

Financial Section



COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Independent Auditor's Report

The Board of Trustees of the
Clark County School District
Clark County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark County 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 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 18 as well as the schedule of District contributions, the schedule of the District's proportionate share of the net pension liability, and the schedules of changes in the District's total OPEB liability and related ratios on pages 98 through 103 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 introductory section, combining and individual nonmajor fund financial statements, capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the financial statements.

The combining and individual fund statements and schedules, capital asset schedules, 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 fund statements and schedules, capital asset schedules, 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 16, 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, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

A handwritten signature in cursive script that reads "Eide Sully LLP". The signature is written in black ink and is positioned above the typed text of the firm's name.

Las Vegas, Nevada
October 16, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

The Management's Discussion and Analysis (MD&A) offers readers a narrative overview and analysis of the Clark County School District's (District) financial statements for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which precedes this report, and the financial statements, which immediately follow this report.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2020

Following is an analysis of facts, descriptions and/or conditions of the District, in fiscal year 2020, that had a material effect on its financial position and/or operating results.

Government-wide Financial Statements

- The overall financial position of the District, as shown on the government-wide statement, increased \$216 million during fiscal year 2020, from a negative \$272.6 million to a negative \$56.8 million. This negative balance is due to the effect of the Governmental Accounting Standards Board (GASB) Statement No. 68, amended by Statement No. 82, which requires the District to record their proportionate share of the net pension liability of the Public Employees' Retirement System of Nevada (PERS).
- Contributing to the overall gain in net position, revenues increased \$81.3 million from \$3.666 billion in fiscal year 2019 to \$3.748 billion in fiscal year 2020, a 2.22% increase. This was mainly due to the increase in property tax, operating grants, and state aid through the Distributive School Account (DSA). The decrease to the principal payment in the Debt Service Fund also contributed to the net position increase.
- Certain local revenues such as charges for services, the governmental services tax, sales tax, and room tax decreased from fiscal year 2019 in the amount of \$20,613,777, \$7,325,828, \$72,931,475 and \$17,958,896, respectively, due to the shutdown of schools, the Department of Motor Vehicles (DMV), and casino-hotels in an effort to stem the spread of Coronavirus disease (COVID-19).
- Total expenses increased 6.04% from \$3.331 billion in fiscal year 2019, to \$3.532 billion in fiscal year 2020. This is attributed to the salary increases for all employee groups as the result of the arbitrated contract settlements and a PERS contribution rate increase. The purchase of Chromebooks in preparation of distance learning for the upcoming school year also contributed to the overall increase in expenditures. The recording of GASB Statement No. 68 and GASB Statement No. 75, requires the District to recognize the net pension liability and total Other Post-Employment Benefits (OPEB) liability from the prior year to the current fiscal year, resulting in an increase to expenses.

Fund Financial Statements

- The combined ending governmental fund balances increased to \$1.396 billion in fiscal year 2020 from \$1.110 billion in fiscal year 2019, a 25.73% increase. This \$286 million increase in the ending combined fund balance was mainly due to the increase in the General Fund, the Debt Service Fund, and the Bond Fund.
- Despite the slowdown of the economy due to COVID-19, the combined revenues in the governmental funds recorded a \$97 million increase from the previous year, predominantly in the General Fund, the Debt Service Fund, and the State Grants Fund. The General Fund and Debt Service Fund recognized a total increase of \$63 million in property tax revenue. The General Fund and the Special Education Fund recognized an increase in DSA revenue of \$135 million, which is mainly due to the increase to the basic support rate, partially offset by the decrease of sales tax. The State Grants Fund recognized a total increase of approximately \$38 million due to the two new grants as a result of Nevada 2019 Legislative Assembly Bill 309 (AB309) and Senate Bill 551 (SB551), that provided supplemental support to the operation of the school district.
- One of the largest sources of revenue in the General Fund and the Special Education Fund is the DSA. Revenues received from property tax and sales tax are deducted from the guarantee, which determines the amount of state aid the District will receive. The effect of property tax and sales tax are generally offset by DSA revenues.

General Operating Fund Balance

- Ending fund balance in the General Fund increased from approximately \$171 million in fiscal year 2019 to approximately \$291 million in fiscal year 2020, a 70.33% increase. Included in the ending fund balance is \$149 million which is restricted in the General Fund due to Nevada Revised Statutes 388G, which requires schools to carry over funds into the next year. Total revenues increased by approximately \$85 million. Increased investment earnings, property taxes, and

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

DSA revenue contributed to this figure. A reduction of expenditures in operation and maintenance of plant services and student transportation, positively affected ending fund balance. This was a result of the District purchasing fewer buses than anticipated due to the closure of the bus manufacturing plant during COVID-19, and the two new grants, AB309 and SB551, that paid for most of the electricity costs.

- The District fully funded the unassigned (spendable) portion of fund balance to 2% of general operating revenue in fiscal year 2020, which is the highest it has been in over ten years. Unassigned fund balance is reported at \$48.8 million in fiscal year 2020.
- The District was able to assign funding in its General Fund for instructional supply appropriations, categorical indirect costs, a NV Energy incentive, potential litigation and revenue shortfall for the next fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements. Following is a brief discussion of the structure of the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with an assessment of the overall financial position and activities of the District as a whole. These statements are structured around the primary government and are further divided into governmental activities and business-type activities. Governmental activities are those generally financed through taxes and intergovernmental revenues, while business-type activities are those financed to some degree by charging external parties for goods received. The statement of net position combines and consolidates all of the District's current financial resources (short-term spendable resources) with capital assets, deferred outflows of resources, long-term obligations, and deferred inflows of resources, using the accrual basis of accounting. The end result is net position that is segregated into three components: net investment in capital assets; restricted and unrestricted net position. The statement of activities presents information showing how the District's net position changed during fiscal year 2020. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, there are some revenues and expenses reported in this statement that will result in cash flows in future fiscal periods. All expenses are reported by related function as prescribed by the Nevada Department of Education Nevada Common Elements for Accounting and Reporting K-12 Educational Finances manual.

Fund Financial Statements

The District uses fund financial statements to provide detailed information about its most significant funds. All of the funds of the District can be divided into two categories:

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the fiscal year. To provide a better understanding of the relationship between the fund statements and government-wide statements, a reconciliation is provided for a more comprehensive picture of the District's financial position.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows are reported in the proprietary funds. The District reports two types, enterprise funds and internal service funds. Enterprise funds are used to report an activity where a fee is charged to external users. The District's sole enterprise fund, the Food Service Enterprise Fund, is used to account for food service operations within the District. Internal service funds report activities that provide goods and services to the other departments of the District. The District reports two internal service funds, the Insurance and Risk Management Fund, and the Graphic Arts Production Fund.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, the government-wide statements are structured to report financial information on the District as a whole. Condensed financial information with comparative amounts from the prior year is presented along with accompanying analysis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Clark County School District's Net Position:

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 1,941,343,381	\$ 1,614,356,089	\$ 117,046,931	\$ 108,762,819	\$ 2,058,390,312	\$ 1,723,118,908
Capital assets, net	4,953,227,386	4,725,493,836	18,530,795	16,489,906	4,971,758,181	4,741,983,742
Total assets	6,894,570,767	6,339,849,925	135,577,726	125,252,725	7,030,148,493	6,465,102,650
Deferred outflows of resources	567,243,105	545,790,018	7,356,226	7,080,077	574,599,331	552,870,095
Current liabilities	776,167,617	724,101,456	4,534,380	5,756,376	780,701,997	729,857,832
Long-term liabilities	6,451,176,488	6,288,062,873	46,491,469	45,599,945	6,497,667,957	6,333,662,818
Total liabilities	7,227,344,105	7,012,164,329	51,025,849	51,356,321	7,278,369,954	7,063,520,650
Deferred inflows of resources	378,011,626	224,095,447	5,180,579	2,958,402	383,192,205	227,053,849
Net position:						
Net investment in capital assets	2,206,276,498	2,147,605,485	18,530,795	16,489,906	2,224,807,293	2,164,095,391
Restricted	796,647,079	591,111,002	-	-	796,647,079	591,111,002
Unrestricted	(3,146,465,436)	(3,089,336,320)	68,196,729	61,528,173	(3,078,268,707)	(3,027,808,147)
Total net position	\$ (143,541,859)	\$ (350,619,833)	\$ 86,727,524	\$ 78,018,079	\$ (56,814,335)	\$ (272,601,754)

The District's assets and deferred outflows of resources were less than liabilities and deferred inflows of resources by \$56,814,335 at the close of the current fiscal year and total net position increased by \$215,787,419 or 79.16%. The negative net position remains due to the effect of GASB Statement No. 68, amended by GASB Statement No. 82, which requires the District to report its proportionate share of the net pension liability.

Governmental Activities

The District's total net position in governmental activities is a negative \$143,541,859, which includes a negative unrestricted net position of \$3,146,465,436. Included in this figure is the impact of recording the net pension liability and the total OPEB liability. The portion the District pays to PERS is for required contributions, but pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability.

Portions of total net position are subject to external restrictions on how the resources may be utilized. In the current fiscal year, restricted assets include assets for servicing long-term general obligation bonded debt in the amount of \$543,722,771; assets related to bond proceeds and other revenues to be used in the District's capital projects programs in the amount of \$44,650,315; school carryover (net vacancy) in the amount of \$68,379,526; school carryover (supplies) in the amount of \$60,706,718; activities for student groups in the amount of \$36,226,461; school carryover (service level agreements) in the amount of \$12,844,913; school bus appropriations in the amount of \$10,646,736; a certificate of deposit with the State of Nevada for the District's workers' compensation self-insurance program in the amount of \$9,971,000; school based project carryover in the amount of \$7,074,957; net position restricted for other purposes totaling \$2,423,682, which includes, a total of \$2,175,612 in term endowments made over time to Vegas PBS and donations of \$248,070.

Business-type Activities

Business-type activities consist solely of the District's Food Service Enterprise Fund. In the current fiscal year, this activity increased net position by 11.16% to \$86,727,524, in large part due to an increase in commodity revenue which is based on prior year's participation numbers, and a decrease in total meals served due to school closures. This resulted in a corresponding decrease in food costs, and payroll expenses. Revenues exceeded expenses by \$8,709,445. Food Service is reporting approximately \$68 million in unrestricted net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Clark County School District's Statement of Activities:

	Governmental activities		Business-type activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 66,025,633	\$ 82,949,577	\$ 6,422,696	\$ 10,112,529	\$ 72,448,329	\$ 93,062,106
Operating grants and contributions	673,039,117	648,338,633	125,125,883	127,134,671	798,165,000	775,473,304
Capital grants and contributions	1,644,531	3,546,084	-	10,000	1,644,531	3,556,084
Total program revenues	740,709,281	734,834,294	131,548,579	137,257,200	872,257,860	872,091,494
General revenues:						
Property taxes	937,544,947	873,254,372	-	-	937,544,947	873,254,372
Local school support tax	976,385,987	1,049,317,462	-	-	976,385,987	1,049,317,462
Governmental services tax	99,166,458	106,492,286	-	-	99,166,458	106,492,286
Room tax	79,779,216	97,738,112	-	-	79,779,216	97,738,112
Real estate transfer tax	34,283,512	35,399,888	-	-	34,283,512	35,399,888
Franchise tax	758,397	5,003,397	-	-	758,397	5,003,397
Unrestricted federal aid	122,324	289,831	-	-	122,324	289,831
Unrestricted state aid	697,067,316	569,051,001	-	-	697,067,316	569,051,001
Other local sources	7,963,313	19,379,120	32,835	45,809	7,996,148	19,424,929
Unrestricted investment earnings	40,325,901	36,056,402	2,050,285	2,348,839	42,376,186	38,405,241
Total general revenues	2,873,397,371	2,791,981,871	2,083,120	2,394,648	2,875,480,491	2,794,376,519
Total revenues	3,614,106,652	3,526,816,165	133,631,699	139,651,848	3,747,738,351	3,666,468,013
Expenses						
Instruction expenses	2,103,953,837	1,900,145,425	-	-	2,103,953,837	1,900,145,425
Support services:						
Student support	161,343,435	144,025,274	-	-	161,343,435	144,025,274
Instructional staff support	235,780,607	262,245,812	-	-	235,780,607	262,245,812
General administration	34,119,370	31,295,604	-	-	34,119,370	31,295,604
School administration	228,892,419	210,023,349	-	-	228,892,419	210,023,349
Central services	74,387,371	91,979,427	-	-	74,387,371	91,979,427
Operation and maintenance of plant services	287,646,056	273,856,342	-	-	287,646,056	273,856,342
Student transportation	148,194,031	142,893,822	-	-	148,194,031	142,893,822
Other support services	4,117,155	5,229,655	-	-	4,117,155	5,229,655
Community services	4,100,426	4,493,907	-	-	4,100,426	4,493,907
Facilities acquisition and construction services	20,150,078	41,678,951	-	-	20,150,078	41,678,951
Interdistrict payments	6,918,798	7,983,621	-	-	6,918,798	7,983,621
Interest on long-term debt	97,470,848	87,880,381	-	-	97,470,848	87,880,381
Food services	-	-	125,218,600	127,280,067	125,218,600	127,280,067
Total expenses	3,407,074,431	3,203,731,570	125,218,600	127,280,067	3,532,293,031	3,331,011,637
Excess of revenues over expenditures before term endowments and transfers	207,032,221	323,084,595	8,413,099	12,371,781	215,445,320	335,456,376
Term endowment	342,099	2,413	-	-	342,099	2,413
Transfers in / (out)	(296,346)	(294,584)	296,346	294,584	-	-
Change in net position	207,077,974	322,792,424	8,709,445	12,666,365	215,787,419	335,458,789
Net position - beginning	(350,619,833)	(705,432,784)	78,018,079	65,351,714	(272,601,754)	(640,081,070)
Prior period restatement	-	32,020,527	-	-	-	32,020,527
Net position - beginning (as restated)	(350,619,833)	(673,412,257)	78,018,079	65,351,714	(272,601,754)	(608,060,543)
Net position - ending	\$ (143,541,859)	\$ (350,619,833)	\$ 86,727,524	\$ 78,018,079	\$ (56,814,335)	\$ (272,601,754)

Governmental Activities

Net Position

Governmental activities increased the District's net position by \$207,077,974 for fiscal year 2020.

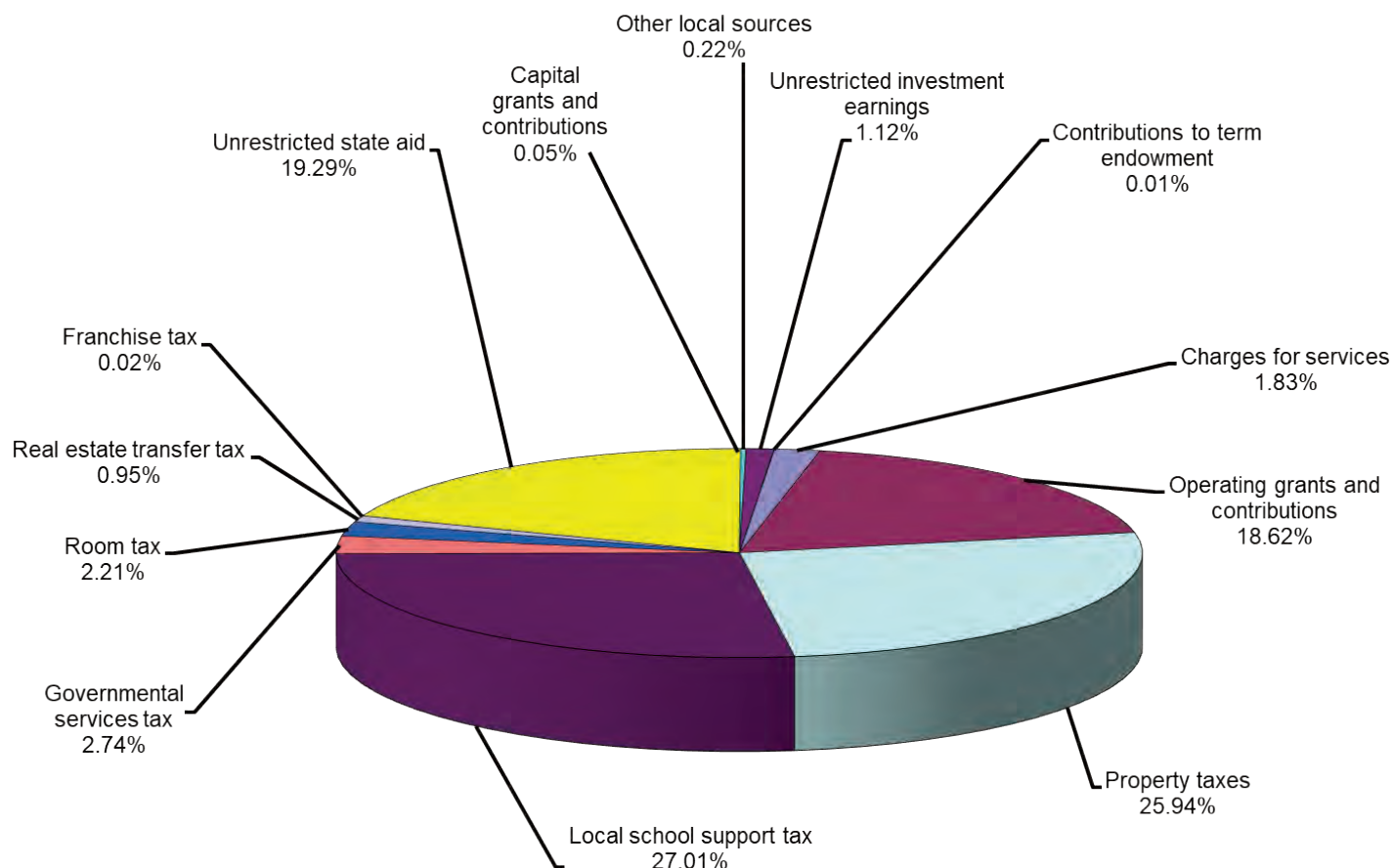
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Revenues

- The largest general revenues received by the District include sales tax in the amount of \$976,385,987, aggregated property taxes in the amount of \$937,544,947 and unrestricted state aid in the amount of \$697,067,316. These revenues represent 27.01, 25.94, and 19.29%, respectively, of total governmental revenues for the current fiscal year.
- This year's unrestricted state aid in the General Fund increased by 22.50%, which is due to the drop in sales tax and a per pupil rate increase from \$5,781 for fiscal year 2019 to \$6,067 in fiscal year 2020. The DSA is guaranteed through a funding mechanism known as the Nevada Plan. The District is legislatively guaranteed to receive a specific amount of per-pupil funding from the state, which is apportioned through components of both local sales tax and property taxes. The state is required to provide funding to meet the residual amount not collected through these taxes. Under the provision of this plan, the State formula is adjusted by the change in local sales tax and property tax revenues, which corresponds to an increase or decrease in the State's obligation. In fiscal year 2020, a drop in sales tax revenue resulted in an increase in DSA revenue.
- Clark County taxable retail sales decreased in fiscal year 2020 by 6.95% providing the District with a decrease of \$72,931,475 in sales tax revenue over the prior year. Total sales tax collections for the District in fiscal year 2020 totaled \$976,385,987. Sales tax collection is part of the Nevada Plan for school funding. When sales tax decreases, the state is required to make up the difference to meet its basic support obligation.
- Property tax is one of the few revenues in the District that showed a strong increase amid the COVID-19 pandemic. It currently increased 7.36% or \$64,290,575 over the prior year, with home values holding steady.
- As the Clark County economy slowed down due to the COVID-19 pandemic, the District experienced a decrease to other revenue collections over the previous year. In fiscal year 2020, the room tax, a tax associated with hotel lodging and deposited into the Bond Fund, showed a decrease of \$17,958,896 or 18.37% over the previous year due to a government-mandated shutdown of casino-hotels that lasted over two months. The real estate transfer tax, a tax collected on transfers of real property, saw a minor decrease of \$1,116,376 or 3.15% due to the decline of total home sales. The real estate transfer tax, property tax and room tax are the main components of repaying outstanding bond obligations.
- In fiscal year 2020, governmental services tax revenue decreased \$7,325,828 or 6.88%. Governmental services taxes are collected when residents register their vehicles each year. The DMV was closed due to the COVID-19 pandemic, which resulted in the issuance of an automatic 90-day extension. Therefore, halting revenue allocations for this fiscal year.
- Franchise tax revenue decreased by \$4,245,000 or 84.84% due to a timing difference in the recording of the franchise tax payments by local utility companies.
- A decrease in other local sources of \$11,415,807 or 58.91% is mainly due to a timing difference in the recording of a fixed asset. In prior year, the sale of the Jefferson yard to the City of North Las Vegas and a reimbursement from the former dental carrier contributed to this decrease.
- Overall investment earnings have increased \$4,269,499 or 11.84% from fiscal year 2019. The introduction of asset-backed securities to the general portfolio, an increase in capital commercial investments and disposable funds prior to COVID-19 contributed to the overall rise in investments.
- This year, revenue from charges for services decreased by \$16,923,944 or 20.40% in the Student Activity special revenue fund. This fund raises money for extra co-curricular activities through fundraisers. The decrease is due to school closures and the cancellation of fundraising events in an effort to reduce the spread of COVID-19.
- Operating grants and contributions revenues increased by \$24,700,484 or 3.81% due to the two new grants, AB309 and SB551, which provided supplemental support to the operation of the District by paying for electricity costs.
- Capital grant and contributions revenues decreased by \$1,901,553 or 53.62% due to the completion of most of the Pre-K grant for floor replacements and installation of bollards at various locations.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Governmental Activities – Revenue Sources**



**Percentages in the chart above may not total to 100% due to rounding.

Governmental Activities - Change in Revenues

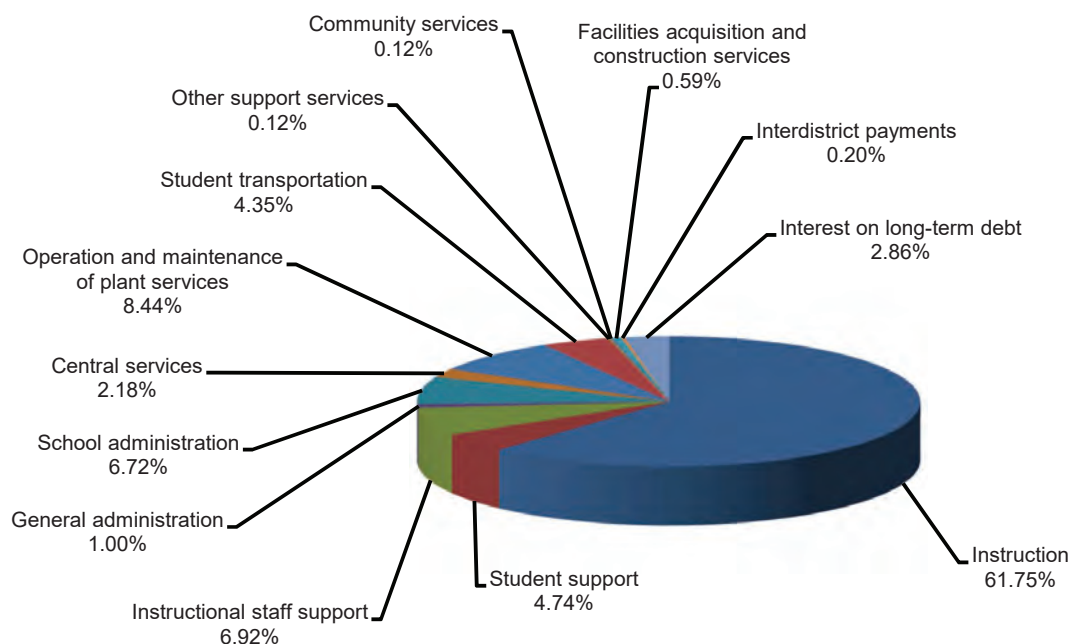
Revenues	2020	2019	Inc / (Dec) from 2019	% Inc / (Dec) from 2019
Charges for services	\$ 66,025,633	\$ 82,949,577	\$ (16,923,944)	-20.40%
Operating grants and contributions	673,039,117	648,338,633	24,700,484	3.81%
Capital grants and contributions	1,644,531	3,546,084	(1,901,553)	-53.62%
Property taxes	937,544,947	873,254,372	64,290,575	7.36%
Local school support tax	976,385,987	1,049,317,462	(72,931,475)	-6.95%
Governmental services tax	99,166,458	106,492,286	(7,325,828)	-6.88%
Room tax	79,779,216	97,738,112	(17,958,896)	-18.37%
Real estate transfer tax	34,283,512	35,399,888	(1,116,376)	-3.15%
Franchise tax	758,397	5,003,397	(4,245,000)	-84.84%
Unrestricted federal aid	122,324	289,831	(167,507)	-57.79%
Unrestricted state aid	697,067,316	569,051,001	128,016,315	22.50%
Other local sources	7,963,313	19,379,120	(11,415,807)	-58.91%
Unrestricted investment earnings	40,325,901	36,056,402	4,269,499	11.84%
Contributions to term endowment	342,099	2,413	339,686	14077.33%
Total revenues	\$ 3,614,448,751	\$ 3,526,818,578	\$ 87,630,173	2.48%

