

*In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. See "TAX MATTERS."*

**\$12,000,000  
CARSON CITY SCHOOL DISTRICT, NEVADA  
GENERAL OBLIGATION (LIMITED TAX)  
SCHOOL IMPROVEMENT BONDS  
SERIES 2021**

**Dated: Date of Delivery**

**Due: June 1, as shown herein**

The Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Bonds. See "THE BONDS – Book-Entry Only System." The Bonds bear interest at the rates set forth below, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2022. Interest will be paid to and including the maturity dates shown herein to the registered owners of the Bonds (initially Cede & Co.). The principal of the Bonds will be payable upon presentation and surrender at the corporate trust office of Zions Bancorporation, National Association, Los Angeles, California, or its successor as the paying agent for the Bonds. See "THE BONDS – Payment Provisions."

**The maturity schedule for the Bonds appears on the inside cover page of this Official Statement.**

The Bonds are subject to redemption prior to maturity at the option of the District and are also subject to mandatory sinking fund redemption as described in "THE BONDS – Redemption Provisions."

Proceeds of the Bonds will be used to: (i) finance the acquisition, construction, improvement and equipping of school facilities, as more fully described herein; and (ii) pay the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

The Bonds constitute direct and general obligations of the District. The full faith and credit of the District is pledged for the payment of principal and interest on the Bonds, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE BONDS – General Obligations."

**This cover page contains certain information for quick reference only. It is *not* a summary of the issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.**

The Bonds are offered when, as, and if issued by the District, subject to the approval of legality of the Bonds by Sherman & Howard L.L.C., Reno, Nevada, and the satisfaction of certain other conditions. Sherman & Howard L.L.C., also has acted as special counsel to the District in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the District by its General Counsel, Allison MacKenzie, Ltd., Carson City, Nevada. JNA Consulting Group, LLC, Boulder City, Nevada, is acting as the Municipal Advisor to the District in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery through the facilities of DTC, on or about October 5, 2021.

**MATURITY SCHEDULE**  
**(CUSIP© 6-digit issuer number: 145814)**

**\$12,000,000**  
**CARSON CITY SCHOOL DISTRICT, NEVADA**  
**GENERAL OBLIGATION (LIMITED TAX)**  
**SCHOOL IMPROVEMENT BONDS**  
**SERIES 2021**

Maturing (June 1)	Principal Amount	Interest Rate	Yield	CUSIP© Issue Number
2023	\$ 500,000	5.000%	0.200%	SY6
2024	255,000	5.000	0.250	SZ3
2025	260,000	5.000	0.350	TA7
2026	265,000	5.000	0.500	TB5
2027	270,000	5.000	0.650	TC3
2028	575,000	5.000	0.780	TD1
2029	605,000	5.000	0.890	TE9
2030	635,000	5.000	1.000	TF6
2031	665,000	5.000	1.070	TG4
2032	700,000	3.000	1.380*	TH2
2033	735,000	3.000	1.450*	TJ8
2034	755,000	2.000	1.800*	TK5
2035	775,000	2.000	1.850*	TL3
2036	795,000	2.000	1.900*	TM1
2039	840,000	2.000	2.050	TQ2
2040	860,000	2.000	2.100	TR0
2041	875,000	2.000	2.150	TS8

\$1,635,000 2.000% Term Bonds Due June 1, 2038 - Price: 100.000% (CUSIP Issue Number: © TP4)

\*Priced to the first optional redemption date of June 1, 2031.

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CUSIP® is a registered trademark of the American Bankers Association (the “ABA”). The CUSIP numbers set forth herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Capital IQ, a part of McGraw Hill Financial, Inc. The CUSIP numbers are provided for convenience of reference only. The District does not take any responsibility for the selection or accuracy of the CUSIP numbers.

## **USE OF INFORMATION IN THIS OFFICIAL STATEMENT**

This Official Statement, which includes the cover page, the inside cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the Bonds (defined herein) in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the District. The District maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

The information set forth in this Official Statement has been obtained from the District and from the sources referenced throughout this Official Statement, which the District believes to be reliable. No representation is made by the District, however, as to the accuracy or completeness of information provided from sources other than the District. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the District, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the Bonds and may not be reproduced or used in whole or in part for any other purpose.

The Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. The Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE INITIAL PURCHASER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE BONDS, THE INITIAL PURCHASER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

## **CARSON CITY SCHOOL DISTRICT, NEVADA**

### **BOARD OF TRUSTEES**

Joe Cacioppo, President  
Richard Varner, Vice President  
Laurel Crossman, Clerk  
Donald Carine, Member  
Lupe Ramirez, Member  
Michael Walker, Member  
Stacie Wilke-McCulloch, Member

### **ADMINISTRATIVE OFFICIALS**

Richard Stokes, Superintendent  
Jose Delfin, Associate Superintendent of Human Resources  
Tasha Fuson, Associate Superintendent of Educational Services  
Andrew J. Feuling, Director of Fiscal Services

### **MUNICIPAL ADVISOR**

JNA Consulting Group, LLC  
Boulder City, Nevada

### **BOND AND SPECIAL COUNSEL**

Sherman & Howard L.L.C.  
Reno, Nevada

### **REGISTRAR AND PAYING AGENT**

Zions Bancorporation, National Association  
Los Angeles, California

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## OFFICIAL STATEMENT

**\$12,000,000**  
**CARSON CITY SCHOOL DISTRICT, NEVADA**  
**GENERAL OBLIGATION (LIMITED TAX)**  
**SCHOOL IMPROVEMENT BONDS**  
**SERIES 2021**

### INTRODUCTION

#### **General**

This Official Statement, including the cover page, the inside cover page and the appendices, provides information concerning the Carson City School District, Nevada (the “District” and the “State,” respectively) and its \$12,000,000 General Obligation (Limited Tax) School Improvement Bonds, Series 2021 (the “Bonds”). The Bonds will be issued pursuant to a resolution (the “Bond Resolution”) adopted by the Board of Trustees of the District (the “Board”) on August 24, 2021.

*The offering of the Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this “INTRODUCTION” without the entire Official Statement, including the cover page, the inside cover page and the appendices, is unauthorized.*

#### **The Issuer**

The District is a political subdivision of the State organized under the terms of certain State legislation enacted in 1956. The District’s boundaries are coterminous with those of the City of Carson City (the “City,” the “County” or “Carson City”), which is a consolidated city and county pursuant to the Nevada constitution. See “CARSON CITY SCHOOL DISTRICT.”

#### **The Bonds; Prior Redemption**

The Bonds are issued solely as fully registered certificates in denominations of \$5,000, or any integral multiple thereof. The Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), the securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Bonds. See “THE BONDS - Book-Entry Only System.” The Bonds are dated as of the date of their delivery and mature and bear interest (calculated based on a 360-day year consisting of twelve 30-day months) as set forth on the inside cover page hereof. The payment of principal and interest on the Bonds is described in “THE BONDS – Payment Provisions.”

The Bonds are subject to redemption prior to maturity at the option of the District and are also subject to mandatory sinking fund redemption as described in “THE BONDS – Redemption Provisions.”

### **Authority for Issuance**

The Bonds are being issued pursuant to the constitution and laws of the State, particularly Nevada Revised Statutes (“NRS”) 350.500 through 350.720, and all laws amendatory thereof, cited in NRS 350.500 as the Local Government Securities Law (the “Bond Act”), and Chapter 348 of NRS and the Bond Resolution.

### **Purpose**

The Bonds are being issued to: (i) finance the acquisition, construction, improvement and equipping of school facilities (the “Project”); and (ii) pay the costs of issuing the Bonds. See “SOURCES AND USES OF FUNDS.”

### **Security**

General. The Bonds constitute direct and general obligations of the District. The full faith and credit of the District is pledged for the payment of principal and interest of the Bonds (the “Bond Requirements”), subject to State constitutional and statutory limitations on the aggregate amount of ad valorem property taxes. See “SECURITY FOR THE BONDS – General Obligations.”

Including the issuance of the Bonds, the District has \$70,895,000 aggregate principal amount of general obligation bonds outstanding as of August 1, 2021. See “DEBT STRUCTURE – Outstanding Debt and Other Obligations.”

### **Professionals**

Sherman & Howard L.L.C., Reno, Nevada, has acted as Bond Counsel in connection with the Bonds and also has acted as special counsel to the District in connection with this Official Statement. Certain legal matters will be passed upon for the District by its General Counsel, Allison MacKenzie, Ltd., Carson City, Nevada. JNA Consulting Group, LLC, Boulder City, Nevada, is providing Municipal Advisory services to the District. See “MUNICIPAL ADVISOR.” The audited basic financial statements of the District, attached to this Official Statement as APPENDIX A, include the report of Silva, Sceirine & Associates, LLC, certified public accountants, Reno, Nevada. See “INDEPENDENT AUDITORS.” Zions Bancorporation, National Association, Los Angeles, California, will act as Registrar and Paying Agent for the Bonds.

### **Tax Matters**

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Tax Code”) and interest on the Bonds is excluded from

alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. See “TAX MATTERS – Federal Tax Matters.”

Under the laws of the State in effect as of the date of delivery of the Bonds, the Bonds, their transfer, and the income therefrom, are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS. See “TAX MATTERS – State Tax Exemption.”

### **Continuing Disclosure Undertaking**

The District will execute a continuing disclosure certificate (“Disclosure Certificate”) at the time of the closing for the Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the Bonds. The District will covenant in the Bond Resolution to comply with the terms of the Disclosure Certificate. The Disclosure Certificate will provide that so long as the Bonds remain outstanding, the District will provide the following information to the Municipal Securities Rulemaking Board (“MSRB”), through its Electronic Municipal Market Access (“EMMA”) system: (i) annually, certain financial information and operating data; and (ii) notice of the occurrence of certain material events; all as more particularly described in the Disclosure Certificate. The form of the Disclosure Certificate is attached hereto as APPENDIX C.

During the past five years, the District has never failed to materially comply with any prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “Rule”).

### **Certain Bondholder Risks**

General. The purchase of the Bonds involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision.

General Risk Related to Property Taxes. Although the Bonds are general obligations of the District, the District may only levy property taxes to pay debt service on the Bonds in accordance with State law. See “PROPERTY TAX INFORMATION.” Due to the statutory process required for the levy of taxes, in any year in which the District is required to levy property taxes, there may be a delay in the availability of revenues to pay debt service on the Bonds.

Other Risks Related to Property Taxes. Numerous other factors over which the District has no control may impact the timely receipt of ad valorem property tax revenues in the future. These include the valuation of property within the District, the number of homes which are in foreclosure, bankruptcy proceedings of property taxpayers or their lenders, and the ability or willingness of property owners to pay taxes in a timely manner.

The District’s ability to retire the indebtedness created by the issuance of the Bonds is dependent, in part, upon the maintenance of an adequate tax base against which the

District may levy and collect property tax revenues. The amount of ad valorem property taxes (sometimes referred to herein as “General Taxes”) collected will be dependent upon the assessed valuation of land within the District. It is not possible to predict whether property values in the District will decline in future fiscal years, whether foreclosure rates will rise in future years or whether any increase in foreclosures will cause significant delinquencies in property tax payments and the realization of property tax revenues by the District.

Changes in Law. Various State laws apply to the imposition, collection, and expenditure of General Taxes as well as to the operation and finances of the District, including State funding of education.

The Nevada Legislature (the “Legislature”) determines the amount of State funds that will be distributed to school districts in each year pursuant to statutory funding formulas. Economic indicators have stabilized and the State has made a push to diversify or bring in new businesses which is improving the economic outlook in Nevada. However, the State continues to face budgetary pressures in light of the recovering economy, and it is not possible to predict what actions the Legislature will take in future years. Future actions taken by the Legislature will impact the District’s operations and finances to an extent that cannot be determined at this time.

There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the District and the imposition, collection, and expenditure of its revenues, including General Taxes.

Certain Risks Associated with COVID-19. The spread of the novel strain of coronavirus called “COVID-19” is having impacts throughout the world, including within the State, the City and the District. To date there have been numerous cases and deaths from COVID-19 in the State, including the City. The State’s economy is heavily dependent on tourism and gaming and the impacts of the spread of COVID-19 and federal, State and local actions related thereto and its adverse effect on the level of economic activity within the City could impact the District’s financial operations.

On March 12, 2020, the Governor of the State (the “Governor”) issued an emergency declaration pursuant to State law in response to the outbreak of COVID-19. Pursuant to the Declaration, among other things, the State Emergency Operations Center was activated in an effort to provide a more centralized response to the outbreak. The most recent significant declaration of the Governor is Directive 048, issued on August 4, 2021. Pursuant to this declaration, all of the District’s school staff must wear face coverings while inside school buildings, regardless of vaccination status. Additionally, all students and staff must wear face coverings while on school buses. Because the District has a population of less than 100,000, the declaration gave the District discretion to adopt its own face covering policy. On July 13, 2021, the Board approved the District’s reopening plan, which recommended (but did not require) students to wear masks indoors. Pursuant to the plan, the temporary use of masks could be employed by the District at any time during school year 2021-2022. Effective September 2, 2021, the District required students, parents, vendors, volunteers, visitors and guests, regardless of vaccination status, to wear face coverings indoors throughout the month of September 2021 with the possibility of lifting the requirement on October 1, 2021. This requirement was in response to a number of students within the District being excluded from school as a result of

close contact and quarantine requirements. The District can make no predictions as to the possibility of future closures and emergency declarations.

The District is working with a coalition of partners and agencies within the State, including the Office of the Governor and Carson City Health & Human Services, on its response to protect the health and well-being of its student and staff. At this time, all schools within the District are open for school year 2021-2022, with distance learning options for families that choose it, although this expectation may change depending on future conditions. Additional information from the District can be found at the following website: [https://www.carsoncityschools.com/departments/human\\_resources/safety\\_services/c\\_o\\_v\\_i\\_d\\_in\\_formation](https://www.carsoncityschools.com/departments/human_resources/safety_services/c_o_v_i_d_in_formation).<sup>1</sup>

As described under “DISTRICT FINANCIAL INFORMATION,” the Legislature determines the amount of State funds that will be distributed to school districts for operating purposes in each year pursuant to statutory funding formulas. However, the current pandemic is creating stresses on State revenues and it is not possible at this point to determine the extent to which such stresses or any possible recession triggered by COVID-19 may adversely impact the amount of State funds that will be distributed to school districts in the future. The future impact from COVID-19 to the District’s financial operations is difficult to predict due the evolving nature of the COVID-19 transmission and the possibility of future outbreaks, including uncertainties relating to (i) the duration of a new outbreak, (ii) the severity of such an outbreak, and (iii) the ultimate geographic spread of such an outbreak, as well as with regard to what additional actions may be taken by governmental authorities to contain or mitigate its impact. Notwithstanding these uncertainties, given the pledge of the full faith and credit of the District to the Bonds (subject to the limitations described herein), the District does not believe that the impacts of the spread of COVID-19 will have a material adverse effect on its ability to pay debt service on the Bonds.

Additional information with respect to events surrounding the outbreak of COVID-19 and responses from State and local agencies can be found on the following website established by the State’s Department of Public Health and Human Services (“DPHHS”) and the Governor’s office at: <https://nvhealthresponse.nv.gov><sup>1</sup> and on the DPHHS Division of Public and Behavioral Health’s website at: <http://dphh.nv.gov/coronavirus>.<sup>1</sup>

### **Forward-Looking Statements**

This Official Statement, particularly (but not limited to) the sections entitled “DISTRICT FINANCIAL INFORMATION – General Fund History of Revenues, Expenditures and Changes in Fund Balance,” “DISTRICT FINANCIAL INFORMATION – Debt Service Fund History of Revenues, Expenditures and Changes in Fund Balance,” and “DISTRICT FINANCIAL INFORMATION – Analysis of Recent Financial Developments,” and any statements throughout this Official Statement referring to budgeted, unaudited or interim results for fiscal year 2021, 2022 or future years, contain statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect” and

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<sup>1</sup> References to website addresses presented herein are for informational purposes only. Such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not occur as assumed or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results. Those differences could be materially adverse to the owners of the Bonds.

### **Secondary Market**

No guarantee can be made that a secondary market for the Bonds will develop or be maintained by the initial purchaser of the Bonds (the “Initial Purchaser”) or others. Thus, prospective investors should be prepared to hold their Bonds to maturity.

### **Additional Information**

This introduction is only a brief summary of the provisions of the Bonds and the Bond Resolution; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the Bonds, the Bond Resolution, the Project and the District are included in this Official Statement. All references herein to the Bonds, the Bond Resolution and other documents are qualified in their entirety by reference to such documents. *This Official Statement speaks only as of its date and the information contained herein is subject to change.*

Additional information and copies of the documents referred to herein are available from the District and the Municipal Advisor at the addresses set forth as follows:

Carson City School District  
Attn: Director of Fiscal Services  
1402 West King Street  
Carson City, Nevada 89703  
Telephone: (775) 283-2023

JNA Consulting Group, LLC  
410 Nevada Way, Suite 200  
Boulder City, Nevada 89005  
E-mail: [marty@jnaconsultinggroup.com](mailto:marty@jnaconsultinggroup.com)  
Telephone: (702) 294-5100

## SOURCES AND USES OF FUNDS

### Sources and Uses of Funds

The proceeds of the Bonds are expected to be applied in the manner set forth in the following table.

<u>Sources and Uses of Funds</u>	
	<u>Amount</u>
SOURCES:	
Principal amount .....	\$12,000,000.00
Plus net original issue premium .....	1,219,930.30
Total.....	<u>\$13,219,930.30</u>
USES:	
The Project .....	\$12,962,461.54
Costs of issuance (including underwriting discount) .....	<u>257,468.76</u>
Total.....	<u>\$13,219,930.30</u>

Source: The Municipal Advisor.

### The Project

The proceeds of the Bonds will be used to: (i) finance the acquisition, construction, improvement and equipping of school facilities; and (ii) pay the costs of issuing the Bonds.

## THE BONDS

### General

The Bonds will be issued as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. The Bonds will be dated as of their date of delivery and will mature and bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) as set forth on the inside cover page of this Official Statement. The Bonds initially will be registered in the name of “Cede & Co.,” as nominee for DTC, the securities depository for the Bonds. Purchases of the Bonds are to be made in book-entry only form. Purchasers will not receive certificates evidencing their beneficial ownership interest in the Bonds. See “Book-Entry Only System” below.

### Payment Provisions

General. Interest on the Bonds is payable on June 1 and December 1 (each an interest payment date), commencing June 1, 2022, by check or draft mailed by the Paying Agent on each interest payment date (or, if the interest payment date is not a business day, on the next succeeding business day), to the registered owner thereof (*i.e.*, Cede & Co.) at the address shown on the registration records kept by the Registrar at the close of business on the 15th day of the calendar month preceding such interest payment date (the “Regular Record Date”); but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on a special record date for the payment of any such defaulted interest (a “Special Record Date”). Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the Bonds not less than ten days prior thereto by first class mail to each such registered owner as shown on the Registrar’s registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the owner of such Bond and the Paying Agent (provided, however, that the District shall not be required to make funds available to the Paying Agent prior to the due dates of interest and principal, respectively). All such payments of principal and interest shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursement of such payments to DTC’s Participants (defined in Appendix B) is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners (defined in Appendix B) is the responsibility of DTC’s Participants and the Indirect Participants (defined in Appendix B), as more fully described herein. See “Book-Entry Only System” below.

### Redemption Provisions

Optional Redemption. The Bonds, or portions thereof, maturing on and after June 1, 2032, are subject to redemption prior to their respective maturities, at the option of the



District, on or after June 1, 2031, in whole or in part at any time, from such maturities as are selected by the District, and if less than all of the Bonds of a maturity are to be redeemed, the Bonds of such maturity are to be redeemed by lot within a maturity (giving proportionate weight to Bonds in denominations larger than \$5,000), in such other manner as the Paying Agent may determine, at redemption price equal to the principal amount of the Bond to be redeemed plus accrued interest thereon to the redemption date.

Mandatory Sinking Fund Redemption. The Bonds maturing on June 1, 2038 (the “Term Bonds”), are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date.

As and for a sinking fund for the redemption of the Term Bonds maturing on June 1, 2038, there shall be deposited into the Principal Account created in the Bond Resolution, on or before the dates shown below, a sum which, together with other moneys available therein, is sufficient to redeem the Term Bonds maturing on June 1, 2038, on the dates and in the principal amounts shown below.

Redemption Date (June 1)	Principal Amount
2037	\$810,000
2038 (maturity)	825,000

Not more than 60 days nor less than 30 days prior to the sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) from all outstanding Term Bonds, a principal amount of the Term Bonds equal to the aggregate principal amount of Bonds redeemable with the required sinking fund payments, and shall call such Term Bonds or portions thereof for redemption from the sinking fund on the next principal payment date, and give notice of such call as described in “Notice of Redemption” below.

At the option of the Board to be exercised by delivery of a written certificate to the Registrar not less than sixty days next preceding any sinking fund redemption date, it may (i) deliver to the Registrar for cancellation Term Bonds or portions thereof (\$5,000 or any integral multiple thereof) in an aggregate principal amount desired by the Board or, (ii) specify a principal amount of Term Bonds or portions thereof (\$5,000 or any integral multiple thereof) which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond or portion thereof so delivered or previously redeemed which is a part of the maturity which would be subject to mandatory redemption on the following principal payment date shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Board on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the Board determines.

Notice of Prior Redemption. Unless waived by any registered owner of a Bond to be redeemed, notice of prior redemption shall be given by the Registrar, by electronic mail as long as Cede & Co. is registered owner of the Bonds and otherwise by first-class mail, at least 30 days but not more than 60 days prior to the Redemption Date to the registered owner of any

Bond (initially Cede & Co.) all or a part of which is called for prior redemption at his or her address as it last appears on the registration records kept by the Registrar, and electronically to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access (EMMA) system (“MSRB”). The notice shall identify the Bonds and state that on such date the principal amount thereof will become due and payable at the Paying Agent (accrued interest to the Redemption Date being payable by mail or as otherwise provided in the Bond Resolution), and that after such Redemption Date interest will cease to accrue. After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of the notice by the MSRB, or any registered owner of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice to the MSRB, or the registered owner of any Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bond. A certificate by the Registrar that notice of call and redemption has been given as provided in the Bond Resolution shall be conclusive as against all parties; and no owner whose Bond is called for redemption or any other owner of any Bond may object thereto or may object to the cessation of interest on the Redemption Date on the ground that he failed actually to receive such notice of redemption.

Notwithstanding the provisions described above, any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was given.

### **Tax Covenant**

In the Bond Resolution, the District covenants for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the District or any facilities refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The covenant described above shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code have been met.

### **Defeasance**

When all Bond Requirements of any Bond have been duly paid, the pledge and lien and all obligations under the Bond Resolution as to that Bond shall thereby be discharged and the Bond shall no longer be deemed to be outstanding within the meaning of the Bond Resolution. There shall be deemed to be such due payment when the District has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bond, as the same become due to the final maturity of the Bond or upon any redemption date as of which the District shall have exercised or shall have obligated itself to exercise its prior

redemption option by a call of the Bond for payment. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and the Bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the owners thereof to assure availability as so needed to meet the schedule. For the purposes described in this paragraph, the term "Federal Securities" shall be as defined in NRS 350.522, and shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof.

### **Replacement of Registrar or Paying Agent**

If the Registrar and Paying Agent hereunder shall resign, or if the District shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder or that it would be in the best interests of the District to appoint a new Registrar or Paying Agent hereunder, the District may, upon notice mailed to each registered owner of any Bond at his address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. Every such successor Registrar or Paying Agent shall be an officer or employee of the District or a banking institution authorized to exercise trust powers. It shall not be required that the same institution serve as both a Registrar and Paying Agent hereunder, but the Board shall have the right to have the same person or institution serve as both Registrar and Paying Agent hereunder. Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in Bond Resolution to the contrary notwithstanding.

### **Amendment of the Bond Resolution**

The Bond Resolution may be amended by the Board: (i) without the consent of or notice to the holders of the Bonds for the purpose of curing any ambiguity or formal defect or omission therein; and (ii) with the consent of a majority of the Bondholders and the State Treasurer in connection with any other amendment.

Notwithstanding the foregoing, no such amendment, unless consented to by the Bondholder adversely affected thereby, shall permit: (i) a change in the maturity or in the terms of redemption of the principal of any outstanding Bond or any installment of interest thereon; (ii) a reduction in the principal amount of any Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith; or (iii) the establishment of any priorities as between Bonds issued and outstanding under the provisions of the Bond Resolution.

### **Book-Entry Only System**

The Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the

Bonds. The ownership of one fully registered Bond for each maturity, as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. See Appendix B - Book-Entry Only System.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE OWNERS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

None of the District, the Registrar, or the Paying Agent will have any responsibility or obligation to DTC's Direct Participants or Indirect Participants (each as defined in Appendix B), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the Bonds as further described in Appendix B to this Official Statement.

### **Debt Service Requirements**

The following table sets forth the estimated debt service requirements for the Bonds in each fiscal year. See "DEBT STRUCTURE – Total Debt Service Requirements - General Obligation Bonds" for information on the debt service due on all of the District's outstanding general obligation bonds.

Bond Debt Service Requirements<sup>(1)</sup>

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	--	\$ 245,997	\$245,997
2023	\$ 500,000	\$375,250	875,250
2024	255,000	\$350,250	605,250
2025	260,000	\$337,500	597,500
2026	265,000	\$324,500	589,500
2027	270,000	\$311,250	581,250
2028	575,000	\$297,750	872,750
2029	605,000	\$269,000	874,000
2030	635,000	\$238,750	873,750
2031	665,000	\$207,000	872,000
2032	700,000	\$173,750	873,750
2033	735,000	\$152,750	887,750
2034	755,000	\$130,700	885,700
2035	775,000	\$115,600	890,600
2036	795,000	\$100,100	895,100
2037	810,000	\$84,200	894,200
2038	825,000	\$68,000	893,000
2039	840,000	\$51,500	891,500
2040	860,000	\$34,700	894,700
2041	875,000	\$17,500	892,500
Total	\$12,000,000	\$3,886,047	\$15,886,047

<sup>(1)</sup> Totals may not add due to rounding.

Source: The Municipal Advisor.

## SECURITY FOR THE BONDS

### General Obligations

General. The Bonds are direct and general obligations of the District, and the full faith and credit of the District is pledged for the payment of the principal of, any prior redemption premiums and the interest on the Bonds, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See “PROPERTY TAX INFORMATION – Property Tax Limitations.” The Bonds are payable by the District from any source legally available therefor at the times such payments are due, including the General Fund of the District. In the event, however, that such legally available sources of funds are insufficient, the District is obligated to levy a general (ad valorem) tax on all taxable property within the District for payment of the Bonds, subject to the limitations provided in the constitution and statutes of the State.

Limitations on Property Tax Revenues. The constitution and laws of the State limit the total ad valorem property taxes that may be levied by all overlapping taxing units within each county (including the State, the District, the City or any special district) in each year. Those limitations are described in “PROPERTY TAX INFORMATION – Property Tax Limitations.” In any year in which the total property taxes levied within the City by all applicable taxing units exceed such property tax limitations, the reduction to be made by those units must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness. See “PROPERTY TAX INFORMATION – Property Tax Limitations.”

### Reserve Account

Pursuant to NRS 350.020(5) the Board established a reserve account (the “Reserve Account”) within its Debt Service Fund for payment of the outstanding general obligation bonds of the District (excluding medium-term bonds) and, if then permitted by the statutes of the State (currently only when amounts in the Reserve Account exceed the amount of the Reserve Requirement, described below), amounts in the Reserve Account may be withdrawn and used for purposes other than payment of debt service on outstanding District bonds. The Reserve Account must be established and maintained in an amount at least equal to the lesser of: (i) 50% of the amount of principal and interest payments due on all of the outstanding bonds of the District in the next fiscal year, or (ii) 10% of the outstanding principal amount of the District’s bonds (the “Reserve Requirement”). The amounts on deposit in the Reserve Account are not directly pledged to pay debt service on the Bonds or the other general obligation bonds of the District.

In order to issue the Bonds, the amount required to be on deposit in the Reserve Account is \$3,528,575; that amount has been funded with available funds in the District’s Debt Service Fund. If the amount in the Reserve Account falls below the required amount, NRS 350.020(5) provides that: (a) the Board shall not issue additional bonds pursuant to NRS 350.020(4) until the Reserve Account is restored to an amount equal to the Reserve Requirement; and (b) the Board shall apply all of the taxes levied by the District for payment of bonds of the District that are not needed for payment of the principal and interest on bonds of the District in the current fiscal year to restore the reserve account to an amount equal to the Reserve Requirement.

**Additional Bonds**

At an election held on Tuesday, November 2, 2010 (the “Election”), District voters approved a proposal that allows the District to issue general obligation bonds for school construction purposes until November 2, 2020, provided that the Board makes a finding that the proposed bonds can be paid within a \$0.4300 property tax rate for debt service. Those findings require approval of the Carson City Debt Management Commission. At the time of the issuance of such bonds, the District must either have or maintain a reserve account for such bonds pursuant to NRS 350.020(5). See “SECURITY FOR THE BONDS – Reserve Account.” NRS 350.0201 permits the District to issue general obligation bonds pursuant to the authority granted by the Election until November 2, 2030.

The District reserves the privilege of issuing additional general obligation bonds hereafter authorized at any time or from time to time for any lawful purpose, as permitted by law. The District has received the approval of the Carson City Debt Management Commission to issue up to \$40 million of general obligation bonds. After the issuance of the Bonds and subject to the approval by the Board and fulfillment of all other legal requirements, the District will be authorized to issue additional general obligation bonds in the aggregate principal amount of \$11,840,000. The District does not anticipate issuing additional bonds during the next three months.

**Bond Resolution Irrepealable**

After any of the Bonds are issued, the Bond Resolution shall constitute an irrevocable contract between the District and the registered owner or owners of the Bonds; and the Bond Resolution, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, as provided in the Bond Resolution.

**Other Security Matters**

No Repealer. State statutes provide that no act concerning the Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the Bonds or their security until all of the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

No Pledge of Property. The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the District, except the proceeds of the General Taxes and any other monies pledged under the Bond Resolution for the payment of the Bonds. No property of the District, subject to that exception, shall be liable to be forfeited or taken in payment of the Bonds.

No Recourse. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon the Bond Resolution or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise.

## **Limitations on Remedies**

No Acceleration. There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

Bankruptcy, Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the Bonds and the obligations incurred by the District in issuing the Bonds are subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; the power of the federal government to impose liens in certain situations; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government (including the imposition of tax liens by the federal government), if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.



## PROPERTY TAX INFORMATION

### Property Tax Base

The State Department of Taxation reports that the total assessed valuation of property within the District for the fiscal year ending June 30, 2022, to be \$1,799,198,563 (excluding the assessed valuation attributable to the Carson City Redevelopment Agency (the “Redevelopment Agency”)), which represents a 0.9% decrease from the assessed valuation reported for the prior fiscal year.

State law requires that the County assessor reappraise, at least once every five years, all real and secured personal property (other than certain utility owned property which is centrally appraised and assessed by the Nevada Tax Commission). The law provides that in years in which the property is not reappraised, the County assessor is to apply a factor representing typical changes in value in the area since the preceding year. State law requires that property be assessed at 35% of taxable value; that percentage may be adjusted upward or downward by the Legislature. Based on the assessed valuation for fiscal year 2022, the taxable value of all taxable property within the District is \$5,140,567,322 (excluding the taxable value attributable to the Redevelopment Agency).

“Taxable value” is defined in the statutes as the full cash value in the case of land, as the replacement cost less applicable straight-line depreciation and obsolescence in the case of improvements to land, and as the replacement cost less applicable depreciation and obsolescence (determined in accordance with the regulations of the Nevada Tax Commission) with respect to taxable personal property; but the computed taxable value of any property must not exceed its full cash value. Depreciation of improvements to real property must be calculated at 1.5% of the cost of replacement for each year of adjusted actual age up to a maximum of 50 years. Adjusted actual age is actual age adjusted for any addition or replacement. The maximum depreciation allowed is 75% of the cost of replacement. When a substantial addition or replacement is made to depreciable property, its “actual age” is adjusted, *i.e.*, reduced to reflect the increased useful term of the structure. The adjusted actual age has been used on appraisals for taxes since 1986-87.

In Nevada, county assessors are responsible for assessments in the counties except for certain properties centrally assessed by the State, which include property owned by railroads, airlines and utility companies.

### History of Assessed Value

The following table illustrates a history of the assessed valuation in the District, excluding the assessed values attributable to the Redevelopment Agency. Due to property tax abatement laws enacted in 2005 (described in “Required Property Tax Abatements” below), and green building (LEED) tax abatement laws enacted in 2007, the taxes collected by taxing entities within the District are capped and there is no longer a direct correlation between changes in assessed value and property tax revenue.

### History of Assessed Valuation

<u>Fiscal Year Ended June 30</u>	<u>Assessed Valuation<sup>(1)</sup></u>	<u>Percent Change</u>
2018	\$1,502,046,933	--
2019	1,568,475,621	4.4%
2020	1,666,547,892	6.3
2021	1,814,811,670	8.9 <sup>(2)</sup>
2022	1,799,198,563	(0.9) <sup>(2)</sup>

<sup>(1)</sup> Excludes the assessed valuation of the Redevelopment Agency.

<sup>(2)</sup> The assessed value for the Redevelopment Area was incorrectly included the assessed value of the District for fiscal year 2021. This error was corrected in fiscal year 2022. The assessed value for fiscal year 2021 should have been \$1,715,968,568. The growth rates for fiscal years 2021 and 2022 should be 3.0% and 4.9%, respectively, based on the corrected valuations.

Source: Nevada Department of Taxation, Division of Local Government Services, *Property Tax Rates for Nevada Local Governments*, 2017-2018 through 2021-2022.

### **Property Tax Collections**

In Nevada, county treasurers (or, in the case of the City, the City Treasurer) are responsible for the collection of property taxes and forwarding the allocable portions thereof to the overlapping taxing units within the counties.

A history of the City's tax roll collection record appears in the following table. *This table reflects all amounts collected by the City, including amounts levied by the City, the District and certain special taxing districts. The figures in the following table include property taxes that are not available to pay debt service on the Bonds.* The table below provides information with respect to the historic collection rates for the City, but may not be relied upon to depict the amounts of ad valorem property taxes available to the City in each year. There is no assurance that collection rates will be similar to the historic collection rates depicted below.

Property Tax Levies, Collections and Delinquencies<sup>(1)</sup>  
Amounts in Thousands

Fiscal Year	Net Secured	Current Tax	% of Net	Delinquent	Total Tax	Total Tax
Ending	Roll Tax Levy <sup>(2)</sup>	Collections	Levy	Tax	Collections	Collections as %
June 30			Collected	Collections	Collections	of Current Levy <sup>(3)</sup>
2017	\$42,164	\$41,916	99.41%	\$248	\$42,164	100.00%
2018	43,881	43,543	99.23	336	43,879	100.00
2019	46,326	45,945	99.18	370	46,315	99.98
2020	48,913	48,574	99.31	230	48,804	99.78
2021 <sup>(4)</sup>	51,778	51,368	99.21	0 <sup>(5)</sup>	51,368	99.21

(1) Subject to revision. Represents the real property tax roll levies and collections.

