

**Douglas County School District
Board of Trustees
Agenda for the Special Board Meeting of
Wednesday, December 3, 2025
4:00 PM
Airport Training Center
1126 Airport Road Building G-1
Minden, NV 89423**

Mission Statement

**We will inspire, empower, and prepare each learner to
achieve his/her life aspirations.**

Board Purpose

**The DCSD Board of Education will govern and oversee a
well-functioning school district where children and staff are
thriving!**

Board of Trustees

Yvonne Wagstaff, President

Melinda Gneiting, Vice President

Katherine Dickerson, Clerk

David Burns, Member

Susan Jansen, Member

Erinn Miller, Member

Markus Zinke, Member

DOUGLAS COUNTY SCHOOL DISTRICT
Information Concerning Board Policy and Procedures
For Communication with the Board of Trustees

The Douglas County School District (“DCSD”) welcomes visitors at our meetings and appreciate constructive suggestions and comments, which help to meet the educational needs of the District. The Board has a scheduled order of business to follow. The agenda has been available for study by the Members of the Board since published. The Board may only take action items agendized for possible action, unless it finds that the need to discuss or act upon an un-agendized item was truly unforeseen at the time the meeting agenda was posted, the matter requires immediate action, and is to be an emergency as defined by Nevada Revised Statutes.

The Board may act on the consent items with one motion unless a Trustee requests that a consent item be pulled for individual consideration, in which case the Chairperson of the Board will defer action on the particular consent item or items to the regular agenda for consideration separately.

Although each Trustee represents a geographical area of the District, Trustees are elected at large and, as such, represent all citizens of Douglas County. It is the desire of the Board to make decisions that in the best interests of the District. In making decisions, Members of the Board strive to meet the needs of every student enrolled in DCSD schools and will best serve the interests of the entire District.

Members of the Board of Trustees are responsible for exercising their public function in accordance with the requirements of applicable law and regulations, as well as Board Policies adopted by the Board of Trustees of DCSD.

If copies of the complete agenda (and supporting materials) are desired in advance, they may be obtained at the District Office on the Monday preceding a regular meeting of the Board. Please contact DCSD at 775-782-5134 or suptoffice@dcsd.k12.nv.us. Communication with the Board of Trustees as a unit may be either in writing, by personal appearance at a meeting of the Board, or by verbal communication through the District Superintendent.

Public Comment: During regular Board meetings, there will be a general period of public comment for any matter that is not specifically agendized for possible action, and on each item listed on the agenda for possible action.

The Board limits public comment to three minutes per commenter.

Written Communication: Written communication to the Board of Trustees, related to an action item on the agenda, can be emailed to the Board, the District Superintendent, or the Board Secretary, prior to the meeting. Although this communication will not be read during the meeting, it will be added to the minutes of the meeting upon request.

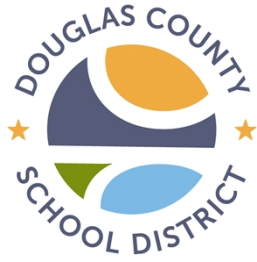
Personal Appearance at a Board Meeting: When an individual or group desires to communicate with the Board of Trustees by means of placing an item on the agenda, at a meeting of the Board, the District Superintendent shall be notified no later than 12:00 noon two weeks prior to the scheduled regular meeting, and the Board President and Superintendent, in their discretion, will determine whether the subject of the communication will be placed on the agenda. When a holiday observed by the District falls on a meeting date, the deadline shall be two weeks prior to the meeting.

- At the time of the meeting, the public can add their name to a sign-up sheet and they will be called upon during the allocated public comment time.
- The Board may set a reasonable time limit for each speaker and for answering questions.
- Extensive formal statements addressing specific items for consideration by the Board should be submitted in writing.

Although the Board may impose reasonable restrictions on the time, place and manner of public comments, it may not restrict comments based on viewpoint. No action may be taken on a matter raised during public comment that is unrelated to any agenda item.

Non-discrimination/Notice to Individuals with Disabilities: The Douglas County School District does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. Members of the public who require special assistance or accommodations at a meeting of the Board of Trustees are asked to notify the District Administration at 1638 Mono Ave., Minden, Nevada 89423, or by calling 775-782-5134, so that such notification is received at least twenty-four hours prior to the meeting.

Revised 11/6/2025



Douglas County School District
Special Board Meeting
Airport Training Center
1126 Airport Road Building G-1
Minden, NV 89423
Wednesday, December 3, 2025
4:00 PM

AGENDA

Please click the link below to join the webinar: <https://dcsd-k12.zoom.us/j/85087245845> Passcode: DEC0325 Or Telephone: +1 669 900 6833 US Webinar ID: 836 5876 5049 Telephone Passcode: 2563677

New Public Posting Location for future DCSD Public Meetings: Due to the District Office Closure, the new Public Posting location will be 1290 Toler Ave, Gardnerville, NV 89410 (Temporary District Offices Entrance).

1. Call to Order

A. Adoption of the Agenda, as submitted - (*Possible Action*) (*Public Comment will be taken prior to any action*)

Please Note: The Board reserves the right to (1) take items in a different order, (2) combine two or more Agenda items for consideration, and (3) to remove an item from the Agenda or delay discussion relating to an item on the Agenda at any time, in order to accomplish the business on the Agenda in the most efficient manner.

B. Pledge of Allegiance

2. Public Comment (*For Discussion Only*)

Comments will be accepted in person, or through virtual participation via email; suptoffice@dcsd.k12.nv.us no later than 12:30 p.m. the day of the meeting. Email for public comment must include the submitting party's full name. Email for public comment will be posted as a supplemental document and copies will be provided to the board members. The names of those who have provided virtual public comment will be read during public comment and the emails will be included in the record, but the virtual public comment will not be read during the meeting. Comments may be made by members of the public on any matter within the authority of this Board. Please note that public comment will be taken on items marked "for possible action" before action is taken on such items, and members of the public are encouraged to comment on such items at the time they are being considered. Although members of the Board may respond to questions and discuss issues raised during public comment, no action may be taken on such a matter until the matter is placed on an agenda for action at a meeting of the Board. In making public comment, speakers are asked to come to the table or podium, sign in, speak into the microphone, and identify themselves for the record. Commenters are instructed to limit their comments to no more than three (3) minutes, and not simply repeat comments made by others.

3. Acceptance of Financial Audit for Fiscal year Ended June 30, 2025 (*For Discussion and Possible Action*)

Presenter: David Silva, SSA and Susan Estes, Director of Business Services
Included in each trustee's agenda packet is a copy of the 2024-25 independent external financial audit report covering the District Funds. Certified Public Accountants from Silva, Sceirine & Associates, LLC firm audited the District's financial statements and will review the audit and highlight notable and or required discussion items within their report. The report presents the District's audited financial position as of June 30, 2025, and the results of financial operations for the same. External auditors and staff will be available to answer questions.

6

- 4. School Facility Capacity Review (*For Discussion Only*)** Presenters: Jeannie Dwyer, Executive Director of Human Resources and Ashley Mitchell, AGPM Administrator **200**
 To ensure the Board and public are informed about the current capacity levels of district facilities. The Board of Trustees will receive a presentation on the capacity and utilization of district school site facilities.
- 5. Transportation Services Overview (*For Discussion Only*)** Presenter: Blair Hinsz, Director of Transportation **205**
 To provide the Board of Education with an overview of the District's Transportation Services operations, student routing process, number of routes, regular program vs inclusive education program services, cost overview of routes and formula used to identify potential costs, and considerations for route consolidations. This is an informational item designed to ensure the Board is informed of the scope, challenges, and efficiencies of student transportation.
- 6. FY 2026 Grants Overview (*For Discussion Only*)** Presenter: Ashley Mitchell, AGPM Administrator **225**
 AGPM Administrator, Ashley Mitchell, will provide the Board of Trustees with a concise overview of the District's grant funding for Fiscal year 2025. This informational presentation will include a snapshot of Current Grant Allocations, detailing the total awarded and budgeted grant amounts across major funding sources, including Federal, State, and Local/Private. We will also summarize the Year-to-Date Expenditures against these budgeted allocations and offer a brief review of the Grant Parameters & Compliance requirements.
- 7. Inclusive Education Services Overview (*For Discussion Only*)** Presenter: Cheryl Mayfield, Executive Director of Inclusive Education
 To provide the Board of Education with an overview of the District's Inclusive Education services, focusing on compliance with the Individuals with Disabilities Education Act (IDEA), state requirements, student demographic data, current programs, anticipated programs, CASE funding, Medicaid billing, and grant awards. This is an informational item designed to ensure the Board is informed of the scope, challenges, and efficiencies of Inclusive Education services.
- 8. Enrollment vs Staffing Ratios (*Administrative Report*) (*For Discussion Only*)** **248**
 Presenter: Frankie Alvarado, Superintendent
 To present the Board of Education with a multi-year comparison that identifies current student enrollment figures with existing/past administrative, certified, and classified staffing levels across the district. This is an informational item designed to ensure the Board is informed of staffing levels.
- 9. Budget Reduction Ideas (*For Discussion Only*)** Presenter: Frankie Alvarado, Superintendent
 This is an open discussion on budget reduction ideas for the 2025-26 and the 2026-27 school years. The board can request additional information, reports, and or presentations on topics of interest.
- 10. Future Agenda Topics - Budget Planning and Fiscal Decisions (*For Discussion Only*)**
 Board members are invited to propose future agenda items specifically related to budgetary planning, fiscal policy, and financial decision-making. This includes topics such as budget allocations, funding priorities, cost-saving measures, revenue projections, and financial impacts of programmatic changes. Suggestions will help shape upcoming discussions and ensure alignment with district financial goals and timelines.
- 11. Second Period of Public Comment (*For Discussion Only*)**
 Comments from the public are invited at this time on topics not specifically addressed elsewhere in the agenda. A sign-up sheet is provided and individuals who wish to address the Board are asked to indicate their desire to speak and the topic about which they will speak. Individuals wishing to address the Board at this time will be limited to three (3) minutes. The Board is precluded from acting on items raised during Public Comment that are not already on the agenda.
- 12. Adjournment**
 (*) Times are estimated. Items on the Agenda may be taken out of order. The Board of Trustees may combine two or more agenda items for consideration, and may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. Generally speaking, the item will be heard no earlier than the time indicated.

If copies of the complete agenda (and supporting materials) are desired in advance, they may be obtained at the District Office on the Monday preceding a regular meeting of the Board. Please contact the District Office at 775-782-5134 or Suptoffice@dcsd.k12.nv.us.

Notice to Individuals with Disabilities: Members of the public who require special assistance or accommodations are asked to notify the District Administration at 1638 Mono Avenue, Minden, Nevada, 89423, or by calling 782-5134, so that such notification is received at least twenty-four (24) hours prior to the meeting. In conformance with the Open Meeting Law, it is hereby noted that the agenda for the meeting of the Douglas County School Board of Trustees has been posted at the following locations:

Douglas County School District, Minden, NV
District website: www.dcsd.k12.nv.us
State of Nevada website: <https://notice.nv.gov>

DOUGLAS COUNTY SCHOOL DISTRICT

***FINANCIAL STATEMENTS &
SUPPLEMENTARY INFORMATION***

**Fiscal Year Ended
June 30, 2025**

DRAFT



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

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
District-Wide Financial Statements	
Statement of Net Position (Deficit)	18
Statement of Activities	19
Fund Financial Statements	
Balance Sheet – Governmental Funds	20
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	24
Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	25
<i>Major Special Revenue Funds:</i>	
Special Education Fund	30
Grants Fund	32
Statement of Net Position – Proprietary Funds	36
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	37
Statement of Cash Flows – Proprietary Funds	38
Notes to the Financial Statements	40
REQUIRED SUPPLEMENTAL INFORMATION	
Schedule of the District's Proportionate Share of the Net Pension Liability	67
Schedule of District's Contributions to Nevada PERS	68
Schedule of Changes in Net Other Postemployment Benefits Liability	69

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

Schedule of Revenues, Expenditures and Changes in Fund Balances –

Budget and Actual:

Debt Service Fund 72

Capital Projects 73

Nonmajor Governmental Funds

Combining Balance Sheet 75

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances 76

Schedules of Revenues, Expenditures, and Changes in Fund Balances –

Budget and Actual:

Food Service Fund 78

Student Activities Fund 79

PCFP-English Learner 80

PCFP-At Risk 81

PCFP-Gifted & Talented 82

Capital Projects 83

Proprietary Funds – Internal Service Funds

Combining Statement of Net Position 84

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position 85

Combining Statement of Cash Flows 86

Self Insurance Health Fund

Schedule of Revenues, Expenses, and Changes in Fund Net Position –

Budget and Actual 87

Schedule of Cash Flows – Budget and Actual 88

Workers' Compensation Self-Insurance Fund

Schedule of Revenues, Expenses, and Changes in Fund Net Position –

Budget and Actual 89

Schedule of Cash Flows – Budget and Actual 90

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	91
Independent Auditors' Comments	93

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Douglas County School District
Minden, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Douglas County School District, Minden, Nevada (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Douglas County School District as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Substantial Doubt about the District's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the District will continue as a going concern. As discussed in Note 12 to the financial statements, the District has deficit fund balances in its General and Special Education funds. Management's evaluation of the events and conditions and its plans regarding those matters are also described in Note 12. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation in the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the schedules related to the District's net pension liability and net other postemployment benefit liability be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in

an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior Year Partial Comparative Information

We have previously audited in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2024, and have issued our report thereon dated November 30, 2024 which expressed an unmodified opinion on the respective financial statements of the governmental activities and each major fund. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2024 is consistent with the audited financial statements from which it is derived.

The individual fund financial statements and schedules related to the 2024 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2024 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2024 basic financial statements and certain other additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund financial statements and schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Reno, Nevada
December 1, 2025



DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Management's Discussion and Analysis of Douglas County School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. We encourage readers to read the information presented here in conjunction with the District's financial statements, which follow this narrative.

Financial Highlights

- The District's net position (deficit) of \$(12,763,759) as of June 30, 2025, represents a decrease in net position of \$3,354,799 in FY25, which followed a net decrease of \$2,087,751 in FY24.
- The District's governmental funds decreased by \$7,062,872 in FY25, compared to an decrease of \$7,068,751 in FY24.

Overview of the Financial Statements

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

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

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

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

Supplementary information, including combining and individual fund statements and schedules, providing budget to actual and prior year comparisons, are presented in this part of the statements. Also included in this section is *Required Supplementary Information*, which presents in tabular format certain data related to the District's pension and other postemployment benefit (OPEB) liabilities.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

District-wide Financial Statements

The District-wide financial statements are designed to provide the reader with a broad overview of the Douglas County School District's finances, similar in format to a financial statement of a private-sector business.

The *Statement of Net Position* presents information on all the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

In many government entities, the District-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges by reporting them as business-type activities. The District has no functions in the business-type category, which results in the entire statement representing governmental activities. The District-wide financial statements are on pages 18 and 19 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the District's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Douglas County School District uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the Nevada Revised Statutes (NRS) and the District's regulations. The District's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The focus of the governmental fund statements is on major funds. The determination of a major fund is primarily dependent on criteria established by the Governmental Accounting Standards Board (GASB). Each fund is assessed on an annual basis and its classification as major or nonmajor can change. The District has 12 individual governmental funds. For the year ended June 30, 2025, the following are considered major funds:

- General Fund
- Special Education Fund
- Grants Fund
- Debt Service Fund
- Capital Projects Fund

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

Proprietary Funds – Proprietary funds are comprised of enterprise funds and internal service funds. As previously discussed, the District has no business-type activities to be accounted for in enterprise funds.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the functions of the District. The District uses two internal service funds to account for its self-insurance of employees' health care and workers' compensation. Because internal service fund operations primarily benefit governmental funds, they are included in the governmental activities in the District-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

DISTRICT-WIDE FINANCIAL ANALYSIS

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The negative net position can be attributed to GASB 68 and GASB 75 and the recording of a net pension and other postemployment benefits liability (net of the related deferred inflows and outflows) totaling \$81.3 million at year end.