Expenses

- Instruction related expenses represent 61.75% of total governmental expenses. They consist of regular, special, gifted and talented, vocational, other instruction, and adult program expenses, with 94.71% of these dollars spent on regular and special education.
- Instruction related expenses increased by \$203,808,412 or 10.73%. Salaries increased for licensed personnel due to a higher negotiated contract for teachers. PERS contributions rose due to the higher salaries and a higher PERS rate for employees. Title I grant funds were used to purchase computers and laptops in large quantities after students transitioned to distance learning. Pension and OPEB expenses were realized this year, as opposed to a pension income in the prior year, which contributed to the overall increase in expenses.
- Operation and maintenance of plant services account for the next highest change with approximately 8.44% of total expenses. Utility and maintenance costs meant to provide upkeep for the District's schools and administrative facilities are recorded here. The increase of \$13,789,714 or 5.04% is the net effect of construction services, repairs and maintenance of facilities, pension expense and a reduction in general supplies and electricity due to the COVID-19 closure.
- Student support related expenses increased \$17,318,161 or 12.02%. There was an increase in professional services for speech language pathology, physical therapy and occupational therapy. There was also an increase in social workers and salaries and benefits due to the arbitrated contract settlement. Licensed personnel salaries associated with activity pay were re-classed to this function to better align with state guidelines. Pension and OPEB recorded a combined expense of \$5 million in fiscal year 2020.
- Central services expenses decreased by \$17,592,056 or 19.13% largely due to the capitalization of the completed HCM Information System project, as a result of GASB 51.
- School administration function increased by \$18,869,070 or 8.98% as a result of an increase to the PERS rate, health benefits, clerk typists, computer technicians and office specialist positions. The recording of pension and OPEB expenses versus a pension income realized in fiscal year 2019 also affected the change.
- Instructional staff support expenses consist of staff training, library services, instruction related technology, and network systems. These expenses decreased by \$26,465,205 or 10.09% primarily from the decrease in Student Activity expenses, as well as extra-duty licensed and teacher subs, both as a result of COVID-19 school closures. Additionally, decreases to learning strategists and project facilitators occurred in this function. An increase to pension expense in fiscal year 2020 offset these categories.
- Student transportation expenses increased by \$5,300,209 or 3.71% from a rise in benefits, consisting of pension expense and an increase to the PERS rate. There was also a decrease in field trips and transportation as a result of the COVID-19 school closures, which offset the total impact to this function.
- Facilities acquisition and construction services decreased by \$21,528,873 or 51.65% due to the Southeast Career Technical Academy school Phase II replacement project that began in fiscal year 2019 and settled in fiscal year 2020.
- Interest on long-term debt increased by \$9,590,467 or 10.91%, largely due to the decrease in amortization of premiums with the payoff of several bond series in fiscal year 2019. An increase in construction and renovation of schools in the last few years means more building bonds have been issued, resulting in increased interest expenses.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Governmental Activities – Expenses by Function**



**Percentages in the chart above may not total to 100% due to rounding.

Governmental Activities – Change in Expenses by Function

Expenses	2020	2019	Inc / (Dec) from 2019	% Inc / (Dec) from 2019
Instruction	\$ 2,103,953,837	\$ 1,900,145,425	\$ 203,808,412	10.73%
Student support	161,343,435	144,025,274	17,318,161	12.02%
Instructional staff support	235,780,607	262,245,812	(26,465,205)	-10.09%
General administration	34,119,370	31,295,604	2,823,766	9.02%
School administration	228,892,419	210,023,349	18,869,070	8.98%
Central services	74,387,371	91,979,427	(17,592,056)	-19.13%
Operation and maintenance of plant services	287,646,056	273,856,342	13,789,714	5.04%
Student transportation	148,194,031	142,893,822	5,300,209	3.71%
Other support services	4,117,155	5,229,655	(1,112,500)	-21.27%
Community services	4,100,426	4,493,907	(393,481)	-8.76%
Facilities acquisition and construction services	20,150,078	41,678,951	(21,528,873)	-51.65%
Interdistrict payments	6,918,798	7,983,621	(1,064,823)	-13.34%
Interest on long-term debt	97,470,848	87,880,381	9,590,467	10.91%
Total expenses	\$ 3,407,074,431	\$ 3,203,731,570	\$ 203,342,861	6.35%

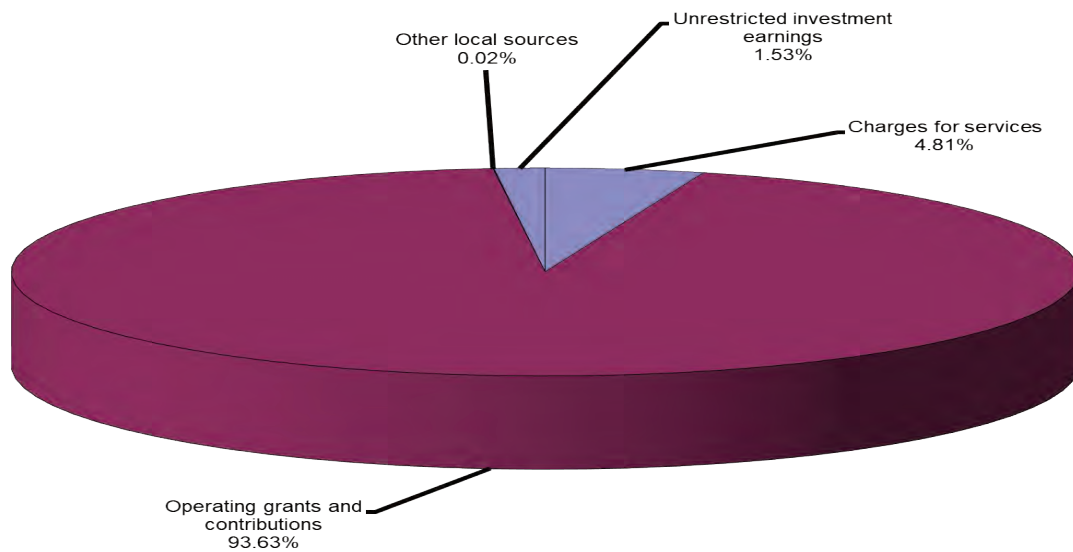
Business-type Activities

Business-type activities consist solely of the District's Food Service Enterprise Fund. In the current fiscal year, this activity increased net position by \$8,709,445, in large part due to the increase in commodity revenue, a decrease in total meals served due to the school closures, corresponding to a decrease in food costs, and payroll expenses.

Food service student charges and federal subsidies, including contributions of commodity food products, account for almost 100% of the revenues received by business-type activities, with student charges representing approximately 4.81% and federal subsidies accounting for 93.63%. The majority of the expenses in business-type activities are for food purchases and personnel expenses, including salary and benefits, to maintain the District's food service program.

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Business-type Activities – Revenue Sources**



**Percentages in the chart above may not total to 100% due to rounding.

Business-type Activities - Change in Revenues

<u>Revenues</u>	<u>2020</u>	<u>2019</u>	<u>Increase / (Decrease) from 2019</u>	<u>% Increase / (Decrease) from 2019</u>
Charges for services	\$ 6,422,696	\$ 10,112,529	\$ (3,689,833)	-36.49%
Operating grants and contributions	125,125,883	127,134,671	(2,008,788)	-1.58%
Capital grants and contributions	-	10,000	(10,000)	-100.00%
Other local sources	32,835	45,809	(12,974)	-28.32%
Unrestricted investment earnings	2,050,285	2,348,839	(298,554)	-12.71%
Total Revenues	\$ 133,631,699	\$ 139,651,848	\$ (6,020,149)	-4.31%

Revenues generated from charges for services declined \$3,689,833 in fiscal year 2020. The school closures that began March 16, 2020 resulted in a drop in a la carte sales and the total number of meals served. Shortly after shutdown, the District worked under a U.S. Department of Agriculture waiver that allowed for the distribution of free and reduce-price meals to all students regardless of eligibility.

ANALYSIS OF GOVERNMENTAL FUND BALANCES AND TRANSACTIONS

Governmental funds use fund accounting and follow the modified accrual basis of accounting which focuses on short-term sources and uses of spendable resources. Following is an analysis of individual fund balances and material transactions.

At the end of the current fiscal year, the District’s governmental funds reported combined ending fund balances of \$1.396 billion, an increase of \$286 million from last year. This is mainly in the General Fund and the bond issuance of building and medium-term bonds in fiscal year 2020. The decrease to the principal payment in the Debt Service Fund also contributed to the increase in the overall ending fund balance. The General Fund reported higher revenue collections as a result of improvements in the local economy prior to COVID-19. Of the total governmental fund balance, \$3,426,455 is classified as nonspendable and \$1,259,111,207 as restricted. Committed fund balance totaled \$5,842,965, which included amounts for PBS programming fees and Medicaid programs. The assigned fund balance totaling \$79,000,808 is for various initiatives throughout the District including categorical

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

indirect costs, instructional supply appropriations, potential litigation, revenue shortfall, and a NV Energy incentive. Unassigned fund balance, for all governmental funds. This serves as a useful measure of the District's net resources as a whole. The available balance for spending is \$48,811,976.

The main operating fund of the District is the General Fund. At the end of the current fiscal year, the total fund balance in the General Fund was \$291,140,159; the nonspendable portion totaled \$3,426,455 and the restricted portion was \$159,900,920. The unassigned portion, which represents spendable resources, was \$48,811,976, representing 16.77% of the total fund balance or 2.00% of the general operating budget resources.

Although reported separately, the Special Education Fund is budgeted for in combination with the General Fund and together they represent the general operating budget of the District. Any deficiencies of revenues under expenditures in the Special Education Fund are compensated for through a transfer from the General Fund. The transfer from the General Fund to cover special education expenditures in fiscal year 2020 was \$352,610,751. This is an increase of 9.47% over 2019, as special education instruction costs increased due to the continued enrollment growth of students qualifying for special education services and increased salary and benefits for licensed personnel.

The District's Debt Service Fund reported an increase in fund balance of approximately \$112 million, from \$129 million in fiscal year 2019 to \$241 million in fiscal year 2020. This is a result of the increase in property tax revenue and investment income, as well as a reduction in debt principal payments.

The District's Bond Fund reported an increase in fund balance of \$47 million due to the construction bonds authorized and issued in the amount of \$400 million. The District received \$114 million in combined revenues from the room tax and real estate transfer tax. These taxes are pledged to reduce specific general obligation debt as it comes due. Most of these pledged revenues are reported as a transfer out of the Bond Fund in the amount of \$88.6 million and are shown as a transfer in to the Debt Service Fund. See Note 4.

The Federal Projects and State Grants Funds reported no fund balance, as draws are recorded as receivables, and requested from the grantor to cover any outstanding expenditures at year-end. Additionally, any revenues that were drawn down and not yet spent are considered unearned until the next fiscal year.

Towards the end of the current fiscal year, the grant/fiscal accountability department request draws to cover several expenditures mainly in its Title I, Title II, Title III, Read by Grade 3, Adult Education, Social Workers, and IDEA grants, but did not receive the funding until after the end of the current fiscal year. As of June 30, 2020, the Federal Projects Fund and State Grants Fund are reporting \$37 million and \$47 million receivables, respectively. Since these funds did not receive grant awards in time to cover the current expenditures, funding was provided by the General Fund. Liabilities are recorded in the Federal Projects Fund in the amount of \$21,095,129, and \$23,139,739 in the State Grants Fund to recognize the payable; corresponding receivables are recorded in the General Fund.

BUDGETARY HIGHLIGHTS

The Original Budget (Final Budget) was approved on May 20, 2019. Budgeted appropriations were developed with certain assumptions remaining unknown or not finalized, namely average daily enrollment (ADE) and beginning fund balance. For this reason, the Original Budget was approved and submitted according to NRS 354.598 on or before June 8 to commence District operations for the fiscal year beginning July 1, 2019.

An amendment to the 2019-2020 Final Budget was approved on December 12, 2019, following recognition of the first quarter ADE, providing more precise 2nd, 3rd, and 4th quarter enrollment projections, and audited fiscal year 2019 financial reports. In addition, the District reached collective bargaining agreements with each employee union through fiscal year 2021. The major financial components for fiscal year 2020 are as follows: Clark County Education Association received a salary table increase of three percent, one step and longevity movement, increased health insurance contributions of four percent, and funding for the professional growth system. Police Officer Association received Step L and Step M added to the salary table, salary table increase of three percent, one step and longevity movement, differential pay of 6.9 percent, and increased health insurance contributions of four percent. Clark County Association of School Administrators and Professional Technical Employees, Education Support Employees Association, and Police Administrator Association each received a salary table increase of three percent, one step and longevity movement, and increased health insurance contributions of four percent.

The amendment to the Final Budget reflects the District's best estimates and includes all transfers, additions, and deletions that have been approved through June 30, 2020, and more accurately denote total appropriation activity throughout the year.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NRS and District regulations require that school districts legally adopt budgets for all funds. Budgets are prepared in accordance with GASB and Generally Accepted Accounting Principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments and transfers made during the year. The budget is prepared by fund, program, and function. All appropriations lapse at year-end and certain allowable encumbrances will carry over and be appropriated in 2020-2021.

Revenues

Total General Operating Fund actual revenues came in under budget by \$2.7 million. The General Fund experienced revenues of \$2.7 million less than projected, because of COVID-19 recession, which led to major public and private business closures, particularly Nevada's DMV, which caused governmental services taxes to come in \$8.9 million lower than budgeted. Although there was a significant decrease in local school support tax (LSST) of \$124 million, because of COVID-19 related business closures, this revenue loss was recovered through the DSA account. DSA revenue source came in greater than projected by \$119.4 million. Per Nevada's K-12 funding formula, State of Nevada must guarantee each LSST dollar to ensure the basic support per student amount is achieved.

Expenditures

Overall, the General Operating Fund expenditures came in below budget by \$202.8 million, which is primarily a result of several events; \$149 million due to COVID-19 related school closures and schools electing not to spend their fiscal year 2020 appropriations, which per NRS 388G carry forward funds have been placed as a restricted balance in the 2020 ending fund balance. The remaining, \$53.8 million was generated from the Special Education Fund coming in under budget by \$7.0 million, because of limited operations due to COVID-19, which generated lower transportation expenditures and cost saving related to vacant special education positions. In addition, General Fund experienced cost savings of \$26.2 million because of limited operations due to COVID-19, which triggered district-wide closures leading to a major telecommuting program, COVID-19 related school bus order fulfillment delays for \$10.6 million, reserving \$8.5 million for potential litigation, and NV Energy's incentive of \$1.5 million.

Ending Fund Balance

The Board adopted an amendment to the fiscal year 2020 Final Budget for the General Operating Fund in December 2019 that reflected total appropriations of \$2.6 billion and a projected ending fund balance of \$95.1 million. The actual fiscal year 2020 ending fund balance is \$291.1 million, a positive variance of \$196 million to the plan, the majority being school carry forward.

CCSD's regulation 3110 requires an unassigned ending fund balance of not less than two percent of total General Fund's revenues for each fiscal year shall be included in the General Fund budget. The District did achieve a 2%, or \$48.8 million unassigned ending fund balance for fiscal year 2020. This is a \$7.6 million improvement over fiscal year 2019.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

At June 30, 2020, the District held over \$4.95 billion invested in a broad range of capital assets, net of depreciation, including land and improvements, buildings and improvements, and equipment. This amount represents a net increase (including additions, disposals, and depreciation) of \$228 million or 4.82% from last year. The following tables reflect additions and disposals of capital assets for governmental and business-type activities:

Governmental Activities Capital Assets:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Land	\$ 265,746,547	\$ -	\$ -	\$ 265,746,547
Land Improvements	1,423,006,109	70,775,528	-	1,493,781,637
Buildings	5,012,298,590	317,741,152	(5,888,570)	5,324,151,172
Building Improvements	955,833,940	14,533,227	(3,961,646)	966,405,521
Equipment	557,433,695	58,494,128	(23,859,952)	592,067,871
Construction in Progress	266,218,684	451,483,779	(424,412,924)	293,289,539
Less: Accumulated Depreciation	<u>(3,755,043,729)</u>	<u>(256,786,738)</u>	<u>29,615,566</u>	<u>(3,982,214,901)</u>
Total Capital Assets, Net	<u>\$ 4,725,493,836</u>	<u>\$ 656,241,076</u>	<u>\$ (428,507,526)</u>	<u>\$ 4,953,227,386</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

The majority of the increase in capital assets is due to the increase in buildings, which represent the capitalized construction costs. In fiscal year 2020, the District opened two new schools and three replacement schools. Additions to land, buildings, and building improvements include construction, expansions and renovations to new and existing District facilities. Construction in progress includes school renovations, improvements, expansions to existing schools, and work performed to completely replace some older existing schools.

Business-type Activities Capital Assets:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Land Improvements	\$ 968,279	\$ -	\$ -	\$ 968,279
Buildings	1,737,413	-	-	1,737,413
Building Improvements	597,956	9,481,554	-	10,079,510
Equipment	24,478,866	690,179	(86,686)	25,082,359
Construction in Progress	6,489,050	2,992,504	(9,481,554)	-
Less: Accumulated Depreciation	(17,781,658)	(1,637,893)	82,785	(19,336,766)
Total Capital Assets, Net	\$ 16,489,906	\$ 11,526,344	\$ (9,485,455)	\$ 18,530,795

Additional information on the District's capital assets can be found in Note 5 on pages 63-65 of this report.

Long-term Debt

The District finalized one of the largest school construction programs in the United States, funded through the issuance of municipal bonds. Before bonds can be sold, the District provides information to various bond raters to obtain bond ratings for the proposed issue. Much of the information is focused on the financial stability of the District and how it responds to various financial situations. The District has the following ratings with Standard and Poor (A+) and Moody's Investor Services (A1) both with a negative outlook rating at year end. The rating outlook is influenced by COVID-19 related concerns, which has severely affected the region's tourism and gaming dependent economy.

As of June 30, 2020, the District carried approximately \$3.2 billion in debt. The District has recently issued general obligation bonds to finance various projects including, but not limited to, constructing or purchasing new buildings, enlarging, remodeling or repairing existing buildings or grounds, acquiring sites for new buildings, and purchasing necessary furniture and equipment for schools including equipment used for student transportation. The following table summarizes long-term debt activity over the past fiscal year:

Long-term Debt Obligations:

	Balance June 30, 2019	Issuances	Retirements	Balance June 30, 2020
Governmental Activities:				
General Obligation Debt	\$ 2,690,355,000	\$ 442,230,000	\$ (261,430,000)	\$ 2,871,155,000
Less: Discounts	(3,155,252)	-	656,151	(2,499,101)
Plus: Premiums	324,995,606	73,600,156	(39,816,891)	358,778,871
General Obligation Debt, Net	\$ 3,012,195,354	\$ 515,830,156	\$ (300,590,740)	\$ 3,227,434,770

Per NRS 387.400, the debt limitation for the District is equal to 15% of the assessed valuation of property, excluding motor vehicles. The debt limitation currently applicable at June 30, 2020 is \$14,338,311,990. It is expected that future increases in assessed valuation and the retirement of bonds will result, at all times, in a statutory debt limitation in excess of outstanding debt, subject to changes in assumptions, costs and revenues.

The District's liability for compensated absences, including sick leave, increased this year with combined governmental and business-type activities reporting \$69,731,754 in compensated absences payable at June 30, 2020. This represents a 13.65% increase over the previous year. In the current year, this liability increased due to a salary increase as a result of negotiated contracts and the school closures during COVID-19, which required non-essential employees to remain home with compensation.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Additional information on the District's long-term debt can be found in notes 8 and 10 on pages 66-69 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide its users with a general overview of the Clark County School District's finances and to demonstrate the District's accountability for the revenues it receives. Additional information and an electronic copy of this report may be found at the District's website, www.ccsd.net. Any further questions, comments or requests for additional financial information should be addressed to:

Clark County School District
Accounting Department
4190 McLeod Drive
Las Vegas, NV 89121



Basic Financial Statements



COMPREHENSIVE ANNUAL FINANCIAL REPORT



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CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash and investments	\$ 1,507,286,229	\$ 96,785,204	\$ 1,604,071,433
Accounts receivable	421,737,507	7,548,696	429,286,203
Interest receivable	2,467,952	-	2,467,952
Inventories	3,168,976	12,713,031	15,882,007
Prepays	4,705,319	-	4,705,319
Prepaid bond insurance premium costs	1,803,185	-	1,803,185
Refundable Deposits	174,213	-	174,213
Capital assets - not being depreciated	559,036,086	-	559,036,086
Capital assets - net of accumulated depreciation	4,394,191,300	18,530,795	4,412,722,095
Total assets	<u>6,894,570,767</u>	<u>135,577,726</u>	<u>7,030,148,493</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refundings	8,895,188	-	8,895,188
Deferred outflows of resources - pension related	503,725,281	6,965,186	510,690,467
Deferred outflows of resources - OPEB related	54,622,636	391,040	55,013,676
Total deferred outflows of resources	<u>567,243,105</u>	<u>7,356,226</u>	<u>574,599,331</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>7,461,813,872</u>	<u>142,933,952</u>	<u>7,604,747,824</u>
LIABILITIES			
Accounts payable	130,647,061	724,853	131,371,914
Accrued salaries and benefits	287,782,347	1,762,687	289,545,034
Unearned revenues	8,391,875	1,255,543	9,647,418
Interest payable	5,605,009	-	5,605,009
Construction contracts and retention payable	25,914,458	478,902	26,393,360
Liability insurance claims payable	6,326,739	-	6,326,739
Workers' compensation claims payable	6,541,249	-	6,541,249
Other current liabilities	1,851,369	-	1,851,369
Long term liabilities:			
Portion due or payable within one year:			
General obligation bonds payable	271,625,000	-	271,625,000
Compensated absences payable	31,482,510	312,395	31,794,905
Portion due or payable after one year:			
General obligation bonds payable	2,955,809,770	-	2,955,809,770
Compensated absences payable	36,640,600	1,296,249	37,936,849
Total OPEB liability	279,870,945	1,735,055	281,606,000
Net pension liability	3,143,064,667	43,460,165	3,186,524,832
Long term claims payable	35,790,506	-	35,790,506
Total Liabilities	<u>7,227,344,105</u>	<u>51,025,849</u>	<u>7,278,369,954</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refundings	2,649,619	-	2,649,619
Deferred inflows of resources - pension related	370,773,284	5,126,801	375,900,085
Deferred inflows of resources - OPEB related	4,588,723	53,778	4,642,501
Total deferred inflows of resources	<u>378,011,626</u>	<u>5,180,579</u>	<u>383,192,205</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>7,605,355,731</u>	<u>56,206,428</u>	<u>7,661,562,159</u>
NET POSITION			
Net investment in capital assets	2,206,276,498	18,530,795	2,224,807,293
Restricted for:			
Debt service	543,722,771	-	543,722,771
Capital projects	44,650,315	-	44,650,315
School carryover (net vacancy)	68,379,526	-	68,379,526
School carryover (supplies)	60,706,718	-	60,706,718
Student groups	36,226,461	-	36,226,461
School carryover (service level agreements)	12,844,913	-	12,844,913
School bus appropriations	10,646,736	-	10,646,736
Certificate of deposit for self-insurance	9,971,000	-	9,971,000
School based project carryover	7,074,957	-	7,074,957
Other purposes	2,423,682	-	2,423,682
Unrestricted	(3,146,465,436)	68,196,729	(3,078,268,707)
TOTAL NET POSITION	<u>\$ (143,541,859)</u>	<u>\$ 86,727,524</u>	<u>\$ (56,814,335)</u>

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions / Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
GOVERNMENTAL ACTIVITIES			
Instruction:			
Regular instruction	\$ (1,582,022,375)	\$ 1,019,352	\$ 356,510,612
Special instruction	(410,703,864)	-	188,725,246
Gifted and talented instruction	(14,279,677)	-	5,330,981
Vocational instruction	(29,104,731)	-	12,933,050
Other instruction	(59,715,028)	3,080	46,366,747
Adult instruction	(8,128,162)	-	7,366,916
Total instruction	(2,103,953,837)	1,022,432	617,233,552
Support services:			
Student support	(161,343,435)	-	13,623,461
Instructional staff support	(235,780,607)	63,857,343	25,507,137
General administration	(34,119,370)	-	-
School administration	(228,892,419)	-	-
Central services	(74,387,371)	600,351	12,439,887
Operation and maintenance of plant services	(287,646,056)	-	1,205,310
Student transportation	(148,194,031)	545,507	152,701
Other support services	(4,117,155)	-	-
Operation of non instructional services:			
Community services	(4,100,426)	-	21,609
Facilities acquisition and construction services ¹	(20,150,078)	-	-
Miscellaneous:			
Interdistrict payments-charter schools	(6,918,798)	-	-
Debt service:			
Interest on long-term debt	(97,470,848)	-	2,855,460
Total support services	(1,303,120,594)	65,003,201	55,805,565
TOTAL GOVERNMENTAL ACTIVITIES	(3,407,074,431)	66,025,633	673,039,117
BUSINESS-TYPE ACTIVITIES			
Food service	(125,218,600)	6,422,696	125,125,883
TOTAL SCHOOL DISTRICT	\$ (3,532,293,031)	\$ 72,448,329	\$ 798,165,000

General revenues:

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Local school support taxes
- Governmental services tax
- Room tax
- Real estate transfer tax
- Two percent franchise tax
- Federal aid not restricted to specific purposes
- State aid not restricted to specific purposes
- Other local sources
- Unrestricted investment earnings
- Contributions to term endowment
- Transfers

Total general revenues, contributions to term endowment and transfers

Change in net position

Net position, July 1
 Net position, June 30

¹ This amount represents expenses incurred in connection with activities related to capital projects that are not otherwise capitalized and included as part of capital assets.

The notes to the financial statements are an integral part of this statement.