(2) Adjusted county tax levied for the fiscal year.

(3) Percentage of total taxes collected to date (calculated on the Net Secured Roll Tax Levy).

(4) Collections as of June 30, 2021.

(5) Collections in progress.

Source: The City Treasurer's Office.

Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in installments on or before the third Monday in August and the first Mondays in October, January, and March of each fiscal year. Penalties are assessed if any taxes are not paid within 10 days of the due date as follows: 4% of the delinquent amount if one installment is delinquent, 5% of the delinquent amount plus accumulated penalties if two installments are delinquent, 6% of the delinquent amount plus accumulated penalties if three installments are delinquent and 7% of the delinquent amount plus accumulated penalties if four installments are delinquent. In the event of nonpayment, the county treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 10% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the county treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the county treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property. State law provides alternative remedies for the collection of taxes in certain instances, including judicial foreclosure (which may take place before the expiration of the two-year redemption period) and the issuance of a tax lien to the county treasurer which may be sold before the expiration of the two-year redemption period (but remains subject to redemption).

### **Largest Taxpayers in the District**

The following table represents the ten largest property-owning taxpayers in the District based on fiscal year 2020-21 assessed valuations. The assessed valuations in this table represent both the secured tax roll (real property) and the unsecured tax roll (generally personal property). No independent investigation has been made of, and consequently there can be no representation as to, the financial conditions of the taxpayers listed, or that any such taxpayer will continue to maintain its status as a major taxpayer based on the assessed valuation of its property in the District. It is possible that one or more of the major taxpayers in the District may be experiencing varying degrees of financial difficulty; those or other entities may encounter future difficulties that could negatively impact the timely payment of property taxes.

Ten Largest Taxpayers in the District  
Fiscal Year 2020-21

<u>Taxpayer</u>	<u>Type of Business</u>	FY 2020-21 Assessed <u>Value</u>	% of Total Assessed <u>Value</u> <sup>(1)</sup>
Southwest Gas Corporation	Gas Distribution	\$ 25,750,297	1.34%
NV Energy	Electric Company	18,689,102	0.97
Carson Gaming LLC	Casino/Entertainment	10,241,632	0.53
Carson-Tahoe Hospital	Healthcare Provider	9,062,184	0.47
Voltaire Master LLC	Property Management	8,027,687	0.42
ARHC CRCRCNV001 LLC	Healthcare Provider	7,625,330	0.40
Carson City Prop[erty] Ventures LLC	Property Management	6,245,254	0.33
C&A Investments LLC	Property Management	6,000,141	0.31
Harley-Davidson Credit Corp.	Financial Services	5,913,469	0.31
Wal-Mart Real Estate Business TR	Retail	<u>5,768,808</u>	<u>0.30</u>
Total		<u>\$103,323,904</u>	<u>5.38%</u>

(1) Based on the District's fiscal year 2021 assessed valuation of \$1,921,904,731 (which includes the assessed valuation attributable to the Redevelopment Agency).

Source: Nevada Department of Taxation, Division of Local Government Services.

### **Property Tax Limitations**

Overlapping Property Tax Caps. Article X, Section 2, of the State constitution limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (*i.e.*, the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation (\$5 per \$100 of assessed valuation) of the property being taxed. Further, the combined overlapping tax rate is limited by statute to \$3.64 per \$100 of assessed valuation in all counties of the State with certain exceptions that (a) permit a combined overlapping tax rate of up to \$4.50 per \$100 of assessed valuation in the case of certain entities that are in financial difficulties; and (b) require that \$0.02 of the statewide property tax rate of \$0.17 per \$100 of assessed valuation is not included in computing compliance with this \$3.64 cap. (This \$0.02 is, however, counted against the \$5.00 cap.) State statutes provide a priority for taxes levied for the payment of general obligation bonded indebtedness in any year in which the proposed tax rate to be levied by overlapping units within a county exceeds any rate limitation; a reduction must be made by those units for purposes other than the payment of general obligation bonded indebtedness, including interest thereon.

Local Government Property Tax Revenue Limitation. State statutes limit the revenues school districts may receive from ad valorem property taxes for operating purposes. Pursuant to NRS 387.195, each board of county commissioners (or, in the case of the District, the District's Board of Trustees) levies a tax of \$0.75 per \$100 of assessed valuation for school district operating purposes. This limitation does not apply to ad valorem taxes levied to repay the Bonds. School districts are also allowed additional levies for voter-approved debt service and voter-approved tax overrides for capital projects.

State statutes also limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness which is exempt from such ad valorem revenue limits. This rate is generally limited as follows. The assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This cap operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property.

A local government, other than a school district, may exceed the property tax revenue limitation if the proposal is approved by its electorate at a general or special election. In addition, the Executive Director of the Department of Taxation will add to the allowed revenue from ad valorem taxes, the amount approved by the Legislature for the costs to a local government of any substantial programs or expenses required by legislative enactment. Nevada local governments receiving certain sales tax revenues also may levy a property tax to make up any shortfalls between sales tax revenues estimated by the Nevada Department of Taxation and actual sales tax revenues available to local governments.

The Nevada Tax Commission monitors the impact of tax legislation on local government services.

#### Constitutional Amendment - Abatement of Taxes for Severe Economic Hardship.

At the November 5, 2002 election, the State's voters approved an amendment to the State constitution authorizing the State Legislature to enact a law providing for an abatement of the tax upon or an exemption of part of the assessed value of an owner-occupied single-family residence to the extent necessary to avoid severe economic hardship to the owner of that residence.

The legislation implementing that amendment provides that the owner of a single-family residence may file a claim with the county treasurer to postpone the payment of all or part of the property tax due against the residence if (among other requirements): the residence has an assessed value of not more than \$175,000; the property owner does not own any other real property in the State with an assessed value of more than \$30,000; the residence has been occupied by the owner for at least 6 months; the owner is not in bankruptcy; the owner owes no delinquent property taxes on the residence; the owner has suffered severe economic hardship caused by circumstances beyond his control (such as illness or disability expected to last for at least 12 continuous months); and the total annual income of the owner's household is at or below the federally designated poverty level. The amount of tax that may be postponed may not exceed the amount of property tax that will accrue against the residence in the succeeding three fiscal years. Any postponed property tax (and any penalties and the interest that accrue as provided in the statute) constitutes a perpetual lien against the residence until paid. The postponed tax becomes due and payable if: the residence ceases to be occupied by the claimant or is sold; any non-postponed property tax becomes delinquent; if the claimant dies; or on the date upon which the postponement expires, as determined by the county treasurer.

**Required Property Tax Abatements**

General. In 2005, the Legislature approved the Abatement Act (NRS 361.471 to 361.4735), which established formulas to determine whether tax abatements are required for property owners in each year. The general impact of the Abatement Act is to limit increases in ad valorem property tax revenues owed by taxpayers to a maximum of 3% per year for primary owner-occupied residential properties (and low-income housing properties) and, for all other properties, an annual percentage equal to the lesser of (a) 8% or (b) the greater of the average annual change in taxable values over the last ten years, as determined by a formula or twice the percentage of increase in the consumer price index for the immediately preceding calendar year. The Abatement Act limits do not apply to new construction. The Abatement Act formulas are applied on a parcel-by-parcel basis each year.

Generally, reductions in the amount of ad valorem property tax revenues levied in the City are required to be allocated among all of the taxing entities in the City in the same proportion as the rate of ad valorem taxes levied for that taxing entity bears to the total combined rate of all ad valorem taxes levied for that fiscal year. However, abatements caused by tax rate increases are to be allocated against the entity that would benefit from the tax increase rather than among all entities uniformly. Revenues realized from new or increased ad valorem taxes that are required by any legislative act that was effective after April 6, 2005, generally are *not* exempt from the abatement formulas. The Abatement Act provides for the recapture of previously abated property tax revenues in certain limited situations.

Levies for Debt Service. Revenues resulting from increases in the rate of ad valorem taxes for the payment of tax-secured obligations are exempt from the Abatement Act formulas if increased rates are necessary to pay debt service on the related obligation in any fiscal year if (i) the tax-secured obligations were issued before July 1, 2005; or (ii) the governing body of the taxing entity and the Carson City Debt Management Commission make findings that no increase in the rate of an ad valorem tax is anticipated to be necessary for payment of the obligations during their term. Ad valorem tax rate increases to pay debt service on the Bonds may not be exempt from the Abatement Act formulas.

General Effects of Abatement. Limitations on property tax revenues could negatively impact the finances and operations of the taxing entities in the State, including the District, to an extent that cannot be determined at this time.

**Overlapping Tax Rates and General Obligation Indebtedness**

Overlapping Tax Rates. The following table sets forth a history of statewide average tax rates and a representative overlapping tax rate for taxing districts located in the City. The overlapping rates for various areas within the City, a consolidated municipality, vary depending on the rates imposed by applicable taxing entities. Currently, the overlapping rates in the City range from \$3.5400 to \$3.5700.

History of Statewide Average and Sample Overlapping Property Tax Rates<sup>(1)</sup>

<u>Fiscal Year Ended June 30,</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Statewide rate	<u>\$3.1615</u>	<u>\$3.1572</u>	<u>\$3.2218</u>	<u>\$3.1878</u>	<u>\$3.1037</u>
Carson City	2.1900	2.1900	2.1900	2.1900	2.1900
Carson City School District	1.1800	1.1800	1.1800	1.1800	1.1800
Carson Water Subconservancy District	0.0300	0.0300	0.0300	0.0300	0.0300
State of Nevada <sup>(2)</sup>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>	<u>0.1700</u>
Total	<u>\$3.5700</u>	<u>\$3.5700</u>	<u>\$3.5700</u>	<u>\$3.5700</u>	<u>\$3.5700</u>

(1) Per \$100 of assessed valuation.

(2) \$0.0200 of the State rate is exempt from the \$3.64 cap. See “Property Tax Limitations” above.

Source: Nevada Department of Taxation, Division of Local Government Services, *Property Tax Rates for Nevada Local Governments*, 2017-2018 through 2021-2022.

Estimated Overlapping General Obligation Indebtedness. In addition to the general obligation indebtedness of the District, other taxing entities are authorized to incur general obligation debt within boundaries that overlap or partially overlap the boundaries of the District. In addition to the entities listed below, other governmental entities may overlap the District but have no general obligation debt outstanding. The following chart sets forth the estimated overlapping general obligation debt chargeable to property owners within the District as of August 1, 2021.

Estimated Overlapping Net General Obligation Indebtedness

<u>Entity<sup>(1)</sup></u>	<u>Total</u> <u>General</u> <u>Obligation</u> <u>Indebtedness</u>	<u>Presently</u> <u>Self-Supporting</u> <u>General</u> <u>Obligation</u> <u>Indebtedness</u>	<u>Net Direct</u> <u>General</u> <u>Obligation</u> <u>Indebtedness</u>	<u>Percent</u> <u>Applicable<sup>(2)</sup></u>	<u>Overlapping</u> <u>Net General</u> <u>Obligation</u> <u>Indebtedness<sup>(3)</sup></u>
Carson City	\$ 146,513,631	\$137,252,631	\$ 9,261,000	100%	\$ 9,261,000
State of Nevada	1,181,640,000	277,132,000	904,508,000	1.2%	10,854,096
Total	<u>\$1,328,153,631</u>	<u>\$414,384,631</u>	<u>\$913,769,000</u>		<u>\$20,115,096</u>

(1) Other taxing entities overlap the District and may issue general obligation debt in the future.

(2) Based on fiscal year 2022 assessed valuation in the respective jurisdiction. The percent applicable is derived by dividing the assessed valuation of the District into the assessed valuation of the governmental entity (excluding redevelopment agencies).

(3) Overlapping Net General Obligation Indebtedness equals total existing general obligation indebtedness less presently self-supporting general obligation indebtedness times the percent applicable.

Sources: Carson City Finance Department; state debt information compiled by the Municipal Advisor; percentages calculated using information from Local Government Finance Property Tax Rates for Nevada Local Governments Fiscal Year 2021-2022.

The following table sets forth the total direct and overlapping general obligation indebtedness attributable to the District as of August 1, 2021 (including the issuance of the Bonds).

Net Direct & Overlapping General Obligation Indebtedness

Total Direct General Obligation Indebtedness <sup>(1)</sup>	\$70,895,000
Plus: Overlapping Net General Obligation Indebtedness	20,115,096
Net Direct & Overlapping Net General Obligation Indebtedness	\$91,010,096

<sup>(1)</sup> Includes the issuance of the Bonds. See “DEBT STRUCTURE -Outstanding Debt and Other Obligations.”

**Selected Debt Ratios**

The following table illustrates selected ratios for the District.

<u>Selected Debt Ratios for the District*</u>	
Population <sup>(1)</sup> .....	56,434
Net Direct Debt <sup>(2)</sup> .....	\$70,895,000
Overlapping Debt <sup>(2)(3)</sup> .....	20,115,096
Total Direct Debt & Overlapping Debt .....	\$91,010,096
Per Capita Net Direct Debt .....	\$1,256.25
Per Capita Net Total Direct Debt & Overlapping Debt.....	\$1,612.68
2020 Assessed Valuation <sup>(4)</sup> .....	\$1,799,198,563
% Net Direct Debt to Assessed Valuation .....	3.94%
% Net Total Direct Debt & Overlapping Debt to Assessed Valuation.....	5.06%
2020 Taxable Value <sup>(4)</sup> .....	\$5,140,567,322
% Net Direct Debt to Taxable Value .....	1.38%
% Net Total Direct Debt & Overlapping Debt to Taxable Value.....	1.77%

<sup>(1)</sup> Nevada State Demographer projection dated July 1, 2020.

<sup>(2)</sup> Outstanding debt as of August 1, 2021 (including the issuance of the Bonds). See “DEBT STRUCTURE – Outstanding Debt and Other Obligations.” Also see the table entitled “Net Direct & Overlapping General Obligation Indebtedness” above.

<sup>(3)</sup> Figure is estimated based on information supplied by other taxing authorities and does not include self-supporting general obligation debt. See the table “Estimated Overlapping General Obligation Debt.”

<sup>(4)</sup> See “Property Tax Base and Tax Roll Collection” for an explanation of the Assessed Value and Taxable Value.



## CARSON CITY SCHOOL DISTRICT

### General

All school districts in Nevada are organized under the terms of legislation enacted in 1956. There is one school district in each county with responsibility for all public education from preschool through the twelfth grade. The District's boundaries are coterminous with those of Carson City. According to the State Demographer's office, the estimated population of the City (and therefor the District) was 56,434 as of July 1, 2020 (based on State Demographer Projections).

### Board of Trustees

The District has a seven-member board of trustees. The Board meets on the second and fourth Tuesday of each month. Trustees serve staggered four-year terms. The Board elects a President, a Vice President and a Clerk from its members to serve one-year terms. Board members are limited to 12 years in office pursuant to State constitutional term limitations. The current members of the Board and their terms of office are as follows:

<u>Board Member and Title</u>	<u>District Represented</u>	<u>Expiration of Term</u>
Joe Cacioppo, President	7	12/2024
Richard Varner, Vice President	4	12/2022
Laurel Crossman, Clerk	2	12/2024
Stacie Wilke-McCulloch, Member	3	12/2022
Michael Walker, Member	5	12/2024
Donald Carine, Member	6	12/2022
Lupe Ramirez, Member	1	12/2022

### Administration

General. The Board establishes District policy and oversees its operations. The Board appoints the Superintendent as its chief executive officer to administer the day-to-day operations of the District. The Superintendent is the chief executive officer responsible for the administration of the District in accordance with policy set by the Board. As the chief executive officer and educational leader of the District, the Superintendent oversees the administration of all curriculum, instruction, support services, personnel, fiscal operations, and facilities. In fulfilling this responsibility, the Superintendent operates through members of the administrative team who are each assigned specific functions in designated areas.

The Director of Fiscal Services oversees the operations of the Fiscal Services Department, which exists to support the programs and operations of the District in order to accomplish the desired results of public education. The fiscal services function is accomplished through the combined efforts of classified staff, supervisors, and administrators, in cooperation with other divisions, school staffs, outside businesses, and government agencies. Each member of this team performs specific functions as designated by the Superintendent in carrying out the policies established by the Board. The Director of Fiscal Services reports to the Superintendent.

Brief biographies for the Superintendent and the Director of Fiscal Services are set forth below.

Superintendent of Schools – Richard Stokes. Richard W. Stokes has been with the District since 2001. He has been the Superintendent since 2009 and previously served as the District’s Associate Superintendent of Human Resources. Prior to that time, Mr. Stokes served as the Superintendent of Schools for Mineral County School District, Nevada, as a high school principal in Mineral County School District and as a science teacher in Uinta County School District #6 (Wyoming). Mr. Stokes holds a BS degree in Zoology from Idaho State University, a Secondary Teaching Certificate from Idaho State University, and an MA degree in Education Administration from the University of Wyoming.

Director of Fiscal Services – A.J. Feuling. Andrew J. Feuling has been with the District since March 2014. Before that he worked for Robert W. Baird in Milwaukee, WI in its Public Finance division as a School Business Specialist assisting districts with school finance items, budget projection, and budget planning all across southeastern Wisconsin. Prior to that Mr. Feuling served as the District Business Manager for Salem School District in Salem, WI. Mr. Feuling holds a BS in Business Administration (Finance) from Drake University, a BA in Economics from the University of Wisconsin-Parkside, an MS in Leadership in Educational Administration from Capella University, and an MS in School Business Management from the University of Wisconsin-Whitewater.

**Facilities**

The District operates 11 school sites, including two high schools, two middle schools, six elementary schools, and one adult education facility. The District also includes one District-sponsored elementary charter school.

**Enrollment**

The following table shows an enrollment history for the District. The District expects enrollment for school year 2021-2022 to be higher than school year 2020-2021.

<u>Enrollment History</u>					
Academic Year	2016-17	2017-18	2018-19	2019-20	2020-21
Elementary Schools	3,447	3,468	3,390	3,366	3,107
Secondary Schools	4,144	4,255	4,350	4,378	4,327
Total	7,591	7,723	7,740	7,744	7,412
Percent change	0.37%	1.62%	0.22%	0.05%	(4.29)%

(1) The decrease in school year 2020-2021 enrollment is attributed primarily to (i) the COVID-19 pandemic as certain families home schooled their children or moved out of the District, and (ii) the growth of charter school enrollment.

Source: The District.

**Employee Relations and Pension Benefits**

Employee Relations. The District considers its relations with its employees to be good. As of August 1, 2021, the District has 934 benefitted full-time employees, including the administrative staff. The District is an equal opportunity/affirmative action employer with three employee bargaining units: administration, certified and classified staff. The District has entered into agreements with each bargaining unit that expire June 30, 2022. Negotiations with the bargaining units will begin again in fall 2021.

Benefits. The District provides life insurance, health insurance, paid vacation, sick leave and holidays.

Pension Matters. The State Public Employees’ Retirement System (“PERS”) covers substantially all public employees of the State, its agencies and its political subdivisions, including the District. PERS, established by the Legislature effective July 1, 1948, is governed by the Public Employees’ Retirement Board whose seven members are appointed by the Governor. Retirement Board members serve for a term of four years. **Except for certain District specific information set forth below, the information in this section has been obtained from publicly-available documents provided by PERS. The District has not independently verified the information obtained from the publicly available documents provided by PERS and is not responsible for its accuracy.**

All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing multiple-employer defined benefit plan. Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member’s highest average compensation. Benefit payments to which participants may be entitled under PERS include pension benefits, disability benefits, and death benefits. PERS has several tiers based on legislative changes effective with membership dates. The following table illustrates the PERS service credit multiplier.

PERS Benefit Multiplier

Membership Date	<u>Service Credit Multiplier</u>				Highest Contiguous Average Over
	Before 07/01/01	After 07/01/01	After 01/01/10	After 07/01/15	
Before July 1, 2001	2.50%	2.67%	2.67%	2.67%	36 months
After July 1, 2001, before January 1, 2010	--	2.67%	2.67%	2.67%	36 months
After January 1, 2010, before July 1, 2015	--	--	2.50%	2.50%	36 months
After July 1, 2015	--	--	--	2.25%	36 months

Similarly, legislative changes have created several tiers of retirement eligibility thresholds. The following table illustrates the PERS retirement eligibility thresholds.

Nevada PERS Retirement Eligibility

Membership Date	Regular		Police/Fire	
	Age	Years of Service	Age	Years of Service
Before January 1, 2010	65	5	65	5
	60	10	55	10
	Any	30	50	20
			Any	25
After January 1, 2010, before July 1, 2015	65	5	65	5
	62	10	60	10
	Any	30	50	20
			Any	30
After July 1, 2015	65	5	65	5
	62	10	60	10
	55	30	50	20
	Any	33 1/3	Any	33 1/3

The salary cap reportable to PERS is capped at the federal limit for public employees hired prior to July 1, 2015 but is capped at approximately \$200,000 per year for employees hired on or after July 1, 2015. PERS allows certain post retirement increases in benefit income that range: (i) from 2% per year beginning in the 4<sup>th</sup> year of retirement up to 5% per year in the fifteenth year of retirement and beyond for employees hired prior to January 1, 2010; (ii) from 2% per year beginning in the 4<sup>th</sup> year of retirement up to 4% per year in the thirteenth year of retirement and beyond for employees hired after January 1, 2010; and (iii) from 2% per year beginning in the 4<sup>th</sup> year of retirement up to the lesser of 3% of the CPI cap or 3% every year thereafter for employees hired on or after July 1, 2015.

Nevada law requires PERS to conduct a biennial actuarial valuation showing unfunded actuarial accrued liability (“UAAL”) and the contribution rates required to fund PERS on an actuarial reserve basis. The actual employer and employee contribution rates are established in cycle with the State’s biennium budget on the first full pay period of the even numbered fiscal years. By PERS policy, the system actually performs an annual actuary study. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2019. The following table reflects some of the key valuation results from the last three PERS’ actuary studies:

PERS Actuarial Report

Key Valuation Results	June 30, 2019	June 30, 2018	June 30, 2017
UAAL	\$14.31 billion	\$13.73 billion	\$13.27 billion
Market Value Funding Ratio	75.3%	75.2%	74.4%
Actuarial Value Funding Ratio	75.3%	75.1%	74.5%
Assets Market Value	\$43.8 billion	\$41.42 billion	\$38.69 billion
Assets Actuarial Value	\$43.61 billion	\$41.34 billion	\$38.72 billion

For the purpose of calculating the actuarially determined contribution rate, the UAAL is amortized as a level percent of payroll over a year-by-year closed amortization period where each amortization period is set at 20 years. The amortization period prior to fiscal year 2012 was 30 years. Effective starting fiscal year 2012, the PERS Board adopted a shorter amortization period to be used to amortize new UAAL resulting from actuarial gains or losses

and changes in actuarial assumptions. Any new UAAL is amortized over a period equal to the truncated average remaining amortization period of all prior UAAL layers, until the average remaining amortization period is less than 20 years; after that time, 20-year amortization periods will be used. The PERS Board also adopted a five-year asset smoothing policy for net deferred gains/losses.

The following presents the net pension liability of PERS as of June 30, 2019, and the District’s proportionate share of the net pension liability of PERS as of June 30, 2019 (reported as of June 30, 2020), calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50%) or one percentage point higher (8.50%) than the current discount rate:

<u>Net Pension Liability</u>			
	<u>1% Decrease in Discount Rate (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase in Discount Rate (8.5%)</u>
PERS Net Pension Liability	\$21,113,639,011	\$13,635,963,390	\$7,420,117,489
District Share of PERS Net Pension Liability	\$154,985,450	100,095,295	\$54,467,648

Contribution rates to PERS are established in accordance with State statute. The statute allows for biennial increases or decreases of the actuarially determined rate. The State Legislature can increase the contribution rate for members by any amount it determines necessary. Pursuant to statute, there is no obligation on the part of the employers to pay for their proportionate share of the unfunded liability. The District is obligated to contribute all amounts due under PERS. A history of contribution rates, as a percentage of payroll, is shown below.

<u>Contribution Rates</u>					
	<u>Fiscal Years 2014 and 2015</u>	<u>Fiscal Years 2016 and 2017</u>	<u>Fiscal Years 2018 and 2019</u>	<u>Fiscal Years 2020 and 2021</u>	<u>Fiscal Years 2021 and 2022</u>
Regular members Employer-pay plan	25.75%	28.00%	28.00%	29.25%	29.75%

The District’s contribution to PERS for its fiscal year 2021 was \$13,439,112. The District has budgeted \$14,650,000 in PERS contributions for its fiscal year ending June 30, 2022.

See Note 9 in the audited financial statements attached hereto as Appendix A for a summary description of PERS. In addition, copies of the most recent audited financial statements for PERS are available from the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, 775-687-4200.

Other Post-Employment Benefits (“OPEB”). The District contributes to the Nevada Public Employees’ Benefits Plan (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 Employee’s 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

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 Public Employees' Benefit Program, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701. The information is also available on their website at [www.pebp.state.nv.us](http://www.pebp.state.nv.us) or by calling (800) 326-5496.

The District is required by law to participate in PEBP. The PEBP Board establishes the contribution requirements for plan members in accordance with State law and may amend those funding requirements at any time. As of June 30, 2013, the required subsidy paid by the District was based on a percentage of the legally determined base amount for each participant (based on years of service). Currently, the sources of funding for the payments are reimbursements from the State and nominal charges to those District funds with benefitted payrolls. The District contributed \$804,145 in fiscal year 2021 and has budgeted to contribute \$800,000 for fiscal year 2022. See Note 11 in the audited basic financial statements attached hereto as APPENDIX A for a further discussion of the District's participation in PEBP, its funding status, its net OPEB obligation, and related matters.

The District also permits retirees to elect to maintain insurance coverage under the Carson City School District Health Care Plan (the "Plan"). Retirees electing to continue coverage under the Plan must pay the full cost of premiums. The District pays the full cost of the premiums for active employees and, therefore, pays the implicit cost of retirees' coverage. See Note 11 in the audited basic financial statements attached hereto as Appendix A for a further discussion of the Plan.

### **Compliance with Federal Laws**

As a public entity, the District is subject to various federal laws, including those relating to environmental matters, accommodation of those with disabilities and compliance with federal affordable healthcare requirements. The District also is subject to federal laws and regulations related to certain of its educational programs and is subject, to various degrees, to legislation reducing grants or payments associated with those programs. The laws described above and other federal laws presently in effect or enacted in the future may require the expenditure of funds on programs without necessarily providing sufficient resources (in the form of federal grants or otherwise) to pay for the mandates of those requirements. The District cannot predict the ultimate effect of current or future federal legislation on the District.

## **DISTRICT FINANCIAL INFORMATION**

### **Budgeting**

Prior to April 15 of each year, the District is required to submit to the State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The tentative budget contains the proposed expenditures and means of financing them. After reviewing the tentative budget, the State Department of Taxation is required to notify the District upon its acceptance of the budget. Following acceptance of the proposed budget by the State Department of Taxation, the District is required to conduct public hearings on its budget no sooner than the third Monday in May and not later than the last day in May and adopt the final budget on or before June 8.

The District is authorized to transfer budgeted amounts subject to Board approval in accordance with statute. Increases to a fund's budget other than by transfers are accomplished through formal action of the Board. With the exception of money appropriated for specific capital projects or Federal and State grant expenditures, all unencumbered appropriations lapse at the end of the fiscal year.

### **Accounting**

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting in which revenues are recognized when they become measurable and available as net current assets. Property taxes, sales and use taxes, governmental service taxes and moneys from the Distributive School Account (described below) are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is debt service expenditures, as well as expenditures related to compensated absences and claims or judgments, which are recorded only when payment is due.

All proprietary funds are accounted for using the current financial resources measurement focus and the accrual basis of accounting in which revenues are recognized when they are earned and their expenses are recognized when they are incurred.

### **Annual Reports**

The District prepares an annual financial report setting forth the financial condition of the District as of June 30 of each fiscal year. The annual financial report, which includes the District's audited basic financial statements, constitutes the official financial report of the District. It is prepared using generally accepted accounting principles. The latest completed annual financial report is for the year ended June 30, 2020. See Note 1 in the audited basic financial statements attached hereto as APPENDIX A for a summary of the District's

significant accounting policies. The District does not expect to have its annual financial report for the year ended June 30, 2021 until December 2021.

The audited basic financial statements for the year ended June 30, 2020, which are attached hereto as APPENDIX A, are excerpted from the annual financial report and represent the most recent audited financial statements of the District. Financial statements for prior years may be obtained from the sources listed in “INTRODUCTION – Additional Information.”

## **General Fund**

General. The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. Included are all transactions related to the approved current operating budget, its accompanying revenue, expenditures and encumbrances, and its related asset, liability, and fund equity accounts. Until June 30, 2021, the District was funded under the “Nevada Plan” as described below. Beginning July 1, 2021, the Pupil Centered Funding Plan described below became effective.

### Historical General Fund Data (prior to and including fiscal year 2021).

*Local Sources.* The District’s local operating revenue sources are comprised largely of its \$0.7500 Public School Operating Tax and the Local School Support sales and use taxes (the “LSST”), a sales and use tax equal to 2.60% of taxable sales. See “ECONOMIC AND DEMOGRAPHIC INFORMATION—Retail Sales.” All of the property tax revenues and the LSST revenues are accounted for in the General Fund. The District received \$11,638,138 (17.9% of General Fund revenues) from the property tax revenues and \$32,426,661 (49.8% of General Fund revenues) from the LSST in fiscal year 2021.

Other local operating sources in the General Fund include revenues received from a governmental services tax (motor vehicle license fees), and utility franchise fees.

*State Sources.* Prior to July 1, 2021, State revenue sources consist primarily of payments from the DSA received pursuant to the Nevada Plan. The revenue for the DSA is received Statewide from the following seven sources: (a) appropriation from the State General Fund; (b) a portion of the annual excise tax of \$250 for each slot machine operated in the State; (c) revenue from mineral leases on federal land; (d) interest earned on the Permanent School Fund established by the State constitution; (e) sales tax currently at a rate of 2.6% on out-of-state sales that cannot be attributed to a particular county; (f) recreational and medical marijuana excise taxes; and (g) a transient lodging tax at a rate of 3% due to Initiative Petition 1.

The District also receives special State appropriations for various purposes; however, those appropriations generally do not represent significant amounts of General Fund revenues.



Current General Fund Data (fiscal year 2022 and thereafter).

Sources of Funding; The Pupil-Centered Funding Plan. The operating revenues of school districts are derived primarily from local and State sources as dictated by State law. Effective July 1, 2021, the Nevada Plan has been replaced by the Pupil-Centered Funding Plan (“PCFP”) pursuant to Senate Bill 543 (“SB 543”) approved by the Legislature in its 2019 Legislative Session. The PCFP eliminated the distinction between local and State sources of revenue, as these funding sources are deposited into the State Education Fund (“SEF”). School districts also receive federal revenues and miscellaneous revenues.

The PCFP will combine money raised pursuant to State law at the local level with State money to provide a certain basic level of support to each pupil in the State which is adjusted: (1) to account for variation in the local costs to provide a reasonably equal educational opportunity to pupils; and (2) for the costs of providing a reasonably equal educational opportunity to pupils with certain additional educational needs. The PCFP includes the SEF and identifies numerous sources of revenues to be deposited therein, in addition to direct legislative appropriations from the State General Fund, and also authorizes the Superintendent of Public Instruction to create one or more accounts in the SEF for the purpose of administering money received from the federal government. The PCFP directs certain sources of revenues to the SEF and makes conforming changes for the direction of such sources of revenues to the SEF and the replacement of the DSA with the SEF.

The PCFP directs all major local sources of school district funding including the \$0.7500 portion of locally collected property taxes and the 2.6% LSST, to the SEF. Thus, the distinction in the prior Nevada Plan between State sources of revenues, which were held in the DSA and were guaranteed, and local revenue sources, which were not guaranteed, ceased effective on June 30, 2021. Earnings on investments, tuition and summer school fees, athletic proceeds, facility rentals, donations and grants and miscellaneous sources will continue to be considered a local revenue that stays with school districts. None of these sources of revenue account for significant amounts of General Fund revenues. Beginning July 1, 2021, the State will make equal monthly distributions to school districts from the SEF, which will equal one-twelfth of budgeted revenues less any amount set aside as a reserve.

Further, under the PCFP, school districts’ base per-pupil funding amount will no longer be guaranteed. However, the PCFP includes the Education Stabilization Account in the SEF and provides for the funding of the Education Stabilization Account. Once the Education Stabilization Account is funded, the PCFP provides for possible use of the money in such account to provide relief to school districts when collection of revenues will result in the SEF receiving less than 97% of what has been budgeted. Additionally, to protect districts during times of declining enrollment, State law contains a “hold-harmless” provision which, if the average daily enrollment (“ADE”) during the quarter of the school year is less than or equal to 95% of the enrollment in the school district based on the ADE during the same quarter of the immediately preceding school year, the higher enrollment of pupils during the same quarter of the immediately preceding school year must be used for purposes of making the monthly apportionment from the SEF to that school district pursuant to NRS 387.1223.

The PCFP requires the Legislature, after making a direct legislative appropriation to the SEF, to determine the statewide base per pupil funding amount for each fiscal year of the

biennium, based on numerous factors. The PCFP further requires the Legislature to appropriate the SEF, less the money in the Education Stabilization Account or certain potential federal funds, amounts deemed sufficient by the Legislature to finance various educational needs of the State. Additional weighted funding will be applied to the base per pupil funding amount based on certain factors, including English learners, at-risk pupils, and gifted and talented pupils.

With the PCFP, various programs funded with grants and other resources will flow through the General Fund instead of various separate funds which makes comparisons to fiscal years prior to fiscal year 2022 difficult. The budgeted fiscal year 2022 revenues for the General Fund show an increase of approximately \$8 million over fiscal year 2021 because of these state grant programs and associated revenues being rolled into the General Fund. While the District is not obligated to continue all of the grant funded programs, due to the timing of the Legislative session, the District decided to continue most of them for fiscal year 2022 and reevaluate that decision for fiscal year 2023 based on financial conditions.

Due to its recent passage and July 1, 2021 effective date, it is not possible for the District to predict how the implementation of the PCFP will influence its operations or finances. The Legislature, with an intent not to harm districts, set the fiscal year 2020 revenue as a floor for districts that would lose funding in the transition to the new formula. Additionally, the Legislature granted flexibility in the use of the funds for the weighted categories of students to support maintaining similar prior year operations. Further, the Legislature may amend the provisions of the PCFP at any time, including the various funding formulas embedded within it. **The PCFP is not expected, however, to have any impact on the property tax revenues used to pay limited tax general obligation debt of school districts (including the Bonds).**

Prior to the adoption of the PCFP, the Legislature amended the Nevada Plan (in effect until July 1, 2021) on numerous occasions in the past. The Legislature may likewise amend the provisions of the PCFP in the future, including the various funding formulas embedded within it. There is no assurance that any such amendments will not result in reduced funding to the District.

