

**LANDER COUNTY SCHOOL DISTRICT, STATE OF NEVADA**  
**FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**  
**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 Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lander County School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Lander County School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lander County School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Lander County School District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lander County School District's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Lander County School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lander County School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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 is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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, as listed in the table of contents, 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.

### ***Report on Summarized Comparative Information***

We have previously audited Lander County School District's financial statements for the year ended June 30, 2021, and our report dated November 2, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2022 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 solely 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 effectiveness of 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 25, 2022



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**LANDER COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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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 \$31,793,418, which is a decrease of \$6,888,077 from the prior fiscal year. The main reason for the significant decrease is due to the change in the state funding formula and the District having to return net proceeds of minerals to the state (\$6,189,088).

Capital assets totaled \$37,982,063 as compared to other assets totaling \$17,137,333.

The District paid off its remaining bonds payable in fiscal year 2022.

General Fund:

The unassigned ending General Fund balance reported at the end of fiscal year 2022 was \$1,256,334 compared to \$754,585 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, 2022**

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, 2022	June 30, 2021	Increase
	Governmental	Governmental	Increase
	Activities	Activities	(Decrease)
Current assets	\$ 17,137,333	\$ 19,627,536	\$ (2,490,203)
Capital assets	37,982,063	38,816,010	(833,947)
Total assets	<u>55,119,396</u>	<u>58,443,546</u>	<u>(3,324,150)</u>
Deferred outflows of resources	<u>6,421,633</u>	<u>3,227,389</u>	<u>3,194,244</u>
Current liabilities	7,786,579	2,006,449	5,780,130
Current portion of long-term liabilities	130,000	307,000	(177,000)
Long-term liabilities	<u>13,631,213</u>	<u>18,188,698</u>	<u>(4,557,485)</u>
Total liabilities	<u>21,547,792</u>	<u>20,502,147</u>	<u>1,045,645</u>
Deferred inflows of resources	<u>8,199,819</u>	<u>2,487,293</u>	<u>5,712,526</u>
Net Position			
Net investment in capital assets	37,982,063	37,952,010	30,053
Restricted	1,910,828	9,567,219	(7,656,391)
Unrestricted	<u>(8,099,473)</u>	<u>(8,837,734)</u>	<u>738,261</u>
Total net position	<u>\$ 31,793,418</u>	<u>\$ 38,681,495</u>	<u>\$ (6,888,077)</u>

The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$31,793,418 as of June 30, 2022. The largest portion of total net position, \$37,982,063, is invested in capital assets.

**LANDER COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

Lander County School District  
Changes in Net Position

	June 30, 2022 Governmental Activities	June 30, 2021 Governmental Activities	Increase (Decrease)
<b>Revenues</b>			
<b>Program Revenues</b>			
Charges for services	\$ 46,121	\$ 45,391	\$ 730
Operating grants and contributions	3,356,861	2,368,048	988,813
Capital grants and contributions	-	96,752	(96,752)
<b>Total Program Revenues</b>	<b>3,402,982</b>	<b>2,510,191</b>	<b>892,791</b>
<b>General Revenues</b>			
Property taxes	-	10,572,250	(10,572,250)
Local school support taxes	-	1,696,811	(1,696,811)
Government services tax	17,209	560,357	(543,148)
State aid not restricted to specific purposes	5,126,537	2,970	5,123,567
Federal aid not restricted to specific purposes	144,034	145,231	(1,197)
Other local sources	6,416	25,654	(19,238)
Gain on sale of capital assets	7,049	-	7,049
Unrestricted investment earnings	(69,917)	48,664	(118,581)
<b>Total General Revenues</b>	<b>5,231,328</b>	<b>13,051,937</b>	<b>(7,820,609)</b>
<b>Total Revenues</b>	<b>8,634,310</b>	<b>15,562,128</b>	<b>(6,927,818)</b>
<b>Expenses</b>			
Instruction expenses	7,713,278	7,229,002	484,276
Support services expenses:			
Student support	728,731	610,452	118,279
Instructional staff support	901,935	1,000,064	(98,129)
General administration	810,948	800,150	10,798
School administration	922,029	893,014	29,015
Central services	434,113	476,472	(42,359)
Operations and maintenance	1,962,620	1,572,144	390,476
Student transportation	492,230	355,600	136,630
Other support services	-	5,000	(5,000)
Operation of noninstructional services:			
Food services and other	374,518	308,091	66,427
Facilities acquisition and construction services	1,167,649	1,160,363	7,286
Interest	14,336	25,339	(11,003)
<b>Total Expenses</b>	<b>15,522,387</b>	<b>14,435,691</b>	<b>1,086,696</b>
<b>Change in net position</b>	<b>(6,888,077)</b>	<b>1,126,437</b>	<b>(8,014,514)</b>
Net Position Beginning	38,681,495	37,555,058	1,126,437
<b>Net Position Ending</b>	<b>\$ 31,793,418</b>	<b>\$ 38,681,495</b>	<b>\$ (6,888,077)</b>

**LANDER COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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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 \$322,583.

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

Description	FY2022	% of Total	FY2021	% of Total
Local sources	\$ 75,426	1%	\$ 12,863,500	99%
State sources	5,285,350	96%	-	0%
Federal sources	144,034	3%	145,231	1%
Total	\$ 5,504,810	100%	\$ 13,008,731	100%

General Fund – Local Sources:

With the change in the state's new funding formula for fiscal year 2022, the District received pupil-centered fund plan revenues from the state rather than ad valorem taxes, school support taxes, and governmental services taxes directly. Consequently, local sources of the general fund decreased significantly.

General Fund – State Sources:

With the change in the state's new funding formula for fiscal year 2022, the District received pupil-centered fund plan revenues from the state rather than local sources directly. Consequently, state sources of the general fund increased significantly.

**LANDER COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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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 \$717,877 in state sources for the Special Education Fund in fiscal year 2022. A transfer of \$320,000 was made from the General Fund to the Special Education Fund in fiscal year 2022. Total expenditures for fiscal year 2022 were \$1,295,297. This was an increase of \$31,428 from fiscal year 2021. The fund balance as of June 30, 2022 is 51,869.

Special Revenue – Federal Funds

The District recognized \$2,024,331 in federal sources for the Federal Funds special revenue fund in fiscal year 2022, all of which was spent (budgeted). Federal grants increased significantly for fiscal year 2022 primarily due to significant Education Stabilization Fund grants. The fund balance as of June 30, 2022 is 24,780.

Capital Projects Facilities and Site Improvement Fund

The District budgeted for and made capital improvements during fiscal year 2022. Investment earnings and miscellaneous revenues are down significantly in fiscal year 2022 (significant unrealized loss on investments). The assigned fund balance at June 30, 2022 is \$2,531,191, which is a decrease of \$296,301.

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, 2022, the District had \$37,982,063 (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 increase of \$833,947 or approximately 2% 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, 2022 the District had \$0 in bonds payable, which is a decrease of \$864,000 from the prior fiscal year. The District paid off this debt early.

**LANDER COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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Budgetary Highlights

The original budget (2021-2022) was approved in May 2021. 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 2021-2022 Amended Final Budget was filed, as required, on or before January 1, 2022. The second 2021-2022 Amended Final Budget was filed, as required, on or before June 30, 2022.

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.

Total actual General Fund revenues for fiscal year 2022 were \$5,504,810 compared to budgeted revenues of \$5,156,790. The difference primarily relates to PCFP revenues. Total actual General Fund expenditures and transfers out were \$12,790,983 compared to budgeted expenditures and transfers of \$14,920,738. Most expenditure line items were under budget.

Next Year's Budget and Economic Factors

With Net Proceeds of Minerals (NPM) eliminated from state funding, the District is reliant on the newly-implemented Pupil Centered Funding Plan. This new formula funds the District at a similar level compared to previous years when NPM is taken out of the equation. We anticipate next year's funding to be equal to, or greater than, this year's funding. The state's projections of revenue from economic activity show an increase for each of the next two years.

An emphasis remains on multi-tiered systems of support (MTSS). Positions were maintained at all four schools with the aid of grant funding. A counselor has been hired at the elementary, bringing total MTSS staff to 5.

The District continues to utilize purchasing agreements in order to achieve savings wherever possible. There is not a substantial change in the fiscal year 2023 budget compared to the fiscal year 2022 budget.

**BASIC FINANCIAL STATEMENTS**



**LANDER COUNTY SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash and investments	\$ 15,668,225	\$ 12,530,824
Receivables (net of allowance for uncollectibles)	1,469,108	6,937,896
Taxes receivable, delinquent	-	158,816
Capital assets not being depreciated	238,447	204,373
Capital assets being depreciated, net of accumulated depreciation	37,743,616	38,611,637
Total assets	55,119,396	58,443,546
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pensions	5,554,117	2,380,007
Deferred outflows related to OPEB	867,516	847,382
Total deferred outflows of resources	6,421,633	3,227,389
<b>Liabilities</b>		
Accounts payable	6,551,382	565,760
Accrued liabilities	1,214,879	1,418,543
Accrued interest payable	-	1,828
Advances	20,318	20,318
Noncurrent liabilities:		
Due within one year	130,000	307,000
Due in more than one year	141,725	856,204
Net pension liability	8,402,253	12,533,712
Net other postemployment benefits liability	5,087,235	4,798,782
Total liabilities	21,547,792	20,502,147
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pensions	7,878,542	2,103,783
Deferred inflows related to OPEB	321,277	383,510
Total deferred outflows of resources	8,199,819	2,487,293
<b>Net Position</b>		
Net investment in capital assets	37,982,063	37,952,010
Restricted for:		
Net proceeds of minerals	-	6,179,088
Local funds	600,338	601,954
Adult education	2,868	2,868
Federal funds	24,780	24,780
State funds	29,694	32,214
Claims	846,717	2,320,623
Student scholarship and awards	384,989	384,250
Teacher advancement	21,442	21,442
Unrestricted	(8,099,473)	(8,837,734)
Total net position	\$ 31,793,418	\$ 38,681,495

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

**LANDER COUNTY SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

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	2022	2021
<b>Primary government:</b>						
Programs						
Regular	\$ 5,371,273	\$ 43,529	\$ 1,174,205	\$ -	\$ (4,153,539)	\$ (4,623,038)
Special	1,382,183	-	1,152,721	-	(229,462)	(350,540)
Vocational	343,845	-	51,665	-	(292,180)	(319,472)
Other instructional	278,562	-	322,121	-	43,559	(113,791)
Co-curricular and extra-curricular	294,487	-	-	-	(294,487)	(236,354)
Adult education	42,928	-	49,650	-	6,722	2,278
Total program	<u>7,713,278</u>	<u>43,529</u>	<u>2,750,362</u>	<u>-</u>	<u>(4,919,387)</u>	<u>(5,640,917)</u>
Support services						
Student support	728,731	-	10,000	-	(718,731)	(277,502)
Instructional staff support	901,935	-	207,216	-	(694,719)	(828,633)
General administration	810,948	-	-	-	(810,948)	(800,150)
School administration	922,029	-	-	-	(922,029)	(893,014)
Central services	434,113	-	-	-	(434,113)	(476,472)
Operations and maintenance	1,962,620	-	-	-	(1,962,620)	(1,489,700)
Student transportation	492,230	-	-	-	(492,230)	(355,600)
Other support	-	-	-	-	-	(5,000)
Total support services	<u>6,252,606</u>	<u>-</u>	<u>217,216</u>	<u>-</u>	<u>(6,035,390)</u>	<u>(5,126,071)</u>
Operation of noninstructional services						
Food services operations	374,518	2,592	389,283	-	17,357	(69,562)
Total operation of noninstructional	<u>374,518</u>	<u>2,592</u>	<u>389,283</u>	<u>-</u>	<u>17,357</u>	<u>(69,562)</u>
Facilities acquisition and construction						
Land improvement	12,460	-	-	-	(12,460)	(12,287)
Building acquisition and construction	514,409	-	-	-	(514,409)	(514,289)
Site improvements	37,968	-	-	-	(37,968)	(28,496)
Building improvements	602,812	-	-	-	(602,812)	(508,539)
Total facilities acquisition and construction	<u>1,167,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,167,649)</u>	<u>(1,063,611)</u>
Interest on long-term debt	14,336	-	-	-	(14,336)	(25,339)
<b>Total primary government</b>	<u>\$ 15,522,387</u>	<u>\$ 46,121</u>	<u>\$ 3,356,861</u>	<u>\$ -</u>	<u>(12,119,405)</u>	<u>(11,925,500)</u>
General revenues:						
Property taxes, levied for general purposes					-	10,572,250
Local school support taxes					-	1,696,811
Governmental services tax					17,209	560,357
State aid not restricted to specific purposes					5,126,537	2,970
Federal aid not restricted to specific purposes					144,034	145,231
Other local sources					6,416	25,654
Gain on sale of capital assets					7,049	-
Unrestricted investment earnings					(69,917)	48,664
Total general revenues					<u>5,231,328</u>	<u>13,051,937</u>
Change in net position					(6,888,077)	1,126,437
Net position - beginning					38,681,495	37,555,058
Net position - ending					<u>\$ 31,793,418</u>	<u>\$ 38,681,495</u>