	Net (Expenses) Revenues and Changes in Net Position		
	Capital Grants and Contributions	Governmental Activities	Business-type Activities
\$ 950,420	\$ (1,223,541,991)	\$ -	\$ (1,223,541,991)
-	(221,978,618)	-	(221,978,618)
-	(8,948,696)	-	(8,948,696)
-	(16,171,681)	-	(16,171,681)
-	(13,345,201)	-	(13,345,201)
-	(761,246)	-	(761,246)
950,420	(1,484,747,433)	-	(1,484,747,433)
-	(147,719,974)	-	(147,719,974)
34,995	(146,381,132)	-	(146,381,132)
-	(34,119,370)	-	(34,119,370)
-	(228,892,419)	-	(228,892,419)
-	(61,347,133)	-	(61,347,133)
-	(286,440,746)	-	(286,440,746)
659,116	(146,836,707)	-	(146,836,707)
-	(4,117,155)	-	(4,117,155)
-	(4,078,817)	-	(4,078,817)
-	(20,150,078)	-	(20,150,078)
-	(6,918,798)	-	(6,918,798)
-	(94,615,388)	-	(94,615,388)
694,111	(1,181,617,717)	-	(1,181,617,717)
1,644,531	(2,666,365,150)	-	(2,666,365,150)
-	-	6,329,979	6,329,979
\$ 1,644,531	(2,666,365,150)	6,329,979	(2,660,035,171)
	532,974,422	-	532,974,422
	404,570,525	-	404,570,525
	976,385,987	-	976,385,987
	99,166,458	-	99,166,458
	79,779,216	-	79,779,216
	34,283,512	-	34,283,512
	758,397	-	758,397
	122,324	-	122,324
	697,067,316	-	697,067,316
	7,963,313	32,835	7,996,148
	40,325,901	2,050,285	42,376,186
	342,099	-	342,099
	(296,346)	296,346	-
	2,873,443,124	2,379,466	2,875,822,590
	207,077,974	8,709,445	215,787,419
	(350,619,833)	78,018,079	(272,601,754)
	\$ (143,541,859)	\$ 86,727,524	\$ (56,814,335)



CLARK COUNTY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	MAJOR	
	General Fund	Special Education Fund
ASSETS		
Pooled cash and investments	\$ 199,110,661	\$ 52,091,045
Accounts receivable	321,956,211	22,502
Interest receivable	1,561,078	-
Due from other funds	44,234,868	-
Inventories	3,168,976	-
Prepays	257,479	-
Deposits	-	-
TOTAL ASSETS	\$ 570,289,273	\$ 52,113,547
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 74,451,852	\$ 893,831
Intergovernmental accounts payable	-	-
Accrued salaries and benefits	189,039,779	51,219,716
Unearned revenue	627,756	-
Construction contracts and retentions payable	60,529	-
Due to other funds	-	-
Other current liabilities	1,851,369	-
Total liabilities	266,031,285	52,113,547
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - delinquent property taxes	8,474,840	-
Unavailable revenue - other	4,642,989	-
Total deferred inflows of resources	13,117,829	-
FUND BALANCES		
Nonspendable:		
Inventories	3,168,976	-
Prepays	257,479	-
Restricted for:		
Donations	248,070	-
School bus appropriations	10,646,736	-
School carryover (service level agreements)	12,844,913	-
School carryover (supplies)	60,706,718	-
School carryover (net vacancy)	68,379,526	-
School based project carryover	7,074,957	-
Debt service reserve requirement per NRS 350.020	-	-
Debt service	-	-
Capital projects	-	-
Capital improvements	-	-
Term endowment	-	-
Student groups	-	-
Committed to:		
PBS programming fees	-	-
Medicaid programs	-	-
Assigned to:		
Categorical indirect costs	2,000,000	-
Instructional supply appropriations	825,645	-
Potential litigation	8,500,000	-
Potential shortfall	66,175,163	-
NV Energy Incentive	1,500,000	-
Unassigned	48,811,976	-
Total fund balances	291,140,159	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 570,289,273	\$ 52,113,547

The notes to the financial statements are an integral part of this statement.

FUNDS				
Debt Service Fund	Bond Fund	Federal Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ 239,735,868	\$ 759,436,630	\$ -	\$ 190,469,029	\$ 1,440,843,233
7,709,811	4,834,690	36,567,685	50,646,608	421,737,507
196,071	670,841	-	-	2,427,990
-	-	-	-	44,234,868
-	-	-	-	3,168,976
-	-	-	-	257,479
-	174,213	-	-	174,213
<u>\$ 247,641,750</u>	<u>\$ 765,116,374</u>	<u>\$ 36,567,685</u>	<u>\$ 241,115,637</u>	<u>\$ 1,912,844,266</u>
\$ -	\$ 31,551,423	\$ 3,827,044	\$ 12,777,467	\$ 123,501,617
-	-	-	5,670,505	5,670,505
-	509,982	11,645,512	35,157,951	287,572,940
-	-	-	7,764,119	8,391,875
-	24,444,822	-	1,409,107	25,914,458
-	-	21,095,129	23,139,739	44,234,868
-	-	-	-	1,851,369
-	56,506,227	36,567,685	85,918,888	497,137,632
6,395,394	-	-	-	14,870,234
-	-	-	-	4,642,989
<u>6,395,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,513,223</u>
-	-	-	-	3,168,976
-	-	-	-	257,479
-	-	-	-	248,070
-	-	-	-	10,646,736
-	-	-	-	12,844,913
-	-	-	-	60,706,718
-	-	-	-	68,379,526
-	-	-	-	7,074,957
101,686,667	-	-	-	101,686,667
139,559,689	302,476,415	-	-	442,036,104
-	406,133,732	-	-	406,133,732
-	-	-	110,951,711	110,951,711
-	-	-	2,175,612	2,175,612
-	-	-	36,226,461	36,226,461
-	-	-	266,332	266,332
-	-	-	5,576,633	5,576,633
-	-	-	-	2,000,000
-	-	-	-	825,645
-	-	-	-	8,500,000
-	-	-	-	66,175,163
-	-	-	-	1,500,000
-	-	-	-	48,811,976
<u>241,246,356</u>	<u>708,610,147</u>	<u>-</u>	<u>155,196,749</u>	<u>1,396,193,411</u>
<u>\$ 247,641,750</u>	<u>\$ 765,116,374</u>	<u>\$ 36,567,685</u>	<u>\$ 241,115,637</u>	<u>\$ 1,912,844,266</u>

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CLARK COUNTY SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2020

Total fund balances - governmental funds	\$ 1,396,193,411
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of the related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net position.	4,952,839,543
Other long-term assets are not available to pay for current period expenditures and, therefore are unavailable in the funds.	19,513,223
Certain liabilities, deferred inflows of resources, and deferred outflows of resources (such as bonds payable and capital leases payable) are not reported in the Governmental Funds financial statements because they are not due and payable in the current period, but they are presented as liabilities or deferred inflows of resources in the statement of net position.	(3,572,380,850)
Assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Internal Service Fund are not reported in the Governmental Funds financial statements because they are presented on a different accounting basis, but they are presented as assets, deferred outflows of resources, liabilities and deferred inflows of resources in the statement of net position.	15,095,531
Some long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds. Net pension liability obtained from the pension schedule.	(3,137,493,977)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions and OPEB	557,394,570
Deferred inflows of resources related to pensions and OPEB	(374,703,310)
Total net position - governmental activities	<u>\$ (143,541,859)</u>

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	MAJOR	
	<u>General Fund</u>	<u>Special Education Fund</u>
REVENUES		
Local sources	\$ 1,604,823,209	\$ -
State sources	697,071,518	136,675,474
Federal sources	1,567,663	-
Other sources	460,943	-
TOTAL REVENUES	<u>2,303,923,333</u>	<u>136,675,474</u>
EXPENDITURES		
Current:		
Instruction:		
Regular instruction	1,027,815,745	-
Special instruction	4,450,560	378,954,807
Gifted and talented instruction	8,908,487	-
Vocational instruction	4,201,131	-
Other instruction	22,243,431	-
Adult instruction	17,844	-
Support services:		
Student support	95,228,867	28,965,506
Instructional staff support	90,991,326	6,704,498
General administration	31,255,846	868,397
School administration	216,500,212	2,324,575
Central services	55,563,405	649,140
Operation and maintenance of plant services	230,514,241	96,726
Student transportation	75,571,798	68,714,274
Other support services	4,279	-
Community services	-	-
Interdistrict payments	-	2,008,302
Capital outlay:		
Facilities acquisition and construction services	769,017	-
Debt service:		
Principal	-	-
Interest	-	-
Purchased services	-	-
Bond issuance costs	-	-
TOTAL EXPENDITURES	<u>1,864,036,189</u>	<u>489,286,225</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>439,887,144</u>	<u>(352,610,751)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	352,610,751
Transfers out	(356,633,614)	-
General obligation bonds issued	35,000,000	-
Premiums on general obligation bonds	1,958,366	-
General obligation refunding bonds issued	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(319,675,248)</u>	<u>352,610,751</u>
NET CHANGE IN FUND BALANCES	120,211,896	-
FUND BALANCES, JULY 1	<u>170,928,263</u>	<u>-</u>
FUND BALANCES, JUNE 30	<u>\$ 291,140,159</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

FUNDS				
Debt Service Fund	Bond Fund	Federal Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ 412,129,369	\$ 130,564,928	\$ -	\$ 105,549,887	\$ 2,253,067,393
-	-	-	335,635,746	1,169,382,738
-	2,855,460	183,793,889	5,544,182	193,761,194
-	-	-	-	460,943
<u>412,129,369</u>	<u>133,420,388</u>	<u>183,793,889</u>	<u>446,729,815</u>	<u>3,616,672,268</u>
-	34,574,032	87,837,776	193,792,486	1,344,020,039
-	-	15,211,903	436,976	399,054,246
-	-	-	4,955,028	13,863,515
-	-	1,471,621	8,441,298	14,114,050
-	-	3,003,953	32,762,803	58,010,187
-	-	223,053	7,654,858	7,895,755
-	-	16,767,066	15,330,222	156,291,661
-	1,102,209	31,997,257	97,065,750	227,861,040
-	-	-	229,996	32,354,239
-	-	9,645	3,574,246	222,408,678
-	3,713,024	15,465,139	8,244,590	83,635,298
-	-	153,427	46,107,107	276,871,501
-	-	2,099,548	278,549	146,664,169
-	-	3,569,946	14	3,574,239
-	-	3,049,472	938,079	3,987,551
-	-	2,934,083	1,990,402	6,932,787
-	396,607,410	-	55,062,193	452,438,620
261,430,000	-	-	-	261,430,000
135,209,555	-	-	-	135,209,555
131,404	-	-	-	131,404
37,972	-	-	-	37,972
<u>396,808,931</u>	<u>435,996,675</u>	<u>183,793,889</u>	<u>476,864,597</u>	<u>3,846,786,506</u>
<u>15,320,438</u>	<u>(302,576,287)</u>	<u>-</u>	<u>(30,134,782)</u>	<u>(230,114,238)</u>
88,609,690	-	-	36,767,365	477,987,806
-	(121,354,192)	-	-	(477,987,806)
-	400,000,000	-	-	435,000,000
685,454	70,956,336	-	-	73,600,156
7,230,000	-	-	-	7,230,000
<u>96,525,144</u>	<u>349,602,144</u>	<u>-</u>	<u>36,767,365</u>	<u>515,830,156</u>
111,845,582	47,025,857	-	6,632,583	285,715,918
<u>129,400,774</u>	<u>661,584,290</u>	<u>-</u>	<u>148,564,166</u>	<u>1,110,477,493</u>
<u>\$ 241,246,356</u>	<u>\$ 708,610,147</u>	<u>\$ -</u>	<u>\$ 155,196,749</u>	<u>\$ 1,396,193,411</u>



CLARK COUNTY SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 JUNE 30, 2020

Net change in fund balances - governmental funds **\$ 285,715,918**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. 232,157,172

Revenues that are collected in time to pay obligations of the current period are reported as revenue in the fund statements. However, amounts that relate to prior periods that first become available in the current period should not be reported as revenue in the statement of activities. (14,460)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (253,256,606)

The net revenues of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Internal Service Fund are not reported in this fund financial statement because they are presented on a different accounting basis (in the proprietary fund financial statements), but they are presented in the statement of activities. 7,196,607

Generally, expenditures recognized in the fund financial statements are limited to only those that use current financial resources but expenses are recognized in the statement of activities when incurred. 6,523,960

Gains, losses, and capital donations are not presented in this financial statement because they do not provide or use current financial resources, but they are presented in the statement of activities. (3,952,264)

Governmental funds report District pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. (67,292,353)

Change in net position of governmental activities **\$ 207,077,974**

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
REVENUES					
Local sources:					
Local school support tax	\$ 1,100,530,000	\$ 1,100,530,000	\$ 976,385,987	\$ -	\$ (124,144,013)
Property taxes	521,243,000	521,243,000	531,696,431	-	10,453,431
Governmental services tax	76,390,000	76,390,000	67,537,310	-	(8,852,690)
Two percent franchise tax	2,948,000	4,360,000	758,397	1,412,000	(3,601,603)
E-rate reimbursements	2,400,000	3,207,000	2,779,346	807,000	(427,654)
Local government taxes	1,292,000	1,370,000	551,349	78,000	(818,651)
Tuition and summer school fees	3,100,000	3,030,000	1,855,779	(70,000)	(1,174,221)
Adult education	125,000	150,000	160,000	25,000	10,000
Athletic proceeds	1,187,000	1,140,000	1,011,664	(47,000)	(128,336)
Rental of facilities	1,617,000	1,640,000	1,267,366	23,000	(372,634)
Donations and grants	932,000	920,000	1,778,621	(12,000)	858,621
Other local sources	8,898,000	9,401,000	7,357,518	503,000	(2,043,482)
Investment income	1,762,000	3,660,000	11,683,441	1,898,000	8,023,441
Total local sources	1,722,424,000	1,727,041,000	1,604,823,209	4,617,000	(122,217,791)
State sources:					
State distributive fund	532,273,000	577,631,000	697,067,316	45,358,000	119,436,316
State special appropriations	-	-	4,202	-	4,202
Total state sources	532,273,000	577,631,000	697,071,518	45,358,000	119,440,518
Federal sources:					
Federal impact aid	81,000	129,000	51,714	48,000	(77,286)
Forest reserve	60,000	57,000	70,610	(3,000)	13,610
Administrative claiming	1,050,000	1,050,000	1,445,339	-	395,339
Total federal sources	1,191,000	1,236,000	1,567,663	45,000	331,663
Other sources:					
Sales of district property	-	709,000	460,943	709,000	(248,057)
Proceeds from insurance	414,000	-	-	(414,000)	-
Total other sources	414,000	709,000	460,943	295,000	(248,057)
TOTAL REVENUES	2,256,302,000	2,306,617,000	2,303,923,333	50,315,000	(2,693,667)
EXPENDITURES					
Current:					
REGULAR PROGRAMS					
Instruction:					
Salaries	727,098,435	739,988,208	694,642,062	12,889,773	45,346,146
Benefits	306,707,843	306,572,617	284,675,724	(135,226)	21,896,893
Purchased services	7,046,672	10,004,183	5,275,440	2,957,511	4,728,743
Supplies	69,705,411	81,260,528	40,184,440	11,555,117	41,076,088
Property	766,146	1,016,146	906,613	250,000	109,533
Other	519,603	4,622,488	2,131,466	4,102,885	2,491,022
Total instruction	1,111,844,110	1,143,464,170	1,027,815,745	31,620,060	115,648,425
Support services:					
Student transportation:					
Purchased services	364,668	908,312	846,598	543,644	61,714

(Continued)



CLARK COUNTY SCHOOL DISTRICT

MAJOR FUND - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Other support services:					
Salaries	\$ 18,739,015	\$ 23,190,569	\$ 22,865,701	\$ 4,451,554	\$ 324,868
Benefits	8,883,107	10,268,226	10,169,997	1,385,119	98,229
Purchased services	365,931	535,726	532,389	169,795	3,337
Supplies	2,888,869	1,305,026	819,648	(1,583,843)	485,378
Other	46,500	66,388	45,379	19,888	21,009
Total other support services	30,923,422	35,365,935	34,433,114	4,442,513	932,821
Total support services	31,288,090	36,274,247	35,279,712	4,986,157	994,535
TOTAL REGULAR PROGRAMS	1,143,132,200	1,179,738,417	1,063,095,457	36,606,217	116,642,960
SPECIAL PROGRAMS					
Instruction:					
Salaries	2,007,673	3,411,743	2,986,220	1,404,070	425,523
Benefits	867,472	1,626,827	1,347,767	759,355	279,060
Purchased services	26,500	21,500	1,252	(5,000)	20,248
Supplies	50,000	117,085	114,763	67,085	2,322
Other	-	1,000	558	1,000	442
Total instruction	2,951,645	5,178,155	4,450,560	2,226,510	727,595
Support services:					
Student transportation:					
Salaries	-	3,000	2,518	3,000	482
Benefits	-	1,500	1,123	1,500	377
Total student transportation	-	4,500	3,641	4,500	859
Other support services:					
Salaries	598,166	534,793	495,704	(63,373)	39,089
Benefits	245,421	220,305	198,599	(25,116)	21,706
Purchased services	131,450	137,608	67,487	6,158	70,121
Supplies	55,555	486,339	145,047	430,784	341,292
Total other support services	1,030,592	1,379,045	906,837	348,453	472,208
Total support services	1,030,592	1,383,545	910,478	352,953	473,067
TOTAL SPECIAL PROGRAMS	3,982,237	6,561,700	5,361,038	2,579,463	1,200,662
GIFTED AND TALENTED PROGRAMS					
Instruction:					
Salaries	6,339,796	6,557,931	6,271,594	218,135	286,337
Benefits	2,638,955	2,745,907	2,602,887	106,952	143,020
Purchased services	-	5,000	1,351	5,000	3,649
Supplies	-	30,000	28,529	30,000	1,471
Other	-	5,000	4,126	5,000	874
Total instruction	8,978,751	9,343,838	8,908,487	365,087	435,351
Other support services:					
Supplies	-	800	718	800	82

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		Actual	VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget		Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
TOTAL GIFTED AND TALENTED PROGRAMS	\$ 8,978,751	\$ 9,344,638	\$ 8,909,205	\$ 365,887	\$ 435,433
VOCATIONAL PROGRAMS					
Instruction:					
Salaries	1,483,929	2,347,542	2,310,532	863,613	37,010
Benefits	622,051	697,248	685,911	75,197	11,337
Purchased services	101,565	289,565	270,691	188,000	18,874
Supplies	2,601,035	5,641,737	539,719	3,040,702	5,102,018
Property	143,307	143,307	131,608	-	11,699
Other	-	380,597	262,670	380,597	117,927
Total instruction	4,951,887	9,499,996	4,201,131	4,548,109	5,298,865
Support services:					
Student transportation:					
Purchased services	139,070	109,070	13,107	(30,000)	95,963
Supplies	-	5,000	1,443	5,000	3,557
Total student transportation	139,070	114,070	14,550	(25,000)	99,520
Other support services:					
Salaries	638,517	716,222	713,835	77,705	2,387
Benefits	267,777	275,797	267,242	8,020	8,555
Purchased services	163,317	177,817	116,463	14,500	61,354
Supplies	410,705	415,775	167,629	5,070	248,146
Other	255,000	257,302	165,373	2,302	91,929
Total other support services	1,735,316	1,842,913	1,430,542	107,597	412,371
Total support services	1,874,386	1,956,983	1,445,092	82,597	511,891
TOTAL VOCATIONAL PROGRAMS	6,826,273	11,456,979	5,646,223	4,630,706	5,810,756
OTHER INSTRUCTIONAL PROGRAMS					
School co-curricular activities:					
Instruction:					
Salaries	2,698,661	2,781,104	1,333,188	82,443	1,447,916
Benefits	1,070,897	1,108,652	1,039,961	37,755	68,691
Purchased services	3,232,783	3,463,097	3,016,547	230,314	446,550
Supplies	3,498,130	3,401,605	1,174,658	(96,525)	2,226,947
Property	-	30,000	27,348	30,000	2,652
Other	159,585	698,270	687,819	538,685	10,451
Total instruction	10,660,056	11,482,728	7,279,521	822,672	4,203,207
Support services:					
Student transportation:					
Purchased services	1,980,770	1,800,580	541,801	(180,190)	1,258,779
Supplies	-	20,000	17,782	20,000	2,218
Total student transportation	1,980,770	1,820,580	559,583	(160,190)	1,260,997
Other support services:					
Salaries	2,971,780	6,600,770	6,290,263	3,628,990	310,507
Benefits	779,842	1,448,267	1,321,707	668,425	126,560

(Continued)



CLARK COUNTY SCHOOL DISTRICT
 MAJOR FUND - GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Purchased services	\$ 144,679	\$ 163,066	\$ 92,410	\$ 18,387	\$ 70,656
Supplies	165,762	183,750	36,742	17,988	147,008
Other	75,200	80,200	79,992	5,000	208
Total other support services	4,137,263	8,476,053	7,821,114	4,338,790	654,939
Total support services	6,118,033	10,296,633	8,380,697	4,178,600	1,915,936
Total school co-curricular activities	16,778,089	21,779,361	15,660,218	5,001,272	6,119,143
Summer school:					
Instruction:					
Salaries	1,411,941	1,411,941	721,924	-	690,017
Benefits	37,010	237,010	106,692	200,000	130,318
Purchased services	10,000	-	-	(10,000)	-
Supplies	111,000	100,890	5,122	(10,110)	95,768
Other	5,000	13,000	7,211	8,000	5,789
Total instruction	1,574,951	1,762,841	840,949	187,890	921,892
Support services:					
Other support services:					
Salaries	293,343	293,343	99,150	-	194,193
Benefits	6,895	6,895	2,408	-	4,487
Purchased services	4,500	-	-	(4,500)	-
Other	50,000	-	-	(50,000)	-
Total support services	354,738	300,238	101,558	(54,500)	198,680
Total summer school	1,929,689	2,063,079	942,507	133,390	1,120,572
English language learners:					
Instruction:					
Salaries	1,128,715	398,619	383,291	(730,096)	15,328
Benefits	398,620	168,786	164,288	(229,834)	4,498
Purchased services	-	117,500	111,411	117,500	6,089
Supplies	36,680	244,932	99,691	208,252	145,241
Property	-	15,000	12,944	15,000	2,056
Other	-	17,568	4,710	17,568	12,858
Total instruction	1,564,015	962,405	776,335	(601,610)	186,070
Support services:					
Other support services:					
Salaries	4,499,556	3,210,157	3,022,379	(1,289,399)	187,778
Benefits	1,809,531	1,286,449	1,229,296	(523,082)	57,153
Purchased services	1,748,110	1,754,420	1,552,835	6,310	201,585
Supplies	193,457	7,998	7,171	(185,459)	827
Other	10,589	1,699	780	(8,890)	919
Total support services	8,261,243	6,260,723	5,812,461	(2,000,520)	448,262
Total english language learners	9,825,258	7,223,128	6,588,796	(2,602,130)	634,332

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Alternative education:					
Instruction:					
Salaries	\$ 8,378,624	\$ 9,570,493	\$ 9,140,357	\$ 1,191,869	\$ 430,136
Benefits	3,131,929	3,610,098	3,440,671	478,169	169,427
Purchased services	18,500	218,500	180,150	200,000	38,350
Supplies	2,271,269	1,705,558	520,804	(565,711)	1,184,754
Other	3,000	71,866	64,644	68,866	7,222
Total instruction	13,803,322	15,176,515	13,346,626	1,373,193	1,829,889
Support services:					
Student transportation:					
Purchased services	-	1,000	630	1,000	370
Other support services:					
Salaries	5,427,720	5,659,877	5,450,209	232,157	209,668
Benefits	2,466,864	2,540,718	2,382,076	73,854	158,642
Purchased services	6,869	6,869	3,902	-	2,967
Total other support services	7,901,453	8,207,464	7,836,187	306,011	371,277
Total support services	7,901,453	8,208,464	7,836,817	307,011	371,647
Total alternative education	21,704,775	23,384,979	21,183,443	1,680,204	2,201,536
TOTAL OTHER INSTRUCTIONAL PROGRAMS	50,237,811	54,450,547	44,374,964	4,212,736	10,075,583
ADULT EDUCATION PROGRAMS					
Instruction:					
Supplies	-	75,000	17,844	75,000	57,156
Support services:					
Other support services:					
Salaries	130,229	123,685	24,321	(6,544)	99,364
Benefits	41,916	40,201	9,333	(1,715)	30,868
Purchased services	-	160,000	57,672	160,000	102,328
Supplies	75,000	-	-	(75,000)	-
Total support services	247,145	323,886	91,326	76,741	232,560
TOTAL ADULT EDUCATION PROGRAMS	247,145	398,886	109,170	151,741	289,716
UNDISTRIBUTED EXPENDITURES					
Support services:					
Student support:					
Salaries	55,017,781	58,802,560	58,483,246	3,784,779	319,314
Benefits	25,467,032	25,872,068	25,789,450	405,036	82,618
Purchased services	65,467	2,119,076	1,341,237	2,053,609	777,839
Supplies	830,866	904,764	613,663	73,898	291,101
Property	10,000	-	-	(10,000)	-
Other	12,600	17,600	11,602	5,000	5,998
Total student support	81,403,746	87,716,068	86,239,198	6,312,322	1,476,870

(Continued)



CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND

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

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Instructional staff support:					
Salaries	\$ 26,857,727	\$ 25,886,830	\$ 25,423,883	\$ (970,897)	\$ 462,947
Benefits	11,161,417	10,847,488	10,708,461	(313,929)	139,027
Purchased services	7,715,715	7,847,187	7,338,913	131,472	508,274
Supplies	5,778,036	7,602,948	4,878,086	1,824,912	2,724,862
Property	-	15,000	14,785	15,000	215
Other	209,438	207,438	119,093	(2,000)	88,345
Total instructional staff support	51,722,333	52,406,891	48,483,221	684,558	3,923,670
General administration:					
Salaries	8,172,876	9,657,919	8,659,683	1,485,043	998,236
Benefits	3,265,450	3,860,358	3,271,846	594,908	588,512
Purchased services	22,189,753	21,410,229	18,799,337	(779,524)	2,610,892
Supplies	407,056	381,291	355,239	(25,765)	26,052
Other	137,600	214,973	169,483	77,373	45,490
Total general administration	34,172,735	35,524,770	31,255,588	1,352,035	4,269,182
School administration:					
Salaries	141,643,869	151,922,319	146,600,380	10,278,450	5,321,939
Benefits	61,848,039	66,130,256	63,647,156	4,282,217	2,483,100
Purchased services	1,275,113	1,090,014	504,126	(185,099)	585,888
Supplies	-	1,033,047	1,022,555	1,033,047	10,492
Property	-	15,000	12,944	15,000	2,056
Other	-	20,000	17,333	20,000	2,667
Total school administration	204,767,021	220,210,636	211,804,494	15,443,615	8,406,142
Central services:					
Salaries	21,711,789	30,081,932	28,889,479	8,370,143	1,192,453
Benefits	10,269,858	14,258,832	13,575,812	3,988,974	683,020
Purchased services	11,324,905	11,251,131	9,269,069	(73,774)	1,982,062
Supplies	4,514,777	4,287,737	2,700,739	(227,040)	1,586,998
Property	-	131,541	117,072	131,541	14,469
Other	124,575	127,525	79,544	2,950	47,981
Total central services	47,945,904	60,138,698	54,631,715	12,192,794	5,506,983
Operation and maintenance of plant services:					
Salaries	116,367,316	117,066,582	114,137,406	699,266	2,929,176
Benefits	57,946,165	58,203,279	54,740,442	257,114	3,462,837
Purchased services	39,527,771	40,009,971	38,485,215	482,200	1,524,756
Supplies	65,696,936	31,991,079	20,698,161	(33,705,857)	11,292,918
Property	498,750	998,750	995,127	500,000	3,623
Other	201,550	201,550	149,473	-	52,077
Total operation and maintenance of plant services	280,238,488	248,471,211	229,205,824	(31,767,277)	19,265,387
Student transportation:					
Salaries	30,357,647	31,098,048	27,460,905	740,401	3,637,143
Benefits	17,221,018	17,653,352	14,590,326	432,334	3,063,026
Purchased services	2,019,337	1,713,875	1,088,159	(305,462)	625,716
Supplies	4,000,701	5,263,296	4,888,054	1,262,595	375,242
Property	30,025,000	36,787,459	26,108,262	6,762,459	10,679,197