*Pending Litigation Pertaining to State Funding of Education.* On March 4, 2020, a parent coalition filed suit against the State, the Nevada Department of Education, the Nevada Superintendent of Public Education, and the Nevada State Board of Education (collectively, the “State Defendants”) alleging that the State Defendants have failed to provide students with a sufficient education and with a sufficiently uniform system of common schools, in violation of the State constitution. The lawsuit, which was filed in the First Judicial District Court in and for Carson City, Nevada, seeks to have the court declare that: (i) a sufficient education is a basic right under the State constitution; and (ii) the State’s public education funding system (which was the Nevada Plan at the time the suit was filed) is insufficient to guarantee or secure the basic right of a sufficient education to all Nevada schoolchildren. The lawsuit further seeks to enjoin the State Defendants from giving force and effect to any school finance system unless it satisfies the principles of sufficiency the plaintiffs allege are established under the State’s constitution, statutes and regulations, and further asks the court to retain jurisdiction until the court is satisfied fully with the remedies enacted by the court. The District Court dismissed the case in October 2020, and the dismissal is now on appeal with the Nevada Supreme Court. It is unclear what impact, if any, this lawsuit may have on funding for the State’s educational system, but it is not

expected to impact the security for the Bonds, which are secured by ad valorem property taxes that are separate from the funding system involved in the lawsuit. See “SECURITY FOR THE BONDS – General Obligations.”

*Federal Sources.* The District also receives General Fund revenues from various federal sources, including federal forest reserve funds.

### **General Fund History of Revenues, Expenditures and Changes in Fund Balance**

General. The following table provides a history of the financial operations for the District’s General Fund for fiscal years 2017 to 2021, and budgeted information for fiscal year 2022. The information for fiscal years 2017 through 2020 was derived from the District’s audited financial reports for those years, and the fiscal year 2021 estimated actual information was derived from the District’s current estimates for fiscal year 2021. The budget information for fiscal year 2022 was derived from the District’s fiscal year 2022 budget adopted on May 25, 2021, as amended on June 22, 2021 to account for the new PCFP. The information in this table should be read together with the District’s audited financial statements for the year ended June 30, 2020, and the accompanying notes, which are included as APPENDIX A hereto. Financial statements for prior years can be obtained from the sources listed in “INTRODUCTION – Additional Information.”

Budgeted revenues and expenses shown for the fiscal year 2022 are not comparable to prior years. This is due to the new PCFP essentially eliminating local sources of revenue with almost all funding coming from the State. Also as part of the switch to the PCFP, various programs funded with grants and other resources now all flow through the General Fund instead of various separate funds.

General Fund History of Revenues, Expenditures and Changes in Fund Balance<sup>(1)</sup>

Fiscal Year Ending June 30,	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Estimated	2022 Budget <sup>(4)</sup>
<b>Revenues</b>						
Local sources	\$35,876,860	\$38,471,792	\$41,189,221	\$42,250,144	\$47,568,088	\$ 650,100
State sources	24,402,602	25,496,294	24,046,181	23,194,407	17,290,435	71,911,703
Federal sources	<u>59,312</u>	<u>92,979</u>	<u>73,799</u>	<u>157,191</u>	<u>199,360</u>	<u>155,000</u>
Total revenues	<u>60,338,774</u>	<u>64,061,065</u>	<u>65,309,201</u>	<u>65,601,742</u>	<u>65,057,883</u>	<u>72,716,803</u>
<b>Expenditures</b>						
Current:						
Regular programs	24,452,088	28,569,020	29,519,292	29,052,045	28,306,375	32,600,010
Special programs	19,636	33,895	16,209	6,261	33,894	11,000
Vocational programs	2,280,912	2,391,932	2,743,800	2,807,515	2,905,944	2,985,360
Extra-curricular activities	599,764	613,481	645,055	606,840	580,314	719,426
Other instructional programs	2,730,780	3,118,902	3,110,274	3,352,036	2,768,976	3,301,273
Community service programs	--	50,510	50,805	54,358	59,585	57,655
Undistributed expenditures:						
Student support	2,691,931	3,073,798	3,216,062	3,427,205	3,082,283	3,874,935
Instructional staff support	1,546,581	2,123,797	2,381,261	1,829,665	1,870,831	2,084,629
General administration	632,460	600,355	578,032	515,579	505,439	581,748
School administration	3,593,398	3,647,637	3,793,033	3,851,390	4,046,621	4,381,770
Operation and maintenance	6,512,147	6,564,215	6,517,472	6,223,081	6,579,988	7,362,650
Student transportation	1,673,439	1,722,742	1,895,803	1,648,833	1,501,486	2,104,637
Central support/services	4,040,744	4,301,846	4,135,465	4,216,206	4,272,528	4,648,898
Other Support	--	<u>75,067</u>	<u>78,720</u>	<u>90,987</u>	<u>95,992</u>	<u>86,768</u>
Total expenditures	<u>50,773,880</u>	<u>56,887,197</u>	<u>58,681,283</u>	<u>57,681,998</u>	<u>56,610,255</u>	<u>64,800,759</u>
Budgeted contingency	--	--	--	--	--	<u>1,000,000</u>
Total expenditures and budgeted contingency	<u>50,773,880</u>	<u>56,887,197</u>	<u>58,681,283</u>	<u>57,681,998</u>	<u>56,610,255</u>	<u>65,800,759</u>
Excess of revenues over expenditures	<u>9,564,894</u>	<u>7,173,868</u>	<u>6,627,918</u>	<u>7,919,744</u>	<u>8,447,628</u>	<u>6,916,044</u>
<b>Other Financing Sources (Uses)<sup>(2)</sup></b>						
Transfers out/to other funds <sup>(2)</sup>	(8,073,524)	(7,224,284)	(8,676,858)	(8,634,523)	(8,554,401)	(8,122,294)
Proceeds from sale of fixed assets	--	<u>12,093</u>	<u>17,435</u>	<u>10,094</u>	<u>6,030</u>	<u>5,000</u>
Total other financing sources (uses)	(8,073,524)	(7,212,191)	(8,659,423)	(8,624,429)	(8,548,371)	(8,117,294)
<b>Net change in fund balance</b>	<u>1,491,370</u>	<u>(38,323)</u>	<u>(2,031,505)</u>	<u>(704,685)</u>	<u>(100,743)</u>	<u>(1,201,250)</u>
<b>Fund balance as of July 1</b>	<u>14,760,536</u>	<u>16,251,906</u>	<u>16,213,583</u>	<u>14,182,077</u>	<u>13,477,392</u>	<u>9,667,590<sup>(5)</sup></u>
<b>Fund balance as of June 30</b>	<u>\$16,251,906</u>	<u>\$16,213,583</u>	<u>\$14,182,078</u>	<u>\$13,477,392</u>	<u>\$13,346,649<sup>(5)</sup></u>	<u>\$8,466,340</u>
Reserved/Nonspendable in form <sup>(3)</sup>	126,629	134,877	137,031	142,987	140,000	--
Designated/Assigned <sup>(3)</sup>	2,051,952	3,178,352	2,935,385	1,201,250	1,201,250	--
Unreserved & Undesignated/Unassigned <sup>(3)</sup>	14,073,325	12,900,354	11,109,662	12,133,155	12,005,398	--

FOOTNOTES ON FOLLOWING PAGE

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- (1) Totals may not add due to rounding.
  - (2) Comprised primarily of transfers to the Special Education Fund for special education programs.
  - (3) Effective in fiscal year 2010, GASB 54 changed the terminology for reporting fund balance. The GASB 54 categories are not directly comparable to the prior classifications.
  - (4) Budgeted revenues and expenses shown for the fiscal year 2022 are not comparable to prior years. This is due to the new PCFP essentially eliminating local sources of revenue with almost all funding coming from the State. Also as part of the switch to the PCFP, various programs funded with grants and other resources now all flow through the General Fund instead of various separate funds.
  - (5) The estimated ending fund balance shown for fiscal year 2021 is a true estimate of year end; however, the beginning fund balance in budgeted fiscal year 2022 reflects fund balance numbers from budgeted fiscal year 2021 and budgeted fiscal year 2022.

Source: Derived from the District's audited financial statements for fiscal years 2017 through 2020, the current estimates of the District's staff for the estimated actual fiscal year 2021 information, and the District's 2022 budget adopted on May 25, 2021, as amended on June 22, 2021, for the budget fiscal year 2022 information.

## Debt Service Fund

The Debt Service Fund is used to accumulate funds for payment of principal and interest on general obligation bonds and other District obligations. Taxes generated by the District's existing bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including maintaining the required reserves. **The PCFP is not expected to have any impact on the property tax revenues used to pay the District's limited tax general obligation debt (including the Bonds).**

The information for fiscal years 2017 through 2020 was derived from the District's audited financial reports for those years, and the fiscal year 2021 estimated actual information was derived from the District's current estimates for fiscal year 2021. The budget information for fiscal year 2022 was derived from the District's fiscal year 2022 budget adopted on May 25, 2021, as amended on June 22, 2021. The information in this table should be read together with the District's audited financial statements for the year ended June 30, 2020, and the accompanying notes, which are included as APPENDIX A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION – Additional Information."

Debt Service Fund History of Revenues, Expenses and Changes in Fund Balance

Fiscal Year Ending June 30,	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Estimated	2022 Budget
<b>Revenues</b>						
Property taxes	\$5,783,167	\$6,025,842	\$6,251,784	\$6,940,108	\$6,899,128	\$7,233,302
Other	--	7,390	36,128	--		
Investment earnings	47,449	76,910	197,845	288,993	100,000	100,000
Total Revenues	<u>5,820,616</u>	<u>6,110,142</u>	<u>6,485,757</u>	<u>7,229,101</u>	<u>6,999,128</u>	<u>7,333,302</u>
<b>Expenditures</b>						
Principal retirement	3,615,000	3,769,000	4,207,000	4,312,000	3,915,000	4,314,000
Interest	1,994,307	2,258,549	2,063,501	2,206,155	2,225,232	2,076,317
Other	<u>62,362</u>	<u>--</u>	<u>--</u>	<u>254,564</u>		
Total Expenditures	<u>5,771,939</u>	<u>6,027,549</u>	<u>6,270,501</u>	<u>6,772,719</u>	<u>6,140,232</u>	<u>6,390,317</u>
Excess/(Deficiency) of Revenues Over (Under) Expenditures	<u>48,677</u>	<u>82,593</u>	<u>215,256</u>	<u>456,382</u>	858,896	942,985
<b>Other Financing Sources/Uses</b>						
Transfer in <sup>(1)</sup>	--	118,525	291,850	303,770	73,605	--
Transfer out <sup>(2)</sup>	(1,000,000)	--	--	(350,000)	--	--
Proceeds from refunding bonds	9,560,000	14,303,000	--	11,075,000	--	--
Principal on refunded bonds	--	--	--	(12,768,000)	--	--
Premium on refunding bonds	273,279	--	--	2,029,247	--	--
Refunded bonds escrow agent	(9,733,279)	(14,303,000)	--	--	--	--
Energy rebates	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total other financing sources (uses)	<u>(900,000)</u>	<u>118,525</u>	<u>291,850</u>	<u>290,017</u>	<u>73,605</u>	<u>0</u>
Net change in fund balances	(851,823)	201,118	507,106	746,399	932,501	942,985
Fund balance, July 1	3,994,727	3,143,404	3,344,522	3,851,628	4,598,027	5,530,528
Fund balance, June 30	<u>\$3,143,404</u>	<u>\$3,344,522</u>	<u>\$3,851,628</u>	<u>\$4,598,027</u>	<u>\$5,530,528</u>	<u>\$6,473,513</u>

(1) Represents transfers in from the General Fund to pay debt service on the District's medium term obligations.

(2) Represents transfers out for capital projects.

Source: Derived from the District's audited financial statements for fiscal years 2017 through 2020, the current estimates of the District's staff for the estimated actual fiscal year 2021 information, and the District's 2022 budget adopted on May 25, 2021, as amended on June 22, 2021, for the budget fiscal year 2020 information.

**Management’s Discussion and Analysis**

An overview of the financial activity and overall financial condition of the District for the fiscal year ended June 30, 2020, is presented in the “Management’s Discussion and Analysis” section of the audited financial statements attached to this Official Statement as Appendix A. The Management’s Discussion and Analysis includes a general description of the District’s funds and pertinent results in those funds, a district-wide financial analysis, a brief discussion of economic and budget factors impacting the 2020 fiscal year and other information, including information about State financial difficulties and declining enrollment in the District. Unless discussed in “Analysis of Recent Financial Developments” or elsewhere in this Official Statement, the District is not aware of any material adverse change in its financial condition since June 30, 2020.

**Analysis of Recent Financial Developments**

Fiscal Year 2021. In fiscal year 2021, the District’s operations funding decreased from the prior year by approximately \$550,000, which was due almost entirely to the reduced enrollment experienced with the impact of the COVID-19 pandemic. However, the District’s expenditures also came in significantly under budget due to the impact of COVID-19 pandemic on staffing and purchasing, and the support of federal stimulus funds. Overall, the District expects a slight reduction in General Fund balance of approximately \$100,000 for fiscal year 2021.

Fiscal Year 2022. As described in detail under “DISTRICT FINANCIAL INFORMATION – General Fund – Sources of Funding, the PCFP became effective July 1, 2021. In the transition to the new funding formula, the Legislature anticipated that there would be some school districts that received less operations funding than they had previously under the Nevada Plan (effective until June 30, 2021). With an intent to not harm districts, the Legislature put language into place to have school district revenues under the PCFP not be (reasonably) less than fiscal year 2020 revenues. For impacted school districts, the Legislature passed Senate Bill 458 during the 2021 Legislative Session, which contained a final revenue number 0.69% less than fiscal year 2020 revenues.

Full implementation of the PCFP in fiscal year 2022 results in the District receiving approximately the same operations revenue as in fiscal year 2020. While this is a reduction in revenues which would otherwise lead to a General Fund deficit, the Board has approved using ESSER II & ESSER III federal stimulus funds to balance the General Fund budget for fiscal year 2022 (and potentially fiscal year 2023). The Board is aware of the need to begin reducing General Fund expenditures over the next two years, so that by fiscal year 2024 and after the 2023 Legislative Session, the District can make final adjustments to achieve a balanced budget with ESSER funds no longer available for fiscal year 2025.

**Risk Management**

The District, like all governmental entities, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District has joined together with similar public agencies (cities, counties, and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (the “Pool”) is a public entity risk pool currently operating as a common risk management and insurance program for its members. See Note 13 in the audited basic financial statements attached hereto as APPENDIX A for a description of the District’s risk management program and the coverage provided by the Pool. In the opinion of the District’s Director of Fiscal Services, the District’s insurance coverages provide adequate insurance protection for the District.



## DEBT STRUCTURE

### Debt Limitation

State statutes limit the aggregate principal amount of the District's general obligation debt to 15% of the District's total assessed valuation. The following table presents a record of the District's outstanding general obligation indebtedness with respect to its statutory debt limitation.

#### Statutory Debt Limitation

Fiscal Year Ended <u>June 30</u>	Assessed <u>Valuation</u> <sup>(1)</sup>	<u>Debt Limit</u>	Outstanding General <u>Obligation Debt</u>	Additional Statutory Debt <u>Capacity</u>
2017	\$1,511,939,926	\$226,790,989	\$61,490,000	\$165,300,989
2018	1,578,809,029	236,821,354	56,574,000	180,247,354
2019	1,649,185,408	247,377,811	52,503,000	194,874,811
2020	1,760,784,958	264,117,744	61,810,000	202,307,744
2021	1,921,904,731	288,285,709	58,895,000	229,390,709
2022	1,917,802,638	287,670,395	70,895,000 <sup>(2)</sup>	216,775,395

<sup>(1)</sup> Includes the assessed value of the Redevelopment Agency, which is included for purposes of calculating the debt limit.

<sup>(2)</sup> Outstanding as of August 1, 2021, including the issuance of the Bonds.

Sources: The District; Property Tax Rates for Nevada Local Governments - Department of Taxation; State of Nevada.

### Outstanding Debt and Other Obligations

Outstanding General Obligation Bonds. The following table presents the outstanding general obligation indebtedness of the District as of August 1, 2021, including the issuance of the Bonds.

#### Outstanding Debt and Other Obligations<sup>(1)</sup>

	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
<b><u>GENERAL OBLIGATIONS BONDS</u></b> <sup>(2)</sup>				
School Imp. & Refunding Bonds, Series 2012	03/06/12	06/01/32	\$4,025,000	\$ 2,610,000
Refunding Bonds, Series 2014	12/09/14	06/01/27	8,530,000	6,565,000
Refunding Bonds, Series 2016	07/28/16	06/01/31	9,560,000	8,225,000
School Improvement Bonds, Series 2017A	02/08/17	06/01/37	15,000,000	14,800,000
Refunding Bonds, Series 2019A	08/13/19	06/01/31	11,075,000	10,875,000
School Improvement Bonds, Series 2019B	12/04/19	06/01/39	11,000,000	11,000,000
School Bonds, Series 2020	11/29/20	06/01/35	5,160,000	4,820,000
School Improvement Bonds, Series 2021 ( <i>this issue</i> )	10/05/21	06/01/41	12,000,000	<u>12,000,000</u>
<b>Total</b>				<b>\$70,895,000</b>

FOOTNOTES ON FOLLOWING PAGE

<sup>(1)</sup> As of August 1, 2021, including the issuance of the Bonds. Does not include accrued compensated absences, deferred amounts from bonds issuance, arbitrage, other post employment benefits, remediation, and claims and judgments.

- (2) General obligation bonds secured by the full faith, credit and taxing power of the District. The ad valorem tax available to pay these bonds is limited to the \$3.64 statutory and the \$5.00 constitutional limit.

Source: The District and the Municipal Advisor.

Additional Bonds. The District reserves the privilege of issuing additional general obligation bonds hereafter authorized at any time or from time to time for any lawful purpose, as permitted by law. The District has received the approval of the Carson City Debt Management Commission to issue up to \$40 million of general obligation bonds. After the issuance of the Bonds and subject to the approval by the Board and fulfillment of all other legal requirements, the District will be authorized to issue additional general obligation bonds in the aggregate principal amount of \$11,840,000. The District does not anticipate issuing additional bonds during the next three months.

Other Obligations. From time to time, the District may also enter into operating leases for items such as office equipment. The District also records liabilities for compensated absences. See Note 8 in the audited financial statements attached hereto as Appendix A for more information.

### **Total Debt Service Requirements - General Obligation Bonds**

The following table illustrates the debt service requirements for the District's outstanding general obligation bonds repaid by the debt service property tax levy as of August 1, 2021, including the Bonds.

Outstanding Debt Service Requirements - General Obligation Bonds<sup>(1)</sup>

Fiscal Year Ended <u>June 30</u>	<u>General Obligation Bonds</u>		Grand <u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$4,314,000	\$2,322,314	\$6,636,314
2023	4,769,000	2,288,149	7,057,149
2024	4,529,000	2,081,800	6,610,800
2025	5,009,000	1,896,568	6,905,568
2026	5,180,000	1,688,404	6,868,404
2027	5,380,000	1,472,692	6,852,692
2028	4,606,000	1,293,648	5,899,648
2029	4,611,000	1,126,856	5,737,856
2030	4,767,000	956,582	5,723,582
2031	4,938,000	798,659	5,736,659
2032	2,954,000	634,394	3,588,394
2033	2,905,000	546,255	3,451,255
2034	3,001,000	458,737	3,459,737
2035	3,102,000	374,859	3,476,859
2036	2,810,000	286,994	3,096,994
2037	2,890,000	202,569	3,092,569
2038	1,675,000	114,513	1,789,513
2039	1,720,000	75,700	1,795,700
2040	860,000	34,700	894,700
2041	875,000	17,500	892,500
<b>Total</b>	<b>\$70,895,000</b>	<b>\$18,671,892</b>	<b>\$89,566,892</b>

<sup>(1)</sup> Totals may not add due to rounding.

Source: The District and the Municipal Advisor.

## TAX MATTERS

### Federal Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Tax Code”), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. For purposes of this paragraph and the succeeding discussion, “interest” includes the original issue discount on certain of the Bonds only to the extent such original issue discount is accrued as described herein.

The Tax Code imposes several requirements which must be met with respect to the Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the Bonds. These requirements include: (a) limitations as to the use of proceeds of the Bonds; (b) limitations on the extent to which proceeds of the Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the Bonds above the yield on the Bonds to be paid to the United States Treasury. The District covenants and represents in the Bond Resolution that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the Bonds from gross income and alternative minimum taxable income under such federal income tax laws in effect when the Bonds are delivered. Bond Counsel’s opinion as to the exclusion of interest on the Bonds from gross income and alternative minimum taxable income is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the District to comply with these requirements could cause the interest on the Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel’s opinion also is rendered in reliance upon certifications of the District and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

With respect to the Bonds that were sold in the initial offering at a discount (the “Discount Bonds”), the difference between the stated redemption price of the Discount Bonds at maturity and the initial offering price of those bonds to the public (as defined in Section 1273 of the Tax Code) will be treated as “original issue discount” for federal income tax purposes and will, to the extent accrued as described below, constitute interest which is excluded from gross income or alternative minimum taxable income under the conditions described in the preceding paragraphs. The original issue discount on the Discount Bonds is treated as accruing over the respective terms of such Discount Bonds on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 with straight line interpolation between compounding dates. The amount of original issue discount accruing each period (calculated as described in the preceding sentence) constitutes interest which is excluded from gross income or alternative minimum taxable income under the conditions and subject to the exceptions described in the preceding paragraphs and will

be added to the owner's basis in the Discount Bonds. Such adjusted basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale or payment at maturity). Owners should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners who purchase Discount Bonds after the initial offering or who purchase Discount Bonds in the initial offering at a price other than the initial offering price (as defined in Section 1273 of the Tax Code) should consult their own tax advisors with respect to the federal tax consequences of the ownership of the Discount Bonds. Owners who are subject to state or local income taxation should consult their tax advisor with respect to the state and local income tax consequences of ownership of the Discount Bonds. It is possible that, under the applicable provisions governing determination of state and local taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Bonds. Owners of the Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Certain of the Bonds were sold at a premium, representing a difference between the original offering price of those Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the Bonds. Owners of the Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the Bonds, the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the Bonds or any other

date, the tax value of that exclusion for different classes of taxpayers from time to time, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the Bonds. Owners of the Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, the market value of the Bonds may be adversely affected. Under current audit procedures the Service will treat the District as the taxpayer and the Bond owners may have no right to participate in such procedures. The District has covenanted in the Bond Resolution not to take any action that would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the District, the Municipal Advisor, the Initial Purchaser, Bond Counsel or Special Counsel is responsible for paying or reimbursing any Bond holder with respect to any audit or litigation costs relating to the Bonds.

### **State Tax Exemption**

In the opinion of Bond Counsel, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

## **LEGAL MATTERS**

### **Litigation**

The District’s general counsel states that, as of the date of this Official Statement, there is no pending or threatened litigation which would restrain or enjoin the issuance, sale, execution and delivery of the Bonds or the pledge or application of any moneys or security provided for the payment of the Bonds, or affect the District’s financial position, its ability to pay debt service on the Bonds or its ability perform its obligations to the owners of the Bonds.

### **Approval of Certain Legal Proceedings**

The approving opinion of Sherman & Howard L.L.C., as Bond Counsel, will be delivered with the Bonds. A form of the bond counsel opinion is attached to this Official Statement as APPENDIX D. The opinion will include a statement that the obligations of the District are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the federal constitution, including bankruptcy. Sherman & Howard L.L.C. has also acted as Special Counsel to the District in connection with this Official Statement. Certain matters will be passed upon for the District by its general counsel.

## **Police Power**

The obligations of the District are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power and powers of taxation inherent in the sovereignty of the State, and to the exercise by the United States of the powers delegated to it by the federal constitution (including bankruptcy).

## **Sovereign Immunity**

Pursuant to State statute (NRS 41.035), an award for damages in an action sounding in tort against the District may not include any amount as exemplary or punitive damages and is limited to \$100,000 per cause of action. The \$100,000 limitation shall be increased to \$150,000 for causes of actions that accrue on or after July 1, 2020, but before July 1, 2022, and will increase to \$200,000 for causes of actions that accrue after July 1, 2022. The limitation does not apply to federal actions brought under federal law such as civil rights actions under 42 U.S.C. Section 1983 and actions under The Americans with Disabilities Act of 1990 (P.L. 101-336), or to actions in other states.

## **INDEPENDENT AUDITORS**

The audited basic financial statements of the District as of and for the year ended June 30, 2020, attached hereto as APPENDIX A, have been audited by Silva, Sceirine & Associates, LLC, certified public accountants, Reno, Nevada, to the extent and for the period stated in their report appearing herein.

The audited financial statements of the District, including the auditor's report thereon, are public documents and pursuant to State law no consent from the auditors is required to be obtained prior to inclusion of the audited financial statements in this Official Statement. Accordingly, the District has not requested consent from its auditors. Silva, Sceirine & Associates, LLC, the District's independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Silva, Sceirine & Associates, LLC, also has not performed any procedures relating to this Official Statement.

## **RATING**

Moody's Investors Service ("Moody's") has assigned the Bonds the rating shown on the cover page of this Official Statement. Such rating reflects only the views of such rating agency and there is no assurance that any rating, once received, will continue for any given period of time or that any rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds. Except for its responsibilities under the Disclosure Certificate, the District has not undertaken any responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating once received or to oppose any such proposed revision.

**MUNICIPAL ADVISOR**

JNA Consulting Group, LLC, is serving as Municipal Advisor to the District in connection with the Bonds. The Municipal Advisor has not audited, authenticated, or otherwise verified the information set forth in this Official Statement, or any other related information set forth in this Official Statement, or any other information available to the District, with respect to the accuracy and completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

**UNDERWRITING**

The District sold the Bonds at public sale on September 16, 2021 to Janney Montgomery Scott LLC (the “Initial Purchaser”) at a purchase price equal to \$13,105,161.54 (consisting of the par amount of the Bonds, plus net original issue premium of \$1,219,930.30, less underwriting discount of \$114,768.76).

**OFFICIAL STATEMENT CERTIFICATION**

The undersigned official of the District hereby confirms and certifies that the execution and delivery of this Official Statement and its use in connection with the offering and sale of the Bonds have been duly authorized by the Board.

CARSON CITY SCHOOL DISTRICT, NEVADA

By: /s/ Andrew J. Feuling  
Director of Fiscal Services



**APPENDIX A**

**AUDITED BASIC FINANCIAL STATEMENTS OF CARSON CITY  
SCHOOL DISTRICT, NEVADA FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**CARSON CITY SCHOOL DISTRICT**

***FINANCIAL STATEMENTS &  
SUPPLEMENTARY INFORMATION***

**Fiscal Year Ended**

**June 30, 2020**



**SILVA, SCEIRINE**  
**& ASSOCIATES, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

# CARSON CITY SCHOOL DISTRICT

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# CARSON CITY SCHOOL DISTRICT

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees of the  
Carson City School District  
Carson City, 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 Carson City School District, Carson City, Nevada (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Carson City School District as of June 30, 2020, and the respective changes in its financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Federal Grants Fund, and the Special Education Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Yerington Office**

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**Reno Office**

9585 Prototype Court, Suite C • Reno, NV 89521 • ph 775/624-9105

## **Emphasis of Matter – Correction of an Error**

As discussed in Note 16 to these financial statements, the fund balance of the Capital Projects Fund as of July 1, 2019 has been restated for the effect of correcting the recognition of a federal E-rate reimbursement as revenue when it should have been reported as a deferred inflow of resources because the receivable did not meet the availability criterion under the modified accrual basis of accounting. Our opinions are not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, and the schedules related to the District's net pension liability and net postemployment liability on pages 69 through 71 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

### ***Prior Year Partial Comparative Information***

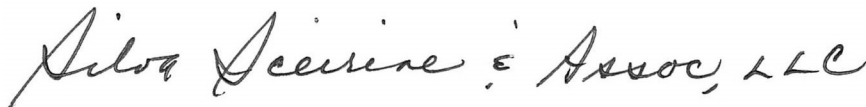
We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2019 and have issued our report thereon dated November 30, 2019, which expressed an unmodified opinion

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, 2019 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 2019 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 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 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 October 31, 2020, 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.



Reno, Nevada  
October 31, 2020



# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

Management's Discussion and Analysis of Carson City School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with the District's financial statements, which follow this narrative.

### Financial Highlights

- The District's net position (deficit) changed by \$(4,047,859) for FY20, compared to a decrease of \$(1,216,466) in FY19.
- The District's governmental funds increased by \$8,851,033 in FY20, compared to a decrease of \$(13,831,613) in FY19.
- The General Fund's unassigned and assigned fund balance decreased by \$710,641 in FY20, compared to a decrease of \$(2,033,660) in FY19.
- Total governmental revenues increased by \$2,210,527, or 2.3% in FY20, compared to \$963,376 or 1% in FY19.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Carson City School District's basic financial statements. The District's basic financial statements consist of three components: 1) District-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. The basic financial statements present two different views of the District through the use of district-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

The first two statements in the basic financial statements are the **District-wide (sometimes referred to as Government-wide) Financial Statements**. They provide both short and long-term information about the District's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the District. These statements provide more detail than the district-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the proprietary fund statements; and 3) the fiduciary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements.

# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

**Supplementary information** includes combining and individual fund statements and schedules, providing budget to actual and prior year comparisons. These schedules report compliance with budgetary constraints to enhance accountability at the fund, program, and function level. The supplementary information also includes required supplementary information (RSI), which includes information related to the District's obligation to provide pension and other post-employment benefits (OPEB) to its employees.

### **District-wide Financial Statements**

The District-wide financial statements are designed to provide the reader with a broad overview of the Carson City School District's finances, similar in format to a financial statement of 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 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 the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods. The District has no functions in the business-type category, which results in the entire statement representing governmental activities. The District-wide financial statements are on pages 16-17 of this report.

### **Fund Financial Statements**

The fund financial statements provide a more detailed look at the District's most significant activities. 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 uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the Nevada Revised Statutes (NRS) and the District's regulations. The District's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. These funds focus on how assets can readily be converted into cash, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the District's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in reconciliations (pages 19 and 22) that are a part of the fund financial statements.

# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

The focus of the governmental fund statements is on major funds. The District has 16 individual governmental funds of which the following are considered major funds:

- ◇ General Fund
- ◇ Special Education Fund
- ◇ Federal Grants Fund
- ◇ Debt Service Fund
- ◇ Bond Issues Fund

These funds are disclosed separately in the governmental funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances. The remaining 11 nonmajor governmental funds are combined into a single aggregated presentation in these statements. Individual fund data for each of these nonmajor funds is reported within the Combining and Individual Fund Statements and Schedules section beginning on page 72 of this report.

**Proprietary Funds** – Proprietary funds are comprised of enterprise funds and internal service funds. As previously discussed, the District has no business-type activities to be accounted for in enterprise funds. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the functions of the District. The District uses three internal service funds to account for its risk financing of employees' health care and unemployment compensation as well as the self-insurance of workers' compensation. Because internal service fund operations primarily benefit governmental funds, they are included in the governmental activities in the district-wide financial statements.

**Fiduciary Funds** - *Fiduciary Funds* account for resources held by the District in a trustee or agency capacity for the benefit of others; as such, fiduciary funds are not included in the district-wide statements. Within this fund type, the District accounts for assets held in custodial capacity as an agent for the Student Activity Funds. The District also maintains a Private-Purpose Special Pay Plan Trust Fund which accounts for funds contributed for the benefit of retiring or terminating employees.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements are on pages 39-68 of this report.

### DISTRICT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The largest component of the District's net position reflects the District's investment in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt that was issued to acquire those items. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

# CARSON CITY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

The negative net position can be attributed to GASB 68 and GASB 75 and the recording of a net pension liability and other postemployment benefits liability (and the accompanying deferred outflows/inflows) totaling \$102.0 million at year-end.

The table which follows provides a summary of the District's net position (deficit) for 2020 compared to 2019.

<b>DISTRICT'S NET POSITION</b>				
	<b>2020</b>	<b>2019</b>	<b>Change</b>	
	<i>(In Millions)</i>			
<b>Assets</b>				
Current and other assets	\$ 44.5	\$ 37.5	\$ 7.0	18.67%
Net capital assets	100.8	102.0	(1.2)	(1.18%)
Total Assets	<u>145.3</u>	<u>139.5</u>	<u>5.8</u>	4.16%
<b>Deferred Outflows of Resources</b>	<u>25.9</u>	<u>19.2</u>	<u>6.7</u>	34.90%
<b>Liabilities</b>				
Current liabilities	13.8	14.6	(0.8)	(5.48%)
Long-term liabilities	178.2	163.6	14.6	8.92%
Total Liabilities	<u>192.0</u>	<u>178.2</u>	<u>13.8</u>	7.74%
<b>Deferred Inflows of Resources</b>	<u>11.5</u>	<u>8.6</u>	<u>2.9</u>	33.72%
<b>Net Position</b>				
Net investment in capital assets	46.7	48.1	(1.4)	(2.91%)
Restricted	8.5	10.8	(2.3)	(21.30%)
Unrestricted	<u>(87.3)</u>	<u>(87.0)</u>	<u>(0.3)</u>	(0.34%)
Total Net Position	<u>\$ (32.1)</u>	<u>\$ (28.1)</u>	<u>\$ (4.0)</u>	(14.23%)

A case could be made that the largest impact on the District's financial statement in 2020 had absolutely no impact on the District's financial condition; GASB 75 and GASB 68 (as amended by GASB 82) require the District to recognize a net pension and OPEB liability (net of related deferred inflows and outflows) of \$102.0 million. As discussed below, users of this financial statement may gain a clearer understanding of the District's actual financial condition by adding this amount to the reported net position.

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.

# CARSON CITY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

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 and are determined. 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 termination payments. 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 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 statements prepared on an accrual basis of accounting including 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.

In order to further understand what makes up the changes in net position for the current year, the following table provides details of the District's activities for the current year and the immediately preceding year.

