

LYON COUNTY SCHOOL DISTRICT

***FINANCIAL STATEMENTS &
SUPPLEMENTARY INFORMATION***

Fiscal Year Ended

June 30, 2021



SILVA, SCEIRINE
& ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

LYON COUNTY SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lyon County School District, Yerington, Nevada (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Qualified
General Fund, Special Education, Debt Service, and Bond Projects funds	Unmodified
Aggregate Remaining Fund Information	Qualified

Basis for Qualified Opinions on the Governmental Activities and Aggregate Remaining Fund Information

Accounting principles generally accepted in the United States of America require that when student activity funds meet the criteria of District involvement, the student activity funds must be reported as special revenue funds, in accordance with the provisions of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, effective as of July 1, 2020. Due to certain personnel limitations of the District during the year ended June 30, 2021, the various steps necessary to effectuate the proper reporting of the student activity funds in a special revenue fund were not completed as of June 30, 2021. Accordingly, the student activity funds are reported as agency funds within the fiduciary fund type category. The amount by which this departure from generally accepted accounting principles affects the net position of the District's governmental activities is an understatement of \$833,150 as of June 30, 2021. The affect on the change in net position for the year ended June 30, 2021 is also understated by \$118,064, which represents the net change in student activity funds' balance for the year then ended.

The amount by which this departure affects the aggregate remaining fund information is an overstatement of assets by \$833,150 and an overstatement of liabilities by \$833,150, resulting in no effect on the net position of the aggregate remaining fund information as of June 30, 2021.

Qualified Opinions

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinions on the Governmental Activities and the Aggregate Remaining Fund Information," paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the aggregate remaining fund information of the Lyon County School District as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund of the Lyon County School District as of June 30, 2021, and the changes in financial position of each major fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 are fairly stated in all material respects in relation to the basic financial statements as a whole.

Prior Year Partial Comparative Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2020 and have issued our report thereon dated January 19, 2021, which expressed an unmodified opinion on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2020, is consistent with the audited financial statements from which it has been derived.



The nonmajor combining and individual fund financial statements and schedules related to the 2020 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain other additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund financial statements and schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the District's internal control over financial reporting and compliance.

Silva, Scirene & Assoc, LLC

Reno, Nevada
January 23, 2022



LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

This section of the Lyon County School District's annual financial report presents a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2021. We encourage readers to read it in conjunction with the financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$6.1 million for FY21, which followed an increase of \$2.5 million in FY20 and \$6.5 million in FY19.
- The District's governmental funds decreased slightly by \$929 thousand in FY21, compared to an increase of \$16.7 million in FY20, and an increase of \$2.4 million in FY19. Of the FY20 increase of \$16.7 million, \$15.2 million is attributable to proceeds realized from the sale of bonds during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Lyon County School District's basic financial statements. The basic financial statements are comprised of the district-wide (sometimes referred to as "government-wide") financial statements, fund financial statements and schedules, and notes to the financial statements.

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two 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 District is improving or deteriorating.

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.

In many government entities, the government-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges by reporting them as business-type activities. Because the District has no functions in this category, the entire statement represents governmental activities.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

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 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 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 district-wide financial statements described above. However, unlike the district-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 district-wide statements, both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations between the two statement types.

The focus of the governmental fund statements is on major funds. The District has fifteen individual governmental funds of which the General, Special Education, Debt Service and Bond Projects funds are considered major. These funds are disclosed separately in the fund balance sheet and fund statement of revenues, expenditures and changes in fund balances. The remaining twelve funds are reported in combining statements in the supplementary information section of this report.

The District adopts an annual budget for all its governmental funds. Budgetary comparison statements for the General and Special Education funds have been included in the basic financial statements to demonstrate compliance with the adopted budgets.

Proprietary Funds – Proprietary funds are comprised of enterprise funds and internal service funds. As reported previously, the District has no business-type activities to be accounted for in enterprise funds. Internal service funds are used to accumulate and allocate costs internally among the District's various programs and functions. The District uses three internal service funds to account for the cost of self-insuring employees' health care, industrial injuries, and unemployment benefits. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining statements in the supplementary information section of this report.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Fiduciary Funds – Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others and are not reflected in the district-wide financial statements. The District's two fiduciary funds are the Student Scholarship Fund, a private-purpose trust fund, and the Student Activity Accounts, an agency fund. The District did not implement the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as it relates to its student activity funds. Accordingly, the Independent Auditors' Report for June 30, 2021 has been modified for qualified opinions on the opinion units affected. i.e. governmental activities and the aggregate remaining fund information.

Notes to Financial Statements

The notes provide additional information that is necessary for a full understanding of the data provided in the district-wide and fund financial statements.

Supplementary Information

Supplementary information includes *required supplementary information* pertaining to the District's participation in Nevada PERS and information related to postemployment benefits (OPEB). In addition, the District provides combining and individual fund statements and schedules, and budget to actual comparisons, which comprise its supplementary information which is other than required.

DISTRICT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position (deficit) may serve over time as one useful indicator of a government's financial condition. The net position (deficit) includes the District's investment in capital assets less related outstanding debt that was issued to acquire the capital assets. As the District uses these capital assets to provide services to students, they are not available for future spending. As of June 30, 2021, the District's net investment in capital assets was \$72.5 million. Total net position (deficit) includes \$8.4 million restricted for servicing long-term debt; \$5.1 million restricted for capital projects that will not be paid through the use of the bond proceeds in the Bond Projects Fund, and \$3.3 million for employee benefit (insurance) programs.

As discussed in prior years' MD&A, a view can be held that the negative net position can be attributed to the recording of a net pension liability and other postemployment benefits liability, as required by GASB Statements 68 (as amended) and 75, respectively. Those liabilities and their related deferred outflows and inflows totaled \$106.4 million at year end, compared to \$103.3 million as of June 30, 2020.

Following is a summary of the District's net position (deficit) as of June 30, 2021 and 2020:

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

DISTRICT'S NET POSITION (DEFICIT)				
	<u>2021</u>	<u>2020</u>	Change	
	<i>(In Millions)</i>		<u>\$</u>	<u>%</u>
Assets				
Current assets	\$ 45.0	\$ 46.7	\$ (1.7)	-3.6%
Net capital assets	121.6	117.2	4.4	3.8%
Total Assets	<u>166.6</u>	<u>163.9</u>	<u>2.7</u>	1.6%
Deferred Outflows	<u>27.5</u>	<u>18.9</u>	<u>8.6</u>	45.5%
Liabilities				
Current liabilities	16.3	16.8	(0.5)	-3.0%
Long-term liabilities	177.5	169.0	8.5	5.0%
Total Liabilities	<u>193.8</u>	<u>185.8</u>	<u>8.0</u>	4.3%
Deferred Inflows	<u>7.4</u>	<u>10.3</u>	<u>(2.9)</u>	-28.2%
Net Position (Deficit)				
Net investment in capital assets	72.5	68.8	3.7	5.4%
Restricted	16.8	13.8	3.0	21.7%
Unrestricted	<u>(96.4)</u>	<u>(95.9)</u>	<u>(0.5)</u>	-0.5%
Total Net Position (Deficit)	<u>\$ (7.1)</u>	<u>\$ (13.3)</u>	<u>6.2</u>	46.6%

As mentioned, a case could be made that the largest impact on the District's financial statement in 2021 had no impact on the District's financial condition; GASB 75 and GASB 68 (as amended by GASB 82) require governments to recognize a net pension and net OPEB liability and their related deferrals, netting to \$106.4 million as of June 30, 2021. As discussed below, users of this financial statement may gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB and the net pension and OPEB liabilities to the reported net position and subtracting deferred outflows related to pension and OPEB. The resulting net position would be \$99.3 million.

GASB statements are national and apply to all governmental financial reports which are prepared in accordance with generally accepted accounting principles. Under the standards required by GASB 68 and GASB 75, the pension and OPEB liability equals the District's proportionate share of each plan's collective present value of estimated future pension and OPEB benefits attributable to active and inactive employees' past service, less plan assets available to pay benefits.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

GASB noted that the unfunded portion of the pension and OPEB benefit promise is a present obligation of the government – part of a bargained-for-benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Nevada, the employee shares the obligation of funding pension benefits with the employer. Contribution rates are established by State statute. Nevada's Public Employees' Retirement Act requires an adjustment in the statutory contribution rates on July 1 of each odd-numbered year, based on the actuarially determined rates indicated in the actuarial valuation report for the immediately preceding year. There is no legal means to enforce the unfunded liability of the pension and OPEB systems against the public employer.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences, are satisfied through paid time-off or payments upon employees' termination from service. There is no repayment schedule for the pension and OPEB liabilities. Changes in pension and OPEB, contribution rates, and return on investments affect the balance of the pension and OPEB liability, but are outside the control of the participating local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with the required pension and OPEB payments, State statute does not assign or identify the responsible party for the unfunded portion. In accordance with GASB 68 and GASB 75, the District's government-wide statements prepared on the accrual basis of accounting include an annual pension and OPEB expense for its proportionate share of each plan's change in net pension liability and OPEB liability not accounted for as deferred inflows or outflows.

For the seventh consecutive year, revenues increased – this year by over \$4.0 million, or 3.6%. This increase was lead primarily by an 11.1% increase in property taxes as well as an 8.8% increase in the local school support taxes (sales taxes).

To further understand what makes up the changes in net position for the current and previous years, the following table provides details of the District's activities.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

DISTRICT'S CHANGES IN NET POSITION		
	Governmental Activities	
	2021	2020
<i>(In Millions)</i>		
Revenues		
Program Revenues:		
Charges for services	\$ -	\$ 0.5
Grants and contributions	22.7	20.8
General Revenues:		
Property taxes	21.5	19.4
Local school support taxes	13.6	12.5
Government service taxes	3.6	2.9
Unrestricted State aid	50.8	52.0
Other revenues	1.4	1.5
Total Revenues	<u>113.6</u>	<u>109.6</u>
Expenses		
Instructional services	56.5	57.5
Support services	40.1	39.2
Food service and other	3.8	3.9
Facilities acquisitions and construction	5.2	4.6
Interest on long-term debt	1.9	1.9
Total Expenses	<u>107.5</u>	<u>107.1</u>
Change in Net Position	<u>\$ 6.1</u>	<u>\$ 2.5</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The governmental funds (General Fund, special revenue funds, the Debt Service Fund, and the capital projects funds) reported a June 30, 2021 fund balance of \$32.2 million, a decrease of \$2.5 million from the June 30, 2020 fund balance of \$34.7 million. The governmental fund balance includes \$8.4 million which is considered restricted for debt service and \$11.8 million restricted for capital projects. In addition, \$245 thousand in inventories are deemed to be the nonspendable component of fund balance. The remaining governmental fund balance is either assigned (\$8.2 million) or unassigned (\$3.5 million).

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

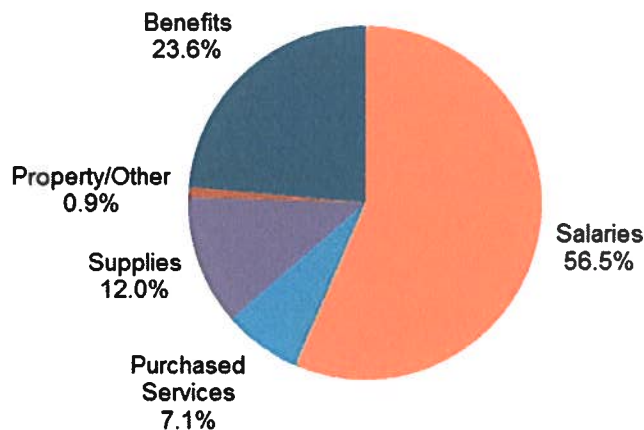
JUNE 30, 2021

The General Fund and the nine special revenue funds account for Lyon County School District's current operating revenues and expenditures. They include all governmental funds (except debt service and capital projects funds.) The following chart compares the revenues to expenditures and fund balance for these funds for the most recent five-year period.

	2017	2018	2019	2020	2021
	<i>(In Millions)</i>				
Revenues	\$88.2	\$91.1	\$95.7	\$99.2	\$102.3
Expenditures	87.2	93.4	93.2	97.5	99.8
Fund Balances	7.7	5.4	7.9	9.5	12.0

Education is labor intensive as evidenced by the following graphic of expenditures by object group. Salaries and benefits for the General Fund and the special revenue funds approximated 80.1% of the funds' total expenditures for the fiscal year ended June 30, 2021, compared to 81.6% for FY 20. The chart below shows the composition of expenditures in the General Fund and the special revenue funds for FY21:

EXPENDITURES IN THE GENERAL AND SPECIAL REVENUE FUNDS



The Debt Service Fund's balance of \$8.4 million as of June 30, 2021 is approximately 104% of the debt service requirement for the FY ending June 30, 2022, compared to 115% last year. The fund's balance of \$8.4 million in addition to the budgeted revenues for FY22 of \$9.8 million are sufficient to cover the FY22 debt service requirement (principal and interest payments) of \$8.1 million.

The District has four capital projects funds, including the Bond Projects Fund, a major fund, which is used to account for proceeds of bond sales; related interest earnings and capital expenditures. During the year, \$6.8 million was spent from this fund in accordance with the District's Capital Improvement Plan. The June 30, 2021 fund balance of \$6.7 million is restricted for future capital expenditures.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

The other three capital projects funds are used to accumulate resources, primarily Governmental Services Tax (58% of the funds' revenues) and the Residential Construction Tax (41% of the funds' revenues) for major capital acquisitions and improvements not part of the capital budgets related to bond issues.

The capital projects funds' (exclusive of the Bond Projects Fund) had expenditures of \$1.3 million during the year, leaving a combined fund balance of \$5.1 million as of June 30, 2021, compared to \$4.6 million at the end of the previous year.

BUDGETARY HIGHLIGHTS

School districts in Nevada are funded in large part by state support derived from student enrollment at the end of the first school month. (However, see *Economic Factors and Next Year's Budget* for changes.) State statutes require all school districts to amend their general fund budgets after "count day" enrollment is known. Lyon County School District takes this opportunity to incorporate other adjustments, such as revising the fund balance carryover. During the year, the Director of Business Services is authorized to transfer appropriations between accounts and funds, subject to subsequent approval by the Board of Trustees.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of June 30, 2021 and 2020 are as follows:

Capital Assets (Net of Depreciation)		
	2021	2020
	<i>(In Millions)</i>	
Land	\$ 8.8	\$ 8.8
Construction in progress	7.9	1.6
Buildings and improvements	84.9	86.8
Infrastructure	11.6	12.1
Equipment and vehicles	8.4	7.9
	<u>\$ 121.6</u>	<u>\$ 117.2</u>

Long-term Debt

As of June 30, 2021, the District had \$50.6 million of general obligation bonded debt outstanding, plus \$6.4 million in unamortized bond premiums which are being amortized over the lives of the applicable bond issues.

Currently, the District has authorization from the Lyon County Debt Management Commission to issue general obligation bonds. The District reserves the right to issue additional bonds at any time legal requirements are met. As of June 30, 2021, the District had \$290.3 million of statutory debt limit available.

LYON COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2021

However, other factors such as overlapping tax rates, available revenues, market conditions and project specifications could reduce the availability.

In addition to the District’s general obligation bonded debt, the District’s other debt includes \$1.7 million for compensated absences; \$108 million in net pension liability, and \$17.2 million for other postemployment benefits (OPEB).

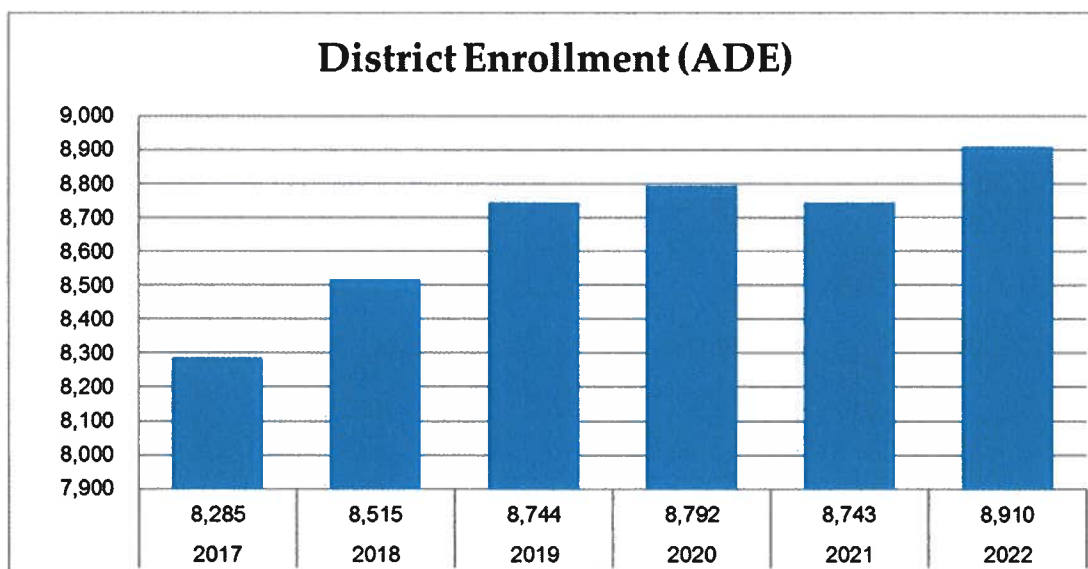
ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Enrollment and Funding

Nevada’s school districts are funded primarily through the Nevada State Distributive School Account (DSA), property taxes, and local school support taxes. Changes in any of the economic or other factors that affect these funding sources will affect the level of support received for a given year.

Nevada’s school districts are highly dependent on the economic condition of the State. Nevada’s formula for school district funding guarantees the majority of operating revenue by making up any shortfall in ad valorem or LSST collections. One of the factors determining the amount of DSA funding received is the weighted student enrollment within the District. The State’s funding model utilizes a quarterly average daily enrollment (ADE) number multiplied by the districts’ per-pupil support amount to determine the districts’ Guaranteed Basic Support amount. Total funding is trued up quarterly with the YTD total ADE. The formula weights pre-kindergarten (pre-k) students at 0.6, while kindergarten through twelfth grades are given a weight of 1.0.

The following chart presents the District’s pupil enrollment (ADE) for 2017 through 2022:



LYON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

The District's per-pupil support rate for FY21 was \$7,836, compared to \$7,724 for FY20.

In previous years, the "hold harmless" provisions of the DSA formula protected districts during times of declining enrollment, by providing that the guaranteed level of funding was based on the higher of the current or the previous year's enrollment (unless the decline in enrollment was more than 5%, in which case the funding was based on the higher of the current or the previous two year's enrollment). Now, Districts will only qualify for "hold-harmless" status if their enrollment decreased by more than 5%, and it will only then look to the previous year's ADE. We do not anticipate that the District will qualify for "hold-harmless" status.