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

**LANDER COUNTY SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2022**

	General Fund	Special Revenue		Capital Projects Facilities & Site Improvement	Other Governmental Funds	Total Governmental Funds
		Special Education	Federal Funds			
<b>Assets</b>						
Cash and investments	\$ 7,821,142	\$ 199,425	\$ -	\$ 2,557,715	\$ 4,294,491	\$ 14,872,773
Due from other funds	135,596	-	-	-	-	135,596
Due from other governments	1,026,964	-	375,164	-	55,255	1,457,383
Total assets	<u>\$ 8,983,702</u>	<u>\$ 199,425</u>	<u>\$ 375,164</u>	<u>\$ 2,557,715</u>	<u>\$ 4,349,746</u>	<u>\$ 16,465,752</u>
<b>Liabilities, Deferred Inflows, and Fund Balances</b>						
Liabilities:						
Accounts payable	\$ 225,710	\$ -	\$ 32,623	\$ 26,524	\$ 77,437	\$ 362,294
Accrued liabilities	813,889	134,737	188,440	-	8,403	1,145,469
Advances	-	-	20,318	-	-	20,318
Due to other governments	6,189,088	-	-	-	-	6,189,088
Due to other funds	92,250	12,819	109,003	-	30,474	244,546
Total liabilities	<u>7,320,937</u>	<u>147,556</u>	<u>350,384</u>	<u>26,524</u>	<u>116,314</u>	<u>7,961,715</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted for:						
Local funds	-	-	-	-	600,338	600,338
Adult education	-	-	-	-	2,868	2,868
Federal funds	-	-	24,780	-	-	24,780
State funds	-	-	-	-	29,694	29,694
Student scholarship and awards	384,989	-	-	-	-	384,989
Teacher advancement	21,442	-	-	-	-	21,442
Committed for:						
Rental properties	-	-	-	-	265,303	265,303
Stabilization	-	-	-	-	716,443	716,443
Compensated absences	-	-	-	-	214,853	214,853
Assigned to:						
Food services	-	-	-	-	257,134	257,134
Capital projects	-	-	-	2,531,191	2,146,799	4,677,990
Other purposes	-	51,869	-	-	-	51,869
Unassigned	1,256,334	-	-	-	-	1,256,334
Total fund balances	<u>1,662,765</u>	<u>51,869</u>	<u>24,780</u>	<u>2,531,191</u>	<u>4,233,432</u>	<u>8,504,037</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,983,702</u>	<u>\$ 199,425</u>	<u>\$ 375,164</u>	<u>\$ 2,557,715</u>	<u>\$ 4,349,746</u>	<u>\$ 16,465,752</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, 2022**

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

Total fund balances - total governmental funds		\$ 8,504,037
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 53,048,028	
Accumulated depreciation	<u>(15,065,965)</u>	37,982,063
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	5,554,117	
Deferred inflows related to pensions	(7,878,542)	
Deferred outflows related to OPEB	867,516	
Deferred inflows related to OPEB	<u>(321,277)</u>	(1,778,186)
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.		
		846,717
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.		
Compensated absences	(271,725)	
Net pension liability	(8,402,253)	
Net OPEB obligation	<u>(5,087,235)</u>	<u>(13,761,213)</u>
Net position of governmental activities		<u>\$ 31,793,418</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, 2022**

	General Fund	Special Revenue		Capital Projects	Other	Total
		Special Education	Federal Funds	Facilities & Site Improvement	Governmental Funds	Governmental Funds
<b>Revenues</b>						
Local sources	\$ 75,426	\$ -	\$ -	\$ (60,897)	\$ (14,699)	\$ (170)
State sources	5,285,350	717,877	-	-	226,387	6,229,614
Federal sources	144,034	-	2,024,331	-	388,268	2,556,633
Total revenues	<u>5,504,810</u>	<u>717,877</u>	<u>2,024,331</u>	<u>(60,897)</u>	<u>599,956</u>	<u>8,786,077</u>
<b>Expenditures</b>						
Programs						
Regular	5,107,116	-	979,382	-	66,074	6,152,572
Special	-	1,133,664	294,883	-	156,070	1,584,617
Vocational	339,994	-	24,262	-	19,388	383,644
Other instructional	11,286	-	264,025	-	-	275,311
Co-curricular and extra-curricular	286,715	-	-	-	-	286,715
Adult education	-	-	-	-	42,289	42,289
Total program expenditures	<u>5,745,111</u>	<u>1,133,664</u>	<u>1,562,552</u>	<u>-</u>	<u>283,821</u>	<u>8,725,148</u>
Support services expenditures						
Student support	420,964	161,633	249,936	-	-	832,533
Instructional staff support	848,760	-	51,419	-	7,621	907,800
General administration	827,189	-	26,105	-	1,195	854,489
School administration	1,046,380	-	-	-	14,249	1,060,629
Central services	444,612	-	13,875	-	22,249	480,736
Operations and maintenance	1,785,676	-	111,825	-	249,462	2,146,963
Student transportation	411,421	-	5,290	-	-	416,711
Total support service expenditures	<u>5,785,002</u>	<u>161,633</u>	<u>458,450</u>	<u>-</u>	<u>294,776</u>	<u>6,699,861</u>
Operation of noninstructional services						
Food services	-	-	-	-	378,748	378,748
Facilities acquisition and construction services						
Site improvements	-	-	-	14,982	-	14,982
Building improvements	-	-	3,329	220,422	109,911	333,662
Total facilities acquisition and construction expenditures	<u>-</u>	<u>-</u>	<u>3,329</u>	<u>235,404</u>	<u>109,911</u>	<u>348,644</u>
Debt service						
Principal	-	-	-	-	864,000	864,000
Interest	-	-	-	-	16,164	16,164
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>880,164</u>	<u>880,164</u>
Total expenditures	<u>11,530,113</u>	<u>1,295,297</u>	<u>2,024,331</u>	<u>235,404</u>	<u>1,947,420</u>	<u>17,032,565</u>
Excess revenues over (under) expenditures	<u>(6,025,303)</u>	<u>(577,420)</u>	<u>-</u>	<u>(296,301)</u>	<u>(1,347,464)</u>	<u>(8,246,488)</u>
<b>Other financing sources (uses)</b>						
Transfers in	1,602,524	320,000	-	-	940,870	2,863,394
Transfers out	(1,260,870)	-	-	-	(2,524)	(1,263,394)
Sale of capital assets	7,049	-	-	-	-	7,049
Total other financing sources and uses	<u>348,703</u>	<u>320,000</u>	<u>-</u>	<u>-</u>	<u>938,346</u>	<u>1,607,049</u>
Net change in fund balances	<u>(5,676,600)</u>	<u>(257,420)</u>	<u>-</u>	<u>(296,301)</u>	<u>(409,118)</u>	<u>(6,639,439)</u>
Fund balances - beginning of year	<u>7,339,365</u>	<u>309,289</u>	<u>24,780</u>	<u>2,827,492</u>	<u>4,642,550</u>	<u>15,143,476</u>
Fund balances - end of year	<u>\$ 1,662,765</u>	<u>\$ 51,869</u>	<u>\$ 24,780</u>	<u>\$ 2,531,191</u>	<u>\$ 4,233,432</u>	<u>\$ 8,504,037</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, 2022**

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

Net changes in fund balances - total governmental funds \$ (6,639,439)

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 depreciation expense exceeded capital outlay in the current period.

Capital outlay	\$ 371,443	
Depreciation expense	<u>(1,205,390)</u>	(833,947)

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	1,071,684	
Pension expense	459,125	
OPEB contributions	282,710	
OPEB expense	<u>(488,795)</u>	1,324,724

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		864,000
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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.

(158,816)

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.

1,828

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.

(1,473,906)

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>27,479</u>
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Change in net position of governmental activities		<u><u>\$ (6,888,077)</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, 2022**

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	Governmental Activities, Internal Service, Health and Accident Insurance Fund
<b>Assets</b>	
Cash and investments	\$ 795,452
Accounts receivable	11,725
Due from other funds	<u>108,950</u>
Total assets	<u>916,127</u>
<b>Liabilities</b>	
Accrued liabilities	<u>69,410</u>
<b>Net Position</b>	
Restricted for claims	<u><u>\$ 846,717</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, 2022**

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	<u>Governmental Activities, Internal Service, Health and Accident Insurance Fund</u>
<b>Operating revenues</b>	
Local sources	<u>\$ 1,462,274</u>
<b>Operating expenses</b>	
Support services expenses	<u>1,336,180</u>
Net operating income (loss)	<u>126,094</u>
<b>Nonoperating income (expenses)</b>	
Investment earnings	<u>-</u>
Income (loss) before transfers	126,094
Transfers	<u>(1,600,000)</u>
<b>Change in net position</b>	(1,473,906)
Total net position-beginning	<u>2,320,623</u>
Total net position-ending	<u><u>\$ 846,717</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, 2022**

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	<u>Governmental            Activities,            Internal Service,            Health and Accident            Insurance Fund</u>
<b>Cash flows from operating activities:</b>	
Cash received from employer premiums	\$ 1,035,112
Cash received from employee premiums	498,734
Cash paid for health claims	(1,411,182)
Cash paid for supplemental insurance and administration	<u>(242,693)</u>
Net cash flows from operating activities	<u>(120,029)</u>
<b>Cash flows from noncapital financing activities:</b>	
Transfers (to) from other funds (net)	<u>(1,600,000)</u>
Net cash flows from noncapital financing activities	<u>(1,600,000)</u>
Net change in cash and cash equivalents	(1,720,029)
Cash and cash equivalents at beginning of year	<u>2,515,481</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 795,452</u></u>
<b>Reconciliation of operating income (loss) to net cash            cash flows from operating activities:</b>	
Operating income (loss)	\$ 126,094
Adjustments to reconcile net operating income (loss) to net cash flows from operating activities:	
(Increase) decrease in accounts receivable	78,604
(Increase) decrease in due from other funds	(7,032)
Increase (decrease) in accounts payable	<u>(317,695)</u>
Net cash flows from operating activities	<u><u>\$ (120,029)</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, 2022**

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	<b>Custodial Funds</b>
<b>Assets</b>	
Cash and investments	\$ 196,349
Receivable (from District)	126,234
Total assets	322,583
<b>Liabilities</b>	
Total liabilities	-
<b>Net Position</b>	
Restricted for:	
Student groups	322,583
Total net position	\$ 322,583

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, 2022**

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	<b>Custodial Funds</b>
<b>Additions</b>	
Student activities	\$ 233,560
Total additions	233,560
<b>DEDUCTIONS</b>	
Student activities	257,229
Total deductions	257,229
Net increase (decrease) in fiduciary net position	(23,669)
Net position - beginning	346,252
Net position - ending	\$ 322,583

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

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 1. Summary of Accounting Policies**

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**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, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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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.