### DISTRICT'S CHANGES IN NET POSITION

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
	<i>(In Millions)</i>	
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 0.7	\$ 1.1
Operating grants and contributions	23.4	21.9
General revenues:		
Property taxes	17.8	16.6
Local school support taxes	28.2	27.4
Government service taxes	3.1	3.1
State aid not restricted to specific purposes	23.2	24.0
Other revenues	0.9	1.0
Total Revenues	<u>97.3</u>	<u>95.1</u>
<b>Expenses</b>		
Instruction	64.1	60.8
Support services	26.7	26.1
Nutrition services	3.0	2.9
Facilities acquisition/improvement	5.0	4.6
Interest on long-term debt	2.1	1.9
Total Expenses	<u>100.9</u>	<u>96.3</u>
<b>Change in Net Position (Deficit)</b>		
<b>before Prior-Period Adjustment</b>	<u>\$ (3.60)</u>	<u>\$ (1.20)</u>

# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

### **Governmental Activities:**

- ◇ The largest and main general revenue sources for the District are local school support taxes, property taxes (ad valorem), and state aid. Together, these revenue sources comprise over 71% of total revenues.
- ◇ After four years of increases in the local school support taxes (LSST) ranging from 8.3% to 11.6%, the LSST increased in FY20 by 2.9%, due to effects of the national and state-wide lockdowns attributable to the global COVID-19 pandemic.

### **FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS**

Carson City School District uses fund accounting and budgetary integration to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the District's current funding requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2020, the District's governmental funds reported a combined fund balance of \$31.7 million, up from last year's \$22.8 million. The increase was primarily attributable to activity in the Bond Issues Fund, and most significantly, the issuance of \$11.0 million School Improvement Bonds in December 2019. See additional details on these bonds later in this section.

Of the District's \$31.7 million fund balance in the governmental funds, approximately 62% or \$19.6 million is nonspendable, restricted or assigned fund balance. (As discussed above, \$11.5 million of the \$19.6 million is restricted in the Bond Issues Fund.) The remaining \$12.1 million, or 38% constitutes unassigned fund balance in the General Fund, which is available for spending at the District's discretion within the parameters of the fund and in accordance with the legally-adopted budget. This unassigned fund balance as of June 30, 2020, was approximately 9.2% greater than the prior year.

#### ***General Fund***

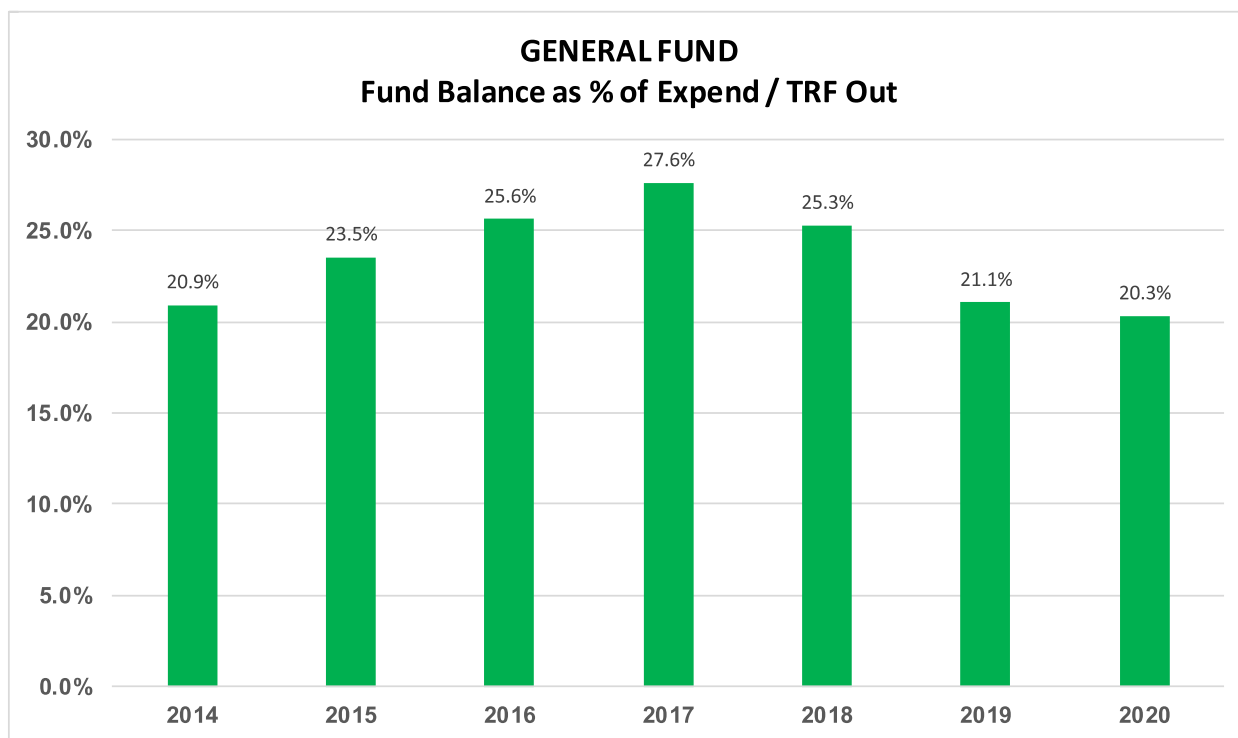
The District's General Fund decreased by \$704,685 in FY20, compared to a \$2.0 million decrease in the previous year. Revenue from all sources increased by less than one-half of a percent. Modest increases in local and federal sources were nearly offset by a 3.5% decrease in state support from the Distributive School Account, as provided for by the "Nevada Plan."

Expenditures, including transfers, in the General Fund decreased by \$1.0 million, or 1.5% from the previous year. Nearly 75% of this decrease was in the support services functions.

# CARSON CITY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

The chart below depicts the General Fund's fund balance as a percentage of its expenditures and transfers to other funds for the past seven years. It shows that the District's General Fund balance is consistently sufficient to cover future expenditures (assuming that future expenditures will resemble past expenditures). It also shows how long the District could operate if it had collected its last dollar of revenue (*where 1 month = 8.3%; 2 months = 16.6%; and 3 months = 25.0%.*) While the past 3 years show a slight trending downward, the District's ratio remains healthy and highlights the District's commitment to its fiscal health and financial stability.

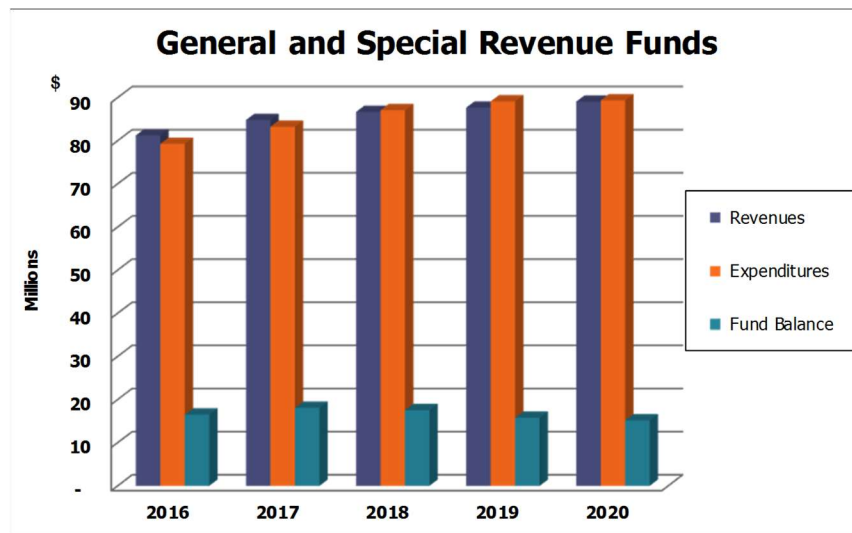


# CARSON CITY SCHOOL DISTRICT

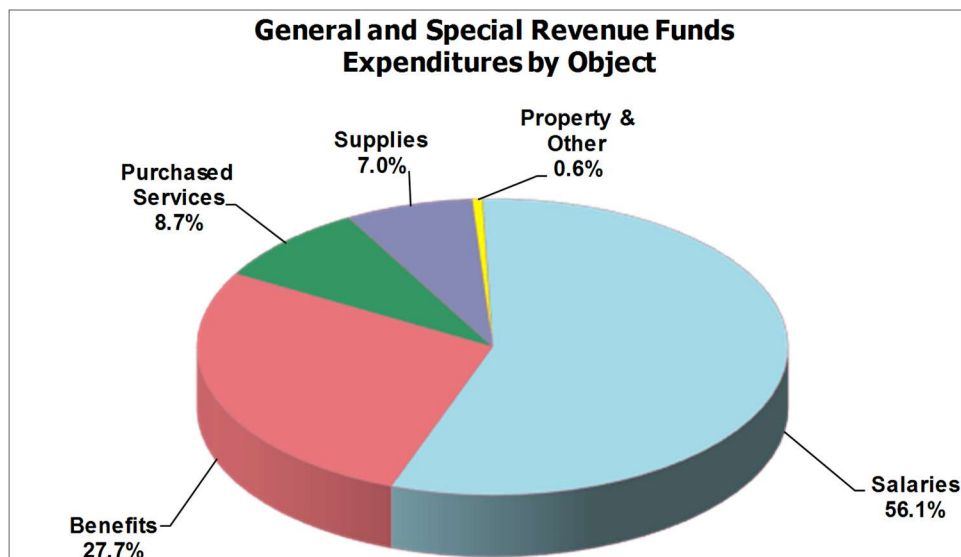
## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

### *General and Special Revenue Funds*

The General Fund and the special revenue funds are often referred to as the District's "operating funds." The following chart compares the revenues to expenditures and fund balance for these funds for the last five years:



Education is labor intensive, which is evident from the following chart. This chart displays the expenditures (by object) for the District's General and Special Revenue Funds:





# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

### *Debt Service Fund*

The June 30, 2020 fund balance in the Debt Service Fund of \$4.6 million, combined with revenues budgeted for the 2020-21 year of \$7.0 million exceed the 2020-21 anticipated debt service requirements (principal and interest payments) of \$6.0 million on the District's general obligation debt. Further, the fund is in compliance with the reserve requirements established by Nevada Revised Statutes (NRS) 350.020(5).

### *Bond Issues Fund*

In December 2019, the District issued \$11 million School Improvement Bonds for additional modernization and upgrade of the District's schools and facilities, including adding capacity for middle school allowing for balanced populations between the middle schools (estimated at \$8.2 million), providing for District office renovations (estimated at \$1 million), and the replacement of the high school football/track turf (estimated at \$1 million). Additional financing may be required for these projects, but final pricing has not been completed. As previously mentioned, the proceeds from this bond issue are restricted in the Bond Issues Fund.

## BUDGETARY HIGHLIGHTS

Nevada's school districts are funded in large part based on student enrollment, as determined by a quarterly calculation of average daily enrollment (ADE). State statutes require all school districts to amend their General Fund budgets on or before January 1 of each school year, after the ADE is reported for the preceding quarter. This amended budget was approved by the Board of Trustees. During the year, the Director of Fiscal Services is authorized to transfer appropriations between accounts and funds, subject to the subsequent approval by the Board of Trustees.

The **Budget-to-Actual information** contained within these financial statements present the original and final budget and the variance between the final budget and the current year actual results. The overall variance between actual expenditures and the final budget of the General Fund (found on pages 23-28) is primarily the result of continued efforts by the District to operate efficiently in the face of challenging economic circumstances.

The Budget-to-Actual information for the Federal Grants Fund can be found on pages 29-32 and for the Special Education Fund on page 33. For all other funds, please refer to the appropriate schedule(s) found in the "Combining and Individual Fund Statements and Schedules" section of this report.

# CARSON CITY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

### DEBT ADMINISTRATION AND CAPITAL ASSETS

#### *Debt Administration*

As of June 30, 2020, the District's debt was comprised of the following:

#### **Outstanding General Obligation Debt**

	<u>2020</u>	<u>2019</u>
	<i>(In Millions)</i>	
General Obligation Bonds *	\$ 57.7	\$ 52.5
Installment Purchase Agreement	4.9	5.1
	<u>\$ 62.6</u>	<u>\$ 57.6</u>

*\* Does not include unamortized bond premiums of \$5.1 million in 2020 and \$2.9 million in 2019.*

Principal and interest payments on the combined General Obligation debt noted above for the 2020-21 fiscal year are scheduled to total \$6.0 million. All debt is serviced by the Debt Service Fund.

The District is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 15% of the District's total assessed property valuation, for a limit as of June 30, 2020 of \$264.1 million. As of June 30, 2020, the District's general obligation debt outstanding did not exceed its statutory limit; however, other factors may exist which limit the amount of additional debt that the District can issue.

The liability for compensated absences changes annually due to changes in District personnel, policies, and collective bargaining agreements. The liability as of June 30, 2020 was \$1.5 million.

As previously discussed, the District reports a net pension liability as discussed in Note 9 to the financial statements. As of June 30, 2020 the District reported a liability of \$98.0 million in the Statement of Net Position, along with deferred outflows of resources of \$22.9 million and deferred inflows of resources of \$9.1 million.

The District also reports a liability for Other Post-Employment Benefits (OPEB) as discussed in Note 11. As of June 30, 2020 the District reported a liability in the Statement of Net Position of \$16.8 million, along with deferred outflows of resources of \$1.1 million and deferred inflows of resources of \$1.9 million.

Additional detail with respect to the District's debt can be found on pages 54-55 of these statements.

# CARSON CITY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

### *Capital Assets*

The District's capital assets as of June 30, 2020 and 2019 are as follows:

	<b>2020</b>	<b>2019</b>
	<i>(In Millions)</i>	
Land	\$ 0.4	\$ 0.4
Construction in progress	-	7.6
Buildings and improvements	96.4	90.4
Equipment and vehicles	4.0	3.6
	<u>\$ 100.8</u>	<u>\$ 102.0</u>

### 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.

Generally, a large percentage of revenues received by the District is provided through the State Distributive School Account (DSA) monies or basic support guarantee for school districts. These revenues are based on a weighted average per pupil within total enrollment. The State's funding model now (beginning in FY16) utilizes a quarterly average daily enrollment (ADE) number multiplied by the districts' per-pupil support amount to determine the districts' Guaranteed Basic Support amount.

The formula weights pre-kindergarten (pre-k) students receiving special education services at 0.6, while all other students are weighted at 1.0. This weighted enrollment number (determined quarterly) is then multiplied by the basic per-pupil support rate. The District's per-pupil support rate for FY20 was established at \$7,184, compared to FY19's of \$7,193. The per-pupil support rate for FY21 has been established at \$7,308, an increase of 1.7% over the FY20 rate.

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.

# CARSON CITY SCHOOL DISTRICT

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## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2020

During the 2019 State Legislature, Senate Bill 543 was passed to provide the framework for a new funding methodology for Nevada's public schools. This is to be fully implemented starting in FY22. Districts whose funding is "harmed" in the move to the new model are to be "held harmless" at their total level of funding in FY20, but what "total" funding exactly is has yet to be defined. Final details of the new funding methodology are expected to be worked out during the 2021 State Legislative Session.

Clearly, the DSA formula will 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 and fiscal health.

In July of 2020, the Nevada Legislature held a Special Legislative Session to deal with the economic impact of the Coronavirus (COVID-19). Nevada school districts were primarily impacted by reductions/deletions in many State K-12 education grant programs for FY21. There was no reduction to the District's per-pupil support rate, which is the primary revenue source of the General Fund.

### REQUESTS FOR INFORMATION

This report is designed to provide an overview of Carson City School District's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Andrew Feuling, Director of Fiscal Services, 1402 West King Street, Carson City, Nevada 89702 or via email at [afeuling@carson.k12.nv.us](mailto:afeuling@carson.k12.nv.us).

# CARSON CITY SCHOOL DISTRICT

## STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2020

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 31,564,195
Receivables	12,750,467
Inventories	203,537
Prepaid expenses	27,718
Capital assets, net	100,825,774
Total Assets	145,371,691
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on refunding	1,928,050
Deferred outflows related to pensions and postemployment benefits	24,018,069
Total Assets and Deferred Outflows	171,317,810
<b>LIABILITIES</b>	
Accounts payable	2,107,190
Accrued liabilities	7,184,612
Interest payable	240,384
Noncurrent liabilities:	
Due within one year	4,298,873
Due in more than one year	63,363,308
Obligation for other postemployment benefits	16,847,630
Net pension liability	97,953,703
Total Liabilities	191,995,700
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenues	425,000
Deferred inflows related to pensions and postemployment benefits	11,036,135
Total Liabilities and Deferred Inflows	203,456,835
<b>NET POSITION (DEFICIT)</b>	
Net investment in capital assets	46,673,234
Restricted for:	
Debt service	4,598,027
Capital projects	420,477
Employee benefits	3,452,334
Unrestricted	(87,283,097)
Total Net Position (Deficit)	\$ (32,139,025)

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2020

PROGRAMS/FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction	\$ 64,096,190	\$ 22,313	\$ 14,988,794	\$ (49,085,083)
Support services	26,700,197	484,809	6,362,764	(19,852,624)
Facilities acquisition and construction	4,952,374	-	-	(4,952,374)
Nutrition services	3,061,234	249,960	2,113,603	(697,671)
Interest and other costs on long-term debt	2,115,004	-	-	(2,115,004)
Total School District	<u>\$100,924,999</u>	<u>\$ 757,082</u>	<u>\$ 23,465,161</u>	<u>(76,702,756)</u>
<b>General Revenues:</b>				
Property taxes				\$ 17,773,067
Local school support taxes				28,201,395
Government service taxes				3,092,600
Franchise taxes				144,265
Earnings on investments				414,414
Other local sources				267,005
State aid not restricted to specific purposes				23,187,151
Total General Revenues				<u>73,079,897</u>
Change in Net Position				<u>(3,622,859)</u>
<b>NET POSITION (DEFICIT), July 1, 2019, original</b>				(28,091,166)
<b>Prior period adjustment</b>				<u>(425,000)</u>
<b>NET POSITION (DEFICIT), July 1, 2019, as restated</b>				<u>(28,516,166)</u>
<b>NET POSITION (DEFICIT), June 30, 2020</b>				<u>\$ (32,139,025)</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## GOVERNMENTAL FUNDS BALANCE SHEET

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	GENERAL	FEDERAL	SPECIAL	DEBT	BOND	NON-MAJOR	TOTALS	
	FUND	GRANTS FUND	EDUCATION FUND	SERVICE FUND	ISSUES FUND	GOV'T FUNDS	GOVERNMENTAL FUNDS	
							2020	2019
<b>ASSETS</b>								
Cash and investments	\$ 7,027,071	\$ -	\$ 1,758,281	\$ 4,587,006	\$ 11,581,591	\$ 1,839,139	\$ 26,793,088	\$ 19,628,494
Receivables	8,580,134	1,434,067	28,059	51,590	8,867	2,647,750	12,750,467	12,447,100
Due from other funds	1,927,217	-	-	-	-	-	1,927,217	3,381,481
Inventories	115,269	-	-	-	-	88,268	203,537	191,725
Prepaid expenditures	27,718	-	-	-	-	-	27,718	16,651
<b>Total Assets</b>	<b>\$ 17,677,409</b>	<b>\$ 1,434,067</b>	<b>\$ 1,786,340</b>	<b>\$ 4,638,596</b>	<b>\$ 11,590,458</b>	<b>\$ 4,575,157</b>	<b>\$ 41,702,027</b>	<b>\$ 35,665,451</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 700,558	\$ 343,645	\$ 73,284	\$ 40,569	\$ 106,870	\$ 690,946	\$ 1,955,872	\$ 4,030,950
Accrued liabilities	3,499,459	276,016	888,953	-	-	1,035,398	5,699,826	5,303,346
Due to other funds	-	814,406	-	-	-	1,112,811	1,927,217	3,381,481
Unearned revenues	-	-	-	-	-	-	-	106,595
<b>Total Liabilities</b>	<b>4,200,017</b>	<b>1,434,067</b>	<b>962,237</b>	<b>40,569</b>	<b>106,870</b>	<b>2,839,155</b>	<b>9,582,915</b>	<b>12,822,372</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenues	-	-	-	-	-	425,000	425,000	-
<b>FUND BALANCES</b>								
Nonspendable	142,987	-	-	-	-	88,268	231,255	207,282
Restricted	-	-	-	4,598,027	11,483,588	420,477	16,502,092	7,201,018
Assigned	1,201,250	-	824,103	-	-	802,257	2,827,610	4,325,118
Unassigned	12,133,155	-	-	-	-	-	12,133,155	11,109,661
<b>Total Fund Balance</b>	<b>13,477,392</b>	<b>-</b>	<b>824,103</b>	<b>4,598,027</b>	<b>11,483,588</b>	<b>1,311,002</b>	<b>31,694,112</b>	<b>22,843,079</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 17,677,409</b>	<b>\$ 1,434,067</b>	<b>\$ 1,786,340</b>	<b>\$ 4,638,596</b>	<b>\$ 11,590,458</b>	<b>\$ 4,575,157</b>	<b>\$ 41,702,027</b>	<b>\$ 35,665,451</b>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2020

**Fund Balance - Governmental Funds** \$ 31,694,112

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Governmental capital assets	\$ 193,682,049	
Less accumulated depreciation	(92,856,275)	
	<u>100,825,774</u>	100,825,774

The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liability and related deferrals are not reported in the governmental funds:

Deferred outflows - pensions	22,879,641	
Deferred inflows - pensions	(9,108,375)	
Net pension liability	(97,953,703)	
Deferred outflows - OPEB	1,138,428	
Deferred inflows - OPEB	(1,927,760)	
OPEB liability	(16,847,630)	
	<u>(101,819,399)</u>	(101,819,399)

Long-term liabilities, including bonds payable and the noncurrent liability for compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds:

Bonds and installment note payable	(62,557,000)	
Bond premium, net	(5,105,181)	
Deferred charges on refunding, net	1,928,050	
Compensated absences	(1,484,786)	
	<u>(67,218,917)</u>	(67,218,917)

The liability for interest on bonds is reported in the fund statements when due and as accrued in the Statement of Activities. (240,384)

Internal service funds are used by management to charge the costs of certain activities to individual funds. Net positions of the internal service funds are reported with governmental activities. 4,619,789

**Net Position (Deficit) - Governmental Activities** \$ (32,139,025)

*See accompanying notes.*



# CARSON CITY SCHOOL DISTRICT

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2020  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	GENERAL FUND	FEDERAL GRANTS FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BOND ISSUES FUND	NON-MAJOR GOV'T FUNDS	TOTAL GOVERNMENTAL FUNDS	
							2020	2019
<b>REVENUES</b>								
Local sources	\$ 42,250,144	\$ -	\$ -	\$ 7,229,101	\$ 106,649	\$ 1,103,675	\$ 50,689,569	\$ 49,274,878
State sources	23,194,407	-	4,557,321	-	-	11,072,297	38,824,025	37,441,102
Federal sources	157,191	4,936,217	-	-	-	2,685,047	7,778,455	8,365,542
Total Revenues	65,601,742	4,936,217	4,557,321	7,229,101	106,649	14,861,019	97,292,049	95,081,522
<b>EXPENDITURES</b>								
Regular programs	29,052,045	1,099,637	-	-	-	5,913,159	36,064,841	35,929,112
Special programs	6,261	1,816,402	12,182,125	-	-	615,990	14,620,778	14,601,044
Vocational programs	2,807,515	115,472	-	-	-	290,181	3,213,168	3,241,441
Adult Education programs	-	-	-	-	-	1,360,161	1,360,161	1,358,370
Extra and Cocurricular activities	606,840	-	-	-	-	-	606,840	645,055
Other Instructional programs	3,352,036	439,775	-	-	-	1,211,463	5,003,274	4,504,906
Community Services programs	54,358	93,514	-	-	-	-	147,872	91,656
Undistributed Expenditures:								
Student support	3,427,205	394,574	-	-	-	1,638,708	5,460,487	4,923,016
Instructional staff support	1,829,665	449,799	-	-	-	262,534	2,541,998	3,204,063
General administration	515,579	-	-	-	-	375	515,954	578,482
School administration	3,851,390	-	-	-	-	-	3,851,390	3,793,033
Central services	4,216,203	104,530	-	-	-	449,356	4,770,089	4,318,212
Operation and maintenance	6,223,081	58,978	-	-	-	175,935	6,457,994	6,517,552
Student transportation	1,648,833	46,283	-	-	-	6,700	1,701,816	2,004,775
Other support services	90,987	284,295	-	-	-	68,549	443,831	558,581
Nutrition services	-	32,958	-	-	-	2,893,669	2,926,627	2,882,544
Facilities acquisition and construction	-	-	-	-	3,237,926	378,816	3,616,742	13,083,227

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2020  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	GENERAL FUND	FEDERAL GRANTS FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	BOND ISSUES FUND	NON-MAJOR GOV'T FUNDS	TOTAL GOVERNMENTAL FUNDS	
							2020	2019
Debt Service:								
Principal	-	-	-	4,312,000	-	-	4,312,000	4,207,000
Interest	-	-	-	2,206,155	-	-	2,206,155	2,063,501
Other	-	-	-	254,564	-	-	254,564	-
Total Expenditures	57,681,998	4,936,217	12,182,125	6,772,719	3,237,926	15,265,596	100,076,581	108,505,570
Revenues Over (Under) Expenditures	7,919,744	-	(7,624,804)	456,382	(3,131,277)	(404,577)	(2,784,532)	(13,424,048)
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of capital assets	10,094	-	-	-	-	-	10,094	17,435
Proceeds-refunding and other bonds	-	-	-	11,075,000	11,000,000	-	22,075,000	-
Principal on refunded bonds	-	-	-	(12,768,000)	-	-	(12,768,000)	-
Bond premium	-	-	-	2,029,247	714,224	-	2,743,471	-
Transfers from other funds	-	-	7,600,000	303,770	-	1,080,753	8,984,523	8,676,859
Transfers to other funds	(8,634,523)	-	-	(350,000)	-	-	(8,984,523)	(8,676,859)
	(8,624,429)	-	7,600,000	290,017	11,714,224	1,080,753	12,060,565	17,435
Net Change in Fund Balances	(704,685)	-	(24,804)	746,399	8,582,947	676,176	9,276,033	(13,406,613)
<b>FUND BALANCES, July 1, as originally stated</b>	14,182,077	-	848,907	3,851,628	2,900,641	1,059,826	22,843,079	36,249,692
Prior Period Adjustment	-	-	-	-	-	(425,000)	(425,000)	-
<b>FUND BALANCES, July 1, as restated</b>	14,182,077	-	848,907	3,851,628	2,900,641	634,826	22,418,079	36,249,692
<b>FUND BALANCES, June 30</b>	\$ 13,477,392	\$ -	\$ 824,103	\$ 4,598,027	\$ 11,483,588	\$ 1,311,002	\$ 31,694,112	\$ 22,843,079

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

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## RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2020

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 8,851,033</b>
 Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.	(1,199,998)
Repayment of debt 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.	4,312,000
Issuance of new debt is a resource in the governmental fund, while the repayment of the principal consumes governmental resources. The net effect of these transactions is deferred and amortized in the Statement of Activities.	(9,499,890)
In the Statement of Activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.	(28,371)
Discount or premium realized at the time of incurring debt are recognized as an expenditure and other financing source or use respectively in the governmental funds. These items are accrued and deferred in the Statement of Activities and amortized over the life of the new debt.	(2,176,498)
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 funds.	39,219
Change in pension expense related to deferred items.	(4,190,600)
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.	223,590
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income (expense) of the internal service funds is reported with governmental activities.	<u>(378,344)</u>
<b>Change in Net Position (Deficit) of Governmental Activities</b>	<b><u><u>\$ (4,047,859)</u></u></b>

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Ad valorem taxes	\$ 10,873,508	\$ 10,873,508	\$ 10,832,959	\$ (40,549)	\$ 10,367,546
School support taxes	28,174,191	28,174,191	28,201,395	27,204	27,416,136
Franchise taxes	180,000	180,000	144,265	(35,735)	168,377
Governmental services tax	2,502,372	2,502,372	2,404,013	(98,359)	2,399,799
Transportation fees	150,000	150,000	119,525	(30,475)	167,851
Earnings on investments	100,000	100,000	24,201	(75,799)	89,545
Income from pupil activities	60,000	60,000	47,504	(12,496)	54,151
Grant indirect cost recovery	225,000	225,000	280,006	55,006	337,303
Other	181,100	181,100	196,276	15,176	188,513
Total Local Sources	42,446,171	42,446,171	42,250,144	(196,027)	41,189,221
State Sources:					
Distributive school account	23,696,229	23,444,138	23,187,151	(256,987)	24,046,181
Other state grants	-	-	7,256	7,256	-
	23,696,229	23,444,138	23,194,407	(249,731)	24,046,181
Federal Sources:					
Grants - Restricted	100,000	100,000	153,288	53,288	69,762
Grants - Unrestricted	5,000	5,000	3,903	(1,097)	4,037
Total Federal Sources	105,000	105,000	157,191	52,191	73,799
Total Revenues	66,247,400	65,995,309	65,601,742	(393,567)	65,309,201
<b>EXPENDITURES</b>					
Regular Programs:					
Instruction:					
Salaries	18,486,474	18,703,456	18,446,678	256,778	18,345,095
Benefits	8,775,436	8,774,007	8,751,854	22,153	8,103,332
Purchased services	28,000	87,337	69,911	17,426	45,156
Supplies	1,489,046	1,768,082	1,460,235	307,847	2,623,707
Property	5,000	7,225	7,225	-	-
Other	3,000	5,494	3,940	1,554	4,227
	28,786,956	29,345,601	28,739,843	605,758	29,121,517
Other Direct Support:					
Salaries	235,608	215,061	215,022	39	230,949
Benefits	109,359	99,200	97,180	2,020	101,040
Purchased services	-	-	-	-	65,786
	344,967	314,261	312,202	2,059	397,775
Total Regular Programs	29,131,923	29,659,862	29,052,045	607,817	29,519,292

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Special Programs:					
Instruction:					
Salaries	\$ -	\$ 400	\$ 286	\$ 114	\$ 914
Benefits	-	200	105	95	19
Supplies	11,000	11,127	5,870	5,257	15,276
	<u>11,000</u>	<u>11,727</u>	<u>6,261</u>	<u>5,466</u>	<u>16,209</u>
Vocational Programs:					
Instruction:					
Salaries	1,768,133	1,772,314	1,764,118	8,196	1,773,747
Benefits	853,966	845,793	832,710	13,083	790,438
Purchased services	-	3,376	3,118	258	6,995
Supplies	20,500	17,070	13,409	3,661	15,029
Other	-	1,969	1,969	-	-
	<u>2,642,599</u>	<u>2,640,522</u>	<u>2,615,324</u>	<u>25,198</u>	<u>2,586,209</u>
Other Direct Support:					
Salaries	150,616	145,755	134,432	11,323	110,153
Benefits	67,356	60,149	57,759	2,390	47,438
	<u>217,972</u>	<u>205,904</u>	<u>192,191</u>	<u>13,713</u>	<u>157,591</u>
Total Vocational Programs	<u>2,860,571</u>	<u>2,846,426</u>	<u>2,807,515</u>	<u>38,911</u>	<u>2,743,800</u>
Extra and Co-curricular Activities:					
Co-curricular Activities:					
Instruction:					
Salaries	55,496	84,099	45,728	38,371	39,004
Benefits	1,166	1,765	951	814	809
Purchased services	10,000	3,646	635	3,011	4,109
Supplies	10,000	6,554	4,220	2,334	5,937
	<u>76,662</u>	<u>96,064</u>	<u>51,534</u>	<u>44,530</u>	<u>49,859</u>
Other Direct Support:					
Salaries	54,893	54,980	47,621	7,359	54,069
Benefits	23,693	23,433	23,128	305	21,712
	<u>78,586</u>	<u>78,413</u>	<u>70,749</u>	<u>7,664</u>	<u>75,781</u>
Total Co-curricular Activities	<u>155,248</u>	<u>174,477</u>	<u>122,283</u>	<u>52,194</u>	<u>125,640</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Athletics:					
Instruction:					
Salaries	\$ 226,058	\$ 236,640	\$ 205,874	\$ 30,766	\$ 227,347
Benefits	11,756	9,805	8,325	1,480	8,180
Purchased services	41,000	82,507	76,282	6,225	84,221
Supplies	116,425	109,637	78,619	31,018	90,129
Other	4,500	10,781	10,550	231	9,066
	<u>399,739</u>	<u>449,370</u>	<u>379,650</u>	<u>69,720</u>	<u>418,943</u>
Other Direct Support:					
Salaries	86,326	85,381	69,274	16,107	69,765
Benefits	24,972	24,836	22,676	2,160	20,829
Purchased services	-	12,957	12,957	-	9,878
	<u>111,298</u>	<u>123,174</u>	<u>104,907</u>	<u>18,267</u>	<u>100,472</u>
Total Athletics	<u>511,037</u>	<u>572,544</u>	<u>484,557</u>	<u>87,987</u>	<u>519,415</u>
Total Extra and Co-curricular	<u>666,285</u>	<u>747,021</u>	<u>606,840</u>	<u>140,181</u>	<u>645,055</u>
Other Instructional Programs:					
Instruction:					
Salaries	1,764,593	1,739,492	1,735,924	3,568	1,681,131
Benefits	909,833	921,674	914,681	6,993	809,696
Purchased services	-	5,025	4,204	821	4,093
Supplies	405,500	308,559	307,670	889	168,728
Other	-	-	-	-	2,361
	<u>3,079,926</u>	<u>2,974,750</u>	<u>2,962,479</u>	<u>12,271</u>	<u>2,666,009</u>
Other Direct Support:					
Salaries	288,313	250,726	246,847	3,879	278,520
Benefits	145,809	111,704	109,875	1,829	130,736
Purchased services	-	36,951	30,921	6,030	32,538
Supplies	-	2,002	1,914	88	2,471
	<u>434,122</u>	<u>401,383</u>	<u>389,557</u>	<u>11,826</u>	<u>444,265</u>
Total Other Instructional	<u>3,514,048</u>	<u>3,376,133</u>	<u>3,352,036</u>	<u>24,097</u>	<u>3,110,274</u>

Continued on next page

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

*(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)*

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Community Service Programs:					
Salaries	\$ 32,692	\$ 33,705	\$ 33,425	\$ 280	\$ 32,399
Benefits	20,651	22,521	20,933	1,588	18,406
	<u>53,343</u>	<u>56,226</u>	<u>54,358</u>	<u>1,868</u>	<u>50,805</u>
Undistributed Expenditures:					
Student Support:					
Salaries	2,378,595	2,421,075	2,280,699	140,376	2,163,095
Benefits	1,057,614	1,090,778	1,069,452	21,326	947,767
Purchased services	25,000	25,200	25,099	101	64,023
Supplies	28,000	52,892	51,955	937	41,177
	<u>3,489,209</u>	<u>3,589,945</u>	<u>3,427,205</u>	<u>162,740</u>	<u>3,216,062</u>
Instructional Staff Support:					
Salaries	1,242,517	1,202,132	1,138,830	63,302	1,552,980
Benefits	510,718	499,092	475,093	23,999	580,595
Purchased services	77,000	181,294	167,293	14,001	75,148
Supplies	112,000	66,603	48,031	18,572	169,058
Other	25,540	540	418	122	3,480
	<u>1,967,775</u>	<u>1,949,661</u>	<u>1,829,665</u>	<u>119,996</u>	<u>2,381,261</u>
General Administration:					
Salaries	271,621	278,512	265,345	13,167	273,035
Benefits	93,899	100,168	99,474	694	96,461
Purchased services	127,500	124,314	99,014	25,300	125,120
Supplies	9,050	50,728	31,404	19,324	55,382
Other	41,500	65,864	20,342	45,522	28,034
	<u>543,570</u>	<u>619,586</u>	<u>515,579</u>	<u>104,007</u>	<u>578,032</u>
School Administration:					
Salaries	2,654,133	2,668,521	2,592,781	75,740	2,562,087
Benefits	1,158,088	1,175,018	1,154,411	20,607	1,083,268
Purchased services	-	50,822	41,308	9,514	56,598
Supplies	194,993	105,669	59,839	45,830	83,617
Other	73,000	386,201	3,051	383,150	7,463
	<u>4,080,214</u>	<u>4,386,231</u>	<u>3,851,390</u>	<u>534,841</u>	<u>3,793,033</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Central Services:					
Salaries	\$ 1,848,599	\$ 1,983,813	\$ 1,920,106	\$ 63,707	\$ 1,831,595
Benefits	889,083	908,684	891,669	17,015	817,421
Purchased services	1,023,925	957,032	875,775	81,257	908,221
Supplies	368,675	558,846	512,707	46,139	548,479
Property	25,250	-	-	-	19,801
Other	48,050	67,729	15,946	51,783	9,948
	<u>4,203,582</u>	<u>4,476,104</u>	<u>4,216,203</u>	<u>259,901</u>	<u>4,135,465</u>
Operation and Maintenance:					
Salaries	2,377,307	2,279,543	2,270,354	9,189	2,277,984
Benefits	1,293,563	1,241,357	1,232,781	8,576	1,221,495
Purchased services	1,377,352	1,977,617	1,843,582	134,035	2,136,591
Supplies	1,646,500	977,987	852,693	125,294	879,978
Property	-	22,000	21,095	905	-
Other	30,000	60,784	2,576	58,208	1,424
	<u>6,724,722</u>	<u>6,559,288</u>	<u>6,223,081</u>	<u>336,207</u>	<u>6,517,472</u>
Student Transportation:					
Salaries	872,149	875,859	797,197	78,662	810,903
Benefits	593,982	545,052	539,786	5,266	497,846
Purchased services	20,000	54,638	44,221	10,417	67,668
Supplies	401,150	373,183	256,151	117,032	311,359
Property	-	10,297	10,297	-	207,654
Other	27,350	3,514	1,181	2,333	373
	<u>1,914,631</u>	<u>1,862,543</u>	<u>1,648,833</u>	<u>213,710</u>	<u>1,895,803</u>
Other Support:					
Salaries	52,666	53,931	53,519	412	51,688
Benefits	26,558	26,990	26,837	153	25,411
Other	-	11,000	10,631	369	1,621
	<u>79,224</u>	<u>91,921</u>	<u>90,987</u>	<u>934</u>	<u>78,720</u>
Total Undistributed Expenditures	23,002,927	23,535,279	21,802,943	1,732,336	22,595,848
Contingency	1,000,000	605,000	-	605,000	-
Total Expenditures	<u>60,240,097</u>	<u>60,837,674</u>	<u>57,681,998</u>	<u>3,155,676</u>	<u>58,681,283</u>

Continued on next page.