During the 2019 State Legislature, Senate Bill 543 was passed to provide the framework for a new funding methodology for Nevada's public schools, to be fully implemented starting in FY22. Districts whose funding is "harmed" by the changes incorporated in the new funding model are to be "held harmless" at their total level of funding in FY20.

The DSA formula may continue to be subject to review and potential revisions. As such, there is a high likelihood that the District will continue to be impacted in some manner by future amendments to the funding model. The District is diligent in its on-going evaluation of its staffing levels relative to State guaranteed funding, Federal grant programs, pupil enrollment levels, and other costs, with the goal of ensuring continuity and stability of its educational programs.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Lyon County School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Comptroller's Office, 25 East Goldfield Avenue, Yerington, Nevada, 89447.

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LYON COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 34,468,082
Receivables	9,752,179
Inventories	244,614
Restricted cash	585,000
Capital assets not being depreciated	16,725,838
Capital assets, net of accumulated depreciation	<u>104,846,639</u>
Total Assets	<u>166,622,352</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	1,182,404
Deferred outflows related to pensions and OPEB	<u>26,264,108</u>
	<u>27,446,512</u>
Total Assets and Deferred Outflows of Resources	<u>194,068,864</u>
LIABILITIES	
Accounts and claims payable	3,382,154
Accrued liabilities	5,312,245
Incurred but unreported claims	901,000
Unearned revenues	258,831
Noncurrent liabilities:	
Due within one year	6,470,975
Due in more than one year	52,191,636
Obligation for other postemployment benefits	17,186,731
Net pension liability	<u>108,145,312</u>
Total Liabilities	<u>193,848,884</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions and OPEB	<u>7,366,278</u>
Total Liabilities and Deferred Inflows of Resources	<u>201,215,162</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	72,517,323
Restricted for:	
Debt service	8,435,814
Employee benefit programs	3,289,929
Capital projects	5,096,872
Unrestricted	<u>(96,486,236)</u>
Total Net Position (Deficit)	<u>\$ (7,146,298)</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

PROGRAMS / FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS		
		OPERATING	CAPITAL		
Instruction	\$ (56,481,024)	\$ -	\$ 10,581,191	\$ -	\$ (45,899,833)
Support Services	(40,078,264)	-	7,508,287	-	(32,569,977)
Facilities Acquisition and Construction	(5,214,193)	-	-	531,054	(4,683,139)
Food Service and Community Services	(3,786,180)	41,904	4,123,301	-	379,025
Interest and other costs of long-term debt	(1,879,442)	-	-	-	(1,879,442)
	<u>\$ (107,439,103)</u>	<u>\$ 41,904</u>	<u>\$ 22,212,779</u>	<u>\$ 531,054</u>	<u>(84,653,366)</u>

General Revenues:

Property taxes	21,544,551
Local school support taxes	13,626,218
Governmental services tax	3,571,466
Earnings on investments	101,701
Other local sources	1,186,234
State aid not restricted to specific purpose	50,767,222
Total General Revenues	<u>90,797,392</u>
Change in Net Position (Deficit)	6,144,026
NET POSITION (DEFICIT), July 1, 2020	<u>(13,290,324)</u>
NET POSITION (DEFICIT), June 30, 2021	<u>\$ (7,146,298)</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2020)

Page 1 of 2

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BOND PROJECTS FUND
ASSETS				
Cash and investments	\$ 7,114,975	\$ 959,022	\$ 8,488,098	\$ 6,741,015
Receivables	2,964,109	37,580	32,683	-
Due from other funds	5,000,330	-	-	-
Inventories	219,260	-	-	-
Total Assets	\$ 15,298,674	\$ 996,602	\$ 8,520,781	\$ 6,741,015
LIABILITIES				
Accounts payable	\$ 1,591,510	\$ -	\$ -	\$ 41,692
Accrued payroll	3,034,177	985,492	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	84,967	-
Total Liabilities	4,625,687	985,492	84,967	41,692
FUND BALANCES				
Nonspendable	219,260	-	-	-
Restricted	-	-	8,435,814	6,699,323
Assigned	6,971,513	11,110	-	-
Unassigned	3,482,214	-	-	-
Total Fund Balances	10,672,987	11,110	8,435,814	6,699,323
Total Liabilities and Fund Balances	\$ 15,298,674	\$ 996,602	\$ 8,520,781	\$ 6,741,015

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2020)

Page 2 of 2

	OTHER	TOTALS	
	GOVERNMENTAL FUNDS	2021	2020
ASSETS			
Cash and investments	\$ 7,453,109	\$ 30,756,219	\$ 34,780,719
Receivables	6,696,531	9,730,903	7,410,824
Due from other funds	-	5,000,330	2,466,076
Inventories	25,354	244,614	179,152
Total Assets	\$ 14,174,994	\$ 45,732,066	\$ 44,836,771
LIABILITIES			
Accounts payable	\$ 1,621,742	\$ 3,254,944	\$ 1,603,941
Accrued payroll	999,329	5,018,998	4,878,328
Due to other funds	5,000,330	5,000,330	2,466,076
Unearned revenue	173,864	258,831	1,150,258
Total Liabilities	7,795,265	13,533,103	10,098,603
FUND BALANCES			
Nonspendable	25,354	244,614	179,152
Restricted	5,096,872	20,232,009	25,237,529
Assigned	1,257,503	8,240,126	2,901,216
Unassigned	-	3,482,214	6,420,271
Total Fund Balances	6,379,729	32,198,963	34,738,168
Total Liabilities and Fund Balances	\$ 14,174,994	\$ 45,732,066	\$ 44,836,771

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2021

Total Fund Balance - Governmental Funds	\$ 32,198,963
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental funds are not current financial resources and therefore not reported as governmental fund assets.	121,572,477
General obligation bonds are not reported as fund liabilities since they will not be paid with current resources.	(50,605,000)
Premiums related to long-term debt are not capitalized and amortized in the fund statements since they do not represent available resources.	(6,373,573)
Unamortized amounts on refundings are not recognized in the funds.	1,182,404
The liability for interest on general obligation bonds is reported in the fund statements when due and as accrued in the Statement of Activities.	(293,247)
The liability for estimated future payments of benefits to be provided to current and future retirees is not due and payable in the current period; therefore, the liability and related deferred amounts are not reported in the funds.	(12,560,163)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred amounts are not reported in the funds.	(95,558,088)
Internal service funds are used to account for various employee benefit programs. The assets and liabilities of the internal service funds are included with governmental activities.	<u>3,289,929</u>
Total Net Position (Deficit) - Governmental Activities	<u><u>\$ (7,146,298)</u></u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)

Page 1 of 2

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BOND PROJECTS FUND
REVENUES				
Local sources	\$ 28,753,691	\$ -	\$ 9,533,886	\$ 17,390
State sources	50,767,222	4,318,747	-	-
Federal sources	627,229	-	-	-
Total Revenues	<u>80,148,142</u>	<u>4,318,747</u>	<u>9,533,886</u>	<u>17,390</u>
EXPENDITURES				
Regular programs	32,553,088	-	-	-
Special programs	258,870	9,338,380	-	-
Vocational programs	1,589,305	-	-	-
Adult instruction	9,205	-	-	-
Other instructional programs	1,999,520	-	-	-
Extra-curricular activities	1,067,523	-	-	-
Support services:				
Student support	3,257,580	2,749,371	-	-
Instructional staff support	1,394,385	1,267	-	-
General administration	2,039,830	277,508	-	-
School administration	7,896,042	-	-	-
Central services	5,185,467	-	-	-
Operations and maintenance	8,240,048	15,835	-	-
Student transportation	3,920,163	692,408	-	-
Noninstructional services:				
Food service	-	-	-	-
Community service	-	-	-	-
Facilities acquisition and construction	-	-	-	6,802,366
Debt service:				
Principal	-	-	5,065,000	-
Interest	-	-	2,026,265	-
Other	-	-	196,758	-
Total Expenditures	<u>69,411,026</u>	<u>13,074,769</u>	<u>7,288,023</u>	<u>6,802,366</u>
Revenues Over (Under) Expenditures	<u>10,737,116</u>	<u>(8,756,022)</u>	<u>2,245,863</u>	<u>(6,784,976)</u>
OTHER FINANCING SOURCES (USES)				
Sales of capital assets	5,330	-	-	-
Proceeds from refunding bonds	-	-	14,925,000	-
Proceeds from bond sales	-	-	-	-
Bond premium	-	-	2,643,487	-
Payments to refunded bond escrow agent	-	-	(18,503,000)	-
Transfers (to) from other funds	(8,750,000)	8,750,000	-	-
Total Other Financing Sources (Uses)	<u>(8,744,670)</u>	<u>8,750,000</u>	<u>(934,513)</u>	<u>-</u>
Net Change in Fund Balances	1,992,446	(6,022)	1,311,350	(6,784,976)
FUND BALANCE, July 1	<u>8,680,541</u>	<u>17,132</u>	<u>7,124,464</u>	<u>13,484,299</u>
FUND BALANCE, June 30	<u>\$ 10,672,987</u>	<u>\$ 11,110</u>	<u>\$ 8,435,814</u>	<u>\$ 6,699,323</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)

Page 2 of 2

	OTHER GOVERNMENTAL FUNDS	TOTALS	
		2021	2020
REVENUES			
Local sources	\$ 5,716,418	\$ 44,021,385	\$ 36,888,838
State sources	2,709,155	57,795,124	64,810,099
Federal sources	11,139,391	11,766,620	7,933,157
Total Revenues	<u>19,564,964</u>	<u>113,583,129</u>	<u>109,632,094</u>
EXPENDITURES			
Regular programs	5,241,929	37,795,017	37,817,487
Special programs	1,824,723	11,421,973	11,903,753
Vocational programs	331,107	1,920,412	1,716,524
Adult instruction	250,026	259,231	209,703
Other instructional programs	680,806	2,680,326	2,066,660
Extra-curricular activities	-	1,067,523	1,432,972
Support services:			
Student support	2,940,214	8,947,165	7,648,747
Instructional staff support	736,452	2,132,104	2,842,025
General administration	161,192	2,478,530	2,611,628
School administration	-	7,896,042	7,637,162
Central services	887,987	6,073,454	5,256,341
Operations and maintenance	383,208	8,639,091	8,224,364
Student transportation	208,051	4,820,622	4,431,331
Noninstructional services:			
Food service	3,656,438	3,656,438	3,752,840
Community service	59,713	59,713	85,742
Facilities acquisition and construction	1,255,121	8,057,487	3,074,797
Debt service:			
Principal	-	5,065,000	5,370,000
Interest	-	2,026,265	1,850,379
Other	-	196,758	148,097
Total Expenditures	<u>18,616,967</u>	<u>115,193,151</u>	<u>108,080,552</u>
Revenues Over (Under) Expenditures	<u>947,997</u>	<u>(1,610,022)</u>	<u>1,551,542</u>
OTHER FINANCING SOURCES (USES)			
Sales of capital assets		5,330	-
Proceeds from refunding bonds	-	14,925,000	8,155,000
Proceeds from bond sales	-	-	15,013,000
Bond premium	-	2,643,487	1,295,267
Payments to refunded bond escrow agent	-	(18,503,000)	(9,265,000)
Transfers (to) from other funds	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(929,183)</u>	<u>15,198,267</u>
Net Change in Fund Balances	947,997	(2,539,205)	16,749,809
FUND BALANCE, July 1	<u>5,431,732</u>	<u>34,738,168</u>	<u>17,988,359</u>
FUND BALANCE, June 30	<u>\$ 6,379,729</u>	<u>\$ 32,198,963</u>	<u>\$ 34,738,168</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Governmental Funds	\$ (2,539,205)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are reported in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities.	4,307,059
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	10,601
Issuance of new debt is a resource in the governmental funds, but increases long-term liabilities in the Statement of Net Position.	(14,925,000)
Bond premiums realized when debt is incurred are recognized in the funds; however, they are deferred in the district-wide statements and recognized over the term of the associated debt.	(2,140,628)
Change in pension expense related to deferred items.	(2,073,404)
Any gain or loss on certain advance refundings of long-term debt are recognized currently in the fund statements. The gain or loss is deferred in the Statement of Net Position and amortized as interest expense over the life of the debt in the Statement of Activities.	(169,879)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	23,568,000
The change in the long-term portion of compensated absences is reported in the Statement of Activities. These do not require the use of current financial resources and therefore are not reported as expenditures in governmental	(70,717)
The full cost of postemployment benefits to current employees earned during the current year and the amortization of the past cost is recognized as an expense in the Statement of Activities while only the current contributions are reported in the fund statements.	(1,044,321)
Internal service funds are used by the District to charge the costs of employee benefit programs to the individual funds. The net income (loss) of the internal service funds are reported with governmental activities.	<u>1,221,520</u>
Change in Net Position (Deficit)	<u>\$ 6,144,026</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Property taxes	\$ 11,376,036	\$ 11,376,036	\$ 12,088,291	\$ 712,255	\$ 10,879,262
Sales taxes	12,854,689	12,854,689	13,626,218	771,529	12,519,536
Franchise fees	150,000	150,000	386,475	236,475	318,157
Government services tax	2,400,869	2,400,869	2,568,084	167,215	2,111,065
Earnings on investments	15,000	15,000	1,376	(13,624)	6,742
Other local revenue	26,000	46,000	83,247	37,247	121,289
	<u>26,822,594</u>	<u>26,842,594</u>	<u>28,753,691</u>	<u>1,911,097</u>	<u>25,956,051</u>
State Sources:					
Distributive School Fund	51,520,678	51,315,856	50,767,222	(548,634)	51,994,511
Federal Sources:					
E-Rate funds	462,000	462,000	531,054	69,054	66,533
Forest Service	25,000	25,000	96,175	71,175	103,517
	<u>487,000</u>	<u>487,000</u>	<u>627,229</u>	<u>140,229</u>	<u>170,050</u>
Total Revenue	<u>78,830,272</u>	<u>78,645,450</u>	<u>80,148,142</u>	<u>1,502,692</u>	<u>78,120,612</u>
EXPENDITURES					
Regular Programs:					
Instruction:					
Salaries	22,147,531	22,811,957	21,861,937	950,020	20,390,402
Benefits	9,252,533	9,530,109	9,878,539	(348,430)	9,683,536
Purchased services	217,248	223,765	76,987	146,778	185,293
Supplies	1,925,226	1,112,068	732,980	379,088	1,014,320
Other	6,985	7,195	2,645	4,550	6,070
Total Regular Programs	<u>33,549,523</u>	<u>33,685,094</u>	<u>32,553,088</u>	<u>1,132,006</u>	<u>31,279,621</u>
Special Programs:					
Gifted and Talented:					
Salaries	208,939	215,207	180,792	34,415	189,184
Benefits	83,404	88,483	78,078	10,405	79,685
Total Special Programs	<u>292,343</u>	<u>303,690</u>	<u>258,870</u>	<u>44,820</u>	<u>268,869</u>

Continued on next page.

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Vocational Programs:					
Salaries	\$ 1,096,083	\$ 1,151,325	\$ 1,053,084	\$ 98,241	\$ 967,179
Benefits	452,368	479,917	440,449	39,468	408,915
Purchased services	36,922	36,922	24,331	12,591	15,028
Supplies	78,833	81,198	70,660	10,538	93,238
Other	1,209	1,209	781	428	1,082
Total Vocational Programs	1,665,415	1,750,571	1,589,305	161,266	1,485,442
Other Instructional Programs:					
Salaries	1,367,718	1,448,977	1,395,733	53,244	1,380,194
Benefits	557,477	590,890	591,129	(239)	572,549
Purchased services	30,934	30,934	-	30,934	-
Supplies	17,463	17,812	12,658	5,154	2,517
Total Other Instructional Programs	1,973,592	2,088,613	1,999,520	89,093	1,955,260
Adult Education:					
Salaries	24,642	24,642	1,266	23,376	418
Benefits	5,511	5,511	227	5,284	-
Purchased services	11,975	11,975	1,625	10,350	4,830
Supplies	11,975	11,975	6,087	5,888	1,965
Total Adult Education	54,103	54,103	9,205	44,898	7,213
Extra-Curricular Activities:					
Co-Curricular:					
Salaries	323,088	323,088	183,320	139,768	233,612
Benefits	12,289	12,289	25,524	(13,235)	8,216
Purchased services	12,075	12,075	-	12,075	(2,722)
Supplies	5,987	5,987	498	5,489	3,365
Other	61,132	61,132	1,095	60,037	25,385
	414,571	414,571	210,437	204,134	267,856

Continued on next page.

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Athletics:					
Salaries	\$ 739,269	\$ 739,269	\$ 623,337	\$ 115,932	\$ 580,132
Benefits	73,847	73,847	59,190	14,657	52,446
Purchased services	174,629	174,629	61,164	113,465	144,132
Supplies	117,750	117,750	104,633	13,117	130,648
Other	393,103	393,103	8,762	384,341	257,758
	<u>1,498,598</u>	<u>1,498,598</u>	<u>857,086</u>	<u>641,512</u>	<u>1,165,116</u>
Total Extra-Curricular					
Activities	<u>1,913,169</u>	<u>1,913,169</u>	<u>1,067,523</u>	<u>845,646</u>	<u>1,432,972</u>
Undistributed Expenditures:					
Student Support:					
Salaries	2,251,999	2,347,039	2,247,006	100,033	2,172,870
Benefits	888,031	930,792	927,455	3,337	900,493
Purchased services	126,731	126,731	324	126,407	21,921
Supplies	17,038	17,720	82,795	(65,075)	26,677
Other	449	449	-	449	-
	<u>3,284,248</u>	<u>3,422,731</u>	<u>3,257,580</u>	<u>165,151</u>	<u>3,121,961</u>
Instructional Staff Support:					
Salaries	1,158,535	1,181,706	964,922	216,784	1,091,268
Benefits	404,676	412,770	311,761	101,009	351,412
Purchased services	132,793	132,793	17,520	115,273	95,425
Supplies	299,911	311,907	108,773	203,134	160,595
Other	3,492	3,492	(8,591)	12,083	4,252
	<u>1,999,407</u>	<u>2,042,668</u>	<u>1,394,385</u>	<u>648,283</u>	<u>1,702,952</u>
General Administration:					
Salaries	818,937	835,316	852,920	(17,604)	807,351
Benefits	528,302	538,868	620,885	(82,017)	624,063
Purchased services	316,058	558,058	445,189	112,869	378,630
Supplies	26,885	26,885	21,363	5,522	29,519
Other	172,489	110,489	99,473	11,016	195,080
	<u>1,862,671</u>	<u>2,069,616</u>	<u>2,039,830</u>	<u>29,786</u>	<u>2,034,643</u>

Continued on next page.