*Federal Funds Special Revenue Fund* – used to account for federal grant activities.

*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, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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**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 on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits, are recognized later, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through 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.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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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.
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 of governmental functions for the year ended June 30, 2022.

**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.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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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.

The general fund property taxes collected by Lander County are remitted to the State for inclusion in the education funding formula called the pupil-centered funding plan (PCFP) that replaced the Nevada Plan formula effective July 1, 2021 (see Note 7).

**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, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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***Capital Assets***

Capital assets are tangible and intangible 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 (except for intangible right-to-use lease assets). 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 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).

***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, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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***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, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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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, 2021, from which the summarized information was derived.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 1. Summary of Accounting Policies, Continued**

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**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, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*. GASB Statement No. 87 improves accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. There was no material impact to the financial statements as a result of adoption.

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

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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, 2022**

**NOTE 3. Deposits and Investments**

Deposits and investments of the District at June 30, 2022 consist of the following:

	Carrying Amount-Fair Value
Deposits:	
Cash on hand	\$ 588
Cash in bank	2,910,013
Investments:	
State Treasurer's Investment Pool	376,233
Wells Fargo Securities:	
Money market mutual funds	1,458,674
Bonds-certificates of deposit	249,806
Bonds-US Treasuries	10,839,082
Municipal bonds	30,177
Total cash and investments	\$ 15,864,574

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

Cash and investments	\$ 15,668,225
Fiduciary fund cash and investments	196,349
Total cash and investments	\$ 15,864,574

**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, 2022, 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, 2022**

**NOTE 3. Deposits and Investments, Continued**

As of June 30, 2022 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	
Nevada Local Government Pooled Investment Fund	\$ 376,233	N/A	N/A	125
Wells Fargo Securities:				
Money market mutual funds	1,458,674	AAAm	Aaa-mf	<60
Bonds-certificates of deposit (3)	249,806	N/A	N/A	18
Bonds-US Treasuries	10,839,082	AA+	Aaa	214
Bonds-Municipal	30,177	AA	A3	1,253
Total Fair Value	<u>\$ 12,953,973</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 LGIP (29.56%), as listed above, is valued using quoted prices in active markets (Level 1 inputs). The LGIP (70.44%), the money market mutual funds, bonds—certificates of deposits, and bonds—municipal, as listed above, are valued using significant other observable inputs (Level 2 inputs).

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 4. Interfund Receivables, Payables, and Transfers**

Interfund account balances due to/from consisted of the following at June 30, 2022:

	<b>Due From Other Funds</b>	<b>Due To Other Funds</b>
General fund	\$ 135,596	\$ 92,250
Special education fund	-	12,819
Federal special revenue fund		109,003
Internal service fund	108,950	-
Nonmajor funds	-	30,474
Total	\$ 244,546	\$ 244,546

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, 2022 are as follows:

	<b>Transfers In</b>	<b>Transfers Out</b>
General fund	\$ 1,602,524	\$ 1,260,870
Special education	320,000	-
Internal service fund	-	1,600,000
Nonmajor funds	940,870	2,524
Total	\$ 2,863,394	\$ 2,863,394

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, 2022**

**NOTE 5. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

<b>Governmental Activities:</b>	Balance 06/30/21	Additions	Deletions	Balance 06/30/22
Capital assets, not being depreciated:				
Land	\$ 175,737	\$ -	\$ -	\$ 175,737
Construction in progress	28,636	62,710	(28,636)	62,710
Total capital assets, not being depreciated:	<u>204,373</u>	<u>62,710</u>	<u>(28,636)</u>	<u>238,447</u>
Capital assets, being depreciated:				
Buildings and improvements	47,889,035	161,378	-	48,050,413
Improvements other than buildings	993,029	28,636	-	1,021,665
Equipment and vehicles	3,590,148	147,355	-	3,737,503
Total capital assets, being depreciated:	<u>52,472,212</u>	<u>337,369</u>	<u>-</u>	<u>52,809,581</u>
Less accumulated depreciation for:				
Buildings and improvements	(11,472,192)	(974,432)	-	(12,446,624)
Improvements other than buildings	(543,013)	(28,700)	-	(571,713)
Equipment and vehicles	(1,845,370)	(202,258)	-	(2,047,628)
Total accumulated depreciation	<u>(13,860,575)</u>	<u>(1,205,390)</u>	<u>-</u>	<u>(15,065,965)</u>
Total capital assets, being depreciated, net	<u>38,611,637</u>	<u>(868,021)</u>	<u>-</u>	<u>37,743,616</u>
Governmental activities capital assets, net	<u>\$ 38,816,010</u>	<u>\$ (805,311)</u>	<u>\$ (28,636)</u>	<u>\$ 37,982,063</u>

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

<u>Function and Activity</u>	
Regular programs	\$ 1,725
Vocational programs	3,259
Co-curricular and extra-curricular programs	2,867
Support Services:	
Support/Maintenance/Transportation	2,680
Student support	1,511
Instructional staff support	42,204
Operations and maintenance	46,677
Student transportation	92,792
Operation of non-instructional services:	
Food service operations	2,722
Facilities and sites improvements:	
Land improvement	12,460
Building acquisition and construction	514,409
Site Improvements	22,986
Building improvements	459,098
	<u>\$ 1,205,390</u>



**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 6. Long-Term Liabilities**

Long-term liabilities at June 30, 2022 consisted of the following:

<b>Governmental Activities:</b>	<u>Balance 06/30/21</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 06/30/22</u>	<u>Current Portion</u>
Bonds payable (direct placement)	\$ 864,000	\$ -	\$ (864,000)	\$ -	\$ -
Accrued compensated absences	299,204	89,695	(117,174)	271,725	130,000
Net pension liability	12,533,712	-	(4,131,459)	8,402,253	-
Net OPEB liability	<u>4,798,782</u>	<u>288,453</u>	<u>-</u>	<u>5,087,235</u>	<u>-</u>
Total long-term liabilities	<u>\$ 18,495,698</u>	<u>\$ 378,148</u>	<u>\$ (5,112,633)</u>	<u>\$ 13,761,213</u>	<u>\$ 130,000</u>

The District paid off the outstanding general obligation bonds from a direct placement related to governmental activities in fiscal year 2022. 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 following is a listing of long-term liabilities as of June 30, 2022:

Accrued compensated absences	\$ 271,725
Net pension liability	8,402,253
Net OPEB liability	<u>5,087,235</u>
Total long-term liabilities	13,761,213
Less current portion:	<u>(130,000)</u>
Net long-term liabilities	<u>\$ 13,631,213</u>

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 7. Pupil-Centered Funding Plan for Local Education Agency Financing**

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Effective July 1, 2021, the Nevada Plan formula was replaced by a new pupil-centered funding plan (PCFP). The Nevada Plan had been in existence since 1967 and had few revisions over its 55 years of existence. The PCFP was created pursuant to Senate Bill 543 during the 2019 legislative session amending Chapter 387 – Financial Support of School System. The new law created a special revenue fund called the state education fund (SEF) with dedicated sources of revenue that will ensure revenue designated for education will remain committed to education and cannot be used to fund other state functions. The law also established an education stabilization account (ESA) that is designed to receive school district surplus funds via transfer if school district fund balances exceed 16.6% of total budgeted expenditures compared with the same calculation for FY2020.

Under the Nevada Plan, a portion of funding was retained by the local education agency and a portion of funding provided through state appropriation. Under the PCFP all state and local funding for education flow through the SEF except for de minimis miscellaneous and federal revenue. Net proceeds of minerals are retained at the local level but included in the SEF for the calculation of base and adjusted base funding. This will significantly improve transparency as it relates to the calculation of education funding and per pupil allotments.

NRS 387.1214 requires that the Legislature determine a statewide base per pupil funding amount for each fiscal year of the biennium expressed on a per pupil basis for projected enrollment. It is the intention of the Legislature that the statewide base per pupil amount for any fiscal year be no less than the per pupil amount, adjusted for inflation, for the immediately preceding year to the extent practicable. Exceptions are allowed for economic adversity that call for proportional reductions in funding relative to the State's budget. After the state-wide base is determined, certain cost adjustment factors are applied pursuant to NRS 387.1215 to equitably adjust per pupil funding for each school district and charter schools. Additional funding is added to the adjusted per pupil allotment for auxiliary services such as food services and transportation for pupils. The adjusted base plus auxiliary additions are unrestricted, general fund revenue sources.

Program weights for English learners, at-risk and gifted and talented student populations are multiplied by the base, per pupil amount to determine additional, weighted program funding for these student populations. These funds are restricted for their designated purpose. Special education funding is based on a weighted formula but is not currently part of the PCFP. Funding is based on the number of special education students with a maximum student limit equal to 13% of the total student population. Provisions have been included for contingencies to meet unexpected demand, one-half of the number of students in excess of the 13% cap and an inflationary factor determined by the department of education. The estimated portion of local revenue required to support special education, also called general fund transfers, is provided by the State. Districts can transfer only the amount needed to meet maintenance of efforts requirements and are not required to transfer the estimate provided by the State. A Commission on School Funding was created through statute with the expressed purpose to provide guidance to school districts and the Department of Education on the implementation of the Pupil-Centered Funding Plan and monitor its impact and make recommendations for improvement as an ongoing effort to achieve optimal funding.

With this funding change, the District was required to remit to the State \$6,189,088 in net proceeds of minerals that were recognized as revenue in fiscal year 2021. This amount is included in due to other governments at June 30, 2022 and reduced the PCFP revenues for fiscal year 2022. This won't be an issue in future years.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 8. Risk Management**

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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.

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.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 8. Risk Management, Continued**

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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				
2021-2022	\$ 387,105	\$ 787,903	\$ 1,105,599	\$ 69,410
2020-2021	244,358	950,133	807,386	387,105

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**NOTE 9. Stabilization Fund**

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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, 2022, the District complied with the provisions of this section.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 10. Retirement and Pension Plans**

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**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, 2022**

**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, 2021 and June 30, 2022 the Statutory Employer/employee matching rate was 15.25% and 15.50%, respectively, for Regular members. The Employer-pay contribution (EPC) rate was 29.25% and 29.75%, respectively, for Regular members.

The District's contribution for the year ended June 30, 2022 was \$1,071,684, 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, 2021:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Geometric Expected Real Rate of Return*</b>
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S bonds	28%	0.75%
Private markets	12%	6.65%

\*As of June 30, 2021, PERS' long-term inflation assumption was 2.50%.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 10. Retirement and Pension Plans, Continued**

**Pension liability**

*Net pension liability*

At June 30, 2022, the District reported a liability of \$8,402,253 for its proportionate share of the PERS' net pension liability. The net pension liability was measured as of June 30, 2021, 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, 2021. The District's proportion measured as of June 30, 2021, was 0.092140 percent, which was an increase of 0.002150 percent from its proportion measured as of June 30, 2020.

*Pension liability discount rate sensitivity*

The following presents the net pension liability of the PERS as of June 30, 2021, calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of Net pension (asset) / liability	\$ 16,728,616	\$ 8,402,253	\$ 1,533,685

*Pension plan fiduciary net position*

Detailed information about the pension plan's fiduciary net position is available in the PERS Annual Report, which is available on the PERS website: [www.nvpers.org/publications/reports](http://www.nvpers.org/publications/reports).

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 10. Retirement and Pension Plans, Continued**

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*Actuarial assumptions*

The District's net pension liability was measured as of June 30, 2021, 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	2.50%
Investment rate of return	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2021 funding actuarial valuation

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2021. 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, 2021, 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, 2021.