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Other	\$ 26,300	\$ 26,300	\$ 11,090	\$ -	\$ 15,210
Total student transportation	83,650,003	92,542,330	74,146,796	8,892,327	18,395,534
Other support:					
Supplies	-	43,926	4,279	43,926	39,647
Capital outlay:					
Facilities acquisition and construction services:					
Site improvements:					
Purchased services	-	160,000	150,777	160,000	9,223
Other	-	5,000	3,150	5,000	1,850
Total site improvements	-	165,000	153,927	165,000	11,073
Building improvements:					
Purchased services	-	510,000	502,806	510,000	7,194
Other	-	50,000	47,803	50,000	2,197
Total building improvements	-	560,000	550,609	560,000	9,391
Other facilities acquisition and construction:					
Salaries	-	50,000	46,550	50,000	3,450
Benefits	-	20,000	17,931	20,000	2,069
Total other facilities acquisition and construction	-	70,000	64,481	70,000	5,519
Total facilities acquisition and construction services	-	795,000	769,017	795,000	25,983
TOTAL UNDISTRIBUTED EXPENDITURES	783,900,230	797,849,530	736,540,132	13,949,300	61,309,398
TOTAL EXPENDITURES	1,997,304,647	2,059,800,697	1,864,036,189	62,496,050	195,764,508
EXCESS OF REVENUES OVER EXPENDITURES	258,997,353	246,816,303	439,887,144	(12,181,050)	193,070,841
OTHER FINANCING SOURCES (USES)					
Transfers out	(339,746,353)	(359,636,566)	(356,633,614)	(19,890,213)	3,002,952
General obligation bonds issued	30,000,000	35,000,000	35,000,000	5,000,000	-
Premiums on general obligation bonds	-	1,958,000	1,958,366	1,958,000	366
TOTAL OTHER FINANCING SOURCES (USES)	(309,746,353)	(322,678,566)	(319,675,248)	(12,932,213)	3,003,318
NET CHANGE IN FUND BALANCE	(50,749,000)	(75,862,263)	120,211,896	(25,113,263)	196,074,159
FUND BALANCE, JULY 1	103,450,000	170,928,263	170,928,263	67,478,263	-
FUND BALANCE, JUNE 30	\$ 52,701,000	\$ 95,066,000	\$ 291,140,159	\$ 42,365,000	\$ 196,074,159

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT
 MAJOR FUND - SPECIAL EDUCATION FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES	
	Original	Final	Actual	POSITIVE / (NEGATIVE)	
	Budget	Budget		Original to Final Budget	Final Budget to Actual
REVENUES					
Local sources:					
Donations and grants	\$ 1,000	\$ -	\$ -	\$ (1,000)	\$ -
State sources:					
State distributive fund	138,760,000	136,680,000	136,675,474	(2,080,000)	(4,526)
TOTAL REVENUES	138,761,000	136,680,000	136,675,474	(2,081,000)	(4,526)
EXPENDITURES					
Current:					
SPECIAL PROGRAMS					
Instruction:					
Salaries	243,445,301	257,428,002	256,129,953	13,982,701	1,298,049
Benefits	116,516,861	116,092,650	115,620,289	(424,211)	472,361
Purchased services	2,155,339	5,014,131	4,557,013	2,858,792	457,118
Supplies	3,448,167	3,311,089	2,405,029	(137,078)	906,060
Other	1,500	416,800	242,523	415,300	174,277
Total instruction	365,567,168	382,262,672	378,954,807	16,695,504	3,307,865
Support services:					
Student transportation:					
Purchased services	2,510,300	2,510,300	2,499,223	-	11,077
Other support services:					
Salaries	24,934,385	23,280,622	23,125,901	(1,653,763)	154,721
Benefits	10,335,065	9,960,839	9,891,172	(374,226)	69,667
Purchased services	668,452	5,849,301	5,767,422	5,180,849	81,879
Supplies	471,071	505,490	487,871	34,419	17,619
Property	-	12,000	11,997	12,000	3
Other	6,832	20,260	16,625	13,428	3,635
Total other support services	36,415,805	39,628,512	39,300,988	3,212,707	327,524
Total support services	38,926,105	42,138,812	41,800,211	3,212,707	338,601
TOTAL SPECIAL PROGRAMS	404,493,273	424,401,484	420,755,018	19,908,211	3,646,466
UNDISTRIBUTED EXPENDITURES					
Support services:					
Student support:					
Salaries	141,401	236,582	137,028	95,181	99,554
Benefits	79,284	125,286	78,029	46,002	47,257
Total student support	220,685	361,868	215,057	141,183	146,811
Operation and maintenance of plant services:					
Salaries	106,016	84,155	79,086	(21,861)	5,069
Benefits	14,780	15,650	13,711	870	1,939
Total operation and maintenance of plant services	120,796	99,805	92,797	(20,991)	7,008

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Student transportation:					
Salaries	\$ 43,497,747	\$ 42,958,401	\$ 42,078,026	\$ (539,346)	\$ 880,375
Benefits	22,369,871	20,289,027	19,961,020	(2,080,844)	328,007
Purchased services	83,014	128,014	117,850	45,000	10,164
Supplies	5,399,967	5,754,967	4,057,529	355,000	1,697,438
Other	-	1,000	626	1,000	374
Total student transportation	71,350,599	69,131,409	66,215,051	(2,219,190)	2,916,358
Interdistrict payments:					
Other	2,322,000	2,322,000	2,008,302	-	313,698
TOTAL UNDISTRIBUTED EXPENDITURES	74,014,080	71,915,082	68,531,207	(2,098,998)	3,383,875
TOTAL EXPENDITURES	478,507,353	496,316,566	489,286,225	17,809,213	7,030,341
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(339,746,353)	(359,636,566)	(352,610,751)	19,890,213	7,025,815
OTHER FINANCING SOURCES					
Transfers in	339,746,353	359,636,566	352,610,751	(19,890,213)	(7,025,815)
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT

MAJOR FUND - FEDERAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original	Final	Actual	Original to	Final Budget
	Budget	Budget		Final Budget	to Actual
REVENUES					
Federal sources:					
Federal-direct grants	\$ -	\$ 3,621,370	\$ 3,304,943	\$ 3,621,370	\$ (316,427)
Federal-pass through	212,112,680	205,370,540	180,488,946	(6,742,140)	(24,881,594)
TOTAL REVENUES	212,112,680	208,991,910	183,793,889	(3,120,770)	(25,198,021)
EXPENDITURES					
Current:					
REGULAR PROGRAMS					
Instruction:					
Salaries	17,593,300	45,837,592	45,333,938	28,244,292	503,654
Benefits	13,631,140	17,691,664	17,305,912	4,060,524	385,752
Purchased services	1,029,440	1,891,386	1,831,859	861,946	59,527
Supplies	23,544,580	23,454,276	23,158,769	(90,304)	295,507
Property	6,461,150	168,138	82,691	(6,293,012)	85,447
Other	162,290	560,082	124,607	397,792	435,475
Total instruction	62,421,900	89,603,138	87,837,776	27,181,238	1,765,362
Support services:					
Student transportation:					
Purchased services	-	1,000	1,000	1,000	-
Other support services:					
Salaries	3,874,670	770,995	308,892	(3,103,675)	462,103
Benefits	1,572,170	196,623	106,232	(1,375,547)	90,391
Purchased services	1,412,100	1,027,582	829,865	(384,518)	197,717
Supplies	967,730	185,524	57,723	(782,206)	127,801
Total other support services	7,826,670	2,180,724	1,302,712	(5,645,946)	878,012
Total support services	7,826,670	2,181,724	1,303,712	(5,644,946)	878,012
TOTAL REGULAR PROGRAMS	70,248,570	91,784,862	89,141,488	21,536,292	2,643,374
SPECIAL PROGRAMS					
Instruction:					
Salaries	11,625,110	10,493,273	7,628,427	(1,131,837)	2,864,846
Benefits	4,237,260	5,730,271	4,566,926	1,493,011	1,163,345
Purchased services	2,852,500	962,827	817,299	(1,889,673)	145,528
Supplies	2,043,510	2,279,315	2,169,511	235,805	109,804
Property	451,600	56,340	29,740	(395,260)	26,600
Other	45,640	-	-	(45,640)	-
Total instruction	21,255,620	19,522,026	15,211,903	(1,733,594)	4,310,123
Support services:					
Student transportation:					
Purchased services	7,330	10,362	250	3,032	10,112
Property	-	11,432	10,022	11,432	1,410
Total student transportation	7,330	21,794	10,272	14,464	11,522

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - FEDERAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original	Final	Actual	Original to	Final Budget
	Budget	Budget		Final Budget	to Actual
EXPENDITURES - Continued					
Other support services:					
Salaries	\$ 15,931,240	\$ 16,512,103	\$ 15,981,949	\$ 580,863	\$ 530,154
Benefits	9,075,980	6,757,229	6,501,457	(2,318,751)	255,772
Purchased services	1,447,830	4,372,437	3,974,875	2,924,607	397,562
Supplies	2,086,450	1,260,071	1,052,558	(826,379)	207,513
Property	35,670	98,378	50,562	62,708	47,816
Other	3,470,220	1,105,816	930,715	(2,364,404)	175,101
Total other support services	32,047,390	30,106,034	28,492,116	(1,941,356)	1,613,918
Total support services	32,054,720	30,127,828	28,502,388	(1,926,892)	1,625,440
TOTAL SPECIAL PROGRAMS	53,310,340	49,649,854	43,714,291	(3,660,486)	5,935,563
VOCATIONAL PROGRAMS					
Instruction:					
Salaries	178,780	453,462	113,827	274,682	339,635
Benefits	374,280	463,365	56,464	89,085	406,901
Purchased services	52,000	-	-	(52,000)	-
Supplies	1,820,500	1,520,023	1,208,023	(300,477)	312,000
Property	28,670	121,977	93,307	93,307	28,670
Other	67,120	-	-	(67,120)	-
Total instruction	2,521,350	2,558,827	1,471,621	37,477	1,087,206
Support services:					
Student transportation:					
Purchased services	264,920	1,401,596	633,841	1,136,676	767,755
Other support services:					
Salaries	1,138,900	1,652,674	1,261,688	513,774	390,986
Benefits	281,910	616,173	527,380	334,263	88,793
Purchased services	273,420	330,078	290,610	56,658	39,468
Supplies	276,060	114,310	51,485	(161,750)	62,825
Total other support services	1,970,290	2,713,235	2,131,163	742,945	582,072
Total support services	2,235,210	4,114,831	2,765,004	1,879,621	1,349,827
TOTAL VOCATIONAL PROGRAMS	4,756,560	6,673,658	4,236,625	1,917,098	2,437,033
OTHER INSTRUCTIONAL PROGRAMS					
English language learners:					
Instruction:					
Salaries	1,299,270	1,716,617	1,397,165	417,347	319,452
Benefits	163,440	233,999	67,105	70,559	166,894
Purchased services	9,000	9,000	125	-	8,875
Supplies	1,540,040	1,724,205	1,539,297	184,165	184,908
Other	8,610	13,610	261	5,000	13,349
Total instruction	3,020,360	3,697,431	3,003,953	677,071	693,478
Support services:					
Student transportation:					
Purchased services	107,830	9,830	1,260	(98,000)	8,570

(Continued)



CLARK COUNTY SCHOOL DISTRICT
 MAJOR FUND - FEDERAL PROJECTS FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original	Final	Actual	Original to	Final Budget
	Budget	Budget		Final Budget	to Actual
EXPENDITURES - Continued					
Other support services:					
Salaries	\$ 1,306,660	\$ 1,817,767	\$ 1,707,838	\$ 511,107	\$ 109,929
Benefits	1,016,940	748,257	638,650	(268,683)	109,607
Purchased services	288,910	1,173,599	513,114	884,689	660,485
Supplies	53,170	180,743	33,773	127,573	146,970
Property	65,780	-	-	(65,780)	-
Total other support services	2,731,460	3,920,366	2,893,375	1,188,906	1,026,991
Total support services	2,839,290	3,930,196	2,894,635	1,090,906	1,035,561
TOTAL OTHER INSTRUCTIONAL PROGRAMS	5,859,650	7,627,627	5,898,588	1,767,977	1,729,039
ADULT EDUCATION PROGRAMS					
Instruction:					
Salaries	52,240	174,985	121,698	122,745	53,287
Benefits	23,500	76,059	52,321	52,559	23,738
Supplies	1,200	140,981	49,034	139,781	91,947
Total instruction	76,940	392,025	223,053	315,085	168,972
Support services:					
Other support services:					
Salaries	-	2,442	407	2,442	2,035
Benefits	-	58	9	58	49
Total support services	-	2,500	416	2,500	2,084
TOTAL ADULT EDUCATION PROGRAMS	76,940	394,525	223,469	317,585	171,056
COMMUNITY SERVICES PROGRAMS					
Other support services:					
Salaries	-	66,971	130	66,971	66,841
Benefits	-	30,049	3	30,049	30,046
Purchased services	-	13,576	149	13,576	13,427
Property	-	20,470	20,470	20,470	-
Total support services	-	131,066	20,752	131,066	110,314
Community service operations:					
Salaries	2,858,110	2,695,888	1,584,294	(162,222)	1,111,594
Benefits	927,940	1,727,579	766,378	799,639	961,201
Purchased services	722,390	1,157,245	258,204	434,855	899,041
Supplies	6,703,060	2,390,105	434,182	(4,312,955)	1,955,923
Other	175,250	189,129	6,414	13,879	182,715
Total community service operations	11,386,750	8,159,946	3,049,472	(3,226,804)	5,110,474
TOTAL COMMUNITY SERVICES PROGRAMS	11,386,750	8,291,012	3,070,224	(3,095,738)	5,220,788
UNDISTRIBUTED EXPENDITURES					
Support services:					
Student support:					
Salaries	811,220	1,852,491	1,384,169	1,041,271	468,322
Benefits	402,640	1,380,564	621,479	977,924	759,085

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - FEDERAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original	Final	Actual	Original to	Final Budget
	Budget	Budget		Final Budget	to Actual
EXPENDITURES - Continued					
Purchased services	\$ 117,950	\$ 1,666,135	\$ 1,119,750	\$ 1,548,185	\$ 546,385
Supplies	58,760	105,673	30,354	46,913	75,319
Property	37,000	-	-	(37,000)	-
Total student support	1,427,570	5,004,863	3,155,752	3,577,293	1,849,111
Instructional staff support:					
Salaries	13,219,770	14,299,710	13,558,843	1,079,940	740,867
Benefits	8,139,870	5,146,479	5,019,657	(2,993,391)	126,822
Purchased services	4,018,170	4,157,563	4,019,696	139,393	137,867
Supplies	2,642,780	689,665	382,223	(1,953,115)	307,442
Other	107,420	192,214	81,721	84,794	110,493
Total instructional staff support	28,128,010	24,485,631	23,062,140	(3,642,379)	1,423,491
School administration:					
Salaries	12,550	411,856	9,497	399,306	402,359
Benefits	625,880	750,556	148	124,676	750,408
Total school administration	638,430	1,162,412	9,645	523,982	1,152,767
Central services:					
Salaries	4,838,410	2,797,541	2,600,686	(2,040,869)	196,855
Benefits	883,800	1,317,943	1,204,662	434,143	113,281
Purchased services	1,308,730	342,172	275,814	(966,558)	66,358
Supplies	954,090	123,411	37,099	(830,679)	86,312
Other	1,443,480	43,540	60	(1,399,940)	43,480
Total central services	9,428,510	4,624,607	4,118,321	(4,803,903)	506,286
Operation and maintenance of plant services:					
Salaries	192,480	242,974	83,730	50,494	159,244
Benefits	243,440	259,892	33,398	16,452	226,494
Purchased services	51,000	72,666	14,123	21,666	58,543
Supplies	170,350	336,659	498	166,309	336,161
Property	160,220	-	-	(160,220)	-
Total operation and maintenance of plant services	817,490	912,191	131,749	94,701	780,442
Student transportation:					
Purchased services	343,370	1,145,569	369,059	802,199	776,510
Property	-	1,084,116	1,084,116	1,084,116	-
Total student transportation	343,370	2,229,685	1,453,175	1,886,315	776,510
Other support:					
Other	21,420,980	2,977,870	2,644,339	(18,443,110)	333,531
Capital outlay:					
Facilities acquisition and construction services:					
Building improvements:					
Purchased services	2,600	-	-	(2,600)	-
Interdistrict payments:					
Salaries	68,530	119,020	112,823	50,490	6,197

(Continued)



CLARK COUNTY SCHOOL DISTRICT
 MAJOR FUND - FEDERAL PROJECTS FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Benefits	\$ 31,440	\$ 52,950	\$ 48,218	\$ 21,510	\$ 4,732
Purchased services	1,379,030	739,652	638,686	(639,378)	100,966
Supplies	492,390	190,672	103,731	(301,718)	86,941
Other	2,295,520	2,070,819	2,030,625	(224,701)	40,194
Total interdistrict payments	4,266,910	3,173,113	2,934,083	(1,093,797)	239,030
TOTAL UNDISTRIBUTED EXPENDITURES	66,473,870	44,570,372	37,509,204	(21,903,498)	7,061,168
TOTAL EXPENDITURES	212,112,680	208,991,910	183,793,889	(3,120,770)	25,198,021
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Pooled cash and investments	\$ 96,785,204	\$ 56,471,996
Accounts receivable	7,548,696	-
Interest receivable	-	39,962
Inventories	12,713,031	-
Prepays	-	4,447,840
Total current assets	<u>117,046,931</u>	<u>60,959,798</u>
Noncurrent assets:		
Restricted pooled cash and investments:		
Certificate of deposit for self-insurance	-	9,971,000
Capital assets - net of accumulated depreciation	18,530,795	387,843
Total noncurrent assets	<u>18,530,795</u>	<u>10,358,843</u>
Total assets	<u>135,577,726</u>	<u>71,318,641</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - pension related	6,965,186	892,807
Deferred outflows of resources - OPEB related	391,040	60,540
Total deferred outflows of resources	<u>7,356,226</u>	<u>953,347</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>142,933,952</u>	<u>72,271,988</u>
LIABILITIES		
Current liabilities:		
Accounts payable	724,853	1,474,939
Accrued salaries and benefits	1,762,687	209,407
Unearned revenues	1,255,543	-
Liability insurance claims payable	-	6,326,739
Workers compensation claims payable	-	6,541,249
Construction contracts and retentions payable	478,902	-
Compensated absences liability	312,395	279,381
Total current liabilities	<u>4,534,380</u>	<u>14,831,715</u>
Noncurrent liabilities:		
Compensated absences liability	1,296,249	110,672
Total OPEB liability	1,735,055	214,177
Net pension liability	43,460,165	5,570,690
Long term claims payable	-	35,790,506
Total noncurrent liabilities	<u>46,491,469</u>	<u>41,686,045</u>
Total liabilities	<u>51,025,849</u>	<u>56,517,760</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension related	5,126,801	657,150
Deferred inflows of resources - OPEB related	53,778	1,547
Total deferred inflow of resources	<u>5,180,579</u>	<u>658,697</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>56,206,428</u>	<u>57,176,457</u>
NET POSITION		
Investment in capital assets	18,530,795	387,843
Restricted for certificate of deposit for self-insurance	-	9,971,000
Unrestricted	68,196,729	4,736,688
TOTAL NET POSITION	<u>\$ 86,727,524</u>	<u>\$ 15,095,531</u>

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES		
Charges for sales and services:		
Daily food sales	\$ 6,076,932	\$ -
Catering sales	345,764	-
Graphic production sales	-	2,147,442
Insurance premiums	-	34,225,241
Subrogation claims	-	436,733
Other revenue	32,835	76,475
TOTAL OPERATING REVENUES	6,455,531	36,885,891
OPERATING EXPENSES		
Salaries	30,693,938	2,914,204
Benefits	14,608,826	1,283,339
Purchased services	5,528,273	7,604,473
Food and supplies	67,457,364	831,864
Insurance claims	-	18,260,127
Depreciation	1,637,893	55,999
Other expenses	2,899,068	12,249
TOTAL OPERATING EXPENSES	122,825,362	30,962,255
OPERATING INCOME (LOSS)	(116,369,831)	5,923,636
NON-OPERATING REVENUES (EXPENSES)		
Federal subsidies	108,934,749	-
Commodity revenue	15,704,026	-
State matching funds	487,108	-
Net loss on disposal of assets	(3,901)	(119,015)
OPEB expense	(235,193)	(7,911)
Pension income (expense)	(2,154,144)	41,846
Investment income	2,050,285	1,349,016
TOTAL NON-OPERATING REVENUES (EXPENSES)	124,782,930	1,263,936
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	8,413,099	7,187,572
Capital contributions	296,346	9,035
CHANGE IN NET POSITION	8,709,445	7,196,607
NET POSITION, JULY 1	78,018,079	7,898,924
NET POSITION, JUNE 30	\$ 86,727,524	\$ 15,095,531

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 6,407,094	\$ 36,598,927
Cash received from other operating sources	345,764	436,733
Cash paid for services and supplies	(64,200,010)	(7,265,191)
Cash paid for other operating uses	(2,899,068)	(18,410,987)
Cash paid to employees	(44,020,785)	(4,105,613)
Cash received from other sources	32,835	76,475
Net cash provided by/(used in) operating activities	<u>(104,334,170)</u>	<u>7,330,344</u>
Cash flows from capital and related financing activities:		
Purchase of equipment	<u>(3,386,338)</u>	<u>-</u>
Cash flows from noncapital financing activities:		
Federal reimbursements	112,539,198	-
State matching funds	487,108	-
Net cash provided by noncapital financing activities	<u>113,026,306</u>	<u>-</u>
Cash flows from investing activities:		
Investment income	2,050,285	1,410,007
Sale of restricted investments	-	9,599,000
Purchase of restricted investments	-	(9,971,000)
Net cash provided by investing activities	<u>2,050,285</u>	<u>1,038,007</u>
Net increase in cash and cash equivalents	7,356,083	8,368,351
Cash and cash equivalents, July 1	89,429,121	48,103,645
Cash and cash equivalents, June 30	96,785,204	56,471,996
Restricted investments	-	9,971,000
Cash, cash equivalents, and restricted investments	<u>\$ 96,785,204</u>	<u>\$ 66,442,996</u>
Reconciliation of operating loss to net cash provided by/(used in) operating activities:		
Operating income (loss)	\$ (116,369,831)	\$ 5,923,636
Adjustments to reconcile operating loss to net cash provided by/(used in) operating activities:		
Depreciation	1,637,893	55,999
Commodity inventory used	15,704,026	-
Change in assets and liabilities:		
Decrease in accounts receivable	113,498	226,244
(Increase) in inventories	(4,645,976)	-
(Increase) in prepaids	-	(84,191)
Increase/(Decrease) in accounts payable	(2,084,528)	1,255,337
Increase in unearned revenues	216,664	-
Increase in workers compensation claims payable	-	607,941
(Decrease) in construction contracts payable	(187,895)	-
Increase in liability insurance claims payable	-	236,455
Increase in liability for compensated absences	443,160	61,120
Increase in accrued salaries and benefits	838,819	30,810
(Decrease) in long term claims payable	-	(983,007)
Total adjustments	<u>12,035,661</u>	<u>1,406,708</u>
Net cash provided by/(used in) operating activities	<u>\$ (104,334,170)</u>	<u>\$ 7,330,344</u>
Noncash capital and financing activities:		
Contribution of capital assets ¹	\$ 296,346	\$ 9,035
Commodity revenue ²	\$ 15,704,026	\$ -

¹ Contribution of capital assets represents an increase in capital assets contributed from governmental funds that did not affect cash.

² The District received the equivalent of \$15,704,026 in fair market value of commodity food inventory from the federal government. The net effect of this non-cash transaction increased the value of inventory. Consumption of commodity revenue throughout the year resulted in a reduction of inventory and a charge to operating expenses.

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT**NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****REPORTING ENTITY**

The accompanying financial statements include all of the activities that comprise the financial reporting entity of the Clark County School District (District). The District is governed by an elected, seven-member Board of School Trustees (Board). The Board is legally separate and fiscally independent from other governing bodies; therefore, the District is a primary government and the District is not reported as a component unit by any other governmental unit. The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

Blended Component Unit

The District is the licensee for the local Public Broadcasting System affiliate, Vegas PBS. The Board is substantively the same as the governing body for Vegas PBS; therefore, the District is required to finance deficits and has access to Vegas PBS resources. Also, there is sufficient representation of the District's governing body, with a financial benefit/burden relationship over Vegas PBS, to allow for complete control of Vegas PBS's activities. Therefore, the financial activities of Vegas PBS are included in these statements as a blended component unit. Blended component units, although legally separate, are, in substance, part of the government's operations. Separately issued financial statements for Vegas PBS can be obtained by accessing the website at: www.vegaspbs.org or contacting their financial department at the following address:

Vegas PBS
3050 East Flamingo Road
Las Vegas, NV 89121

A summary of the District's significant accounting policies follows:

BASIC FINANCIAL STATEMENTS

The District's basic financial statements consist of the government-wide statements, the fund financial statements, and the related notes to the financial statements. The government-wide statements include a statement of net position, a statement of activities, and the fund financial statements that include financial information for the two fund types: governmental and proprietary. Reconciliations between the fund statements, the statement of net position, and the statement of activities are also included along with the statements of revenues, expenditures, and changes in fund balances that show an original to final budget comparison for the District's General Fund and its major special revenue funds: the Special Education Fund, and the Federal Projects Fund.