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
School Administration:					
Salaries	\$ 5,494,037	\$ 5,603,918	\$ 5,425,904	\$ 178,014	\$ 5,247,522
Benefits	2,057,933	2,099,092	2,042,040	57,052	1,940,107
Purchased services	192,583	192,583	229,974	(37,391)	248,679
Supplies	187,332	219,825	186,898	32,927	185,952
Property	31,133	31,133	-	31,133	-
Other	10,976	12,976	11,226	1,750	14,902
	<u>7,973,994</u>	<u>8,159,527</u>	<u>7,896,042</u>	<u>263,485</u>	<u>7,637,162</u>
Central Services:					
Salaries	1,936,682	1,975,416	1,847,355	128,061	1,821,646
Benefits	639,402	652,190	543,399	108,791	570,150
Purchased services	1,000,759	1,250,759	1,238,729	12,030	1,389,592
Supplies	1,164,509	1,750,000	1,516,026	233,974	837,083
Property	428,777	445,928	32,175	413,753	385,680
Other	27,585	27,585	7,783	19,802	6,518
	<u>5,197,714</u>	<u>6,101,878</u>	<u>5,185,467</u>	<u>916,411</u>	<u>5,010,669</u>
Operation and Maintenance:					
Salaries	3,508,595	3,478,767	3,320,277	158,490	3,293,540
Benefits	1,246,619	1,201,551	1,143,221	58,330	1,115,995
Purchased services	1,343,113	1,607,131	1,658,571	(51,440)	1,581,562
Supplies	2,082,894	2,208,697	2,105,004	103,693	2,224,218
Property	24,947	24,947	-	24,947	-
Other	9,979	30,378	12,975	17,403	7,939
	<u>8,216,147</u>	<u>8,551,471</u>	<u>8,240,048</u>	<u>311,423</u>	<u>8,223,254</u>
Student Transportation:					
Salaries	2,123,714	2,146,188	1,959,419	186,769	1,873,627
Benefits	815,641	821,954	718,726	103,228	699,300
Purchased services	300,561	312,583	259,471	53,112	341,730
Supplies	483,948	533,306	549,161	(15,855)	430,292
Property	100,000	450,000	393,584	56,416	530,150
Other	(448,800)	(300,000)	39,802	(339,802)	(262,580)
	<u>3,375,064</u>	<u>3,964,031</u>	<u>3,920,163</u>	<u>43,868</u>	<u>3,612,519</u>

Continued on next page.

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total Undistributed Expenditures	\$ 31,909,245	\$ 34,311,922	\$ 31,933,515	\$ 2,378,407	\$ 31,343,160
Total Expenditures	71,357,390	74,107,162	69,411,026	4,696,136	67,772,537
Revenues Over Expenditures	7,472,882	4,538,288	10,737,116	6,198,828	10,348,075
OTHER FINANCING (USES)					
Sales of capital assets	-	-	5,330	5,330	-
Transfers (to) from other funds	(9,100,000)	(9,100,000)	(8,750,000)	350,000	(8,475,000)
Contingency	(500,000)	(500,000)	-	500,000	-
Total Other Financing (Uses)	(9,600,000)	(9,600,000)	(8,744,670)	855,330	(8,475,000)
Net Change in Fund Balance	(2,127,118)	(5,061,712)	1,992,446	7,054,158	1,873,075
FUND BALANCE, July 1	<u>5,257,459</u>	<u>8,500,000</u>	<u>8,680,541</u>	<u>180,541</u>	<u>6,807,466</u>
FUND BALANCE, June 30	<u>\$ 3,130,341</u>	<u>\$ 3,438,288</u>	<u>\$ 10,672,987</u>	<u>\$ 7,234,699</u>	<u>\$ 8,680,541</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
Distributive School Fund	\$ 4,012,938	\$ 4,319,530	\$ 4,318,747	\$ (783)	\$ 4,161,770
EXPENDITURES					
Special Programs:					
Instruction:					
Salaries	6,789,124	6,852,798	6,466,827	385,971	6,173,762
Benefits	2,819,689	2,954,280	2,859,481	94,799	2,673,435
Purchased services	99,546	102,532	311	102,221	66,329
Supplies	29,214	30,090	11,761	18,329	24,035
Other	-	-	-	-	355
	<u>9,737,573</u>	<u>9,939,700</u>	<u>9,338,380</u>	<u>601,320</u>	<u>8,937,916</u>
Undistributed Expenditures:					
Student Support:					
Salaries	1,757,763	1,792,918	1,678,362	114,556	1,616,895
Benefits	705,170	726,325	660,897	65,428	649,801
Purchased services	255,829	260,946	410,103	(149,157)	507,290
Supplies	1,082	1,082	9	1,073	-
	<u>2,719,844</u>	<u>2,781,271</u>	<u>2,749,371</u>	<u>31,900</u>	<u>2,773,986</u>
Instructional Staff Support:					
Salaries	5,489	5,599	-	5,599	429
Benefits	1,105	1,127	-	1,127	3,225
Purchased services	541	541	1,267	(726)	1,585
Supplies	812	812	-	812	-
	<u>7,947</u>	<u>8,079</u>	<u>1,267</u>	<u>6,812</u>	<u>5,239</u>
General Administration:					
Salaries	180,581	184,193	167,645	16,548	163,098
Benefits	68,492	69,862	59,130	10,732	56,938
Purchased services	8,966	8,966	38,177	(29,211)	26,306
Supplies	10,820	10,820	2,776	8,044	5,895
Other	-	40,000	9,780	30,220	-
	<u>268,859</u>	<u>313,841</u>	<u>277,508</u>	<u>36,333</u>	<u>252,237</u>

Continued on next page.

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Operations and Maintenance:					
Supplies	\$ -	\$ -	\$ 15,835	\$ (15,835)	\$ -
Student Transportation:					
Salaries	442,445	491,294	496,415	(5,121)	494,930
Benefits	193,352	207,219	195,993	11,226	197,765
Purchased services	16,230	16,555	-	16,555	-
	652,027	715,068	692,408	22,660	692,695
Total Undistributed Expenditures	3,648,677	3,818,259	3,736,389	81,870	3,724,157
Total Expenditures	13,386,250	13,757,959	13,074,769	683,190	12,662,073
Revenues Over (Under)					
Expenditures	(9,373,312)	(9,438,429)	(8,756,022)	682,407	(8,500,303)
OTHER FINANCING SOURCES					
Transfers from other funds	9,100,000	9,100,000	8,750,000	(350,000)	8,475,000
Net Change in Fund Balance	(273,312)	(338,429)	(6,022)	332,407	(25,303)
FUND BALANCE, July 1	299,885	299,885	17,132	(282,753)	42,435
FUND BALANCE, June 30	\$ 26,573	\$ (38,544)	\$ 11,110	\$ 49,654	\$ 17,132

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2020)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and investments	\$ 3,428,668	\$ 3,370,045
Cash with fiscal agent	283,195	364,500
Accounts receivable	21,276	14,726
Restricted cash	<u>585,000</u>	<u>585,000</u>
Total Assets	<u>4,318,139</u>	<u>4,334,271</u>
LIABILITIES		
Accounts and claims payable	127,210	14,862
Incurred but unreported claims	<u>901,000</u>	<u>2,251,000</u>
Total Liabilities	<u>1,028,210</u>	<u>2,265,862</u>
NET POSITION		
Restricted for employee benefits program	<u>\$ 3,289,929</u>	<u>\$ 2,068,409</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	GOVERNMENTAL ACTIVITIES	
	INTERNAL SERVICE FUNDS	
	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services	\$ 7,379,496	\$ 10,382,947
Refunds and rebates	<u>844,077</u>	<u>383,851</u>
	<u>8,223,573</u>	<u>10,766,798</u>
OPERATING EXPENSES		
Benefit claims	5,827,234	10,256,565
Purchased services	1,194,661	1,245,988
Other	<u>(18,294)</u>	<u>55,729</u>
Total Operating Expenses	<u>7,003,601</u>	<u>11,558,282</u>
Operating Income (Loss)	1,219,972	(791,484)
NONOPERATING REVENUES		
Earnings on investments	<u>1,548</u>	<u>6,808</u>
Change in Net Position	1,221,520	(784,676)
NET POSITION, July 1	<u>2,068,409</u>	<u>2,853,085</u>
NET POSITION, June 30	<u>\$ 3,289,929</u>	<u>\$ 2,068,409</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Premiums received from other funds	\$ 7,378,194	\$ 10,457,812
Refunds and rebates received	844,077	383,851
Payments of benefits	(7,111,462)	(9,207,293)
Insurance premiums and other payments	<u>(1,135,039)</u>	<u>(1,288,792)</u>
Net Cash Provided (Used) by Operating Activities	<u>(24,230)</u>	<u>345,578</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>1,548</u>	<u>6,808</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(22,682)	352,386
CASH AND CASH EQUIVALENTS, July 1	<u>4,319,545</u>	<u>3,967,159</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 4,296,863</u>	<u>\$ 4,319,545</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	<u>\$ 1,219,972</u>	<u>\$ (791,484)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(6,550)	74,865
Accounts and claims payable	112,348	11,197
Incurred but unreported claims	<u>(1,350,000)</u>	<u>1,051,000</u>
Total Adjustments	<u>(1,244,202)</u>	<u>1,137,062</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (24,230)</u>	<u>\$ 345,578</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2020)

	PRIVATE PURPOSE TRUST - STUDENT	AGENCY - STUDENT	TOTALS	
	SCHOLARSHIPS	ACTIVITY FUNDS	2021	2020
ASSETS				
Cash and investments	\$ 962,714	\$ 833,150	\$ 1,795,864	\$ 1,940,806
Total Assets	<u>962,714</u>	<u>833,150</u>	<u>1,795,864</u>	<u>1,940,806</u>
LIABILITIES				
Due to student groups	-	833,150	833,150	951,214
Total Liabilities	<u>-</u>	<u>833,150</u>	<u>833,150</u>	<u>951,214</u>
NET POSITION				
Held in trust for student scholarships: Expendable	962,714	-	962,714	989,592
Total Net Position	<u>\$ 962,714</u>	<u>\$ -</u>	<u>\$ 962,714</u>	<u>\$ 989,592</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	PRIVATE-PURPOSE TRUST STUDENT SCHOLARSHIPS	
	2021	2020
ADDITIONS		
Earnings on investments	\$ 11,562	\$ 55,477
DEDUCTIONS		
Scholarships paid	<u>38,440</u>	<u>9,774</u>
Change in Net Position	(26,878)	45,703
NET POSITION, July 1	<u>989,592</u>	<u>943,889</u>
NET POSITION, June 30	<u>\$ 962,714</u>	<u>\$ 989,592</u>

See accompanying notes.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Lyon County School District (District) conform to generally accepted accounting principles as applicable to governments. A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Reporting Entity

The District is governed by a separately elected seven member board. The Board is legally separate and fiscally independent from other governing bodies with decision making authority, authority to levy taxes, the power to designate management, the ability to significantly influence operations and is accountable for fiscal matters. Therefore, the District is a primary government and is not reported as a component unit by any other entity, nor is the Board accountable for any other entity required to be included in the District's comprehensive annual financial report.

Basic Financial Statements – District-Wide Statements

The basic financial statements include both district-wide (based on the District as a whole) and fund financial statements. The district-wide (sometimes referred to as 'government-wide') financial statements, the Statement of Net Position and Statement of Activities, report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Since the District currently has no business-type activities, all activities are reported as governmental.

In the Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reflected on a full accrual, economic resource basis that recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities then unrestricted resources, as they are needed.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program or function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include charges paid by the recipient of the goods or services offered by the program. Grants and contributions are restricted to meeting the operational or capital requirements of a particular program or function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

Basic Financial Statements – Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. District resources are allocated to and accounted for in the individual funds based upon the purposes for which they are intended and the means by which spending activities are controlled. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the district-wide financial statements.

The emphasis of the fund financial statements is on the major funds in the governmental type activity category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise categories combined) for the determination of major funds. District management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds are reported as separate columns in the fund financial statements.

The focus of the governmental funds' measurement in the fund statements is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The focus for proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The District's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the District's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

The District's fiduciary funds are presented in the fiduciary fund financial statement by their type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the District, these funds are not incorporated into the district-wide statements. As of June 30, 2021 and for the year then ended, the District has not adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*.

The District reports the following *major* governmental funds.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Education Fund

The Special Education Fund accounts for all costs, other than those paid by grants, directly related to providing instructional and support services to students with special needs.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Bond Projects Fund

The Bond Projects Fund is used to account for all proceeds, interest earnings, and expenditures related to general obligation bonds sold for the purpose of acquiring or constructing major capital facilities.

The District reports the following *nonmajor* governmental funds:

Federal Grants Fund	Medicaid Fund
Insurance Loss Fund	New Nevada Plan Fund
Federal School Lunch Fund	Capital Projects Fund
Adult Diploma Fund	Building and Sites Fund
Class Size Reduction Fund	Residential Construction Tax Fund
Private Donations and Grants Fund	
State Grants Fund	

Additionally, the District reports the following fund types:

Internal service funds are used to account for the charges to other funds and employees for the cost of various employee benefit programs on a cost reimbursement basis:

- Workers Compensation Insurance Fund
- Unemployment Insurance Fund
- Group Insurance Fund

The **private-purpose trust fund** is used to account for the resources legally held in trust for the purpose of awarding future student scholarships.

The **agency fund** is used to account for assets held by the District in a trustee capacity or as an agent for students and student groups.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Measurement Focus

District-Wide Financial Statements

The district-wide statements, as well as the proprietary fund financial statements, are prepared using the economic resources measurement focus. The agency funds (student activity funds) have no measurement focus.

All assets and liabilities associated with the operation of the District are included on the Statement of Net Position. The Statement of Activities presents increases (revenues) and decreases (expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the district-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the district-wide financial statements and the governmental funds financial statements.

Basis of Accounting

The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. The district-wide financial statements and the proprietary fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences between the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows, and in the presentation of expenses versus expenditures.

Revenues

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available generally means expected to be received within 60 days of the fiscal year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include taxes, grants, entitlements and donations for which the revenue is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose;

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Property taxes are recognized as revenues in the year for which they are levied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are deemed both measurable and available at fiscal year-end: investment earnings, grants and entitlements.

Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *outflows* of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The District's governmental funds do not have any items that qualify for reporting in this category. However, the Statement of Net Position reports deferred debt retirement charges in this category and the amount is being amortized over the required periods through the applicable bond maturities. In addition, deferred outflows of resources have been reported for items related to the District's net pension and net other postemployment benefits (OPEB) liabilities.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *inflows* of resources. This separate financial statement element represents 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 then. The District has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The District also reports a deferred inflow of resources related to its pension and OPEB liabilities. These deferred inflows of resources are only reported in the government-wide statement of net position.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. Debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

Cash and Investments

Cash balances from all funds are combined and, invested to the extent practicable. The District invests as permitted by NRS 355.170 and has not adopted additional investment policies. The District's investments are stated at cost, which approximates market value.

Pursuant to NRS 355.170, the District may only invest in the following types of securities:

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Securities of the United States Treasury, United States Postal Service or the Federal National Mortgage Association maturing within ten (10) years from the date of purchase.
- Negotiable certificates of deposit from commercial banks and insured savings and loan associations within the State of Nevada.
- Certain securities issued by local governments of the State of Nevada.
- Other securities expressly provided by other statutes, including repurchase agreements.
- Certain short-term commercial paper issued by U.S. Corporations.
- Certain "AAA" rated mutual funds that invest in Federal securities.

Inventories and Prepaid Items

Inventories are recorded at cost using the first-in/first-out (FIFO) method, except for commodities, which are stated at their fair value. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Assets

State law prohibits any money paid into a fund created for the purpose of providing self-funded health insurance from being used for any other purpose. Prohibited transactions include loaning money to other funds or governmental entities.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$5,000 (\$15,000 for infrastructure), and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are stated at their acquisition value as of the date of donation.

Property, plant and equipment are being depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Infrastructure	20
Site and building improvements	20
Vehicles	8
Computer and related equipment	5
Other equipment	5-15

Long-term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the proportionate-to-stated-interest-requirements method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as current expenditures of the fund receiving the proceeds.

Vacation Time and Sick Leave Benefits

The costs of vacation time and sick leave benefits are not accrued as earned but are recorded as payroll costs only when the time is actually used in the governmental fund statements. The full cost of accrued vacation for those classified and administrative employees who earn vacation time is recorded in the district-wide financial statements.

The majority of the employees of the District are teachers and classified staff who accumulate sick leave up to 250 days with no vacation time provided. Although sick leave may be accumulated, the amount paid to an employee upon termination, retirement or death is based on a predetermined daily dollar amount that is

LYON COUNTY SCHOOL DISTRICT

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based on the length of service and number of sick leave days accumulated. An employee's compensation is limited to \$15,000 and subject further to an annual aggregate limitation. Such payments are made each September to qualifying employees who terminated employment during the previous year. Any current liability that may exist at year-end is recorded in the General Fund. The estimated liability to employees separating from service in future years is recorded in the district-wide financial statements.

Postemployment Benefits Other than Pensions

Postemployment expenditures are comprised of monthly payments to the Nevada Public Employees' Benefit Program (PEBP) for the District's subsidy of retiree insurance premiums and the portion of insurance premiums paid to private insurers on behalf of active employees that represents the implicit cost of retiree coverage. The payments to PEBP are charged to the General Fund while the employee insurance premiums are charged to the respective fund to which the employees' payroll costs are charged. The District has elected to fund postemployment benefits using the pay-as-you-go basis. Postemployment benefits other than pensions are discussed in further detail in Note 10.

Property Taxes

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

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

Taxes may be paid in four installments payable on the third Monday in August and the first Mondays in October, January, and March to the Lyon County Treasurer. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, if taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest, and costs before sale.