**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

**NOTE 10. Retirement and Pension Plans, Continued**

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

For the year ended June 30, 2022, the District recognized pension expense for PERS of \$(459,125). At June 30, 2022, 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	\$ 930,714	\$ 59,132
Changes in assumptions or other inputs	2,789,693	-
Net difference between projected and actual earnings on pension plan investments	-	6,855,971
Subtotal	3,720,407	6,915,103
Changes in proportion	762,026	963,439
Contributions subsequent to the measurement date	1,071,684	-
Total	\$ 5,554,117	\$ 7,878,542

Average expected remaining service lives 6.14 years

The \$1,071,684 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
2023	\$ (954,339)
2024	(938,702)
2025	(973,725)
2026	(1,043,652)
2027	627,927
2028	87,794
Thereafter	-

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 11. Postemployment Benefits Other Than Pensions (OPEB)**

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**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, 2022**

**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	\$ 752.75	\$ 36.15	\$ 398.47	\$ -
Retiree + Spouse	1,346.39	96.29	623.11	-
Retiree + Child(ren)	1,208.67	96.66	541.11	-
Retiree + Family	1,802.32	156.80	765.75	-

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 July 1, 2020, the monthly subsidy for retirees on the Medicare Exchange is \$13 per month per year of PERS service. The maximum benefit payable is \$260 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. Medical and dental insurance end at age 65 when the retiree is eligible for Medicare.

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, 2022**

**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, 2020 were as follows:

Coverage Level	Fully Burdened Premium Rate	Retirees	
		H.S.A.	PPO
Employee only	\$ 1,133	\$ 900	\$ 900
Employee & 1 dependent	1,596	1,400	1,500
Employee & 2 dependents	1,689	1,500	1,600
Employee & 3 or more dependents	1,781	1,600	1,700

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 68 former employees for whom the District pays a subsidy toward the cost of PEPB coverage.

LCSDEHBP

There are 104 active employees for the June 2020 valuation and all are participating in the medical program. There are 18 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 \$149,300 for the year ended June 30, 2022.

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 \$133,409 for the year ended June 30, 2022.

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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

*Plan financial reports*

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, 2022, the District reported a net OPEB liability of \$3,114,168 for PEBP and \$1,973,067 for LCSDEHBP. The net liability was measured as of June 30, 2021 and the total liability was determined by an actuarial valuation as of June 30, 2020. 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 (para 4) to pay related benefits. The total OPEB liability as of June 30, 2021 reflects a change in the use of discount rates of 2.45% as of June 30, 2020 and 1.92% as of June 30, 2021. There were no other significant changes of actuarial assumptions. The projections are based on established patterns of practice. For the June 30, 2020 valuation, the following two benefit changes were made: bundling of medical and life insurance is no longer a requirement and medical and dental insurance end once a retiree reaches age 65 and becomes eligible for Medicare.

*OPEB liability discount rate sensitivity*

The following presents the net OPEB liability calculated using the discount rate of 1.92%, 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:

	1% Decrease	Discount Rate	1% Increase
Net OPEB liability - PEBP	\$ 3,510,292	\$ 3,114,168	\$ 2,782,835
Net OPEB liability - LCSDEHBP	2,115,669	1,973,067	1,840,647

*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:

	1% Decrease	Medical Trend	1% Increase
Net OPEB liability - PEBP	\$ 2,800,405	\$ 3,114,168	\$ 3,480,838
Net OPEB liability - LCSDEHBP	1,788,398	1,973,067	2,189,974

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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

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*Actuarial assumptions*

PEBP

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

Inflation rate	2.50%
Salary increases	N/A – no active employee in this plan
Discount rate	2.45% as of June 30, 2020 and 1.92% as of June 30, 2021
Funding method	Entry age normal cost, closed group, level percent of pay
Healthcare cost trend rates	Actual 2021 increases reflected Pre-Medicare subsidy increase: 5.7% on July 2022 grading down to 5.5% by 2024 Post-Medicare subsidy increase: 4.5%

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, 2019, 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 2020 on a generational basis from 2018 forward.

The discount rate used to measure the total OPEB liability was 2.45% as of June 30, 2020 and 1.92% as of June 30, 2021. 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, 2022**

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

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LCSDEHBP

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

Inflation rate	2.50%
Salary increases	3.00%
Discount rate	2.45% as of June 30, 2020 and 1.92% as of June 30, 2021
Funding method	Entry age normal cost, closed group, level percent of pay
Healthcare trend	Actual 2021 increases reflected 5.7% on July 2022 grading down to 5.5% by 2024

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, 2019, 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

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 2020 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 2.45% as of June 30, 2020 and 1.92% as of June 30, 2021. 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, 2022**

**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, 2021	\$ 3,007,623	\$ -	\$ 3,007,623
Changes during the period:			
Service cost	-		-
Interest cost	71,871		71,871
Expected investment income		-	-
Employer contributions		148,202	(148,202)
Changes of benefit terms	-		-
Benefit payments	(148,202)	(148,202)	-
Assumption changes	182,876		182,876
Plan experience	-		-
Investment experience		-	-
Net changes	106,545	-	106,545
Balances at June 30, 2022	<u>\$ 3,114,168</u>	<u>\$ -</u>	<u>\$ 3,114,168</u>

LCSDEHBP

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB (asset) liability (a) - (b)
Balances at June 30, 2021	\$ 1,791,159	\$ -	\$ 1,791,159
Changes during the period:			
Service cost	175,761		175,761
Interest cost	46,817		46,817
Expected investment income		-	-
Employer contributions		112,068	(112,068)
Changes of benefit terms	-		-
Benefit payments	(112,068)	(112,068)	-
Assumption changes	71,398		71,398
Plan experience	-		-
Investment experience		-	-
Net changes	181,908	-	181,908
Balances at June 30, 2022	<u>\$ 1,973,067</u>	<u>\$ -</u>	<u>\$ 1,973,067</u>



**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

**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, 2022, the District recognized OPEB expense (income) for PEBP of \$254,747 and for LCSDEHBP of \$234,048.

*Deferred outflows/inflows of resources related to OPEB*

At June 30, 2022, 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	\$ 149,300	\$ -
Total	\$ 149,300	\$ -

The above amount of \$149,300 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	\$ 414,945	\$ 127,265
Plan experience	169,862	194,012
Net difference between projected and actual earnings on investments	-	-
Contributions subsequent to the measurement date	133,409	-
Total	\$ 718,216	\$ 321,277

Expected average remaining service life:	10.06 years
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**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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

The above amount of \$133,409 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 30,	Deferred Outflows (Inflows) of Resources
2023	\$ 11,470
2024	11,470
2025	11,470
2026	11,470
2027	23,187
Thereafter	194,463

**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, 2022 are as follows:

	PEBP	LCSDEHBP	Combined
Net OPEB liability	\$ 3,114,168	\$ 1,973,067	\$ 5,087,235
Deferred outflows	149,300	718,216	867,516
Deferred inflows	-	321,277	321,277
OPEB expense	254,747	234,048	488,795

**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2022**

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**NOTE 12.      Commitments and Contingencies**

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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.

The District is involved with matters of litigation. It is deemed possible but not necessarily probable that the District may experience negative financial impacts as a result of the litigation; however, the effects of any pending or threatened litigation are not measureable and cannot be estimated as of the date of the financial statements.

**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, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
<b>Local sources</b>					
Ad valorem taxes	\$ 4,368,000	\$ -	\$ -	\$ -	\$ 10,547,462
Governmental services tax	17,208	17,208	17,209	1	560,357
School support tax	-	-	-	-	1,696,811
Tuition, regular day school	20,000	20,000	43,529	23,529	25,600
Department of Wildlife	2,500	-	-	-	2,970
Investment earnings	20,000	20,000	8,272	(11,728)	4,648
Other local revenue	510	510	6,416	5,906	25,652
Total from local sources	<u>4,428,218</u>	<u>57,718</u>	<u>75,426</u>	<u>17,708</u>	<u>12,863,500</u>
<b>State sources</b>					
Distributive school fund/PCFP	11,706,000	4,972,272	5,285,350	313,078	-
Total from state sources	<u>11,706,000</u>	<u>4,972,272</u>	<u>5,285,350</u>	<u>313,078</u>	<u>-</u>
<b>Federal sources</b>					
Impact aid	100,000	100,000	100,915	915	109,437
National forest	25,000	25,000	43,119	18,119	33,971
E-rate funds	1,800	1,800	-	(1,800)	1,823
Total from federal sources	<u>126,800</u>	<u>126,800</u>	<u>144,034</u>	<u>17,234</u>	<u>145,231</u>
<b>Total revenues</b>	<u>16,261,018</u>	<u>5,156,790</u>	<u>5,504,810</u>	<u>348,020</u>	<u>13,008,731</u>
<b>Expenditures</b>					
<b>Regular programs</b>					
Instruction					
Salaries and wages	3,510,695	3,388,980	3,358,168	30,812	3,394,628
Employee benefits	1,588,995	1,636,556	1,557,858	78,698	1,453,640
Purchased services	82,657	47,900	36,811	11,089	61,089
Supplies	228,650	164,721	148,652	16,069	197,269
Other	7,600	7,600	5,627	1,973	4,047
Total instruction	<u>5,418,597</u>	<u>5,245,757</u>	<u>5,107,116</u>	<u>138,641</u>	<u>5,110,673</u>
Total regular programs	<u>5,418,597</u>	<u>5,245,757</u>	<u>5,107,116</u>	<u>138,641</u>	<u>5,110,673</u>
<b>Vocational programs</b>					
Instruction					
Salaries and wages	261,755	241,755	232,307	9,448	252,294
Employee benefits	108,307	108,307	98,878	9,429	101,577
Purchased services	7,500	7,500	5,273	2,227	982
Supplies	4,000	4,000	3,168	832	6,923
Other	1,375	1,375	368	1,007	300
Total vocational programs	<u>382,937</u>	<u>362,937</u>	<u>339,994</u>	<u>22,943</u>	<u>362,076</u>
<b>Other instructional programs</b>					
Instruction					
Salaries and wages	109,170	7,482	7,227	255	84,360
Employee benefits	65,295	4,760	4,059	701	48,425
Total other instructional programs	<u>174,465</u>	<u>12,242</u>	<u>11,286</u>	<u>956</u>	<u>132,785</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, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

Expenditures (Continued):	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Co-curricular and extra-curricular programs</b>					
Co-curricular activities					
Instruction					
Salaries and wages	\$ 43,350	\$ 56,050	\$ 53,902	\$ 2,148	\$ 50,887
Employee benefits	2,600	5,200	5,185	15	4,837
Total co-curricular activities	46,650	61,250	59,087	2,163	55,724
Extra-curricular activities					
Instruction					
Salaries and wages	65,000	142,500	142,196	304	111,513
Employee benefits	7,445	14,840	13,422	1,418	10,770
Purchased services	57,850	45,600	42,018	3,582	9,415
Supplies	47,000	32,100	28,430	3,670	48,109
Other	1,120	1,300	1,562	(262)	150
Total extra-curricular activities	178,415	236,340	227,628	8,712	179,957
Total co-curricular and extra-curricular	225,065	297,590	286,715	10,875	235,681
<b>Support services - student support</b>					
Salaries and wages	195,625	290,720	282,704	8,016	152,602
Employee benefits	100,281	135,000	134,622	378	77,364
Purchased services	1,000	1,000	198	802	528
Supplies	8,610	3,295	3,082	213	2,289
Other	150	565	358	207	315
Total student support	305,666	430,580	420,964	9,616	233,098
<b>Support services - instructional staff support</b>					
Salaries and wages	194,905	157,223	154,867	2,356	169,400
Employee benefits	276,240	232,134	226,039	6,095	221,620
Purchased services	290,000	241,500	165,585	75,915	153,371
Supplies	404,765	335,701	302,269	33,432	287,597
Property	15,000	-	-	-	13,234
Total instructional staff support	1,180,910	966,558	848,760	117,798	845,222
<b>Support services - general administration</b>					
Salaries and wages	326,190	262,574	262,866	(292)	308,027
Employee benefits	141,916	97,821	97,027	794	113,997
Purchased services	511,950	392,305	368,666	23,639	344,714
Supplies	131,330	84,080	74,228	9,852	36,738
Other	24,750	26,150	24,402	1,748	24,698
Total general administration	1,136,136	862,930	827,189	35,741	828,174
<b>Support services - school administration</b>					
Salaries and wages	640,645	713,205	704,122	9,083	640,344
Employee benefits	304,906	313,949	306,055	7,894	288,028
Purchased services	25,745	25,745	17,118	8,627	12,204
Supplies	13,410	17,196	16,235	961	16,339
Other	3,650	3,650	2,850	800	117
Total school administration	988,356	1,073,745	1,046,380	27,365	957,032