Government-wide Financial Statements

The government-wide financial statements are made up of the statement of net position and the statement of activities. These statements include the aggregated financial information of the District as a whole. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. As a general rule, the effect of interfund activity has been removed from these statements; however, any interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the consolidated financial position of the District at year-end, in separate columns, for both governmental and business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are specifically associated with a program or service and are,

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

therefore, clearly identifiable to a particular function. Program revenues include operating and capital grants, contributions and investment earnings legally restricted to support a specific program. Taxes and other revenues, properly not included among program revenues, are reported instead as general revenues. This statement provides a net cost or net revenue of specific programs and functions within the District. Those functions with a net cost are generally dependent on general-purpose tax revenues, such as property tax, to remain operational.

Fund Financial Statements

The financial accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, deferred outflows and inflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate financial statements are provided for governmental funds and proprietary funds.

For the year ended June 30, 2020, the District's Adult Education Fund is now being reported with the State Grants Fund.

The presentation emphasis in the fund financial statements is on major funds, for both governmental and enterprise funds. The District's one enterprise fund, the Food Service Enterprise Fund, is considered a major fund. The District may also display other funds as major funds if it believes the presentation will provide useful information to the users of the financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Gross receipts and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are then recognized as revenue. The government considers property tax revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. In general, expenditures are recorded when liabilities are incurred. The exception to this rule is that principal and interest on debt service, as well as, liabilities related to compensated absences, claims, and judgments are recorded when payment is due.

The major revenue sources of the District include state distributive fund revenue, local school support tax, property tax, real estate transfer tax, room tax, interest income, and the governmental services tax.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all resources and cost of operations traditionally associated with governments, which are not required to be accounted for in other funds.

Special Revenue Funds - These funds are used to account for the proceeds of special revenue sources that are restricted or committed by law or administrative action to expenditures for specific purposes other than debt service or capital projects. The following special revenue funds are reported as major funds.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Special Education Fund - The Special Education Fund accounts for transactions of the District relating to educational services provided to children with special needs as supported by Distributive School Account (DSA) payments, donations, and grants.

Federal Projects Fund - The Federal Projects Fund accounts for costs and operations of programs funded by federal direct and pass through grants.

Debt Service Fund - The Debt Service Fund is used to account for the collection of revenues, payment of principal and interest, and the cost of operations associated with debt service for general obligation debt.

Bond Fund - The Bond Fund accounts for the costs of capital improvements and constructing major capital facilities paid for by bond proceeds, related investment earnings, and proceeds from real estate transfer tax and room tax.

Additionally the District reports the following fund types:

Proprietary Funds

Enterprise Fund - The enterprise fund is used to account for operations financed and operated in a manner similar to a private business enterprise where the intent of the governing body is for the cost (expenses, including depreciation) of providing goods and services to the schools and other locations on a continuing basis to be financed or recovered primarily through charges or fees to customers. Currently, the District has one enterprise fund, and this year it is reported as a major fund.

Food Service Enterprise Fund - The Food Service Enterprise Fund accounts for transactions relating to food services provided to schools and other locations. Support is provided by customer fees and federal subsidies.

Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the District on a cost reimbursement basis. Currently, there are two District Internal Service Funds.

Insurance and Risk Management Fund - The Insurance and Risk Management Fund accounts for transactions relating to insurance and risk management services provided to other District departments on a cost reimbursement basis.

Graphic Arts Production Fund - The Graphic Arts Production Fund accounts for transactions relating to printing services provided to other District departments on a cost reimbursement basis.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's food service enterprise fund and of the District's internal service funds are charges to customers for sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

BUDGETS AND BUDGETARY ACCOUNTING

Nevada Statutes and District policies and regulations require that school districts legally adopt budgets for all funds. The budgets are filed as a matter of public record with the County Auditor, and the State Departments of Taxation and Education. The District staff uses the following procedures to establish, modify, and control the budgetary data reflected in the financial statements:

CLARK COUNTY SCHOOL DISTRICT**NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

1. The statutes provide for the following timetable in adoption of budgets:
 - (a) Before April 15, the Superintendent of Schools submits to the Board a tentative budget for the upcoming fiscal year. The tentative budget includes proposed expenditures/expenses and the means to finance them.
 - (b) Not sooner than the third Monday in May and not later than the last day in May, a minimum seven-day notice of public hearing on the final budget is published in a local newspaper.
 - (c) Before June 8, the Board must adopt a final budget.
2. On or before January 1, the Board adopts an amended final budget reflecting any adjustments necessary as a result of the average daily enrollment of pupils reported for the preceding quarter.
3. NRS 354.598005 provides that the Board may augment the budget at any time by a majority vote of the Board providing the Board publishes notice of its intention to act in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.
4. NRS 354.598005 also allows appropriations to be transferred within or among any functions or programs within a fund without an increase in total appropriations. If it becomes necessary during the course of the year to change any of the departmental budgets, transfers are initiated by department heads and approved by the appropriate administrator. Transfers within program or function classifications can be made with appropriate administrative approval. The Board is advised of transfers between funds, program, or function classifications and the transfers are recorded in the official Board minutes, on a monthly basis.
5. Budgeted appropriations may not be exceeded by actual expenditures of the various programs and functions of the General Fund, Special Revenue Funds, and Capital Projects Funds, as described on pages 57-58, Expenditure Line Item Titles. The sum of operating and non-operating expenses in the Enterprise and Internal Service Funds may not exceed total appropriations.
6. Generally, budgets for all funds are adopted in accordance with GAAP. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. Individual amendments were not material in relation to the original appropriation.
7. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are included in restricted, committed, or assigned fund balance, as appropriate and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. See **Note 14**.

POOLED CASH AND INVESTMENTS

Cash includes cash deposited in interestbearing accounts at banks and cash in custody of fiscal agents. Investments consist of United States Treasury bills and notes, government agency securities, commercial paper, negotiable certificates of deposit, and government money market funds. Investments are reported at fair value on the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of District investments are part of investment income that is included in revenues from local sources. See **Note 3**.

CLARK COUNTY SCHOOL DISTRICT**NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Investments are based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

The District has reviewed their investments and determined all investments are either Level 1 or 2 inputs and measured at their fair value levels as of June 30, 2020.

CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, non-negotiable certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

ACCOUNTS RECEIVABLE

The accounts receivable are shown net of any provision for doubtful accounts.

Property Taxes

All property taxes collected within 60 days of year-end are reported as accounts receivable as of June 30, 2020, as well as those taxes assessed but not yet received. The Clark County Treasurer, based on the assessed valuation on January 1 of each year, levies taxes on real property. A lien is placed on the property subject to the payment of taxes on July 1 of each year and the taxes are due on the third Monday in August. Taxes may be paid in quarterly installments on or before the third Monday in August, and the first Monday in October, January, and March. If not paid, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, interest, and costs. If delinquent taxes are not paid within the redemption period, the County Treasurer obtains a property deed free of encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. Article X, Section 2, of the Nevada Constitution limits the taxes levied by all units of Clark County to an amount not to exceed \$5 per \$100 of assessed valuation. The 1979 Nevada Legislature enacted provisions whereby starting July 1, 1979, the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed value. The assessed value is annually adjusted. The Nevada legislature also passed a property tax abatement law in 2005 that generally caps increases in property taxes received from any owner-occupied residential property to three percent per year, and eight percent per year for all other property.

INVENTORIES

Instructional materials and general supplies inventories (recorded in the General Fund) are valued at the moving average inventory method. Transportation supplies (recorded in the General Fund) are valued using the first-in, first-out method. Food service inventories (recorded in the Enterprise Fund) are valued using the moving average inventory method. In all funds, the District follows the consumption method, thus, materials and supplies to be used in operations are reported as financial resources when acquired and recognized as expenditures/expenses when used. In the fund financial statements, the inventory amount is equally offset by a fund balance classification indicating it is *nonspendable*.

PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. Prepaid items are equally offset by a fund balance classification indicating they are *nonspendable*.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS

Capital assets, which include intangibles, property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Intangible assets capitalization threshold is one million dollars 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 and updated for additions and retirements during the year. Donated capital assets are valued at their acquisition value per GASB Statement No. 72, 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 asset life are not capitalized.

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

<u>Capital Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	20
Land Improvements	20
Vehicles	5
Heavy Trucks and Vans	7-10
Buses	10
Computer Hardware	5
Various Other Assets	3-25

DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

Deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred loss on refundings are unamortized balances resulting from advance bond refundings. The pension and OPEB related deferred outflows resulted from the District pension and OPEB related contributions made subsequent to the measurement date, but before the end of the fiscal year, and pension related changes in proportion since the prior measurement date.

Deferred inflow of resources represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred gain on refundings are unamortized balances resulting from advance bond refundings. The difference between projected and actual experience and investment earnings are related to the calculation of net pension liability. The changes of assumptions are related to the calculation of the total OPEB liability. The governmental funds report unavailable revenue from two sources: delinquent property taxes and E-rate discounts. Property tax revenues are considered "delinquent" when the due date of an assessment has passed and any statutory appeal rights have expired. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

ACCRUED SALARIES AND BENEFITS

District salaries earned but not paid by June 30, 2020, have been accrued as liabilities and shown as expenditures/expenses for the current year.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred losses and gains, are deferred and amortized over the life of the bonds using the straight-line method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are immediately expensed in the government-wide financial statements. Deferred losses related to refundings of debt are reported as deferred outflows of resources and deferred gains related to refundings of debt are reported as deferred inflows of resources. They are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Employers are required per GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense.

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

In 2016, GASB issued Statement No. 82, *Pension Issues* with the objective of addressing some issues raised with previous GASB statements including Statement No. 68. More specifically, GASB Statement No. 82 addressed the following issues: (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Because PERS is a state-wide multi-employer plan that covers substantially all public employees of the State, its agencies and its political subdivisions, including the employees of the District, it is the responsibility of the State Controller's Office to perform the GASB calculations according to the applicable pension related statements and disseminate that information to the applicable agencies and political subdivisions for inclusion in their CAFRs.

Postemployment Benefits Other Than Pensions (OPEB). For the year ended June 30, 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The implementation of this standard requires governments calculate and report the costs and obligations associated with other postemployment benefits in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plans, which include the total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For the purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by Public Employees' Benefit Program (PEBP). For this purpose, benefit payments are recognized by the District when due and payable in accordance with the benefit terms.

COMPENSATED ABSENCES AND ACCUMULATED SICK LEAVE

Except for teachers and certain hourly employees, it is the District's policy to permit employees to accumulate earned but unused vacation leave. All employee groups are allowed to accumulate earned but unused sick leave. However, the District only pays limited accumulated sick leave to certain employees upon retirement.

A sick leave liability is recorded to accrue for the upcoming fiscal year payout. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

FUND BALANCES

In the fund financial statements, the classifications of fund balance are based on limitations on their use, and the source and strength of those limitations. Assignments of fund balance represent tentative management plans that are subject to change. The following classifications have been implemented by the District's Regulation 3110:

- a. *Nonspendable* fund balance: These items are legally or contractually required to be maintained intact and are not in a spendable form, such as inventories and prepaids.
- b. *Restricted* fund balance: These amounts are constrained to being used for specific purposes by external parties, constitutional provisions or enabling legislation, such as debt service.
- c. *Committed* fund balance: These amounts can only be used for specific purposes as set forth by the Board. The Board must take formal action, by adoption of a resolution prior to the end of the reporting period, in order to establish an ending fund balance commitment for any specific purpose. A resolution by the Board is also required to modify or rescind an established commitment. Only the highest level action that constitutes the most binding constraint can be considered a commitment for fund balance classification purposes.
- d. *Assigned* fund balance: Assignments are neither restrictions nor commitments and represent the District's intent to use funds for a specific purpose. These assignments, however, are not legally binding and are meant to reflect intended future use of the District's ending fund balance. The Chief Financial Officer of the District has the responsibility of assigning amounts of ending fund balance per District Regulation 3110.
- e. *Unassigned* fund balance: The residual classification for the General Fund that is available to spend. The District's Regulation 3110 requires that an unassigned ending fund balance of not less than 2% of total General Operating Fund revenues be included in the budget. A Board waiver is required to adopt a budget that does not meet this requirement.

When an expenditure/expense is incurred, and both restricted and unrestricted resources are available, the portion of the fund balance that was restricted for those purposes shall be reduced first. If no restricted resources exist, then the unrestricted fund balance shall be reduced. Furthermore, when an expenditure/expense is incurred for purposes which amounts of committed, assigned, or unassigned are considered to have been spent, and any of these unrestricted fund balance classifications could be used, they are considered to be spent in the above order.

NET POSITION

In the government-wide statements, Net Position on the Statement of Net Position includes the following:

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Net Investment in Capital Assets**

The calculation of net investment in capital assets is similar to the prior calculation of investment in capital assets, net of related debt which reported the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended bond proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets.

The deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt will also be included in this component of net position.

However, if there are no capital-related borrowings outstanding, then the appropriate title for classifying this portion of net position would be investment in capital assets.

Restricted Net Position

The component of net position that reports the constraints placed on the use of assets by either external parties and/or enabling legislation. Currently, the District has restricted assets related to its Debt Service Fund, assets related to its Capital Projects Funds, and restricted assets in the General Fund for donations, school bus appropriations, school carryover (service level agreements), school carryover (supplies), school carryover (net vacancy), and school based project carryover. Reserve to self-insurance deposits related to the District's worker's compensation program accounted for in the Insurance and Risk Management Fund, term endowments to Vegas PBS, and student groups to the Student Activity Fund are also restricted.

Unrestricted Net Position

The component of net position that is the difference between the assets, deferred outflows, liabilities, and deferred inflows not reported in Net Investment in Capital Assets and Restricted Net Position.

It is the District's policy to expend restricted resources first and use unrestricted resources when the restricted resources have been depleted.

Negative Net Position

The effect of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which records the District's proportionate share of the fiduciary net pension liability on their financial statements, resulted in a negative net position on the District's Statement of Net Position. Contributions are paid into PERS on behalf of the District's employees, and pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability.

This standard applies to both the government-wide and proprietary fund statements, including the Food Service, Insurance & Risk Management, and Graphic Arts Production Funds. The impact of recording the net pension liability could possibly result in a negative net position, which is the case for this fiscal year with the government-wide statement.

COMPARATIVE TOTAL DATA AND RECLASSIFICATIONS

The District follows the data classification guidelines provided in the Financial Accounting Handbook from the Nevada Department of Education, in conjunction with the U. S. Department of Education publication *Financial Accounting for Local and State School Systems*. Comparative total data for the prior year has been presented in the accompanying fund financial statements and schedules to provide an understanding of changes in the District's financial position and results of operations. Certain prior year amounts may have been reclassified to conform to the current year presentation.

USE OF ESTIMATES

The preparation of financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

REVENUE LINE ITEM TITLES

Local sources are monies generated from local school support (sales tax), ad valorem (property taxes), real estate transfer taxes, room tax, governmental services tax, franchise tax, investment income, and athletic proceeds.

State sources are revenues paid by the State of Nevada (through the Distributive School Account) to the District and state grants.

Federal sources are mostly grants received from the federal government for specific educational programs and interest subsidized on the Qualified School Construction Bond Program.

Other sources are monies including proceeds from the sale of capital assets and other miscellaneous income.

EXPENDITURE LINE ITEM TITLES

The statements of revenues, expenditures, and changes in fund balances characterize expenditure data by major program classifications pursuant to the provisions of the Handbook II (Revised) Accounting System established by the Nevada Department of Education. Programs are further segregated by functional services provided within each program. Below is a brief description of these program and function classifications.

Programs:

Regular programs are activities designed to provide elementary and secondary students with learning experiences to prepare them for further education or training and for responsibilities as citizens, family members, and workers.

Special programs are activities designed primarily to serve students having special needs. Special programs include services for the mentally challenged, physically handicapped, emotionally disturbed, culturally different, learning disabled, bilingual, and special programs for other types of students at all levels.

Gifted and talented programs are activities available to students that show above average general and/or specific abilities, high levels of task commitment, and high levels of creativity. Gifted and Talented Education (GATE) services are available to students in third, fourth, and fifth grades. Students have the opportunity to develop their potential through curriculum that emphasizes complexity and higher-level thinking.

Vocational programs are learning experiences that will prepare students to meet challenging academic standards as well as industry skill standards for board-based careers.

Other instructional programs are activities that provide elementary and secondary students with learning experiences in schoolsponsored activities, athletics, and summer school. This program also includes English for speakers of other languages (English Language Learners/Limited English Proficient/English-as-a-Second-Language) and alternative and at risk education programs.

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

Community services programs are activities not directly related to the provision of educational services in a school district. These include such services as community recreation programs, civic activities, public libraries, programs of custody and care of children, and community welfare activities. This also includes parental training or related programs.

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.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functions:

Instruction includes all activities dealing directly with the interaction between teachers and students, including the activities of aides or classroom assistants who assist in the instructional process.

Student support includes activities designed to assess and improve the well-being of students and to supplement the teaching process.

Instructional staff support includes activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.

General administration includes activities concerned with establishing and administering policy in connection with operating the District.

School administration includes activities concerned with overall administrative responsibility for a school. This includes principals, assistants, and clerical staff involved in the supervision of operations at a school.

Central services include activities that support other administrative and instructional functions. In addition, this covers activities concerned with paying, transporting, exchanging, and maintaining goods and services for the District. Also included are the fiscal and internal services necessary for operating the District.

Operation and maintenance of plant services includes activities concerned with keeping the physical schools and associated administrative buildings open, comfortable, and safe for use. This also includes keeping the grounds, buildings, and equipment in effective working condition and state of repair. Additional activities include maintaining safety in buildings, on the grounds, and in the vicinity of schools.

Student transportation includes activities concerned with the conveyance of students to and from school, as provided by state and federal law. It includes trips between home and school as well as trips to school activities.

Other support services are all other support services not otherwise properly classified elsewhere.

Community services include activities concerned with providing community services to students, staff, or other community participants. This includes programs offering parental training.

Facilities acquisition and construction services are all activities concerned with the acquisition of land and buildings; the construction and/or remodeling of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

Food service includes activities concerned with providing food to students and staff within the District. This includes the preparation and serving of regular and incidental meals, lunches, or snacks.

Interdistrict payments are funds transferred to another school district, charter school, or other educational entities such as private schools.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

The governmental funds balance sheet includes a reconciliation between fund balances – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “Certain liabilities, deferred inflows of resources, and deferred outflows of resources (such as bonds payable and capital leases payable) are not reported in the Governmental Funds financial statement because they are not due and payable in the current period, but they are presented as liabilities or deferred inflows of resources in the statement

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

of net position.” The details of this \$3,572,380,850 difference are as follows:

Bonds payable	\$	2,871,155,000
Bond discounts (net of amortization)		(2,499,101)
Prepaid bond insurance premium costs (net of amortization)		(1,803,185)
Deferred loss on refundings (net of amortization)		(8,895,188)
Deferred gain on refundings (net of amortization)		2,649,619
Bond premiums (net of amortization)		358,778,871
Interest payable		5,605,009
Compensated absences		67,733,057
Total OPEB liability		279,656,768
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>3,572,380,850</u>

Capital assets net of the related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net position. The details of this difference are as follows:

Capital Assets - Governmental Activities	\$	4,953,227,386
Less: Capital Assets - Internal Service Funds		(387,843)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>4,952,839,543</u>

2. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances, and the government-wide statement of activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.” The details of this \$232,157,172 difference are as follows:

Capital outlay	\$	488,887,911
Depreciation expense		(256,730,739)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>232,157,172</u>

Another element of that reconciliation states that “The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$253,256,606 difference are as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

Debt issued or incurred:	
Issuance of general obligation debt	\$ (442,230,000)
Plus: Bond premiums	(73,600,156)
Less: Bond insurance costs	1,294,659
General obligation debt principal payments	261,430,000
Payment to escrow agent	<u>(151,109)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (253,256,606)</u>

Another element of that reconciliation states that "Generally, expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when incurred." The details of this \$6,523,960 difference are as follows:

Change in accrued interest	\$ (459,953)
Amortization of deferred gain/loss on refunding	(589,139)
Amortization of issuance costs	(47,112)
Amortization of bond discounts	(656,151)
Amortization of bond premiums	39,363,358
Change in compensated absences	(7,870,318)
OPEB expense	(22,911,344)
Capital assets transfer/contributions	(305,381)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 6,523,960</u>

NOTE 3 - DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2020, this pool is displayed in the statement of net position and major and other governmental funds on the governmental funds balance sheet as "Pooled Cash and Investments". The District accounts for its debt issuance proceeds portfolio separately in the capital projects funds to aid in compliance with bond covenants and federal arbitrage regulations. See **Note 8**. As of June 30, 2020, the District had the total amounts reported as pooled cash and investments:

Combined Pooled Cash and Investments

Pooled Cash	\$ (135,037)
Certificate of Deposit	9,971,000
Pooled Investments	1,386,819,452
Student Activity Fund	36,227,753
Money Market Mutual Fund	168,440,386
Vegas PBS Endowment	2,747,879
Total Pooled Cash & Investments	<u>\$ 1,604,071,433</u>

Except for financial reporting purposes, the cash balances in the Student Activity Fund are not normally considered part of the District's pooled cash and investments. These amounts represent cash held in a fund by the District for student groups and organizations and cannot be used in the District's normal operations. The balance listed above for this fund is a

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

consolidation of individual bank account balances held at schools across the District as of June 30, 2020.

As of June 30, 2020, the District had the following investments (*numbers stated in thousands*):

	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
General Pooled Investments:					
U.S. Treasury Bills/Notes	\$ 288,522	\$ 261,874	\$ 26,648	\$ -	\$ -
U.S. Agencies	320,593	154,662	165,931	-	-
Commercial Paper	240,021	240,021	-	-	-
Asset Backed Securities	83,484	-	73,169	10,315	-
Mortgage Backed Securities	60,565	1,307	8,138	47,221	3,899
Subtotal General Pooled Investments	993,185	657,864	273,886	57,536	3,899
Bond Proceed Investments:					
U.S. Treasury Bills/Notes	357,690	357,690	-	-	-
U.S. Agencies	35,944	35,944	-	-	-
Subtotal Bond Proceed Investments	393,634	393,634	-	-	-
Total Securities Held	\$ 1,386,819	\$ 1,051,498	\$ 273,886	\$ 57,536	\$ 3,899

Interest Rate Risk

While the District does not have an overall investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate risk, Nevada statutes and District policy do impose certain restrictions by investment instrument. These include limiting maturities on U.S. Treasuries and Agencies to less than 10 years, limiting bankers' acceptances to 180 days maturity, limiting commercial paper to 270 days maturity and repurchase agreements to 90 days. The District's approximate weighted average maturity is 1.29 years, including ABS/MBS portfolio.

U.S. Agencies as reported above consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and Federal Home Loan Bank. Since investments in these agencies are in several cases backed by assets, such as mortgages, they are subject to prepayment risk.

Interest Rate Sensitivity

Interest rate sensitive securities include floating rate, callable, asset-backed, and mortgage-backed securities. As interest rates change, these types of securities may be redeemed early or the coupon rate change.

At June 30, 2020, the District invested in the following types of securities that have a higher sensitivity to interest rates:

Investments	Value	% of General Pool
U.S. Agency Mortgage Backed Securities and Collateralized Mortgage Obligations	60,565	6.10%
Asset Backed Securities	83,484	8.41%
Callable Agency Obligations	10,058	1.01%
Total	154,107	15.52%

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Credit Risk

State statute and the District's own investment policy limit investment instruments to the top rating issued by one of the nationally recognized statistical rating organizations (NRSROs). The District's investment in commercial paper is limited to that rated P-1 by Moody's Investors Service, Standard and Poor's as A-1, and Fitch Investors Service as F-1. The District's money market investments are only with those funds rated by a nationally recognized rating service as AAA or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities. Credit ratings for obligations of U.S. government agencies only implicitly guaranteed by the U.S. Government, such as, the Federal National Mortgage Association, the Federal Farm Credit Bank, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation, short- and long-term instruments are limited to those rated A-1 / AA, P-1 / Aaa or F1 / AAA, by Standard and Poor's, Moody's Investors Service, and Fitch Investors Service, respectively. Credit ratings for asset-backed securities are limited to those rated AAA by Standard and Poor's and Fitch Investors Service, and Aaa by Moody's Investors Service.

Vegas PBS received an initial term endowment in fiscal year 2003-2004 and has received additional contributions in each subsequent fiscal year, including the current year. The endowment is invested in various equity mutual funds with the Nevada Community Foundation. While the District's investment policy does not allow it to directly invest in equities, endowment principal is restricted from use for a period of time. See **Note 17**.

Concentrations of Credit Risk

To limit exposure to concentrations of credit risk, the District's investment policy limits investment in bankers' acceptance notes to 15%, repurchase agreements to 25%, commercial paper to 25%, and money market mutual funds to 25%, of the entire portfolio on the day of purchase. As of June 30, 2020, more than 5% of the District's investments are in U.S. Treasury Notes/Bills, Federal Home Loan Bank, and JP Morgan Money Market Fund. These investments are 42%, 23%, and 11%, respectively, of the District's total investments.

The District has the following recurring fair value measurements as of June 30, 2020:

- U.S. Treasury securities of \$646 million are valued using quoted market prices (Level 1)
- Agency securities of \$357 million are valued using matrix pricing model (Level 2)
- Commercial paper of \$240 million are valued using matrix pricing model (Level 2)
- Asset-backed securities of \$83 million are valued using matrix pricing model (Level 2)
- Mortgage-backed securities of \$61 million are valued using matrix pricing model (Level 2)

The District does not have recurring fair value measurement as of June 30, 2020, that is valued using significant unobservable inputs (Level 3).

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Interfund Balances:

The "due to/due from other funds" balance in the General Fund of \$44,234,868 was offset against the amounts reported in the Federal Projects Fund of \$21,095,129 and the State Grants Fund of \$23,139,739. These interfund balances represent funds that were transferred from the General Fund to the Federal Projects Fund and the State Grants Fund to cover the negative cash balances, which are caused by timing issues of grant draws.

Interfund Transfers:

In the fund financial statements, interfund transfers are shown as other financing sources or uses. Transfers between funds during the year ended June 30, 2020, are as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 4 - INTERFUND BALANCES AND TRANSFERS (continued)

Transfers Out:	Transfers In:			Totals
	Special Education Fund	Debt Service	Nonmajor Governmental Funds	
General Fund	\$ 352,610,751	\$ -	\$ 4,022,863	\$ 356,633,614
Bond Fund	-	88,609,690	32,744,502	121,354,192
Total	\$ 352,610,751	\$ 88,609,690	\$ 36,767,365	\$ 477,987,806

Following are explanations of certain interfund transfers of significance to the District:

\$352,610,751 was transferred from the General Fund to the Special Education Fund for costs related to programs for special needs students. Separate accounting is required for revenues and expenditures associated with special education. The majority of the revenues are collected in the General Fund and transferred to the Special Education Fund to offset special education expenditures.