Statement of Cash Flows

For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Data

Comparative data shown for the prior year has been extracted from the 2020 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for 2020. Such information can only be obtained by referring to the financial report for that year. Certain amounts in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The District adheres to the Local Government Budget Act incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data reflected in these financial statements:

1. On or before April 15, the Lyon County School District Board of Trustees files a tentative budget with the Nevada Department of Taxation and the Nevada Department of Education for all funds other than Trust and Agency Funds, which are not required to be budgeted. Although not required, management has elected to adopt annual budgets to improve fiscal accountability for private-purpose trust funds.
2. Prior to June 8, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the members of the Board. The final budget is then forwarded to the Nevada Tax Commission to approve the requested ad valorem tax rate.
3. Prior to January 1, each school district must adopt an amendment to its final budget to reflect the change in revenue to be received from actual student enrollment.
4. Formal budgetary integration in the financial records is employed to enhance management control during the year for all funds.
5. Budgets for funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Appropriations lapse at year-end.
6. Budgeted amounts within funds, and between funds, may be transferred if amounts

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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do not exceed the amounts originally budgeted. Such transfers are to be approved by the Budget Officer and/or the Board of Trustees, depending on established criteria. Budget augmentations in excess of original budgetary amounts may be made only with prior approval of the Lyon County School District Board of Trustees, following a scheduled and noticed public hearing.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations at the program level for governmental funds, except for bond repayments, short-term financing repayment and any other long-term contract expressly authorized by law or payments for the construction of public works from funds provided by the proceeds of a sale of bonds or short-term financing. Internal service funds' level of budgetary control is the sum of operating and non-operating expenses.

NOTE 3 – COMPLIANCE WITH APPLICABLE NEVADA REVISED STATUTES (NRS)

The following possible violations of NRS and the Nevada Administrative Code (NAC) were noted for the year ended June 30, 2021:

- The District did not include budgeted revenues or expenditures for its Federal Grants or State Grants funds (special revenue funds) in its tentative or final budgets for June 30, 2021. The Department of Taxation's Form 4405LGF states in its General Instructions that "Budgets must be prepared for all funds except agency and non-expendable trust funds that do not receive property tax."
- NRS 354.624(2)(a) requires that the audit be completed and submitted to the Board of Trustees not later than October 31st (four months after the end of the fiscal year). As provided for by NRS 354.624(1), the District requested an extension for filing. The date of the auditors' report on the June 30, 2021 financial statements is January 23, 2021.
- NRS 354.598 precludes the adoption of any budget which appropriates for any fund any amount in excess of the budgeted resources of that fund. The final amended budgets for the Federal Grants Fund and the State Grants Fund appropriated expenditures in excess of resources.

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS

Cash includes not only currency on hand but demand deposits with banks or other financial institutions. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Cash equivalents are short-term, highly liquid investments that (a) are readily convertible to known amounts of cash and (b) are so near to their maturity that they present insignificant risk of changes in value because of changes in interest rates.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

As of June 30, 2021, the District had the following amounts reported as cash and investments:

Government-Wide Balances:	
Pooled cash	\$ 10,506,770
Investments	24,546,312
	<hr/>
	35,053,082
Fiduciary Funds:	
Student Activity Funds cash	833,150
Student Scholarship Fund investments	962,714
	<hr/>
	1,795,864
	<hr/>
	\$ 36,848,946

A portion of the District's cash and investments is restricted by Nevada Statutes. The amount restricted at June 30, 2021, is \$585,000, which is held in a restricted bank account to secure future workers' compensation claims.

Except for financial reporting purposes, the cash and investments balances in the Fiduciary funds are not normally considered part of the District's pooled cash and investments. These amounts represent cash and investments held in an agency capacity by the District and cannot be used in its normal operations.

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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 District does not have any investments that are measured using Level 2 or 3 inputs.

As of June 30, 2021, the District had recurring fair value measurements, as presented on the following page.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

The recurring fair value measurements as of June 30, 2021 were:

	Fair Value	Fair Value Measurements Using Input Levels		
		1	2	3
Investments:				
WFB Advantage Gov't MM	\$ 242,947	\$ 242,947	\$ -	\$ -
Corporate Bonds	2,215,019	-	2,215,019	-
U.S. Treasury Notes	1,369,223	1,369,223	-	-
Corporate Asset Backed Securities	1,939,667	-	1,939,667	-
Government Mortgage Pool	2,100,489	-	2,100,489	-
Mortgage Backed Securities	1,830,341	-	1,830,341	-
	\$ 9,697,686	\$ 1,612,170	\$ 8,085,516	\$ -
Investments Not Classified by Level:				
Accrued interest	22,548			
State of NV Local Government Investment Pool	15,788,792			
Total Investments	\$ 25,509,026			

Except for the investment identified as the State of Nevada Local Government Investment Pool (LGIP), Wells Fargo Bank is the District's custodian for the investments and Buckhead Capital Management is the District's investment advisor and portfolio manager. Securities purchased in the District's portfolio are held in a separate safekeeping account at Wells Fargo Bank and registered in the name of the District. Specific investment guidelines, originally established by the State of Nevada's NWest program, are in place to address the various types of investment risk.

The District is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which is authorized by NRS 355.167 and is administered by the State Treasurer. Administrative policies are adopted by the State Board of Finance, which has oversight responsibilities. The fair value of the District's position in the pool equals the value of the pool shares, as determined daily. The \$15,788,792 investment in LGIP is carried at fair value. The Pool is an unrated external investment pool with an average weighted maturity of less than a year.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

As of June 30, 2021, the District's investments had the following maturities:

	Fair Value	Investment Maturities (In Years)		
		< 1	1-3	>3
Corporate Bonds	\$ 2,215,019	\$ 486,018	\$ 1,203,148	\$ 525,853
U.S. Treasury Notes	1,369,223	-	1,369,223	-
Corporate Asset Backed Securities	1,939,667	-	612,086	1,327,581
Government Mortgage Pool	2,100,489	202,958	1,897,531	-
Mortgage Backed Securities	1,830,341	-	925,336	905,005
Money Market	242,947	242,947	-	-
State of NV Local Government Investment Pool	15,788,792	15,788,792	-	-
	25,486,478	\$ 16,720,715	\$ 6,007,324	\$ 2,758,439
Accrued interest	22,548			
Total Investments	\$ 25,509,026			

Interest Rate Risk

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

Credit Risk

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

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Concentration Risk

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

Custodial Credit Risk

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

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The costs of group health insurance, workers' compensation and unemployment benefits are accounted for in the respective internal service fund. All funds from which salaries are paid are charged a percent of gross payroll to recover the cost of benefits.

Some federal and state grants and programs had cash deficits at year end due to outstanding cash requests.

Interfund receivable and payable balances at June 30, 2021 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 5,000,330	\$ -
Nonmajor Governmental Funds:		
Federal Grants	-	4,587,595
State Grants Fund	-	284,281
Adult Diploma Fund	-	128,454
	<u>\$ 5,000,330</u>	<u>\$ 5,000,330</u>

During the year, the General Fund transferred \$8,750,000 to the Special Education Fund to cover operating costs not sufficiently covered by state revenues.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

A summary of the District's capital asset balance and activity as of and for the year ended June 30, 2021:

	Balance June 30, 2020	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2021
Nondepreciable Capital Assets				
Land	\$ 8,830,484	\$ -	\$ -	\$ 8,830,484
Construction in progress	1,574,427	7,940,497	(1,619,570)	7,895,354
	<u>10,404,911</u>	<u>7,940,497</u>	<u>(1,619,570)</u>	<u>16,725,838</u>
Depreciable Capital Assets				
Buildings and improvements	147,251,029	1,657,702	-	148,908,731
Infrastructure	20,829,275	-	-	20,829,275
Equipment and vehicles	30,551,834	4,118,136	(2,605,983)	32,063,987
	<u>198,632,138</u>	<u>5,775,838</u>	<u>(2,605,983)</u>	<u>201,801,993</u>
Less accumulated depreciation:				
Buildings and improvements	(60,404,555)	(3,606,976)	-	(64,011,531)
Infrastructure	(8,712,399)	(520,249)	-	(9,232,648)
Equipment and vehicles	(22,654,676)	(1,352,793)	296,294	(23,711,175)
	<u>(91,771,630)</u>	<u>(5,480,018)</u>	<u>296,294</u>	<u>(96,955,354)</u>
Depreciable assets, net	<u>106,860,508</u>	<u>295,820</u>	<u>(2,309,689)</u>	<u>104,846,639</u>
Governmental Activities				
Capital Assets, net	<u>\$ 117,265,419</u>	<u>\$ 8,236,317</u>	<u>\$ (3,929,259)</u>	<u>\$ 121,572,477</u>

Depreciation expense was charged to programs and functions as follows:

Instruction	\$ 146,095
Student Support	209,544
Instructional Staff Support	9,135
General Administration	5,375
School Administration	14,382
Central Services	511,682
Operations and Maintenance	352,375
Transportation	601,970
Other Support Services	30,378
Facilities	3,599,082
	<u>\$ 5,480,018</u>

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT

The District's long-term liability activity is summarized as follows:

Changes in Long-Term Debt

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021	Due Within One Year
General obligation bonds	\$ 59,248,000	\$ 14,925,000	\$(23,568,000)	\$ 50,605,000	\$ 5,880,000
Deferred amounts for issuance of premiums	4,232,945	2,643,487	(502,859)	6,373,573	590,975
Compensated absences	1,613,321	70,717	-	1,684,038	-
	<u>65,094,266</u>	<u>17,639,204</u>	<u>(24,070,859)</u>	<u>58,662,611</u>	<u>6,470,975</u>
Net pension liability	100,095,295	8,050,017	-	108,145,312	-
Obligation for OPEB	<u>10,402,243</u>	<u>6,784,488</u>	<u>-</u>	<u>17,186,731</u>	<u>-</u>
	<u>\$ 175,591,804</u>	<u>\$ 32,473,709</u>	<u>\$(24,070,859)</u>	<u>\$ 183,994,654</u>	<u>\$ 6,470,975</u>

The District's liability related to its participation in the State of Nevada Public Employees Retirement System (PERS) is discussed at Note 9 and its liability related to other postemployment benefits is discussed at Note 10. The liability for compensated absences is generally extinguished through General Fund resources.

General Obligation Bonds

In March 2021, the District issued School Improvement Bonds and Refunding Funds, Series 2021 with a par amount of \$14,925,000 and a premium of \$2,643,487 and were used to refund 2011 and 2020 issues. The new bonds bear interest at the rate of 5.00% through June 2031; 3.00% through June 2033, and 2.00% until final maturity in June 2035. The refunding was undertaken to realize a present value savings in debt service of \$910,320.

Bonds payable at June 30, 2021 are comprised of the following general obligation issues and are serviced by property tax revenues received by the Debt Service Fund:

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Series	Date Issued	Date of Final Maturity	Interest Rate	Original Amount Issued	Balance on June 30, 2021	Principal Due Within One Year
2005C	9/20/05	4/1/25	3.625% - 5.00%	\$ 13,000,000	\$ 995,000	\$ 995,000
2012	4/11/12	6/1/32	0.0% - 3.75%	7,955,000	3,380,000	650,000
2013	3/13/13	4/1/25	1.25% - 2.50%	9,765,000	2,580,000	620,000
2016A	6/21/16	4/1/36	3.00%	6,400,000	6,100,000	315,000
2017A	8/8/17	6/1/30	3.00% - 5.00%	17,900,000	16,060,000	2,660,000
2019	10/9/19	4/1/28	5.00%	7,055,000	6,565,000	155,000
2021	3/11/21	6/1/41	2.29%	14,925,000	14,925,000	485,000
					<u>\$ 50,605,000</u>	<u>\$ 5,880,000</u>

At June 30, 2021, the District's limit of bonded indebtedness as defined by NRS 387.400 was \$340,953,209. The District had \$50,605,000 in bonded debt outstanding, leaving an unused bonding capacity of \$290,348,209. However, there are other factors which could limit the District's bonding capacity, such as overlapping tax rates, available revenues, market conditions, and project specifications.

The annual requirements to amortize the general obligation bonds outstanding as of June 30, 2021 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2022	\$ 5,880,000	\$ 2,229,345	\$ 8,109,345
2023	5,645,000	1,847,950	7,492,950
2024	5,620,000	1,603,938	7,223,938
2025	5,880,000	1,350,413	7,230,413
2026	4,440,000	1,083,963	5,523,963
2027-2031	15,640,000	2,689,798	18,329,798
2032-2036	7,500,000	509,663	8,009,663
	<u>\$ 50,605,000</u>	<u>\$ 11,315,070</u>	<u>\$ 61,920,070</u>

The principal amounts shown above exclude unamortized bond premiums of \$6,373,573 as of June 30, 2021, of which \$590,975 will be amortized in FY 22.

Interest expense reported in the Statement of Activities for FY21 was \$1,879,442.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Advance Refundings

For bond refundings resulting in the defeasance of the debt reported in the district-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. The accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The unamortized amount is presented as a deferred outflow of resources. As of June 30, 2021, this deferred outflow of resources was \$1,182,404 and the amortization in 2021 was \$169,879 which was included with interest expense in the Statement of Activities.

NOTE 8 – RISK FINANCING

Self-Insured Workers Compensation Benefits

Effective July 1, 2003, the District adopted a self-insured program for providing workers compensation benefits paid due to work related injuries. The program is accounted for in the Workers Compensation Insurance Fund. Under the self-insured program, the District contracts with a third-party administrator to process claims and purchased reinsurance to cover individual claims that exceed \$250,000. The liability for incurred but unreported claims as of June 30, 2021 is \$901,000 as determined by an independent actuary. Interfund premiums are based on rates expected to meet current expenditures and fund the liability for incurred but unreported claims.

Self-Insured Health Care Insurance (Group Insurance Fund)

From December 2018 through December 2020, the District was self-insured for its group health, dental and vision care coverage, pursuant to NRS 287.010(1). The District was contracted with a third-party to provide administration and payment of the claims. The Group Insurance Fund collected interfund charges from the operating funds of the District, based on rates established by the District's Insurance Committee. Claims were paid by the District upon receipt of a monthly invoice from the third-party administrator.

The changes to the claims liability as of June 30, 2021 and 2020 for these self-insurance programs is as follows:

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

	Self-Insurance Funds		
	Group Insurance	Workers' Compensation	Total
Claims liability, June 30, 2019	\$ 1,937	\$ 1,200,000	\$ 1,201,937
Current year claims and changes in estimates	9,650,091	599,611	10,249,702
Claim payments	(8,601,028)	(599,611)	(9,200,639)
Claims liability, June 30, 2020	1,051,000	1,200,000	2,251,000
Current year claims and changes in estimates	6,071,685	(208,764)	5,862,921
Claim payments	(7,016,360)	(90,236)	(7,106,596)
Claims liability, June 30, 2021	<u>\$ 106,325</u>	<u>\$ 901,000</u>	<u>\$ 1,007,325</u>

Property and Liability Claims

The District's property and liability insurance policy includes a self-insured retention provision whereby the District is responsible for claims up to \$25,000 per occurrence. Claims are paid from the General Fund. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description

The District contributes to the State of Nevada Public Employees Retirement System (PERS) a statewide, cost-sharing, multiple-employer defined benefit plan administered by the State of Nevada that covers substantially all employees of the District. PERS provides retirement, disability, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report is available on the web at <http://www.nvpers.org> or by writing to the State of Nevada Public Employees Retirement System, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Benefits Provided

Benefits provisions of the defined benefit pension plan are established by Nevada Revised Statutes (NRS or statute), which may be amended. Benefits 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 on or after 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 at 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% multiplier, and for regular members entering PERS on or after July 1, 2015, there is a 2.25% multiplier. 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 are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty 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 ten years of service, or any age with thirty years of service. Regular members who entered the System on or after July 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 benefit 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. Members become fully vested as to benefits upon completion of five years of service.

Contributions

Contribution provisions are specified by state statute and may be amended only by action of the State legislature. Contribution rates are based on biennial actuarial valuations and are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability. 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. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan.

The required contribution rates for the years ended June 30, 2021 and 2020 were 15.25% for the EE/ER plan and 29.25% for the EPC plan. The District's contributions to the Plan were \$7,667,322 and \$7,658,540 for the years ended June 30, 2021 and 2020, respectively.

PERS Investment Policy

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS 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 PERS Board's adopted policy target asset allocation as of June 30, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Geometric Expected Real Rate of Return</u>
U.S. Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%
	<u>100%</u>	

Net Pension Liability

At June 30, 2021, the District reported a liability of \$108,145,312 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the PERS pension plan relative to the total contributions of all participating reporting units and members. At June 30, 2020, the District's proportion of the regular plan was .77644%, which was an increase of .04239 from its .73405% proportion measured as of June 30, 2019.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District calculated using the discount rate of 7.5%. The following also reflects what the District's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower (6.50%) or 1.00 percentage point higher (8.50%) than the current discount rate of 7.50%.

LYON COUNTY SCHOOL DISTRICT

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	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Net Pension Liability	<u>\$ 168,664,904</u>	<u>\$ 108,145,312</u>	<u>\$ 57,827,769</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the Comprehensive Annual Financial Report, available on the NVPERS website.

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2020, 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:

Investment rate of return	7.5% per year.
Salary increases	4.25% to 9.15% depending on service.
Inflation rate	2.75% per year.
Productivity pay increase	0.50%
Consumer Price Index	2.75%
Other assumptions	Same as those used in the June 30, 2020 funding actuarial valuation.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of the experience study for the period July 1, 2012 through June 30, 2016, which was completed in 2017.

The discount rate used to measure the total pension liability was 7.5%. 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 was projected to be available to make all projected future benefit payments for 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.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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Pension Expense, Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the District recognized pension expense of \$10,173,674. As of June 30, 2021, 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
Difference between expected and actual experience	\$ 3,360,000	\$ 1,396,419
Changes in assumptions	3,037,685	-
Net difference between projected and actual earnings on pension plan assets	-	4,085,273
Changes in proportion and differences between the District's contributions and proportionate share of contributions	5,328,917	1,325,188
The District's contributions subsequent to the measurement date	7,667,322	-
	<u>\$ 19,393,924</u>	<u>\$ 6,806,880</u>

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Amount
2022	\$ (931,490)
2023	1,467,710
2024	1,676,992
2025	1,549,318
2026	1,027,625
2027	129,567
	<u>\$ 4,919,722</u>

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Retirees of the District may receive these other postemployment benefits (OPEB) through the Nevada Public Employees' Benefits Program (PEBP) or through the District's healthcare plan offered to its active employees.

Plan Descriptions

Nevada Public Employees' Benefits Program

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

PEBP is administered by the State of Nevada and is not considered a "plan" for purposes of Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. However, to enhance the understanding of this footnote, this PEBP program may be referred to as a "plan." Any assets accumulated for OPEB purposes are to be reported as assets of the employer.

The contribution requirements of plan members and the District are established and may be amended by the Board of the Public Employees' Benefits Program. The amount of subsidy an individual retiree is entitled is predicated on the years of service and a legislatively determined base amount. The District contributed \$393,576 during the year on behalf of 163 participating retirees.