See accompanying notes.



# CARSON CITY SCHOOL DISTRICT

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2020

*(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)*

	2020 BUDGET		2020	2019	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	
Revenues Over Expenditures	\$ 6,007,303	\$ 5,157,635	\$ 7,919,744	\$ 2,762,109	\$ 6,627,918
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital assets	5,000	5,000	10,094	5,094	17,435
Transfers (to) other funds	(8,947,688)	(8,823,493)	(8,634,523)	188,970	(8,676,859)
	(8,942,688)	(8,818,493)	(8,624,429)	194,064	(8,659,424)
Net Change in Fund Balance	(2,935,385)	(3,660,858)	(704,685)	2,956,173	(2,031,506)
<b>FUND BALANCE, July 1</b>	12,047,170	14,182,077	14,182,077	-	16,213,583
<b>FUND BALANCE, June 30</b>	\$ 9,111,785	\$ 10,521,219	\$ 13,477,392	\$ 2,956,173	\$ 14,182,077

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

## FEDERAL GRANTS FUND - SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal Sources - grants	\$ 6,200,000	\$ 5,663,095	\$ 4,936,217	\$ (726,878)	\$ 5,593,094
<b>EXPENDITURES</b>					
Regular Programs:					
Instruction:					
Salaries	860,000	588,468	572,943	15,525	764,136
Benefits	400,000	258,045	251,822	6,223	341,861
Purchased services	50,000	69,660	62,535	7,125	67,587
Supplies	100,000	302,766	212,337	90,429	291,277
Other	200,000	-	-	-	-
	<u>1,610,000</u>	<u>1,218,939</u>	<u>1,099,637</u>	<u>119,302</u>	<u>1,464,861</u>
Other Direct Support:					
Salaries	325,000	-	-	-	150,392
Benefits	150,000	-	-	-	67,439
Purchased services	35,000	-	-	-	-
Supplies	100,000	-	-	-	-
	<u>610,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,831</u>
Total Regular Programs	<u>2,220,000</u>	<u>1,218,939</u>	<u>1,099,637</u>	<u>119,302</u>	<u>1,682,692</u>
Special Programs:					
Instruction:					
Salaries	1,400,000	678,516	700,740	(22,224)	708,424
Benefits	550,000	422,711	446,159	(23,448)	419,240
Purchased services	280,978	117,300	105,900	11,400	65,557
Supplies	-	-	-	-	20,821
	<u>2,230,978</u>	<u>1,218,527</u>	<u>1,252,799</u>	<u>(34,272)</u>	<u>1,214,042</u>
Other Direct Support:					
Salaries	125,450	46,000	40,040	5,960	37,208
Benefits	65,000	35,000	32,787	2,213	36,808
Purchased services	44,437	603,226	404,226	199,000	423,785
Supplies	100,000	130,461	61,991	68,470	60,683
Other	-	47,881	24,559	23,322	27,778
	<u>334,887</u>	<u>862,568</u>	<u>563,603</u>	<u>298,965</u>	<u>586,262</u>
Total Special Programs	<u>2,565,865</u>	<u>2,081,095</u>	<u>1,816,402</u>	<u>264,693</u>	<u>1,800,304</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## FEDERAL GRANTS FUND - SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Vocational Programs:					
Instruction:					
Salaries	\$ 7,500	\$ 5,330	\$ 1,240	\$ 4,090	\$ 16,980
Benefits	2,500	269	103	166	354
Purchased services	10,000	-	-	-	15,000
Supplies	5,950	15,298	12,543	2,755	8,406
Property	5,000	-	-	-	-
	<u>30,950</u>	<u>20,897</u>	<u>13,886</u>	<u>7,011</u>	<u>40,740</u>
Other Direct Support:					
Salaries	32,000	52,475	52,220	255	36,279
Benefits	7,000	30,283	28,947	1,336	15,034
Purchased services	68,315	31,499	17,419	14,080	-
Supplies	670	-	-	-	-
Other	-	3,000	3,000	-	2,400
	<u>107,985</u>	<u>117,257</u>	<u>101,586</u>	<u>15,671</u>	<u>53,713</u>
Total Vocational Programs	<u>138,935</u>	<u>138,154</u>	<u>115,472</u>	<u>22,682</u>	<u>94,453</u>
Other Instructional Programs:					
Instruction:					
Salaries	98,000	206,178	186,363	19,815	90,756
Benefits	70,000	104,777	103,508	1,269	57,792
Purchased services	10,000	3,750	-	3,750	-
Supplies	5,000	59,052	44,064	14,988	21,603
Property	4,000	-	-	-	-
Other	500	-	-	-	160
	<u>187,500</u>	<u>373,757</u>	<u>333,935</u>	<u>39,822</u>	<u>170,311</u>
Other Direct Support:					
Salaries	75,000	70,765	54,076	16,689	54,465
Benefits	-	10,683	9,952	731	10,049
Purchased services	-	46,226	16,427	29,799	36,542
Supplies	-	42,387	25,286	17,101	33,820
Other	-	200	99	101	-
	<u>75,000</u>	<u>170,261</u>	<u>105,840</u>	<u>64,421</u>	<u>134,876</u>
Total Other Instructional Programs	<u>262,500</u>	<u>544,018</u>	<u>439,775</u>	<u>104,243</u>	<u>305,187</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## FEDERAL GRANTS FUND - SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed Expenditures:					
Student Support:					
Salaries	\$ 190,000	\$ 192,322	\$ 187,388	\$ 4,934	\$ 232,421
Benefits	107,000	90,544	85,683	4,861	113,699
Purchased services	200,000	133,203	115,072	18,131	194,646
Supplies	5,000	6,658	6,431	227	48,481
	<u>502,000</u>	<u>422,727</u>	<u>394,574</u>	<u>28,153</u>	<u>589,247</u>
Instructional Staff Support:					
Salaries	150,000	219,450	210,689	8,761	202,759
Benefits	40,000	88,964	86,548	2,416	80,169
Purchased services	150,000	130,601	100,602	29,999	192,929
Supplies	30,000	42,128	34,298	7,830	13,044
Property	-	5,550	5,550	-	-
Other	200	12,197	12,112	85	115
	<u>370,200</u>	<u>498,890</u>	<u>449,799</u>	<u>49,091</u>	<u>489,016</u>
Central Services:					
Salaries	-	90,240	56,227	34,013	31,804
Benefits	-	43,685	26,274	17,411	14,864
Purchased services	-	9,000	5,382	3,618	-
Supplies	-	40,575	16,647	23,928	3,532
	<u>-</u>	<u>183,500</u>	<u>104,530</u>	<u>78,970</u>	<u>50,200</u>
Operation and Maintenance:					
Supplies	-	28,559	21,419	7,140	-
Property	-	49,691	37,559	12,132	-
	<u>-</u>	<u>78,250</u>	<u>58,978</u>	<u>19,272</u>	<u>-</u>
Student Transportation:					
Purchased services	100,000	46,293	46,283	10	76,483
Nutrition Services:					
Supplies	-	45,025	32,958	12,067	-
Property	-	-	-	-	5,000
	<u>-</u>	<u>45,025</u>	<u>32,958</u>	<u>12,067</u>	<u>5,000</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## FEDERAL GRANTS FUND - SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Community Services:					
Salaries	\$ -	\$ 59,634	\$ 55,220	\$ 4,414	\$ 67,840
Benefits	-	36,895	35,673	1,222	44,026
Purchased services	-	412	410	2	48,000
Supplies	-	5,892	2,211	3,681	-
	-	102,833	93,514	9,319	159,866
Other Support:					
Other - indirect costs	-	303,371	284,295	19,076	340,646
Total Undistributed Expenditures	972,200	1,680,889	1,464,931	215,958	1,710,458
Total Expenditures	6,159,500	5,663,095	4,936,217	726,878	5,593,094
Net Change in Fund Balance	40,500	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ 40,500	\$ -	\$ -	\$ -	\$ -

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## SPECIAL EDUCATION FUND - SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State Sources:					
State appropriation	\$ 4,440,000	\$ 4,519,402	\$ 4,557,321	\$ 37,919	\$ 4,192,044
<b>EXPENDITURES</b>					
Special Programs:					
Instruction:					
Salaries	5,514,446	5,318,636	5,258,601	60,035	5,215,819
Benefits	2,999,523	2,943,205	2,916,285	26,920	2,722,994
Purchased services	10,000	7,000	3,401	3,599	5,572
Supplies	20,000	15,000	6,525	8,475	9,215
	<u>8,543,969</u>	<u>8,283,841</u>	<u>8,184,812</u>	<u>99,029</u>	<u>7,953,600</u>
Other Direct Support:					
Salaries	1,578,413	1,534,572	1,402,820	131,752	1,529,157
Benefits	725,398	706,636	646,961	59,675	681,231
Purchased services	1,350,000	1,424,875	1,203,305	221,570	1,180,354
Supplies	25,000	58,008	52,036	5,972	57,263
Other	-	275	275	-	125
	<u>3,678,811</u>	<u>3,724,366</u>	<u>3,305,397</u>	<u>418,969</u>	<u>3,448,130</u>
Student Transportation:					
Salaries	428,134	443,788	392,487	51,301	394,729
Benefits	320,096	323,171	299,429	23,742	281,049
Purchased services	-	-	-	-	9,225
	<u>748,230</u>	<u>766,959</u>	<u>691,916</u>	<u>75,043</u>	<u>685,003</u>
Total Expenditures	<u>12,971,010</u>	<u>12,775,166</u>	<u>12,182,125</u>	<u>593,041</u>	<u>12,086,733</u>
Revenues Over (Under) Expenditures	(8,531,010)	(8,255,764)	(7,624,804)	555,122	(7,894,689)
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	<u>8,000,000</u>	<u>7,600,000</u>	<u>7,600,000</u>	<u>-</u>	<u>7,894,689</u>
Net Change in Fund Balance	(531,010)	(655,764)	(24,804)	555,122	-
FUND BALANCE, July 1	<u>597,130</u>	<u>848,907</u>	<u>848,907</u>	<u>-</u>	<u>848,907</u>
FUND BALANCE, June 30	<u>\$ 66,120</u>	<u>\$ 193,143</u>	<u>\$ 824,103</u>	<u>\$ 555,122</u>	<u>\$ 848,907</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

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## PROPRIETARY FUNDS STATEMENT OF NET POSITION

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	<b>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</b>	
	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and investments	\$ 4,771,107	\$ 5,150,743
 <b>LIABILITIES</b>		
Accounts payable	<u>151,317</u>	<u>152,609</u>
 <b>NET POSITION</b>		
Restricted	<u>\$ 4,619,790</u>	<u>\$ 4,998,134</u>

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

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PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2020	2019
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,445,259	\$ 1,419,478
<b>OPERATING EXPENSES</b>		
Salaries	50,912	50,365
Benefits	1,460,643	1,320,178
Purchased services	312,048	501,321
	<u>1,823,603</u>	<u>1,871,864</u>
Change in Net Position	(378,344)	(452,386)
<b>NET POSITION, July 1</b>	<u>4,998,134</u>	<u>5,450,520</u>
<b>NET POSITION, June 30</b>	<u>\$ 4,619,790</u>	<u>\$ 4,998,134</u>

See accompanying notes.



# CARSON CITY SCHOOL DISTRICT

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## PROPRIETARY FUNDS STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received for services	\$ 1,445,259	\$ 1,419,747
Cash paid for salaries and benefits	(73,960)	(71,796)
Cash paid for claims and related	(1,750,935)	(1,775,556)
Net cash provided (used) by operating activities	(379,636)	(427,605)
Net Increase (Decrease) in Cash	(379,636)	(427,605)
<b>CASH AND INVESTMENTS, July 1</b>	5,150,743	5,578,348
<b>CASH AND INVESTMENTS, June 30</b>	<u>\$ 4,771,107</u>	<u>\$ 5,150,743</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>		
Operating income (loss)	<u>\$ (378,344)</u>	<u>\$ (452,386)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:		
Change in assets and liabilities:		
Receivables	-	269
Prepaid expenses	-	35,557
Accounts payable	(1,292)	(11,045)
Total Adjustments	(1,292)	24,781
Net cash provided (used) by operations	<u>\$ (379,636)</u>	<u>\$ (427,605)</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020  
*(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)*

	PRIVATE PURPOSE		TOTALS	
	TRUST FUND SPECIAL PAY PLAN	AGENCY FUNDS	FIDUCIARY FUNDS 2020	2019
<b>ASSETS</b>				
Cash and investments	\$ 1,574,122	\$ 801,300	\$ 2,375,422	\$ 2,569,659
<b>LIABILITIES</b>				
Due to student groups and others	-	801,300	801,300	812,968
Held for compensated absences	1,574,122	-	1,574,122	1,756,691
Total Liabilities	1,574,122	801,300	2,375,422	2,569,659
<b>NET POSITION</b>				
Unrestricted	\$ -	\$ -	\$ -	\$ -

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

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FIDUCIARY FUNDS  
PRIVATE PURPOSE TRUST FUND / SPECIAL PAY PLAN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2020  
*(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)*

	<u>2020</u>	<u>2019</u>
<b>ADDITIONS</b>		
Earnings on investments	\$ 48,276	\$ 51,988
<b>DEDUCTIONS</b>		
Benefits	230,844	143,598
Change in compensated absences benefits	(182,568)	(91,610)
Total Deductions	<u>48,276</u>	<u>51,988</u>
Change in Net Position	-	-
<b>NET POSITION, July 1,</b>	<u>-</u>	<u>-</u>
<b>NET POSITION, June 30,</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Carson City School District, Carson City, Nevada (District) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for governmental accounting and financial reporting.

The following is a summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements.

#### **Reporting Entity**

The District is organized under terms of legislation enacted in 1956 creating countywide school districts. The governing Board of Trustees consists of seven members elected by district voters for four-year terms and has authority to adopt and administer budgets. As required by GAAP, the accompanying financial statements include the accounts of all District operations. The District is not financially accountable for any other entity.

#### **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 financial statements (the Statement of Net Position and the 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. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

In the district-wide 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. Within unrestricted resources, the District first utilizes committed resources, then assigned resources, then unassigned resources as they are needed.

The district-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (ad valorem taxes, school support taxes, distributive school funds, government services tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating grants. Program revenues include operating grants and contributions and investment earnings legally restricted to support a specific program. Program revenue must be directly associated with the program/function. Operating grants include operating-specific and discretionary grants. The net costs (by program/function) are normally covered by general revenue.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### **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.

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 assets, 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 district-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 statements by 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.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

The District reports the following **major governmental funds**:

### *General Fund*

The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

### *Federal Grants Fund*

The Federal Grants Fund accounts for transactions of the District relating to federal funded grant programs and/or assistance.

### *Special Education Fund*

The Special Education Fund accounts for transactions of the District relating to educational services provided to children with special needs supported by federal, state and local sources.

### *Debt Service Fund*

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt, and other debt of governmental activities.

### *Bonds Issues Fund*

The Bond Issues Fund accounts for bond proceeds which are to be used for the acquisition or construction of major capital facilities or major improvements to the District's existing facilities.

The District reports the following **nonmajor governmental funds**:

Adult Education Fund

Adult Education Correctional Fund

Nutrition Services Fund

Gifts and Donations Fund

Class Size Reduction Fund

Summer and Remediation

Programs Fund

State Grants Fund

New Nevada Plan Fund

Medicaid Program Fund

Local Grants Fund

Capital Projects Fund

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

Additionally, the District reports the following fund types:

**Internal service funds** are used to account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis.

Unemployment Insurance Fund  
Workers' Compensation Insurance Fund  
Health Insurance Fund

The **Private-Purpose Special Pay Plan Trust Fund** accounts for funds contributed to the District's Special Pay Plan arrangement under which principal and income benefit employees retiring or terminating with compensation due in connection with unused personal leave, sick leave, or other separation payments.

**Agency funds** are used to account for assets held by the District in a custodial capacity as an agent for the Student Activity Funds and the Carson Montessori Charter School Payroll Fund.

### Measurement Focus

#### *District-Wide Financial Statements*

The district-wide statements, as well as the proprietary and fiduciary 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.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### **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; proprietary fund; and fiduciary 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; 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.

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, if any. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.



# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### *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.

### **Budgets and Budgetary Accounting**

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

1. Prior to April 15, the Superintendent of Schools submits to the Board of Trustees, and to both the State of Nevada Department of Taxation and Department of Education, a tentative budget for the fiscal year beginning the following July 1. This is in accordance with Nevada Revised Statutes. The tentative budget includes proposed expenditures and the means of financing them.
2. On or before the third Monday in May, and with proper public notice, a public hearing is held to obtain taxpayer comments.
3. On or before June 8, the budget is legally adopted by a majority vote of the Board of Trustees.
4. On or before the following January 1, the Board of Trustees adopts an amended final budget to reflect any adjustments necessary as a result of the complete count of students.
5. The Board of Trustees may augment the appropriations by a majority vote of the Board. Prior public notice must be filed in any fund receiving ad valorem taxes.
6. The Director of Fiscal Services is authorized to transfer appropriations between and within accounts, departments and funds if amounts do not exceed the approved budget, subject to subsequent approval by the Board of Trustees.
7. In any year in which the State Legislature, by law, increases or decreases the revenues or expenditures of the District, and the increase or decrease was not included or anticipated in the final budget as adopted, the District may file an amended budget

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

which incorporates those increases or decreases with the State of Nevada Department of Taxation and Department of Education.

8. Budgeted appropriations may not be exceeded by actual expenditures of the various functions in the budgeted governmental funds. The sum of operating and non-operating expenses in the proprietary funds also may not exceed appropriations.
9. Formal budgetary integration is employed as a management control device for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, and the Internal Service Funds. Such funds have legally adopted annual budgets which lapse at year-end.
10. All budgets are adopted on a basis consistent with GAAP. Budgeted amounts reflected in the accompanying financial statements as "FINAL" include all budget amendments made during the year.

### **Cash and Investments**

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the District's investments. Investments are carried at fair value as determined by quoted market prices, net of accrued interest, as provided by the pool sponsors.

Pursuant to NRS 355.170 and 355.175, the District may only invest in the following types of securities:

1. United States bonds and debentures maturing within (10) years from the date of purchase.
2. Certain farm loan bonds and obligations of the Federal Agricultural Mortgage Corporation.
3. Securities of the United States Treasury, obligations of an agency or instrumentality of the United States, or a corporation sponsored by the government maturing within (10) years from the date of purchase.
4. Negotiable certificates of deposit from commercial banks, insured credit unions or savings and loan associations.
5. Certain nonnegotiable certificates of deposit issued by insured commercial banks, insured credit unions, or insured savings and loan associations.
6. Certain securities issued by local governments of the State of Nevada.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

7. Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and certain money market mutual funds.
8. Certain obligations of state and local governments.
9. State of Nevada Local Government Investment Pool Fund.
10. Other securities expressly provided by other statutes, including repurchase agreements and collateralized investment contracts.

### Statements of Cash Flows

For purposes of the statements of cash flows, the District considers all short-term highly liquid instruments purchased with an original maturity of three months or less and all pooled investments to be cash equivalents.

### Inventories

Inventories in the General Fund and Nutrition Services Special Revenue Fund consist of supplies and equipment on hand not yet distributed to requisitioning units. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Inventories are valued at cost, as determined using the first-in, first-out (FIFO) cost method, except for commodities, which are stated at fair value.

### Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and vehicles, are reported in the government-wide financial statements. The District defines capital assets as having an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. If purchased or constructed, all capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are valued at their estimated acquisition value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

	<u>Years</u>
Buildings and Improvements	7-50
Vehicles/Buses	15
Machinery and Equipment	5-10

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### **Allowance for Uncollectible Receivables**

The District has not established an allowance for uncollectible receivables since prior experience has shown that uncollectible receivables are not significant in amount.

### **Accrued Liabilities**

Accrued liabilities consist principally of teacher, administrator, and other District employee salaries and benefits relating to the school program for the year ended June 30, 2019, but not yet paid.

### **Net Position**

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the district-wide Statement of Net Position. Net position is classified in the following categories:

*Net investment in capital assets* – Consists of capital assets net of accumulated depreciation and reduced by any outstanding debt attributable to the acquisition, construction, or improvement of the capital assets.

*Restricted net position* – Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

*Unrestricted net position* – Consists of net position which does not meet the definition of either “net investment in capital assets” or “restricted net position”.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

### **Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to honor constraints imposed upon the use of the resources in the governmental funds. The classifications are:

*Nonspendable fund balance* includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

*Restricted fund balance* includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or rescinded only with the consent of resource providers.

*Committed fund balance* includes amounts that can only be used for the specific purposes determined by a formal action of the District’s highest level of decision-making authority, the Board of Trustees of the Carson City School District. Commitments may be changed or lifted only

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

by the District taking the same formal action that imposed the constraint originally (for example: a resolution.)

*Assigned fund balance* includes amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the District Board of Trustees or (b) the Director of Fiscal Services. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) that are not classified as nonspendable, restricted, or committed.

*Unassigned fund balance* in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned amounts are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally, unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

### **Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the funds. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

### **Expenditures**

Expenditure data is characterized by major program classifications pursuant to the provisions of the National Center for Education Statistics handbook entitled *Financial Accounting for Local and State School Systems* as modified by the State of Nevada Department of Education. A brief description of the major program classifications follows:

*Regular programs* are activities designed to provide elementary and secondary students with learning experiences to prepare them as citizens, family members, and non-vocational workers.

*Special programs* are activities for students receiving special education and related services, having special needs. Special programs include services for the gifted and talented, mentally challenged, physically handicapped, emotionally disturbed, learning disabled, and special programs for other types of students at all levels.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

*Vocational programs* are learning experiences that will provide individuals with the opportunity to develop the necessary knowledge, skills, and attitudes needed for occupational employment.

*Extra-curricular and co-curricular activities* add to the educational experience of students and include events and activities that take place outside the traditional classroom, including student government, athletics, band, clubs and honors societies.

*Other instructional programs* are activities that provide elementary and secondary students with learning experiences in school-sponsored activities, ESL, alternative education, remediation and summer school, and online educational programs.

*Adult education programs* are learning experiences designed to develop knowledge and skills to meet intermediate and long-range educational objectives for adults, who, having completed or interrupted formal schooling, have accepted adult roles and responsibilities.

*Undistributed expenditures* are charges not readily assignable to a specific program. Student and instructional staff support and overall general and administrative costs are classified as undistributed expenditures. Also included are costs of operating, maintaining, and constructing the physical facilities of the District.

*Nutrition services* programs consist of activities to provide food services to students and staff.

### **Compensated Absences**

Teachers and certain school administrators do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to specific maximum days/hours. Employees are allowed to accumulate unlimited sick days for future use. Vacation and sick leave used is recorded as a payroll expenditure. Upon retirement, the District pays up to 200 days accumulated sick leave benefits to certain employees. To the extent that compensated absences have not been pre-funded in the District's Special Pay Plan, the current portion of unused vacation and sick leave is recorded as a payroll expenditure and the estimated long-term liability for vacation and sick leave is accounted for in the government-wide financial statements.

### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses/expenditures and disclosure of contingent assets and liabilities. Accordingly, actual results could differ from these estimates.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### **Prior Year Information**

The fund financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which the summarized information was derived. Certain amounts presented in the prior year data may be reclassified in order to be consistent with the current year's presentation.

### **NOTE 2 – COMPLIANCE WITH NEVADA REVISED STATUTES**

The District conformed to all significant statutory constraints on its financial administration during the year.

### **NOTE 3 – “NEVADA PLAN” FOR FINANCING LOCAL EDUCATION AGENCIES**

The State revenue source presented in the financial statements includes payments from the State of Nevada Distributive School Account (State's General Fund) pursuant to the Nevada Plan for School Finance (Plan). The Plan was adopted by the Nevada Legislature in 1967 to compensate for wide variations in resources. The Plan design provides reasonable equal educational opportunities and can be expressed in a formula calculated on a per pupil and per program basis for each of the school districts in Nevada.

The State provides a guaranteed amount of funding to each local school and this total basic support guarantee is a combination of three revenue streams:

- A. 50 cents per \$100 in assessed value in Ad Valorem (property) tax;
- B. 2.60 cents per dollar of Local School Support tax (sales tax); and
- C. State of Nevada Distributive School Account (DSA)

The combination of the three revenue sources equals the dollar value of the weighted student enrollment multiplied by the basic support per student. The DSA payment is the equalizing amount ensuring the total guarantee for the fiscal year is available for appropriation.

### **NOTE 4 – PROPERTY TAXES**

Taxes on real property located in Carson City are levied and the lien attaches on July 1<sup>st</sup> of each year. They are due on the third Monday of August and can be paid in quarterly installments on or before the third Monday of August and the first Monday of October, January, and March, respectively. In the event of nonpayment, a tax lien is taken on the first Monday in May, and the Carson City Treasurer is authorized to hold property for two additional years, subject to redemption upon payment of taxes, penalties, and

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

costs, together with interest from the date the taxes were due, until paid. If delinquent taxes are not paid within the two-year redemptions period, the Carson City Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the Carson City Treasurer may sell the property to satisfy the tax lien.

Property tax revenue and the related receivable have been recognized for property tax assessments in the fiscal year for which they were levied, provided that such taxes were collected within 60 days after the District's year-end. Taxes receivable not collected within such time period are recorded as unavailable revenue at the District's year-end. To record amounts due and deemed collectible, secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years.

### NOTE 5 – CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of the pool is displayed on the Governmental Funds Balance Sheet as "Cash and Investments." Student Activity Funds are reported as Agency funds. These funds are not part of the District's pooled cash and investments; rather, they are held separately.

As of June 30, 2020, the District had the following amounts reported as cash and investments:

District-Wide Balances:	
Pooled Cash	\$ 9,668,905
Investments	21,895,290
	<u>31,564,195</u>
Trust and Agency Funds:	
Student Activity Agency Funds Cash	801,300
Special Pay Plan Trust Fund	1,574,123
	<u>2,375,423</u>
Total Cash and Investments	<u>\$ 33,939,618</u>

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District's investments in the Carson City Investment Pool and in the State of Nevada's Local Government Investment Pool are categorized as Level 2 investments as they are valued at fair value based on the observable market prices of the underlying assets held by the pool.



# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

The District held bank balances totaling \$13,115,144 at June 30, 2020. These deposits are held in noninterest-bearing transaction accounts and are either fully insured by the Federal Depository Insurance Corporation (FDIC) or are fully collateralized by the Office of the State Treasurer / Nevada Collateral Pool.

As of June 30, 2020, the District had the following investments, at fair value with a maturity date of less than one year:

Carson City Investment Pool	\$ 10,045,200
State of Nevada, Local Government Investment Pool	11,850,090
	<hr/>
	21,895,290
VALIC Guaranteed Fixed Deferred Annuity Contracts	1,574,123
	<hr/>
Total Investments	<u><u>\$ 23,469,412</u></u>

The State of Nevada Local Government Investment Pool and the Carson City Investment Pool are authorized by NRS 355.167 and are administered by the State Treasurer and the Carson City Treasurer, respectively. Administrative policies are adopted by the State Board of Finance, which has oversight responsibilities. The fair value of the District's position in the pools equals the value of the pools' shares. The investment in the investment pools are carried at market and are unrated external investment pools.

**Interest Rate Risk** – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. To limit exposure to interest rate risk, the Nevada Revised Statutes limits bankers' 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 maturity.

**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. In accordance with the Nevada Revised Statutes, the District limits its investment instruments by their credit risk. As mentioned above, the State of Nevada Local Government Investment Pool and the Carson City Investment Pool are unrated external investment pools. The District's investment in VALIC Guaranteed Fixed Deferred Annuity Contracts is rated by nationally recognized statistical rating organizations as "A."

**Custodial Credit Risk** – Custodial credit risk is the risk that in the event of a bank or brokerage 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/Nevada Collateral Pool.

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

### NOTE 6 – RECEIVABLES

The District's receivables in the governmental funds as of June 30, 2020 were as follows:

	Ad Valorem Taxes	Due from Other Governments	Interest	Other	Total Receivables
Major Funds:					
General Fund	\$ -	\$ 8,187,435	\$ -	\$ 392,699	\$ 8,580,134
Federal Grants Fund	-	1,434,067	-	-	1,434,067
Special Education Fund	-	28,059	-	-	28,059
Debt Service Fund	51,590	-	-	-	51,590
Bond Issues Fund	-	-	8,867	-	8,867
Non-Major Funds	-	2,222,500	-	425,250	2,647,750
Total Receivables	<u>\$ 51,590</u>	<u>\$ 11,872,061</u>	<u>\$ 8,867</u>	<u>\$ 817,949</u>	<u>\$ 12,750,467</u>

### NOTE 7 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2020 is shown below:

	Balance July 1, 2019	Additions / Transfers	Deletions / Transfers	Balance June 30, 2020
<b>Nondepreciable Capital Assets</b>				
Land	\$ 430,282	\$ -	\$ -	\$ 430,282
Construction in progress	7,561,261	17,250	(7,553,551)	24,960
	<u>7,991,543</u>	<u>17,250</u>	<u>(7,553,551)</u>	<u>455,242</u>
<b>Depreciable Capital Assets</b>				
Buildings and improvements	171,695,647	9,915,499	-	181,611,146
Equipment and vehicles	11,075,039	573,797	(33,175)	11,615,661
	<u>182,770,686</u>	<u>10,489,296</u>	<u>(33,175)</u>	<u>193,226,807</u>
Less accumulated depreciation for:				
Buildings and improvements	81,305,615	3,903,281	-	85,208,896
Equipment and vehicles	7,430,841	249,713	(33,175)	7,647,379
	<u>88,736,456</u>	<u>4,152,994</u>	<u>(33,175)</u>	<u>92,856,275</u>
<b>Governmental Activities, Capital Assets, net</b>	<u>\$ 102,025,773</u>	<u>\$ 6,353,552</u>	<u>\$ (7,553,551)</u>	<u>\$ 100,825,774</u>

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

Depreciation expense was allocated to the following programs/functions:

Regular programs	\$ 29,422
School administration	7,247
Central services	100,959
Operation and maintenance	27,376
Student transportation	74,957
Nutrition services	9,752
Facilities	3,903,281
Total 2020 Depreciation	<u>\$ 4,152,994</u>

### NOTE 8 – GENERAL LONG-TERM OBLIGATIONS

As of June 30, 2020, general long-term obligations consisted of the following:

#### General Obligation Bonds

Series	Date Issued	Date of Final Maturity	Original Interest Rate (%)	Amount Issued	Balance June 30, 2020
2010	08/04/10	12/01/20	2.75-5.00	\$ 10,705,000	\$ 1,510,000
2011A	02/23/11	06/01/31	3.00-5.00	16,000,000	515,000
2012	03/06/12	06/01/32	2.00-3.125	4,025,000	2,830,000
2014	12/09/14	06/01/27	3.00-4.00	8,530,000	7,695,000
2016	07/28/16	06/01/31	2.00-3.00	9,560,000	8,225,000
2017	02/02/17	06/01/37	4.00-5.00	15,000,000	14,900,000
2019A	08/13/19	06/01/31	5.00	11,075,000	10,975,000
2019B	12/18/19	06/01/39	5.00	11,000,000	11,000,000
					<u>\$ 57,650,000</u>

#### Installment Note Payable

On April 13, 2017, the District entered into an installment purchase agreement with Banc of America Public Capital Corp. in the amount of \$5,235,000 to finance District-wide energy efficiency improvements. The note matures on February 1, 2035 and bears an interest rate of 3% over the term of the agreement (note). The balance of the installment note on June 30, 2020 was \$4,907,000.

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

A summary of general long-term debt service requirements to maturity follows. The requirements presented exclude the amortization of any bond premiums or discounts.