(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, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

Expenditures (Continued):	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Support services - central services</b>					
Salaries and wages	\$ 288,600	\$ 304,260	\$ 284,594	\$ 19,666	\$ 303,879
Employee benefits	138,445	138,445	135,736	2,709	140,755
Purchased services	61,000	41,000	24,282	16,718	23,083
Total central services	<u>488,045</u>	<u>483,705</u>	<u>444,612</u>	<u>39,093</u>	<u>467,717</u>
<b>Support services - operation and maintenance</b>					
Salaries and wages	344,890	383,510	371,997	11,513	329,150
Employee benefits	172,355	174,895	167,325	7,570	151,423
Purchased services	780,181	839,027	730,164	108,863	617,294
Supplies	378,801	523,085	516,158	6,927	339,268
Other	1,600	1,600	32	1,568	782
Total operation and maintenance	<u>1,677,827</u>	<u>1,922,117</u>	<u>1,785,676</u>	<u>136,441</u>	<u>1,437,917</u>
<b>Support services - student transportation</b>					
Salaries and wages	169,085	181,015	175,999	5,016	134,273
Employee benefits	64,765	66,190	55,824	10,366	50,364
Purchased services	125,529	124,432	118,421	6,011	55,179
Supplies	88,700	68,700	61,084	7,616	40,564
Other	500	500	93	407	-
Total student transportation	<u>448,579</u>	<u>440,837</u>	<u>411,421</u>	<u>29,416</u>	<u>280,380</u>
<b>Support services - other</b>					
Other	300,000	300,000	-	300,000	5,000
Total other support	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>5,000</u>
Total support services expenditures	<u>6,525,519</u>	<u>6,480,472</u>	<u>5,785,002</u>	<u>695,470</u>	<u>5,054,540</u>
<b>Total expenditures</b>	<u>12,726,583</u>	<u>12,398,998</u>	<u>11,530,113</u>	<u>868,885</u>	<u>10,895,755</u>
Excess of revenues over/(under) expenditures	<u>3,534,435</u>	<u>(7,242,208)</u>	<u>(6,025,303)</u>	<u>1,216,905</u>	<u>2,112,976</u>
<b>Other sources (uses)</b>					
Transfers in	-	1,602,524	1,602,524	-	-
Transfers out	(951,706)	(2,521,740)	(1,260,870)	1,260,870	(1,786,075)
Sale of capital assets	5,000	5,000	7,049	2,049	5,767
Total other financing sources (uses):	<u>(946,706)</u>	<u>(914,216)</u>	<u>348,703</u>	<u>1,262,919</u>	<u>(1,780,308)</u>
<b>Net change in fund balance</b>	<u>2,587,729</u>	<u>(8,156,424)</u>	<u>(5,676,600)</u>	<u>2,479,824</u>	<u>332,668</u>
Fund balance, beginning of year	<u>7,339,365</u>	<u>7,339,365</u>	<u>7,339,365</u>	<u>-</u>	<u>7,006,697</u>
Fund balance, end of year	<u>\$ 9,927,094</u>	<u>\$ (817,059)</u>	<u>\$ 1,662,765</u>	<u>\$ 2,479,824</u>	<u>\$ 7,339,365</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, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
Distributive school fund	\$ 707,287	\$ 707,430	\$ 717,877	\$ 10,447	\$ 706,516
<b>Expenditures</b>					
Special programs					
Instruction					
Salaries and wages	846,985	790,792	770,527	20,265	770,637
Employee benefits	429,335	381,115	362,937	18,178	356,573
Purchased services	2,000	2,000	-	2,000	-
Supplies	2,500	500	200	300	392
Total special programs	<u>1,280,820</u>	<u>1,174,407</u>	<u>1,133,664</u>	<u>40,743</u>	<u>1,127,602</u>
Student support					
Salaries and wages	77,305	118,000	110,270	7,730	92,472
Employee benefits	34,528	47,514	47,433	81	36,387
Purchased services	105	3,500	3,478	22	102
Supplies	1,920	500	452	(48)	1,916
Total student support	<u>113,858</u>	<u>169,514</u>	<u>161,633</u>	<u>7,785</u>	<u>130,877</u>
Instructional staff support					
Salaries and wages	-	-	-	-	3,462
Employee benefits	-	-	-	-	1,928
Total instructional staff support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,390</u>
Total expenditures	<u>1,394,678</u>	<u>1,343,921</u>	<u>1,295,297</u>	<u>48,528</u>	<u>1,263,869</u>
Excess of revenues over (under) expenditures	<u>(687,391)</u>	<u>(636,491)</u>	<u>(577,420)</u>	<u>58,975</u>	<u>(557,353)</u>
<b>Other financing sources (uses)</b>					
Transfers in	<u>550,000</u>	<u>320,000</u>	<u>320,000</u>	<u>-</u>	<u>696,660</u>
<b>Net change in fund balance</b>	<u>(137,391)</u>	<u>(316,491)</u>	<u>(257,420)</u>	<u>58,975</u>	<u>139,307</u>
Fund balance, beginning of year	<u>309,289</u>	<u>309,289</u>	<u>309,289</u>	<u>-</u>	<u>169,982</u>
Fund balance, end of year	<u>\$ 171,898</u>	<u>\$ (7,202)</u>	<u>\$ 51,869</u>	<u>\$ 58,975</u>	<u>\$ 309,289</u>



**LANDER COUNTY SCHOOL DISTRICT  
FEDERAL FUNDS  
Schedule of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Federal sources					
Grants	\$ 1,956,128	\$ 2,279,551	\$ 2,024,331	\$ (255,220)	\$ 764,401
Total revenues	<u>1,956,128</u>	<u>2,279,551</u>	<u>2,024,331</u>	<u>(255,220)</u>	<u>764,401</u>
<b>Expenditures</b>					
Regular programs					
Instruction					
Salaries and wages	366,200	535,975	477,195	58,780	90,122
Employee benefits	125,215	220,394	209,899	10,495	51,210
Purchased services	89,907	81,042	24,953	56,089	61,181
Supplies	326,776	271,346	267,335	4,011	120,396
Other	-	-	-	-	1,500
Total regular programs	<u>908,098</u>	<u>1,108,757</u>	<u>979,382</u>	<u>129,375</u>	<u>324,409</u>
Special programs					
Instruction					
Salaries and wages	168,315	168,315	168,315	-	53,790
Employee benefits	50,400	65,400	65,400	-	27,934
Purchased services	1,199	1,199	1,199	-	2,931
Supplies	62,968	62,968	59,969	2,999	29,638
Total special programs	<u>282,882</u>	<u>297,882</u>	<u>294,883</u>	<u>2,999</u>	<u>114,293</u>
Vocational programs					
Instruction					
Purchased services	5,866	8,616	7,270	1,346	450
Supplies	14,722	17,087	16,992	95	26,161
Total vocational programs	<u>20,588</u>	<u>25,703</u>	<u>24,262</u>	<u>1,441</u>	<u>26,611</u>
Other instructional programs					
Instruction					
Salaries and wages	160,480	186,440	186,440	-	-
Employee benefits	57,890	19,017	19,012	5	-
Supplies	10,000	32,339	27,536	4,803	-
Property and equipment	-	31,625	31,037	588	-
Total other instructional programs	<u>228,370</u>	<u>269,421</u>	<u>264,025</u>	<u>5,396</u>	<u>-</u>
Total instruction	<u>1,439,938</u>	<u>1,701,763</u>	<u>1,562,552</u>	<u>139,211</u>	<u>465,313</u>

(continued)

**LANDER COUNTY SCHOOL DISTRICT  
FEDERAL FUNDS  
Schedule of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

Expenditures (continued):	Budgeted Amounts		Actual	Variance	Actual 2021
	Original	Final		(Unfavorable)	
Support services					
Student support					
Salaries and wages	\$ 200,185	\$ 153,490	\$ 144,825	\$ 8,665	\$ 1,575
Employee benefits	82,819	70,656	69,380	1,276	10,008
Purchased services	35,428	30,428	28,602	1,826	85,275
Supplies	333	7,139	7,129	10	13,230
Total student support	<u>318,765</u>	<u>261,713</u>	<u>249,936</u>	<u>11,777</u>	<u>110,088</u>
Instructional staff support					
Salaries and wages	3,200	23,550	25,400	(1,850)	30,211
Employee benefits	1,264	245	-	245	7,810
Purchased services	9,895	8,949	11,819	(2,870)	36,191
Supplies	2,469	52,761	10,783	41,978	101,050
Other	5,000	4,050	3,417	633	600
Total instructional staff support	<u>21,828</u>	<u>89,555</u>	<u>51,419</u>	<u>38,136</u>	<u>175,862</u>
General administration support					
Salaries and wages	16,320	24,000	24,000	-	-
Employee benefits	6,952	2,448	2,105	343	-
Total general administration support	<u>23,272</u>	<u>26,448</u>	<u>26,105</u>	<u>343</u>	<u>-</u>
Central services					
Salaries and wages	-	7,000	7,000	-	4,535
Employee benefits	-	-	-	-	465
Supplies	11,000	11,000	6,875	4,125	4,125
Total central services	<u>11,000</u>	<u>18,000</u>	<u>13,875</u>	<u>4,125</u>	<u>9,125</u>
Operations and maintenance					
Purchased services	107,175	107,175	107,175	-	-
Other	-	4,650	4,650	-	4,650
Total operations and maintenance	<u>107,175</u>	<u>111,825</u>	<u>111,825</u>	<u>-</u>	<u>4,650</u>
Student transportation					
Salaries and wages	24,480	4,800	4,800	-	-
Employee benefits	9,670	490	490	-	-
Total student transportation	<u>34,150</u>	<u>5,290</u>	<u>5,290</u>	<u>-</u>	<u>-</u>
Total support services	<u>516,190</u>	<u>512,831</u>	<u>458,450</u>	<u>54,381</u>	<u>299,725</u>
Facilities acquisition and construction services					
Building improvements					
Property and equipment	-	3,329	3,329	-	-
Total building improvements	<u>-</u>	<u>3,329</u>	<u>3,329</u>	<u>-</u>	<u>-</u>
Total facilities and construction services	<u>-</u>	<u>3,329</u>	<u>3,329</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,956,128</u>	<u>2,217,923</u>	<u>2,024,331</u>	<u>193,592</u>	<u>765,038</u>
<b>Net change in fund balance</b>	-	61,628	-	(61,628)	(637)
Fund balance, beginning of year	24,780	24,780	24,780	-	25,417
Fund balance, end of year	<u>\$ 24,780</u>	<u>\$ 86,408</u>	<u>\$ 24,780</u>	<u>\$ (61,628)</u>	<u>\$ 24,780</u>

**LANDER COUNTY SCHOOL DISTRICT**  
**Schedule of the Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System of Nevada**  
**June 30, 2022**  
**Last 10 Fiscal Years**

	Reporting Fiscal Year (Measurement Date)							
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability (asset)	0.09214%	0.08999%	0.08462%	0.08772%	0.09781%	0.10753%	0.10547%	0.10776%
Proportionate share of the net pension liability (asset)	\$ 8,402,253	\$ 12,533,712	\$ 11,538,099	\$ 11,963,468	\$ 13,009,053	\$ 14,470,185	\$ 12,085,966	\$ 11,230,684
Covered payroll	\$ 6,594,392	\$ 6,412,167	\$ 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	127.42%	195.47%	198.31%	205.81%	207.44%	222.21%	191.17%	177.10%
Plan fiduciary net position as a percentage of the total pension liability	86.5%	77.0%	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, 2022**  
**Last 10 Fiscal Years**