Lyon County School District Healthcare Plan

The District administers a single-employer defined benefit healthcare plan. This plan provides postemployment healthcare benefits to retirees of the District. Any retiree who participates in the Nevada Public Employees' Retirement System (PERS) may purchase coverage for themselves and dependents at the same premium rate which is charged to the District's active employees. Because retirees pay the same premium as active employees rather than a higher rate that would result from rating retirees as a separate insured group, the District incurs the cost of an implicit premium subsidy. A separate report has not been issued for this plan. The District has elected to pay the implicit cost of postemployment benefits on the *pay-as-you-go* basis.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

Plan membership consisted of 946 active plan members, 126 retirees receiving benefits, and 26 retirees entitled to but not receiving benefits as of June 30, 2020, the date of the latest actuarial valuation. The District contributed \$196,167 on their behalf during the year ended June 30, 2021.

NRS 288.150 specifies that insurance benefits are subject to mandatory bargaining. The amount employees contribute towards their insurance premium is negotiated with each association.

Actuarial Methods and Assumptions

The District's net OPEB liability for each plan was measured as of June 30, 2020, and the total OPEB liabilities used to calculate their respective net OPEB liability were determined by actuarial valuations for each plan as of June 30, 2020.

The total OPEB liability in the actuarial valuation for each plan was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

	<u>District</u>	<u>PEBP</u>
Valuation Date	6/30/20	6/30/20
Actuarial cost method	Entry Age Normal	Entry Age Normal
Salary increases	3%	N/A
Discount rate		
As of June 30, 2019	2.79%	2.79%
As of June 30, 2020	2.66%	2.66%
Healthcare inflation	5.7% effective January 2022, grading down to 4.0% by 2076	<i>Pre-Medicare:</i> 5.7% effective July 2022, grading down to 4%. <i>Post-Medicare:</i> 4.5%
Retirement age	Ages 45 to 75	N/A
Mortality	NV PERS 2019 Study	NV PERS 2019 Study
Mortality Improvement	MW Scale 2020 Generationally	MW Scale 2020 Generationally

Sensitivity of the OPEB Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the net OPEB liabilities of the District's plan and PEBP, as well as what the liabilities would be if they were calculated using a discount rate that is 1% lower (1.66%) or 1% higher (3.66%) than the current discount rate of 2.66%.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

<u>Net OPEB Liability</u>	<u>1% Decrease in Discount Rate to 1.66%</u>	<u>Current Discount Rate 2.66%</u>	<u>1% Increase in Discount Rate to 3.66%</u>
District	\$ 13,298,610	\$ 11,215,153	\$ 9,564,259
PEBP	6,744,250	5,971,578	5,329,705
	<u>\$ 20,042,860</u>	<u>\$ 17,186,731</u>	<u>\$ 14,893,964</u>

The following presents the net OPEB liabilities of the District's Plan and PEBP, as well as what the liabilities would be if they were calculated using a 1% decrease and a 1% increase in the healthcare cost trend rate.

<u>Net OPEB Liability</u>	<u>1% Decrease in Current Trend</u>	<u>Current Trend</u>	<u>1% Increase in Current Trend</u>
District	\$ 9,431,050	\$ 11,215,153	\$ 13,561,911
PEBP	5,360,529	5,971,578	6,688,978
	<u>\$ 14,791,579</u>	<u>\$ 17,186,731</u>	<u>\$ 20,250,889</u>

OPEB Expense and Deferred Outflows of Resources and Inflows Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of \$1,116,117 for the District Plan and \$484,072 for PEBP, for a total of \$1,600,189. As of June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>District Plan</u>	<u>PEBP</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$ 5,826,094	\$ -	\$ 5,826,094
Differences between expected and actual experience	488,222	-	488,222
Contributions made subsequent to the measurement date	217,611	338,257	555,868
	<u>\$ 6,531,927</u>	<u>\$ 338,257</u>	<u>\$ 6,870,184</u>
Deferred Inflows of Resources			
Changes of assumptions	\$ 145,534	\$ -	\$ 145,534
Differences between expected and actual experience	413,864	-	413,864
	<u>\$ 559,398</u>	<u>\$ -</u>	<u>\$ 559,398</u>

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

The District will recognize the contributions made subsequent to the measurement date in the fiscal year ending June 30, 2022. In addition, future recognition of the other deferred amounts presented above will be recognized in OPEB expense as follows:

Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources		
	District Plan	PEBP	Total
2022	\$ 604,030	-	\$ 604,030
2023	604,030	-	604,030
2024	604,030	-	604,030
2025	604,030	-	604,030
2026	604,030	-	604,030
Thereafter	2,734,768	-	2,734,768
	<u>\$5,754,918</u>	<u>\$ -</u>	<u>\$5,754,918</u>

Change in Net OPEB Liability

The following table depicts the District's changes in the net OPEB liability for the year ended June 30, 2021:

	District	PEBP	Combined
Balance, July 1, 2020	<u>\$ 4,521,161</u>	<u>\$ 5,881,082</u>	<u>\$10,402,243</u>
Changes for the Year:			
Service cost	378,133	-	378,133
Interest cost	133,954	158,805	292,759
Changes of assumptions	5,838,241	74,047	5,912,288
Plan experience	539,831	251,220	791,051
Benefit payments	(196,167)	(393,576)	(589,743)
Net Changes	<u>6,693,992</u>	<u>90,496</u>	<u>6,784,488</u>
Balance, June 30, 2021	<u>\$ 11,215,153</u>	<u>\$ 5,971,578</u>	<u>\$17,186,731</u>

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 11 – FUND BALANCE, NET ASSETS, RESTRICTIONS AND RESERVATIONS

District-Wide Financial Statements

The district-wide Statement of Net Position utilizes a net position presentation. Net position is categorized as invested in capital assets-net of related debt, restricted and unrestricted. Related debt is the debt outstanding that relates to the acquisition, construction or improvement of capital assets.

Restricted net position is comprised of net assets which have third-party limitation on their use, whether statutory or imposed by a bond covenant or granting agency. Restricted net position is classified either by function, debt service, project, or claims. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

The restriction for debt service represents net position legally restricted by statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs.

Unrestricted net position represents available financial resources of the District.

Fund Financial Statements

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes standards for fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The District reports the following classifications:

Non-spendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

The General Fund reports non-spendable fund balance for the carrying amount of inventories held at year-end.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

The Debt Service Fund reports restricted fund balance for amounts that are legally restricted to the payment of long-term debt principal and interest maturing in future years.

The Bond Projects Fund and the Capital Projects funds report restricted fund balance for amounts related to construction contracts for which the District is committed, but the capital project is not yet complete.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board. The Board is the highest level of decision making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Assigned fund balance in the General Fund represents an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Assigned fund balance in the Special Education Fund represents amounts intended to be used for special education and related services.

Unassigned – the residual classification for the General Fund.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – as needed, unless the Board has provided for otherwise in its commitment or assignment actions.

The following table is a summary of the District's fund balances at June 30, 2021:

	Major Funds					Total Governmental Funds
	General Fund	Special Education Fund	Debt Service Fund	Bond Projects Fund	Other Governmental Funds	
Fund Balances						
Nonspendable inventories	\$ 219,260	\$ -	\$ -	\$ -	\$ 25,354	\$ 244,614
Restricted for:						
Debt service	-	-	8,435,814	-	-	8,435,814
Capital projects	-	-	-	6,699,323	5,096,872	11,796,195
Assigned to:						
Education services	-	11,110	-	-	163,700	174,810
Food service	-	-	-	-	1,093,803	1,093,803
Subsequent year's budget	6,971,513	-	-	-	-	6,971,513
Unassigned	3,482,214	-	-	-	-	3,482,214
Total Fund Balance	\$10,672,987	\$ 11,110	\$8,435,814	\$ 6,699,323	\$ 6,379,729	\$ 32,198,963

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 12 – NEW ACCOUNTING PRONOUNCEMENTS

In June 2017, the Governmental Accounting Standards Board issued GASB Statement No. 87, *Leases*, which 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. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the District's financial statements for the year beginning July 1, 2021.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this statement are to enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The topics within this statement, via the adoption of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, have been delayed for the District until the fiscal year ending June 30, 2022. Management has not yet determined the impact of this statement on the District's financial statement.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. The requirements of this statement are effective for the District's fiscal year ending June 30, 2023. Management has not yet determined the impact of this statement on the District's financial statement.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to increase consistency and comparability related to the reporting of fiduciary component units when a potential component unit does not have a governing board and the primary government performs those duties; mitigate costs associated with the reporting; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans. The requirements of this statement are effective for the District's fiscal year ending June 30, 2022. Management has not yet determined the impact of this statement on the District's financial statement.

LYON COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 13 – CONSTRUCTION COMMITMENTS

During FY20, the District entered into an approximate \$7.8 million contract for the expansion of facilities at East Valley Elementary School. As of June 30, 2021, \$6.5 million has been incurred on this project, with an additional amount of \$851 thousand during FY22, which was paid from the Bond Projects Fund. This project was completed in Summer 2021.

Initial costs of \$103 thousand were incurred during FY21 for the FHS Gym Expansion project, which is estimated to be approximately \$26.5 million. An approximate \$1.8 million is anticipated to be incurred during FY22, and the remaining amount will be incurred during FY23. Costs will be financed from resources in the Bond Projects Fund and proceeds from the future school improvement bonds (see Note 14). As of the date of the auditors' report, the District has not entered into a construction contract for this project.

The District intends to commence with major renovations to its high school stadiums, estimated at approximately \$5 million, also beginning in FY22 and continuing through FY23. Costs will be financed from funds remaining in the Bond Projects Fund as well as proceeds from the future school improvement bonds (see Note 14).

NOTE 14 – SUBSEQUENT EVENTS

The District has received authorization from the Lyon County Debt Management Commission (in October, 2019) to issue \$35 million in general obligation school improvement bonds. The District anticipates issuing these bonds during FY22. In addition, the District anticipates refunding \$2.6 million of current bonded debt to achieve interest cost savings.

Beginning July 1, 2021, the State of Nevada began under a new funding mechanism for K-12 education called the Pupil Centered Funding Plan (PCFP), which replaces the 50-year old Nevada Plan. To assist in the transition to the new plan, it contains a "hold-harmless" provision where per-pupil revenue will be frozen at near FY20 funding levels. The District is not currently utilizing the "hold harmless" provision and doesn't anticipate doing so but notes the provision is available.

The District has also received \$5.1 million in ESSER II federal stimulus funding (available for expenditure until Sept 30, 2023) and \$11.4 million in ESSER III federal stimulus funding (available for expenditure until September 30, 2024). These funds are being utilized to continue providing a safe learning environment for students and staff, to help combat learning loss in students as a result of the pandemic impact, to maintain operations at pre-COVID levels, and assist in the transition from the Nevada Plan to the PCFP. The District is actively planning continued use of these funds over future years to support students while minimizing a potential "fiscal cliff" scenario in FY25.

LYON COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF CHANGES IN NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS*

	2021		2020			
	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability						
Service cost	\$ 378,133	\$ -	\$ -	\$ 352,610	\$ -	\$ -
Interest	133,954	-	133,954	131,222	171,702	302,924
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	539,831	-	539,831	-	-	-
Changes in assumptions	5,838,342	-	5,838,342	67,671	126,526	194,197
Benefit payments	(196,167)	-	(196,167)	(162,296)	(357,887)	(520,183)
Net change in Total OPEB Liability	6,694,093	-	6,315,960	389,207	(59,659)	(23,062)
Total OPEB Liability, beginning	4,521,060	5,881,082	10,402,142	4,131,853	5,940,741	10,072,594
Total OPEB Liability, ending	11,215,153	5,881,082	16,718,102	4,521,060	5,881,082	10,049,532
Plan Fiduciary Net Position						
Employer contributions	196,167	-	-	162,296	-	-
Net investment income	-	-	-	-	-	-
Benefit payments	(196,167)	-	-	(162,296)	-	-
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-
District's Net OPEB Liability	\$ 11,215,153	\$ 5,881,082	\$ 16,718,102	\$ 4,521,060	\$ 5,881,082	\$ 10,049,532
Covered payroll	\$ 52,286,110	N/A	N/A	\$ 50,275,106	N/A	N/A
District's Net OPEB Liability as a percentage of covered payroll	21.45%	N/A	N/A	8.99%	N/A	N/A

*GASB Statement No. 75 requires ten years of information to be presented. However, until all 10 years of data is available the District presents information for those years for which the information is available.

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF CHANGES IN NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS*

	2019		2018			
	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability						
Service cost	\$ 353,881	\$ -	\$ 353,881	\$ 374,429	\$ -	\$ 374,429
Interest	123,565	175,619	299,184	101,987	164,403	266,390
Changes in benefit terms	-	24,182	24,182	-	-	-
Differences between expected and actual experience	(568,389)	(180,891)	(749,280)	-	-	-
Changes in assumptions	673,647	501,406	1,175,053	(231,142)	(300,228)	(531,370)
Benefit payments	(89,480)	(380,812)	(470,292)	(75,389)	(394,781)	(470,170)
Net change in Total OPEB Liability	493,224	139,504	632,728	169,885	(530,606)	(360,721)
Total OPEB Liability, beginning	3,638,629	5,801,237	9,439,866	3,468,744	6,331,843	9,800,587
Total OPEB Liability, ending	4,131,853	5,940,741	10,072,594	3,638,629	5,801,237	9,439,866
Plan Fiduciary Net Position						
Employer contributions	89,480	380,812	1,028,921	75,389	394,781	1,028,921
Net investment income	-	-	-	-	-	-
Benefit payments	(89,480)	(380,812)	(1,028,921)	(75,389)	(394,781)	(1,028,921)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-
District's Net OPEB Liability	\$ 4,131,853	\$ 5,940,741	\$ 10,072,594	\$ 3,638,629	\$ 5,801,237	\$ 9,439,866
Covered payroll	\$ 47,121,055	N/A	N/A	\$ 45,228,239	N/A	N/A
District's Net OPEB Liability as a percentage of covered payroll	8.77%	N/A	N/A	8.05%	N/A	N/A

*GASB Statement No. 75 requires ten years of information to be presented. However, until all 10 years of data is available the District presents information for those years for which the information is available.

LYON COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NPL
 (NET PENSION LIABILITY)
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
 LAST TEN FISCAL YEARS*

	Plan Year Ended									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the Net Pension Liability	0.7764%	0.73405%	0.73765%	0.73864%	0.75753%	0.74096%	0.74190%			
District's proportionate share of the Net Pension Liability	\$ 108,145,312	\$ 100,095,295	\$ 100,599,130	\$ 98,237,626	\$ 101,942,119	\$ 84,909,369	\$ 77,321,756			
District's covered employee payroll	\$ 51,883,601	\$ 51,858,445	\$ 50,453,598	\$ 48,705,600	\$ 46,963,783	\$ 45,566,218	\$ 44,186,238			
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	208.44%	193.02%	199.39%	201.70%	217.07%	186.34%	174.99%			
Plan fiduciary net position as a percentage of the Total Pension Liability	77.04%	76.46%	75.23%	74.42%	72.20%	75.10%	76.30%			

*GASB Statement No. 68 requires ten years of information to be presented. However, until a full 10 year trend is available, the District presents information for those years for which the information is available.

LYON COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF DISTRICT'S CONTRIBUTIONS PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA LAST TEN FISCAL YEARS*

	Determined for the Year Ended						
	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 7,667,322	\$ 7,658,540	\$ 7,162,970	\$ 6,875,462	\$ 6,422,758	\$ 11,410,032	\$ 11,377,956
Contributions in relation to the statutorily required contribution	<u>7,667,322</u>	<u>7,658,540</u>	<u>7,162,970</u>	<u>6,875,462</u>	<u>6,422,758</u>	<u>11,410,032</u>	<u>11,377,956</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 51,883,601	\$ 51,858,445	\$ 50,453,598	\$ 48,705,600	\$ 46,963,783	\$ 45,566,218	\$ 44,186,238
Contributions as a percentage of covered employee payroll	14.78%	14.77%	14.20%	14.12%	13.68%	25.04%	25.75%

*CASB Statement No. 68 requires ten years of information to be presented. However, until a full 10 year trend is available, the District presents information for those years for which the information is available.