The Bond Fund transferred a total of \$88,609,690 during fiscal year 2020 to the Debt Service Fund to service the current principal and interest on the District's revenue bonds. Pledged revenues for these bonds, which include a portion of the real estate transfer tax and room tax collected within the county are deposited within the Bond Fund and transferred on a monthly basis to the Debt Service Fund. See **Note 8**.

In the nonmajor governmental funds, \$4,022,863 was transferred from the General Fund to the Class Size Reduction Fund (CSR) to cover expenditures due to lower supplemental CSR funding caused by the Coronavirus disease (COVID-19) pandemic. The Bond Fund transferred \$32,744,502 to the Capital Replacement Fund for costs associated with various capital projects, such as carpet and flooring replacements, asphalt replacements, and rooftop heating, ventilation, and air conditioning (HVAC) unit replacements.

NOTE 5 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2020, are as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 5 - CAPITAL ASSETS (continued)

Governmental Activities:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 265,746,547	\$ -	\$ -	\$ 265,746,547
Construction in Progress	266,218,684	451,483,779	(424,412,924)	293,289,539
Total capital assets, not being depreciated	531,965,231	451,483,779	(424,412,924)	559,036,086
Capital assets, being depreciated:				
Buildings	5,012,298,590	317,741,152	(5,888,570)	5,324,151,172
Building Improvements	955,833,940	14,533,227	(3,961,646)	966,405,521
Land Improvements	1,423,006,109	70,775,528	-	1,493,781,637
Equipment	557,433,695	58,494,128	(23,859,952)	592,067,871
Total capital assets being depreciated	7,948,572,334	461,544,035	(33,710,168)	8,376,406,201
Less accumulated depreciation for:				
Buildings	(1,695,784,183)	(128,439,358)	2,212,449	(1,822,011,092)
Building Improvements	(752,560,107)	(28,846,528)	3,762,033	(777,644,602)
Land Improvements	(951,209,214)	(59,860,973)	-	(1,011,070,187)
Equipment	(355,490,225)	(39,639,879)	23,641,084	(371,489,020)
Total accumulated depreciation	(3,755,043,729)	(256,786,738)	29,615,566	(3,982,214,901)
Total capital assets being depreciated, net	4,193,528,605	204,757,297	(4,094,602)	4,394,191,300
Governmental activities capital assets, net	\$ 4,725,493,836	\$ 656,241,076	\$ (428,507,526)	\$ 4,953,227,386

Business-type Activities:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets, not being depreciated:				
Construction in Progress	\$ 6,489,050	\$ 2,992,504	\$ (9,481,554)	\$ -
Total capital assets, not being depreciated:	6,489,050	2,992,504	(9,481,554)	-
Capital assets, being depreciated:				
Buildings	1,737,413	-	-	1,737,413
Building Improvements	597,956	9,481,554	-	10,079,510
Land Improvements	968,279	-	-	968,279
Equipment	24,478,866	690,179	(86,686)	25,082,359
Total capital assets being depreciated	27,782,514	10,171,733	(86,686)	37,867,561
Less accumulated depreciation for:				
Buildings	(340,407)	(57,914)	-	(398,321)
Building Improvements	(155,975)	(108,917)	-	(264,892)
Land Improvements	(236,089)	(48,421)	-	(284,510)
Equipment	(17,049,187)	(1,422,641)	82,785	(18,389,043)
Total accumulated depreciation	(17,781,658)	(1,637,893)	82,785	(19,336,766)
Total capital assets being depreciated, net	10,000,856	8,533,840	(3,901)	18,530,795
Business-type activities capital assets, net	\$ 16,489,906	\$ 11,526,344	\$ (9,485,455)	\$ 18,530,795

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 5 - CAPITAL ASSETS (continued)

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

Governmental Activities:

Instruction:	
Regular instruction	\$ 201,804,975
Special instruction	239,556
Gifted and talented instruction	16,826
Vocational instruction	14,447,536
Adult instruction	119,134
Other instruction	51,440
Support services:	
Student support	650,941
Instructional staff support	2,978,262
General administration	817,618
School administration	63,447
Central services	3,069,080
Operation and maintenance of plant services	3,972,843
Student transportation	24,875,906
Other support services	429,360
Facilities acquisition and construction services	3,249,814
	\$ 256,786,738

NOTE 6 - ACCOUNTS RECEIVABLE

Receivables as of June 30, 2020, for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Special Education Fund	Debt Service Fund	Bond Fund	Federal Projects Fund	Other Governmental Funds	TOTAL
<u>Local sources:</u>							
Property and Transfer Taxes	\$ 10,627,367	\$ -	\$ 7,709,811	\$ 4,062,246	\$ -	\$ -	\$ 22,399,424
Room Taxes	-	-	-	765,932	-	-	765,932
Governmental Service Tax	6,323,491	-	-	-	-	2,961,425	9,284,916
Local School Support Tax	138,906,072	-	-	-	-	-	138,906,072
Other Local sources	539,492	-	-	-	-	-	539,492
<u>State sources:</u>							
Grants	-	-	-	-	-	46,772,047	46,772,047
Distributive School Account	160,586,330	-	-	-	-	-	160,586,330
<u>Federal sources:</u>							
Grants	-	-	-	-	36,567,685	-	36,567,685
Medicaid	159,792	-	-	-	-	42,600	202,392
<u>Other sources:</u>							
E-Rate Reimbursement	4,642,989	-	-	-	-	-	4,642,989
Miscellaneous	170,678	22,502	-	6,512	-	870,536	1,070,228
Total Receivables	\$ 321,956,211	\$ 22,502	\$ 7,709,811	\$ 4,834,690	\$ 36,567,685	\$ 50,646,608	\$ 421,737,507

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 7 - UNEARNED REVENUES

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period and also in connection with resources that have been received but not yet earned. A summary of unearned revenues for the individual major governmental funds and nonmajor governmental funds in the aggregate at June 30, 2020, are as follows:

	General Fund	Nonmajor and Other Funds	Total
Summer School	\$ 627,756	\$ -	\$ 627,756
State Grants and Allotments	-	7,097,599	7,097,599
Miscellaneous	-	666,520	666,520
Total	\$ 627,756	\$ 7,764,119	\$ 8,391,875

In the General Fund, summer school unearned revenue represents monies collected for summer school tuition in advance of the fiscal year 2021 summer school program.

Nonmajor and other funds include state grants in the amount of \$7,097,599, which is state grant revenue received in advance of expenditures, and the miscellaneous revenue of \$666,520 represents state grants for the Vegas PBS program.

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE

General Obligation Bonds:

The District issues general obligation bonds to provide proceeds for the District’s construction and modernization program and for other major capital acquisitions. These bonds are direct obligations and pledge the full faith and credit of the District. Bonds are often sold at a premium or a discount. These premiums and discounts are reported in the fund statements in the year incurred but are deferred and amortized over the life of the debt in the government-wide financial statements. Similarly, any gain or loss derived from an advance refunding is amortized in the government-wide financial statements. The Debt Service Fund services all of the bonds payable. The remaining principal and interest payment requirements for the general obligation debt as of June 30, 2020, are as follows:

General Obligation Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2020	Principal Due Within One Year	Interest Due Within One Year
2012A	Refunding	10/04/12	06/15/21	5.00%	\$ 159,425,000	\$ 31,550,000	\$ 31,550,000	\$ 1,577,500
2015C	Building/Refunding	11/23/15	06/15/35	4.00% - 5.00%	338,445,000	318,440,000	5,630,000	15,342,750
2016A	Refunding	06/16/16	06/15/25	5.00%	186,035,000	186,035,000	23,350,000	9,301,750
2016C	Vehicles & Equip	06/16/16	06/15/26	4.00% - 5.00%	33,470,000	21,930,000	3,225,000	1,096,500
2016D	Refunding	12/15/16	06/15/24	5.00%	257,215,000	136,660,000	51,210,000	6,833,000
2016F	Various Purpose	12/15/16	06/15/26	3.00%-5.00%	50,435,000	34,125,000	5,050,000	1,400,850
2017A	Building/Refunding	06/28/17	06/15/37	4.00%-5.00%	407,900,000	336,840,000	15,660,000	16,361,650
2017C	Building/Refunding	12/07/17	06/15/37	3.00%-5.00%	291,785,000	267,570,000	26,315,000	12,983,350
2017D	Various Purpose	12/07/17	06/15/27	5.00%	23,945,000	19,495,000	2,395,000	974,750
2018A	Building	06/26/18	06/15/38	4.00%-5.00%	200,000,000	193,425,000	6,905,000	9,090,600
2018B	Building	11/01/18	06/15/38	4.00%-5.00%	200,000,000	200,000,000	7,110,000	9,681,850
2018C	Various Purpose	11/01/18	06/15/28	3.50%-5.00%	35,750,000	29,380,000	3,130,000	1,215,150
2019A	Building	06/26/19	06/15/39	3.00%-5.00%	200,000,000	200,000,000	6,775,000	8,190,550
2019B	Building	10/31/19	06/15/39	3.00%-5.00%	200,000,000	200,000,000	6,700,000	8,391,100
2019C	Various Purpose	10/31/19	06/15/29	2.00%-5.00%	42,230,000	40,230,000	5,370,000	1,504,012
2020A	Building	06/16/20	06/15/40	3.00%-5.00%	200,000,000	200,000,000	-	8,681,368
						\$ 2,415,680,000	\$ 200,375,000	\$ 112,626,730

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

General Obligation Revenue Bonds:

The District also issues general obligation debt that is additionally secured by a pledge of proceeds of taxes deposited in the District's Bond Fund. The District receives the proceeds of a 1 5/8% room tax collected within Clark County and this revenue is reflected in total in the Bond Fund. The proceeds of a tax equivalent to 60 cents for each \$500 of value on transferred real property are also deposited by the county. The District pledges the room tax and the real estate transfer tax revenues to pay debt service on certain general obligation debt. In 2020, the District received \$114,062,728 and pledged 100% of these revenues to pay the principal and interest requirement. The remaining principal and interest payment requirements for the general obligation debt additionally secured by these pledged revenues as of June 30, 2020 are as follows:

General Obligation Revenue Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2020	Principal Due Within One Year	Interest Due Within One Year
2010A	Building (QSCB)	07/08/10	06/15/24	5.51%	\$ 104,000,000	\$ 101,145,000	\$ 22,000,000	\$ 5,573,090
2015B	Refunding	03/18/15	06/15/22	5.00%	129,080,000	41,645,000	20,315,000	2,082,250
2015D	Building	11/23/15	06/15/35	4.00% - 5.00%	200,000,000	162,500,000	7,530,000	7,330,350
2016B	Refunding	06/16/16	06/15/27	5.00%	90,775,000	90,675,000	-	4,533,750
2016E	Refunding	12/15/16	06/15/26	5.00%	59,510,000	59,510,000	21,405,000	2,975,500
						<u>\$ 455,475,000</u>	<u>\$ 71,250,000</u>	<u>\$ 22,494,940</u>

At year-end, pledged future revenues totaled \$565,358,951, which was the amount of the remaining principal and interest on these bonds.

General obligation bonds payable is reported net of premiums and discounts on the statement of net position.

Summary of Debt Service:

Following are the annual requirements to amortize all general obligation bonds outstanding at year-end:

Fiscal Year	Principal	Interest	Total Requirements
2021	\$ 271,625,000	\$ 135,121,670	\$ 406,746,670
2022	255,545,000	121,452,402	376,997,402
2023	252,695,000	108,704,452	361,399,452
2024	260,840,000	96,072,245	356,912,245
2025	244,415,000	83,126,812	327,541,812
2026 - 30	718,135,000	269,791,800	987,926,800
2031 - 35	538,465,000	136,154,850	674,619,850
2036 - 40	329,435,000	28,254,950	357,689,950
Totals	<u>\$2,871,155,000</u>	<u>\$ 978,679,181</u>	<u>\$ 3,849,834,181</u>

A statutory limit of bonded indebtedness for school districts is set forth in Chapter 387.400 of the Nevada Revised Statutes. The limitation is based on 15% of the assessed valuation of property within the District, excluding motor vehicles. Based on the 2020 assessed valuation of \$95,588,746,597 the applicable debt limit is \$14,338,311,990 leaving the legal debt margin at \$11,467,156,990, notwithstanding the statutory tax rate limitation explained in **Note 1**. The District is in compliance with Chapter 387.400 as of June 30, 2020.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

Authorized Unissued Debt:

In 1998, the District received both legislative and voter approval to issue a projected \$3.2 billion in long-term debt for school construction and modernization. The election authorized the District to issue general obligation bonds for school construction until June 30, 2008. In fiscal year 2018, the 1998 bond program was fully expended. In the 2015 legislative session, Senate Bill 207 was passed which allows an extension of bond rollover funds from property taxes for districts to keep pace with the need for new schools and major repairs on existing schools. The bill gives school boards the authority to continue issuing construction bonds for 10 years beyond the time period approved by voters, although districts would not be allowed to raise property tax rates to pay debt service on the bonds. As of June 30, 2020, there is \$400 million in authorized unissued debt.

Defeasement of Debt:

The District has defeased certain general obligation bonds by placing the proceeds of new bonds into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District’s financial statements. There is no outstanding defeased debt as of June 30, 2020.

Obligation for Arbitrage Payable:

The Tax Reform Act of 1986 established arbitrage guidelines that require a rebate of interest earned on bond funds in excess of interest paid. At June 30, 2020, the District is currently reporting negative arbitrage and thus no rebate of interest is required.

Debt Service Fund:

Nevada Revised Statute 350.020 requires that the Board establish a restricted account within its debt service fund for payment of the outstanding bonds of the District. In 2012, Assembly Bill 376 changed the amount of the reserves required to 10% of the outstanding principal or 25% (changed from 100%) of the principal and interest payments due on all outstanding bonds of the District in the next fiscal year, whichever is less. The amounts on deposit in this restricted account are not directly pledged to pay debt service on the debt, and if permitted, may be used for other purposes. As of June 30, 2020, the amount required to fund this account was \$101,686,667; which was fully funded by the District.

NOTE 9 - LEASES

Operating Leases

Lessee

The District leases a fiber optical wide-area network under a non-cancelable operating lease. Total costs for this lease were \$2,553,594 for the year ending June 30, 2020. The future minimum lease payments for this lease are as follows:

Year Ending, June 30	Amount
2021	\$ 2,403,120
2022	2,403,120
2023	2,403,120
2024	2,403,120
Total	\$ 9,612,480

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 9 - LEASES (continued)

Lessor

In 2008, Vegas PBS entered into a lease agreement with Sprint Nextel, Inc. whereby Sprint Nextel leases available spectrum from Vegas PBS for commercial use. The term for this cancelable operating lease agreement is 15 years with automatic renewal of an additional 15 years, for a maximum of 30 years. The spectrum provided by the District carries no value on the financial statements. The revenue recognized for this period is \$1,261,383, which includes a monthly fee paid to the District by Sprint Nextel.

NOTE 10 - CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year-ended June 30, 2020 was as follows:

	Beginning Balance June 30, 2019	Additions	Reductions	Ending Balance June 30, 2020	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 2,174,345,000	\$ 442,230,000	\$ (200,895,000)	\$ 2,415,680,000	\$ 200,375,000
General obligation revenue bonds	516,010,000	-	(60,535,000)	455,475,000	71,250,000
Less: issuance discounts	(3,155,252)	-	656,151	(2,499,101)	-
Plus: issuance premiums	324,995,606	73,600,156	(39,816,891)	358,778,871	-
Total bonds payable	3,012,195,354	515,830,156	(300,590,740)	3,227,434,770	271,625,000
Compensated absences	60,191,672	39,413,948	(31,482,510)	68,123,110	31,482,510
Other long term liabilities	36,773,513	-	(983,007)	35,790,506	-
Governmental activity long-term liabilities	<u>\$ 3,109,160,539</u>	<u>\$ 555,244,104</u>	<u>\$ (333,056,257)</u>	<u>\$ 3,331,348,386</u>	<u>\$ 303,107,510</u>
Business-type Activities:					
Compensated absences	<u>\$ 1,165,484</u>	<u>\$ 755,555</u>	<u>\$ (312,395)</u>	<u>\$ 1,608,644</u>	<u>\$ 312,395</u>

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the above totals for governmental activities. At year end, \$390,053 of internal service funds compensated absences are included in the above amounts. In governmental activities, compensated absences are generally liquidated by a combination of the major and nonmajor governmental funds with the majority liquidated from the General Fund.

NOTE 11 - COMPLIANCE AND ACCOUNTABILITY

Per NRS 354.626, the District is required to report and explain expenditures that exceeded budgeted appropriations at the function level for the General Fund, Special Revenue, and Capital Project Funds. The sum of operating and non-operating expenses in the Enterprise and Internal Service Funds may not exceed total appropriations. As of June 30, 2020, the District reported no expenditures over appropriations.

NRS 354.598005 states budget appropriations in excess of budget may be transferred between funds with Board approval. The District made a transfer of \$4,022,863, following Board approval on August 27, 2020, between General Fund and the Class Size Reduction Fund to cover expenditures due to lower supplemental CSR funding caused by the Coronavirus disease (COVID-19) pandemic.

NOTE 12 - DEFINED BENEFIT PENSION PLAN

All half-time or greater District employees are covered by the State of Nevada Public Employees Retirement System (the Plan), a cost sharing multiple-employer defined benefit plan of the public employee retirement system.

The covered payroll for employees participating in the Plan for the year ended June 30, 2020 was \$1,656,456,607 and

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

the District's total payroll was \$1,818,940,817. All full-time District employees are mandated by state law to participate in the Plan. Vested members are entitled to a life-time monthly retirement benefit equal to the service time multiplier (STM) percentages listed below times the member's years of service to a maximum of 30 years. The schedule of Eligibility for Monthly Unreduced Retirement Benefits for regular members and police/fire members are as follows:

Eligibility for Regular Members:

Years of Service	Hired Prior to 7/01/01		Hired Between 7/01/01-12/31/09		Hired After 1/01/2010		Hired After 7/01/2015	
	Age	STM %	Age	STM %	Age	STM %	Age	STM %
5 Years	65	2.5	65	2.67	65	2.5	65	2.25
10 Years	60	2.5	60	2.67	62	2.5	62	2.25
30 Years	Any age	2.5	Any age	2.67	Any age	2.5	55	2.25
33 1/3 Years	-	-	-	-	-	-	Any age	2.25

Eligibility for Police/Fire Members:

Years of Service	Hired Prior to 7/01/01		Hired Between 7/01/01-12/31/09		Hired After 1/01/2010		Hired After 7/01/2015	
	Age	STM %	Age	STM %	Age	STM %	Age	STM %
5 Years	65	2.5	65	2.67	65	2.5	65	2.5
10 Years	55	2.5	55	2.67	60	2.5	60	2.5
20 Years	50	2.5	50	2.67	50	2.5	50	2.5
25 Years	Any age	2.5	Any age	2.67	-	-	-	-
30 Years	-	-	-	-	Any age	2.5	-	-
33 1/3 Years	-	-	-	-	-	-	Any age	2.25

The member's beginning retirement compensation is the average of their highest working compensation for 36 consecutive months. Benefits fully vest with 5 years of service. The Plan also provides death and disability benefits. Benefits are established by state statute and provisions may only be amended through legislation.

All District employees in the plan are enrolled under a non-contributory plan. District payment of what were formerly employee contributions, was made in lieu of equivalent salary increases. Per Chapter 286 of the Nevada Revised Statutes, the District's contribution was based on the actuarially determined statutory rate of 29.25% in 2019-2020 for unified, licensed, and support employees and 42.50% for police employees of gross compensation and amounted to \$485,822,883, 23.44% of the \$2,072,217,608 total paid by all employees and employers into the Plan for the year ended June 30, 2020.

At June 30, 2020, the District reported a liability of \$3,186,524,832 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the level percentage-of-payroll contribution rates required to fund the Retirement System on an actuarial reserve basis. In governmental activities, net pension liability is generally liquidated by a combination of the major and non-major governmental funds with the majority liquidated from the General Fund. At June 30, 2020 and 2019, the District's proportionate share of the net pension liability was 23.36853% and 24.14382%, respectively.

For the year ended June 30, 2020, the District recognized pension expense of \$69,404,651. At June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 119,491,038	\$ 91,911,256
Changes of assumptions	129,678,383	-
Net difference between projected and actual earnings on pension plan investments	-	158,518,171
Changes in proportion and differences between District contributions and proportionate share of contributions	18,627,609	125,470,658
District contributions subsequent to the measurement date	242,893,437	-
Total	<u>\$ 510,690,467</u>	<u>\$ 375,900,085</u>

The amount of \$242,893,437 was reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Reporting period ended June 30:</u>	
2021	\$ (2,378,866)
2022	(81,954,335)
2023	(10,094,251)
2024	(5,743,436)
2025	(6,356,782)
Thereafter	(1,575,385)

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.75%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases
Investment rate of return	7.50%
Other assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

Mortality Rates (Regular and Police/Fire) – For healthy members it is the Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016.

For disabled members it is the Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years.

For pre-retirement members it is the Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016.

The RP-2014 Headcount-Weighted Mortality Tables, set forward one year for spouses and beneficiaries, reasonably reflect the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement.

The actuarial assumptions and methods used in the June 30, 2019 actuarial valuation were adopted by the Public Employees' Retirement Board and were based on the results of the experience review completed in 2017.

The PERS Board evaluates and establishes expected real rates of return (expected returns, net of pension plan investment expenses and inflation) for each asset class. The PERS Board reviews these capital market expectations annually. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.50%
Domestic Fixed Income	28%	0.75%
Private Markets	12%	6.65%

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

Discount rate. The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute.

Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what it would be using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Net Pension Liability	\$ 4,933,948,052	\$ 3,186,524,832	\$ 1,733,972,728

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Financial statements for the Plan are available on the PERS website at www.nvpers.org or by calling (775) 687-4200 or writing to:

Public Employees' Retirement System of Nevada
693 W. Nye Lane
Carson City, NV 89703-1599

NOTE 13 - RISK MANAGEMENT

Risk Management The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The District accounts for such losses through its Insurance and Risk Management Internal Service Fund. The District retains the risk of financial loss per occurrence as follows:

1. Worker's compensation up to \$1,250,000.
2. General liability, with retention of \$3,500,000.
3. Motor vehicle liability, with retention of \$3,000,000.
4. Errors and omissions and employment practices liability, with retention of \$3,000,000 per occurrence.
5. Property, including boiler and machinery and terrorism, with retention of \$250,000 for everything except flood which is \$500,000.
6. Media professional liability, with retention of \$5,000.
7. Crime/employee dishonesty, with retention of \$50,000.
8. National Flood Insurance Program, with retention of \$50,000 for specific schools.
9. Pollution Liability – Environmental, with retention of \$100,000.
10. Cyber Liability, with retention of \$100,000 per claim.
11. Non-Owned Aircraft Liability and Premises Liability with retention of \$1,000.

The District purchases commercial insurance for occurrences in excess of the foregoing retention levels. The District's insurance program is evaluated annually, utilizing industry and claims data to ensure the coverage limits remain adequate. New policies are purchased as new loss exposures are identified. Retention levels are also reviewed annually to ensure that self-funded claim payments remain at a reasonable amount. The District has three pending liability claims that have been reported to the excess insurance carrier that have an estimated settlement amount of over \$1,000,000. These three liability claims have a total of five claimants and all involve causes of loss that are required to be reported to excess insurance. In addition, there are five open worker's compensation claims that are estimated to reach over \$1,000,000 in total expenses.

The Insurance and Risk Management Internal Service Fund insures all operational activities of the District by charging premiums to other funds of the District. Premiums charged are based on estimates of the amounts needed to pay actual and projected claims, to support self-insurance operational costs, and to establish a self-insured reserve for incurred losses. The estimates of the liability insurance claims payable of \$24,214,520 and the worker's compensation claims payable of \$24,443,974 at June 30, 2020, were determined by the District with the assistance of an independent actuarial study as of that date and are reflected in the financial statements of the Insurance and Risk Management Internal Service Fund as claims payables and other long term liabilities.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 13 - RISK MANAGEMENT (continued)

The actuarial study, which is prepared annually, calculates the estimated future losses for the District. The current amount reflected represents the amount due in fiscal year 2020-2021.

The District relies upon a statistical measure known as a confidence level to determine its estimated outstanding losses as calculated by the study. Estimated losses are recorded at their expected values, which correspond to an approximate 50%-55% confidence level. Information regarding actual claims expenses incurred and paid can be seen in the table below.

A summary of changes in the aggregate claims liabilities for the past two years follows:

	Fiscal 2020	Fiscal 2019
Beginning Balance - July 1, 2019 and 2018	\$ 48,797,105	\$ 42,887,599
Claims Incurred	16,639,460	16,707,019
Changes in Estimates for Claims of the Prior Periods	(138,611)	5,909,506
Claims Paid	(16,639,460)	(16,707,019)
Ending Balance - June 30, 2020 and 2019	<u>\$ 48,658,494</u>	<u>\$ 48,797,105</u>
Short term portion	\$ 12,867,988	\$ 12,023,592
Long term portion	\$ 35,790,506	\$ 36,773,513

In December 2019, the District renewed its interest-bearing time certificate of deposit used for the self-insured workers' compensation program as a security deposit with the Nevada Division of Insurance. The amount of the deposit, \$9,971,000, is based on the total incurred cost of current and future claims as estimated by the office of the State Insurance Commissioner. See **Note 3**.