Fiscal Year	General Long-Term Debt		Total Requirements
	Principal	Interest	
2021	\$ 3,785,000	\$ 2,253,704	\$ 6,038,704
2022	4,229,000	2,138,179	6,367,179
2023	4,194,000	1,973,109	6,167,109
2024	4,209,000	1,789,739	5,998,739
2025	4,694,000	1,614,869	6,308,869
2026 - 2030	22,094,000	5,327,395	27,421,395
2031 - 2035	13,527,000	2,137,390	15,664,390
2036 - 2039	5,825,000	375,976	6,200,976
Total	<u>\$ 62,557,000</u>	<u>\$ 17,610,361</u>	<u>\$ 80,167,361</u>

Changes in the District's long-term debt during the year ended June 30, 2020 are as follows:

	Balance June 30, 2019	Additions of New Debt	Retirements, Repayments and Reductions	Balance June 30, 2020	Due Within One Year
General Obligation					
Bonds	\$ 52,503,000	\$ 22,075,000	\$ (16,928,000)	\$ 57,650,000	\$ 3,575,000
Installment note	5,059,000	-	(152,000)	4,907,000	210,000
Deferred amounts for issuance premiums	2,928,686	2,743,471	(566,976)	5,105,181	513,873
Compensated absences	1,524,005	-	(39,219)	1,484,786	-
	<u>62,014,691</u>	<u>24,818,471</u>	<u>(17,686,195)</u>	<u>69,146,967</u>	<u>4,298,873</u>
Net pension liability	89,707,601	8,246,102	-	97,953,703	-
Obligation for OPEB	16,678,397	169,233	-	16,847,630	-
	<u>\$ 168,400,689</u>	<u>\$ 33,233,806</u>	<u>\$ (17,686,195)</u>	<u>\$ 183,948,300</u>	<u>\$ 4,298,873</u>

Total interest expense on general long-term obligations for the year ended June 30, 2020 was \$1,860,440.

The District issued the following bonds during the year:

On August 13, 2019, the District issued \$11,075,000 Refunding Bonds, Series 2019A. The bonds mature in June 2031, with an interest rate of 4% - 5%. The bonds were issued at a premium of \$2,029,247 and the net

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

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proceeds of the bond issue were used for the refunding of \$12,768,000 2017B bonds. The refunding was undertaken to reduce total debt service payments by \$625,782. Semi-annual interest payments began on December 1, 2019; principal payments began on June 1, 2020.

On December 18, 2019, the District issued \$11,000,000 School Improvement Bonds, Series 2019B. The bonds will mature in June 2039, with an interest rate of 2.125% - 5%. The bonds were issued at a premium of \$714,224 and the net proceeds will be used for various school improvement projects throughout the District. Semi-annual interest payments began on June 1, 2020; principal payments begin on June 1, 2022.

As of June 30, 2020, the most current assessed valuation of taxable property, excluding motor vehicles, as defined by NRS 387.400 was \$1,760,784,958. The District's limit of bonded indebtedness is 15% of the aforementioned assessed value, or \$264,117,744. The District had \$57,650,000 in general obligation debt, leaving \$206,467,744 in potential additional capacity, which may be subject to other limiting factors.

### NOTE 9 – NEVADA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

#### 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.

#### 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.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

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 (EE/ER) 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 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 year ended June 30, 2020 were 15.25% for the EE/ER plan and 29.25% for the EPC plan. The District's contributions were \$6,935,026 and \$6,550,479 for the years ended June 30, 2020 and 2019, 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, 2019:

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
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, 2020, the District reported a liability of \$97,953,703 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2019, the District's proportion of the regular plan was .71835%, compared to .65779% in the previous year, an increase of .06056%.

### 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%.

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
Net Pension Liability	<u>\$ 151,669,454</u>	<u>\$ 97,953,703</u>	<u>\$ 53,302,283</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, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

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, 2019 funding actuarial valuation.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of the experience study for the period July 1, 2012 through June 30, 2016, dated October 16, 2017.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

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

For the year ended June 30, 2020, the District recognized pension expense of \$11,506,320. As of June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,673,152	\$ 2,825,350
Changes in assumptions	3,986,311	
Net difference between projected and actual earnings on pension plan assets	-	4,872,845
Changes in proportion and differences between the District's contributions and proportionate share of contributions	8,269,268	1,410,180
The District's contributions subsequent to the measurement date	6,950,910	-
	<u>\$ 22,879,641</u>	<u>\$ 9,108,375</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, 2020. 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
2021	\$ 1,623,453
2022	(535,091)
2023	1,723,739
2024	2,024,608
2025	1,709,571
2026	274,076
	<u>\$ 6,820,356</u>

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 10 – TRANSFERS AND INTERFUND BALANCES

Interfund transfers are shown as other financing sources (uses) in all funds other than the proprietary funds, where they are shown as operating transfers. Transfers are used to reimburse funds for indirect costs, and to supplement programs that are not fully funded by general revenues through the distributive school account. Transfers made during the year ended June 30, 2020 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 8,634,523
Special Revenue Funds:		
Special Education Fund	7,600,000	-
Nutrition Services Fund	529,286	-
Class Size Reduction	201,467	-
Debt Service Fund	303,770	350,000
Capital Projects Fund	350,000	
	<u>\$ 8,984,523</u>	<u>\$ 8,984,523</u>

From time to time, certain funds may temporarily overdraw their allocation of the pooled cash resources creating interfund receivable/payable balances. These occurrences typically arise either because the fund is a reimbursement-type fund and must expend resources prior to reimbursement or because the fund would otherwise have to liquidate investments.

The interfund receivable/payable balances at June 30, 2020 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Funds:		
General Fund	\$ 1,927,217	\$ -
Federal Grants Fund	-	814,406
Nonmajor Governmental Fund:		
Adult Education Fund	-	23,805
Adult Education - Correctional Fund	-	246,621
State Grants Fund	-	842,385
	<u>\$ 1,927,217</u>	<u>\$ 1,927,217</u>

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 11 – 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](http://www.pebp.state.nv.us), or by calling (800) 326-5496.

Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which was effective for fiscal years beginning after June 15, 2016, makes changes to the financial reporting for OPEB plans administered through trusts which meet certain criteria. PEBP is administered by the State of Nevada and is not considered a "plan" for GASB 74 purposes. (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. As of June 30, 2020, \$3.5 million of assets have been accumulated in the District's Health Insurance Fund. These assets are restricted for employee benefits and are not subject to the claims of the District's creditors.

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 \$824,314 during the year on behalf of 341 participating retirees.

##### *Carson City 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

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

issued for this plan. The District has elected to pay the implicit cost of postemployment benefits on the *pay-as-you-go* basis.

Plan membership consisted of 908 active plan members and 37 retirees as of June 30, 2018, the date of the latest actuarial valuation. The District contributed \$182,309 on their behalf during the year ended June 30, 2020.

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, 2018, 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, 2018.

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:

	District	PEBP
Inflation	2.75%	2.75%
Salary increases	4%	N/A
Discount rate		
As of June 30, 2018	2.98%	2.98%
As of June 30, 2017	3.13%	3.13%
Healthcare inflation		
Pre-Medicare	6% down to 5%	6% down to 5%
Post-Medicare	4.50%	4.50%

Mortality rates used were those based on the June 30, 2017 report of Nevada PERS and were adjusted by applying the MacLeod Watts Scale 2018 on a generational basis from 2015 forward.

### 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 or 1% higher.

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

<u>Net OPEB Liability</u>	<u>1% Decrease in Discount Rate to 1.79%</u>	<u>Current Discount Rate 2.79%</u>	<u>1% Increase in Discount Rate to 3.79%</u>
District	\$ 5,228,271	\$ 4,597,383	\$ 4,083,637
PEBP	<u>13,688,410</u>	<u>12,250,247</u>	<u>11,044,962</u>
	<u>\$ 18,916,681</u>	<u>\$ 16,847,630</u>	<u>\$ 15,128,599</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	\$ 3,314,193	\$ 4,597,383	\$ 6,651,255
PEBP	<u>11,089,189</u>	<u>12,250,247</u>	<u>13,608,226</u>
	<u>\$ 14,403,382</u>	<u>\$ 16,847,630</u>	<u>\$ 20,259,481</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 \$214,641 for the District Plan and \$604,877 for PEBP. As of June 30, 2020, the District reported deferred inflows of \$1,927,760 and \$-0- for the District Plan and PEBP, respectively, and deferred outflows of \$277,629 for the District Plan and \$860,799 for PEBP.

### Change in Net OPEB Liability

The following table depicts the District's changes in the net OPEB liability for the year ended June 30, 2020:

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

	<u>District</u>	<u>PEBP</u>	<u>Combined</u>
Balance, July 1, 2019	\$4,208,713	\$12,469,684	\$ 16,678,397
Changes for the Year:			
Service cost	315,094	-	315,094
Interest cost	132,357	359,314	491,671
Changes of assumptions	105,829	245,563	351,392
Benefit terms	-	-	-
Plan experience	-	-	-
Benefit payments	(164,610)	(824,314)	(988,924)
Net Changes	<u>388,670</u>	<u>(219,437)</u>	<u>169,233</u>
Balance, June 30, 2020	<u>\$4,597,383</u>	<u>\$12,250,247</u>	<u>\$ 16,847,630</u>

### NOTE 12 – DEFERRED COMPENSATION PLANS

#### Deferred Salary Arrangements

Employees may elect to participate in two deferred compensation plans established in accordance with Sections 403(b) and 457 of the Internal Revenue Code. The plans permit District employees to defer a portion of their salary until future years. Participation in the plans is optional. Early distribution of deferred compensation is not available without penalty to employees except under limited circumstances specified in the Internal Revenue Code. Investments are selected by the District and limited to annuity contracts and other plan investments as specified in the Participants' Deferred Compensation Agreements.

#### Special Pay Plan

Subject to certain restrictions based on age and amount due, employees retiring or terminating employment with compensation due in connection with unused personal leave, sick leave, or other separation payments will be paid in the form of deferred compensation through a Special Pay Plan qualified under Internal Revenue Code Sections 457 and 403(b) and maintained by a third-party administrator. Employees are immediately vested in all such contributions to the plan. Additionally, as of June 30, 2020, the current and estimated long-term accrued liability for unused personal leave, sick leave, or other separation payments has been partially pre-funded by District contributions to the plan which are invested in a pooled, unvested account. The unfunded long-term portion of \$1,484,786 is reflected as a liability in the district-wide financial statements.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 13 – COMMITMENTS AND CONTINGENCIES

#### **Risk Management**

The District, like all governmental entities, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined together with similar public agencies (cities, counties, and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The District pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide coverage as indicated below and obtains independent coverage for insured events in excess of these limits.

The deductible amount paid by the District for each incident as of June 30, 2020 is \$25,000 for property damages and \$2,500 for all other incidents. The Pool covers its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

#### **Construction Projects**

The District issued a \$15 million School Improvement Bond in February 2017 and all funds were expended as of November 2019. Projects included replacing portable classrooms throughout the District with brick-and-mortar buildings and adding additional square footage to accommodate current elementary enrollment and expected growth. A new School Improvement Bond was issued in December 2019 for \$11 million. Projects to be funded will add middle school capacity allowing for balanced populations between the middle schools (estimated at \$8.2 million), provide for District office renovations (estimated at \$1 million) and the replacement of the high school football/track turf (estimated at \$1 million). Additional financing may be required for these projects, but final pricing has not been completed.

# CARSON CITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

### NOTE 14 – FUND BALANCES

A summary of the District's fund balances as of June 30, 2020 is as follows:

	Major Funds				Nonmajor Gov't Funds	Total Governmental Funds
	General Fund	Special Education Fund	Debt Service Fund	Bond Issues Fund		
Nonspendable:						
Inventories / prepaids	\$ 142,987	\$ -	\$ -	\$ -	\$ 88,268	\$ 231,255
Restricted:						
Debt service	-	-	4,598,027	-	-	4,598,027
Capital projects	-	-	-	11,483,588	420,477	11,904,065
Assigned:						
Education services	-	824,103	-	-	683,829	1,507,932
Nutrition services	-	-	-	-	118,428	118,428
Subsequent year's budget	1,201,250	-	-	-	-	1,201,250
Unassigned	12,133,155	-	-	-	-	12,133,155
<b>Total Fund Balances</b>	<b>\$13,477,392</b>	<b>\$ 824,103</b>	<b>\$4,598,027</b>	<b>\$11,483,588</b>	<b>\$1,311,002</b>	<b>\$ 31,694,112</b>

### NOTE 15 – NEW ACCOUNTING PRONOUNCEMENTS

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement will be effective for the District's financial statements for the year ending June 30, 2021.

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.



# CARSON CITY SCHOOL DISTRICT

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 16 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to correct the FY18 recognition of revenue for a federal E-rate reimbursement in the amount of \$425,000. The reimbursement did not meet the criteria of availability, and, therefore should have been recognized as a deferred inflow of resources, instead of revenue. As such, the July 1, 2019 fund balance of the Capital Projects Fund has been reduced by \$425,000 and the deferred inflow of resources was reported for the same amount. As of June 30, 2020, the receivable balance for this transaction remains at \$425,000. As of the date of these financial statements, a date certain has not been established for the receipt of this receivable, although management is confident of the ultimate collectability.

### NOTE 17 – COVID-19 PANDEMIC

In March 2020, the World Health Organization declared COVID-19 a global pandemic, resulting in far-reaching effects, including economic implications of a global reach. Closer to home, state-wide and local measures were enacted to contain the virus, including quarantines and closures of school campuses and the transition to alternative learning models, including part-time and full-time distance learning.

The District's future operations and business activities could be materially adversely affected by reductions in the level of funding and impacts to the timing of cash flows. Measures which may be taken to limit the spread of COVID-19 could also materially adversely affect significant estimates made by the District and future debt ratings.

For the 2021 school year, the District is providing instructional formats that comply with state and local guidelines. Since March 2020, the District's response to the pandemic has included various safety measures designed to protect its students, employees, and community. Revisions and enhancements will continue to be made as the pandemic situation warrants.

### NOTE 18 – SUBSEQUENT EVENT

At its October 27, 2020 meeting, the Board of Trustees resolved to proceed with the refunding of its 2017 Installment Purchase Agreement (IPA) that had a principal balance of \$4,907,000 as of June 30, 2020. The District will issue general obligation school bonds not to exceed \$5,500,000 and will ultimately realize approximately \$150,000 in interest savings. Further, the debt service on the current IPA is effectuated by a transfer to the Debt Service Fund from the General Fund. The new bond will be an obligation of the Debt Service Fund, payable from property tax revenues; as such, the General Fund will be relieved of annual debt service ranging from approximately \$360,000 to \$480,000.

# CARSON CITY 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					
	2019	2018	2017	2016	2015	2014
District's proportion of the Net Pension Liability	0.71835%	0.65779%	0.64546%	0.66574%	0.65793%	0.65526%
District's proportionate share of the Net Pension Liability	\$ 97,953,703	\$ 89,707,601	\$ 85,844,630	\$ 89,588,944	\$ 75,395,446	\$ 68,291,472
District's covered employee payroll	\$ 47,527,604	\$ 46,644,361	\$ 43,994,508	\$ 41,567,714	\$ 40,447,450	\$ 40,683,297
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	206.10%	192.32%	195.13%	215.53%	186.40%	167.86%
Plan fiduciary net position as a percentage of the Total Pension Liability	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.

# CARSON CITY 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					
	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 6,935,026	\$ 6,550,479	\$ 6,159,229	\$ 5,644,459	\$ 11,325,210	\$ 10,475,949
Contributions in relation to the statutorily required contribution	<u>\$ 6,935,026</u>	<u>\$ 6,550,479</u>	<u>\$ 6,159,229</u>	<u>\$ 5,644,459</u>	<u>\$ 11,325,210</u>	<u>\$ 10,475,949</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 47,527,604	\$ 46,644,361	\$ 43,994,508	\$ 41,567,714	\$ 40,447,450	\$ 40,683,297
Contributions as a percentage of covered employee payroll	14.59%	14.04%	14.00%	13.58%	28.00%	25.75%

\*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.

# CARSON CITY SCHOOL DISTRICT

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

	2020			2019			2018		
	District	PEBP	Total	District	PEBP	Total	District	PEBP	Total
<b>Total OPEB Liability</b>									
Service cost	\$ 315,094	\$ -	\$ 315,094	\$ 501,369	\$ -	\$ 501,369	\$ 531,158	\$ -	\$ 531,158
Interest	132,357	359,314	491,671	193,788	381,392	575,180	162,401	357,218	519,619
Changes in benefit terms	-	-	-	-	116,295	116,295	-	-	-
Differences between expected and actual experience	-	-	-	(1,579,758)	(750,246)	(2,330,004)	-	-	-
Changes in assumptions	105,829	245,563	351,392	(506,176)	969,146	462,970	(364,639)	(636,798)	(1,001,437)
Benefit payments	(164,610)	(824,314)	(988,924)	(180,894)	(863,893)	(1,044,787)	(154,226)	(864,935)	(1,019,161)
Net change in Total OPEB Liability	388,670	(219,437)	169,233	(1,571,671)	(147,306)	(1,718,977)	174,694	(1,144,515)	(969,821)
Total OPEB Liability, beginning	4,208,713	12,469,684	16,678,397	5,780,384	12,616,990	18,397,374	5,605,690	13,761,505	19,367,195
<b>Total OPEB Liability, ending</b>	<b>4,597,383</b>	<b>12,250,247</b>	<b>16,847,630</b>	<b>4,208,713</b>	<b>12,469,684</b>	<b>16,678,397</b>	<b>5,780,384</b>	<b>12,616,990</b>	<b>18,397,374</b>
<b>Plan Fiduciary Net Position</b>									
Plan Fiduciary Net Position, beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Plan Fiduciary Net Position, ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>District's Net OPEB Liability</b>	<b>\$ 4,597,383</b>	<b>\$ 12,250,247</b>	<b>\$ 16,847,630</b>	<b>\$ 4,208,713</b>	<b>\$ 12,469,684</b>	<b>\$ 16,678,397</b>	<b>\$ 5,780,384</b>	<b>\$ 12,616,990</b>	<b>\$ 18,397,374</b>
Covered payroll	\$ 46,748,670	N/A	N/A	\$ 43,594,295	N/A	N/A	\$ 41,120,937	N/A	N/A
District's Net OPEB Liability as a percentage of covered payroll	9.83%	N/A	N/A	9.65%	N/A	N/A	14.06%	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.

# CARSON CITY SCHOOL DISTRICT

DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 2020  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Ad valorem taxes	\$ 6,541,155	\$ 6,541,155	\$ 6,940,108	\$ 398,953	\$ 6,251,784
Earnings on investments	100,000	100,000	288,993	188,993	197,845
Other	-	-	-	-	36,128
Total Revenues	6,641,155	6,641,155	7,229,101	587,946	6,485,757
<b>EXPENDITURES</b>					
Debt Service:					
Principal	4,440,000	4,312,000	4,312,000	-	4,207,000
Interest	1,901,315	1,979,079	2,206,155	(227,076)	2,063,501
Other	-	-	254,564	(254,564)	-
Total Expenditures	6,341,315	6,291,079	6,772,719	(481,640)	6,270,501
Revenues Over (Under) Expenditures	299,840	350,076	456,382	106,306	215,256
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from refunding bonds	-	-	11,075,000	11,075,000	-
Principal on refunded bonds	-	-	(12,768,000)	(12,768,000)	-
Bond premium	-	-	2,029,247	2,029,247	-
Transfers from other funds	303,770	303,770	303,770	-	291,850
Transfers (to) other funds	(350,000)	(350,000)	(350,000)	-	-
Total Other Financing Sources (Uses)	(46,230)	(46,230)	290,017	336,247	291,850
Net Change in Fund Balance	253,610	303,846	746,399	442,553	507,106
<b>FUND BALANCE, July 1</b>	3,653,355	3,851,628	3,851,628	-	3,344,522
<b>FUND BALANCE, June 30</b>	\$ 3,906,965	\$ 4,155,474	\$ 4,598,027	\$ 442,553	\$ 3,851,628

# CARSON CITY SCHOOL DISTRICT

BOND ISSUES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 2020  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Earnings on investments	\$ -	\$ -	\$ 101,220	\$ 101,220	\$ 143,089
Other	-	-	5,429	5,429	-
	<u>-</u>	<u>-</u>	<u>106,649</u>	<u>106,649</u>	<u>143,089</u>
<b>EXPENDITURES</b>					
Facilities Acquisition and Construction:					
Land and Land Improvements:					
Property	-	22,900,641	3,237,926	19,662,715	85,476
Building Improvement:					
Property	-	-	-	-	11,842,852
Total Expenditures	<u>-</u>	<u>22,900,641</u>	<u>3,237,926</u>	<u>19,662,715</u>	<u>11,928,328</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(22,900,641)</u>	<u>(3,131,277)</u>	<u>19,556,066</u>	<u>(11,785,239)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of bonds	20,000,000	20,000,000	11,000,000	(9,000,000)	-
Bond premiums	-	-	714,224	714,224	-
Total Other Financing Sources (Uses)	<u>20,000,000</u>	<u>20,000,000</u>	<u>11,714,224</u>	<u>(8,285,776)</u>	<u>-</u>
Net Change in Fund Balance	20,000,000	(2,900,641)	8,582,947	11,270,290	(11,785,239)
<b>FUND BALANCE, July 1</b>	<u>4,350,000</u>	<u>2,900,641</u>	<u>2,900,641</u>	<u>-</u>	<u>14,685,880</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 24,350,000</u>	<u>\$ -</u>	<u>\$ 11,483,588</u>	<u>\$ 11,270,290</u>	<u>\$ 2,900,641</u>

# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

Page 1 of 3

### SPECIAL REVENUE FUNDS

	ADULT EDUCATION	ADULT EDUCATION CORRECTIONAL	NUTRITION SERVICES	GIFTS AND DONATIONS	CLASS SIZE REDUCTION
<b>ASSETS</b>					
Cash and investments	\$ -	\$ -	\$ 184,086	\$ 141,118	\$ 247,801
Receivables	85,791	316,947	151,251	-	-
Inventories	-	-	88,268	-	-
Prepaid expenditures	-	-	-	-	-
Total Assets	<u>\$ 85,791</u>	<u>\$ 316,947</u>	<u>\$ 423,605</u>	<u>\$ 141,118</u>	<u>\$ 247,801</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 244	\$ 16	\$ 74,972	\$ 8	\$ -
Accrued liabilities	13,025	69,671	141,937	-	247,801
Due to other funds	23,805	246,621	-	-	-
Unearned revenues	-	-	-	-	-
Total Liabilities	<u>37,074</u>	<u>316,308</u>	<u>216,909</u>	<u>8</u>	<u>247,801</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	88,268	-	-
Restricted	-	-	-	-	-
Assigned	48,717	639	118,428	141,110	-
Total Fund Balances	<u>48,717</u>	<u>639</u>	<u>206,696</u>	<u>141,110</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 85,791</u>	<u>\$ 316,947</u>	<u>\$ 423,605</u>	<u>\$ 141,118</u>	<u>\$ 247,801</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

Page 2 of 3

### SPECIAL REVENUE FUNDS

	SUMMER SCHOOL PROGRAMS	NEW NEVADA PLAN	MEDICAID PROGRAM	LOCAL GRANTS	STATE GRANTS
<b>ASSETS</b>					
Cash and investments	\$ 52,824	\$ 67,180	\$ 409,092	\$ 23,156	\$ -
Receivables	250	-	-	18,204	1,569,661
Inventories	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-
Total Assets	<u>\$ 53,074</u>	<u>\$ 67,180</u>	<u>\$ 409,092</u>	<u>\$ 41,360</u>	<u>\$ 1,569,661</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 7,616	\$ -	\$ 1,517	\$ 232,616
Accrued liabilities	8,431	59,564	215	-	494,660
Due to other funds	-	-	-	-	842,385
Unearned revenues	-	-	-	-	-
Total Liabilities	<u>8,431</u>	<u>67,180</u>	<u>215</u>	<u>1,517</u>	<u>1,569,661</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	44,643	-	408,877	39,843	-
Total Fund Balances	<u>44,643</u>	<u>-</u>	<u>408,877</u>	<u>39,843</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 53,074</u>	<u>\$ 67,180</u>	<u>\$ 409,092</u>	<u>\$ 41,360</u>	<u>\$ 1,569,661</u>

See accompanying notes.



# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

Page 3 of 3

	SPECIAL REVENUE FUNDS TOTALS	CAPITAL PROJECTS	TOTAL NONMAJOR GOVERNMENTAL FUNDS	
			2020	2019
<b>ASSETS</b>				
Cash and investments	\$ 1,125,257	\$ 713,882	\$ 1,839,139	\$ 1,188,429
Receivables	2,142,104	505,646	2,647,750	3,019,291
Inventories	88,268	-	88,268	62,602
Prepaid expenditures	-	-	-	7,649
Total Assets	<u>\$ 3,355,629</u>	<u>\$ 1,219,528</u>	<u>\$ 4,575,157</u>	<u>\$ 4,277,971</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 316,989	\$ 373,957	\$ 690,946	\$ 408,076
Accrued liabilities	1,035,304	94	1,035,398	725,864
Due to other funds	1,112,811	-	1,112,811	2,083,755
Unearned revenues	-	-	-	450
Total Liabilities	<u>2,465,104</u>	<u>374,051</u>	<u>2,839,155</u>	<u>3,218,145</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	425,000	425,000	-
<b>FUND BALANCES</b>				
Nonspendable	88,268	-	88,268	62,602
Restricted	-	420,477	420,477	448,749
Assigned	802,257	-	802,257	548,475
Total Fund Balances	<u>890,525</u>	<u>420,477</u>	<u>1,311,002</u>	<u>1,059,826</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 3,355,629</u>	<u>\$ 1,219,528</u>	<u>\$ 4,575,157</u>	<u>\$ 4,277,971</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

Page 1 of 3

	SPECIAL REVENUE FUNDS				
	ADULT EDUCATION	ADULT EDUCATION CORRECTIONAL	NUTRITION SERVICES	GIFTS AND DONATIONS	CLASS SIZE REDUCTION
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ 249,960	\$ 50,544	\$ -
State sources	345,736	1,011,630	7,387	-	2,658,890
Federal sources	-	-	2,106,216	-	-
Total Revenues	345,736	1,011,630	2,363,563	50,544	2,658,890
<b>EXPENDITURES</b>					
Regular programs	-	-	-	7,722	2,860,357
Special programs	-	-	-	2,387	-
Vocational programs	-	-	-	1,856	-
Adult Education programs	348,531	1,011,630	-	-	-
Other Instructional programs	-	-	-	-	-
Undistributed Expenditures:					
Student support	-	-	-	8,557	-
Instructional staff support	-	-	-	876	-
General administration	-	-	-	375	-
Central services	-	-	-	550	-
Operation and maintenance	-	-	-	637	-
Student transportation	-	-	-	-	-
Other support	-	-	-	-	-
Nutrition services	-	-	2,892,849	-	-
Facilities acquisition and construction	-	-	-	10,000	-
Total Expenditures	348,531	1,011,630	2,892,849	32,960	2,860,357
Revenues Over (Under) Expenditures	(2,795)	-	(529,286)	17,584	(201,467)
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	-	-	529,286	-	201,467
Net Change in Fund Balances	(2,795)	-	-	17,584	-
<b>FUND BALANCES, July 1, as originally stated</b>	51,512	639	206,696	123,526	-
Prior Period Adjustment	-	-	-	-	-
<b>FUND BALANCES, July 1, as restated</b>	51,512	639	206,696	123,526	-
<b>FUND BALANCES, June 30</b>	\$ 48,717	\$ 639	\$ 206,696	\$ 141,110	\$ -

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

Page 2 of 3

	SPECIAL REVENUE FUNDS				
	SUMMER AND REMEDATION PROGRAMS	NEW NEVADA PLAN	MEDICAID PROGRAM	LOCAL GRANTS	STATE GRANTS
<b>REVENUES</b>					
Local sources	\$ 16,410	\$ -	\$ -	\$ 97,725	\$ -
State sources	-	1,339,984	-	-	5,708,670
Federal sources	-	-	371,187	-	-
Total Revenues	16,410	1,339,984	371,187	97,725	5,708,670
<b>EXPENDITURES</b>					
Regular programs	-	757,382	-	46,065	2,241,633
Special programs	-	-	261,656	285	351,662
Vocational programs	-	-	-	-	288,325
Adult Education programs	-	-	-	-	-
Other Instructional programs	24,651	193,981	-	-	992,831
Undistributed Expenditures:					
Student support	-	340,592	-	31,539	1,258,020
Instructional staff support	-	19,729	-	2,576	239,353
General administration	-	-	-	-	-
Central services	-	-	-	17,201	114,599
Operation and maintenance	-	-	-	-	175,298
Student transportation	-	6,700	-	-	-
Other support	-	21,600	-	-	46,949
Nutrition services	-	-	-	820	-
Facilities acquisition and construction	-	-	-	-	-
Total Expenditures	24,651	1,339,984	261,656	98,486	5,708,670
Revenues Over (Under) Expenditures	(8,241)	-	109,531	(761)	-
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	-	-	-	-	-
Net Change in Fund Balances	(8,241)	-	109,531	(761)	-
<b>FUND BALANCES, July 1, as originally stated</b>					
	52,884	-	299,346	40,604	-
Prior Period Adjustment	-	-	-	-	-
<b>FUND BALANCES, July 1, as restated</b>					
	52,884	-	299,346	40,604	-
<b>FUND BALANCES, June 30</b>	\$ 44,643	\$ -	\$ 408,877	\$ 39,843	\$ -

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

Page 3 of 3

	SPECIAL REVENUE FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	TOTALS	CAPITAL PROJECTS	2020	2019
<b>REVENUES</b>				
Local sources	\$ 414,639	\$ 689,036	\$ 1,103,675	\$ 1,456,811
State sources	11,072,297	-	11,072,297	9,202,877
Federal sources	2,477,403	207,644	2,685,047	2,698,649
Total Revenues	<u>13,964,339</u>	<u>896,680</u>	<u>14,861,019</u>	<u>13,358,337</u>
<b>EXPENDITURES</b>				
Regular programs	5,913,159	-	5,913,159	4,727,128
Special programs	615,990	-	615,990	697,798
Vocational programs	290,181	-	290,181	403,188
Adult Education programs	1,360,161	-	1,360,161	1,358,370
Other Instructional programs	1,211,463	-	1,211,463	1,089,445
Undistributed Expenditures:				
Student support	1,638,708	-	1,638,708	1,117,707
Instructional staff support	262,534	-	262,534	333,786
General administration	375	-	375	450
Central services	132,350	317,006	449,356	132,547
Operation and maintenance	175,935	-	175,935	80
Student transportation	6,700	-	6,700	32,489
Other support	68,549	-	68,549	20,200
Nutrition services	2,893,669	-	2,893,669	2,877,544
Facilities acquisition and construction	10,000	368,816	378,816	1,154,899
Total Expenditures	<u>14,579,774</u>	<u>685,822</u>	<u>15,265,596</u>	<u>13,945,631</u>
Revenues Over (Under) Expenditures	(615,435)	210,858	(404,577)	(587,294)
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	730,753	350,000	1,080,753	490,320
Net Change in Fund Balances	<u>115,318</u>	<u>560,858</u>	<u>676,176</u>	<u>(96,974)</u>
<b>FUND BALANCES, July 1, as originally stated</b>				
	775,207	284,619	1,059,826	1,156,800
Prior Period Adjustment	-	(425,000)	(425,000)	-
<b>FUND BALANCES, July 1, as restated</b>				
	<u>775,207</u>	<u>(140,381)</u>	<u>634,826</u>	<u>1,156,800</u>
<b>FUND BALANCES, June 30</b>				
	<u>\$ 890,525</u>	<u>\$ 420,477</u>	<u>\$ 1,311,002</u>	<u>\$ 1,059,826</u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## ADULT EDUCATION FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Other	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)	\$ 875
State Sources:					
State funding	353,812	374,412	345,736	(28,676)	414,152
Total Revenues	355,812	376,412	345,736	(30,676)	415,027
<b>EXPENDITURES</b>					
Instruction:					
Salaries	115,201	115,201	98,928	16,273	133,777
Benefits	30,719	30,719	29,774	945	34,474
Supplies	10,000	15,601	8,090	7,511	16,450
Other	-	-	-	-	24,115
	155,920	161,521	136,792	24,729	208,816
Other Direct Support:					
Salaries	119,039	119,039	119,659	(620)	115,621
Benefits	59,362	59,362	59,189	173	54,785
Purchased services	13,000	30,000	30,161	(161)	36,270
Supplies	6,491	6,490	2,730	3,760	2,805
Other	56,263	51,512	-	51,512	-
	254,155	266,403	211,739	54,664	209,481
Total Expenditures	410,075	427,924	348,531	79,393	418,297
Net Change in Fund Balance	(54,263)	(51,512)	(2,795)	48,717	(3,270)
<b>FUND BALANCE, July 1</b>	54,263	51,512	51,512	-	54,782
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ 48,717	\$ 48,717	\$ 51,512

# CARSON CITY SCHOOL DISTRICT

## ADULT EDUCATION CORRECTIONAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State Sources:					
State funding	\$ 982,855	\$ 1,036,672	\$ 1,011,630	\$ (25,042)	\$ 940,073
<b>EXPENDITURES</b>					
Instruction:					
Salaries	506,205	531,205	522,170	9,035	419,306
Benefits	192,183	192,183	208,397	(16,214)	151,110
Purchased services	-	500	73	427	280
Supplies	22,548	50,565	24,847	25,718	68,149
	<u>720,936</u>	<u>774,453</u>	<u>755,487</u>	<u>18,966</u>	<u>638,845</u>
Other Direct Support:					
Salaries	165,943	165,943	166,039	(96)	161,291
Benefits	73,340	73,340	72,511	829	68,207
Purchased services	21,000	21,300	17,002	4,298	25,247
Supplies	1,636	1,636	591	1,045	1,817
	<u>261,919</u>	<u>262,219</u>	<u>256,143</u>	<u>6,076</u>	<u>256,562</u>
Undistributed Expenditures:					
Building Improvements:					
Purchased services	-	-	-	-	44,666
Total Expenditures	<u>982,855</u>	<u>1,036,672</u>	<u>1,011,630</u>	<u>25,042</u>	<u>940,073</u>
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	639	639	639
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 639</u>	<u>\$ 639</u>	<u>\$ 639</u>

# CARSON CITY SCHOOL DISTRICT

## NUTRITION SERVICES FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Food sales	\$ 421,000	\$ 248,000	\$ 249,329	\$ 1,329	\$ 471,704
Other	100,000	2,000	631	(1,369)	1,771
Total Local Sources	521,000	250,000	249,960	(40)	473,475
State Sources:					
Special appropriations	9,000	9,000	7,387	(1,613)	7,989
Federal Sources:					
School Lunch Program	2,148,926	1,770,000	1,853,587	83,587	1,952,990
Commodity Foods	210,000	260,000	252,629	(7,371)	226,892
Total Federal Sources	2,358,926	2,030,000	2,106,216	76,216	2,179,882
Total Revenues	2,888,926	2,289,000	2,363,563	74,563	2,661,346
<b>EXPENDITURES</b>					
Salaries	1,048,199	945,000	937,002	7,998	919,361
Benefits	705,727	675,000	645,451	29,549	593,176
Purchased services	1,020,000	999,800	942,993	56,807	965,827
Supplies	420,000	368,822	367,225	1,597	398,964
Other	-	378	178	200	216
Total Expenditures	3,193,926	2,989,000	2,892,849	96,151	2,877,544
Revenues Over (Under)					
Expenditures	(305,000)	(700,000)	(529,286)	170,714	(216,198)
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	305,000	700,000	529,286	(170,714)	216,198
Net Change in Fund Balance	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	206,696	206,696	206,696	-	206,696
<b>FUND BALANCE, June 30</b>	\$ 206,696	\$ 206,696	\$ 206,696	\$ -	\$ 206,696

# CARSON CITY SCHOOL DISTRICT

## GIFTS AND DONATIONS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Donations	\$ 200,000	\$ 50,544	\$ 50,544	\$ -	\$ 181,242
<b>EXPENDITURES</b>					
Regular Programs:					
Instruction:					
Salaries	-	215	-	215	-
Purchased services	4,100	1,450	-	1,450	2,249
Supplies	39,100	21,869	7,722	14,147	3,500
Other	-	2,000	-	2,000	3,500
	43,200	25,534	7,722	17,812	9,249
Other Direct Support:					
Purchased services	138,000	-	-	-	-
Supplies	11,500	-	-	-	-
	149,500	-	-	-	-
Total Regular Programs	192,700	25,534	7,722	17,812	9,249
Special Programs:					
Instruction:					
Supplies	-	4,917	1,886	3,031	-
	-	4,917	1,886	3,031	-
Other Direct Support:					
Salaries	-	77	77	-	-
Benefits	-	6	6	-	-
Purchased services	-	23	-	23	427
Supplies	-	8,139	418	7,721	-
Total Special Programs	-	13,162	2,387	10,775	427
Vocational Programs:					
Instruction:					
Purchased services	-	8,436	1,856	6,580	3,661

Continued on next page.



