCE AND OTHER MATTERS:

2019-001 Level of Effort – Maintenance of Effort – Corrected fiscal year 2020

Federal Program:	Special Education Cluster: Special Education—Grants to States (84.027) Special Education—Preschool Grants (84.173)
Federal Agency:	U.S. Department of Education
Pass-through Entity:	State of Nevada, Department of Education

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