The table below presents a comparison of the District's net position (deficit) as of June 30, 2025 compared to the prior year.

DISTRICT'S NET POSITION				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	
	<i>(In Millions)</i>			
Assets				
Current assets	\$ 21.6	\$ 29.3	\$ (7.7)	-26.3%
Net capital assets	78.7	78.3	0.4	0.5%
Total Assets	<u>100.3</u>	<u>107.6</u>	<u>(7.3)</u>	-6.8%
Deferred Outflows of Resources	<u>39.0</u>	<u>28.0</u>	<u>11.0</u>	39.3%
Total Assets and Deferred Outflows	<u>139.3</u>	<u>135.6</u>	<u>3.7</u>	2.7%
Liabilities				
Current liabilities	10.0	10.1	(0.1)	-1.0%
Long-term liabilities	124.2	122.8	1.4	1.1%
Total Liabilities	<u>134.2</u>	<u>132.9</u>	<u>1.3</u>	1.0%
Deferred Inflows of Resources	<u>17.9</u>	<u>12.1</u>	<u>5.8</u>	47.9%
Total Liabilities and Deferred Inflows	<u>152.1</u>	<u>145.0</u>	<u>7.1</u>	4.9%
Net Position (Deficit)				
Net Investment in Capital Assets	55.1	52.3	2.8	5.4%
Restricted	15.5	16.9	(1.4)	-8.3%
Unrestricted	<u>(83.4)</u>	<u>(78.6)</u>	<u>(4.8)</u>	-6.1%
Total Net Position (Deficit)	<u>\$ (12.8)</u>	<u>\$ (9.4)</u>	<u>\$ (3.4)</u>	-36.2%

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

A case could be made that the largest impact on the District's financial statement in 2025 had no impact on the District's financial condition; GASB 75 and GASB 68 (as amended by GASB 82) require the District to recognize a net pension and OPEB liability (net of related deferred outflows/inflows) of \$81.3 million. As discussed below, users of this financial statement may gain a clearer understanding of the District's actual financial condition by adding this amount to the reported net position.

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

DISTRICT'S CHANGES IN NET POSITION				
	Governmental Activities		Change	
	2025	2024		
<i>(In Millions)</i>				
Revenues				
Program revenues:				
Charges for services	\$ 3.1	\$ 2.2	\$ 0.9	40.9%
Operating grants and contributions	11.9	15.3	(3.4)	-22.2%
Capital grants and contributions	0.1	0.1	(0.0)	-10.0%
General revenues:				
Property taxes	4.1	3.9	0.2	5.1%
Gov't svc & resident. permit taxes	2.3	2.3	-	0.0%
State aid, unrestricted	59.5	59.0	0.5	0.8%
Other revenues	0.9	0.8	0.1	12.5%
Total Revenues	<u>81.9</u>	<u>83.6</u>	<u>(1.7)</u>	<u>-2.0%</u>
Expenses				
Instruction	46.2	46.5	(0.3)	-0.6%
Support services	31.3	31.1	0.2	0.6%
Food service	2.3	2.7	(0.4)	-14.8%
Facilities acq/constr/imprvmt	4.8	4.7	0.1	2.1%
Interest on long-term debt	0.7	0.7	-	0.0%
Total Expenses	<u>85.3</u>	<u>85.7</u>	<u>(0.4)</u>	<u>-0.5%</u>
Change in Net Position (Deficit)	<u>\$ (3.4)</u>	<u>\$ (2.1)</u>	<u>\$ (1.3)</u>	<u>62.4%</u>

Governmental Activities:

- ◇ The largest and main revenue source for the District is the Pupil-Centered Funding Plan for the State of Nevada, representing 73% of total revenues and is reported as General Revenues on the Statement of Activities in this report.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

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

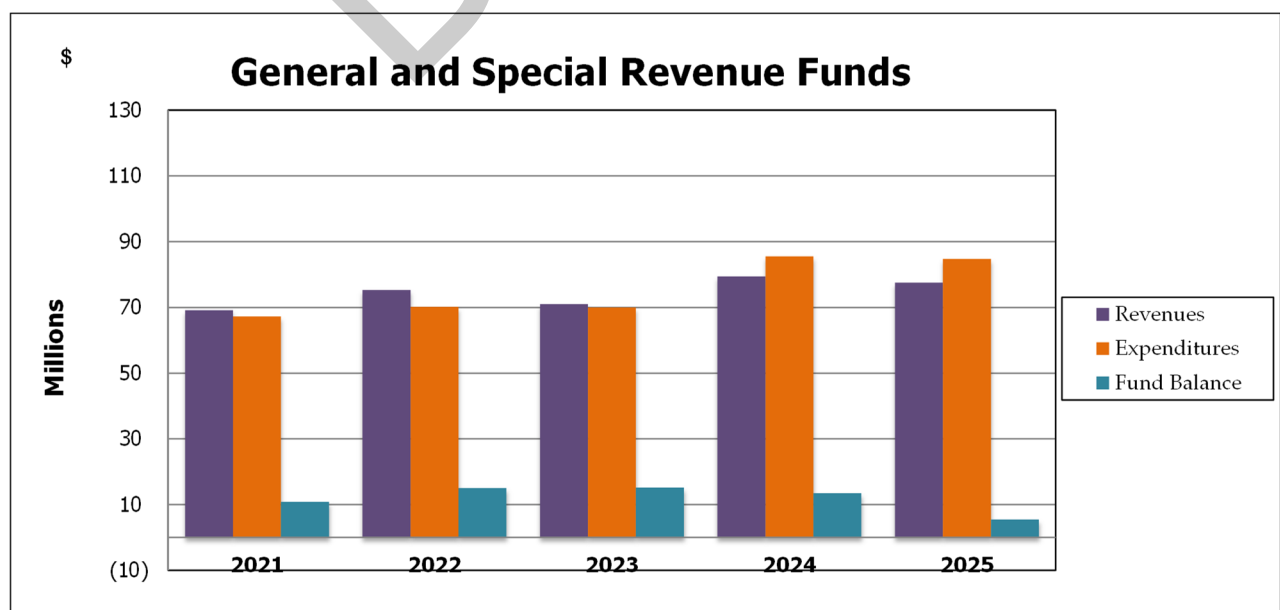
The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the District’s current funding requirements. Specifically, unassigned fund balance can be a useful measure of a government’s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

As of June 30, 2025, the District’s governmental funds reported a combined fund balance of \$12.1 million, a decrease of \$7.1 million or 37% from 2024.

Of the total fund balance as of June 30, 2025 of \$12.1 million, approximately \$14.6 million is nonspendable, restricted or assigned fund balance. The remaining unassigned fund balance (deficit) of (\$2.5 million) is comprised of unassigned deficits of (\$2.1 million) in the general fund and (\$476,000) in the special education fund.

General and Special Revenue Funds

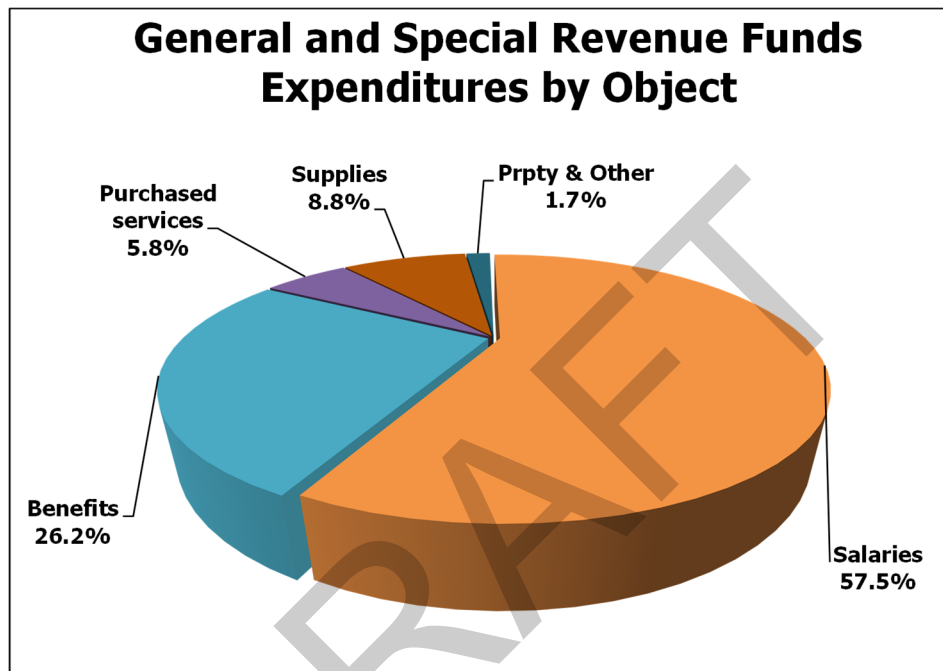
The General Fund and the special revenue funds (Special Education; Federal / State/ Local Grants; Food Service; and Student Activities funds) are often referred to as the District’s “operating funds.” The following chart compares the revenues to expenditures and fund balance for these funds for the last seven years:



DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Education is labor intensive, which is evident from the following chart. This chart displays the expenditures (by object) for the District’s General Fund and special revenue funds:



Debt Service Fund

The June 30, 2025 fund balance of the Debt Service Fund is \$6.2 million, which together with the 2025-26 budgeted revenues exceeds the 2025-26 anticipated debt service requirements of \$3.0 million on the District’s general obligation debt.

Capital Projects Funds

The District has two capital projects funds – the Building and Sites Fund and the Capital Projects Fund. These funds had a combined ending fund balance as of June 30, 2025 of \$3.0 million, which is restricted by NRS 387.328 to be used for major capital acquisitions and improvements.

Internal Service Funds

The District has two internal service funds – the Self-Insurance Health Fund and the Workers’ Compensation Self-Insurance Fund. As of June 30, 2025, these funds had a combined net position of \$2.1 million, which represents an decrease of \$182,000 or 8% from the previous year.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of June 30, 2025, compared to 2024 are as follows.

Capital Assets (Net of Depreciation)		
	<u>2025</u>	<u>2024</u>
	<i>(In Millions)</i>	
Land	\$ 1.3	\$ 1.3
Construction in progress	2.8	3.5
Buildings and improvements	67.9	66.8
Equipment and vehicles	<u>6.8</u>	<u>6.7</u>
	<u>\$ 78.8</u>	<u>\$ 78.3</u>

Debt Administration

The District's debt general obligation debt was comprised of the following as of June 30, 2025, compared to 2024:

Outstanding GO Bonds		
	<u>2025</u>	<u>2024</u>
	<i>(In Millions)</i>	
GO bonds, net of premiums and discounts	<u>\$ 23.8</u>	<u>\$ 26.2</u>

The last bond rating was completed January 2015. The District maintained an AA- rating with a stable outlook from Standard and Poor's (S&P).

Principal and interest payments on the General Obligation Bonds and the note payable for the 2025-26 fiscal year are scheduled to total \$3.0 million, less an expected interest subsidy of slightly over \$100 thousand on the Build America bonds for a net cash outlay requirement of \$2.9 million. Additional detail on the District's debt can be found in the notes to the financial statements.

The District is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 15% of the District's total assessed property valuation. Based on the District's most current assessed value, the District's statutory general obligation debt limit is \$706 million and its general

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

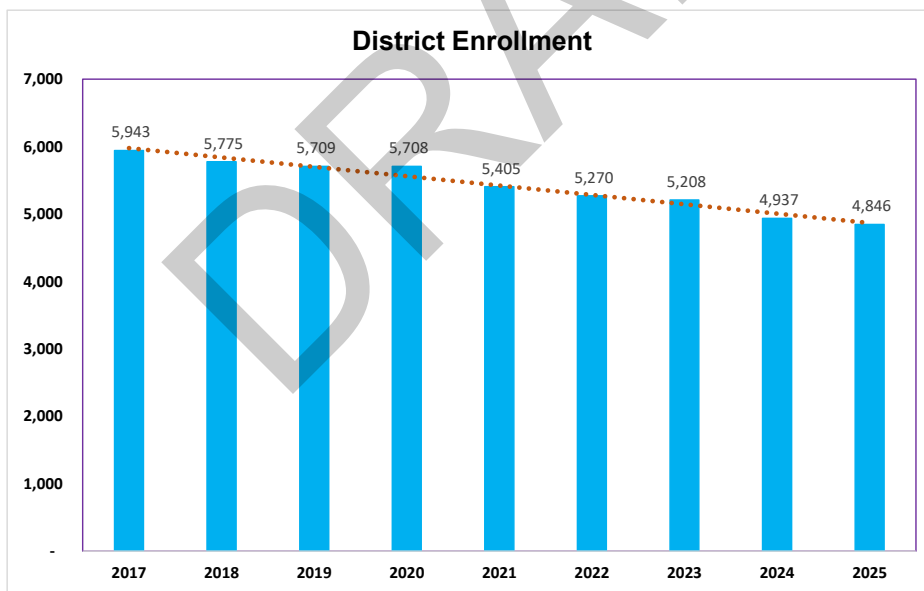
obligation debt did not exceed this statutory limit; however, other factors also limit the amount of the debt the District can issue.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Enrollment and Funding

Nevada's school districts are budgeted and funded in large part based on student enrollment at the end of the first school month. State statutes require all school districts to amend their general fund budgets after "count day" enrollment is known. Throughout the year, the District also amends their budget for other known adjustments, such as opening fund balance amounts based on prior year audited numbers and approved grant funds.

Provided below is a chart which depicts a trend of declining student enrollment. The District's enrollment for the current 2025-26 school year showed a slight decrease from the prior year moving from 4,937 students to 4,846, and has declined 19.8%, or 1097 students from 2016-17.



Nevada's school districts are highly dependent on the economic condition of the State. PCFP funding (Pupil Centered Funding Plan) was implemented on 7-1-21. This funding allows the State to take all local taxes that are normally submitted to each County and create a base amount that also includes several State grants and Class-Size Reduction. This base amount is determined by a fixed per pupil amount and distributed to each county based on the average enrollment for each school district. The State has determined categorical funding for ELL, GT and At-Risk. This revenue is outside of the base PCFP funding and added to their own separate funds outside of the General Fund.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The first concern is the already noted trend of declining weighted enrollment. The methodology for enrollment that changed to an average daily attendance (ADE), allows the State to true-up the actual base for the PCFP funding for each year. In FY24-25 the actual true-up was (\$69,205), which was returned to the State. Decreasing enrollment has been a significant concern due to the high cost of real estate in the District. It has also been an area that many retirees have moved into without generating any students for the District.

In 2024-25 special education enrollment was 742, which was 15.3% of total enrollment. This allowed for full funding in special education. Special Education funding had a decrease of \$233,344 for FY24-25. The District is projecting 14.5% of total enrollment for special education in 2025-26. This is slightly lower than 2024-2025, so will continue to receive full funding for each student. PCFP funding for local special education is filtered into the General Fund and transferred to the special education fund. This allocation does not accommodate the total cost of Special Education, therefore, a transfer exceeding the local funding of \$1,600,000 was made from the General Fund to help fund the total Special Education Fund.

Local Sources - The approval of SB543 went into effect on 7-1-2021. Revenue projections went to the Pupil Centered Funding Plan (PCFP). All local taxes received in Douglas County, which includes property tax (ad valorem), LSST (sales tax) and GST (Governmental Services Tax are submitted to the State Education Fund. All revenue collected from the counties is combined in a fund and redistributed to each school district based on the State calculated per student amount generated from total revenue from each county.

State Sources of Funding - State revenue consists of the PCFP funding and limited State funding for grants not built into the base funding.

Proprietary Funds:

The District operates two proprietary funds: one for Workers' Compensation and the other for Health Insurance. Both funds are "self-funded" meaning the District, not an outside entity, assumes the financial risk for funding the plans. In practicality, this means the District pays for each workers' compensation or health insurance out-of-pocket claim as they are incurred rather than paying a fixed premium to an insurance carrier. The District purchases "Stop Loss" insurance for both plans to help minimize its risk. "Stop Loss" insurance is a mechanism that limits the amount of money the District would have to pay on catastrophic claims exceeding predetermined levels.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Workers' Compensation Funding: The District's Workers' Compensation Fund has been funded by an overhead rate of \$.090/ \$100 in salary earnings by both permanent and temporary employees.