NOTE 14 - ENCUMBRANCES AND COMMITMENTS

Construction Commitments and Encumbrances

The District utilizes encumbrance accounting in its governmental funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. In general, unencumbered appropriations lapse at year-end. Open encumbrances at fiscal year-end are included in restricted, committed, or assigned fund balance, as appropriate. The following schedule outlines significant encumbrances included in governmental fund balances:

	Restricted Fund Balance	Assigned Fund Balance
<u>Major Funds</u>		
General Fund	\$ 10,646,736	\$ 825,645
Bond Fund	263,891,257	-
<u>Nonmajor Funds</u>		
Aggregate nonmajor funds	8,181,877	-
	<u>\$ 282,719,870</u>	<u>\$ 825,645</u>

Total encumbrances for general fund and capital projects as of June 30, 2020 were \$283,545,515. In the General Fund, the total encumbrance balance of \$825,645 was assigned for the purchase of instructional supplies and \$10,646,736 for the purchase of buses & vehicles.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

As of June 30, 2020, funds remain from 2015 bond program for the construction of new and replacement schools. The following schedule outlines the programmed construction commitments as of June 30, 2020. The total restricted amount of \$406,133,732 is construction contracts from the 2015 bond program which is shown as a restriction for capital projects in the Bond Fund.

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
NEW SCHOOLS FOR CAPACITY		
Land Acquisition	Purchase Required Sites for New Schools to Provide New Capacity	\$ 49,648,785
ALTERNATIVE & SPECIAL SCHOOLS		
Global Community AS	Construct New Global Community Alternative School (use as temporary school for replacement schools strategy) Global Community AS opens 08/01/2022	\$ 719,941
ELEMENTARY SCHOOLS		
Josh Stevens ES	Construct New Elementary School @ Dave Wood & Galleria	\$ 387,536
Jan Jones Blackhurst ES	Construct New Elementary School @ Chartan & Pioneer	1,493,207
Dr. Beverly S. Mathis ES	Construct New Elementary School @Arville & Mesa Verde (\$32,490,000), Nature Trail Adjacent to New School (\$595,000)	2,590,512
Lomie G. Heard ES	Construct New Elementary School @ Lamb & Kell	528,937
Billy & Rosemary Vassiliadis ES	Construct New Elementary School @ Antelope Ridge	721,496
Shelley Berkley ES	Construct New Elementary School @Maule & Grand Canyon	1,077,358
Don & Dee Snyder ES	Construct New Elementary School @ Ford & Riley, Asphalt Seal Coat	348,260
Dennis Ortwein ES	Construct New Elementary School @ Dean Martin Dr. & I-15, Asphalt Seal Coat	2,518,743
Robert and Sandy Ellis ES	Construct New Elementary School @ Beltrada & Via Italia	1,467,022
Kenneth Divich ES	Construct New Elementary School @ Farm Road & N. Jensen	1,288,857
Shirley A. Barber ES	Construct New Elementary School @ S. Spencer & E. Pyle	1,616,278
Sandra B. Abston ES	Construct New Elementary School @ Tompkins & El Conquistador	1,552,962
Earl N. Jenkins ES	Construct New Elementary School @ Vegas Valley & Hollywood	1,925,967
Tyrone Thompson ES (fka South El Captain Way & Mountains Edge Parkway)	Construct New Elementary School	9,587,623
Chapata Drive and Casady Hollow Avenue	Construct New Elementary School	333,720
MIDDLE SCHOOLS		
Mountains Edge Parkway & South Buffalo Drive	Construct New Middle School	\$ 18,044,542
ADDITIONS FOR CAPACITY		
Will Beckley ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	\$ 1,728
Paul E. Culley ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	1,320

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
ADDITIONS FOR CAPACITY, CONT.		
Bertha Ronzone ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	\$ 1,287,157
Elaine Wynn ES	Construct 18 Classroom Addition for Capacity Relief, Provide Bus Loop, Playground & Parking Modifications	39,418
Elaine Wynn ES	Replace Roof	2,528
Berkley Bunker ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Apply Seal Coat	2,591,012
Clyde C. Cox ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	2,896,734
Lois Craig ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Remove & Replace Asphalt	1,628,776
Crestwood ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications	1,425,371
Cynthia Cunningham ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,100,960
Laura Dearing ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	344,167
Ollie Detwiler ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,524,167
Harvey N. Dondero ES	Construct 14 Classroom Addition & Multipurpose Room Addition for Capacity Relief, Conversion of Old MP Room Space, Playground & Parking Modifications	2,120,864
Wing & Lily Fong ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt	330,273
Helen Herr ES	Construct 14 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,598,594
Halle Hewetson ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Exterior Roof Deck Walkway, Asphalt Seal Coat	659,255
Robert E. Lake ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,367,667
Walter V. Long ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,937,201
Mary & Zel Lowman ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,126,696
Doris Reed ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	2,700,509
Hal Smith ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	2,971,879
C. P Squires ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,188,239
Vegas Verdes ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	931,852
Gwendolynn Woolley ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications, Asphalt Seal Coat	1,475,682
John W. Bonner ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,921,583

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
ADDITIONS FOR CAPACITY, CONT.		
Raul Elizondo ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	\$ 2,143,662
Daniel Goldfarb ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,396,549
Edythe & Lloyd Katz ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,246,337
John F. Mendoza ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,154,488
Tony Alamo ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	4,349,722
Roger M. Bryan ES	Construct 14 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,590,300
Manuel Cortez ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,761,815
C. H. Decker ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	3,948,717
Frank Lamping ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	3,331,475
J. T. McWilliams ES	Construct 18 Classroom Addition for Capacity Relief, Playground & Parking Modifications	4,564,719
William K. Moore ES	Construct 14 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,910,682
Dean L. Petersen ES	Construct 22 Classroom Addition for Capacity Relief, Playground & Parking Modifications	2,850
REPLACEMENT SCHOOLS		
Rex Bell ES	Replacement School	\$ 237,442
Lincoln ES	Replacement School	48
J. M Ullom ES	Replacement School . Resite of Bell ES Design.	6,220,743
E. W. Griffith ES	Replacement School	10,074,572
J. D. Smith MS	Replacement School	19,168,961
Temporary ES Campus at Heard Campus to House Students during Replacement & Phased Replacement	School to House Students During Replacement Schools Construction Phases. Located at Lomie Heard ES.	(264,281)
Elbert Edwards ES	Replacement School	7,296,201
Jo Mackey ES	Replace Elementary School with K-8 School	11,924,801
Howard Wasden ES	Replacement School	5,888,620
John C. Fremont K - 8	Replace Middle School with K - 8 School	832,708
William Ferron ES	Replacement School	5,929,863
Myrtle Tate ES	Replacement School	2,766,316
George E. Harris ES	Replacement School	1,438,147

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
REPLACEMENT SCHOOLS, CONT.		
Ruby S. Thomas ES	Replacement School	\$ 1,063,962
Harley Harmon ES	Replacement School	1,223,616
Gene Ward ES	Replacement School	1,205,118
Ira. J. Earl ES	Replacement School	405,530
Ruth Fyfe ES	Close Current School	185
PHASED REPLACEMENT SCHOOLS		
Boulder City HS	Phase 3 Phased Replacement (Performing Arts Center, Drainage)	\$ 987,931
Sandy Valley M/HS	Phase II of Phased Replacement (ES Classrooms, Admin)	2,884,476
Twin Lakes ES	Phase 2 of Phased Replacement	1,593,208
Las Vegas Academy of the Arts	Prepare Master Plan for Phased Replacement of Campus	8,750
Southeast Career & Technical Academy	Phase 2A of Phased Replacement (Classrooms & Administration)	37,101,625
Southeast Career & Technical Academy	Phased Replacement - Phase III (DESIGN ONLY)	272,348
Mabel Hoggard ES	Phase 2 of Phased Replacement (includes Zoo)	3,611,370
MODERNIZATION/LIFE CYCLE/EQUITY		
ELEMENTARY SCHOOLS		
Quannah McCall ES	Replace HVAC System - Boilers (\$100,000), Chiller (\$765,000), HVAC Controls (\$380,000), HVAC Rooftop Units (\$835,000), Electrical & Plumbing Upgrades (\$165,000)	\$ 336,118
Richard Bryan ES	Replace HVAC System - Boiler (\$290,000), Chiller (\$510,000), Tower (\$335,000), Components (\$480,000), Controls (\$490,000), Roof (\$1,070,000)	232,470
Doris Hancock ES	Replace HVAC System - Boiler x 3 (\$265,000), HVAC Units(\$2,385,000), Controls (\$395,000)	267,532
Matt Kelly ES	Replace HVAC System - Boiler x 2 & Water Heater (\$255,000), Chiller (\$470,000), Tower (\$265,000), HVAC Controls (\$825,000), Additional HVAC Scope Required (\$2,325,000), Roof (\$980,000)	1,082,440
Arturo Cambeiro ES	Replace HVAC System - Boiler (\$230,000), Chiller (\$575,000), Tower (\$300,000), Controls (\$740,000), Roof (\$1,230,000)	229,085
Addeliar D. Guy III ES	Replace HVAC System - Boiler (\$280,000), Chiller (\$475,000), Tower (\$275,000), HVAC Rooftop Unit (\$1,680,000), Components (\$195,000), Controls (\$440,000), Roof (\$1,065,000)	824,166
Roberta Cartwright ES	Replace HVAC System - Boiler (\$320,000), Chiller (\$490,000), Tower (\$300,000), Controls (\$600,000), Roof (\$1,400,000)	278,766
Patricia Bendorf ES	Replace Roof	130,518
David Cox ES	Replace Roof	117,721
Charlotte Hill ES	Replace Roof	98,945
Ulis Newton ES	Replace Roof	98,711
Clarence Piggott ES	Replace Roof	68,782

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
ELEMENTARY SCHOOLS, CONT.		
Harriet Treem ES	Replace Roof	\$ 90,972
Whitney ES	Replace Roof	123,193
Walter Jacobson ES	Replace HVAC System (2000 Building Addition) - Components (\$250,000), Roof (\$855,000)	267,469
Nate Mack ES	Replace HVAC System (2000 Building Addition) - Components (\$250,000), Roof (\$745,000)	418,736
Helen M. Jydstrup ES	Replace Roof	540,169
Vegas Verdes ES	Replace Roof	132,694
Ruthe Deskin ES	Replace HVAC System - Chiller (\$580,000), Tower (\$330,000), Controls (\$540,000), Add HVAC Scope (\$410,000), Roof (\$140,000)	279,553
Martin L. King Jr. ES	Replace HVAC System - Chiller (\$580,000), Tower (\$330,000), HVAC Controls (\$540,000), Additional HVAC Scope Required (\$240,000)	737,516
Martha P. King ES	Replace HVAC System - Chiller (\$610,000), Tower (\$350,000), HVAC Controls (\$560,000), Additional HVAC Scope Required (\$255,000), Roof (\$1,220,000)	377,747
R. Guild Gray ES	Replace Intrusion Alarm	9,495
Keith and Karen Hayes ES	Replace Boiler (Early Failure)	7,634
William Bennett ES	Replace HVAC System - Boiler (\$105,000), Tower (\$115,000), Components (\$1,525,000), Controls (\$240,000), Roof (\$1,535,000)	636,368
Joseph Bowler ES	Replace HVAC System - Boiler (\$335,000), Chiller (\$575,000), Tower (\$325,000), Components (\$230,000), Controls (\$530,000)	232,339
John C. Vanderburg ES	Replace HVAC System - Boiler (\$335,000), Chiller (\$575,000), Tower (\$325,000), Components (\$230,000), Controls (\$530,000), Added Fire Alarm System (\$75,000)	154,274
Sue Morrow ES	Replace HVAC System - Boiler (\$335,000), Chiller (\$575,000), Tower (\$325,000), Components (\$230,000), Controls (\$530,000)	332,486
John R. Beatty ES	Replace HVAC/Roof System (Early Failure) - Cooling Tower (\$190,000), Components (\$285,000), Roof (\$2,330,000)	174,801
Marion B. Earl ES	Replace HVAC System - Chiller (\$750,000), Components (\$245,000), Roof (\$2,290,000)	82,174
Dean Lamar Allen ES	Replace HVAC System - Boiler (\$345,000), Tower (\$340,000), Components (\$240,000), Controls (\$1,310,000)	3,450
Jay W. Jeffers ES	Replace HVAC System (Early Failure) - Tower (\$195,000), Roof (\$1,320,000), Controls (\$365,000 Added)	237,066
Eva G. Simmons ES	Replace Cooling Tower (Early Failure)	81,875
John R. Hummel ES	Replace HVAC System (Early Failure) - Tower (\$195,000), Roof (\$1,315,000)	1,259,694
H. P. Fitzgerald ES	Replace Boiler	215,368
Lee Antonello ES	Replace Roof	1,019,125

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
ELEMENTARY SCHOOLS, CONT.		
Lillian Lujan Hickey ES	Replace HVAC System (Early Failure) - Tower (\$195,000), Roof (\$1,310,000)	\$ 544,378
Theron and Naomi Goynes ES	Replace HVAC System (Early Failure) - Tower (\$195,000), Roof (\$1,370,000)	484,164
Elizabeth Wilhelm ES	Replace HVAC System - Boiler (\$345,000), Chiller (\$595,000), Tower (\$335,000), Components (\$240,000), Controls (\$545,000), Roof (\$1,315,000)	67,750
Eva Wolfe ES	Replace HVAC System - Boiler (\$345,000), Chiller (\$595,000), Tower (\$335,000), Components (\$240,000), Controls (\$545,000), Roof (\$1,315,000)	2,022,578
Betsy A. Rhodes ES	Replace HVAC System - Boiler (\$345,000), Chiller (\$595,000), Tower (\$335,000), Components (\$240,000), Controls (\$545,000), Roof (\$1,315,000)	1,523,708
Fredric Watson ES	Replace HVAC System - Boiler (\$345,000), Chiller (\$595,000), Components (\$240,000), Controls (\$545,000), Roof (\$1,425,000)	56,365
Joseph Neal ES	Replace HVAC System - Boiler (\$325,000), Chiller (\$555,000), Tower (\$315,000), Components (\$225,000), Controls (\$510,000), Roof (\$1,475,000)	59,705
Lundy ES	Emergency - Replace Roof & Ceiling	7,892
MIDDLE SCHOOLS		
R. O. Gibson MS	Replace HVAC System - Boilers (\$210,000), Remove Chillers and Install Water Sourced Heat Pump System (\$3,915,000), Exhaust Fans (\$170,000), Controls (\$1,475,000), Install Aux Fire Alarm Panel (\$545,000)	\$ 1,735,266
Duane Keller MS	Replace HVAC System - Boilers (\$405,000), Chillers (\$1,110,000), Towers (\$805,000), Controls (\$1,375,000), AHU's (\$775,000), Exhaust Fans (\$120,000), Roof (\$2,485,000)	832,207
W. Mack Lyon MS	Replace HVAC System - Boilers (\$280,000), Chillers (\$700,000), Towers (\$195,000), Rooftop Units (\$2,800,000), Controls (\$1,770,000), AHU's (\$1,000,000), Exhaust Fans (\$155,000), Roof (\$3,400,000)	459,435
Dell Robison MS	Replace HVAC System - Chiller (\$960,000), Controls (\$1,105,000), Additional Scope Required. Replace Multizone Air Handling Units, Exharust, RTU, Aux Fire Alarm Panel, Code Issues (\$3,500,000)	738,987
William E. Orr MS	Replace HVAC System - HVAC Units (\$4,670,000), Controls (\$1,205,000), AHU's & Fans (\$1,215,000), Roof (\$3,045,000), Networking, Projector Mounts, Audio, Instructional Wall (\$1,430,000), Additional Scope: Clock/Intercom, Intrusion Alarm and Security Cameras. Replace Electrical on Roof (\$965,000)	3,504,665
Lawrence, Clifford J. JHS	Replace HVAC System - Boilers (\$440,000), Towers (\$875,000), Components (\$985,000), Controls (\$1,500,000), Roof (\$3,010,000)	6,772,537
Irwin & Susan Molasky MS	Replace HVAC System - Boilers (\$520,000), Chillers (\$1,425,000), Towers (\$1,035,000), Controls (\$1,770,000), AHU's (\$1,000,000), Exhaust Fans (\$155,000), Roof (\$3,400,000)	755,184

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
MIDDLE SCHOOLS, CONT.		
Ernest Becker MS	Replace HVAC System - Boiler (\$545,000), Exhaust Fans (\$165,000), AHU's (\$1,050,000), Controls (\$1,860,000), Roof (\$3,175,000)	\$ 659,045
Sig Rogich MS	Replace HVAC System - Boilers (\$500,000), Chillers (\$1,375,000), Towers (\$1,000,000), Controls (\$1,710,000), AHU's (\$965,000), Exhaust Fans (\$155,000), Roof (\$3,715,000)	855,694
Lied MS	Replace HVAC System - Boilers (\$520,000), Chillers (\$1,425,000), Towers (\$1,035,000), Controls (\$1,770,000), AHU's (\$1,000,000), Exhaust Fans (\$155,000), Roof (\$3,400,000)	866,964
Barbara and Hank Greenspun MS	Replace HVAC System - Boilers (\$510,000), Exhaust Fans (\$155,000), AHU's (\$980,000), HVAC Controls (\$1,735,000), Roof (\$3,540,000)	50,700
Roy Martin MS	Replace Chiller and Controls (Early Failure)	940,672
Francis H. Cortney MS	Replace HVAC System - Boilers (\$510,000), Chiller (\$1,395,000), Tower (\$1,015,000), HVAC Controls (\$1,735,000), AHU's (\$980,000), Exhaust Fans \$(155,000), Roof (\$2,980,000)	225,749
Walter Johnson MS	Replace HVAC System - Exhaust Fans (\$155,000), AHU's (\$980,000), Controls (\$1,735,000), Roof (\$3,570,000)	50,140
Robert O. Gibson MS	Emergency - Replace Sewer & Vent Lines (\$598,950), Remove & Replace Restrooms (\$980,060), Unforeseen Work (\$150,000)	745,382
Brown, Mahlon JHS	Perform camera assessment of all sewe lines and vent stacks to determine condition and provide recommendation and estimate to correct any deficiencies.	585,795
HIGH SCHOOLS		
Chaparral HS	Replace HVAC System - Replace Air Handling Units (AHU) with Water Source Heat Pumps (\$10,430,000), Remove Chillers, UV's & AHU's (\$155,000), Towers (\$2,155,000), Replace Ceiling Tiles (\$395,000), Replace RTU's in Aux Gym (\$1,220,000), Provide New Electrical Service (\$1,655,000), Controls (\$2,050,000)	\$ 1,733,266
Palo Verde HS	Replace HVAC System - Boilers (\$365,000), Chillers (\$970,000), Towers (\$675,000), Controls (\$1,630,000), AHU's (\$1,650,000), Exhaust Fans (\$100,000), Roof (\$3,975,000)	840,129
Bonanza HS	Replace HVAC System - Boilers (\$820,000), Chillers (\$780,000), Towers (\$960,000), Controls (\$1,870,000), AHU's & Fans (\$4,910,000), Roof (\$4,960,000)	2,493,695
Desert Pines HS	Replace HVAC System - Boilers (\$435,000), Chillers (\$1,075,000), Towers (\$800,000), Controls (\$1,835,000), AHU's and Fans (\$2,640,000), Roof (\$3,850,000)	1,318,889
Eldorado HS	Replace HVAC System - Chillers (\$1,365,000), Towers (\$940,000), AC Units (\$3,075,000), Controls (\$2,690,000), Replace VAV, Exhaust Fans (\$1,675,000), Roof (\$4,450,000), Install New Fire Alarm Panel (\$365,000)	2,095,669

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 14 - ENCUMBRANCES AND COMMITMENTS (continued)

2015 CAPITAL IMPROVEMENT PLAN PROGRAM		
SCHOOL	CAPITAL PROJECT	PROJECT VALUE IN PROGRESS
HIGH SCHOOLS, CONT.		
Las Vegas HS	Replace HVAC System - Boilers (\$310,000), Roof (\$3,075,000), Additional Scope -- Hot Water Heaters, Repair Skylight and Canopies (\$285,000)	\$ 560,794
Moapa Valley HS	Replace HVAC System - Replace Air Handling Units (\$3,130,000), Replace HVAC VAV's, Ductwork 7 RTU's (\$7,190,000), Controls (\$1,560,000), Roof (\$3,400,000)	1,645,875
Centennial HS	Replace HVAC System - Boilers (\$640,000), Chillers (\$2,390,000), Towers (\$1,465,000), Controls (\$2,465,000), AHU's & Fans (\$2,310,000), Roof (\$4,565,000)	1,540,980
Advanced Technology Academy	Replace HVAC System - Chillers & Towers (\$2,040,000), Controls (\$2,955,000), AHU's & Fans (\$6,705,000)	606,736
Laughlin JHS/HS	Replace Roof	228,720
Indian Springs ES/MS/HS	Replace HVAC System - Chillers (\$595,000), Towers (\$335,000), Package Units (\$2,730,000), Controls (\$545,000), Exhaust Fans (\$165,000), Roof (\$3,010,000)	449,930
Burk Alternative Junior/Senior High School	Replace HVAC System - Boilers (\$240,000), Package Units (\$285,000), Controls (\$540,000), Exhaust Fans (\$125,000), Roof (\$820,000)	62,624
Cowan Alternative Junior/Senior HS	Replace HVAC System - Boilers (\$240,000), Package Units (\$285,000), Controls (\$540,000), Exhaust Fans (\$125,000), Roof (\$820,000)	88,449
Valley HS	Perform camera assessment of all sewe lines and vent stacks to determine condition and provide recommendation and estimate to correct any deficiencies.	1,688,458
TECHNOLOGY & EQUIPMENT		
Computer and Technology Equipment Replacements @ Various Schools	Major/Minor Capital Equipment	\$ 66,434,231
BOND ISSUANCE & ADMINISTRATION		
Bond Issuance and Administration Fees		\$ 45,610
2015 CIP Administrative Overhead		3,276,309
FUNDED PROJECTS IN PROGRESS TOTALS		\$ 406,133,732

Legal Contingencies

There are various outstanding claims against the District arising out of the normal course of operation. An estimated liability for potential losses has been recorded in the Insurance and Risk Management Fund. In the opinion of management, the District's estimated aggregate liability, with respect to probable losses, has been provided for in the estimated claim liability accrual in the accompanying financial statement, after giving consideration to the District's related insurance coverage. Management is not aware of any probable claims or losses that are material in relation to our financial statements that are not properly accrued.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 15 - CLASSIFICATIONS OF GENERAL FUND FUND BALANCE

The District reports classifications of nonspendable, restricted, committed, assigned and unassigned fund balance which represent management's intended use of resources available to the District.

Unassigned ending fund balance is that fund balance exclusive of nonspendable amounts such as inventories and amounts restricted, committed, or assigned for preexisting obligations. A portion of the larger fund balance at June 30, 2020 is being restricted to carry over into 2021 for school carryover for net vacancy, potential shortfall, and school carryover for supplies. The following are explanations of the reported classifications of fund balance in the General Fund:

Restricted for:

- *Donations* – to restrict donations as required by donor for various purposes.
- *School bus appropriations* – to classify funds to cover commitments related to unfilled contracts for new buses.
- *School carryover (service level agreements)* – to carry forward school SLA funds into the next fiscal year for central services such as utilities, transportation, athletics, etc. as required by Nevada Revised Statutes (NRS) 388G.
- *School carryover (supplies)* – to carry forward school supply balances into the next fiscal year as required by NRS.388G.
- *School carryover (net vacancy)* – to carry forward school based salary and benefit balances, net of vacancy related substitute costs, into the next fiscal year as required by NRS.388G.
- *School based project carryover* – to carry forward school project balances into the next fiscal year as required by NRS.388G.

Assigned to:

- *Categorical indirect costs* – to classify funds associated with indirect costs, including vacation accruals, from federal programs.
- *Instructional supply appropriations* – to classify funds to cover commitments related to unfilled contracts for goods and services including purchases orders.
- *Potential litigation* – to classify funds for potential legal or arbitration decisions against the District.
- *Potential shortfall* – to classify funds to cover potential loss of revenue resulting from potential budget cuts administered by the State of Nevada or through lower than anticipated enrollment.
- *NV Energy incentive* – to classify funds from an optional pricing program tariff received in exchange for CCSD's agreement to remain a full service electric customer of NV Energy for a five year term.

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS

General Information about the Other Post Employment Benefit (OPEB) Plans

Plan Description. The District subsidizes eligible retirees' contributions to the Public Employees' Benefits Plan (PEBP), treated as a non-trust, single employer defined benefit postemployment healthcare plan administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to current CCSD retirees; however, district employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the District as determined by their number of years of service. The PEBP

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee’s Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000, or by accessing the website at www.pebp.state.nv.us/resources/fiscal-utilization-reports/.

Plan description. The Support Staff and Police Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the District. Currently, no financial report has been made publicly available.

Plan description. The Administrative Employee Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the Clark County Association of School Administrators and Professional-Technical Employees (CCASAPE) Health Trust. Currently, no financial report has been made publicly available by CCASAPE.

Plan description. The Licensed Employee Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the Teachers Health Trust (THT). The THT and the Clark County Education association (CCEA) currently determine their health insurance plan designs. Currently, no financial report has been made publicly available by THT.

Provided Benefits

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees.

Support Staff and Police Plan provides medical, dental, vision, and life for retirees and their dependents. The District negotiates insurance plans with the insurance carriers, and has authority to establish and amend benefit provisions. Employees have the option at retirement to pay the retiree (full monthly premium) rate premium. Benefits are provided through United Healthcare/ Health Plan of Nevada.

Administrative Employee Plan provides medical, dental, vision, and life and long term care and disability for retirees and their dependents. CCASAPE Health Trust negotiates insurance plans with the insurance carriers. CCASAPE has authority to establish and amend benefit provisions. Employees have the option at retirement to pay the retiree rate premium. Benefits are provided through United Healthcare / Health Plan of Nevada.

Licensed Employee Plan provides medical, dental, vision, and life insurance for retirees and their dependents. The THT and CCEA currently determine their health insurance plan designs. CCEA has the authority to establish and amend benefit provisions. Employees have the option at retirement to pay the retiree rate premium. Benefits are provided through a third-party insurer.

Employees covered by benefit terms

As of the last valuation date of July 1, 2019, the following aggregated employees were covered by the benefit terms:

	PEBP Plan	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
Inactive employees or beneficiaries					
currently receiving benefit payments	2,372	291	240	301	3,204
Active employees	-	11,907	1,289	17,292	30,488
Covered spouses	301	85	82	4	472
Total	2,673	12,283	1,611	17,597	34,164

As of November 1, 2008, PEBP was closed to any new participants.