LYON COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Ad valorem taxes	\$ 8,899,095	\$ 8,899,095	\$ 9,456,260	\$ 557,165	\$ 8,510,483
Earnings on investments	20,000	20,000	77,626	57,626	373,303
Total Revenue	8,919,095	8,919,095	9,533,886	614,791	8,883,786
EXPENDITURES					
Debt Service:					
Principal retirement	6,254,000	6,254,000	5,065,000	1,189,000	5,370,000
Interest	1,986,568	1,986,568	2,026,265	(39,697)	1,850,379
Other	-	-	196,758	(196,758)	148,097
	<u>8,240,568</u>	<u>8,240,568</u>	<u>7,288,023</u>	<u>952,545</u>	<u>7,368,476</u>
Revenues Over (Under)					
Expenditures	<u>678,527</u>	<u>678,527</u>	<u>2,245,863</u>	<u>1,567,336</u>	<u>1,515,310</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from refunding bonds	-	-	14,925,000	14,925,000	8,155,000
Bond premium	-	-	2,643,487	2,643,487	1,295,267
Payment to refunded bonds escrow agent	-	-	(18,503,000)	(18,503,000)	(9,265,000)
	<u>-</u>	<u>-</u>	<u>(934,513)</u>	<u>(934,513)</u>	<u>185,267</u>
Net Change in Fund Balance	678,527	678,527	1,311,350	632,823	1,700,577
FUND BALANCE, July 1	6,513,960	6,513,960	7,124,464	610,504	5,423,887
FUND BALANCE, June 30	\$ 7,192,487	\$ 7,192,487	\$ 8,435,814	\$ 1,243,327	\$ 7,124,464

LYON COUNTY SCHOOL DISTRICT

BOND PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ -	\$ -	\$ 17,390	\$ 17,390	\$ 83,628
EXPENDITURES					
Undistributed Expenditures:					
General Administration:					
Purchased services	-	-	-	-	144,968
Facilities Acquisition and Construction:					
Architectural and Engineering Services:					
Purchased services	-	-	230,362	(230,362)	615,963
Other	-	-	42,489	(42,489)	28,624
	-	-	272,851	(272,851)	644,587
Building Acquisition and Construction:					
Purchased services	7,500,000	7,500,000	5,615,417	1,884,583	40,038
Site Improvements:					
Purchased services	450,000	450,000	171,590	278,410	-
Other	-	-	4,785	(4,785)	-
	450,000	450,000	176,375	273,625	-
Building Improvements:					
Purchased services	4,100,000	4,100,000	737,723	3,362,277	1,824,340
Total Facilities Acquisition and Construction	12,050,000	12,050,000	6,802,366	5,247,634	2,508,965
Total Expenditures	12,050,000	12,050,000	6,802,366	5,247,634	2,653,933
Revenues Over (Under) Expenditures	(12,050,000)	(12,050,000)	(6,784,976)	5,265,024	(2,570,305)

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

BOND PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OTHER FINANCING SOURCES					
Proceeds from bond sale	\$ -	\$ -	\$ -	\$ -	\$ 15,013,000
Net Change in Fund Balance	(12,050,000)	(12,050,000)	(6,784,976)	5,265,024	12,442,695
FUND BALANCE, July 1	<u>17,721,603</u>	<u>17,721,603</u>	<u>13,484,299</u>	<u>(4,237,304)</u>	<u>1,041,604</u>
FUND BALANCE, June 30	<u>\$ 5,671,603</u>	<u>\$ 5,671,603</u>	<u>\$ 6,699,323</u>	<u>\$ 1,027,720</u>	<u>\$ 13,484,299</u>

LYON COUNTY SCHOOL DISTRICT

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2020)

Page 1 of 3

	SPECIAL REVENUE FUNDS					
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION	PRIVATE DONATIONS & GRANTS
ASSETS						
Cash and investments	\$ -	\$ 109,135	\$ 1,132,055	\$ -	\$ 202,604	\$ 30,543
Receivables	5,687,461	-	181,930	150,469	-	-
Inventories	-	-	25,354	-	-	-
Total Assets	\$ 5,687,461	\$ 109,135	\$ 1,339,339	\$ 150,469	\$ 202,604	\$ 30,543
LIABILITIES						
Accounts payable	\$ 460,570	\$ -	\$ 129,080	\$ 24	\$ -	\$ -
Accrued payroll	613,953	-	72,931	18,514	202,594	-
Due to other funds	4,587,595	-	-	128,454	-	-
Unearned revenues	25,343	-	18,171	-	-	-
Total Liabilities	5,687,461	-	220,182	146,992	202,594	-
FUND BALANCES						
Nonspendable	-	-	25,354	-	-	-
Restricted	-	-	-	-	-	-
Assigned	-	109,135	1,093,803	3,477	10	30,543
Total Fund Balances	-	109,135	1,119,157	3,477	10	30,543
Total Liabilities and Fund Balances	\$ 5,687,461	\$ 109,135	\$ 1,339,339	\$ 150,469	\$ 202,604	\$ 30,543

LYON COUNTY SCHOOL DISTRICT

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2020)

Page 2 of 3

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	STATE GRANTS	MEDICAID	NEW NEVADA PLAN	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES
ASSETS						
Cash and investments	\$ -	\$ 32,502	\$ 153,883	\$ 1,660,722	\$ 3,383,904	\$ 218,131
Receivables	552,669	-	-	6,572,529	95,906	-
Inventories	-	-	-	25,354	-	-
Total Assets	\$ 552,669	\$ 32,502	\$ 153,883	\$ 8,258,605	\$ 3,479,810	\$ 218,131
LIABILITIES						
Accounts payable	\$ 107,050	\$ -	\$ 105,501	\$ 802,225	\$ 819,517	\$ -
Accrued payroll	30,988	11,967	48,382	999,329	-	-
Due to other funds	284,281	-	-	5,000,330	-	-
Unearned revenues	130,350	-	-	173,864	-	-
Total Liabilities	552,669	11,967	153,883	6,975,748	819,517	-
FUND BALANCES						
Nonspendable	-	-	-	25,354	-	-
Restricted	-	-	-	-	2,660,293	218,131
Assigned	-	20,535	-	1,257,503	-	-
Total Fund Balances	-	20,535	-	1,282,857	2,660,293	218,131
Total Liabilities and Fund Balances	\$ 552,669	\$ 32,502	\$ 153,883	\$ 8,258,605	\$ 3,479,810	\$ 218,131

LYON COUNTY SCHOOL DISTRICT

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2020)

Page 3 of 3

	CAPITAL PROJECTS FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	RES TAX	CONSTR TOTAL	2021	2020
ASSETS				
Cash and investments	\$ 2,190,352	\$ 5,792,387	\$ 7,453,109	\$ 5,358,647
Receivables	28,096	124,002	6,696,531	4,531,472
Inventories	-	-	25,354	26,000
Total Assets	\$ 2,218,448	\$ 5,916,389	\$ 14,174,994	\$ 9,916,119
LIABILITIES				
Accounts payable	\$ -	\$ 819,517	\$ 1,621,742	\$ 276,965
Accrued payroll	-	-	999,329	676,055
Due to other funds	-	-	5,000,330	2,466,076
Unearned revenues	-	-	173,864	1,065,291
Total Liabilities	-	819,517	7,795,265	4,484,387
FUND BALANCES				
Nonspendable	-	-	25,354	26,000
Restricted	2,218,448	5,096,872	5,096,872	4,629,177
Assigned	-	-	1,257,503	776,555
Total Fund Balances	2,218,448	5,096,872	6,379,729	5,431,732
Total Liabilities and Fund Balances	\$ 2,218,448	\$ 5,916,389	\$ 14,174,994	\$ 9,916,119

LYON COUNTY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

Page 1 of 3

	SPECIAL REVENUE FUNDS					
	FEDERAL GRANTS	INSURANCE LOSS	FEDERAL SCHOOL LUNCH	ADULT DIPLOMA	CLASS SIZE REDUCTION	PRIVATE DONATIONS & GRANTS
REVENUES						
Local sources	\$ -	\$ -	\$ 40,394	\$ 1,510	\$ -	\$ 406,191
State sources	-	-	10,728	250,026	2,312,801	-
Federal sources	<u>6,881,200</u>	<u>-</u>	<u>4,112,573</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>6,881,200</u>	<u>-</u>	<u>4,163,695</u>	<u>251,536</u>	<u>2,312,801</u>	<u>406,191</u>
EXPENDITURES						
Regular programs	1,647,119	-	-	-	2,312,801	2,989
Special programs	1,821,723	-	-	-	-	-
Vocational programs	120,963	-	-	-	-	-
Adult instruction	-	-	-	250,026	-	-
Other instructional programs	680,806	-	-	-	-	-
Support Services:						
Student support	1,732,368	-	-	-	-	-
Instructional staff support	527,413	-	-	-	-	3,004
General administration	64,688	-	-	-	-	-
School administration	-	-	-	-	-	-
Central services	207,823	-	-	-	-	-
Operations and maintenance	4,956	-	-	-	-	369,655
Student transportation	13,628	-	-	-	-	-
Noninstructional services:						
Food service	-	-	3,656,438	-	-	-
Community service	59,713	-	-	-	-	-
Facilities acquisition and construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>6,881,200</u>	<u>-</u>	<u>3,656,438</u>	<u>250,026</u>	<u>2,312,801</u>	<u>375,648</u>
Net Changes in Fund Balances	-	-	507,257	1,510	-	30,543
FUND BALANCE, July 1	<u>-</u>	<u>109,135</u>	<u>611,900</u>	<u>1,967</u>	<u>10</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 109,135</u>	<u>\$ 1,119,157</u>	<u>\$ 3,477</u>	<u>\$ 10</u>	<u>\$ 30,543</u>

LYON COUNTY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

Page 2 of 3

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	STATE GRANTS	MEDICAID	NEW NEVADA PLAN	TOTAL	CAPITAL PROJECTS	BUILDING AND SITES
REVENUES						
Local sources	\$ 3,543,120	\$ -	\$ -	3,991,215	\$ 1,003,382	\$ 14,303
State sources	-	-	135,600	2,709,155	-	-
Federal sources	-	145,618	-	11,139,391	-	-
Total Revenues	3,543,120	145,618	135,600	17,839,761	1,003,382	14,303
EXPENDITURES						
Regular programs	1,181,003	-	98,017	5,241,929	-	-
Special programs	3,000	-	-	1,824,723	-	-
Vocational programs	210,144	-	-	331,107	-	-
Adult instruction	-	-	-	250,026	-	-
Other instructional programs	-	-	-	680,806	-	-
Support Services:	-	-	-	-	-	-
Student support	1,097,730	108,122	1,994	2,940,214	-	-
Instructional staff support	170,035	-	36,000	736,452	-	-
General administration	-	96,504	-	161,192	-	-
School administration	-	-	-	-	-	-
Central services	680,164	-	-	887,987	-	-
Operations and maintenance	6,621	-	-	381,232	-	1,976
Student transportation	194,423	-	-	208,051	-	-
Noninstructional services:	-	-	-	-	-	-
Food service	-	-	-	3,656,438	-	-
Community service	-	-	-	59,713	-	-
Facilities acquisition and construction	-	-	-	-	1,031,624	-
Total Expenditures	3,543,120	204,626	136,011	17,359,870	1,031,624	1,976
Net Changes in Fund Balances	-	(59,008)	(411)	479,891	(28,242)	12,327
FUND BALANCE, July 1	-	79,543	411	802,966	2,688,535	205,804
FUND BALANCE, June 30	\$ -	\$ 20,535	\$ -	\$ 1,282,857	\$ 2,660,293	\$ 218,131

LYON COUNTY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

Page 3 of 3

	CAPITAL PROJECTS FUNDS		TOTALS	
	RES CONSTR	TOTAL		
	TAX	CAPITAL PROJECTS	2021	2020
REVENUES				
Local sources	\$ 707,518	\$ 1,725,203	\$ 5,716,418	\$ 1,965,373
State sources	-	-	2,709,155	8,653,818
Federal sources	-	-	11,139,391	7,763,107
Total Revenues	<u>707,518</u>	<u>1,725,203</u>	<u>19,564,964</u>	<u>18,382,298</u>
EXPENDITURES				
Regular programs	-	-	5,241,929	6,537,866
Special programs	-	-	1,824,723	2,696,968
Vocational programs	-	-	331,107	231,082
Adult instruction	-	-	250,026	202,490
Other instructional programs	-	-	680,806	111,400
Support Services:				
Student support	-	-	2,940,214	1,752,800
Instructional staff support	-	-	736,452	1,133,834
General administration	-	-	161,192	179,780
School administration	-	-	-	-
Central services	-	-	887,987	245,672
Operations and maintenance	-	1,976	383,208	1,110
Student transportation	-	-	208,051	126,117
Noninstructional services:				
Food service	-	-	3,656,438	3,752,840
Community service	-	-	59,713	85,742
Facilities acquisition and construction	<u>223,497</u>	<u>1,255,121</u>	<u>1,255,121</u>	<u>565,832</u>
Total Expenditures	<u>223,497</u>	<u>1,257,097</u>	<u>18,616,967</u>	<u>17,623,533</u>
Net Changes in Fund Balances	484,021	468,106	947,997	758,765
FUND BALANCE, July 1	<u>1,734,427</u>	<u>4,628,766</u>	<u>5,431,732</u>	<u>4,672,967</u>
FUND BALANCE, June 30	<u>\$ 2,218,448</u>	<u>\$ 5,096,872</u>	<u>\$ 6,379,729</u>	<u>\$ 5,431,732</u>

LYON COUNTY SCHOOL DISTRICT

FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal Sources	\$ -	\$ 13,853,797	\$ 6,881,200	\$ (6,972,597)	\$ 4,281,015
EXPENDITURES					
Regular Programs:					
Salaries	-	703,321	489,087	214,234	171,714
Benefits	-	1,040,508	913,700	126,808	56,209
Purchased services	-	749,070	194,729	554,341	22,401
Supplies	-	1,996,460	49,603	1,946,857	129,737
Property	-	14,850	-	14,850	-
Other	-	16,788	-	16,788	6,891
Total Regular Programs	-	4,520,997	1,647,119	2,873,878	386,952
Special Programs:					
Salaries	-	850,232	698,205	152,027	819,559
Benefits	-	485,311	260,346	224,965	323,157
Purchased services	-	705,850	446,427	259,423	264,926
Supplies	-	321,342	258,291	63,051	201,509
Property	-	158,454	158,454	-	-
Total Special Programs	-	2,521,189	1,821,723	699,466	1,609,151
Vocational Programs:					
Purchased services	-	3,712	1,000	2,712	-
Supplies	-	54,570	56,391	(1,821)	8,167
Property	-	63,576	63,572	4	103,449
Total Vocational Programs	-	121,858	120,963	895	111,616
Other Instructional Programs:					
Salaries	-	459,113	431,234	27,879	1,990
Benefits	-	18,440	13,626	4,814	185
Purchased services	-	60,495	8,074	52,421	18,967
Supplies	-	255,690	227,872	27,818	15,924
Total Other Instructional Programs	-	793,738	680,806	112,932	37,066

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

FEDERAL GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed Expenditures					
Student Support:					
Salaries	\$ -	\$ 319,030	\$ 278,654	\$ 40,376	\$ 252,878
Benefits	-	71,063	69,359	1,704	49,968
Purchased services	-	1,134,813	472,707	662,106	236,118
Supplies	-	1,880,294	894,065	986,229	549,410
Property	-	17,191	17,191	-	-
Other	-	5,000	392	4,608	5,286
	-	3,427,391	1,732,368	1,695,023	1,093,660
Instructional Staff Support:					
Salaries	-	273,802	232,322	41,480	254,880
Benefits	-	93,769	82,514	11,255	64,064
Purchased services	-	310,056	172,109	137,947	394,189
Supplies	-	126,702	40,468	86,234	30,788
	-	804,329	527,413	276,916	743,921
General Administration:					
Salaries	-	-	-	-	2,078
Benefits	-	64,688	64,688	-	-
	-	64,688	64,688	-	2,078
Central Services:					
Salaries	-	189,683	138,556	51,127	125,773
Benefits	-	60,288	47,976	12,312	42,956
Purchased services	-	-	1,173	(1,173)	2,758
Supplies	-	105,541	20,118	85,423	4,997
	-	355,512	207,823	147,689	176,484
Operations and Maintenance:					
Supplies	-	10,824	4,956	5,868	-
Property	-	1,080,438	-	1,080,438	-
	-	1,091,262	4,956	1,086,306	-

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

FEDERAL GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student Transportation:					
Salaries	\$ -	\$ 8,069	\$ 2,616	\$ 5,453	\$ 2,943
Benefits	-	1,779	962	817	455
Purchased services	-	20,042	10,050	9,992	7,658
Property	-	197,400	-	197,400	-
	-	227,290	13,628	213,662	11,056
Other Support Services:					
Food Service:					
Supplies	-	-	-	-	15,941
Property	-	-	-	-	7,348
	-	-	-	-	23,289
Community Service:					
Supplies	-	84,208	59,713	24,495	85,742
Total Undistributed Expenditures	-	6,054,680	2,610,589	3,444,091	2,136,230
Total Expenditures	-	14,012,462	6,881,200	7,131,262	4,281,015
Revenue Over (Under) Expenditures	-	(158,665)	-	158,665	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ (158,665)	\$ -	\$ 158,665	\$ -

LYON COUNTY SCHOOL DISTRICT

INSURANCE LOSS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	109,135	109,135	109,135
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,135</u>	<u>\$ 109,135</u>	<u>\$ 109,135</u>

LYON COUNTY SCHOOL DISTRICT

FEDERAL SCHOOL LUNCH FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Daily sales	\$ 650,000	\$ 650,000	\$ 32,611	\$ (617,389)	\$ 489,140
Other local	25,000	25,000	7,783	(17,217)	18,475
	675,000	675,000	40,394	(634,606)	507,615
State Sources:					
State Match	30,000	30,000	10,728	(19,272)	10,775
Federal Sources:					
School Nutrition Programs	2,850,000	2,850,000	4,112,573	1,262,573	3,071,333
Total Revenue	3,555,000	3,555,000	4,163,695	608,695	3,589,723
EXPENDITURES					
Food Service Operations:					
Salaries	1,442,144	492,144	1,002,712	(510,568)	1,462,855
Benefits	430,460	246,460	312,714	(66,254)	392,502
Purchased services	122,900	1,322,900	286,793	1,036,107	128,937
Supplies	1,638,750	1,638,750	1,987,991	(349,241)	1,729,980
Property	142,500	142,500	-	142,500	12,563
Other	1,632	1,632	66,228	(64,596)	2,714
	3,778,386	3,844,386	3,656,438	187,948	3,729,551
Building Improvement:					
Purchased services	-	-	-	-	5,850
Total Expenditures	3,778,386	3,844,386	3,656,438	187,948	3,735,401
Net Change in Fund Balance	(223,386)	(289,386)	507,257	796,643	(145,678)
FUND BALANCE, July 1	311,798	311,798	611,900	300,102	757,578
FUND BALANCE, June 30	\$ 88,412	\$ 22,412	\$ 1,119,157	\$ 1,096,745	\$ 611,900

LYON COUNTY SCHOOL DISTRICT

ADULT DIPLOMA FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Tuition	\$ -	\$ -	\$ 1,510	\$ 1,510	\$ -
State Sources:					
State funding	-	250,097	250,026	(71)	202,490
Total Revenue	-	250,098	251,536	1,439	202,490
EXPENDITURES					
Salaries	-	154,837	154,804	33	134,535
Benefits	-	67,271	67,251	20	58,213
Purchased services	-	13,130	13,119	11	9,742
Supplies	-	14,860	14,852	8	-
Total Expenditures	-	250,098	250,026	72	202,490
Net Change in Fund Balance	-	-	1,510	1,367	-
FUND BALANCE, July 1	-	-	1,967	1,967	1,967
FUND BALANCE, June 30	\$ -	\$ -	\$ 3,477	\$ 3,334	\$ 1,967

LYON COUNTY SCHOOL DISTRICT

CLASS SIZE REDUCTION FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State funding	\$ 1,800,000	\$ 2,312,801	\$ 2,312,801	\$ -	\$ 2,571,037
EXPENDITURES					
Regular Programs:					
Salaries	1,250,000	1,613,699	1,613,699	-	1,793,200
Benefits	550,000	699,102	699,102	-	777,837
Total Expenditures	1,800,000	2,312,801	2,312,801	-	2,571,037
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	10	10	10
FUND BALANCE, June 30	\$ -	\$ -	\$ 10	\$ 10	\$ 10

LYON COUNTY SCHOOL DISTRICT

PRIVATE DONATIONS AND GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Private donations and grants	\$ -	\$ 406,191	\$ 406,191	\$ -	\$ 8,441
EXPENDITURES					
Regular Programs:					
Salaries	-	413	413	-	-
Benefits	-	38	38	-	-
Supplies	-	2,538	2,538	-	8,441
	-	2,989	2,989	-	8,441
Undistributed Expenditures:					
Instructional Staff Support:					
Supplies	-	3,004	3,004	-	-
Operations and Maintenance:					
Supplies	-	369,655	369,655	-	-
Total Undistributed Expenditures	-	372,659	372,659	-	-
Total Expenditures	-	375,648	375,648	-	8,441
Net Change in Fund Balance	-	30,543	30,543	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ 30,543	\$ 30,543	\$ -	\$ -