	Reporting Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 1,071,684	\$ 964,366	\$ 937,779	\$ 814,561	\$ 813,808	\$ 877,967	\$ 911,679	\$ 813,969	\$ 816,437	\$ 816,437
Contributions in relation to the contractually required contribution	\$ (1,071,684)	\$ (964,366)	\$ (937,779)	\$ (814,561)	\$ (813,808)	\$ (877,967)	\$ (911,679)	\$ (813,969)	\$ (816,437)	\$ (816,437)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,205,015	\$ 6,594,392	\$ 6,412,167	\$ 5,818,287	\$ 5,812,909	\$ 6,271,187	\$ 6,511,993	\$ 6,322,085	\$ 6,341,258	\$ 6,341,258
Contributions as a percentage of covered payroll	14.87%	14.62%	14.62%	14.00%	14.00%	14.00%	14.00%	12.88%	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, 2022**  
**Last 10 Fiscal Years**

	Reporting Fiscal Year (Measurement Date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest cost	71,871	84,320	94,852	90,963	83,053
Changes of benefit terms	-	-	-	-	-
Benefit payments	(148,202)	(161,424)	(169,228)	(170,971)	(163,280)
Assumption changes	182,876	274,240	144,696	(90,189)	(205,059)
Plan experience	-	35,830	-	233,913	-
Net change in total OPEB liability	106,545	232,966	70,320	63,716	(285,286)
Total OPEB liability - beginning	3,007,623	2,774,657	2,704,337	2,640,621	2,925,907
Total OPEB liability - ending (a)	<u>\$ 3,114,168</u>	<u>\$ 3,007,623</u>	<u>\$ 2,774,657</u>	<u>\$ 2,704,337</u>	<u>\$ 2,640,621</u>
Plan fiduciary net position					
Employer contributions	\$ 148,202	\$ 161,424	\$ 169,228	\$ 170,971	\$ 163,280
Net investment income	-	-	-	-	-
Benefit payments	(148,202)	(161,424)	(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>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	\$ 3,114,168	\$ 3,007,623	\$ 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, 2022**  
**Last 10 Fiscal Years**

	Reporting Fiscal Year (Measurement Date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ 175,761	\$ 125,261	\$ 109,767	\$ 142,343	\$ 156,041
Interest cost	46,817	60,467	62,521	73,394	60,901
Changes of benefit terms	-	(723,845)	-	-	-
Benefit payments	(112,068)	(87,975)	(72,736)	(83,207)	(78,728)
Assumption changes	71,398	354,669	97,313	(103,842)	(146,283)
Plan experience	-	212,012	-	(335,884)	-
Net change in total OPEB liability	181,908	(59,411)	196,865	(307,196)	(8,069)
Total OPEB liability - beginning	1,791,159	1,850,570	1,653,705	1,960,901	1,968,970
Total OPEB liability - ending (a)	<u>\$ 1,973,067</u>	<u>\$ 1,791,159</u>	<u>\$ 1,850,570</u>	<u>\$ 1,653,705</u>	<u>\$ 1,960,901</u>
Plan fiduciary net position					
Employer contributions	\$ 112,068	\$ 87,975	\$ 72,736	\$ 83,207	\$ 78,728
Net investment income	-	-	-	-	-
Benefit payments	(112,068)	(87,975)	(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>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	\$ 1,973,067	\$ 1,791,159	\$ 1,850,570	\$ 1,653,705	\$ 1,960,901
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%
Covered-employee payroll	\$ 7,041,019	\$ 7,180,900	\$ 6,367,618	\$ 6,122,710	\$ 6,734,899
Net OPEB liability as a percentage of covered payroll	28.02%	24.94%	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**  
**Notes to Required Supplementary Information**  
**June 30, 2022**

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**NOTE 1. OPEB – Factors that Affect Trends**

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Aside from the changes listed in Note 11 to the financial statements (see OPEB Liability section of Note 11), there are no significant 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.

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**NOTE 2. OPEB – Plan Assets**

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

**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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Investment earnings	\$ -	\$ 141,000	\$ (60,897)	\$ (201,897)	\$ 38,881
Miscellaneous	-	-	-	-	-
Total local sources	-	141,000	(60,897)	(201,897)	38,881
Total revenues	-	141,000	(60,897)	(201,897)	38,881
<b>Expenditures</b>					
Facilities acquisition and construction services					
Site improvements					
Purchased services	-	16,000	14,982	1,018	-
Total site improvements	-	16,000	14,982	1,018	-
Building improvements					
Purchased services	423,000	372,325	213,197	159,128	1,807,695
Property and equipment	7,225	12,225	7,225	5,000	62,488
Total building improvements	430,225	384,550	220,422	164,128	1,870,183
Total facilities and construction services	430,225	400,550	235,404	165,146	1,870,183
Total expenditures	430,225	400,550	235,404	165,146	1,870,183
<b>Net change in fund balance</b>	(430,225)	(259,550)	(296,301)	(36,751)	(1,831,302)
Fund balance, beginning of year	2,827,492	2,827,492	2,827,492	-	4,658,794
Fund balance, end of year	\$ 2,397,267	\$ 2,567,942	\$ 2,531,191	\$ (36,751)	\$ 2,827,492

**LANDER COUNTY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2022**

	Special Revenue Funds								Capital Project Funds			Total 2022	
	Local Funds	PCFP English Learners	PCFP At Risk	Class-Size Reduction	Adult Education	State Funds	Food Services	Stabilization	Compensated Absences	Building and Sites	Extraordinary Maintenance		Debt Service Fund
<b>Assets</b>													
Cash and investments	\$ 860,641	\$ -	\$ -	\$ -	\$ -	\$ 29,690	\$ 247,617	\$ 716,443	\$ 222,337	\$ 1,009,894	\$ 1,207,869	\$ -	\$ 4,294,491
Due from other governments	5,000	6,402	6,604	-	20,657	-	16,592	-	-	-	-	-	55,255
Total assets	<u>\$ 865,641</u>	<u>\$ 6,402</u>	<u>\$ 6,604</u>	<u>\$ -</u>	<u>\$ 20,657</u>	<u>\$ 29,690</u>	<u>\$ 264,209</u>	<u>\$ 716,443</u>	<u>\$ 222,337</u>	<u>\$ 1,009,894</u>	<u>\$ 1,207,869</u>	<u>\$ -</u>	<u>\$ 4,349,746</u>
<b>Liabilities and Fund Balances</b>													
Liabilities:													
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 96	\$ -	\$ 6,377	\$ -	\$ -	\$ 9,951	\$ 61,013	\$ -	\$ 77,437
Accrued liabilities	-	-	-	-	221	-	698	-	7,484	-	-	-	8,403
Due to other funds	-	6,400	6,602	-	17,472	-	-	-	-	-	-	-	30,474
Total liabilities	<u>-</u>	<u>6,400</u>	<u>6,602</u>	<u>-</u>	<u>17,789</u>	<u>-</u>	<u>7,075</u>	<u>-</u>	<u>7,484</u>	<u>9,951</u>	<u>61,013</u>	<u>-</u>	<u>116,314</u>
Fund balances:													
Restricted													
Local funds	600,338	-	-	-	-	-	-	-	-	-	-	-	600,338
Adult education	-	-	-	-	2,868	-	-	-	-	-	-	-	2,868
State funds	-	2	2	-	-	29,690	-	-	-	-	-	-	29,694
Committed													
Rental properties	265,303	-	-	-	-	-	-	-	-	-	-	-	265,303
Stabilization	-	-	-	-	-	-	-	716,443	-	-	-	-	716,443
Compensated absences	-	-	-	-	-	-	-	-	214,853	-	-	-	214,853
Assigned													
Food services	-	-	-	-	-	-	257,134	-	-	-	-	-	257,134
Capital projects	-	-	-	-	-	-	-	-	-	999,943	1,146,856	-	2,146,799
Total fund balances	<u>865,641</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>2,868</u>	<u>29,690</u>	<u>257,134</u>	<u>716,443</u>	<u>214,853</u>	<u>999,943</u>	<u>1,146,856</u>	<u>-</u>	<u>4,233,432</u>
Total liabilities and fund balance	<u>\$ 865,641</u>	<u>\$ 6,402</u>	<u>\$ 6,604</u>	<u>\$ -</u>	<u>\$ 20,657</u>	<u>\$ 29,690</u>	<u>\$ 264,209</u>	<u>\$ 716,443</u>	<u>\$ 222,337</u>	<u>\$ 1,009,894</u>	<u>\$ 1,207,869</u>	<u>\$ -</u>	<u>\$ 4,349,746</u>

**LANDER COUNTY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2022**

	Special Revenue Funds								Capital Project Funds			Total 2022	
	Local Funds	PCFP English Learners	PCFP At Risk	Class-Size Reduction	Adult Education	State Funds	Food Services	Compensated Stabilization	Compensated Absences	Building and Sites	Extraordinary Maintenance		Debt Service Fund
<b>Revenues</b>													
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,592	\$ (12,844)	\$ (4,447)	\$ -	\$ -	\$ -	\$ (14,699)
State sources	-	76,827	79,247	-	49,650	19,648	1,015	-	-	-	-	-	226,387
Federal sources	-	-	-	-	-	-	388,268	-	-	-	-	-	388,268
Total revenues	-	76,827	79,247	-	49,650	19,648	391,875	(12,844)	(4,447)	-	-	-	599,956
<b>Expenditures</b>													
Regular programs	421	-	-	-	-	-	-	-	65,653	-	-	-	66,074
Special programs	-	76,825	79,245	-	-	-	-	-	-	-	-	-	156,070
Vocational programs	-	-	-	-	-	19,388	-	-	-	-	-	-	19,388
Adult education programs	-	-	-	-	42,289	-	-	-	-	-	-	-	42,289
Support services expenditures													
Instructional staff support	-	-	-	-	7,361	260	-	-	-	-	-	-	7,621
General administration	1,195	-	-	-	-	-	-	-	-	-	-	-	1,195
School administration	-	-	-	-	-	-	-	-	14,249	-	-	-	14,249
Central services	-	-	-	-	-	-	-	-	22,249	-	-	-	22,249
Operations and maintenance	-	-	-	-	-	-	-	-	-	160,008	89,454	-	249,462
Operation of noninstructional services													
Food services operations	-	-	-	-	-	-	378,748	-	-	-	-	-	378,748
Facilities acquisition and construction services													
Building improvements	-	-	-	-	-	-	-	-	-	-	109,911	-	109,911
Debt service													
Principal	-	-	-	-	-	-	-	-	-	-	-	864,000	864,000
Interest	-	-	-	-	-	-	-	-	-	-	-	16,164	16,164
Total expenditures	1,616	76,825	79,245	-	49,650	19,648	378,748	-	102,151	160,008	199,365	880,164	1,947,420
Excess of revenues over (under) expenditures	(1,616)	2	2	-	-	-	13,127	(12,844)	(106,598)	(160,008)	(199,365)	(880,164)	(1,347,464)
Other financing sources (uses):													
Transfers in	-	-	-	-	-	-	-	-	61,030	-	-	879,840	940,870
Transfers out	-	-	-	(2,524)	-	-	-	-	-	-	-	-	(2,524)
Total other financing sources (uses)	-	-	-	(2,524)	-	-	-	-	61,030	-	-	879,840	938,346
Net change in fund balances	(1,616)	2	2	(2,524)	-	-	13,127	(12,844)	(45,568)	(160,008)	(199,365)	(324)	(409,118)
Fund balance, beginning of year	867,257	-	-	2,524	2,868	29,690	244,007	729,287	260,421	1,159,951	1,346,221	324	4,642,550
Fund balance, end of year	\$ 865,641	\$ 2	\$ 2	\$ -	\$ 2,868	\$ 29,690	\$ 257,134	\$ 716,443	\$ 214,853	\$ 999,943	\$ 1,146,856	\$ -	\$ 4,233,432