Each year, an actuarial review is conducted of the District's plan to evaluate the funding taking into account historical and trend data as well as projected claims. Actuarial and accounting guidance indicates that the funds should have sufficient reserves to accommodate claims costs with margin for unexpected adverse loss experience. The District's long-term funding policy is to maintain the fund at the 85% confidence level. The most recent actuarial review indicated the funding to be above the 85% confidence level in 2024-2025, and showed an increase in the ending fund balance of \$294,883. With projected costs, the District will continue with the rate of \$.090/100 for 2025-2026 to maintain a level recommended by our actuarial report.

Health Insurance Funding: For purposes of this discussion, health insurance includes medical, dental, optical, and life and AD&D insurances. Plan participants include employees, board members, retirees and spouses and/or dependents of any eligible member. Presently, the District pays 100% of the premium payment set at \$825 per month for each eligible employee.

The District's self-insurance fund is subject to negotiated contract language. Currently, all negotiated contracts provide for a monthly premium amount to be paid by the District for health insurance. Additionally, a committee made up of various bargaining group representatives meets monthly to review claims data and the financial health of the self-insurance fund. The Committee makes recommendations to the Board of Trustees pertaining to premium holidays, plan benefits, third party administrator, and stop-loss insurance, among other factors.

Over the past two years, the fund has shown a substantial decrease in the ending fund balance due to high claims cost. The Board of Trustees approved a transfer from the General Fund to the Insurance Fund of \$1,000,000 due to the high claims costs, which have occurred beginning in FY20-21. Claims increased by \$1,103,396 from FY23-24 to FY24-25. This was a increase of 13.8%. Prior to FY21-22, the Committee established that an average of 3 months of Incurred but not reported (IBNR) claims be maintained in the health insurance fund as an ending fund balance. With the fluctuating cost of claims and the decrease in the ending fund balance, the Board continued to approve a transfer from the General Fund to the Insurance Fund for FY24-25 as well as FY25-26. In FY24-25, the Committee only established a slight increase in dependent insurance premiums of 20% effective 1-1-25 to accommodate the recommendation of our Third Party Administration. The Committee will again re-evaluate the fund balance at the end of FY24-25 to determine whether additional changes are necessary in order for the fund to remain at the level the Committee has established.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Capital Projects Funding:

Capital Projects Funding - The Capital Projects Fund generally receives two sources of revenue - Governmental Services Tax (GST; formerly referred to as Motor Vehicle Privilege Tax), and Residential Construction Tax (RCT).

Presently, Douglas County provides a breakdown to the District that indicates which portion of the GST flows to the General Fund (now being distributed to the State through the PCFP funding plan), and which portion flows to the Capital Projects Fund (approximately 18% of total GST revenues). Per NRS 371, the "debt service" portion of GST is dependent on having a debt service tax rate. Currently, the District's debt service tax rate is \$0.10 per \$100 in property tax revenues.

RCT revenue that helps to sustain the District's Capital Projects Fund comes from a privilege tax on residential building permits. RCT is currently imposed in Douglas County at \$1,600 per new residential unit, the maximum authorized by NRS 387.331. The Douglas County Commission and Department of Taxation have approved the levy of this tax through June 2028 at which time the District will need to resubmit a request for continuation of the levy.

New and Proposed Capital Funding - Several new and proposed alternatives are available to the District for additional funding. Nevada Revised Statute 350.020(5) allows for the reserve level in the debt service fund to decrease from 100% to 50%. The debt service fund has provided approximately \$300,000 in one-time funds to be transferred to the Capital Projects Fund. Due to increased revenue and refinancing current bonds at substantially lower interest rates, the Board could approve a transfer to the capital projects fund that would exceed the \$300,000 transfer now allocated. The Board of Trustees extended the authority of a rollover" question for an additional 10 year period after current authorization expired in 2018. This will continue until 2028. This option would provide approximately \$1 million over the course of the ten year extension in Pay- As-You-Go cash. Continued effort will be made to provide additional revenue from taxes for ongoing capital project needs.

Building and Sites Funding - This fund is designated to receive all monies from rental or sale of District's real property per NRS 393.320 and is restricted to capital related expenditures only. The proceeds from the sale of Kingsbury Middle School were allocated to this fund, and through Board approval, several projects have been allocated to implement safety projects for the entire district. Continued efforts will be made to further support the District FMP.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

FUTURE OUTLOOK

As discussed earlier in this document, the District has experienced significant declines in the fund balance of its General Fund. The District's administration is working aggressively to mitigate the effects of the decline. Certain measures have been taken, and others are being considered, all towards the goal of returning the District to a relative stability. Please see Note 12 of the accompanying financial statements for a discussion of this matter.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the Douglas County School District's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Business Services Office, 1638 Mono Avenue, Minden, Nevada 89423.

DRAFT

DOUGLAS COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 18,526,768
Receivables	2,881,779
Inventories	194,999
Capital assets not being depreciated	4,113,039
Capital assets, net of accumulated depreciation	74,709,652
Total Assets	<u>100,426,237</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and OPEB	38,740,284
Deferred amount on refunding	229,200
	<u>38,969,484</u>
Total Assets and Deferred Outflows	<u>139,395,721</u>
LIABILITIES	
Accounts payable and accrued expenses	6,741,308
Unearned revenues	846,809
Noncurrent liabilities:	
Due within one year	2,437,508
Due in more than one year	22,081,729
Obligation for other postemployment benefits (OPEB)	10,416,138
Net pension liability	91,749,461
Total Liabilities	<u>134,272,953</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions and OPEB	<u>17,886,527</u>
Total Liabilities and Deferred Inflows	<u>152,159,480</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	55,148,448
Restricted for:	
Debt service	6,196,439
Self-insurance activities	2,064,592
Capital projects	2,965,557
Education and nutrition services	4,288,311
Unrestricted	<u>(83,427,106)</u>
Total Net Position (Deficit)	<u>\$ (12,763,759)</u>

27
See accompanying notes.

DOUGLAS COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUES AND CHANGES IN NET POSITION	
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS		
			OPERATING		CAPITAL
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 46,215,179	\$ 197,251	\$ 6,389,182	\$ -	\$ (39,628,746)
Support Services	31,346,455	2,032,237	4,395,930	-	(24,918,288)
Facilities Acquisition and Construction	4,836,302	-	-	96,161	(4,740,141)
Food Service	2,273,007	879,296	1,145,417	-	(248,294)
Interest and charges on long-term debt	663,386	-	-	-	(663,386)
Total School District	85,334,329	3,108,784	11,930,529	96,161	(70,198,855)
General Revenues:					
Property taxes					4,108,202
Other taxes and fees					2,286,406
Investment earnings					571,206
Other local sources					331,087
State aid not restricted to specific purposes					59,547,155
Total General Revenues					66,844,056
Change in Net Position					(3,354,799)
NET POSITION (DEFICIT), July 1, 2024					(9,408,960)
NET POSITION (DEFICIT), June 30, 2025					\$ (12,763,759)

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	GENERAL	SPECIAL	GRANTS	DEBT	CAPITAL	NON-MAJOR	TOTALS	
	FUND	EDUCATION	FUND	SERVICE	PROJECTS	GOV'T	GOVERNMENTAL FUNDS	
		FUND		FUND		FUNDS	2025	2024
ASSETS								
Cash and investments	\$ 1,186,676	\$ -	\$ -	\$ 6,175,188	\$ 2,660,536	\$ 4,810,065	\$ 14,832,465	\$ 17,041,869
Receivables	45,571	601,095	1,820,560	50,100	168,082	189,804	2,875,212	8,373,265
Due from other funds	1,506,132	-	-	-	-	-	1,506,132	1,807,632
Inventories	121,797	-	-	-	-	73,202	194,999	198,344
Total Assets	<u>\$ 2,860,176</u>	<u>\$ 601,095</u>	<u>\$ 1,820,560</u>	<u>\$ 6,225,288</u>	<u>\$ 2,828,618</u>	<u>\$ 5,073,071</u>	<u>\$ 19,408,808</u>	<u>\$ 27,421,110</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 3,275,413	\$ 665,712	\$ 417,144	\$ -	\$ 144,515	\$ 317,868	\$ 4,820,652	\$ 5,441,781
Retainage payable	-	-	-	-	103,014	7,946	110,960	-
Due to other funds	533,675	411,722	1,093,134	-	-	1,276	2,039,807	2,360,891
Unearned revenues	-	-	310,282	28,849	-	-	339,131	424,624
Total Liabilities	<u>3,809,088</u>	<u>1,077,434</u>	<u>1,820,560</u>	<u>28,849</u>	<u>247,529</u>	<u>327,090</u>	<u>7,310,550</u>	<u>8,227,296</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	-	-	-	-	-	-	32,784
FUND BALANCES								
Nonspendable	121,797	-	-	-	-	73,202	194,999	198,344
Restricted	-	-	-	6,196,439	2,581,089	4,672,779	13,450,307	14,913,443
Assigned	1,000,157	-	-	-	-	-	1,000,157	2,986,158
Unassigned	(2,070,866)	(476,339)	-	-	-	-	(2,547,205)	1,063,085
Total Fund Balance	<u>(948,912)</u>	<u>(476,339)</u>	<u>-</u>	<u>6,196,439</u>	<u>2,581,089</u>	<u>4,745,981</u>	<u>12,098,258</u>	<u>19,161,030</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 2,860,176</u>	<u>\$ 601,095</u>	<u>\$ 1,820,560</u>	<u>\$ 6,225,288</u>	<u>\$ 2,828,618</u>	<u>\$ 5,073,071</u>	<u>\$ 19,408,808</u>	<u>\$ 27,421,110</u>

DOUGLAS COUNTY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2025

Fund Balance - Governmental Funds \$ 12,098,258

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

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

Governmental capital assets	189,580,046	
Less accumulated depreciation	<u>(110,757,355)</u>	78,822,691

Other deferred outflows of resources related to debt are not financial resources and therefore are not reported in the governmental funds:

Deferred debt charges	532,000	
Less accumulated amortization	<u>(302,800)</u>	229,200

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:

General obligation bonds payable	(23,721,000)	
Bond premium	(79,429)	
Accrued interest payable	(147,421)	
Compensated absences	(718,808)	
Net pension liability	(91,749,461)	
Net OPEB liability	<u>(10,416,138)</u>	(126,832,257)

Deferred inflows and outflows of resources related to pension and OPEB are applicable to future periods and, therefore are not reported in the governmental funds:

Deferred outflows of resources related to pensions	37,361,120	
Deferred inflows of resources related to pensions	(12,483,158)	
Deferred outflows of resources related to OPEB	1,379,164	
Deferred inflows of resources related to OPEB	<u>(5,403,369)</u>	20,853,757

Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds are reported with governmental activities.

2,064,592

Net Position (Deficit) - Governmental Activities

\$ (12,763,759)

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	GENERAL FUND	SPECIAL EDUCATION FUND	GRANTS FUND	DEBT SERVICE FUND	BUILDING AND SITES FUND	CAPITAL PROJECTS	NON-MAJOR GOV'T FUNDS	TOTALS
REVENUES								
Local sources	\$ 614,151	\$ 21,294	\$ 63,819	\$ 4,310,185	\$ -	\$ 2,362,002	\$ 3,079,538	\$ 10,450,989
State sources	58,453,818	4,318,634	545,219	-	-	-	1,125,872	64,443,543
Federal sources	-	-	5,857,440	96,161	-	-	1,112,882	7,066,483
Total Revenues	59,067,969	4,339,928	6,466,478	4,406,346	-	2,362,002	5,318,292	81,961,015
EXPENDITURES								
Regular programs	26,091,473	-	1,919,691	-	-	-	1,434,751	29,445,915
Special programs	-	10,586,857	1,234,396	-	-	-	-	11,821,253
Vocational programs	847,419	-	376,850	-	-	-	-	1,224,269
Adult education	-	-	46,865	-	-	-	-	46,865
Extra and Co-Curricular	698,159	-	-	-	-	-	-	698,159
Other instructional programs	1,553,052	130,672	33,454	-	-	-	1,113,384	2,830,562
Undistributed Expenditures:								
Student support	4,290,020	-	54,574	-	-	-	550,000	4,894,594
Instructional staff support	1,393,978	-	38,361	-	-	-	-	1,432,339
General administration	1,167,701	-	-	-	-	-	-	1,167,701
School administration	5,713,320	-	-	-	-	-	-	5,713,320
Central services	2,629,933	-	-	-	-	484,583	-	3,114,516
Operation and maintenance	8,578,252	-	120,630	-	-	-	-	8,698,882
Student transportation	4,085,890	-	-	-	-	-	-	4,085,890
Other support	180,250	-	2,348,789	-	-	63,386	-	2,592,425
Food service	-	-	-	-	-	-	2,274,318	2,274,318
Facilities construction/ Acquisition/improvements	376,990	-	292,868	-	-	4,027,156	277,537	4,974,551

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	GENERAL FUND	SPECIAL EDUCATION FUND	GRANTS FUND	DEBT SERVICE FUND	BUILDING AND SITES FUND	CAPITAL PROJECTS	NON-MAJOR GOV'T FUNDS	TOTALS
Debt Service:								
Principal	\$ -	\$ -	\$ -	\$ 2,393,000	\$ -	\$ -	\$ -	\$ 2,393,000
Interest	-	-	-	628,099	-	-	-	628,099
Fiscal agent charges	-	-	-	2,300	-	-	-	2,300
Total Expenditures	57,606,437	10,717,529	6,466,478	3,023,399	-	4,575,125	5,649,990	88,038,958
Revenues Over (Under) Expenditures	1,461,532	(6,377,601)	-	1,382,947	-	(2,213,123)	(331,698)	(6,077,943)
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of property	18,515	-	-	-	-	-	-	18,515
Transfers (to) from other funds	(6,600,000)	5,600,000	-	(300,000)	-	300,000	-	(1,000,000)
	(6,581,485)	5,600,000	-	(300,000)	-	300,000	-	(981,485)
Net Change in Fund Balances	(5,119,953)	(777,601)	-	1,082,947	-	(1,913,123)	(331,698)	(7,059,428)
FUND BALANCES, July 1, as previously reported	4,169,952	301,262	-	5,113,492	586,864	-	8,989,460	19,161,030
Adjustment	-	-	-	-	(586,864)	4,494,212	(3,907,348)	-
FUND BALANCES, July 1, as restated	4,169,952	301,262	-	5,113,492	-	4,494,212	5,082,112	19,161,030
Increase (decrease) in reserve for inventories	1,089	-	-	-	-	-	(4,433)	(3,344)
FUND BALANCES, June 30	<u>\$ (948,912)</u>	<u>\$ (476,339)</u>	<u>\$ -</u>	<u>\$ 6,196,439</u>	<u>\$ -</u>	<u>\$ 2,581,089</u>	<u>\$ 4,745,981</u>	<u>\$ 12,098,258</u>

DOUGLAS COUNTY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ (7,062,772)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.	541,609
Accrued interest on bonds is recorded in the Statement of Activities when incurred; it is not recorded in the governmental funds until it is paid.	9,606
Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	2,393,000
Governmental funds report the effect of discounts, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities over the life of the debt.	(42,593)
The change in the long-term portion of compensated absences is reported in the Statement of Activities. These do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(28,298)
Change in pension expense related to deferred items.	(1,808,923)
The full cost of postemployment benefits to current employees earned during the current year and the amortization of the past cost is recognized as an expense in the Statement of Activities while only the current contributions are reported in the fund statements.	2,825,378
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income (expense) of the internal service funds is reported with governmental activities.	<u>(181,806)</u>
Change in Net Position of Governmental Activities	<u>\$ (3,354,799)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Out-of-state tuition	\$ 240,000	\$ 189,115	\$ 197,251	\$ 8,136	\$ 250,953
Earnings on investments	180,000	153,954	163,823	9,869	294,711
Other	174,000	174,000	253,077	79,077	186,171
Total Local Sources	594,000	517,069	614,151	97,082	731,835
State Sources:					
Pupil-Centered Funding Plan	60,844,092	61,486,842	58,453,818	(3,033,024)	57,690,410
Total Revenues	61,438,092	62,003,911	59,067,969	(2,935,942)	58,422,245
EXPENDITURES					
Regular Programs:					
Salaries	16,488,619	16,376,195	17,037,094	(660,899)	17,177,875
Benefits	7,859,015	8,173,311	8,204,948	(31,637)	8,166,307
Purchased services	148,570	145,388	121,465	23,923	359,589
Supplies	887,439	826,427	667,137	159,290	604,672
Property	61,000	54,375	54,375	-	50,963
Other	8,650	7,939	6,454	1,485	7,849
	25,453,293	25,583,635	26,091,473	(507,838)	26,367,255
Vocational Programs:					
Salaries	534,607	559,927	557,174	2,753	531,842
Benefits	223,035	249,568	250,536	(968)	213,364
Purchased services	3,200	675	175	500	3,057
Supplies	51,097	47,981	39,144	8,837	42,849
Other	4,150	400	390	10	332
	816,089	858,551	847,419	11,132	791,444
Extra and Co-Curricular Activities:					
Co-Curricular Activities:					
Salaries	168,927	221,321	220,070	1,251	189,360
Benefits	4,225	5,808	5,769	39	5,091
Purchased services	7,500	3,800	-	3,800	7,448
Supplies	10,000	13,370	9,741	3,629	10,135
Property	3,100	-	-	-	-
Other	8,400	3,460	3,428	32	7,914
	202,152	247,759	239,008	8,751	219,948

Continued on next page.