# CARSON CITY SCHOOL DISTRICT

## GIFTS AND DONATIONS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Athletics:					
Supplies	\$ -	\$ 507	\$ -	\$ 507	\$ -
Other Community Services					
Purchased services	-	1,070	-	1,070	-
Undistributed Expenditures:					
Student Support:					
Purchased services	-	9,134	-	9,134	13,259
Supplies	-	63,599	8,557	55,042	16,431
	-	72,733	8,557	64,176	29,690
Instructional Staff Support:					
Purchased services	-	-	-	-	3,000
Supplies	-	2,530	876	1,654	-
	-	2,530	876	1,654	3,000
General Administration:					
Purchased services	-	-	-	-	75
Supplies	-	57	-	57	-
Other	-	875	375	500	375
	-	932	375	557	450
Central Services:					
Purchased services	-	36,371	550	35,821	11,159
Operation and Maintenance:					
Purchased services	500	-	-	-	-
Supplies	5,500	1,895	637	1,258	80
Property	500	-	-	-	-
	6,500	1,895	637	1,258	80
Student Transportation:					
Purchased services	250	900	-	900	-
Other Support:					
Supplies	550	-	-	-	-

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## GIFTS AND DONATIONS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

*(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)*

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Other Facilities Acquisition and Construction:					
Property	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -
Total Undistributed Expenditures	7,300	125,361	20,995	104,366	44,379
Total Expenditures	200,000	174,070	32,960	141,110	57,716
Net Change in Fund Balance	-	(123,526)	17,584	141,110	123,526
<b>FUND BALANCE, July 1</b>	-	123,526	123,526	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ 141,110	\$ 141,110	\$ 123,526

# CARSON CITY SCHOOL DISTRICT

## CLASS SIZE REDUCTION FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State Sources:					
Special appropriations	\$ 2,530,000	\$ 2,677,176	\$ 2,658,890	\$ (18,286)	\$ 2,490,262
<b>EXPENDITURES</b>					
Regular Programs:					
Salaries	1,937,341	1,956,904	1,933,122	23,782	1,902,993
Benefits	931,577	939,995	927,235	12,760	861,391
Total Expenditures	2,868,918	2,896,899	2,860,357	36,542	2,764,384
Revenues Over (Under)					
Expenditures	(338,918)	(219,723)	(201,467)	18,256	(274,122)
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	338,918	219,723	201,467	(18,256)	274,122
Net Change in Fund Balance	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

# CARSON CITY SCHOOL DISTRICT

## SUMMER SCHOOL PROGRAMS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Tuition	\$ 25,000	\$ 25,000	\$ 16,410	\$ (8,590)	\$ 26,360
<b>EXPENDITURES</b>					
Other Instructional Programs:					
Salaries	38,000	45,000	23,065	21,935	53,629
Benefits	2,000	2,000	1,586	414	4,052
Supplies	25,000	25,000	-	25,000	-
Total Expenditures	65,000	72,000	24,651	47,349	57,681
Net Change in Fund Balances	(40,000)	(47,000)	(8,241)	38,759	(31,321)
<b>FUND BALANCE, July 1</b>	44,205	52,884	52,884	-	84,205
<b>FUND BALANCE, June 30</b>	\$ 4,205	\$ 5,884	\$ 44,643	\$ 38,759	\$ 52,884

# CARSON CITY SCHOOL DISTRICT

## NEW NEVADA PLAN (SB 178) FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State source - Special appropriations	\$ 40,800	\$ 1,347,600	\$ 1,339,984	\$ (7,616)	\$ 39,789
<b>EXPENDITURES</b>					
Regular Programs:					
Instruction:					
Salaries	25,255	220,583	220,583	-	375
Benefits	654	103,284	100,394	2,890	-
Supplies	5,470	432,716	431,000	1,716	-
	<u>31,379</u>	<u>756,583</u>	<u>751,977</u>	<u>4,606</u>	<u>375</u>
Other Direct Support:					
Salaries	3,309	-	-	-	-
Benefits	12	-	-	-	-
Purchased services	6,100	5,575	5,405	170	-
	<u>9,421</u>	<u>5,575</u>	<u>5,405</u>	<u>170</u>	<u>-</u>
Total Regular Programs	<u>40,800</u>	<u>762,158</u>	<u>757,382</u>	<u>4,776</u>	<u>375</u>
Other Instructional Programs:					
Instruction:					
Salaries	-	61,509	61,509	-	25,660
Benefits	-	27,347	27,347	-	1,722
Supplies	-	-	-	-	9,932
	<u>-</u>	<u>88,856</u>	<u>88,856</u>	<u>-</u>	<u>37,314</u>
Other Direct Support:					
Salaries	-	64,496	64,496	-	-
Benefits	-	39,187	38,979	208	-
Purchased services	-	1,650	1,650	-	2,100
	<u>-</u>	<u>105,333</u>	<u>105,125</u>	<u>208</u>	<u>2,100</u>
Total Other Instructional	<u>-</u>	<u>194,189</u>	<u>193,981</u>	<u>208</u>	<u>39,414</u>
Undistributed Expenditures:					
Student Support:					
Salaries	-	173,582	173,176	406	-
Benefits	-	89,087	88,961	126	-
Purchased services	-	2,100	1,800	300	-
Supplies	-	76,655	76,655	-	-
	<u>-</u>	<u>341,424</u>	<u>340,592</u>	<u>832</u>	<u>-</u>

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## NEW NEVADA PLAN (SB 178) FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Instructional Staff Support:					
Salaries	\$ -	\$ 10,328	\$ 10,328	\$ -	\$ -
Benefits	-	201	201	-	-
Purchased services	-	9,200	9,200	-	-
	-	19,729	19,729	-	-
Student Transportation:					
Purchased services	-	8,500	6,700	1,800	-
Other Support:					
Purchased services	-	21,600	21,600	-	-
Total Undistributed Expenditures	-	391,253	388,621	2,632	-
Total Expenditures	40,800	1,347,600	1,339,984	7,616	39,789
Net Change in Fund Balance	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

# CARSON CITY SCHOOL DISTRICT

## MEDICAID PROGRAM FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal Sources:					
Medicaid Program	\$ 400,000	\$ 400,000	\$ 371,187	\$ (28,813)	\$ 416,447
<b>EXPENDITURES</b>					
Special Programs:					
Other Direct Support:					
Salaries	49,776	52,650	50,159	2,491	46,324
Benefits	25,930	26,083	25,957	126	22,679
Purchased services	250,000	275,000	184,303	90,697	208,968
Supplies	30,000	30,000	1,237	28,763	-
	<u>355,706</u>	<u>383,733</u>	<u>261,656</u>	<u>122,077</u>	<u>277,971</u>
Net Change in Fund Balance	44,294	16,267	109,531	93,264	138,476
<b>FUND BALANCE, July 1</b>	<u>204,942</u>	<u>299,346</u>	<u>299,346</u>	<u>-</u>	<u>160,870</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 249,236</u>	<u>\$ 315,613</u>	<u>\$ 408,877</u>	<u>\$ 93,264</u>	<u>\$ 299,346</u>

# CARSON CITY SCHOOL DISTRICT

## LOCAL GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

*(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)*

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources - other	\$ 126,976	\$ 121,093	\$ 97,725	\$ (23,368)	\$ 87,269
<b>EXPENDITURES</b>					
Regular Programs:					
Salaries	10,000	3,568	3,568	-	-
Benefits	500	293	293	-	82
Purchased services	7,000	750	750	-	9,973
Supplies	15,000	53,125	41,454	11,671	-
	<u>32,500</u>	<u>57,736</u>	<u>46,065</u>	<u>11,671</u>	<u>10,055</u>
Special Programs:					
Salaries	10,000	260	260	-	6,070
Benefits	1,000	25	25	-	631
Purchased services	1,000	-	-	-	-
Supplies	1,000	-	-	-	-
	<u>13,000</u>	<u>285</u>	<u>285</u>	<u>-</u>	<u>6,701</u>
Other Instructional Programs:					
Salaries	48,087	-	-	-	-
Benefits	24,369	-	-	-	-
	<u>72,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Undistributed Expenditures:					
Student Support:					
Salaries	750	513	402	111	904
Benefits	15	50	33	17	20
Purchased services	-	8,510	7,910	600	18,690
Supplies	5,000	49,855	22,714	27,141	594
Other	-	480	480	-	-
	<u>5,765</u>	<u>59,408</u>	<u>31,539</u>	<u>27,869</u>	<u>20,208</u>

Continued on next page.



# CARSON CITY SCHOOL DISTRICT

## LOCAL GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

*(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)*

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed Expenditures (Cont'd.):					
Instructional Staff Support:					
Salaries	\$ 250	\$ -	\$ 1,200	\$ (1,200)	\$ -
Benefits	5	-	25	(25)	-
Purchased services	-	3,300	1,206	2,094	9,701
Supplies	3,000	559	145	414	-
	3,255	3,859	2,576	1,283	9,701
Central Services:					
Purchased services	-	16,949	16,949	-	-
Supplies	-	252	252	-	-
	-	17,201	17,201	-	-
Nutrition:					
Salaries	-	790	790	-	-
Benefits	-	17	17	-	-
Supplies	-	-	13	(13)	-
	-	807	820	(13)	-
Total Undistributed Expenditures	9,020	81,275	52,136	29,139	29,909
Total Expenditures	126,976	139,296	98,486	40,810	46,665
Net Change in Fund Balance	-	(18,203)	(761)	17,442	40,604
<b>FUND BALANCE, July 1</b>	-	40,604	40,604	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ 22,401	\$ 39,843	\$ 17,442	\$ 40,604

# CARSON CITY SCHOOL DISTRICT

## STATE GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State Sources:					
State grants	\$ 6,385,500	\$ 6,604,220	\$ 5,708,670	\$ (895,550)	\$ 5,310,612
<b>EXPENDITURES</b>					
Regular Programs:					
Instruction					
Salaries	1,245,846	871,963	825,233	46,730	468,089
Benefits	587,016	489,203	458,468	30,735	243,567
Purchased services	333,500	370,752	266,233	104,519	238,214
Supplies	5,000	643,480	581,078	62,402	478,064
Other	-	15,609	-	15,609	8,120
	<u>2,171,362</u>	<u>2,391,007</u>	<u>2,131,012</u>	<u>259,995</u>	<u>1,436,054</u>
Other Direct Support:					
Salaries	254,042	85,901	78,705	7,196	353,115
Benefits	119,007	31,592	31,403	189	153,896
Supplies	-	630	513	117	-
	<u>373,049</u>	<u>118,123</u>	<u>110,621</u>	<u>7,502</u>	<u>507,011</u>
Total Regular Programs	<u>2,544,411</u>	<u>2,509,130</u>	<u>2,241,633</u>	<u>267,497</u>	<u>1,943,065</u>
Special Programs:					
Instruction:					
Salaries	263,545	54,343	55,582	(1,239)	88,071
Benefits	92,111	2,437	2,498	(61)	18,685
Purchased services	74,000	-	-	-	4,725
Supplies	-	12,415	12,415	-	18,037
Other	-	-	-	-	431
	<u>429,656</u>	<u>69,195</u>	<u>70,495</u>	<u>(1,300)</u>	<u>129,949</u>
Other Direct Support:					
Salaries	357,111	109,463	109,463	-	108,358
Benefits	108,101	38,703	38,703	-	34,423
Purchased services	117,000	106,088	106,088	-	125,324
Supplies	-	26,157	26,157	-	14,645
Other	-	756	756	-	-
	<u>582,212</u>	<u>281,167</u>	<u>281,167</u>	<u>-</u>	<u>282,750</u>
Total Special Programs	<u>1,011,868</u>	<u>350,362</u>	<u>351,662</u>	<u>(1,300)</u>	<u>412,699</u>

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## STATE GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET	ACTUAL
Vocational Programs:					
Instruction:					
Salaries	\$ 201,564	\$ 8,660	\$ 8,660	\$ -	\$ 10,500
Benefits	69,054	510	164	346	328
Purchased services	150,000	69,457	33,083	36,374	72,281
Supplies	1,374	237,543	213,240	24,303	169,936
Property	-	12,685	8,306	4,379	23,595
Other	-	4,350	4,410	(60)	4,800
	<u>421,992</u>	<u>333,205</u>	<u>267,863</u>	<u>65,342</u>	<u>281,440</u>
Other Direct Support:					
Salaries	184,358	-	-	-	22,356
Benefits	50,150	-	-	-	3,177
Purchased services	-	25,842	14,538	11,304	45,923
Supplies	-	8,450	5,924	2,526	43,631
Other	-	-	-	-	3,000
	<u>234,508</u>	<u>34,292</u>	<u>20,462</u>	<u>13,830</u>	<u>118,087</u>
Total Vocational Programs	<u>656,500</u>	<u>367,497</u>	<u>288,325</u>	<u>79,172</u>	<u>399,527</u>
Other Instructional Programs:					
Instruction:					
Salaries	98,464	324,087	308,963	15,124	397,688
Benefits	37,992	213,796	209,176	4,620	248,120
Purchased services	-	-	-	-	6,800
Supplies	235	28,596	28,096	500	144,562
	<u>136,691</u>	<u>566,479</u>	<u>546,235</u>	<u>20,244</u>	<u>797,170</u>
Other Direct Support:					
Salaries	-	71,700	72,437	(737)	86,969
Benefits	-	29,632	29,569	63	27,289
Purchased services	-	380,719	328,043	52,676	40,906
Supplies	-	17,694	16,333	1,361	40,016
Other	-	329	214	115	-
	<u>-</u>	<u>500,074</u>	<u>446,596</u>	<u>53,478</u>	<u>195,180</u>
Total Other Instructional	<u>136,691</u>	<u>1,066,553</u>	<u>992,831</u>	<u>73,722</u>	<u>992,350</u>

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## STATE GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET	ACTUAL
Undistributed Expenditures:					
Student Support:					
Salaries	\$ 83,046	\$ 857,993	\$ 735,202	\$ 122,791	\$ 548,279
Benefits	35,151	432,460	361,581	70,879	252,839
Purchased services	102,500	151,790	124,891	26,899	266,650
Supplies	3,000	86,140	36,346	49,794	41
	<u>223,697</u>	<u>1,528,383</u>	<u>1,258,020</u>	<u>270,363</u>	<u>1,067,809</u>
Instructional Staff Support:					
Salaries	231,032	106,354	99,539	6,815	162,425
Benefits	76,543	37,719	37,535	184	58,286
Purchased services	-	114,478	100,404	14,074	68,290
Supplies	-	1,875	1,875	-	32,084
	<u>307,575</u>	<u>260,426</u>	<u>239,353</u>	<u>21,073</u>	<u>321,085</u>
Central Services:					
Salaries	-	44,841	44,945	(104)	77,527
Benefits	-	23,118	23,051	67	43,861
Purchased services	-	33,142	33,142	-	-
Supplies	-	13,461	13,461	-	-
	<u>-</u>	<u>114,562</u>	<u>114,599</u>	<u>(37)</u>	<u>121,388</u>
Operations and Maintenance:					
Purchased services	-	309,513	175,298	134,215	-
Student Transportation:					
Purchased services	25,000	2,850	-	2,850	32,489
Community Service:					
Salaries	-	-	-	-	11,352
Benefits	-	-	-	-	8,848
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,200</u>

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

STATE GRANTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET	ACTUAL
Other Support:					
Salaries	\$ 690,012	\$ -	\$ -	\$ -	\$ -
Benefits	289,746	-	-	-	-
Purchased services	500,000	94,944	46,949	47,995	-
	<u>1,479,758</u>	<u>94,944</u>	<u>46,949</u>	<u>47,995</u>	<u>-</u>
Total Undistributed Expenditures	<u>2,036,030</u>	<u>2,310,678</u>	<u>1,834,219</u>	<u>476,459</u>	<u>1,562,971</u>
Total Expenditures	<u>6,385,500</u>	<u>6,604,220</u>	<u>5,708,670</u>	<u>895,550</u>	<u>5,310,612</u>
Net Change in Fund Balance	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

# CARSON CITY SCHOOL DISTRICT

## CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local Sources:					
Governmental services tax	\$ 717,347	\$ 717,347	\$ 688,587	\$ (28,760)	\$ 687,380
Other	-	-	449	449	210
	717,347	717,347	689,036	(28,311)	687,590
Federal Sources:					
Grants - restricted	500,000	500,000	207,644	(292,356)	102,320
<b>Total Revenues</b>	1,217,347	1,217,347	896,680	(320,667)	789,910
<b>EXPENDITURES</b>					
Undistributed Expenditures:					
Central Services:					
Property	-	360,000	317,006	42,994	-
Facilities Acquisition and Construction:					
Land and Land Improvements:					
Property	-	-	-	-	412,237
Site Improvements:					
Property	-	152,000	75,625	76,375	-
Building Improvements:					
Property	1,650,000	1,028,000	293,191	734,809	742,662
<b>Total Facilities, Acquisition and Construction</b>	1,650,000	1,180,000	368,816	811,184	1,154,899
<b>Total Expenditures</b>	1,650,000	1,540,000	685,822	854,178	1,154,899
Revenues Over (Under) Expenditures	(432,653)	(322,653)	210,858	533,511	(364,989)
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	350,000	350,000	350,000	-	-
<b>Net Change in Fund Balance</b>	(82,653)	27,347	560,858	533,511	(364,989)
<b>FUND BALANCE, July 1, as originally stated</b>	104,813	284,619	284,619	-	649,608
Prior Period Adjustment	-	-	(425,000)	(425,000)	-
<b>FUND BALANCE (DEFICIT), July 1, as restated</b>	104,813	284,619	(140,381)	(425,000)	649,608
<b>FUND BALANCE, June 30</b>	\$ 22,160	\$ 311,966	\$ 420,477	\$ 108,511	\$ 284,619

# CARSON CITY SCHOOL DISTRICT

**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2020**  
*(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)*

	UNEMPLOY- MENT INSURANCE FUND	HEALTH INSURANCE FUND	WORKERS' COMPENSATION INSURANCE FUND	TOTALS	
				GOVERNMENTAL INTERNAL SERVICE FUNDS 2020	ACTIVITIES INTERNAL SERVICE FUNDS 2019
<b>ASSETS</b>					
Cash and investments	\$ 410,725	\$ 3,452,469	\$ 907,913	\$ 4,771,107	\$ 5,150,743
<b>LIABILITIES</b>					
Accounts payable	66	135	151,116	151,317	152,609
<b>NET POSITION</b>					
Restricted	\$ 410,659	\$ 3,452,334	\$ 756,797	\$ 4,619,790	\$ 4,998,134

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

PROPRIETARY FUNDS  
COMBINING STATEMENT OF  
REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2020  
*(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)*

	UNEMPLOY- MENT INSURANCE FUND	HEALTH INSURANCE FUND	WORKERS' COMPENSATION INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
				2020	2019
<b>OPERATING REVENUES</b>					
Charges for services	\$ 25,870	\$ 1,107,991	\$ 311,398	\$ 1,445,259	\$ 1,419,478
<b>OPERATING EXPENSES</b>					
Salaries	11,432	13,582	25,898	50,912	50,365
Benefits	5,108	1,444,450	11,085	1,460,643	1,320,178
Purchased services	46,949	-	265,099	312,048	501,321
	63,489	1,458,032	302,082	1,823,603	1,871,864
Change in Net Position	(37,619)	(350,041)	9,316	(378,344)	(452,386)
<b>NET POSITION, July 1</b>	448,278	3,802,375	747,481	4,998,134	5,450,520
<b>NET POSITION, June 30</b>	\$ 410,659	\$ 3,452,334	\$ 756,797	\$ 4,619,790	\$ 4,998,134

*See accompanying notes.*



# CARSON CITY SCHOOL DISTRICT

**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2020**  
*(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)*

	UNEMPLOY- MENT INSURANCE FUND	HEALTH INSURANCE FUND	WORKERS' COMPENSATION INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
				2020	2019
<b>CASH FROM OPERATING ACTIVITIES</b>					
Cash received for services	\$ 25,870	\$ 1,107,991	\$ 311,398	\$ 1,445,259	\$ 1,419,747
Cash paid for salaries and benefits	(16,540)	(20,437)	(36,983)	(73,960)	(71,796)
Cash paid for claims and related	(47,555)	(1,437,460)	(265,920)	(1,750,935)	(1,775,556)
Net cash provided (used) by operating activities	(38,225)	(349,906)	8,495	(379,636)	(427,605)
Net Increase (Decrease) in Cash	(38,225)	(349,906)	8,495	(379,636)	(427,605)
<b>CASH AND INVESTMENTS, July 1</b>	448,950	3,802,375	899,418	5,150,743	5,578,348
<b>CASH AND INVESTMENTS, June 30</b>	\$ 410,725	\$ 3,452,469	\$ 907,913	\$ 4,771,107	\$ 5,150,743
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	\$ (37,619)	\$ (350,041)	\$ 9,316	\$ (378,344)	\$ (452,386)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Change in assets and liabilities:					
Receivables	-	-	-	-	269
Prepaid expenses	-	-	-	-	35,557
Accounts payable	(606)	135	(821)	(1,292)	(11,045)
Total Adjustments	(606)	135	(821)	(1,292)	24,781
Net cash provided (used) by operations	\$ (38,225)	\$ (349,906)	\$ 8,495	\$ (379,636)	\$ (427,605)

*See accompanying notes.*

# CARSON CITY SCHOOL DISTRICT

## UNEMPLOYMENT INSURANCE FUND SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>OPERATING REVENUES</b>					
Charges for services	\$ 25,403	\$ 25,403	\$ 25,870	\$ 467	\$ 27,380
<b>OPERATING EXPENSES</b>					
Salaries	11,327	11,432	11,432	-	12,555
Benefits	5,074	5,099	5,108	(9)	4,851
Purchased services	30,000	30,000	46,949	(16,949)	10,678
	46,401	46,531	63,489	(16,958)	28,084
Change in Net Position	(20,998)	(21,128)	(37,619)	(16,491)	(704)
<b>NET POSITION, July 1</b>	427,731	448,278	448,278	-	448,982
<b>NET POSITION, June 30</b>	\$ 406,733	\$ 427,150	\$ 410,659	\$ (16,491)	\$ 448,278

# CARSON CITY SCHOOL DISTRICT

## UNEMPLOYMENT INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received for services	\$ 25,403	\$ 25,403	\$ 25,870	\$ 467	\$ 27,380
Cash paid for salaries and benefits	(16,401)	(16,531)	(16,540)	(9)	(17,406)
Cash paid for claims and related	(30,000)	(30,000)	(47,555)	(17,555)	(10,407)
Net cash provided (used) by operating activities	(20,998)	(21,128)	(38,225)	(17,097)	(433)
Net Increase (Decrease) in Cash	(20,998)	(21,128)	(38,225)	(17,097)	(433)
<b>CASH AND INVESTMENTS, July 1</b>	<u>428,132</u>	<u>428,132</u>	<u>448,950</u>	<u>20,818</u>	<u>449,383</u>
<b>CASH AND INVESTMENTS, June 30</b>	<u>\$ 407,134</u>	<u>\$ 407,004</u>	<u>\$ 410,725</u>	<u>\$ 3,721</u>	<u>\$ 448,950</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	\$ (20,998)	\$ (21,128)	\$ (37,619)	\$ (16,491)	\$ (704)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Change in assets and liabilities:					
Accounts payable	-	-	(606)	(606)	271
Net cash provided (used) by operations	<u>\$ (20,998)</u>	<u>\$ (21,128)</u>	<u>\$ (38,225)</u>	<u>\$ (17,097)</u>	<u>\$ (433)</u>

# CARSON CITY SCHOOL DISTRICT

## HEALTH INSURANCE FUND SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>OPERATING REVENUES</b>					
Charges for services	\$ 995,710	\$ 995,710	\$ 1,107,991	\$ 112,281	\$ 1,063,483
<b>OPERATING EXPENSES</b>					
Salaries	13,519	13,582	13,582	-	12,084
Benefits	6,855	1,310,112	1,444,450	(134,338)	1,304,624
Purchased services	1,318,764	-	-	-	-
	<u>1,339,138</u>	<u>1,323,694</u>	<u>1,458,032</u>	<u>(134,338)</u>	<u>1,316,708</u>
Change in Net Position	(343,428)	(327,984)	(350,041)	(22,057)	(253,225)
<b>NET POSITION, July 1</b>	<u>3,724,582</u>	<u>3,802,375</u>	<u>3,802,375</u>	<u>-</u>	<u>4,055,600</u>
<b>NET POSITION, June 30</b>	<u>\$ 3,381,154</u>	<u>\$ 3,474,391</u>	<u>\$ 3,452,334</u>	<u>\$ (22,057)</u>	<u>\$ 3,802,375</u>

# CARSON CITY SCHOOL DISTRICT

## HEALTH INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received for services	\$ 995,710	\$ 995,710	\$ 1,107,991	\$ 112,281	\$ 1,063,752
Cash paid for salaries and benefits	(20,374)	(20,440)	(20,437)	3	(17,961)
Cash paid for claims and related	(1,318,724)	(1,303,254)	(1,437,460)	(134,206)	(1,263,459)
Net cash provided (used) by operating activities	(343,388)	(327,984)	(349,906)	(21,922)	(217,668)
Net Increase (Decrease) in Cash	(343,388)	(327,984)	(349,906)	(21,922)	(217,668)
<b>CASH AND INVESTMENTS, July 1</b>	<u>3,689,025</u>	<u>3,689,025</u>	<u>3,802,375</u>	<u>113,350</u>	<u>4,020,043</u>
<b>CASH AND INVESTMENTS, June 30</b>	<u>\$ 3,345,637</u>	<u>\$ 3,361,041</u>	<u>\$ 3,452,469</u>	<u>\$ 91,428</u>	<u>\$ 3,802,375</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	<u>\$ (343,388)</u>	<u>\$ (327,984)</u>	<u>\$ (350,041)</u>	<u>\$ (22,057)</u>	<u>\$ (253,225)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Change in assets and liabilities:					
Receivables	-	-	-	-	269
Prepaid expenses	-	-	-	-	35,557
Accounts payable	-	-	135	135	(269)
Total Adjustments	-	-	135	135	35,557
Net cash provided (used) by operations	<u>\$ (343,388)</u>	<u>\$ (327,984)</u>	<u>\$ (349,906)</u>	<u>\$ (21,922)</u>	<u>\$ (217,668)</u>

# CARSON CITY SCHOOL DISTRICT

## WORKERS' COMPENSATION INSURANCE FUND SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020		2019
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>OPERATING REVENUES</b>					
Charges for services	\$ 304,836	\$ 304,836	\$ 311,398	\$ 6,562	\$ 328,615
<b>OPERATING EXPENSES</b>					
Salaries	31,011	25,898	25,898	-	25,726
Benefits	13,738	11,108	11,085	23	10,703
Purchased services	250,000	325,000	265,099	59,901	490,643
	<u>294,749</u>	<u>362,006</u>	<u>302,082</u>	<u>59,924</u>	<u>527,072</u>
Change in Net Position	10,087	(57,170)	9,316	66,486	(198,457)
<b>NET POSITION, July 1</b>	<u>949,340</u>	<u>747,481</u>	<u>747,481</u>	<u>-</u>	<u>945,938</u>
<b>NET POSITION, June 30</b>	<u>\$ 959,427</u>	<u>\$ 690,311</u>	<u>\$ 756,797</u>	<u>\$ 66,486</u>	<u>\$ 747,481</u>

# CARSON CITY SCHOOL DISTRICT

## WORKERS' COMPENSATION INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2020

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020 BUDGET		2020	2019	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received for services	\$ 304,836	\$ 304,836	\$ 311,398	\$ 6,562	\$ 328,615
Cash paid for salaries and benefits	(44,749)	(44,749)	(36,983)	7,766	(36,429)
Cash paid for claims and related	(250,000)	(325,000)	(265,920)	59,080	(501,690)
Net cash provided (used) by operating activities	10,087	(64,913)	8,495	73,408	(209,504)
Net Increase (Decrease) in Cash	10,087	(64,913)	8,495	73,408	(209,504)
<b>CASH AND INVESTMENTS, July 1</b>	<u>1,112,324</u>	<u>1,112,324</u>	<u>899,418</u>	<u>(212,906)</u>	<u>1,108,922</u>
<b>CASH AND INVESTMENTS, June 30</b>	<u>\$ 1,122,411</u>	<u>\$ 1,047,411</u>	<u>\$ 907,913</u>	<u>\$ (139,498)</u>	<u>\$ 899,418</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	\$ 10,087	\$ (57,170)	\$ 9,316	\$ 66,486	\$ (198,457)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Change in assets and liabilities:					
Accounts payable	-	-	(821)	(821)	(11,047)
Total Adjustments	-	-	(821)	(821)	(11,047)
Net cash provided (used) by operations	\$ 10,087	\$ (57,170)	\$ 8,495	\$ 65,665	\$ (209,504)

# CARSON CITY SCHOOL DISTRICT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED JUNE 30, 2020

	<b>BALANCE</b>	<b>ADDITIONS</b>	<b>DELETIONS</b>	<b>BALANCE</b>
	<b>JULY 1, 2019</b>			<b>JUNE 30, 2020</b>
<b>CARSON ELEMENTARY SCHOOLS STUDENT ACTIVITY FUNDS</b>				
Assets:				
Cash and investments	\$ 155,105	\$ 125,671	\$ 118,467	\$ 162,309
Liabilities:				
Due to student groups and others	\$ 155,105	\$ 125,671	\$ 118,467	\$ 162,309
 <b>CARSON MIDDLE SCHOOL STUDENT ACTIVITY FUND</b>				
Assets:				
Cash and investments	\$ 95,672	\$ 106,890	\$ 96,949	\$ 105,613
Liabilities:				
Due to student groups and others	\$ 95,672	\$ 106,890	\$ 96,949	\$ 105,613
 <b>EAGLE VALLEY MIDDLE SCHOOL STUDENT ACTIVITY FUND</b>				
Assets:				
Cash and investments	\$ 49,784	\$ 67,210	\$ 55,860	\$ 61,134
Liabilities:				
Due to student groups and others	\$ 49,784	\$ 67,210	\$ 55,860	\$ 61,134
 <b>CARSON HIGH SCHOOL STUDENT ACTIVITY FUND</b>				
Assets:				
Cash and investments	\$ 511,985	\$ 842,341	\$ 883,297	\$ 471,029
Liabilities:				
Due to student groups and others	\$ 511,985	\$ 842,341	\$ 883,297	\$ 471,029
 <b>PIONEER HIGH SCHOOL STUDENT ACTIVITY FUND</b>				
Assets:				
Cash and investments	\$ 422	\$ 1,823	\$ 1,030	\$ 1,215
Liabilities:				
Due to student groups and others	\$ 422	\$ 1,823	\$ 1,030	\$ 1,215

*Continued on next page.*



# CARSON CITY SCHOOL DISTRICT

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AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
Assets:				
Cash and investments	\$ 812,968	\$ 1,143,935	\$ 1,155,603	\$ 801,300
Liabilities:				
Due to student groups and others	\$ 812,968	\$ 1,143,935	\$ 1,155,603	\$ 801,300

# CARSON CITY SCHOOL DISTRICT

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AGENCY FUND - CARSON ELEMENTARY SCHOOLS  
SCHEDULE OF CHANGES IN CASH BALANCES  
YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Bray-Bordewich-Gleason	\$ 17,548	\$ 10,055	\$ 8,907	\$ 18,696
Empire Elementary	15,882	12,985	12,389	16,478
Fremont Elementary	25,730	20,385	20,449	25,666
Fritsch Elementary	23,757	37,987	36,845	24,899
Mark Twain Elementary	10,827	8,445	7,331	11,941
Seeliger Elementary	59,873	35,814	32,546	63,141
Student Support Services	1,488	-	-	1,488
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 155,105	\$ 125,671	\$ 118,467	\$ 162,309
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - CARSON MIDDLE SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
7th Grade Reward trip	\$ 45	\$ -	\$ -	\$ 45
Art	-	801	550	251
Band	7,774	12,844	15,324	5,294
Band Trip	1,586	17,742	11,183	8,145
Band Instrument Repair	1,354	9,286	3,862	6,778
Basketball Camp	8,929	3,932	2,560	10,301
Box Tops	404	264	-	668
Choir	797	1,688	1,707	778
Coke/Student Soda Machine	7,781	1,721	3,980	5,522
Cross Country	7,035	1,890	1,278	7,647
CTE Fee	5,825	6,382	9,209	2,998
Health Schools	61	-	-	61
Home Economics	1,964	-	1,386	578
HOSA	355	4,652	4,794	213
Leadership	1,988	8,346	7,259	3,075
Library	5,076	3,223	7,225	1,074
Musical Theatre	2,409	1,739	3,335	813
Nurse	134	-	10	124
Physical Education	18,333	12,417	11,896	18,854
STEM	95	1,250	60	1,285
Strings	1,890	5,501	4,401	2,990
Sunshine	833	460	279	1,014
Track	5,160	-	825	4,335
Volleyball	-	5,650	5,650	-
Wetlands	-	4,722	-	4,722
Wrestling	6,980	45	164	6,861
Yearbook	8,864	2,335	12	11,187
	<u>\$ 95,672</u>	<u>\$ 106,890</u>	<u>\$ 96,949</u>	<u>\$ 105,613</u>
Total	<u>\$ 95,672</u>	<u>\$ 106,890</u>	<u>\$ 96,949</u>	<u>\$ 105,613</u>