**LANDER COUNTY SCHOOL DISTRICT  
LOCAL FUNDS  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Year Ended June 30, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Donations	\$ -	\$ 18,000	\$ -	\$ (18,000)	\$ 97,444
Total revenues	<u>-</u>	<u>18,000</u>	<u>-</u>	<u>(18,000)</u>	<u>97,444</u>
<b>Expenditures</b>					
Regular programs					
Instruction					
Salaries and wages	-	400	388	12	3,575
Employee benefits	-	35	33	2	320
Total regular programs	<u>-</u>	<u>435</u>	<u>421</u>	<u>14</u>	<u>3,895</u>
Support services					
Support services - instructional staff support					
Supplies	-	2,999	-	2,999	-
Total instructional staff support	<u>-</u>	<u>2,999</u>	<u>-</u>	<u>2,999</u>	<u>-</u>
Support services - general administration					
Supplies	-	-	1,195	(1,195)	640
Total general administration	<u>-</u>	<u>-</u>	<u>1,195</u>	<u>(1,195)</u>	<u>640</u>
Support services - operation and maintenance					
Supplies	-	15,000	-	15,000	97,444
Total operation and maintenance	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>97,444</u>
Total expenditures	<u>-</u>	<u>18,434</u>	<u>1,616</u>	<u>16,818</u>	<u>101,979</u>
<b>Net change in fund balance</b>	-	(434)	(1,616)	(1,182)	(4,535)
Fund balance, beginning of year	<u>867,257</u>	<u>867,257</u>	<u>867,257</u>	<u>-</u>	<u>871,792</u>
Fund balance, end of year	<u>\$ 867,257</u>	<u>\$ 866,823</u>	<u>\$ 865,641</u>	<u>\$ (1,182)</u>	<u>\$ 867,257</u>

**LANDER COUNTY SCHOOL DISTRICT**  
**PCFP ENGLISH LEARNERS**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
PCFP	\$ -	\$ 76,827	\$ 76,827	\$ -	\$ -
Total revenue	-	76,827	76,827	-	-
<b>Expenditures</b>					
Special programs					
Instruction					
Salaries and wages	-	48,751	48,751	-	-
Employee benefits	-	28,076	28,074	2	-
Total expenditures	-	76,827	76,825	2	-
Excess of revenues over (under) expenditures	-	-	2	2	-
<b>Other financing sources (uses)</b>					
Transfers in				-	
<b>Net change in fund balance</b>	-	-	2	2	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 2	\$ 2	\$ -

**LANDER COUNTY SCHOOL DISTRICT**  
**PCFP AT RISK**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
PCFP	\$ -	\$ 79,246	\$ 79,247	\$ 1	\$ -
Total revenue	-	79,246	79,247	1	-
<b>Expenditures</b>					
Special programs					
Instruction					
Salaries and wages	-	54,651	54,651	-	-
Employee benefits	-	23,831	23,830	1	-
Supplies	-	764	764	-	-
Total expenditures	-	79,246	79,245	1	-
Excess of revenues over (under) expenditures	-	-	2	2	-
<b>Other financing sources (uses)</b>					
Transfers in				-	
<b>Net change in fund balance</b>	-	-	2	2	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 2	\$ 2	\$ -

**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, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
Grants	\$ -	\$ -	\$ -	\$ -	\$ 143,014
<b>Expenditures</b>					
Regular programs					
Instruction					
Salaries and wages	-	-	-	-	93,317
Employee benefits	-	-	-	-	49,697
Total expenditures	-	-	-	-	143,014
Excess of revenues over (under) expenditures	-	-	-	-	-
<b>Other financing sources (uses)</b>					
Transfers out	-	(2,524)	(2,524)	-	-
<b>Net change in fund balance</b>	-	(2,524)	(2,524)	-	-
Fund balance, beginning of year	2,524	2,524	2,524	-	2,524
Fund balance, end of year	\$ 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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
Grants	\$ 61,931	\$ 61,931	\$ 49,650	\$ (12,281)	\$ 48,800
Total revenue	<u>61,931</u>	<u>61,931</u>	<u>49,650</u>	<u>(12,281)</u>	<u>48,800</u>
<b>Expenditures</b>					
Adult education programs					
Instruction					
Salaries and wages	42,159	25,727	25,727	-	43,000
Employee benefits	4,380	2,673	2,673	-	4,233
Purchased services	-	-	220	(220)	619
Supplies	7,662	25,801	13,669	12,132	948
Total instruction	<u>54,201</u>	<u>54,201</u>	<u>42,289</u>	<u>11,912</u>	<u>48,800</u>
Support services expenditures					
Instructional staff support					
Salaries and wages	5,980	5,980	5,980	-	-
Employee benefits	1,751	2,311	1,381	930	-
Total instructional staff support	<u>7,731</u>	<u>8,291</u>	<u>7,361</u>	<u>930</u>	<u>-</u>
Total expenditures	<u>61,932</u>	<u>62,492</u>	<u>49,650</u>	<u>12,842</u>	<u>48,800</u>
<b>Net change in fund balance</b>	(1)	(561)	-	561	-
Fund balance, beginning of year	<u>2,868</u>	<u>2,868</u>	<u>2,868</u>	<u>-</u>	<u>2,868</u>
Fund balance, end of year	<u>\$ 2,867</u>	<u>\$ 2,307</u>	<u>\$ 2,868</u>	<u>\$ 561</u>	<u>\$ 2,868</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, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
State sources					
Grants	\$ 19,648	\$ 19,648	\$ 19,648	\$ -	\$ 485,886
Total revenues	<u>19,648</u>	<u>19,648</u>	<u>19,648</u>	<u>-</u>	<u>485,886</u>
<b>Expenditures</b>					
Regular programs					
Instruction					
Salaries and wages	-	-	-	-	28,372
Employee benefits	-	-	-	-	22,284
Total regular programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,656</u>
Vocational programs					
Instruction					
Purchased services	-	-	-	-	1,530
Supplies	19,388	19,388	19,388	-	16,392
Property and equipment	-	-	-	-	18,900
Total vocational programs	<u>19,388</u>	<u>19,388</u>	<u>19,388</u>	<u>-</u>	<u>36,822</u>
Other instructional programs					
Instruction					
Salaries and wages	-	-	-	-	48,142
Employee benefits	-	-	-	-	32,336
Total other instructional programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,478</u>
Support services					
Support services - student support					
Salaries and wages	-	-	-	-	123,620
Employee benefits	-	-	-	-	53,454
Total student support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>177,074</u>
Support services - instructional staff support					
Salaries and wages	-	-	-	-	4,320
Employee benefits	-	-	-	-	166
Purchased services	-	-	-	-	39,618
Other	260	260	260	-	-
Total instructional staff support	<u>260</u>	<u>260</u>	<u>260</u>	<u>-</u>	<u>44,104</u>
Facilities acquisition and construction services					
Building improvements					
Purchased services	-	-	-	-	96,752
Total building improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,752</u>
Total expenditures	<u>19,648</u>	<u>19,648</u>	<u>19,648</u>	<u>-</u>	<u>485,886</u>
<b>Net change in fund balance</b>	-	-	-	-	-
Fund balance, beginning of year	<u>29,690</u>	<u>29,690</u>	<u>29,690</u>	<u>-</u>	<u>29,690</u>
Fund balance, end of year	<u>\$ 29,690</u>	<u>\$ 29,690</u>	<u>\$ 29,690</u>	<u>\$ -</u>	<u>\$ 29,690</u>

**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, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Daily sales	\$ 85,000	\$ 85,000	\$ 2,592	\$ (82,408)	\$ 19,791
State sources					
Grants	-	-	1,015	1,015	-
Federal sources					
Grants	100,000	250,000	357,867	107,867	193,027
Food distribution program	20,000	20,000	30,401	10,401	25,711
Total federal sources	120,000	270,000	388,268	118,268	218,738
Total revenue	205,000	355,000	391,875	36,875	238,529
<b>Expenditures</b>					
Operation of noninstructional services					
Food service operations					
Salaries and wages	121,895	136,200	125,517	10,683	105,564
Employee benefits	30,985	35,285	33,603	1,682	30,764
Purchased services	12,905	12,805	6,828	5,977	10,844
Supplies	202,819	237,320	212,200	25,120	163,454
Other	1,000	1,100	600	500	1,050
Total expenditures	369,604	422,710	378,748	43,962	311,676
Excess of revenues over (under) expenditures	(164,604)	(67,710)	13,127	80,837	(73,147)
<b>Other financing sources (uses)</b>					
Transfers in	164,605	-	-	-	-
<b>Net change in fund balance</b>	1	(67,710)	13,127	80,837	(73,147)
Fund balance, beginning of year	244,007	244,007	244,007	-	317,154
Fund balance, end of year	\$ 244,008	\$ 176,297	\$ 257,134	\$ 80,837	\$ 244,007

**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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Ad valorem taxes	\$ 10,000	\$ -	\$ -	\$ -	\$ -
Investment earnings	9,250	9,250	(12,844)	(22,094)	3,814
Total revenue	<u>19,250</u>	<u>9,250</u>	<u>(12,844)</u>	<u>(22,094)</u>	<u>3,814</u>
<b>Expenditures</b>					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	19,250	9,250	(12,844)	(22,094)	3,814
Fund balance, beginning of year	<u>729,287</u>	<u>729,287</u>	<u>729,287</u>	<u>-</u>	<u>725,473</u>
Fund balance, end of year	<u>\$ 748,537</u>	<u>\$ 738,537</u>	<u>\$ 716,443</u>	<u>\$ (22,094)</u>	<u>\$ 729,287</u>

**LANDER COUNTY SCHOOL DISTRICT  
COMPENSATED ABSENCES  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Year Ended June 30, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Investment earnings	-	4,500	(4,447)	(8,947)	1,321
Total revenue	-	4,500	(4,447)	(8,947)	11,321
<b>Expenditures</b>					
Regular programs					
Instruction					
Salaries and wages	-	145,792	1,691	144,101	6,953
Employee benefits	-	14,932	63,962	(49,030)	-
Total regular programs	-	160,724	65,653	95,071	6,953
Support services					
Support services - school administration					
Salaries and wages	-	72,896	14,050	58,846	-
Employee benefits	-	7,466	199	7,267	-
Total school administration	-	80,362	14,249	66,113	-
Support services - central services					
Salaries and wages	-	72,896	20,401	52,495	37,726
Employee benefits	-	7,466	1,848	5,618	2,985
Total central services	-	80,362	22,249	58,113	40,711
Support services - operations and maintenance					
Salaries and wages	-	-	-	-	9,481
Employee benefits	-	-	-	-	703
Total operations and maintenance	-	-	-	-	10,184
Total expenditures	-	321,448	102,151	219,297	57,848
Excess of revenues over (under) expenditures	-	(316,948)	(106,598)	210,350	(46,527)
<b>Other financing sources (uses)</b>					
Transfers in	-	61,030	61,030	-	89,415
<b>Net change in fund balance</b>	-	(255,918)	(45,568)	210,350	42,888
Fund balance, beginning of year	260,421	260,421	260,421	-	217,533
Fund balance, end of year	\$ 260,421	\$ 4,503	\$ 214,853	\$ 210,350	\$ 260,421