Extra and Co-Curricular Activities (Cont'd.): See accompanying notes.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Athletics:					
Salaries	\$ 290,607	\$ 283,462	\$ 283,542	\$ (80)	\$ 284,904
Benefits	13,956	16,254	16,191	63	15,967
Purchased services	99,550	114,334	114,956	(622)	92,693
Supplies	27,180	42,894	30,744	12,150	22,432
Other	14,950	16,733	13,718	3,015	11,733
	<u>446,243</u>	<u>473,677</u>	<u>459,151</u>	<u>14,526</u>	<u>427,729</u>
Total Extra-and Co-Curricular Activities	648,395	721,436	698,159	23,277	647,677
Other Instructional Programs:					
Salaries	830,659	969,032	939,635	29,397	795,646
Benefits	351,051	458,400	453,983	4,417	314,118
Purchased services	129,200	128,600	126,249	2,351	124,677
Supplies	61,415	61,019	32,650	28,369	47,694
Other	4,300	3,600	535	3,065	3,463
	<u>1,376,625</u>	<u>1,620,651</u>	<u>1,553,052</u>	<u>67,599</u>	<u>1,285,598</u>
Undistributed Expenditures:					
Student Support:					
Salaries	2,600,104	2,860,745	2,858,086	2,659	2,701,648
Benefits	1,245,467	1,367,887	1,376,988	(9,101)	1,295,625
Purchased services	29,659	29,159	20,994	8,165	21,287
Supplies	47,533	50,062	33,410	16,652	41,732
Property	7,500	5,050	-	5,050	7,500
Other	1,059	1,059	542	517	596
	<u>3,931,322</u>	<u>4,313,962</u>	<u>4,290,020</u>	<u>23,942</u>	<u>4,068,388</u>
Instructional Staff Support:					
Salaries	901,447	899,592	902,725	(3,133)	889,251
Benefits	409,578	428,966	427,867	1,099	408,610
Purchased services	33,380	22,813	18,152	4,661	12,540
Supplies	50,912	62,433	44,770	17,663	52,698
Other	2,300	500	464	36	560
	<u>1,397,617</u>	<u>1,414,304</u>	<u>1,393,978</u>	<u>20,326</u>	<u>1,363,659</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
General Administration:					
Salaries	\$ 439,432	\$ 457,152	\$ 453,516	\$ 3,636	\$ 451,328
Benefits	204,615	194,475	193,093	1,382	198,357
Purchased services	495,500	484,515	443,532	40,983	490,920
Supplies	36,100	49,110	44,559	4,551	32,494
Property	5,500	-	-	-	1,571
Other	30,000	33,475	33,001	474	19,613
	<u>1,211,147</u>	<u>1,218,727</u>	<u>1,167,701</u>	<u>51,026</u>	<u>1,194,283</u>
School Administration:					
Salaries	3,665,252	3,847,484	3,845,984	1,500	3,672,884
Benefits	1,721,756	1,733,501	1,730,026	3,475	1,668,265
Purchased services	108,191	97,208	78,702	18,506	133,270
Supplies	64,121	55,977	50,840	5,137	57,480
Other	7,683	8,088	7,768	320	5,366
	<u>5,567,003</u>	<u>5,742,258</u>	<u>5,713,320</u>	<u>28,938</u>	<u>5,537,265</u>
Central Services:					
Salaries	1,388,015	1,391,421	1,380,018	11,403	1,221,734
Benefits	527,585	516,867	534,910	(18,043)	466,775
Purchased services	263,530	247,895	174,465	73,430	162,939
Supplies	427,293	353,314	321,393	31,921	315,948
Property	165,000	257,307	216,981	40,326	163,622
Other	5,507	4,747	2,166	2,581	2,997
	<u>2,776,930</u>	<u>2,771,551</u>	<u>2,629,933</u>	<u>141,618</u>	<u>2,334,015</u>
Operations and Maintenance:					
Salaries	3,392,222	3,338,103	3,449,825	(111,722)	3,314,470
Benefits	1,406,806	1,429,679	1,210,494	219,185	1,352,387
Purchased services	2,158,935	2,113,220	2,152,268	(39,048)	2,044,090
Supplies	2,004,982	1,990,746	1,701,634	289,112	2,145,749
Property	74,250	64,000	64,000	-	130,587
Other	2,419	225	31	194	1,337
	<u>9,039,614</u>	<u>8,935,973</u>	<u>8,578,252</u>	<u>357,721</u>	<u>8,988,620</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student Transportation:					
Salaries	\$ 2,107,735	\$ 2,107,420	\$ 1,940,577	\$ 166,843	\$ 2,105,268
Benefits	965,975	875,762	875,750	12	917,250
Purchased services	169,213	157,376	152,941	4,435	136,891
Supplies	755,681	779,455	456,619	322,836	515,923
Property	660,000	660,000	659,840	160	889,661
Other	100	163	163	-	165
	<u>4,658,704</u>	<u>4,580,176</u>	<u>4,085,890</u>	<u>494,286</u>	<u>4,565,158</u>
Other Support:					
Salaries	200,000	137,000	129,008	7,992	152,155
Benefits	47,000	38,500	34,892	3,608	98,758
Purchased services	109,911	40,000	7,439	32,561	-
Supplies	10,000	10,000	5,076	4,924	-
Other	14,600	14,600	3,835	10,765	1,523
	<u>381,511</u>	<u>240,100</u>	<u>180,250</u>	<u>59,850</u>	<u>252,436</u>
Total Support Services	<u>28,963,848</u>	<u>29,217,051</u>	<u>28,039,344</u>	<u>1,177,707</u>	<u>28,303,824</u>
Site Improvement:					
Purchased services	119,000	105,000	118,018	(13,018)	159,731
Building Improvements:					
Purchased services	355,000	358,000	258,972	99,028	274,985
Total Facilities Acquisition & Construction	<u>474,000</u>	<u>463,000</u>	<u>376,990</u>	<u>86,010</u>	<u>434,716</u>
Debt Service:					
Principal	-	-	-	-	319,000
Interest	-	-	-	-	3,589
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,589</u>
Total Undistributed Expenditures	<u>29,437,848</u>	<u>29,680,051</u>	<u>28,416,334</u>	<u>1,263,717</u>	<u>29,061,129</u>
Contingency	<u>550,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>58,282,250</u>	<u>58,464,324</u>	<u>57,606,437</u>	<u>857,887</u>	<u>58,153,103</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Revenues Over (Under)					
Expenditures	\$ 3,155,842	\$ 3,539,587	\$ 1,461,532	\$ (2,078,055)	\$ 269,142
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	8,000	8,000	18,515	10,515	3,439
Transfers (to) other funds	(6,700,000)	(6,600,000)	(6,600,000)	-	(6,700,000)
	(6,692,000)	(6,592,000)	(6,581,485)	10,515	(6,696,561)
Net Change in Fund Balance	(3,536,158)	(3,052,413)	(5,119,953)	(2,067,540)	(6,427,419)
FUND BALANCE, July 1	6,016,132	4,169,952	4,169,952	-	10,619,028
Increase (Decrease) in Reserve for Inventories	-	-	1,089	1,089	(21,657)
FUND BALANCE, June 30	<u>\$ 2,479,974</u>	<u>\$ 1,117,539</u>	<u>\$ (948,912)</u>	<u>\$ (2,066,451)</u>	<u>\$ 4,169,952</u>

DOUGLAS COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 15,000	\$ 20,000	\$ 21,294	\$ 1,294	\$ 29,662
State Sources:					
State appropriation	4,295,717	4,318,634	4,318,634	-	4,241,172
Total Revenues	4,310,717	4,338,634	4,339,928	1,294	4,270,834
EXPENDITURES					
Special Programs:					
Instruction:					
Salaries	5,346,301	5,429,886	5,398,527	31,359	5,484,699
Benefits	2,536,241	2,536,440	2,835,939	(299,499)	2,705,547
Purchased services	-	165	165	-	-
Supplies	34,450	35,555	15,391	20,164	17,715
	7,916,992	8,002,046	8,250,022	(247,976)	8,207,961
Other Direct Support:					
Salaries	970,610	942,006	1,009,849	(67,843)	1,013,293
Benefits	381,631	301,552	370,430	(68,878)	391,618
Purchased services	232,750	231,100	227,304	3,796	153,765
Supplies	54,050	27,950	21,054	6,896	31,403
Property	-	-	-	-	8,069
Other	1,000	1,600	546	1,054	1,109
	1,640,041	1,504,208	1,629,183	(124,975)	1,599,257
Student Transportation:					
Salaries	253,126	273,789	539,747	(265,958)	272,220
Benefits	90,027	98,413	127,251	(28,838)	101,940
Supplies	40,654	40,654	40,654	-	40,654
	383,807	412,856	707,652	(294,796)	414,814
Total Special Programs	9,940,840	9,919,110	10,586,857	(667,747)	10,222,032

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Other Instructional Programs:					
Gifted and Talented:					
Salaries	\$ -	\$ 87,775	\$ 87,775	-	\$ -
Benefits		42,324	42,482	(158)	-
Supplies	850	576	415	161	326
Total Other Instructional	850	130,675	130,672	3	326
Contingency	97,408	-	-	-	-
Total Expenditures	10,039,098	10,049,785	10,717,529	(667,744)	10,222,358
Revenues Over (Under) Expenditures	(5,728,381)	(5,711,151)	(6,377,601)	(666,450)	(5,951,524)
OTHER FINANCING SOURCES					
Transfers from other funds	5,700,000	5,600,000	5,600,000	-	5,700,000
Net Change in Fund Balance	(28,381)	(111,151)	(777,601)	(666,450)	(251,524)
FUND BALANCE, July 1	254,183	301,262	301,262	-	552,786
FUND BALANCE, June 30	\$ 225,802	\$ 190,111	\$ (476,339)	\$ (666,450)	\$ 301,262

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 302,065	\$ 244,159	\$ 63,819	\$ (180,340)	\$ 155,471
State sources	576,341	753,369	545,219	(208,150)	2,435,696
Federal sources	16,202,906	15,877,011	5,857,440	(10,019,571)	5,438,230
Total Revenues	17,081,312	16,874,539	6,466,478	(10,408,061)	8,029,397
EXPENDITURES					
Regular Programs:					
Salaries	4,392,025	4,281,419	1,016,997	3,264,422	1,444,791
Benefits	1,524,046	1,428,901	462,958	965,943	693,128
Purchased services	436,763	490,997	220,180	270,817	142,205
Supplies	1,748,342	1,762,794	128,859	1,633,935	459,253
Property	26,510	26,510	-	26,510	-
Other	214,789	214,072	90,697	123,375	61,090
	8,342,475	8,204,693	1,919,691	6,285,002	2,800,467
Special Programs:					
Salaries	798,764	748,253	736,448	11,805	798,765
Benefits	384,000	332,236	327,994	4,242	383,999
Purchased services	18,400	68,799	55,736	13,063	18,400
Supplies	143,169	123,761	111,661	12,100	126,213
Other	47,600	48,555	2,557	45,998	47,600
	1,391,933	1,321,604	1,234,396	87,208	1,374,977
Vocational Programs:					
Salaries	19,141	26,421	2,888	23,533	16,772
Benefits	7,114	7,139	182	6,957	6,862
Purchased services	57,120	50,520	4,725	45,795	20,287
Supplies	205,199	320,674	206,811	113,863	124,518
Property	123,674	155,167	154,304	863	106,113
Other	18,719	15,182	7,940	7,242	6,346
	430,967	575,103	376,850	198,253	280,898

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Adult Education:					
Salaries	\$ 80,111	\$ 100,058	\$ 32,318	\$ 67,740	\$ 22,108
Benefits	6,849	8,555	1,881	6,674	1,349
Purchased services	1,447	24,847	7	24,840	68
Supplies	3,640	10,265	12,659	(2,394)	294
	<u>92,047</u>	<u>143,725</u>	<u>46,865</u>	<u>96,860</u>	<u>23,819</u>
Other Instructional Programs:					
Salaries	16,320	15,072	15,072	-	15,398
Benefits	7,735	7,141	7,141	-	7,121
Supplies	16,299	17,138	10,281	6,857	8,537
Other	1,710	1,666	960	706	1,316
	<u>42,064</u>	<u>41,017</u>	<u>33,454</u>	<u>7,563</u>	<u>32,372</u>
Community Service Programs:					
Salaries	2,424	2,682	-	2,682	947
Benefits	206	229	-	229	81
Supplies	4,654	6,642	-	6,642	403
	<u>7,284</u>	<u>9,553</u>	<u>-</u>	<u>9,553</u>	<u>1,431</u>
Undistributed Expenditures:					
Student Support:					
Salaries	106,497	17,000	30,500	(13,500)	89,497
Benefits	42,341	4,000	14,936	(10,936)	38,341
Purchased services	20,000	20,000	4,500	15,500	8,000
Supplies	-	2,000	574	1,426	-
Other	3,541	-	4,064	(4,064)	3,541
	<u>172,379</u>	<u>43,000</u>	<u>54,574</u>	<u>(11,574)</u>	<u>139,379</u>
Instructional Staff Support:					
Salaries	5,000	28,000	20,000	8,000	2,035
Benefits	3,000	3,541	470	3,071	12
Purchased services	44,425	18,500	14,150	4,350	41,749
Supplies	107	2,276	1,881	395	-
Other	1,620	2,192	1,860	332	2,194
	<u>54,152</u>	<u>54,509</u>	<u>38,361</u>	<u>16,148</u>	<u>45,990</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Operations and Maintenance:					
Supplies	\$ 294,135	\$ 294,135	\$ 120,630	\$ 173,505	\$ 75,343
Property	149,800	149,800	-	149,800	-
	<u>443,935</u>	<u>443,935</u>	<u>120,630</u>	<u>323,305</u>	<u>75,343</u>
Other Support:					
Salaries	3,425,483	3,425,483	1,774,143	1,651,340	1,686,571
Benefits	1,106,442	1,106,442	549,245	557,197	522,132
Purchased services	111,697	55,876	3,000	52,876	89,721
Supplies	52,214	41,859	22,401	19,458	29,810
Other	500	-	-	-	200
	<u>4,696,336</u>	<u>4,629,660</u>	<u>2,348,789</u>	<u>2,280,871</u>	<u>2,328,434</u>
Total Support Services	<u>5,366,802</u>	<u>5,171,104</u>	<u>2,562,354</u>	<u>2,608,750</u>	<u>2,589,146</u>
Facilities Acquisition and Construction:					
Site Improvement:					
Purchased services	178,580	340,444	286,397	54,047	8,700
Supplies	22,830	22,830	900	21,930	21,930
Other	6,420	6,420	5,571	849	850
	<u>207,830</u>	<u>369,694</u>	<u>292,868</u>	<u>76,826</u>	<u>31,480</u>
Building Improvements:					
Purchased services	1,199,910	1,038,046	-	1,038,046	894,807
Total Facilities Acquisition and Construction	<u>1,407,740</u>	<u>1,407,740</u>	<u>292,868</u>	<u>1,114,872</u>	<u>926,287</u>
Total Undistributed Expenditures	<u>6,774,542</u>	<u>6,578,844</u>	<u>2,855,222</u>	<u>3,723,622</u>	<u>3,515,433</u>
Total Expenditures	<u>17,081,312</u>	<u>16,874,539</u>	<u>6,466,478</u>	<u>10,408,061</u>	<u>8,029,397</u>
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF NET POSITION

JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
ASSETS		
Current Assets:		
Cash and investments	\$ 3,694,303	\$ 3,627,978
Receivables	6,567	93,340
Due from other funds	533,675	553,259
Total Assets	<u>4,234,545</u>	<u>4,274,577</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	11,781	39,651
Unearned revenue	507,678	526,344
Pending claims	1,650,494	1,462,184
Total Current Liabilities	<u>2,169,953</u>	<u>2,028,179</u>
NET POSITION		
Restricted	<u>\$ 2,064,592</u>	<u>\$ 2,246,398</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
OPERATING REVENUES		
Insurance premiums	\$ 9,605,922	\$ 9,010,217
Insurance proceeds and other	162,349	226,019
Other	12,021	-
Total Operating Revenues	9,780,292	9,236,236
OPERATING EXPENSES		
Claims expense	9,784,377	8,212,376
Purchased services	1,258,204	1,150,325
Other	3,630	3,920
Total Operating Expenses	11,046,211	9,366,621
Operating Income (Loss)	(1,265,919)	(130,385)
NONOPERATING REVENUES		
Earnings on investments	84,113	66,075
Income (Loss) Before Transfers	(1,181,806)	(64,310)
TRANSFERS		
Transfers in	1,000,000	1,000,000
Change in Net Position	(181,806)	935,690
NET POSITION, July 1	2,246,398	1,310,708
NET POSITION, June 30	\$ 2,064,592	\$ 2,246,398

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from insurance premiums	\$ 9,606,840	\$ 8,983,302
Cash received from insurance proceeds and other	261,143	235,973
Cash paid for claims expense and services	(10,885,771)	(9,582,889)
Net cash provided (used) by operating activities	(1,017,788)	(363,614)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers from other funds	1,000,000	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	84,113	66,075
Net Increase (Decrease) in Cash and Investments	66,325	702,461
CASH AND INVESTMENTS, July 1	3,627,978	2,925,517
CASH AND INVESTMENTS, June 30	\$ 3,694,303	\$ 3,627,978

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS (Cont'd.)

YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,265,919)	\$ (130,385)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
Receivables	86,773	9,954
Premiums due from other funds	19,583	82,030
Accounts payable	(27,870)	11,497
Unearned revenues	(18,665)	(108,945)
Pending claims	188,310	(227,765)
Total Adjustments	248,131	(233,229)
Net cash provided (used) by operating activities	\$ (1,017,788)	\$ (363,614)

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Reporting Entity

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

Basic Financial Statements – District-Wide Statements

The basic financial statements include both district-wide (based on the District as a whole) and fund financial statements. The District-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

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

The District-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (ad valorem taxes, school support taxes, distributive school funds, government services tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and capital and operating grants. Certain indirect costs are included as part

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

of the program expenses reported for the various functional activities. Program revenues include charges for services, grants, contributions, and investment earnings legally restricted to support a specific program. Program revenue must be directly associated with the function. Operating grants include operating-specific and discretionary grants. The net costs (by function) are normally covered by general revenue.

Basic Financial Statements – Fund Financial Statements

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

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

General Fund

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

Special Education Fund

The Special Education Fund is a special revenue fund which accounts for transactions of the District relating to educational services provided to children with special needs supported by state and local sources.

Grants Fund

The Grants Fund is a special revenue fund which accounts for grants received by the District from federal, state and local sources.

Debt Service Fund

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

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for acquisition of and major improvements to the District's existing facilities.

Additionally, the District reports the following fund types and funds:

Proprietary Funds:

Internal Service Funds

The Internal Service Funds account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. The District's internal service funds account for its self-funded insurance activities for group health and workers' compensation.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Special Revenue Funds (Nonmajor):

Special Revenue funds account for proceeds of specific revenue sources (other than private purpose trust or major capital projects) that are legally restricted to expenditures for specified purposes. The District reports the following nonmajor Special Revenue funds: Food Service Fund, Student Activities Fund, and the three funds receiving Pupil-Centered Funding Plan allocations for restricted purposes.

Building and Sites Fund (Nonmajor):

The Building and Sites Fund is a capital projects fund to account for financial resources to be used for major improvements to the District's existing facilities.

Measurement Focus

District-Wide Financial Statements

The District-wide statements, as well as the proprietary fund financial statements, are prepared using the economic resources measurement focus.

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

Fund Financial Statements

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

Basis of Accounting

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Revenues

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include taxes, grants, entitlements and donations for which the revenue is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Property taxes are recognized as revenues in the year for which they are levied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are deemed both measurable and available at fiscal year-end: investment earnings, grants and entitlements.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *outflows* of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *inflows* of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. One such inflow arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, certain pension-related and other postemployment benefit (OPEB) items are reported as deferred *outflows* and deferred *inflows* on the Statement of Net Position. See Notes 9 and 10 for additional information on these elements.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

amortization, are not recognized in the governmental funds. Debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property Taxes

Taxes on real property are levied and the lien attaches on July 1st of each year. They are due on the third Monday of August and can be paid in quarterly installments on or before the third Monday of August and the first Monday of October, January, and March, respectively. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. If delinquent taxes are not paid within the two-year redemption period, the Treasurer of Douglas County obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the Treasurer may sell the property to satisfy the tax lien.

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

Budgets and Budgetary Accounting

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

1. Prior to April 15, the District's Board of Trustees (the Board) files a tentative budget with the Nevada Department of Taxation and the Nevada Department of Education for the fiscal year beginning the following July 1. For all funds except Agency funds, the tentative budget includes proposed expenditures and the means of financing them.
2. Prior to June 8, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the Board's members.
3. On or before the following January 1, the Board of Trustees adopts an amended final budget to reflect any adjustments necessary as a result of the complete count of students.
4. The Superintendent of Schools is authorized to transfer appropriations between accounts within departments and funds, if amounts do not exceed the original budget, subject to subsequent approval by the Board of Trustees. Augmentations in excess of the original budget require approval from the Board of Trustees.
5. Formal budgetary integration is employed as a management control device for the General Fund, Special Revenue funds, Debt Service Fund, Capital Projects funds,

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

and the Internal Service funds. Such funds have legally adopted annual budgets which lapse at year-end.

6. Budgeted appropriations may not be exceeded by actual expenditures of the various programs in the budgeted governmental funds. The sum of operating and nonoperating expenses in the Internal Service funds may not exceed appropriations.
7. All budgets are adopted on a basis consistent with GAAP. The accompanying financial statements reflect the Original Budget and the Final Budget, which include the adjustments for legally authorized revisions made during the year. Appropriations, except encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year.

Cash and Investments

The District pools cash and investment resources of its various funds in order to facilitate the management of its cash and investments. Amounts applicable to a particular fund are readily identifiable.

The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the District's investments. Investments are carried at fair value as determined by quoted market prices, net of accrued interest as provided by the pool sponsors. Restricted cash includes cash reserved for the acquisition or construction of capital assets or improvements.

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

1. United States bonds and debentures maturing within 10 years from the date of purchase.
2. Certain farm loan bonds.
3. Securities of the United States Treasury, obligations of an agency or instrumentality of the United States, or a corporation sponsored by the government maturing within (10) years from the date of purchase.
4. Negotiable certificates of deposit from commercial banks, insured credit unions or savings and loan associations.
5. Certain nonnegotiable certificates of deposit issued by insured commercial banks, insured credit unions, or insured savings and loan associations.
6. Certain securities issued by local governments of the State of Nevada.
7. Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and certain money market mutual funds.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

8. Certain obligations of state and local governments.
9. State of Nevada Local Government Investment Pool Fund.
10. Other securities expressly provided by other statutes, including repurchase agreements.

Statements of Cash Flows

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

Inventories

Inventories in the General Fund and Food Services Special Revenue Fund are maintained on the consumption basis of accounting, where items are purchased for inventory and recorded as expenditures as the items are consumed. Inventories are valued at cost, as determined using the first-in, first-out (FIFO) cost method, except for commodities, which are stated at their fair value.

Capital Assets

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

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

	<u>Years</u>
Buildings and Improvements	20-50
Vehicles/Buses	8
Equipment	5-15

Allowance for Uncollectible Receivables

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

Accrued Liabilities

Accrued liabilities consist principally of teacher, administrator, and other District employee salaries and benefits for the school program year ended June 30, 2025, but not yet paid.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Expenditures

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

A brief description of these program classifications follows:

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

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

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

Other instructional programs are activities that provide elementary and secondary students with learning experiences in school-sponsored activities, athletics, and summer school.

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

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

Food services (nutrition services) programs consist of activities to provide food service to students and staff.

Community Services programs are those programs not directly related to the provision of educational services, including services for the welfare of the community.

Compensated Absences

Teachers and certain school administrators do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to specific maximum days/hours. Employees are allowed to accumulate sick days for future use up to certain maximums. Vested sick leave will be paid by the District to eligible employees. Payments will be made as a lump sum at the rate of \$40 per day of accumulated and vested sick leave for eligible administrators, and at the rate of \$30 per day for all other eligible employees. The current portion of vacation and sick leave is recorded as a payroll expenditure. The estimated long-term liability for vacation and sick leave is accounted for in the district-wide financial statements.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Use of Estimates

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

Prior Year Information

Certain basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2024, from which summarized information was derived. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications relate primarily to the determination of major and nonmajor funds, as previously discussed.

NOTE 2 – COMPLIANCE WITH NEVADA REVISED STATUTES

The District conformed to all significant statutory constraints on its financial administration during the year, with the exception of the following expenditures in excess of their budgetary appropriation, which are potential violations of NRS 354.626:

<u>Fund</u>	<u>Program</u>	<u>Expenditure Exceeds Budget</u>
General	Regular Program	\$507,838
Special Education	Special Programs	667,747
Capital Projects	Facilities	284,360
Self-Insurance	Self-Insurance	1,363,767

NOTE 3 – CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of the pool is displayed on the Governmental Funds Balance Sheet as "Cash and Investments."

As of June 30, 2025, the District had the following amounts reported as cash and investments:

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

District-Wide Balances:

Pooled cash	\$ 6,189,390
Food services	51,241
Self-insurance claims accounts	49,116
Cash held by Student Activity Funds	<u>1,336,313</u>
	7,626,060
Deposits held with Douglas County, Nevada	20,708
Local Government Investment Pool	<u>10,880,000</u>
Total Cash and Investments	<u>\$ 18,526,768</u>

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District investments are held in the State of Nevada's Local Government Investment Pool; as such, the investments are not categorized by valuation inputs.

As of June 30, 2025, the District had \$10,880,000 invested with Nevada's Local Government Investment Pool. The investment is stated at fair value with a maturity date of less than one year.

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

Interest Rate Risk – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. To limit exposure to interest rate risk, the Nevada Revised Statutes limits bankers' acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturity.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. In accordance with the Nevada Revised Statutes, the District limits its investment instruments by their credit risk. The State of Nevada Local Government Investment Pool and the Douglas County Investment Pool are unrated external investment pools.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or brokerage failure, the District's deposits may not be returned. The District's bank deposits are generally covered by FDIC insurance and are collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 4 – RECEIVABLES

As of June 30, 2025, the District’s receivables totaled \$2,875,212 and were comprised primarily of amounts due from the State of Nevada Department of Education for reimbursement of grant expenditures.

NOTE 5 – INTERFUND BALANCES AND TRANSACTIONS

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

The cost of health and workers’ compensation insurance benefits are accounted for in internal service funds which assess each fund based on total enrolled members in the District’s plan. The amounts due to the Self Insurance Health Fund and Workers’ Compensation Self-Insurance Fund at year end represent the portion attributable to year end accrued salaries.

Interfund transfers are shown as other financing sources (uses) in all funds other than the internal service funds, where they are shown as operating transfers. Transfers are used primarily to supplement programs that are not fully funded by general revenues.

Interfund receivable and payable balances as of June 30, 2025 are as follows:

	Interfund Receivables	Interfund Payables
Major Governmental Funds:		
General Fund	\$ 1,506,132	\$ 533,675
Special Education Fund	-	411,722
Grants Fund	-	1,093,134
Non-major funds	-	1,276
Internal Service Funds:		
Self Insurance Health Fund	507,678	-
Workers' Comp. Self-Insurance Fund	25,997	-
	<u>\$ 2,039,807</u>	<u>\$ 2,039,807</u>

Transfers made during the year ended June 30, 2025 were as follows:

	Transfers	
	To	From
General Fund	\$ -	\$ 6,600,000
Special Education Fund	5,600,000	-
Debt Service Fund	-	300,000
Capital Projects Fund	300,000	-
Health Insurance Fund	1,000,000	-
	<u>\$ 6,900,000</u>	<u>\$ 6,900,000</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 6 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2025 is shown below:

	<u>Balance July 1, 2024</u>	<u>Additions / Transfers</u>	<u>Deletions / Transfers</u>	<u>Balance June 30, 2025</u>
Nondepreciable Capital Assets				
Land	\$ 1,273,439	\$ -	\$ -	\$ 1,273,439
Construction in progress	3,524,737	4,420,952	(5,106,089)	2,839,600
	<u>4,798,176</u>	<u>4,420,952</u>	<u>(5,106,089)</u>	<u>4,113,039</u>
Depreciable Capital Assets				
Buildings and improvements	161,562,383	5,655,674	-	167,218,057
Equipment and vehicles	17,624,774	1,268,910	(644,734)	18,248,950
	<u>179,187,157</u>	<u>6,924,584</u>	<u>(644,734)</u>	<u>185,467,007</u>
Total Capital Assets	<u>183,985,333</u>	<u>11,345,536</u>	<u>(5,750,823)</u>	<u>189,580,046</u>
Less accumulated depreciation for:				
Buildings and improvements	94,815,657	4,511,805	-	99,327,462
Equipment and vehicles	10,888,594	1,177,962	(636,663)	11,429,893
	<u>105,704,251</u>	<u>5,689,767</u>	<u>(636,663)</u>	<u>110,757,355</u>
Governmental Activities, Capital Assets, net	<u>\$ 78,281,082</u>	<u>\$ 5,655,769</u>	<u>\$ (5,114,160)</u>	<u>\$ 78,822,691</u>

Depreciation expense was allocated to the following functions/programs:

Instruction	\$ 227,591
Support Services	625,874
Facilities construction and improvement	<u>4,836,302</u>
Total Depreciation Expense	<u>\$ 5,689,767</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 7 – LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of the changes in the District’s long-term obligations during the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions of New Debt	Retirements, Repayments and Reductions	Balance June 30, 2025	Due Within One Year	Due After One Year
General Obligation Bonds	\$ 26,114,000	\$ -	\$ (2,393,000)	\$ 23,721,000	\$ 2,431,000	\$ 21,290,000
Plus: Bond Premiums	85,937	-	(6,508)	79,429	6,508	72,921
Total Bonds Payable	26,199,937	-	(2,399,508)	23,800,429	2,437,508	21,362,921
Compensated Absences	690,510	28,298	-	718,808	-	718,808
	26,890,447	28,298	(2,399,508)	24,519,237	2,437,508	22,081,729
OPEB	12,729,510	-	(2,313,372)	10,416,138	-	10,416,138
Pension liability	88,369,704	3,379,757	-	91,749,461	-	91,749,461
	<u>\$127,989,661</u>	<u>\$ 3,408,055</u>	<u>\$ (4,712,880)</u>	<u>\$126,684,836</u>	<u>\$ 2,437,508</u>	<u>\$124,247,328</u>

Total interest expense for the year ended June 30, 2025 was \$663,386.