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - EAGLE VALLEY MIDDLE SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	BALANCE JULY 1, 2019	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2020
Art	\$ -	\$ 609	\$ 609	\$ -
Athletic Fund	1,775	8,714	4,257	6,232
Basketball	765	-	-	765
Cheerleader	100	610	693	17
Helping Hand	472	12,025	12,470	27
Instrument Fees	2,199	-	-	2,199
Leadership	9,730	5,733	6,718	8,745
Library	-	4,229	4,020	209
Materials	13,039	12,864	9,716	16,187
Music	4,916	8,912	5,546	8,282
National Honor Society	1,195	-	-	1,195
Pancake Breakfast	10	-	-	10
Physical Education-Bowling	1,986	805	960	1,831
Physical Education-Uniforms	2,848	3,886	20	6,714
Pride	506	844	728	622
Principal's Fund	4,095	3,052	6,445	702
Recycle	835	-	-	835
Robotics	506	-	-	506
Smith, J.	300	-	-	300
Sparkletts	43	275	245	73
Strings	694	2,317	1,724	1,287
Sunshine Fund	1,000	-	-	1,000
Volleyball Tees	14	-	-	14
Yearbook	2,756	2,335	1,709	3,382
	<u>2,756</u>	<u>2,335</u>	<u>1,709</u>	<u>3,382</u>
Total	<u>\$ 49,784</u>	<u>\$ 67,210</u>	<u>\$ 55,860</u>	<u>\$ 61,134</u>

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - CARSON HIGH SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
A. Bourque Scholarship	\$ 650	\$ -	\$ -	\$ 650
Academic Support	196	-	196	-
Aiazzi/Anderson Scholarship	14,904	-	-	14,904
AP Biology	77	372	352	97
AP Capstone	-	680	397	283
AP Environmental	618	-	69	549
AP Testing	37,722	47,141	50,376	34,487
Athletic Concessions	1,451	9,228	9,132	1,547
Athletic Supplies	5,343	19,069	17,334	7,078
Athletic Testing	20,179	-	6,844	13,335
Athletic Tournaments	226	23,217	23,217	226
Athletic Training	5,077	2,827	7,324	580
AVID	1,521	-	475	1,046
B. Blood Wrestling Scholarship	-	2,000	-	2,000
Band	2,294	2,777	4,604	467
Baseball	5,075	20,411	19,077	6,409
Book Club	328	-	-	328
Bowling Club	315	2,800	2,295	820
Boys Basketball	19,704	28,606	28,166	20,144
Boys Golf	1,522	1,550	1,249	1,823
Boys Soccer	2,244	9,161	9,919	1,486
Boys Tennis	2,309	5,905	5,258	2,956
Carneta	31,882	29,767	53,951	7,698
Carson Track	22,888	3,302	17,943	8,247
CC Fire Scholarship	2,000	-	2,000	-
CC Schools Foundation	350	-	-	350
CEA	949	1,910	958	1,901
Ceramics	781	1,500	-	2,281
Cheer	4,837	78,452	74,056	9,233
Choir	43	17,621	15,884	1,780
Chrome Books	2,447	755	300	2,902
CHS Floral Shop	7	2,448	1,704	751
CHS Robotics	9,922	2,660	5,970	6,612
Chuck Benton Memorial Scholarship	-	15,000	15,000	-
Class of 1977	-	500	500	-
Class of 2019	1,582	-	1,582	-
Class of 2020	27,961	10,934	19,672	19,223
Class of 2021	329	9,330	4,174	5,485

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - CARSON HIGH SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Class of 2022	\$ 503	\$ 673	\$ 150	\$ 1,026
Class of 2023	-	42	503	(461)
CLS Class	1,613	1,118	561	2,170
College Bound Cadet Scholarship	-	500	-	500
College Testing Fund	723	5,360	4,744	1,339
Comstock Soccer	225	-	-	225
Craft Fair Scholarship	1,500	3,850	4,200	1,150
Cross Country	2,910	4,845	3,647	4,108
Culinary Arts	5,396	7,976	4,723	8,649
CV Quilt Guild Scholarship	-	500	500	-
D. Elder Scholarship	-	500	500	-
D. Stoddard Scholarship	2,000	2,000	2,000	2,000
DASA	1,500	300	1,000	800
DHH (Deaf-Hard of Hearing)	475	-	275	200
Drama Production	456	23,365	16,027	7,794
Environment Club	294	-	-	294
Environment Science Class	36	-	36	-
FBLA	8,811	8,930	11,995	5,746
Facility Use	384	-	-	384
Families United Scholarship	9,250	15,000	17,000	7,250
Father/Daughter Dance	364	-	111	253
Fellow Christian Athletes	49	87	115	21
FFA	421	14,908	10,737	4,592
Football	8,274	40,434	39,613	9,095
French Club	386	-	-	386
G Adair Memorial Scholarship	2,045	-	-	2,045
G. Reading Scholarship	26,155	-	5,000	21,155
Girls Basketball	19,970	11,021	10,794	20,197
Girls Golf	3,064	644	1,321	2,387
Girls Soccer	2,731	15,599	11,060	7,270
Girls Tennis	351	988	927	412
Glen Lucky Scholarship	-	500	500	-
Graphic Design	1,278	2,060	1,428	1,910
Greenhouse	173	-	-	173
GSA	203	-	165	38
Guidance Scholarship	91	-	-	91
HOSA - Health Occupations	14,895	49,141	43,652	20,384

*Continued on next page.*

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - CARSON HIGH SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
IED	\$ 1,929	\$ 3,038	\$ 814	\$ 4,153
Interact Club	4	1,671	1,648	27
IT Essentials	18	1,630	1,632	16
J. Woodward Scholarship	5	7,645	2,000	5,650
Jim Frank Scholarship	-	3,000	1,000	2,000
K. Oxoby Scholarship	(484)	8,304	7,820	-
Key Club	1,554	427	147	1,834
L.A.D. Fund	451	-	223	228
Leads Unlimited	250	-	-	250
Library Fund	11,350	74	231	11,193
Link Crew	6,219	1,191	3,743	3,667
Malley - Art	1,223	135	414	944
Management - Coke	1,729	114	326	1,517
Management - Guidance	78	1,693	1,768	3
Management - Locker Fund	4,866	60	3,308	1,618
Management Team	1,578	49,980	47,812	3,746
Masonic Scholarship #1	-	2,000	2,000	-
Math Text Fees(Proficiency Club)	260	-	-	260
Media Technologies	3,805	1,297	4,831	271
Merry Bayer Scholarship	-	768	768	-
Mock Trial Club	96	-	-	96
NAT/NEWCMR Scholarship	100	500	600	-
National History Day	83	-	-	83
National Honor Society	9,608	7,226	7,661	9,173
Native American Club	149	109	43	215
NCSEA	2,000	-	2,000	-
NJROTC	18,583	38,713	37,120	20,176
Nurses' Fund	326	-	47	279
Parking permits	9,375	1,600	8,876	2,099
Photo Class	11,612	5,653	16,361	904
Physical Education Uniforms	3,489	18,268	13,547	8,210
Plant Science	-	155	-	155
POE	1,458	1,360	1,760	1,058
R. Hawkins Scholarship	3,803	-	3,000	803
R. Scott Scholarship	2,251	-	-	2,251
Reach Out Scholarship	-	2,000	2,000	-
S. Andersen Scholarship	1,100	100	1,000	200
Sage	286	-	-	286
Schneider Class	1,217	-	-	1,217

Continued on next page.

# CARSON CITY SCHOOL DISTRICT

## AGENCY FUND - CARSON HIGH SCHOOL SCHEDULE OF CHANGES IN CASH BALANCES YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Science Lab Fees	\$ 5,963	\$ 2,556	\$ 1,086	\$ 7,433
Science Text Fees	1,710	-	-	1,710
Seeliger Scholarship	2,431	5,301	3,394	4,338
S.E.L.	951	-	760	191
Self Defense	205	1,230	1,198	237
Senator News	14	-	-	14
Senator Pride	1,050	1,520	1,467	1,103
Senior Projects Committee	3,696	305	-	4,001
Sewing Club	296	-	-	296
Silver Lining Scholarship	-	1,200	-	1,200
Ski Team	850	100	187	763
Skills USA VICA	1,132	7,663	6,658	2,137
Softball	7,767	4,333	10,032	2,068
Special Ed Class Fund	170	-	-	170
Speech and Debate	154	3,509	2,937	726
Staff Appreciation	192	105	-	297
Strings	1,294	17,611	12,716	6,189
Student Assistance	5,972	485	434	6,023
Student Body	2,410	4,620	1,825	5,205
Student Body cards	3,473	10,230	7,127	6,576
Student Store	13,226	30,197	35,844	7,579
Swim/Dive Team	1,946	4,839	4,650	2,135
T. Jones HOSA Scholarship	1,685	2,500	2,500	1,685
Tiger Drive Scholarship	1,050	1,300	1,200	1,150
Timothy Jones Memorial Scholarship	200	1,000	1,000	200
TR EDU100	371	180	352	199
Volleyball	4,367	14,725	16,636	2,456
Welding - Shirley	3,847	3,307	532	6,622
Wilson Memorial Scholarship	-	4,000	3,000	1,000
Wrestling	933	550	-	1,483
<b>Total</b>	<u>\$ 511,985</u>	<u>\$ 842,341</u>	<u>\$ 883,297</u>	<u>\$ 471,029</u>



# CARSON CITY SCHOOL DISTRICT

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AGENCY FUND - PIONEER HIGH SCHOOL  
SCHEDULE OF CHANGES IN CASH BALANCES  
YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Pioneer High School	\$ 422	\$ 1,823	\$ 1,030	\$ 1,215
Total	<u>\$ 422</u>	<u>\$ 1,823</u>	<u>\$ 1,030</u>	<u>\$ 1,215</u>



**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  
Carson City School District  
Carson City, 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 Carson City School District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 31, 2020.

**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) to determine 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.

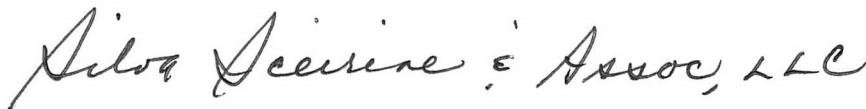
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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*.

## **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.

A handwritten signature in cursive script that reads "Silva Scerine & Assoc, LLC". The signature is written in black ink and is positioned above the printed text of the report's location and date.

Reno, Nevada  
October 31, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees  
Carson City School District  
Carson City, Nevada

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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

## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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



Reno, Nevada  
October 31, 2020

# CARSON CITY SCHOOL DISTRICT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2020

(Page 1 of 2)

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM	FEDERAL CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	AMOUNT
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Passed through the State of Nevada Department of Education</i>			
Individuals with Disabilities Education Act (IDEA) - Special Education Cluster:			
IDEA, Part B Grants to States	84.027	20-639-13000	\$ 1,824,778
IDEA - Special Project	84.027	20-667-13000	351,356
IDEA - Early Childhood	84.173	20-665-13000	23,368
Total Special Education Cluster			<u>2,199,502</u>
Title I, Part A - Grants to Local Educational Agencies	84.010	20-633-13000	1,291,892
Title I, School Improvement 1003(a)	84.010A	20-624-13000	128,336
Title I, Part D - Neglected and Delinquent	84.010	20-650-13000	18,983
			<u>1,439,211</u>
Career and Technical Education (Perkins IV)	84.048	20-631-13000	92,431
McKinney-Vento Homeless Assistance	84.196A	20-688-13000	92,262
Twenty First Century Community Learning Centers	84.287	20-770-13000	441,186
Title III, Part A - English Language Acquisition	84.365A	20-658-13000	73,154
Title III, Part A - English Language Acquisition Immigrant	84.365A	20-659-13000	20,535
			<u>93,689</u>
Title II, Part A - Teacher/Principal Training & Recruiting	84.367	20-709-13000	193,971
Title IV-A Student Support and Academic Enrichment	84.424A	20-715-13000	168,984
Title IV-A Eduroam	84.424A	20-716-13000	17,793
			<u>186,777</u>
Preschool Development	84.419A	19-795-13000	68,848
			<u>68,848</u>
<i>Total Passed through the State of Nevada Department of Education</i>			<u>4,807,877</u>

Continued on next page.

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2020

(Page 2 of 2)

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM	FEDERAL CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER	AMOUNT
<b>U.S. DEPARTMENT OF JUSTICE</b>			
COPS SVPP (School Violence Prevention Program)	16.710	N/A	\$ 68,040
<i>Passed through the State of Nevada Department of Education</i>			
Workers Safe Voice Grant	16.560	20-617-13000	8,008
<b>Total U.S. Department of Justice</b>			<u>76,048</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed through the State of Nevada Department of Agriculture</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	426,129
National School Lunch Program	10.555	N/A	1,119,562
National School Lunch Program - After School Snack	10.555	N/A	17,470
National School Lunch Program - Commodities	10.555	N/A	252,629
Summer Food Service Program	10.559	N/A	290,426
Total Child Nutrition Cluster			<u>2,106,216</u>
Fresh Fruits and Vegetables Program	10.582	N/A	50,314
NSLP Equipment Grant	10.579	N/A	1,975
<b>Total U.S. Department of Agriculture</b>			<u>2,158,505</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 7,042,430</u></u>

See accompanying notes.

# CARSON CITY SCHOOL DISTRICT

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## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2020

### NOTE 1 – REPORTING ENTITY

The accompanying *Schedule of Expenditures of Federal Awards* presents the expenditure activity of all federal award programs of the Carson City School District (the District) for the year ended June 30, 2020. The District's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the *Schedule of Expenditures of Federal Awards*.

### NOTE 2 – BASIS OF ACCOUNTING

The accompanying *Schedule of Expenditures of Federal Awards* is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of CFDA #10.555 – National School Lunch Program - Commodities represents the fair value of commodity foods expended by the District for the year ended June 30, 2020.

### NOTE 3 – INDIRECT COST RATE

The Carson City School District has elected to use a 7.70% indirect cost rate approved by the Nevada Department of Education.



# CARSON CITY SCHOOL DISTRICT

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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2020

### A. SUMMARY OF AUDIT RESULTS

#### *Financial Statements*

Type of auditor's report issued:	Unmodified
Internal Control over Financial Reporting	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to financial statements noted:	No

#### *Federal Awards*

Internal Control over Major Programs	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a):	No

#### *Major Programs*

The major programs for the year ended June 30, 2020 are as follows:

    Special Education Cluster (CFDA's 84.027 and 84.173)

The threshold for distinguishing Types A and B programs was \$750,000.

#### *Low-Risk Auditee*

Carson City School District was determined to be a low-risk auditee.

### B. FINDINGS – FINANCIAL STATEMENTS

None.

### C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None.

# CARSON CITY SCHOOL DISTRICT

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## INDEPENDENT AUDITORS' COMMENTS

JUNE 30, 2020

### CURRENT YEAR STATUTE COMPLIANCE

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

### PRIOR YEAR STATUTE VIOLATIONS

No potential statute violations were noted in the 2019 audit.

### CURRENT YEAR AUDIT RECOMMENDATIONS

We did not find any financial weaknesses of a magnitude to justify inclusion within our audit report.

### STATUS OF PRIOR YEAR AUDIT RECOMMENDATIONS

There were no prior year recommendations related to financial weaknesses of a magnitude to justify inclusion within the audit report.

## APPENDIX B

### BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC

and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.*

## APPENDIX C

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by Carson City School District, Nevada (the “Issuer”) in connection with the issuance of the Issuer’s Carson City School District, Nevada, General Obligation (Limited Tax) School Improvement Bonds, Series 2021, in the aggregate principal amount of \$12,000,000 (the “Bonds”). The Bonds are being issued pursuant to the bond resolution of the Issuer adopted August 24, 2021 (the “Resolution”). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “SEC”).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Dissemination Agent” shall mean, initially, the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board in compliance with the Rule.

“Material Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board. The MSRB’s required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the Issuer's fiscal year of each year, commencing nine (9) months following the end of the Issuer's fiscal year ending June 30, 2021, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send or cause to be sent a notice in substantially the form attached as Exhibit "A" to the MSRB.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB;

(ii) if the Dissemination Agent is other than the Issuer, send written notice to the Issuer at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(iii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the type of information identified in Exhibit "B" hereto, which is contained in the tables in the Official Statement with respect to the Bonds (excluding projections, forecasts and budgeted information which are not required to be updated).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are

available to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Issuer shall provide or cause to be provided, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds, to the MSRB:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to rights of bondholders, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the obligated person\*;

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\* For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.



(m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms if material;

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) Incurrence of a Financial Obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

(p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.

SECTION 6. Format; Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to

violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATE: October 5, 2021.

CARSON CITY SCHOOL DISTRICT, NEVADA

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Director of Fiscal Services

**EXHIBIT "A"**

**NOTICE TO MSRB  
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Carson City School District, Nevada

Name of Bond Issue: General Obligation (Limited Tax) School Improvement Bonds, Series 2021

CUSIP: 145814

Date of Issuance: October 5, 2021

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Bond Resolution adopted on August 24, 2021 and the Continuing Disclosure Certificate executed on October 5, 2021 by the Issuer. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

CARSON CITY SCHOOL DISTRICT,  
NEVADA

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT “B”**

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

(see page iv of the Official Statement)

## **APPENDIX D**

### **FORM OF APPROVING OPINION OF BOND COUNSEL**

October 5, 2021

Carson City School District, Nevada  
1402 W. King Street  
Carson City, Nevada 89703

**\$12,000,000**  
**Carson City School District, Nevada**  
**General Obligation (Limited Tax) School Improvement Bonds**  
**Series 2021**

We have acted as bond counsel to the Carson City School District (the “District”), Nevada (the “State”), in connection with the issuance of its General Obligation (Limited Tax) School Improvement Bonds, Series 2021, in the aggregate principal amount of \$12,000,000 (the “Bonds”), pursuant to an authorizing resolution adopted and approved by the District’s Board of Trustees on August 24, 2021 (the “Bond Resolution”). In such capacity, we have examined the District’s certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Bond Resolution.

Regarding questions of fact material to our opinions, we have relied upon the District’s certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding limited tax general obligations of the District.
2. All of the taxable property in the District is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

3. As provided in the Bond Resolution and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the District (i.e., the State, the District and any other political subdivision in the District) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State and the District) for all other purposes (subject to any exception implied by law for the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in section 55(b)(2) of the Tax Code. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

5. Under laws of the State in effect on the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the District incurred pursuant to the Bonds and the Bond Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter rendered in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the disposition or ownership of the Bonds, except those specifically addressed herein.

This opinion letter is rendered as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in laws that may hereafter occur.

Respectfully submitted,

## APPENDIX E

### ECONOMIC AND DEMOGRAPHIC INFORMATION

This Appendix E contains general information concerning the historic economic and demographic conditions in the City and the District. This Appendix E is intended only to provide prospective investors with general information regarding the District's community. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. The District makes no representation as to the accuracy or completeness of data obtained from parties other than the District.

The City is the capital city and seat of State and local governments, and is situated in northwestern Nevada 30 miles south of Reno and 14 miles east of Lake Tahoe. Carson City is a combined City and County government entity formed in 1969. The smallest of the State's counties, the City encompasses 147 square miles but serves as a retail and commercial center for a larger area.

#### Population and Age Distribution

Population. The table below sets forth the population growth of the City and the State since 1970. Between 2011 and 2020, the City's population increased 0.7%, and the State increased 15.6%.

Calendar Year	<u>Population</u>			
	Carson City	Percent Change	State of Nevada	Percent Change
1970	15,468	--	488,738	--
1980	32,022	107.0%	800,508	63.8%
1990	40,443	26.3	1,201,833	50.1
2000	52,457	29.7	1,998,257	66.3
2010	55,274	5.4	2,700,551	35.1
2011	56,066	--	2,721,794	--
2012	55,441	(1.1)%	2,750,217	1.0%
2013	54,668	(1.4)	2,800,967	1.8
2014	53,969	(1.3)	2,843,301	1.5
2015	54,273	0.6	2,897,584	1.9
2016	55,182	1.7	2,953,375	1.9
2017	55,438	0.5	2,986,656	1.1
2018	56,057	1.1	3,057,582	2.4
2019	56,151	0.2	3,112,937	1.8
2020	56,434	0.5	3,145,184	1.0

Sources: U.S. Bureau of the Census (1970-2010 as of April 1); and Nevada State Department of Taxation (2011-2020 estimates as of July 1<sup>st</sup>). Populations are subject to periodic revision.

Age Distribution. The following table sets forth a comparative age distribution profile for the City, the State and the United States as of January 1, 2021.

Age Distribution Projections

Age	Percent of Population		
	Carson City	State of Nevada	United States
0-17	20.6%	22.5%	22.2%
18-24	7.9	8.3	9.4
25-34	12.7	13.9	13.5
35-44	11.3	13.5	12.7
45-54	11.8	12.8	12.3
55-64	14.2	12.3	12.8
65-74	12.9	10.3	10.1
75 and Older	8.6	6.4	7.0

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**Income**

The following two tables reflect Median Household Effective Buying Income (“EBI”), and also the percentage of households by EBI groups. EBI is defined as “money income” (defined below) less personal tax and nontax payments. “Money income” is defined as the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income, unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deductions are made for personal income taxes (federal, state and local), personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied nonbusiness real estate. The resulting figure is known as “disposable” or “after-tax” income.

Median Household Effective Buying Income Estimates<sup>(1)</sup>

Calendar Year <sup>(2)</sup>	Carson City	State of Nevada	United States
2017	\$46,293	\$47,914	\$48,043
2018	45,428	50,009	50,620
2019	45,255	51,985	52,468
2020	48,830	55,709	54,686
2021	52,136	56,292	56,093

(1) The difference between consecutive years is not an estimate of change from one year to the next; combinations of data are used each year to identify the estimated mean of income from which the median is computed.

(2) Annual estimate snapshots of effective buying income for the date of January 1 of each listed year.

Sources: © The Nielsen Company, *SiteReports*, 2017; and Claritas, ©2018-2021 by Environics Analytics (EA).



Percent of Households by Effective Buying Income Groups – 2021 Estimates<sup>(1)</sup>

Effective Buying Income Group	Carson City Households	State of Nevada Households	United States Households
Under \$24,999	19.3%	18.2%	19.6%
\$25,000 - \$49,999	28.6	26.1	25.1
\$50,000 - \$74,999	20.2	20.0	19.5
\$75,000 - \$99,999	14.4	15.1	14.7
\$100,000 - \$124,999	7.7	8.2	7.4
\$125,000 - \$149,999	3.5	4.5	4.6
\$150,000 or more	6.3	7.9	9.1

(1) Estimate snapshots of income groups on January 1, 2021.

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The following table sets forth the annual per capita personal income levels for the residents of the City, the State and the nation.

Per Capita Personal Income<sup>(1)</sup>

Calendar Year	Carson City	State of Nevada	United States
2015	\$45,514	\$44,290	\$49,003
2016	45,771	45,320	49,995
2017	48,572	47,615	52,096
2018	50,797	49,944	54,581
2019	52,470	50,985	56,474
2020	n/a	53,635	59,729

(1) City figures posted November 2020; state and national figures posted March 2021. All figures are subject to periodic revisions.

Source: United States Department of Commerce, Bureau of Economic Analysis.

## Employment

The average annual labor force summary for the City as prepared by the State’s Department of Employment, Training and Rehabilitation is as follows:

Average Annual Labor Force Summary

Carson City MSA, Nevada  
(Estimates in Thousands)

<u>Calendar Year<sup>(1)</sup></u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021<sup>(1)</sup></u>
TOTAL LABOR FORCE	24.7	25.4	25.7	26.6	26.1	27.1
Unemployment	1.5	1.3	1.2	1.0	2.1	1.4
Unemployment Rate <sup>(3)</sup>	6.1%	5.1%	4.7%	3.9%	8.2%	5.3%
Total Employment	23.2	24.1	24.5	25.6	24.0	25.7

(1) Averaged figures through June 30, 2021, subject to change.

(2) The annual average U.S. unemployment rates for the years 2016 through 2020 are 4.9%, 4.4%, 3.9%, 3.7%, and 8.1%, respectively.

Sources: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation; and U.S. Bureau of Labor, Bureau of Labor Statistics.

The following table indicates the number of persons employed, by type of employment, in non-agricultural industrial employment in the Carson City MSA.

Industrial Employment  
Carson City MSA, Nevada  
(Estimates in Thousands)

<u>Calendar Year</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021<sup>(1)</sup></u>
<i>Goods Producing</i>	3.7	4.1	4.1	4.2	4.0	3.9
Manufacturing	2.5	2.6	2.6	2.7	2.5	2.4
<i>Service Providing</i>	25.0	25.8	26.0	26.5	25.5	26.1
<u>Private Service Providing</u>	15.6	16.2	16.4	16.9	16.3	17.0
Trade, Transportation & Utilities	4.0	4.1	4.2	4.3	4.3	4.7
Retail	3.1	3.2	3.3	3.3	3.3	3.7
Professional & Business Services	1.9	2.0	2.1	2.2	2.2	2.4
Leisure and Hospitality	3.5	3.6	3.6	3.7	3.0	3.2
Government	<u>9.4</u>	<u>9.7</u>	<u>9.6</u>	<u>9.6</u>	<u>9.2</u>	<u>9.2</u>
TOTAL ALL INDUSTRIES <sup>(2)</sup>	<u>28.7</u>	<u>30.0</u>	<u>30.1</u>	<u>30.7</u>	<u>29.5</u>	<u>30.1</u>

(1) As of June 30, 2021.

(2) Data total may not calculate due to rounding. All numbers are seasonally unadjusted and subject to periodic revision.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

The following table sets forth a selection of major employers in Carson City. No independent investigation has been made of and consequently no assurances can be given as to the financial condition or stability of the employers listed below or the likelihood that such entities will maintain their status as major employers in the City.

Carson City's Major Employers  
2021 – 1st Half

Employer	Employment Range	Industry
Nevada Corrections Department	1,000 - 4,499	State government
Nevada Transportation Department	1,000 - 4,499	State government
Nevada Employment Security Division	1,000 - 4,499	State government
Carson City School District	1,000 - 4,499	Public education
Carson Tahoe Regional Healthcare	500 - 999	Healthcare provider
City of Carson City	500 - 999	Local government
Click Bond Inc.	500 - 999	Fasteners - Industrial
Nevada Legislative Counsel Bureau	500 - 999	State government
Nevada Health Division	500 - 999	State government
Carson City Nugget	250 - 499	Casino

Source: Data Axle ®, Omaha, NE, 800-555-5211 © July 1, 2021 (as posted by Nevada DETR Research & Analysis Bureau) - All Rights Reserved; Carson City School District; and City of Carson City.

The following table lists the firm employment size breakdown for the City.

Size Class of Industries<sup>(1)</sup>

Carson City, Nevada  
(Non-Government Worksites)

Calendar Year	4 <sup>th</sup> Qtr 2020	4 <sup>th</sup> Qtr 2019	Percent Change 2020/2019	Employment Totals 4 <sup>th</sup> Qtr 2020
<b>TOTAL NUMBER OF WORKSITES</b>	1,863	1,922	(3.1)%	20,567
Less Than 10 Employees	1,388	1,427	(2.7)	4,174
10-19 Employees	248	246	0.8	3,409
20-49 Employees	161	180	(10.6)	4,737
50-99 Employees	44	46	(4.3)	3,077
100-249 Employees	17	18	(5.6)	2,345
250-499 Employees	4	4	0.0	1,317
500-999 Employees	0	0	0.0	0
1000+ Employees	1	1	0.0	1,508

(1) Subject to revisions.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

## Retail Sales

The following table sets forth a record of taxable sales in the City and the State. The City serves as a retail and commercial center for a larger area including portions of adjoining Lyon, Churchill, Mineral and Douglas Counties and Bishop, California, to the southwest.

Taxable Sales<sup>(1)</sup>

Fiscal Year <sup>(2)</sup>	City Total	Percent Change	State Total	Percent Change
2016	\$ 961,716,995	--	\$52,788,295,421	--
2017	1,055,090,538	9.7%	56,547,741,530	7.1%
2018	1,144,376,853	8.5	58,947,823,520	4.2
2019	1,240,116,234	8.4	62,561,025,875	6.1
2020	1,304,889,881	5.2	61,365,683,690	(1.9)
Jul 2019 – May 2020	\$1,169,305,355	--	\$56,063,949,911	--
Jul 2020 – May 2021	1,408,615,403	20.5%	60,773,249,640	8.4%

(1) Subject to revision.

(2) Fiscal year runs from July 1 to the following June 30.

Source: State of Nevada - Department of Taxation.

**Construction**

Construction valuation is a value placed on a project in order to determine permit and plans check fees. Construction valuation has no relationship to assessed valuation. Set forth in the following table is summary of the number and valuation of building permits issued in the City within the years indicated.

Building Permit Issuance in Carson City, Nevada

Calendar Year	New Single Family <sup>(1)</sup>		New Multiple Family		New Commercial	
	Permits	Valuation	Units	Valuation	Permits	Valuation
2017	118	\$33,192,611	20	\$2,545,672	12	\$8,397,679
2018	127	33,244,800	83	8,023,932	8	8,555,756
2019	224	53,673,856	15	34,701,251	35	30,056,654 <sup>(2)</sup>
2020	225	57,030,518	24	50,744,289	48	22,309,411 <sup>(2)</sup>
2021 <sup>(2)</sup>	99	26,700,952	2	1,000,000	9	4,232,509 <sup>(2)</sup>

(1) Includes attached and detached single family dwellings.

(2) Includes tenant improvements.

(2) As of July 31, 2021.

Source: Carson City Building Division.

**Gaming**

General. The economy of the State is heavily dependent upon a tourist industry based on legalized casino gambling. Gaming has been legal in Nevada since 1931 and is controlled and regulated by the State. Control is vested in a five-member Gaming Commission and a three-member Gaming Control Board. All of the board and commission members are appointed by the Governor. These bodies investigate and approve all licenses, establish operating rules, and collect gaming taxes due the State. The following table sets forth a five-year

record of gross taxable gaming revenues and total gaming taxes collected on a State-wide basis and in the City.

Gross Taxable Gaming Revenue and Total Gaming Taxes<sup>(1)</sup>  
Carson Valley Area, Nevada

Fiscal Year Ended	Gross Taxable Gaming Revenue <sup>(2)</sup>		% Change Carson Valley	State Gaming Collection <sup>(3)</sup>		% Change Carson Valley
	State Total	Carson Valley		State Total	Carson Valley	
June 30						
2017	\$10,964,590,630	\$100,798,877	--	\$874,777,727	\$8,210,934	--
2018	11,330,597,948	108,271,765	7.41%	866,305,681	8,890,034	8.27%
2019	11,358,691,489	110,770,726	2.31	919,517,317	8,767,710	(1.38)
2020	9,150,243,978	89,432,256	(19.26)	617,451,077	6,032,876	(31.19)
2021	10,359,809,813	123,652,755	38.26	885,683,314	11,431,959	89.49

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.

(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).

(3) Cash receipts of the State from all sources relating to gaming (General Fund and other revenues) including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees, and miscellaneous collections. A portion of collections is deposited to the State funds other than the State's General Fund.

Source: State of Nevada - Gaming Control Board.

Gaming Competition. Different forms of legalized gaming have been authorized by many states across the United States, including tribal gaming. The different forms of gaming include casino gaming, riverboat gambling, internet gaming and lotteries. Other states may authorize gaming in the future in one form or another. Historically, the availability of these forms of gaming in other states has not had any significant impact on gaming in the State. Nonetheless, the City cannot predict the future impact of legalization of legalized gaming in other states on the economy of the area.

## Tourism

Tourism is an important segment of the City's economy. Attractions include recreational and historical features of the area. Carson City is located in a protected valley surrounded on all sides by mountains, including the Sierra Nevada Mountains which provide downhill and cross-country skiing, as well as hiking and cycling trails. Two major winter ski resorts, Heavenly and Mt. Rose at Lake Tahoe, are within 35 minutes of the City's downtown; two additional Lake Tahoe ski resorts (Kirkwood and Diamond Peak) are within an hour from the City. The City also offers nine world-class golf courses and a dozen casinos. Convention facilities and meeting spaces are available. One of the West's largest historic home districts is located in the City featuring the State Capitol, Governor's Mansion and the Nevada State Museum, which was once a United States Mint Building. Virginia City, located 20 minutes west of the City, offers an early historic Nevada mining town to explore.

## **Transportation**

U.S. Highways 395 and 50 connect the City north to the City of Reno and west to the Lake Tahoe recreational area. The City's strategic location at the intersection of two major highway corridors provides convenient access to major markets throughout the West. Over 25 local, regional and national carriers provide next day freight service to 80 percent of the eleven states in the western region. The last leg of Interstate 580 Carson City Freeway was opened to traffic in 2017, and will help relieve downtown traffic and provide better freeway access to Reno and Tahoe. Previously, there was no interstate connection to the capital city. Carson City Airport is located three miles northeast of downtown Carson City and is a public facility serving the general aviation needs of the area, including business, pleasure, and legislative sessions, with a 5,900-foot runway. Hangar space and other services are available. International and interstate commercial passenger services are available at the Reno-Tahoe International Airport located approximately 30 to 40 minutes from the City

RTC Intercity, operated by the Washoe Regional Transportation Commission, runs an express commuter bus service between downtown Reno and downtown Carson City. Likewise, the South Tahoe Area Transit Authority operates the Spooner Express, an express bus service between South Lake Tahoe and downtown Carson City. Both the Union Pacific and Amtrak rail services are available in Reno/Sparks metropolitan center.

## **Development Activity**

The Northern Nevada Development Authority (NNDA) serves to promote economic development activity in the Sierra Region which includes Carson City, Douglas, Lyon and Storey counties.

Complementing the area's emphasis on economic diversification are the numerous business advantages unique to the State. Competitive wage rates, low workers' compensation costs, an expanding labor force, centralized location and attractive transportation costs to other prominent western markets, and the State's incentive programs combine to give business and industry an attractive incentive to move to, relocate or expand in the Sierra Region of Nevada.