LYON COUNTY SCHOOL DISTRICT

STATE GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources	\$ -	\$ 4,195,468	\$ 3,543,120	\$ (652,348)	\$ 4,676,916
EXPENDITURES					
Regular Programs:					
Salaries	-	1,192,928	176,659	1,016,269	1,469,044
Benefits	-	516,993	82,754	434,239	570,167
Purchased services	-	794,666	491,564	303,102	386,547
Supplies	-	504,124	430,026	74,098	795,977
Total Regular Programs	-	3,008,711	1,181,003	1,827,708	3,221,735
Special Programs:					
Salaries	-	-	-	-	808
Benefits	-	-	-	-	21
Purchased services	-	-	-	-	4,626
Supplies	-	3,000	3,000	-	7,186
Total Special Programs	-	3,000	3,000	-	12,641
Vocational Programs:					
Purchased services	-	2,725	2,725	-	3,066
Supplies	-	202,971	193,470	9,501	104,340
Property	-	14,099	13,949	150	12,060
Total Vocational Programs	-	219,795	210,144	9,651	119,466
Other Instructional Programs:					
Salaries	-	-	-	-	43,481
Benefits	-	-	-	-	30,853
Total Other Instructional	-	-	-	-	74,334
Undistributed Expenditures:					
Student Support:					
Salaries	-	54,149	150	53,999	50,639
Benefits	-	18,967	3	18,964	243
Purchased services	-	422,460	291,822	130,638	510,709
Supplies	-	884,676	805,755	78,921	32,898
Other	-	400	-	400	-
	-	1,380,652	1,097,730	282,922	594,489

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

STATE GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Instructional Staff Support:					
Salaries	\$ -	\$ 157,302	\$ 102,829	\$ 54,473	\$ 115,218
Benefits	-	63,523	41,806	21,717	34,425
Purchased services	-	177,200	-	177,200	196,792
Supplies	-	69,152	25,400	43,752	43,478
	-	467,177	170,035	297,142	389,913
General Administration:					
Purchased services	-	-	-	-	78,979
Central Services:					
Salaries	-	-	-	-	45,056
Benefits	-	-	-	-	16,538
Purchased services	-	15,000	15,000	-	7,594
Supplies	-	806,495	665,164	141,331	-
	-	821,495	680,164	141,331	69,188
Operations and Maintenance:					
Purchased services	-	-	1,110	(1,110)	1,110
Supplies	-	4,458	5,511	(1,053)	-
	-	4,458	6,621	(2,163)	1,110
Student Transportation:					
Purchased services	-	-	-	-	115,061
Supplies	-	137,355	194,423	(57,068)	-
	-	137,355	194,423	(57,068)	115,061
Total Undistributed Expenditures	-	2,811,137	2,148,973	662,164	1,248,740
Total Expenditures	-	6,042,643	3,543,120	2,499,523	4,676,916
Net Change in Fund Balance	-	(1,847,175)	-	1,847,175	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ (1,847,175)	\$ -	\$ 1,847,175	\$ -

LYON COUNTY SCHOOL DISTRICT

MEDICAID FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal Sources:					
Medicaid Program	\$ 500,000	\$ 500,000	\$ 145,618	\$ (354,382)	\$ 410,759
EXPENDITURES					
Special Programs:					
Student Support:					
Salaries	176,487	176,487	519	175,968	135,580
Benefits	86,598	86,598	6,173	80,425	56,714
Purchased services	125,000	125,000	96,594	28,406	79,154
Supplies	15,000	15,000	4,836	10,164	25,891
	<u>403,085</u>	<u>403,085</u>	<u>108,122</u>	<u>294,963</u>	<u>297,339</u>
General Administration:					
Salaries	46,688	46,688	47,950	(1,262)	44,841
Benefits	21,357	21,357	19,534	1,823	19,065
Purchased services	27,000	27,000	27,466	(466)	27,424
Supplies	1,511	1,511	1,554	(43)	7,393
	<u>96,556</u>	<u>96,556</u>	<u>96,504</u>	<u>52</u>	<u>98,723</u>
Total Expenditures	<u>499,641</u>	<u>499,641</u>	<u>204,626</u>	<u>295,015</u>	<u>396,062</u>
Net Change in Fund Balance	359	359	(59,008)	(59,367)	14,697
FUND BALANCE, July 1	<u>19,218</u>	<u>19,218</u>	<u>79,543</u>	<u>60,325</u>	<u>64,846</u>
FUND BALANCE, June 30	<u>\$ 19,577</u>	<u>\$ 19,577</u>	<u>\$ 20,535</u>	<u>\$ 958</u>	<u>\$ 79,543</u>

LYON COUNTY SCHOOL DISTRICT

NEW NEVADA PLAN (SB 178) FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State funding	\$ -	\$ 135,600	\$ 135,600	\$ -	\$ 1,192,600
EXPENDITURES					
Regular Programs:					
Salaries	-	53,941	53,941	-	727,012
Benefits	-	1,864	1,864	-	294,724
Purchased services	-	-	-	-	34,656
Supplies	-	42,212	42,212	-	71,146
	-	98,017	98,017	-	1,127,538
Undistributed Expenditures:					
Student Support:					
Salaries	-	-	-	-	28,816
Benefits	-	-	-	-	1,095
Supplies	-	1,994	1,994	-	34,740
	-	1,994	1,994	-	64,651
Instructional Staff Support:					
Purchased services	-	36,000	36,000	-	-
Total Undistributed Expenditures	-	37,994	37,994	-	64,651
Total Expenditures	-	136,011	136,011	-	1,192,189
Net Change in Fund Balance	-	(411)	(411)	-	411
FUND BALANCE, July 1	-	411	411	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ 411

LYON COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Government Services Tax	\$ 939,060	\$ 939,060	\$ 1,003,382	\$ 64,322	\$ 824,939
EXPENDITURES					
Facilities Acquisition and Construction:					
Architecture and Engineering:					
Purchased services	25,000	25,000	-	25,000	12,413
Building Acquisition and Construction:					
Purchased services	-	-	84,988	(84,988)	-
Supplies	-	-	40,153	(40,153)	-
Property	-	-	-	-	190,660
	-	-	125,141	(125,141)	190,660
Site Improvement:					
Purchased services	2,140,000	2,140,000	805,681	1,334,319	153,484
Building Improvements:					
Purchased services	300,000	300,000	95,790	204,210	126,340
Other	-	-	5,012	(5,012)	-
	300,000	300,000	100,802	199,198	126,340
Total Facilities Acquisition and Construction	2,465,000	2,465,000	1,031,624	1,433,376	482,897
Net Change in Fund Balance	(1,525,940)	(1,525,940)	(28,242)	1,497,698	342,042
FUND BALANCE, July 1	2,069,493	2,069,493	2,688,535	619,042	2,346,493
FUND BALANCE, June 30	\$ 543,553	\$ 543,553	\$ 2,660,293	\$ 2,116,740	\$ 2,688,535

LYON COUNTY SCHOOL DISTRICT

BUILDING AND SITES FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2021
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Rents	\$ 9,600	\$ 9,600	\$ 10,000	\$ 400	\$ 9,600
Earnings on investments	-	-	4,303	4,303	11,092
	<u>9,600</u>	<u>9,600</u>	<u>14,303</u>	<u>4,703</u>	<u>20,692</u>
EXPENDITURES					
Undistributed Expenditures:					
Operations and Maintenance:					
Purchased services	-	-	1,976	(1,976)	-
Supplies	<u>175,000</u>	<u>175,000</u>	<u>-</u>	<u>175,000</u>	<u>-</u>
Total Expenditures	<u>175,000</u>	<u>175,000</u>	<u>1,976</u>	<u>173,024</u>	<u>-</u>
Net Change in Fund Balance	(165,400)	(165,400)	12,327	177,727	20,692
FUND BALANCE, July 1	<u>194,712</u>	<u>194,712</u>	<u>205,804</u>	<u>11,092</u>	<u>185,112</u>
FUND BALANCE, June 30	<u>\$ 29,312</u>	<u>\$ 29,312</u>	<u>\$ 218,131</u>	<u>\$ 188,819</u>	<u>\$ 205,804</u>

LYON COUNTY SCHOOL DISTRICT

RESIDENTIAL CONSTRUCTION TAX FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Residential Construction Tax	\$ 288,000	\$ 288,000	\$ 706,512	\$ 418,512	\$ 598,848
Earnings on investments	-	-	1,006	1,006	4,838
Total Revenue	288,000	288,000	707,518	419,518	603,686
EXPENDITURES					
Facilities Acquisition and Construction:					
Architectural and Engineering Services:					
Purchased services	-	-	153,363	(153,363)	-
Building Acquisition/Construction:					
Purchased services	1,000,000	1,000,000	-	1,000,000	-
Supplies	366,000	366,000	-	366,000	-
	1,366,000	1,366,000	-	1,366,000	-
Site Improvement:					
Purchased services	250,000	250,000	-	250,000	-
Property	-	-	-	-	77,085
	250,000	250,000	-	250,000	77,085
Building Improvement:					
Supplies	-	-	70,134	(70,134)	-
Total Facilities Acquisition and Construction	1,616,000	1,616,000	223,497	1,392,503	77,085
Net Change in Fund Balance	(1,328,000)	(1,328,000)	484,021	1,812,021	526,601
FUND BALANCE, July 1	1,780,120	1,780,120	1,734,427	(45,693)	1,207,826
FUND BALANCE, June 30	\$ 452,120	\$ 452,120	\$ 2,218,448	\$ 1,766,328	\$ 1,734,427

LYON COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2020)

	WORKERS COMPENSATION INSURANCE FUND	UNEMPLOY- MENT INSURANCE FUND	GROUP INSURANCE FUND	TOTALS	
				2021	2020
ASSETS					
Cash and cash equivalents	\$ 1,942,652	\$ 1,154,326	\$ 331,690	\$ 3,428,668	\$ 3,370,045
Cash with fiscal agent	-	-	283,195	283,195	364,500
Accounts receivable	5,248	16,028	-	21,276	14,726
	<u>1,947,900</u>	<u>1,170,354</u>	<u>614,885</u>	<u>3,733,139</u>	<u>3,749,271</u>
Restricted cash	585,000	-	-	585,000	585,000
	<u>585,000</u>	<u>-</u>	<u>-</u>	<u>585,000</u>	<u>585,000</u>
Total Assets	<u>2,532,900</u>	<u>1,170,354</u>	<u>614,885</u>	<u>4,318,139</u>	<u>4,334,271</u>
LIABILITIES					
Accounts and claims payable	20,885	-	106,325	127,210	14,862
Incurred but unreported claims	901,000	-	-	901,000	2,251,000
	<u>921,885</u>	<u>-</u>	<u>106,325</u>	<u>1,028,210</u>	<u>2,265,862</u>
Total Liabilities	<u>921,885</u>	<u>-</u>	<u>106,325</u>	<u>1,028,210</u>	<u>2,265,862</u>
NET POSITION					
Restricted for employee benefits program	<u>\$ 1,611,015</u>	<u>\$ 1,170,354</u>	<u>\$ 508,560</u>	<u>\$ 3,289,929</u>	<u>\$ 2,068,409</u>

LYON COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	WORKERS COMPENSATION INSURANCE FUND	UNEMPLOY- MENT INSURANCE FUND	GROUP INSURANCE FUND	TOTALS	
				2021	2020
OPERATING REVENUES					
Charges for services	\$ 581,928	\$ 160,041	\$ 6,637,527	\$ 7,379,496	\$ 10,382,947
Refunds and rebates	-	-	844,077	844,077	383,851
	<u>581,928</u>	<u>160,041</u>	<u>7,481,604</u>	<u>8,223,573</u>	<u>10,766,798</u>
OPERATING EXPENSES					
Benefit claims	(208,764)	4,866	6,031,132	5,827,234	10,256,565
Purchased services	238,490	-	956,171	1,194,661	1,245,988
Other	(18,294)	-	-	(18,294)	55,729
	<u>11,432</u>	<u>4,866</u>	<u>6,987,303</u>	<u>7,003,601</u>	<u>11,558,282</u>
Total Operating Expenses					
Operating Income (Loss)	570,496	155,175	494,301	1,219,972	(791,484)
NONOPERATING REVENUES					
Earnings on investments	1,206	-	342	1,548	6,808
Change in Net Position	571,702	155,175	494,643	1,221,520	(784,676)
NET POSITION, July 1	<u>1,039,313</u>	<u>1,015,179</u>	<u>13,917</u>	<u>2,068,409</u>	<u>2,853,085</u>
NET POSITION, June 30	<u>\$ 1,611,015</u>	<u>\$ 1,170,354</u>	<u>\$ 508,560</u>	<u>\$ 3,289,929</u>	<u>\$ 2,068,409</u>

LYON COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	WORKERS COMPENSATION INSURANCE FUND	UNEMPLOY- MENT INSURANCE FUND	GROUP INSURANCE FUND	TOTALS	
				2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Premiums received from other funds	\$ 581,928	\$ 158,739	\$ 6,637,527	\$ 7,378,194	\$ 10,457,812
Refunds and rebates received	-	-	844,077	844,077	383,851
Payment of benefits	(90,236)	(4,866)	(7,016,360)	(7,111,462)	(9,207,293)
Insurance premiums and other	(219,421)	-	(915,618)	(1,135,039)	(1,288,792)
Net Cash Provided (Used) by Operating Activities	<u>272,271</u>	<u>153,873</u>	<u>(450,374)</u>	<u>(24,230)</u>	<u>345,578</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received on investments	<u>1,206</u>	<u>-</u>	<u>342</u>	<u>1,548</u>	<u>6,808</u>
Net Increase (Decrease) in Cash and Cash Equivalents	273,477	153,873	(450,032)	(22,682)	352,386
CASH AND CASH EQUIVALENTS, July 1					
	<u>2,254,175</u>	<u>1,000,453</u>	<u>1,064,917</u>	<u>4,319,545</u>	<u>3,967,159</u>
CASH AND CASH EQUIVALENTS, June 30					
	<u>\$ 2,527,652</u>	<u>\$ 1,154,326</u>	<u>\$ 614,885</u>	<u>\$ 4,296,863</u>	<u>\$ 4,319,545</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 570,496	\$ 155,175	\$ 494,301	\$ 1,219,972	\$ (791,484)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	(5,248)	(1,302)	-	(6,550)	74,865
Accounts payable	6,023	-	106,325	112,348	11,197
Incurred but not reported claims	(299,000)	-	(1,051,000)	(1,350,000)	1,051,000
Total Adjustments	<u>(298,225)</u>	<u>(1,302)</u>	<u>(944,675)</u>	<u>(1,244,202)</u>	<u>1,137,062</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 272,271</u>	<u>\$ 153,873</u>	<u>\$ (450,374)</u>	<u>\$ (24,230)</u>	<u>\$ 345,578</u>

LYON COUNTY SCHOOL DISTRICT

WORKERS COMPENSATION INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2021
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ 580,000	\$ 580,000	\$ 581,928	\$ 1,928	\$ 423,088
OPERATING EXPENSES					
Benefits	580,000	580,000	(208,764)	788,764	599,611
Purchased services	135,000	135,000	238,490	(103,490)	72,870
Other	50	50	(18,294)	18,344	55,729
	<u>715,050</u>	<u>715,050</u>	<u>11,432</u>	<u>703,618</u>	<u>728,210</u>
Operating Income (Loss)	(135,050)	(135,050)	570,496	705,546	(305,122)
NONOPERATING REVENUES					
Earnings on investments	<u>10,000</u>	<u>10,000</u>	<u>1,206</u>	<u>(8,794)</u>	<u>5,800</u>
Change in Net Position	(125,050)	(125,050)	571,702	696,752	(299,322)
NET POSITION, July 1	<u>1,163,635</u>	<u>1,163,635</u>	<u>1,039,313</u>	<u>(124,322)</u>	<u>1,338,635</u>
NET POSITION, June 30	<u>\$ 1,038,585</u>	<u>\$ 1,038,585</u>	<u>\$ 1,611,015</u>	<u>\$ 572,430</u>	<u>\$ 1,039,313</u>

LYON COUNTY SCHOOL DISTRICT

WORKERS COMPENSATION INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Charges for services	\$ 600,000	\$ 600,000	\$ 581,928	\$ (18,072)	\$ 494,246
Payment of benefits	(500,000)	(500,000)	(90,236)	409,764	(599,611)
Insurance premiums paid, other payments	(145,000)	(145,000)	(219,421)	(74,421)	(113,737)
Net Cash Provided (Used) By Operating Activities	(45,000)	(45,000)	272,271	317,271	(219,102)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received on investments	10,000	10,000	1,206	(8,794)	5,800
Net Increase (Decrease) in Cash and Cash Equivalents	(35,000)	(35,000)	273,477	308,477	(213,302)
CASH AND CASH EQUIVALENTS, July 1					
	<u>2,457,477</u>	<u>2,457,477</u>	<u>2,254,175</u>	<u>(203,302)</u>	<u>2,467,477</u>
CASH AND CASH EQUIVALENTS, June 30					
	<u>\$ 2,422,477</u>	<u>\$ 2,422,477</u>	<u>\$ 2,527,652</u>	<u>\$ 105,175</u>	<u>\$ 2,254,175</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ -	\$ -	\$ 570,496	\$ 570,496	\$ (305,122)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	-	-	(5,248)	(5,248)	71,158
Accounts payable	-	-	6,023	6,023	14,862
Incurred but unreported claims	-	-	(299,000)	(299,000)	-
Total Adjustments	-	-	(298,225)	(298,225)	86,020
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,271</u>	<u>\$ 272,271</u>	<u>\$ (219,102)</u>

LYON COUNTY SCHOOL DISTRICT

UNEMPLOYMENT INSURANCE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ 155,000	\$ 155,000	\$ 160,041	\$ 5,041	\$ 156,569
OPERATING EXPENSES					
Benefits	<u>20,000</u>	<u>20,000</u>	<u>4,866</u>	<u>15,134</u>	<u>4,926</u>
Change in Net Position	135,000	135,000	155,175	20,175	151,643
NET POSITION, July 1	<u>998,536</u>	<u>998,536</u>	<u>1,015,179</u>	<u>16,643</u>	<u>863,536</u>
NET POSITION, June 30	<u>\$ 1,133,536</u>	<u>\$ 1,133,536</u>	<u>\$ 1,170,354</u>	<u>\$ 36,818</u>	<u>\$ 1,015,179</u>