The District was, in accordance with NRS 387.400, within the legal debt limit at June 30, 2025.

General Obligation Bonds payable consist of the following as of June 30, 2025:

Issue	Date Issued	Date of Final Maturity	Original Interest Rate %	Amount Issued	Balance June 30, 2025
Improvement Bonds (QSCBs), Series 2010C	5/13/2010	4/1/2027	4.5 - 6.4	\$ 2,305,000	\$ 2,000,000
Improvement Bonds, Series 2012	12/19/2012	4/1/2042	2.0 - 3.25	9,000,000	5,605,000
Improvement Bonds, Series 2015	2/19/2015	4/1/2035	2.0 - 3.25	5,000,000	3,205,000
Refunding Bonds, Series 2020	12/3/2020	4/1/2030	1.340	11,858,000	6,064,000
Taxable/Tax-Exempt Refunding, Series 2021	12/8/2021	4/1/2034	2.290	7,516,000	6,847,000
					<u>\$23,721,000</u>

The annual requirements to amortize all General Obligation Debt outstanding (exclusive of bond premiums of \$79,429) as of June 30, 2025 are as follows:

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Fiscal Year Ending June 30,	Principal	Interest	Expected Interest Subsidy	Total Requirements
2026	\$ 2,431,000	\$ 589,681	\$ (56,600)	\$ 2,964,081
2027	2,507,000	550,600	(56,600)	3,001,000
2028	2,490,000	415,002	-	2,905,002
2029	2,532,000	373,148	-	2,905,148
2030	2,436,000	330,403	-	2,766,403
2031 - 2035	7,290,000	1,129,596	-	8,419,596
2036 - 2040	2,785,000	459,230	-	3,244,230
2041 - 2042	1,250,000	58,909	-	1,308,909
	<u>\$ 23,721,000</u>	<u>\$ 3,906,569</u>	<u>\$ (113,200)</u>	<u>\$ 27,514,369</u>

NOTE 8 – FUND BALANCE/NET POSITION

District-Wide Financial Statements

The district-wide Statement of Net Position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is categorized as invested in capital assets, restricted and unrestricted.

Net position is reported as restricted when there are statutory limitation on their use either through enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Unrestricted net position represents the District’s available financial resources.

Fund Financial Statements

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

Nonspendable - fund balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The District has inventories that are considered nonspendable.

Restricted – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Committed – fund balances that contain self-imposed constraints of the District by its Board of Trustees, the highest level of the District’s decision making authority. Committed fund balance is reported pursuant to formal action of the Board of Trustees.

Assigned – fund balances that contain self-imposed constraints of the District to be used for a particular purpose. Amounts may be assigned by the Board of Trustees or its designee(s).

Appropriated assigned fund balance is an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year’s budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Unassigned – fund balance of the General Fund that is not constrained for any particular purpose.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned as needed.

The following is a summary of the District’s governmental fund balances as of June 30, 2025:

	Major Funds				Other Gov't Funds	Total Governmental Funds
	General Fund	Special Education Fund	Debt Service Fund	Building and Sites Fund		
Nonspendable:						
Inventories	\$ 121,797	\$ -	\$ -	\$ -	\$ 73,202	\$ 194,999
Restricted for:						
Debt service	-	-	6,196,439	-	-	6,196,439
Property renovations/upgrades	-	-	-	384,468	2,581,089	2,965,557
Nutrition services	-	-	-	-	2,951,998	2,951,998
Student activities	-	-	-	-	1,336,313	1,336,313
Assigned to:						
Education services	1,000,157	-	-	-	-	1,000,157
Unassigned	(2,070,866)	(476,339)	-	-	-	(2,547,205)
Governmental Fund Balances	<u>\$ (948,912)</u>	<u>\$ (476,339)</u>	<u>\$ 6,196,439</u>	<u>\$ 384,468</u>	<u>\$ 6,942,602</u>	<u>\$ 12,098,258</u>

Deficit Fund Balances

The District reported deficits in fund balance as of June 30, 2025, as follows:

Fund	Deficit
General Fund	\$ (948,912)
Special Education Fund	(476,339)

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 9 – NEVADA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

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

Benefits Provided

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

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

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

Vesting

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

Contributions

Contribution provisions are specified by state statute and may be amended only by action of the State legislature. Contribution rates are based on biennial actuarial valuations and are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions (EE/ER), while the other plan provides for employer-pay contributions (EPC) only. Under the matching Employee/Employer Contribution (EE/ER) plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution (EE/ER) plan.

The required contribution rates for the years ended June 30, 2025 was 17.50%, for the EE/ER plan and 33.50%, for the EPC plan. The District's contributions to the Plan were \$7,539,057 and \$7,393,897 for the years ended June 30, 2025 and 2024, respectively.

PERS Investment Policy

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the PERS Board's adopted policy target asset allocation as of June 30, 2025:

Asset Class	Target Allocation	Long-Term
		Geometric Expected Real Rate of Return
U.S. Stocks	34%	5.50%
International Stocks	14%	5.50%
U.S. Bonds	28%	2.25%
Private Markets	12%	6.65%
Short-term investments	12%	0.50%
	<u>100%</u>	

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Net Pension Liability

At June 30, 2025, the District reported a liability of \$91,749,461 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the PERS pension plan relative to the total contributions of all participating reporting units and members. At June 30, 2024, the District's proportion of the regular plan was .50780%, which was a decrease of .000192 from its .47017% proportion measured as of June 30, 2023.

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

The following presents the net pension liability of the District calculated using the discount rate of 7.25%. The following also reflects what the District's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current discount rate of 7.25%.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net Pension Liability	\$ 147,544,241	\$ 91,749,461	\$ 45,718,160

Pension Plan Fiduciary Net Position

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

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025

Investment rate of return	7.25% per year.
Salary increases	4.20% to 9.10% depending on service.
Inflation rate	2.50% per year.
Productivity pay increase	0.50%
Other assumptions	Same as those used in the June 30, 2024 funding actuarial valuation.

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the year ended June 30, 2025, the District recognized pension expense of \$9,256,457. As of June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 19,464,321	\$ -
Changes in assumptions	5,920,251	-
Net difference between projected and actual earnings on pension plan assets	-	9,038,504
Changes in proportion	4,437,491	3,444,654
The District's contributions subsequent to the measurement date	7,539,057	-
	<u>\$ 37,361,120</u>	<u>\$ 12,483,158</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Amount
2026	\$ 2,130,973
2027	11,473,777
2028	977,613
2029	658,984
2030	2,097,559
	<u>\$ 17,338,906</u>

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

Plan Descriptions

Nevada Public Employees' Benefits Program

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

Douglas County School District Healthcare Plan

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

issued for this plan. The District has elected to pay the implicit cost of postemployment benefits on the *pay-as-you-go* basis. District contributions were \$331,124 for FY 25.

Plan membership consisted of 639 active plan members and 83 retirees as of September 1, 2024, the date of the latest actuarial valuation.

The District is self-insured for healthcare coverage. NRS 288.150 specifies that insurance benefits are subject to mandatory bargaining. The amount employees contribute towards their insurance premium is negotiated with each association.

Actuarial Methods and Assumptions

The District's net OPEB liability for each plan was measured as of June 30, 2024, and the total OPEB liabilities used to calculate their respective net OPEB liability were determined by actuarial valuations for each plan as of September 1, 2024.

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

	<u>District</u>	<u>PEBP</u>
Valuation Date	9/1/24	9/1/2024
Actuarial cost method	Entry Age Normal	Entry Age Normal
Inflation	2.50%	2.50%
Salary increases	3.00%	N/A
Discount rate	5.20%	5.20%
Retirement age	45 to 75	N/A
Healthcare cost trend rate		
2026	6.00%	6.50%
By 2075	grading to 3.9%	grading to 3.9%
		Post MC: 4.50%
Mortality	NV PERS 2021; Projected with MW Scale 2022	NV PERS 2021; Projected with MW Scale 2022

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

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

<u>Net OPEB Liability</u>	<u>1% Decrease in Discount Rate to 4.20%</u>	<u>Current Discount Rate 5.20%</u>	<u>1% Increase in Discount Rate to 6.20%</u>
District	\$ 4,183,536	\$ 3,870,389	\$ 3,585,331
PEBP	7,339,516	6,545,749	6,261,589
	<u>\$ 11,523,052</u>	<u>\$ 10,416,138</u>	<u>\$ 9,846,920</u>

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

<u>Net OPEB Liability</u>	<u>1% Decrease in Current Trend</u>	<u>Current Trend</u>	<u>1% Increase in Current Trend</u>
District	\$ 3,535,564	\$ 3,870,389	\$ 4,254,786
PEBP	6,280,719	6,545,749	7,306,876
	<u>\$ 9,816,283</u>	<u>\$ 10,416,138</u>	<u>\$ 11,561,662</u>

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

For the year ended June 30, 2025, the District recognized OPEB income of \$550,213 for the District Plan and OPEB income of \$1,755,643 for PEBP. As of June 30, 2025, the District reported deferred inflows of \$5,403,369 and \$-0- for the District Plan and PEBP, respectively, and deferred outflows of \$1,379,164 and \$-0-, respectively.

The deferred resources for the District Plan will be recognized as a component of annual OPEB expense or income.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Change in Net OPEB Liability

The following table depicts the District's changes in the net OPEB liability for the year ended June 30, 2025:

	District	PEBP	Combined
Balance, July 1, 2024	\$ 3,185,847	\$ 8,892,002	\$ 12,077,849
Changes for the Year:			
Service cost	101,589	-	101,589
Interest cost	122,689	337,850	460,539
Change of experience	251,059	(846,604)	
Changes of assumptions	540,329	(1,246,889)	(706,560)
Benefit payments	(331,124)	(590,610)	(921,734)
Net Changes	684,542	(2,346,253)	(1,661,711)
Balance, June 30, 2025	\$ 3,870,389	\$ 6,545,749	\$ 10,416,138

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. These risks are provided for through participation in the Nevada Public Agency Insurance Pool (the Pool), a public entity risk pool. The District pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool covers its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

Self-Insurance Health Fund

The District contributed approximately \$825 per employee to this fund for health and accident coverage. In addition, employees have the option to authorize payroll deductions for premiums for dependent coverage. The premiums are adjusted annually as necessary to properly allow for health and accident claims. The District's third party administrator monitors and negotiates payment of all health and accident claims.

The District is protected against unanticipated catastrophic individual or aggregate loss through its stop-loss coverage, which is in effect for individual claims exceeding \$275,000 and for aggregate loss, which is based on a factor determined monthly by the carrier.

Workers' Compensation Self-Insurance Fund

Claims are paid by a third-party administrator acting on behalf of the District. The District is protected against unanticipated catastrophic claims and annual aggregate loss by a commercial insurance carrier. Coverage is in effect for specific occurrences exceeding \$400,000. Liabilities for incurred losses to be settled

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

by fixed or reasonably determined payments over an extended period of time are computed by an actuary and are reported at their present value using an expected future investment yield of 2.5%.

The self-insurance funds are reported as internal service funds in the accompanying financial statements. Liabilities are recorded in the financial statements if it is probable that a liability has been incurred at the date of the financial statements and a reasonable estimate of the liability can be made. These liabilities include an estimate for claims that have been incurred but not yet reported. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are reevaluated annually to take into consideration recently settled claims, claim frequency, and other economic and social factors.

The changes in the claims liability for the years ended June 30, 2024 and 2025 are as follows:

	Self-Insurance Funds		
	Health Fund	Workers' Compensation	Total
Claims liability, July 1, 2023	\$ 1,079,848	\$ 610,000	\$ 1,689,848
Current year claims and changes in estimates	8,137,877	74,500	8,212,377
Claim payments	<u>(8,233,641)</u>	<u>(206,500)</u>	<u>(8,440,141)</u>
Claims liability, June 30, 2024	984,084	478,000	1,462,084
Current year claims and changes in estimates	9,571,263	213,214	9,784,477
Claim payments	<u>(9,420,853)</u>	<u>(175,214)</u>	<u>(9,596,067)</u>
Claims liability, June 30, 2025	<u>\$ 1,134,494</u>	<u>\$ 516,000</u>	<u>\$ 1,650,494</u>

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation

The District is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable. In the opinion of management, any resulting uninsured liability will not have a material effect, if any, on the financial position or results of the operations of the District.

Grants

The District has received state and federal grants for specific purposes that are subject to audit and review by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although, based on prior experience, the District believes such disallowances, if any, will not be material.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Construction Commitments

The District has active construction projects as of June 30, 2025 which are being financed primarily by available cash in the District's two capital projects funds. No additional financing is required to complete these projects.

Going Concern

Since June 30, 2022, the District has experienced a steady decline in its General Fund fund balance. Over the past three fiscal years, the fund balance has gone from \$10.6 million to a deficit at June 30, 2025 of \$949 thousand – a cumulative decrease of \$11.6 million. The most significant factors pertinent to the decline are:

- Declining student enrollment. From FY19-20 to FY24-25, the student enrollment has decreased by 862 students, or approximately 15%.
- Conversely, the special education enrollment has increased. Expenditures required to adequately serve this student population segment have consistently outpaced the State's funding for special education, thereby requiring increasing transfers from the General Fund.
- Beginning July 2021, the State's funding for K-12 public education is through the Pupil-Centered Funding Plan (PCFP) and in FY22-23, the State's mechanism for funding assistance to district's experiencing declining enrollment ("hold harmless") was discontinued and funding is based on actual enrollment.
- Contrary to the District's increasing enrollment decline, staffing levels in the District have increased by approximately 1% over the same time period discussed earlier.
- In FY23-24, the District negotiated an 11% salary increase to all employees, followed by a 4% increase in FY24-25.

Remediation efforts are being aggressively pursued by the District's administration, including, but not limited to:

- Review of and a temporary hold on hiring for vacant budgeted positions. Every vacated position will be critically evaluated prior to vacancies being filled.
- Review and revision of the District's Staff Allocation criteria, currently resulting in 47 positions reduced from the FY26 budget, most of which were vacant budget positions.
- Reduced six of the seven critical shortage teaching positions. These reductions came from advertising and mid-year hires.
- Vacant Inclusive Education teacher positions and parapro hours have been reduced without comprising IEP compliance.
- Planned textbook adoptions of \$250 thousand have been frozen.
- A continuing critical analysis of the District's expenditures. Such efforts are forecasting an approximate \$950 thousand savings in the General Fund.
- Exploration of new revenue sources, including implementation of a parking agreement with Douglas County and a school bus advertising program. To date, these programs have brought in approximately \$60 thousand of new revenue.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

- Researching the potential impacts of consolidating schools. This includes researching our facility capacity levels; savings amount of any consolidation; impact on transportation costs; the necessity of redrawing school boundaries; and, cost savings through the elimination of duplicate positions.