**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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Support services					
Student support					
Property and equipment	-	-	-	-	7,875
Total student support	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,875</u>
Operations and maintenance					
Supplies	168,450	145,515	104,531	40,984	62,561
Property and equipment	281,900	68,500	55,477	13,023	18,464
Total operations and maintenance	<u>450,350</u>	<u>214,015</u>	<u>160,008</u>	<u>54,007</u>	<u>81,025</u>
Total expenditures	<u>450,350</u>	<u>214,015</u>	<u>160,008</u>	<u>54,007</u>	<u>88,900</u>
<b>Net change in fund balance</b>	(450,350)	(214,015)	(160,008)	54,007	(88,900)
Fund balance, beginning of year	<u>1,159,951</u>	<u>1,159,951</u>	<u>1,159,951</u>	<u>-</u>	<u>1,248,851</u>
Fund balance, end of year	<u>\$ 709,601</u>	<u>\$ 945,936</u>	<u>\$ 999,943</u>	<u>\$ 54,007</u>	<u>\$ 1,159,951</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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Local sources					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Support services					
Operation and maintenance					
Purchased services	74,100	125,000	81,350	43,650	-
Supplies	<u>25,500</u>	<u>50,500</u>	<u>8,104</u>	<u>42,396</u>	<u>24,555</u>
Total operation and maintenance	<u>99,600</u>	<u>175,500</u>	<u>89,454</u>	<u>86,046</u>	<u>24,555</u>
Facilities acquisition and construction services					
Site improvements					
Supplies	<u>22,400</u>	<u>17,400</u>	<u>-</u>	<u>17,400</u>	<u>35,743</u>
Total site improvements	<u>22,400</u>	<u>17,400</u>	<u>-</u>	<u>17,400</u>	<u>35,743</u>
Building improvements					
Purchased services	18,000	84,800	86,751	(1,951)	11,528
Property	<u>40,000</u>	<u>40,000</u>	<u>23,160</u>	<u>16,840</u>	<u>3,228</u>
Total building improvements	<u>58,000</u>	<u>124,800</u>	<u>109,911</u>	<u>14,889</u>	<u>14,756</u>
Total expenditures	<u>180,000</u>	<u>317,700</u>	<u>199,365</u>	<u>118,335</u>	<u>75,054</u>
<b>Net change in fund balance</b>	(180,000)	(317,700)	(199,365)	118,335	(75,054)
Fund balance, beginning of year	<u>1,346,221</u>	<u>1,346,221</u>	<u>1,346,221</u>	<u>-</u>	<u>1,421,275</u>
Fund balance, end of year	<u>\$ 1,166,221</u>	<u>\$ 1,028,521</u>	<u>\$ 1,146,856</u>	<u>\$ 118,335</u>	<u>\$ 1,346,221</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, 2022**  
**(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)	Actual 2021
	Original	Final			
<b>Revenues</b>					
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
<b>Expenditures</b>					
Debt service:					
Principal	207,000	864,000	864,000	-	202,000
Interest	20,305	16,164	16,164	-	25,766
Total debt service	227,305	880,164	880,164	-	227,766
Excess of revenues over (under) expenditures	(227,305)	(880,164)	(880,164)	-	(227,766)
<b>Other financing sources (uses)</b>					
Transfers in	227,306	879,840	879,840	-	-
Total other financing sources and uses	227,306	879,840	879,840	-	-
<b>Net change in fund balance</b>	1	(324)	(324)	-	(227,766)
Fund balance, beginning of year	324	324	324	-	228,090
Fund balance, end of year	\$ 325	\$ -	\$ -	\$ -	\$ 324

**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, 2022  
(With Comparative Totals for June 30, 2021)**

	Budgeted Amounts		Actual	Variance	Actual 2021
	Original	Final		Favorable (Unfavorable)	
<b>Operating revenues</b>					
Local Sources					
Dependent and retiree coverage	\$ 350,000	\$ 350,000	\$ 420,130	\$ 70,130	\$ 432,499
Employee coverage	1,150,000	1,150,000	1,042,144	(107,856)	956,590
Total operating revenues	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,462,274</u>	<u>(37,726)</u>	<u>1,389,089</u>
<b>Operating expenditures</b>					
Support services					
Benefits	1,290,000	1,290,000	1,336,180	(46,180)	1,217,347
Total support services	<u>1,290,000</u>	<u>1,290,000</u>	<u>1,336,180</u>	<u>(46,180)</u>	<u>1,217,347</u>
Total operating expenditures	<u>1,290,000</u>	<u>1,290,000</u>	<u>1,336,180</u>	<u>(46,180)</u>	<u>1,217,347</u>
Operating income (loss)	<u>210,000</u>	<u>210,000</u>	<u>126,094</u>	<u>(83,906)</u>	<u>171,742</u>
<b>Nonoperating revenues (expenditures)</b>					
Investment earnings	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>
Income (loss) before transfers	210,000	225,000	126,094	(98,906)	171,742
Transfers in	-	-	-	-	1,000,000
Transfers out	<u>-</u>	<u>(1,600,000)</u>	<u>(1,600,000)</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	210,000	(1,375,000)	(1,473,906)	(98,906)	1,171,742
Net position, beginning of year	<u>2,320,623</u>	<u>2,320,623</u>	<u>2,320,623</u>	<u>-</u>	<u>1,148,881</u>
Net position, end of year	<u>\$ 2,530,623</u>	<u>\$ 945,623</u>	<u>\$ 846,717</u>	<u>\$ (98,906)</u>	<u>\$ 2,320,623</u>



**LANDER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUNDS  
Student Activities  
Combining Statement of Fiduciary Net Position  
June 30, 2022**

	<b>Custodial Funds</b>				<b>Total</b>
	Battle Mountain High School	Eleanor Lemaire Junior High	Austin Schools	Battle Mountain Elementary School	
<b>Assets</b>					
Cash and investments	\$ 28,670	\$ 26,147	\$ 37,954	\$ 103,578	\$ 196,349
Receivable (from District)	126,234	-	-	-	126,234
Total assets	<u>154,904</u>	<u>26,147</u>	<u>37,954</u>	<u>103,578</u>	<u>322,583</u>
<b>Liabilities</b>					
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>					
Restricted for:					
Student groups	<u>154,904</u>	<u>26,147</u>	<u>37,954</u>	<u>103,578</u>	<u>322,583</u>
Total net position	<u><u>\$ 154,904</u></u>	<u><u>\$ 26,147</u></u>	<u><u>\$ 37,954</u></u>	<u><u>\$ 103,578</u></u>	<u><u>\$ 322,583</u></u>

**LANDER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUNDS  
Student Activities  
Combining Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2022**

	<b>Custodial Funds</b>				<b>Total</b>
	Battle Mountain High School	Eleanor Lemaire Junior High	Austin Schools	Battle Mountain Elementary School	
<b>Additions</b>					
Student activities	\$ 150,955	\$ 48,504	\$ 34	\$ 34,067	\$ 233,560
Total additions	<u>150,955</u>	<u>48,504</u>	<u>34</u>	<u>34,067</u>	<u>233,560</u>
<b>Deductions</b>					
Student activities	176,797	51,741	298	28,393	257,229
Total deductions	<u>176,797</u>	<u>51,741</u>	<u>298</u>	<u>28,393</u>	<u>257,229</u>
Net increase (decrease) in fiduciary net position	(25,842)	(3,237)	(264)	5,674	(23,669)
Net position - beginning	180,746	29,384	38,218	97,904	346,252
Net position - ending	<u>\$ 154,904</u>	<u>\$ 26,147</u>	<u>\$ 37,954</u>	<u>\$ 103,578</u>	<u>\$ 322,583</u>

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**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, 2022, 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 25, 2022.

**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, including whether the funds established by the District, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. 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 25, 2022

**LANDER COUNTY SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Entity/Program or Cluster Title</u>	<u>Federal Assistance Listing (CFDA) Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Additional Award Identification</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>				
(Passed through the State of Nevada Department of Agriculture)				
Child Nutrition Cluster				
School Breakfast Program	10.553	N-08-13		\$ 52,953
National School Lunch Program	10.555	N-08-13		282,040
Supply Chain Assistance (SCA) Funds	10.555	SCA Funds		22,873
Total 10.555				304,913
Total Child Nutrition Cluster				357,866
Commodity Supplemental Food Program	10.565	N-08-13		30,401
(Passed through Lander County, Nevada)				
Schools and Roads - Grants to States	10.665	N/A		43,119
Total U.S. Department of Agriculture				431,386
<b>U.S. Department of Education</b>				
Impact Aid	84.041			100,915
Rural Education	84.358A			32,705
Indian Education - Grants to Local Educational Agencies	84.060			13,806
(Passed through the State of Nevada Department of Education)				
Title I - School Improvement 1003(a)	84.010A	XX-624-08000		79,873
Title I - Grants to Local Educational Agencies	84.010	XX-633-08000		161,082
Total 84.010				240,955
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	XX-639-08000		253,748
Special Education - Grants to States	84.027	XX-641-08000		10,497
Special Education - Grants to States	85.027	XX-667-08000		100,000
Special Education - Grants to States - ESSER ARP	84.027X	XX-757-08000	COVID-19	31,608
Total 84.027				395,853
Special Education - Preschool Grants	84.173	XX-665-08000		22,715
Special Education - Preschool Grants - ESSER ARP	84.173X	XX-764-08000	COVID-19	2,336
Total 84.173				25,051
Total Special Education Cluster				420,904
Career and Technical Education - Basic Grants to States	84.048	XX-631-08000		15,170
Career and Technical Education - Basic Grants to States	84.048	XX-636-08000		19,156
Total 84.048				34,326
School Based Mental Health Services Grant Program	84.184H	XX-732-08000		49,970
Twenty-First Century Community Learning Centers	84.287	XX-772-08000		322,121
English Language Acquisition State Grants	84.365A	XX-658-08000		6,766
English Language Acquisition State Grants	84.365A	XX-659-08000		1,424
Total 84.365A				8,190
Improving Teacher Quality State Grants	84.367	XX-709-08000		46,749
Student Support and Academic Enrichment	84.424	XX-715-08000		10,000
Elementary and Secondary School Emergency Relief Fund	84.425D	XX-741-08000	COVID-19	287,172
Elementary and Secondary School Emergency Relief Fund	84.425U	XX-742-08000	COVID-19	556,383
Elementary and Secondary School Emergency Relief Fund	84.425U	XX-785-08000	COVID-19	1,050
Total 84.425				844,605
Total U.S. Department of Education				2,125,246
Total expenditure of federal awards				\$ 2,556,632



**LANDER COUNTY SCHOOL DISTRICT**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2022**

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

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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, 2022. 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.

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**NOTE 2.      Indirect Cost Rate**

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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, 2022.

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**NOTE 3.      Federal Loans and Loan Guarantee Programs Outstanding**

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The District had no balances of loan and loan guarantee programs outstanding as of June 30, 2022.



**Independent Auditor's Report on  
Compliance for Each Major Federal Program and  
Report on Internal Control over Compliance  
in Accordance with the Uniform Guidance**

Board of Trustees  
Lander County School District  
Battle Mountain, Nevada

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Lander County School District's compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lander County School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lander County School District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Lander County School District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lander County School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lander County School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lander County School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lander County School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lander County School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*HintonBurdick, PLLC*

St. George, Utah  
October 25, 2022

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**LANDER COUNTY SCHOOL DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

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**Section I - Summary of Auditor's Results**

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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 Uniform Guidance?  yes  no

Identification of major programs:

<u>Assistance Listing (CFDA) Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	Education Stabilization 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, 2022**

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**Section II - Financial Statement Findings**

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**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

**Material Weakness:**

None noted

**Significant Deficiencies:**

None noted

**COMPLIANCE AND OTHER MATTERS:**

**Compliance:**

None noted

**Other Matters:**

None noted

**LANDER COUNTY SCHOOL DISTRICT  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2022**

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**Section III - Federal Award Findings and Questioned Costs**

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**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, 2022**

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**Section IV – Summary Schedule of Prior Audit Findings**

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**FINANCIAL STATEMENT FINDINGS**

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

**Material Weakness:**

Not applicable

**Significant Deficiencies:**

Not applicable

**COMPLIANCE AND OTHER MATTERS:**

**Compliance:**

2021-001      Budgetary Compliance – Corrected fiscal year 2022

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**INTERNAL CONTROL OVER FEDERAL AWARDS:**

Not applicable

**COMPLIANCE AND OTHER MATTERS:**

Not applicable