LYON COUNTY SCHOOL DISTRICT

UNEMPLOYMENT INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Charges for services	\$ 155,000	\$ 155,000	\$ 158,739	\$ 3,739	\$ 160,276
Payment of benefits	(35,000)	(35,000)	(4,866)	30,134	(6,654)
Net Cash Provided By Operating Activities	120,000	120,000	153,873	33,873	153,622
CASH AND CASH EQUIVALENTS, July 1					
	966,831	966,831	1,000,453	33,622	846,831
CASH AND CASH EQUIVALENTS, June 30					
	<u>\$ 1,086,831</u>	<u>\$ 1,086,831</u>	<u>\$ 1,154,326</u>	<u>\$ 67,495</u>	<u>\$ 1,000,453</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income	\$ -	\$ -	\$ 155,175	\$ 155,175	\$ 151,643
Adjustments to reconcile operating income to net cash provided by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	-	-	(1,302)	(1,302)	3,707
Accounts payable	-	-	-	-	(1,728)
Total Adjustments	-	-	(1,302)	(1,302)	1,979
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,873</u>	<u>\$ 153,873</u>	<u>\$ 153,622</u>

LYON COUNTY SCHOOL DISTRICT

GROUP INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2021
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ -	\$ -	\$ 6,637,527	\$ 6,637,527	\$ 9,803,290
Refunds and rebates	-	-	844,077	844,077	383,851
	<u>-</u>	<u>-</u>	<u>7,481,604</u>	<u>7,481,604</u>	<u>10,187,141</u>
OPERATING EXPENSES					
Benefits	-	-	6,031,132	(6,031,132)	9,652,028
Purchased services	-	-	956,171	(956,171)	1,173,118
	<u>-</u>	<u>-</u>	<u>6,987,303</u>	<u>(6,987,303)</u>	<u>10,825,146</u>
Operating Income (Loss)	-	-	494,301	494,301	(638,005)
NONOPERATING REVENUES					
Earnings on investments	-	-	342	342	1,008
Change in Net Position	-	-	494,643	494,643	(636,997)
NET POSITION, July 1	<u>652,851</u>	<u>652,851</u>	<u>13,917</u>	<u>(638,934)</u>	<u>650,914</u>
NET POSITION, June 30	<u>\$ 652,851</u>	<u>\$ 652,851</u>	<u>\$ 508,560</u>	<u>\$ (144,291)</u>	<u>\$ 13,917</u>

LYON COUNTY SCHOOL DISTRICT

GROUP INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020)

	2021 BUDGET		2021		2020
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Charges for services received	\$ 75,000	\$ 75,000	\$ 6,637,527	\$ 6,562,527	\$ 9,803,290
Refunds and rebates received	-	-	844,077	844,077	383,851
Payment of benefits	-	-	(7,016,360)	(7,016,360)	(8,601,028)
Payment for services and other	-	-	(915,618)	(915,618)	(1,175,055)
Net Cash Provided (Used) By Operating Activities	<u>75,000</u>	<u>75,000</u>	<u>(450,374)</u>	<u>(525,374)</u>	<u>411,058</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Cash transferred to other funds	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>	<u>35,000</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Earnings on investments	<u>-</u>	<u>-</u>	<u>342</u>	<u>-</u>	<u>1,008</u>
Net Increase (Decrease) in Cash and Cash Equivalents	40,000	40,000	(450,032)	(490,374)	412,066
CASH AND CASH EQUIVALENTS, July 1					
	<u>692,851</u>	<u>692,851</u>	<u>1,064,917</u>	<u>372,066</u>	<u>652,851</u>
CASH AND CASH EQUIVALENTS, June 30					
	<u>\$ 732,851</u>	<u>\$ 732,851</u>	<u>\$ 614,885</u>	<u>\$ (118,308)</u>	<u>\$ 1,064,917</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ -	\$ -	\$ 494,301	\$ 494,301	\$ (638,005)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Changes in assets and liabilities:					
Accounts and claims payable	-	-	106,325	106,325	(1,937)
Claims incurred but not reported	-	-	(1,051,000)	(1,051,000)	1,051,000
Total Adjustments	<u>-</u>	<u>-</u>	<u>(944,675)</u>	<u>(944,675)</u>	<u>1,049,063</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (450,374)</u>	<u>\$ (450,374)</u>	<u>\$ 411,058</u>

LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF STUDENT ACTIVITY ACCOUNTS YEAR ENDED JUNE 30, 2021

	<u>BALANCE JULY 1, 2020</u>	<u>NET CHANGE</u>	<u>BALANCE JUNE 30, 2021</u>
YERINGTON ELEMENTARY			
Assets:			
Cash and investments	\$ 9,583	\$ 1,799	\$ 11,382
Liabilities:			
Due to student groups	\$ 9,583	\$ 1,799	\$ 11,382
YERINGTON INTERMEDIATE			
Assets:			
Cash and investments	\$ 30,835	\$ 3,456	\$ 34,291
Liabilities:			
Due to student groups	\$ 30,835	\$ 3,456	\$ 34,291
YERINGTON HIGH			
Assets:			
Cash and investments	\$ 247,048	\$ (92,449)	\$ 154,599
Liabilities:			
Due to student groups	\$ 247,048	\$ (92,449)	\$ 154,599
SMITH VALLEY SCHOOLS			
Assets:			
Cash and investments	\$ 43,872	\$ 6,208	\$ 50,080
Liabilities:			
Due to student groups	\$ 43,872	\$ 6,208	\$ 50,080
SILVER STAGE ELEMENTARY			
Assets:			
Cash and investments	\$ 25,484	\$ (4,382)	\$ 21,102
Liabilities:			
Due to student groups	\$ 25,484	\$ (4,382)	\$ 21,102

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF STUDENT ACTIVITY ACCOUNTS YEAR ENDED JUNE 30, 2021

	<u>BALANCE</u> <u>JULY 1, 2020</u>	<u>NET CHANGE</u>	<u>BALANCE</u> <u>JUNE 30, 2021</u>
SILVER STAGE MIDDLE			
Assets:			
Cash and investments	\$ <u>1,747</u>	\$ <u>(1,505)</u>	\$ <u>242</u>
Liabilities:			
Due to student groups	\$ <u>1,747</u>	\$ <u>(1,505)</u>	\$ <u>242</u>
SILVER STAGE HIGH			
Assets:			
Cash and investments	\$ <u>41,058</u>	\$ <u>5,824</u>	\$ <u>46,882</u>
Liabilities:			
Due to student groups	\$ <u>41,058</u>	\$ <u>5,824</u>	\$ <u>46,882</u>
SILVERLAND MIDDLE			
Assets:			
Cash and investments	\$ <u>35,706</u>	\$ <u>12,714</u>	\$ <u>48,420</u>
Liabilities:			
Due to student groups	\$ <u>35,706</u>	\$ <u>12,714</u>	\$ <u>48,420</u>
FERNLEY ELEMENTARY			
Assets:			
Cash and investments	\$ <u>14,366</u>	\$ <u>(1,501)</u>	\$ <u>12,865</u>
Liabilities:			
Due to student groups	\$ <u>14,366</u>	\$ <u>(1,501)</u>	\$ <u>12,865</u>
COTTONWOOD ELEMENTARY			
Assets:			
Cash and investments	\$ <u>3,972</u>	\$ <u>4,173</u>	\$ <u>8,145</u>
Liabilities:			
Due to student groups	\$ <u>3,972</u>	\$ <u>4,173</u>	\$ <u>8,145</u>

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF STUDENT ACTIVITY ACCOUNTS YEAR ENDED JUNE 30, 2021

	<u>BALANCE JULY 1, 2020</u>	<u>NET CHANGE</u>	<u>BALANCE JUNE 30, 2021</u>
EAST VALLEY ELEMENTARY			
Assets:			
Cash and investments	<u>\$ 10,055</u>	<u>\$ 1,901</u>	<u>\$ 11,956</u>
Liabilities:			
Due to student groups	<u>\$ 10,055</u>	<u>\$ 1,901</u>	<u>\$ 11,956</u>
FERNLEY INTERMEDIATE			
Assets:			
Cash and investments	<u>\$ 26,769</u>	<u>\$ 8,469</u>	<u>\$ 35,238</u>
Liabilities:			
Due to student groups	<u>\$ 26,769</u>	<u>\$ 8,469</u>	<u>\$ 35,238</u>
FERNLEY HIGH			
Assets:			
Cash and investments	<u>\$ 248,352</u>	<u>\$ (55,553)</u>	<u>\$ 192,799</u>
Liabilities:			
Due to student groups	<u>\$ 248,352</u>	<u>\$ (55,553)</u>	<u>\$ 192,799</u>
DAYTON ELEMENTARY			
Assets:			
Cash and investments	<u>\$ 22,099</u>	<u>\$ 3,001</u>	<u>\$ 25,100</u>
Liabilities:			
Due to student groups	<u>\$ 22,099</u>	<u>\$ 3,001</u>	<u>\$ 25,100</u>
SUTRO ELEMENTARY			
Assets:			
Cash and investments	<u>\$ 17,171</u>	<u>\$ (841)</u>	<u>\$ 16,330</u>
Liabilities:			
Due to student groups	<u>\$ 17,171</u>	<u>\$ (841)</u>	<u>\$ 16,330</u>

Continued on next page.

LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF STUDENT ACTIVITY ACCOUNTS YEAR ENDED JUNE 30, 2021

	<u>BALANCE</u> <u>JULY 1, 2020</u>	<u>NET CHANGE</u>	<u>BALANCE</u> <u>JUNE 30, 2021</u>
RIVERVIEW ELEMENTARY			
Assets:			
Cash and investments	\$ 6,232	\$ 18,186	\$ 24,418
Liabilities:			
Due to student groups	\$ 6,232	\$ 18,186	\$ 24,418
DAYTON INTERMEDIATE			
Assets:			
Cash and investments	\$ 34,640	\$ (25,279)	\$ 9,361
Liabilities:			
Due to student groups	\$ 34,640	\$ (25,279)	\$ 9,361
DAYTON HIGH			
Assets:			
Cash and investments	\$ 132,225	\$ (2,286)	\$ 129,939
Liabilities:			
Due to student groups	\$ 132,225	\$ (2,286)	\$ 129,939
TOTALS			
Assets:			
Cash and investments	\$ 951,214	\$ (118,064)	\$ 833,150
Liabilities:			
Due to student groups	\$ 951,214	\$ (118,064)	\$ 833,150



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the 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 the Lyon County School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 23, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item #2021-1 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Findings

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Silva, Accerine & Assoc, LLC

Reno, Nevada
January 23, 2022



LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF FINDING RELATED TO THE FINANCIAL STATEMENT AUDIT YEAR ENDED JUNE 30, 2021

FINDING – FINANCIAL STATEMENT AUDIT

Finding #2021-1 - Material Weakness

This is a partial repeat of Finding #2020-1. (Refer to the Schedule of Prior Year Findings.) While progress was made, these findings are again noted as of June 30, 2021 and for the year then ended.

Certain accounting tasks were not being completed routinely, timely or accurately. While not intending to be a complete listing of such tasks, the following were deemed to be most significant:

- Monthly bank reconciliations were not being consistently agreed to the general ledger sub-accounts for cash and investments. (Partial repeat of Finding #2020-1.)
- Procedures for analysis and reconciliation of federal and state grant revenues and expenditures could be strengthened through better coordination between the Business office and the Grants office. (Repeat of Finding #2020-1.)
- The transactions related to the District's medical self-insurance (group health insurance) were not recorded in the District's general ledger until the year-end financial audit. (Repeat of Finding #2020-1.)
- The procedures necessary to properly implement the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, for the District's student activity funds were not completed prior to June 30, 2021.

A complete bank reconciliation compares the bank statement balance to the respective balances in the general ledger accounts. Bank reconciliations reduce the risk that errors on the part of the bank or District will remain undetected.

The Business and Finance office oversees accounting for federal and state grants. Routine analysis of grant revenue and expenditures ensures that reimbursement requests are being completed accurately and timely, thereby assisting in maintaining proper levels of cash flow.

The District contracted with a third-party provider for the payment of health claims and the administration of the group health insurance program. Nevertheless, transactions should have been recorded in the District's general ledger throughout the year as opposed to being recorded during the conduct of the annual financial audit. It should be noted that the District discontinued its self-insurance program as of December 31, 2020.

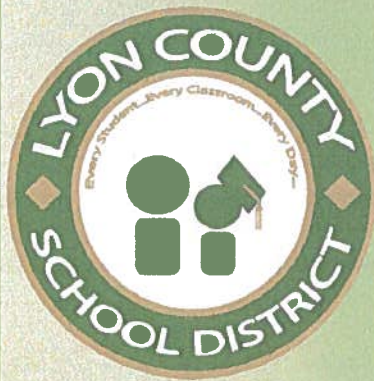
GASB Statement No. 84, *Fiduciary Activities*, regarding the District's student activity funds became effective as of July 1, 2020. Because all steps necessary for the proper implementation of this statement could not be completed as of June 30, 2021, the financial statement reporting of the student activity funds is not in accordance with the provisions of GASB Statement No. 84. As such, the Independent Auditors' Report has been modified to reflect an opinion qualification due to this departure from generally accepted accounting principles.

LYON COUNTY SCHOOL DISTRICT

SCHEDULE OF FINDING RELATED TO THE FINANCIAL STATEMENT AUDIT YEAR ENDED JUNE 30, 2021

When accounting tasks such as those described above are not routinely, timely, or accurately completed, certain risks to the District may be increased beyond an acceptable level. Those risks typically include: failure to properly safeguard District assets; noncompliance with contracts and grants; failure to adequately prepare for the annual audit; failure to meet reporting deadlines; and material misstatement of financial reports.

District's Response to the Finding: Please see following page.



Superintendent
Wayne Workman

Deputy Superintendent
Tim Logan

Board President
Holly Villines

Board Clerk
Phil Cowee

Board of Trustees
Barbara Jones
Neal McIntyre
Sherry Parsons
Bridget Peterson

Lyon County School District
25 E. Goldfield Ave.
Yerington, NV 89447

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www.lyoncsd.org

January 23, 2022

To Whom it May Concern:

The District recognizes a partial repeat of previous year findings. Although all findings haven't been addressed completely, substantial improvement has been made despite the continual interruptions and inefficiencies presented by the ongoing Covid Pandemic. The business office added a ½ position to their personnel in May of 2021 providing necessary resources to address these findings.

- Bank Reconciliations – all cash transactions are monitored and reconciled in a timely fashion. District personnel continue to work to find the best solution to simplify our current ledger system to alleviate existing convolutions.
- Federal and State Grants – Increased coordination exists between the grants and business office. While this was still a work in progress at fiscal year-end, restructuring of the grants office and additional time working together has provided development of better practices.
- District Self-insured Medical – The District continued to monitor claims costs beyond the closing of the active insurance period. Closing transactions have now been recorded. A small potential for old claims activity exists and will be handled appropriately.
- GASB 84 – A special revenue account was created to allow for budgeting of student funds but was not included in the Final budget for fiscal year 2021. Funds have been appropriately budgeted for fiscal year 2022 to satisfy the requirements of GASB 84.

The District continues to work toward the complete resolution of all findings and progress has been made from the close of fiscal year 21 to the time of this report. It is anticipated that all findings will be resolved at by current fiscal year-end.

Thank you,

Spencer Winward

Spencer Winward
Finance Manager/Comptroller
Lyon County School District

LYON COUNTY SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED JUNE 30, 2021

FINDINGS – FINANCIAL STATEMENT AUDIT

Finding #2020-1 - Material Weakness

During the year ended June 30, 2020, certain accounting tasks were not being completed routinely, timely or accurately. While not intending to be a complete listing of such tasks, the following were deemed to be most significant:

- Monthly bank reconciliations were not being completed accurately or timely, and were not being reviewed by District management.
- The capital asset register was not being updated for new asset acquisitions.
- Procedures for analysis and reconciliation of federal and state grant revenues and expenditures could be strengthened through better coordination between the Business office and the Grants office.
- The transactions related to the District's medical self-insurance (group health insurance) were not recorded in the District's general ledger until the year-end financial audit.

A complete bank reconciliation compares the bank statement balance to the respective balances in the general ledger accounts. Bank reconciliations reduce the risk that errors on the part of the bank or District will remain undetected. This is a repeat of the prior year finding and relates to the District's operating accounts and the schools' student activity accounts.

The capital asset register is the basis for the capital assets reported on the district-wide financial statements. A capital asset register that is properly maintained can ensure that capital assets and the related depreciation expense are fairly stated and presented.

The Business and Finance office oversees accounting for federal and state grants. Routine analysis of grant revenue and expenditures ensures that reimbursement requests are being completed accurately and timely, thereby assisting in maintaining proper levels of cash flow.

The District contracts with a third-party provider for the payment of health claims and the administration of the group health insurance program. Nevertheless, transactions should have been recorded in the District's general ledger throughout the year as opposed to being recorded during the conduct of the annual financial audit.

When accounting tasks such as those described above are not routinely, timely, or accurately completed, certain risks to the District may be increased beyond an acceptable level. Those risks typically include: failure to properly safeguard District assets; noncompliance with contracts and grants; failure to adequately prepare for the annual audit; failure to meet reporting deadlines; and material misstatement of financial reports.

LYON COUNTY SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED JUNE 30, 2021

District's Original Response to the Finding (included in the June 30, 2020 audit):

Please refer to page 110 for the District's response to this finding, dated January 20, 2021.

Status as of June 30, 2021:

The comment included in the finding with respect to the capital asset register has been sufficiently resolved. For all other comments comprising Finding #2020-1, we noted that the progress was not sufficient to deem them as being resolved; therefore, they have been repeated in the June 30, 2021 audit, as Finding #2021-1.

LYON COUNTY SCHOOL DISTRICT

INDEPENDENT AUDITORS' COMMENTS

JUNE 30, 2021

STATUTE COMPLIANCE

Current Year

The required disclosure on compliance with applicable Nevada Revised Statutes and the Nevada Administrative Code is included in Note 3 to the financial statements.

Prior Year

Potential violations were reported in Note 12 of the June 30, 2020 audit. Two of the three potential violations have been repeated in the current year.

AUDIT RECOMMENDATIONS

Current Year

Finding #2021-1 has been reported in the Schedule of Findings.

Prior Year

Finding #2020-1 Material Weakness was reported in the Schedule of Findings and Questioned Costs, section B, within the audit report for the year ended June 30, 2020. The *District's Response to the Finding* was also included in the report. In connection with the June 30, 2021 audit we noted there was not sufficient progress related to this finding and certain aspects of the finding have been repeated in *Finding #2021-1*.