NOTE 13 – CHANGE WITHIN THE REPORTING ENTITY

During fiscal year 2025, there was a change within the financial reporting entity which resulted in the Capital Projects Fund being reported as a major fund instead of a nonmajor fund and in the Building and Sites Fund being reported as a nonmajor fund instead of a major fund. Accordingly, the funds' respective fund balances as of June 30, 2024 have been reported as adjustments to beginning fund balance, as follows:

	July 1, 2024, As Previously Reported	Change Within the Reporting Entity	July 1, 2024, As Restated
Nonmajor Funds	\$ 8,989,460	\$ (3,907,348)	\$ 5,082,112
New Major Fund - Capital Projects	N/A	4,494,212	4,494,212
Previous Major Fund - Buildings & Sites	586,864	(586,864)	-

DOUGLAS COUNTY SCHOOL DISTRICT

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

	Plan Year Ended				
	2024	2023	2022	2021	2020
District's proportion of the Net Pension Liability	0.50780%	0.47017%	0.48945%	0.51427%	0.51782%
District's proportionate share of the Net Pension Liability	\$ 91,749,461	\$ 85,820,451	\$ 88,369,704	\$ 46,897,874	\$ 72,123,743
District's covered employee payroll	\$ 44,185,933	\$ 43,620,526	\$ 36,240,689	\$ 35,776,138	\$ 36,405,291
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	207.64%	196.74%	243.84%	131.09%	198.11%
Plan fiduciary net position as a percentage of the Total Pension Liability	78.11%	76.16%	76.50%	86.51%	77.00%
	2019	2018	2017	2016	2015
District's proportion of the Net Pension Liability	0.52206%	0.53453%	0.57247%	0.58846%	0.60910%
District's proportionate share of the Net Pension Liability	\$ 71,188,494	\$ 72,898,330	\$ 76,137,260	\$ 79,189,924	\$ 69,799,991
District's covered employee payroll	\$ 36,654,122	\$ 35,646,119	\$ 35,305,799	\$ 35,363,059	\$ 35,561,565
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	194.22%	204.51%	215.65%	223.93%	196.28%
Plan fiduciary net position as a percentage of the Total Pension Liability	76.46%	75.23%	74.42%	72.20%	75.10%

DOUGLAS COUNTY SCHOOL DISTRICT

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

	Determined for the Year Ended June 30,				
	2025	2024	2023	2022	2021
Statutorily required contribution	\$ 7,539,057	\$ 7,393,897	\$ 5,491,452	\$ 5,376,583	\$ 5,378,816
Contributions in relation to the statutorily required contribution	<u>7,539,057</u>	<u>7,393,897</u>	<u>5,491,452</u>	<u>5,376,583</u>	<u>5,378,816</u>
Contribution deficiency (excess)	-	-	-	-	-
District's covered employee payroll	\$ 44,185,933	\$ 43,620,526	\$ 36,240,689	\$ 35,776,138	\$ 36,405,291
Contributions as a percentage of covered employee payroll	17.06%	16.95%	15.15%	15.03%	14.77%
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 5,415,208	\$ 5,025,730	\$ 4,983,219	\$ 4,989,279	\$ 8,912,739
Contributions in relation to the statutorily required contribution	<u>5,415,208</u>	<u>5,025,730</u>	<u>4,983,219</u>	<u>4,989,279</u>	<u>8,912,739</u>
Contribution deficiency (excess)	-	-	-	-	-
District's covered employee payroll	\$ 36,654,122	\$ 35,646,119	\$ 35,305,799	\$ 35,363,059	\$ 35,561,565
Contributions as a percentage of covered employee payroll	14.77%	14.10%	14.11%	14.11%	25.06%

DOUGLAS COUNTY SCHOOL DISTRICT

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

	2025			2024		
	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability						
Service cost	\$ 101,589	\$ -	\$ 101,589	\$ 101,679	\$ -	\$ 101,679
Interest	122,689	337,850	460,539	118,681	332,841	451,522
Expected versus actual experience	251,059	(846,604)	(595,545)	-	-	-
Changes in assumptions	540,329	(1,246,889)	(706,560)	(38,779)	(244,675)	(283,454)
Benefit payments	(331,124)	(590,610)	(921,734)	(291,207)	(630,201)	(921,408)
Net change in Total OPEB Liability	684,542	(2,346,253)	(1,661,711)	(109,626)	(542,035)	(651,661)
Total OPEB Liability, beginning	3,185,847	8,892,002	12,077,849	3,295,473	9,434,037	12,729,510
Total OPEB Liability, ending	3,870,389	6,545,749	10,416,138	3,185,847	8,892,002	12,077,849
Plan Fiduciary Net Position						
Employer contributions	331,124	590,610	921,734	291,207	662,556	953,763
Net investment income	-	-	-	-	-	-
Benefit payments	(331,124)	(590,610)	(921,734)	(291,207)	(662,556)	(953,763)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-
District's Net OPEB Liability	\$ 3,870,389	\$ 6,545,749	\$ 10,416,138	\$ 3,185,847	\$ 8,892,002	\$ 12,077,849
Covered payroll	\$ 42,639,998	N/A	N/A	\$ 43,391,859	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	9.08%	N/A	N/A	7.34%	N/A	N/A

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

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DOUGLAS COUNTY SCHOOL DISTRICT

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

	2023			2022			2021		
	District	PEBP	Total	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability									
Service cost	\$ 348,551	\$ -	\$ 348,551	\$ 438,487	\$ -	\$ 438,487	\$ 413,849	\$ -	\$ 413,849
Interest	234,782	356,453	591,235	160,882	261,495	422,377	170,448	339,258	509,706
Expected versus actual experience	(3,142,467)	(187,506)	(3,329,973)	-	-	-	(1,965,138)	(2,900,406)	(4,865,544)
Changes in assumptions	(304,856)	(472,922)	(777,778)	(1,077,162)	(1,630,288)	(2,707,450)	1,325,871	(2,472)	1,323,399
Benefit payments	(248,460)	(662,556)	(911,016)	(248,142)	(673,756)	(921,898)	(219,786)	(688,599)	(908,385)
Net change in Total OPEB Liability	(3,112,450)	(966,531)	(4,078,981)	(725,935)	(2,042,549)	(2,768,484)	(274,756)	(3,252,219)	(3,526,975)
Total OPEB Liability, beginning	6,407,923	10,400,568	16,808,491	7,133,858	12,443,117	19,576,975	7,408,614	15,695,336	23,103,950
Total OPEB Liability, ending	3,295,473	9,434,037	12,729,510	6,407,923	10,400,568	16,808,491	7,133,858	12,443,117	19,576,975
Plan Fiduciary Net Position									
Employer contributions	248,460	662,556	911,016	248,142	673,756	921,898	219,786	688,599	908,385
Net investment income	-	-	-	-	-	-	-	-	-
Benefit payments	(248,460)	(662,556)	(911,016)	(248,142)	(673,756)	(921,898)	(219,786)	(688,599)	(908,385)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-	-	-	-
District's Net OPEB Liability	\$ 3,295,473	\$ 9,434,037	\$ 12,729,510	\$ 6,407,923	\$ 10,400,568	\$ 16,808,491	\$ 7,133,858	\$ 12,443,117	\$ 19,576,975
Covered payroll	\$ 39,116,652	N/A	N/A	\$ 37,977,332	N/A	N/A	\$ 38,199,000	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	8.42%	N/A	N/A	16.87%	N/A	N/A	18.68%	N/A	N/A

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

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DOUGLAS COUNTY SCHOOL DISTRICT

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

	2020			2019			2018		
	District	PEBP	Total	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability									
Service cost	\$ 308,442	\$ -	\$ 308,442	\$ 470,590	\$ -	\$ 470,590	\$ 487,581	\$ -	\$ 487,581
Interest	221,063	473,506	694,569	352,961	531,373	884,334	315,670	512,486	828,156
Expected versus actual experience	-	-	-	(2,182,159)	(1,222,963)	(3,405,122)	-	-	-
Changes in assumptions	1,023,019	2,120,778	3,143,797	(995,379)	1,322,789	327,410	(398,244)	(575,379)	(973,623)
Benefit payments	(267,079)	(778,304)	(1,045,383)	(251,622)	(823,650)	(1,075,272)	(262,271)	(766,650)	(1,028,921)
Net change in Total OPEB Liability	1,285,445	1,815,980	3,101,425	(2,605,609)	(192,451)	(2,798,060)	142,736	(829,543)	(686,807)
Total OPEB Liability, beginning	6,123,169	13,879,356	20,002,525	8,728,778	14,071,807	22,800,585	8,586,042	14,901,350	23,487,392
Total OPEB Liability, ending	7,408,614	15,695,336	23,103,950	6,123,169	13,879,356	20,002,525	8,728,778	14,071,807	22,800,585
Plan Fiduciary Net Position									
Employer contributions	267,079	778,304	1,045,383	251,622	823,650	1,075,272	262,271	766,650	1,028,921
Net investment income	-	-	-	-	-	-	-	-	-
Benefit payments	(267,079)	(778,304)	(1,045,383)	(251,622)	(823,650)	(1,075,272)	(262,271)	(766,650)	(1,028,921)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-	-	-	-
District's Net OPEB Liability	\$ 7,408,614	\$ 15,695,336	\$ 23,103,950	\$ 6,123,169	\$ 13,879,356	\$ 20,002,525	\$ 8,728,778	\$ 14,071,807	\$ 22,800,585
Covered payroll	\$ 37,443,397	N/A	N/A	\$ 31,511,797	N/A	N/A	\$ 35,338,249	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	19.79%	N/A	N/A	0.1943	N/A	N/A	0.247	N/A	N/A

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

DOUGLAS COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Ad valorem taxes	\$ 3,771,002	\$ 3,771,002	\$ 4,108,202	\$ 337,200	\$ 3,863,112
Earnings on investments	30,000	30,000	201,983	171,983	156,111
Total Local Sources	3,801,002	3,801,002	4,310,185	509,183	4,019,223
Federal Sources:					
Bond interest subsidy	56,600	56,600	96,161	39,561	122,174
Total Revenues	3,857,602	3,857,602	4,406,346	548,744	4,141,397
EXPENDITURES					
Debt Service:					
Principal	2,393,000	2,393,000	2,393,000	-	2,385,000
Interest	628,099	628,099	628,099	-	669,686
Fiscal agent charges	6,000	6,000	2,300	3,700	3,050
Total Expenditures	3,027,099	3,027,099	3,023,399	3,700	3,057,736
Revenues Over (Under) Expenditures	830,503	830,503	1,382,947	552,444	1,083,661
OTHER FINANCING SOURCES (USES)					
Transfer (to) other funds	(300,000)	(300,000)	(300,000)	-	(100,000)
Net Change in Fund Balance	530,503	530,503	1,082,947	552,444	983,661
FUND BALANCE, July 1	4,815,683	5,113,492	5,113,492	-	4,129,831
FUND BALANCE, June 30	\$ 5,346,186	\$ 5,643,995	\$ 6,196,439	\$ 552,444	\$ 5,113,492

DOUGLAS COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Governmental services tax	\$ 1,781,143	\$ 1,781,143	\$ 1,886,267	\$ 105,124	\$ 1,765,776
Residential construction tax	422,958	422,958	400,139	(22,819)	507,460
Earnings on investments	20,000	20,000	75,596	55,596	151,865
Total Revenues	2,224,101	2,224,101	2,362,002	137,901	2,425,101
EXPENDITURES					
Undistributed Expenditures:					
Central Services:					
Supplies	-	326,733	308,112	18,621	786,154
Property	-	148,063	176,471	(28,408)	99,765
	-	474,796	484,583	(9,787)	885,919
Other Support:					
Purchased services	-	64,000	63,386	614	-
Supplies	525,000	-	-	-	-
Property	60,000	28,408	-	28,408	85,470
	585,000	92,408	63,386	29,022	85,470
Total Support Services	585,000	567,204	547,969	19,235	971,389
Facilities Acquisition and Construction:					
Building Acquisition/Construction					
Purchased services	-	-	-	-	198,075
Site Improvements:					
Purchased services	-	239,000	232,994	6,006	1,155,244
Building Improvements:					
Purchased services	3,400,000	3,503,796	3,794,162	(290,366)	975,815
Total Facilities Acquisition and Construction	3,400,000	3,742,796	4,027,156	(284,360)	2,329,134

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DOUGLAS COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
Total Expenditures	\$ 3,985,000	\$ 4,310,000	\$ 4,575,125	\$ (265,125)
Revenues Over (Under) Expenditures	(1,760,899)	(2,085,899)	(2,213,123)	(127,224)
OTHER FINANCING SOURCES				
Transfer from other funds	300,000	300,000	300,000	-
Net Change in Fund Balance	(1,460,899)	(1,785,899)	(1,913,123)	(127,224)
FUND BALANCE, July 1	3,277,868	4,494,212	4,494,212	-
FUND BALANCE, June 30	\$ 1,816,969	\$ 2,708,313	\$ 2,581,089	\$ (127,224)

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2025

	SPECIAL REVENUE FUNDS					TOTALS	CAPITAL PROJECTS	
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT-RISK	PCFP GIFTED & TALENTED		FUND BUILDING AND SITES	TOTAL
ASSETS								
Cash and investments	\$ 2,862,947	\$ 1,336,313	\$ 184,300	\$ 34,119	\$ -	\$ 4,417,679	\$ 392,386	\$ 4,810,065
Receivables	186,033	-	-	-	1,276	187,309	2,495	189,804
Inventories	73,202	-	-	-	-	73,202	-	73,202
Total Assets	<u>\$ 3,122,182</u>	<u>\$ 1,336,313</u>	<u>\$ 184,300</u>	<u>\$ 34,119</u>	<u>\$ 1,276</u>	<u>\$ 4,678,190</u>	<u>\$ 394,881</u>	<u>\$ 5,073,071</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 96,982	\$ -	\$ 184,300	\$ 34,119	\$ -	\$ 315,401	\$ 2,467	\$ 317,868
Retainage payable	-	-	-	-	-	-	7,946	7,946
Due to other funds	-	-	-	-	1,276	1,276	-	1,276
Total Liabilities	<u>96,982</u>	<u>-</u>	<u>184,300</u>	<u>34,119</u>	<u>1,276</u>	<u>316,677</u>	<u>10,413</u>	<u>327,090</u>
FUND BALANCES								
Nonspendable	73,202	-	-	-	-	73,202	-	73,202
Restricted	2,951,998	1,336,313	-	-	-	4,288,311	384,468	4,672,779
Total Fund Balances	<u>3,025,200</u>	<u>1,336,313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,361,513</u>	<u>384,468</u>	<u>4,745,981</u>
Total Liabilities and Fund Balances	<u>\$ 3,122,182</u>	<u>\$ 1,336,313</u>	<u>\$ 184,300</u>	<u>\$ 34,119</u>	<u>\$ 1,276</u>	<u>\$ 4,678,190</u>	<u>\$ 394,881</u>	<u>\$ 5,073,071</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT- RISK	PCFP GIFTED & TALENTED	SUB- TOTALS	BUILDING AND SITES	CAPITAL PROJECTS	TOTAL
REVENUES									
Local sources	\$ 972,160	\$ 2,032,237	\$ -	\$ -	\$ -	\$ 3,004,397	\$ 75,141	\$ -	\$ 3,079,538
State sources	32,535	-	677,805	322,899	92,633	1,125,872	-	-	1,125,872
Federal sources	1,112,882	-	-	-	-	1,112,882	-	-	1,112,882
Total Revenues	<u>2,117,577</u>	<u>2,032,237</u>	<u>677,805</u>	<u>322,899</u>	<u>92,633</u>	<u>5,243,151</u>	<u>75,141</u>	<u>-</u>	<u>5,318,292</u>
EXPENDITURES									
Regular programs	-	1,434,751	-	-	-	1,434,751	-	-	1,434,751
Other instructional programs	-	20,047	677,805	322,899	92,633	1,113,384	-	-	1,113,384
Undistributed Expenditures:									
Student support	-	550,000	-	-	-	550,000	-	-	550,000
Central services	-	-	-	-	-	-	-	-	-
Other support	-	-	-	-	-	-	-	-	-
Noninstructional:									
Food service	2,274,318	-	-	-	-	2,274,318	-	-	2,274,318
Facilities Acquisition and Construction	-	-	-	-	-	-	277,537	-	277,537
Total Expenditures	<u>2,274,318</u>	<u>2,004,798</u>	<u>677,805</u>	<u>322,899</u>	<u>92,633</u>	<u>5,372,453</u>	<u>277,537</u>	<u>-</u>	<u>5,649,990</u>
Revenues Over (Under) Expenditures	<u>(156,741)</u>	<u>27,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(129,302)</u>	<u>(202,396)</u>	<u>-</u>	<u>(331,698)</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS		TOTAL	
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT- RISK	PCFP GIFTED & TALENTED	SUB- TOTALS	BUILDING AND SITES		CAPITAL PROJECTS
FUND BALANCES, July 1, as previously reported	\$ 3,186,374	\$ 1,308,874	\$ -	\$ -	\$ -	\$ 4,495,248	\$ -	\$ 4,494,212	\$ 8,989,460
Adjustment	-	-	-	-	-	-	586,864	(4,494,212)	(3,907,348)
FUND BALANCES, July 1 as restated	3,186,374	1,308,874	-	-	-	4,495,248	586,864	-	5,082,112
Increase (decrease) in reserve for inventories	(4,433)	-	-	-	-	(4,433)	-	-	(4,433)
FUND BALANCES, June 30	<u>\$ 3,025,200</u>	<u>\$ 1,336,313</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,361,513</u>	<u>\$ 384,468</u>	<u>\$ -</u>	<u>\$ 4,745,981</u>