CLARK COUNTY SCHOOL DISTRICT**NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020****NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)*****Contributions***

PEBP plan: NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired district employees. Plan members receiving benefits have their monthly contributions deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy. Retirees qualify for a subsidy of (\$348) at five years of service and \$174 at 20 years of service with incremental increases for each year of service between. The contribution requirements of plan members and the District are established and amended by the PEBP board of trustees. As a participating employer, the District is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2020, the District contributed \$8,751,976 to the plan for current premiums. The District did not prefund any future benefits. Since the population is entirely inactive, there is no covered employee payroll.

Support Staff and Police plan: The ESEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. The District does not pay a subsidy for current Support Staff and Police employees and retirees must pay their monthly premium to maintain coverage. Employees have the option at retirement to pay the active rate premium. For fiscal year 2020, the District did not directly contribute to the plan but an implied subsidy of \$1,327,800 was recognized. The District's average contribution rate was 0.34 percent of covered payroll.

Administrative Employee plan: CCASAPE and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. The CCASAPE Health Trust negotiates its insurance contracts with the carriers. Rates are established based on a contractual basis. Employees have the option to pay the active rate premium. The District (via Article 21-5 of the CCSD/CCASAPE negotiated agreement) contributes \$7.50 per administrative employee per month, in addition to an implied subsidy, for a total of \$987,000 in fiscal year 2020. The District's average contribution rate was 0.75 percent of covered payroll.

Licensed Employee plan: The CCEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. Per Article 28-10 of CCSD/CCEA negotiated agreement, the District does not make any contributions to the plan. Employees have the option at retirement to pay the active rate premium. For fiscal year 2020, the District contributed an implied subsidy of \$2,153,000. The District's average contribution rate was 0.20 percent of covered payroll. The Teachers Health Trust offers a subsidy to retirees based upon years of service and unused sick leave balances.

Total OPEB Liability

The District's total OPEB liability was measured as of July 1, 2019, and was determined by an actuarial valuation as of July 1, 2019.

Actuarial assumptions. The total OPEB liability for all plans as of June 30, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Actuarial Assumptions

Actuarial Cost Method	Entry Age Normal -- Level % of Salary Method
Measurement Date	First Day of fiscal year (i.e. -- July 1, 2019)
Measurement Period	July 1, 2019 to June 30, 2020
Actuarial Valuation Date	July 1, 2019
Census Data	As of July 1, 2019
Service Cost	The Actuarial Present Value of benefits is allocated as a level percentage over the earnings of an individual between entry age (i.e. - age at hire) and assumed retirement age(s).
Discount Rates	For the Fiscal Year Ending June 30, 2020: 3.50% For the Fiscal Year Ending June 30, 2019: 3.87% For the Fiscal Year Ending June 30, 2018: 3.58%
Municipal Bond Rate Basis	Bond Buyer General Obligation 20-Bond Municipal Bond Index
CPI	2.50%
Salary Scale	Inflation: 2.75% Productivity Pay Increases: 0.50% Promotional and Merit Salary Increases:

<u>Years of Service</u>	<u>Regular</u>
< 1	5.90%
1	4.80%
2	4.00%
3	3.60%
4	3.30%
5	3.00%
6	2.80%
7	2.70%
8	2.50%
9	2.35%
10	2.15%
11	1.75%
12	1.50%
13	1.25%
14	1.10%
15 or more	1.00%

Mortality:	PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019
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CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Retirement Rates:

Age	Years of Service (%)				
	5 - 9	10 - 19	20 - 24	25 - 29	30+
45 - 49	0.00	0.00	0.75	6.50	16.00
50 - 54	0.50	1.50	1.50	8.50	18.00
55 - 59	1.50	3.50	5.00	12.00	20.00
60 - 61	6.50	11.00	17.00	22.00	22.00
62 - 64	9.00	13.00	17.00	22.00	22.00
65 - 69	20.00	20.00	22.00	25.00	25.00
70 - 74	30.00	30.00	40.00	40.00	40.00
75+	100.00	100.00	100.00	100.00	100.00

Withdrawal Rates:

Years of Service	% Regular
0 - 1	16.00
1 - 2	12.50
2 - 3	10.25
3 - 4	8.00
4 - 5	7.50
5 - 6	6.00
6 - 7	5.25
7 - 8	4.25
8 - 9	4.00
9 - 10	3.75
10 - 11	3.25
11 - 12	3.00
12 - 13	2.75
13 - 14	2.50
14 - 15	2.25
15 - 16	2.00
16 - 17	2.00
17 - 18	1.75
18 - 19	1.75
19 - 20	1.75
20+	1.75

Disability Rates:

Age	% Regular
20 - 24	0.01
25 - 29	0.03
30 - 34	0.06
35 - 39	0.10
40 - 44	0.21
45 - 49	0.35
50 - 54	0.60
55 - 59	0.75
60 - 64	0.40
65+	0.00

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Claims Cost Trend	<u>Year</u>	<u>Blended Rates</u>
	2019 - 2020	6.25%
	2020 - 2021	6.00%
	2021 - 2022	5.75%
	2022 - 2023	5.50%
	2023 - 2024	5.30%
	2024 - 2025	5.10%
	2025 - 2026	4.90%
	2026 - 2027	4.70%
	2027 and after	4.50%

Spouse Age Male participants are assumed to be four years older than spouses and female participants are assumed to be two years younger than spouses.

All assumptions used in the valuation other than the participation assumption and per capita claim costs are consistent with the assumptions used for the GASB valuations for the fiscal year ending June 30, 2020 State of Nevada valuations, as applicable.

Healthcare Trend Rates. For medical and prescription drug benefits, this amount initially is at 7.5 percent and decreases to a 4.5 percent long-term rate after eight years. For dental benefits, the trend rate is 4.0 percent.

PEBP Plan difference in actuarial assumptions and methods:

Expected Rate of Return	For the Fiscal Year Ending June 30, 2020: 3.50% For the Fiscal Year Ending June 30, 2019: 3.87% For the Fiscal Year Ending June 30, 2018: 3.58%
Life Insurance Administrative Load	10.0%
Salary Scale	N/A - Since the population is entirely inactive, a salary scale assumption is not necessary as the Total OPEB Liability (TOL) is equal to the Present Value of Benefits (PVB).
Life Insurance Participation	All current retirees that elected healthcare coverage. Reinstated retirees and survivors are not eligible to receive the life insurance benefit.
Demographic Assumptions	The census data as of July 1, 2019 is used for the valuation.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Medicare Exchange Participation For pre-Medicare retirees with younger spouses, it is assumed the retiree and spouse will both move to the Medicare Exchange once the spouse becomes Medicare eligible (age 65). For retirees with older spouses, it is assumed the retiree and spouse will both move to the Medicare Exchange when the retiree becomes eligible.

Medicare Eligibility Certain retirees over age 65 are not eligible for Medicare Part A as indicated on the data. For these participants, we have assumed they will not become eligible for Medicare Part A and/or B at any time in the future. For retirees with no spouses, over age 65 and participating in the CDHP, HTH, or HPN Plans, it is assumed they will not participate in the Medicare.

Support Staff and Police Plan difference in actuarial assumptions and methods:

Salary Scale	Inflation:	2.75%
	Productivity Pay Increases:	0.50%
	Promotional and Merit Salary Increases:	

<u>Years of Service</u>	<u>Regular</u>	<u>Police/Fire</u>
< 1	5.90%	10.65%
1	4.80%	7.15%
2	4.00%	5.20%
3	3.60%	4.60%
4	3.30%	4.30%
5	3.00%	4.15%
6	2.80%	3.90%
7	2.70%	3.50%
8	2.50%	3.15%
9	2.35%	2.90%
10	2.15%	2.50%
11	1.75%	1.90%
12	1.50%	1.50%
13	1.25%	1.30%
14	1.10%	1.30%
15 or more	1.00%	1.30%

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Retirement Rates:

<u>Age</u>	<u>Years of Service (%)</u>				
	<u>5 - 9</u>	<u>10 - 19</u>	<u>20 - 24</u>	<u>25 - 29</u>	<u>30+</u>
Under 40	0.00	0.00	0.00	0.00	0.00
40 - 44	0.00	0.00	3.50	0.00	0.00
45 - 49	0.00	1.00	6.50	18.00	18.00
50 - 54	1.50	4.50	13.00	20.00	24.00
55 - 59	3.50	10.00	20.00	25.00	28.00
60 - 64	9.00	18.00	25.00	35.00	35.00
65 - 69	50.00	50.00	60.00	60.00	60.00
70+	100.00	100.00	100.00	100.00	100.00

Withdrawal Rates:

<u>Years of Service</u>	<u>% Police/Fire</u>
0 - 1	15.00
1 - 2	8.00
2 - 3	7.50
3 - 4	6.00
4 - 5	5.00
5 - 6	3.75
6 - 7	3.50
7 - 8	2.50
8 - 9	2.25
9 - 10	1.90
10 - 11	1.50
11 - 12	1.30
12 - 13	1.00
13 - 14	0.90
14 - 15	0.80
15 - 16	0.70
16 - 17	0.60
17 - 18	0.50
18 - 19	0.50
19 - 20	0.50
20+	0.45

Disability Rates:

<u>Age</u>	<u>% Police/Fire</u>
20 - 24	0.00
25 - 29	0.06
30 - 34	0.12
35 - 39	0.30
40 - 44	0.45
45 - 49	0.65
50 - 54	0.80
55 - 59	0.65
60 - 64	0.05
65+	0.00

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

2019 Claims Cost	Sample rates are as follows		
per Capita:	<u>Age</u>	<u>PPO</u>	<u>HMO</u>
	25	\$ 4,047	\$ 2,727
	30	\$ 4,613	\$ 3,115
	35	\$ 5,279	\$ 3,572
	40	\$ 6,061	\$ 4,110
	45	\$ 6,981	\$ 4,743
	50	\$ 8,238	\$ 5,608
	55	\$ 9,972	\$ 6,800
	60	\$ 12,164	\$ 8,308
	64	\$ 13,984	\$ 9,562

2019 Retiree		<u>PPO</u>	<u>HMO</u>
Contributions:	Retiree	\$ 8,139	\$ 5,242
	Retiree & Spouse	\$ 15,499	\$ 9,994

Participation Assumed 14% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD. Future retiree election percentage is based on the current retiree plan enrollment distribution (30% PPO and 70% HMO).

Spouse Age For future retirees, male participants are assumed to be four years older than spouses and female participants are assumed to be two years younger than spouses.

Married Percentage 30% of active males and 15% of active females will elect retiree spouse coverage.

Administrative Plan differences in actuarial assumptions and methods:

2019 Claims Cost	Sample rates are as follows		
per Capita:	<u>Age</u>	<u>PPO</u>	<u>HMO</u>
	40	\$6,302	\$4,760
	45	\$7,291	\$5,477
	50	\$8,644	\$6,459
	55	\$10,508	\$7,810
	60	\$12,868	\$9,521
	64	\$14,828	\$10,942

2019 Monthly Retiree		<u>PPO</u>	<u>HMO</u>
Contributions Net of	Retiree	\$ 743.35	\$ 522.83
Dental, Vision, and Life:	Retiree & Spouse	\$ 1,434.41	\$ 1,004.38

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Actual retiree contributions were provided by the School District.
 Future retiree contributions were based on the Plan Year 2020 premium rate sheet provided by the School District.

Participation Assumed 70.6% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD. Future retiree election percentage is based on the current retiree plan enrollment distribution (30% PPO and 70% HMO).

Married Percentage 30% of active males and 15% of active females will elect retiree spouse coverage.

Licensed Plan differences in actuarial assumptions and methods:

Pre-Retirement Mortality: PUB-2010 "Teachers" Classification headcount-weighted mortality table with fully generational mortality improvement projections from central year using Scale MP-2019.

2019 Claims Cost per Capita:

Sample rates are as follows

<u>Age</u>	<u>Medical, Rx & Admin</u>
40	\$ 6,042
45	\$ 7,003
50	\$ 8,319
55	\$ 10,130
60	\$ 12,424
64	\$ 14,329

2019 Monthly Retiree

Contributions Net of Dental,

Vision, and Life:

		<u>Years of Service at Retirement</u>				
		5-9	10-19	20 - 25	26 - 29	30 or more
Retiree Only		\$1,122.00	\$ 771.00	\$ 596.00	\$ 479.00	\$ 327.00
Retiree + 1 Dependent		\$ 2,291.00	\$ 1,940.00	\$ 1,765.00	\$ 1,648.00	\$ 1,496.00

Retiree Contributions are not assumed to increase in the future. This assumption was provided by CCSD.

Participation Assumed 17% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Spouse Participation	2.5% of active males and females will elect retiree spouse coverage.
Assumption	This assumption was based upon the current percentage of retirees under plan who elected to have retiree medical coverage for their spouses.

Long-term expected rate of return. The plans are unfunded and have no dedicated assets.

Discount rate. The discount rate used to measure the total OPEB liability was 3.50 percent, down from 3.87 percent in the prior fiscal year. As the plans are not funded, the discount rate determination does not depend on the long-term rate of return on plan assets assumption.

Changes in the Total OPEB Liability

	PEBP Plan	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total OPEB Liability
Balance recognized at June 30, 2019	\$ 135,776,200	\$ 21,264,500	\$ 16,798,800	\$ 42,286,800	\$ 216,126,300
Changes Recognized for the Fiscal Year					
Service Cost	-	1,757,900	547,100	2,502,100	4,807,100
Interest on the Total OPEB Liability	5,088,700	863,800	652,400	1,692,100	8,297,000
Difference Between Expected and Actual Experience	14,559,200	2,097,700	106,000	625,900	17,388,800
Change of Assumptions	4,875,600	2,845,000	9,448,200	30,937,800	48,106,600
Benefit Payments	(8,652,000)	(1,327,800)	(987,000)	(2,153,000)	(13,119,800)
Net Changes	15,871,500	6,236,600	9,766,700	33,604,900	65,479,700
Balance Recognized at June 30, 2020	\$ 151,647,700	\$ 27,501,100	\$ 26,565,500	\$ 75,891,700	\$ 281,606,000

Benefit Changes: None

Difference Between Expected and Actual Experience: The increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes in Assumptions: The increase in the liability from June 30, 2019 to June 30, 2020 is due to the net impact of changes in trend, mortality assumptions, demographic decrements, participation assumption and a decrease in the assumed discount rates from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage point higher (4.50 percent) than the current discount rate (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

	1% Decrease	Current Rate	1% Increase
	2.50%	3.50%	4.50%
PEBP Plan	\$ 167,789,600	\$ 151,647,700	\$ 137,946,700
Support Staff/Police Plan	30,433,200	27,501,100	24,975,800
Administrative Plan	29,139,700	26,565,500	24,230,100
Licensed Plan	84,308,900	75,891,700	68,329,300
Total OPEB Liability (Ending)	\$ 311,671,400	\$ 281,606,000	\$ 255,481,900

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
	6.5% decreasing to 3.5%	7.5% decreasing to 4.5%	8.5% decreasing to 5.5%
PEBP Plan	\$ 145,270,600	\$ 151,647,700	\$ 159,030,500
Support Staff/Police Plan	24,359,200	27,501,100	31,285,500
Administrative Plan	23,720,300	26,565,500	29,861,000
Licensed Plan	63,825,200	75,891,700	90,186,300
Total OPEB Liability (Ending)	\$ 257,175,300	\$ 281,606,000	\$ 310,363,300

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

For the year ended June 30, 2020, the District recognized an OPEB expense of \$23,154,450. The breakdown of the \$23,154,450 by plan are as follows:

	PEBP Plan	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
OPEB expense	\$ 15,771,550	\$ 1,591,000	\$ 1,181,500	\$ 4,610,400	\$ 23,154,450

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
PEBP Plan		
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	\$ 8,751,976	\$ -
Total PEBP Plan	<u>\$ 8,751,976</u>	<u>\$ -</u>
Support Staff/Police Plan		
Difference between expected and actual experience	\$ 4,559,900	\$ -
Changes of assumptions	-	1,068,901
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	1,327,800	-
Total Support Staff/Police Plan	<u>\$ 5,887,700</u>	<u>\$ 1,068,901</u>
Administrative Plan		
Difference between expected and actual experience	\$ 8,514,800	\$ -
Changes of assumptions	-	904,000
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	987,000	-
Total Administrative Plan	<u>\$ 9,501,800</u>	<u>\$ 904,000</u>
Licensed Plan		
Difference between expected and actual experience	\$ 28,719,200	\$ -
Changes of assumptions	-	2,669,600
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	2,153,000	-
Total Licensed Plan	<u>\$ 30,872,200</u>	<u>\$ 2,669,600</u>
Total All Plans		
Difference between expected and actual experience	\$ 41,793,900	\$ -
Changes of assumptions	-	4,642,501
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	13,219,776	-
TOTAL ALL PLANS	<u>\$ 55,013,676</u>	<u>\$ 4,642,501</u>

The amounts of \$13,219,776 was reported as deferred outflows of resources related to OPEB from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLANS (continued)

Fiscal Year Ending June 30,	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
2021	\$ 382,800	\$ 1,039,400	\$ 2,844,500	\$ 4,266,700
2022	382,800	1,039,400	2,844,500	4,266,700
2023	382,800	1,039,400	2,844,500	4,266,700
2024	382,800	1,039,400	2,844,500	4,266,700
2025	382,800	1,039,400	2,844,500	4,266,700
Total Thereafter	1,400,000	2,257,400	11,489,800	15,147,200

NOTE 17 - DONOR RESTRICTED ENDOWMENTS

In 2020, Vegas PBS received an additional \$342,099 in donations to their term endowment bringing the total restricted balance to \$2,175,612. The corpus (principal) of the endowment is restricted from use for a set period of time while the corresponding appreciation may be spent as Vegas PBS sees fit for their various programs. Currently, the District does not have a policy restricting the authorization and spending of endowment investment income. State statute, NRS 164, allows a local government to authorize expenditures of net appreciation as is prudent for the government. As of June 30, 2020, there was \$1,205,805 of net appreciation recognized on these investments.

NOTE 18 - TAX ABATEMENT

For the year ended June 30, 2020, the aggregate amount of tax abatements disclosed is \$11,168,215. The tax revenues abated were local school support tax (sales tax) revenues under agreements entered into by the State of Nevada. The report is available on the State of Nevada Controller’s Office website at www.controller.nv.gov.

NOTE 19 - SUBSEQUENT EVENT

At the end of October 2020, the District will issue \$200,000,000 of Series 2020B General Obligation (Limited Tax) Building Bonds and approximately \$35 million of Series 2020C General Obligation (Limited Tax) Various Purpose Medium-Term Bonds. Proceeds of the 2020B Bonds will be used to acquire, construct, improve and equip school facilities of the District and pay the costs of issuing the 2020B Bonds. Proceeds of the 2020C Bonds will be used to acquire, improve and equip school facilities of the District, including transportation and pay the costs of issuing the 2020C bonds.



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**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

Public Employees' Retirement System of Nevada

Last 10 Fiscal Years
(Dollar amounts in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Contractually required contribution	\$ 156,425	\$ 165,633	\$ 163,775	\$ 182,285
Contributions in relation to the contractually required contribution	<u>(156,425)</u>	<u>(165,633)</u>	<u>(163,775)</u>	<u>(182,285)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 1,447,775	\$ 1,390,158	\$ 1,373,315	\$ 1,411,281
Contributions as a percentage of covered payroll	10.80%	11.91%	11.93%	12.92%

Note: Pursuant to GASB Statement No. 82, portions of contractually required contributions made by an employer to satisfy member contributions are no longer recognized as employer contributions. For comparability, prior year values have been restated.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS

Public Employees' Retirement System of Nevada

Last 10 Fiscal Years
(Dollar amounts in thousands)

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 188,171	\$ 208,973	\$ 218,824	\$ 223,988	\$ 224,979	\$ 242,911
<u>(188,171)</u>	<u>(208,973)</u>	<u>(218,824)</u>	<u>(223,988)</u>	<u>(224,979)</u>	<u>(242,911)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,455,765	\$ 1,489,055	\$ 1,558,618	\$ 1,594,834	\$ 1,602,299	\$ 1,656,457
12.93%	14.03%	14.04%	14.04%	14.04%	14.66%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees' Retirement System of Nevada

Last 10 Fiscal Years*
(Dollar amounts in thousands)

	<u>2015**</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
District's proportion of the net pension liability (asset)	24.20%	24.38%	24.65%	24.39%	24.14%	23.37%
District's proportionate share of the net pension liability (asset)	\$ 2,522,385	\$ 2,794,014	\$ 3,316,591	\$ 3,243,380	\$ 3,292,672	\$ 3,186,525
District's covered payroll	\$ 1,411,281	\$ 1,455,765	\$ 1,489,055	\$ 1,558,618	\$ 1,594,834	\$ 1,602,299
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	178.73%	191.93%	222.73%	208.09%	206.46%	198.87%
Plan fiduciary net position as a percentage of the total pension liability	76.3%	75.1%	72.2%	74.4%	75.2%	76.5%

* The amounts presented for each fiscal year were determined as of 6/30.

** Fiscal year 2015 was the first year of implementation, therefore only six years are shown.

**Notes to Required Supplementary Information
for the Year Ended June 30, 2020**

Public Employees' Retirement System of Nevada

Changes of benefit terms. There have been no changes in benefit terms since the last valuation.

Changes of assumptions. There have been no changes in actuarial assumptions or methods since the last valuation.

**CLARK COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Other Post Employment Benefits
Last 10 Fiscal Years***

PEBP PLAN	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest	5,463,000	4,387,100	4,971,400	5,088,700
Difference between expected and actual experience	-	-	-	14,559,200
Changes of assumptions	14,125,400	(10,320,200)	(3,517,600)	4,875,600
Benefit payments	(9,532,800)	(9,277,300)	(9,007,500)	(8,652,000)
Net change in total OPEB liability	10,055,600	(15,210,400)	(7,553,700)	15,871,500
Total OPEB liability - beginning	148,484,700	158,540,300	143,329,900	135,776,200
Total OPEB liability - ending	<u>\$ 158,540,300</u>	<u>\$ 143,329,900</u>	<u>\$ 135,776,200</u>	<u>\$ 151,647,700</u>
Covered payroll	N/A	N/A	N/A	N/A
CCSD's Total OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

Notes to Required Supplementary Information for the Year Ended June 30, 2020

There are no assets accumulated in a trust to pay related benefits.

Changes of benefit terms

None

Difference between expected and actual experience

The \$14,559,200 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions

The \$3,517,600 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate as of the measurement date. The \$4,875,600 increase in the liability from June 30, 2019 to June 30, 2020 is due to the changes in the discount rate, trends and mortality assumptions.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

SUPPORT STAFF / POLICE PLAN	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 1,647,500	\$ 1,916,500	\$ 1,767,100	\$ 1,757,900
Interest	730,000	619,700	776,500	863,800
Difference between expected and actual experience	-	-	-	2,097,700
Changes of assumptions	1,232,500	(1,099,600)	(449,000)	2,845,000
Benefit payments	(1,343,500)	(1,343,500)	(1,419,100)	(1,327,800)
Net change in total OPEB liability	2,266,500	93,100	675,600	6,236,600
Total OPEB liability - beginning	18,229,400	20,495,900	20,589,000	21,264,500
Total OPEB liability - ending	<u>\$ 20,495,900</u>	<u>\$ 20,589,000</u>	<u>\$ 21,264,500</u>	<u>\$ 27,501,100</u>
Covered payroll	-	376,532,900	387,346,300	388,081,200
CCSD's Total OPEB liability as a percentage of covered payroll	0.00%	5.47%	5.51%	7.09%

Notes to Required Supplementary Information for the Year Ended June 30, 2020

There are no assets accumulated in a trust to pay related benefits.

Changes of benefit terms

None

Difference between expected and actual experience

The \$2,097,700 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions

The \$449,000 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

The \$2,845,000 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

*Fiscal Year 2018 was the first year of implementation, retroactively applied, therefore only four years are shown.

CLARK COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Other Post Employment Benefits
Last 10 Fiscal Years*

ADMINISTRATIVE PLAN	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 515,000	\$ 616,200	\$ 555,000	\$ 547,100
Interest	632,200	514,600	611,900	652,400
Difference between expected and actual experience	-	-	-	106,000
Changes of assumptions	1,230,600	(973,900)	(357,300)	9,448,200
Benefit payments	(1,059,400)	(1,059,400)	(1,073,000)	(987,000)
Net change in total OPEB liability	1,318,400	(902,500)	(263,400)	9,766,700
Total OPEB liability - beginning	16,646,300	17,964,700	17,062,200	16,798,800
Total OPEB liability - ending	<u>\$ 17,964,700</u>	<u>\$ 17,062,200</u>	<u>\$ 16,798,800</u>	<u>\$ 26,565,500</u>
Covered payroll	-	123,995,800	150,645,100	131,457,300
CCSD's Total OPEB liability as a percentage of covered payroll	0.00%	13.76%	11.16%	20.21%

Notes to Required Supplementary Information for the Year Ended June 30, 2020

There are no assets accumulated in a trust to pay related benefits.

Changes of benefit terms

None

Difference between expected and actual experience

The \$106,000 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions

The \$357,000 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

The \$9,448,200 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

LICENSED PLAN	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 2,349,900	\$ 2,805,400	\$ 2,536,700	\$ 2,502,100
Interest	1,474,900	1,250,900	1,535,200	1,692,100
Difference between expected and actual experience	-	-	-	625,900
Changes of assumptions	3,040,700	(2,559,700)	(1,025,300)	30,937,800
Benefit payments	(2,239,300)	(2,239,300)	(2,215,000)	(2,153,000)
Net change in total OPEB liability	4,626,200	(742,700)	831,600	33,604,900
Total OPEB liability - beginning	37,571,700	42,197,900	41,455,200	42,286,800
Total OPEB liability - ending	<u>\$ 42,197,900</u>	<u>\$ 41,455,200</u>	<u>\$ 42,286,800</u>	<u>\$ 75,891,700</u>
Covered payroll	-	1,058,747,800	1,056,842,330	1,082,759,900
CCSD's Total OPEB liability as a percentage of covered payroll	0.00%	3.92%	4.00%	7.01%

Notes to Required Supplementary Information for the Year Ended June 30, 2020

There are no assets accumulated in a trust to pay related benefits.

Changes of benefit terms

None

Difference between expected and actual experience

The \$625,900 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions

The \$1,025,300 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

The \$30,937,800 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

*Fiscal Year 2018 was the first year of implementation, retroactively applied, therefore only four years are shown.

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