DOUGLAS COUNTY SCHOOL DISTRICT

FOOD SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 15,000	\$ 15,000	\$ 92,864	\$ 77,864	\$ 71,827
Daily sales	480,000	480,000	879,296	399,296	232,387
Other local sources	50,000	50,000	-	(50,000)	-
Total Local Sources	545,000	545,000	972,160	427,160	304,214
State Sources - Grants	8,000	8,000	32,535	24,535	203,510
Federal Sources - Grants	1,220,000	1,220,000	1,112,882	(107,118)	2,786,531
Total Revenues	1,773,000	1,773,000	2,117,577	344,577	3,294,255
EXPENDITURES					
Salaries	997,735	1,000,099	928,368	71,731	920,879
Benefits	475,580	475,784	448,805	26,979	436,231
Purchased services	17,050	17,550	9,147	8,403	12,283
Supplies	1,291,205	1,315,536	876,542	438,994	1,275,148
Property	226,681	201,850	8,850	193,000	81,384
Other	2,950	2,950	2,606	344	2,532
Total Food Service	3,011,201	3,013,769	2,274,318	739,451	2,728,457
Contingency	25,000	25,000	-	25,000	-
Total Expenditures	3,036,201	3,038,769	2,274,318	764,451	2,728,457
Net Change in Fund Balance	(1,263,201)	(1,265,769)	(156,741)	1,109,028	565,798
FUND BALANCE, July 1	1,774,396	3,186,374	3,186,374	-	2,622,952
Increase (decrease) in reserve for inventories	-	-	(4,433)	(4,433)	(2,376)
FUND BALANCE, June 30	<u>\$ 511,195</u>	<u>\$ 1,920,605</u>	<u>\$ 3,025,200</u>	<u>\$ 1,104,595</u>	<u>\$ 3,186,374</u>

DOUGLAS COUNTY SCHOOL DISTRICT

STUDENT ACTIVITIES FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	VARIANCE TO	2024
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Student activities	\$ 2,120,000	\$ 2,120,000	\$ 2,032,237	\$ (87,763)	\$ 1,730,680
EXPENDITURES					
Regular Programs:					
Supplies	1,500,000	1,500,000	1,434,751	65,249	1,321,600
Other Instructional Programs:					
Supplies	70,000	70,000	20,047	49,953	16,729
Undistributed Expenditures:					
Student Support:					
Supplies	550,000	550,000	550,000	-	334,582
Total Expenditures	2,120,000	2,120,000	2,004,798	115,202	1,672,911
Net Change in Fund Balance	-	-	27,439	27,439	57,769
FUND BALANCE, July 1,	<u>1,251,105</u>	<u>1,308,874</u>	<u>1,308,874</u>	<u>-</u>	<u>1,251,105</u>
FUND BALANCE, June 30	<u>\$ 1,251,105</u>	<u>\$ 1,308,874</u>	<u>\$ 1,336,313</u>	<u>\$ 27,439</u>	<u>\$ 1,308,874</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-ENGLISH LEARNER
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 715,932	\$ 677,805	\$ 677,805	\$ -	\$ 681,857
EXPENDITURES					
Other Instructional Programs:					
Salaries	455,251	471,945	457,740	14,205	473,646
Benefits	260,681	205,860	220,065	(14,205)	234,680
Total Expenditures	715,932	677,805	677,805	-	708,326
Net Change in Fund Balance	-	-	-	-	(26,469)
FUND BALANCE, July 1	-	-	-	-	26,469
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-AT RISK

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 563,426	\$ 322,899	\$ 322,899	\$ -	\$ 536,610
EXPENDITURES					
Other Instructional Programs:					
Salaries	349,017	217,881	215,224	2,657	348,618
Benefits	214,409	105,018	107,675	(2,657)	187,992
Total Expenditures	563,426	322,899	322,899	-	536,610
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-GIFTED & TALENTED
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 51,965	\$ 92,633	\$ 92,633	\$ -	\$ 49,492
EXPENDITURES					
Other Instructional Programs:					
Salaries	33,120	67,503	67,417	86	100,721
Benefits	18,845	25,130	25,216	(86)	51,846
Total Expenditures	51,965	92,633	92,633	-	152,567
Net Change in Fund Balance	-	-	-	-	(103,075)
FUND BALANCE, July 1	-	-	-	-	103,075
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

BUILDING AND SITES FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 1,014	\$ 2,946	\$ 15,646	\$ 12,700	\$ 32,127
Rents	2,400	2,400	59,495	57,095	6,567
Total Revenues	3,414	5,346	75,141	69,795	38,694
EXPENDITURES					
Other Support:					
Purchased services	-	-	-	-	10,000
Supplies	-	-	-	-	4,200
Property	-	-	-	-	8,864
	-	-	-	-	23,064
Facilities Acquisition and Construction:					
Site Improvement:					
Purchased services	-	37,500	-	37,500	68,069
Building Improvement:					
Purchased services	-	433,000	277,537	155,463	1,015,599
Total Facilities Acquisition and Construction	-	470,500	277,537	192,963	1,083,668
Total Expenditures	-	470,500	277,537	192,963	1,106,732
Net Change in Fund Balance	3,414	(465,154)	(202,396)	262,758	(1,068,038)
FUND BALANCE, July 1	200,445	586,864	586,864	-	1,654,902
FUND BALANCE, June 30	\$ 203,859	\$ 121,710	\$ 384,468	\$ 262,758	\$ 586,864

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	SELF- INSURANCE HEALTH FUND	WORKERS' COMP SELF INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
			2025	2024
ASSETS				
Current Assets:				
Cash and investments	\$ 1,746,890	\$ 1,947,413	\$ 3,694,303	\$ 3,627,978
Receivables	2,624	3,943	6,567	93,340
Due from other funds	507,678	25,997	533,675	553,259
Total Assets	2,257,192	1,977,353	4,234,545	4,274,577
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	5,614	6,167	11,781	39,651
Unearned revenue	507,678	-	507,678	526,344
Pending claims	1,134,494	516,000	1,650,494	1,462,184
Total Current Liabilities	1,647,786	522,167	2,169,953	2,028,179
NET POSITION				
Restricted	\$ 609,406	\$ 1,455,186	\$ 2,064,592	\$ 2,246,398

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
COMBINING STATEMENT OF
REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	SELF - INSURANCE HEALTH FUND	WORKERS' COMP SELF INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
			2025	2024
OPERATING REVENUES				
Insurance premiums	\$ 9,185,439	\$ 420,483	\$ 9,605,922	\$ 9,010,217
Insurance proceeds	162,349	-	162,349	226,019
Other	-	12,021	12,021	-
Total Operating Revenues	<u>9,347,788</u>	<u>432,504</u>	<u>9,780,292</u>	<u>9,236,236</u>
OPERATING EXPENSES				
Claims expense	9,571,163	213,214	9,784,377	8,212,376
Purchased services	1,153,004	105,200	1,258,204	1,150,325
Other	3,630	-	3,630	3,920
Total Operating Expenses	<u>10,727,797</u>	<u>318,414</u>	<u>11,046,211</u>	<u>9,366,621</u>
Operating Income (Loss)	(1,380,009)	114,090	(1,265,919)	(130,385)
NONOPERATING REVENUES				
Earnings on investments	26,507	57,606	84,113	66,075
Income (loss) before transfers	(1,353,502)	171,696	(1,181,806)	(64,310)
TRANSFERS				
Transfers in	1,000,000	-	1,000,000	1,000,000
Change in Net Position	(353,502)	171,696	(181,806)	935,690
NET POSITION, July 1	<u>962,908</u>	<u>1,283,490</u>	<u>2,246,398</u>	<u>1,310,708</u>
NET POSITION, June 30	<u>\$ 609,406</u>	<u>\$ 1,455,186</u>	<u>\$ 2,064,592</u>	<u>\$ 2,246,398</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS COMBINING STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	SELF - INSURANCE HEALTH FUND	WORKERS' COMP SELF INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
			2025	2024
CASH FROM OPERATING ACTIVITIES				
Cash received from insurance premiums	\$ 9,185,439	\$ 421,401	\$ 9,606,840	\$ 8,983,302
Cash received from insurance and other	238,574	22,569	261,143	235,973
Cash paid for claims and services	(10,577,284)	(308,487)	(10,885,771)	(9,582,889)
Net cash provided (used) by operating activities	<u>(1,153,271)</u>	<u>135,483</u>	<u>(1,017,788)</u>	<u>(363,614)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfer from other funds	1,000,000	-	1,000,000	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	26,507	57,606	84,113	66,075
Net Increase (Decrease) in Cash and Investments	(126,764)	193,089	66,325	702,461
CASH AND INVESTMENTS, July 1	<u>1,873,654</u>	<u>1,754,324</u>	<u>3,627,978</u>	<u>2,925,517</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,746,890</u>	<u>\$ 1,947,413</u>	<u>\$ 3,694,303</u>	<u>\$ 3,627,978</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,380,009)	\$ 114,090	\$ (1,265,919)	\$ (130,385)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	76,225	10,548	86,773	9,954
Premiums due from other funds	18,665	918	19,583	82,030
Accounts payable and accrued expenses	203	(28,073)	(27,870)	11,497
Unearned revenue	(18,665)	-	(18,665)	(108,945)
Pending claims	150,310	38,000	188,310	(227,765)
Total Adjustments	<u>226,738</u>	<u>21,393</u>	<u>248,131</u>	<u>(233,229)</u>
Net cash provided (used) by operating activities	<u>\$ (1,153,271)</u>	<u>\$ 135,483</u>	<u>\$ (1,017,788)</u>	<u>\$ (363,614)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

SELF-INSURANCE HEALTH FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Insurance premiums	\$ 8,810,000	\$ 8,810,000	\$ 9,185,439	\$ 375,439	\$ 8,593,645
Insurance proceeds	-	-	162,349	162,349	217,798
Total Operating Revenues	8,810,000	8,810,000	9,347,788	537,788	8,811,443
OPERATING EXPENSES					
Claims expense	8,100,000	8,100,000	9,571,163	(1,471,163)	8,137,876
Purchased services	1,255,000	1,255,000	1,153,004	101,996	1,047,265
Other	9,030	9,030	3,630	5,400	3,920
Total Operating Expenses	9,364,030	9,364,030	10,727,797	(1,363,767)	9,189,061
Operating Income (Loss)	(554,030)	(554,030)	(1,380,009)	(825,979)	(377,618)
NONOPERATING REVENUES					
Earnings on investments	10,000	10,000	26,507	16,507	18,425
Income (Loss) Before Transfers	(544,030)	(544,030)	(1,353,502)	(809,472)	(359,193)
TRANSFERS					
Transfers from other funds	1,000,000	1,000,000	1,000,000	-	1,000,000
Change in Net Position	455,970	455,970	(353,502)	(809,472)	640,807
NET POSITION, July 1	326,167	962,908	962,908	-	322,101
NET POSITION, June 30	\$ 782,137	\$ 1,418,878	\$ 609,406	\$ (809,472)	\$ 962,908

DOUGLAS COUNTY SCHOOL DISTRICT

SELF-INSURANCE HEALTH FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from insurance premiums	\$ 8,810,000	\$ 8,810,000	\$ 9,185,439	\$ 375,439	\$ 8,593,645
Cash received from insurance and other	-	-	238,574	238,574	224,716
Cash paid for claims and services	(9,364,030)	(9,364,030)	(10,577,284)	(1,213,254)	(9,283,813)
Net cash provided (used) by operating activities	(554,030)	(554,030)	(1,153,271)	(599,241)	(465,452)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers from other funds	1,000,000	1,000,000	1,000,000	-	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	10,000	10,000	26,507	16,507	18,425
Net Increase (Decrease) in Cash	455,970	455,970	(126,764)	(582,734)	552,973
CASH AND INVESTMENTS, July 1	<u>1,324,747</u>	<u>1,876,398</u>	<u>1,873,654</u>	<u>(2,744)</u>	<u>1,320,681</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,780,717</u>	<u>\$ 2,332,368</u>	<u>\$ 1,746,890</u>	<u>\$ (585,478)</u>	<u>\$ 1,873,654</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)			<u>\$ (1,380,009)</u>		<u>\$ (377,618)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Change in assets and liabilities:					
Receivables			76,225		6,918
Premiums due from other funds			18,665		86,644
Accounts payable and accrued exp.			203		1,013
Unearned revenues			(18,665)		(86,644)
Pending claims			150,310		(95,765)
Total Adjustments			<u>226,738</u>		<u>(87,834)</u>
Net cash provided (used) by operating activities			<u>\$ (1,153,271)</u>		<u>\$ (465,452)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

WORKERS' COMPENSATION SELF-INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Insurance premiums	\$ 360,000	\$ 360,000	\$ 420,483	\$ 60,483	\$ 416,572
Other	10,000	10,000	12,021	2,021	8,221
Total Operating Revenues	370,000	370,000	432,504	62,504	424,793
OPERATING EXPENSES					
Claims expense	-	-	213,214	(213,214)	74,500
Purchased services	518,800	518,800	105,200	413,600	103,060
Total Operating Expenses	518,800	518,800	318,414	200,386	177,560
Operating Income (Loss)	(148,800)	(148,800)	114,090	262,890	247,233
NONOPERATING REVENUES					
Earnings on investments	20,000	20,000	57,606	37,606	47,650
Change in Net Position	(128,800)	(128,800)	171,696	300,496	294,883
NET POSITION, July 1	934,807	1,283,490	1,283,490	-	988,607
NET POSITION, June 30	\$ 806,007	\$ 1,154,690	\$ 1,455,186	\$ 300,496	\$ 1,283,490

DOUGLAS COUNTY SCHOOL DISTRICT

WORKERS' COMPENSATION SELF-INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from insurance premiums	\$ 360,000	\$ 360,000	\$ 421,401	\$ 61,401	\$ 389,657
Cash received from other sources	10,000	10,000	22,569	12,569	11,257
Cash paid for claims and services	(518,800)	(518,800)	(308,487)	210,313	(299,076)
Net cash provided (used) by operating activities	(148,800)	(148,800)	135,483	284,283	101,838
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	20,000	20,000	57,606	37,606	47,650
Net Increase (Decrease) in Cash	(128,800)	(128,800)	193,089	321,889	149,488
CASH AND INVESTMENTS, July 1	<u>1,551,036</u>	<u>1,551,036</u>	<u>1,754,324</u>	<u>203,288</u>	<u>1,604,836</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,422,236</u>	<u>\$ 1,422,236</u>	<u>\$ 1,947,413</u>	<u>\$ 525,177</u>	<u>\$ 1,754,324</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)			\$ 114,090		\$ 247,233
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Change in assets and liabilities:					
Receivables			10,548		3,036
Premiums due from other funds			918		(4,614)
Accounts payable and accrued exp.			(28,073)		10,484
Unearned revenue			-		(22,301)
Pending claims			38,000		(132,000)
Total Adjustments			<u>21,393</u>		<u>(145,395)</u>
Net cash provided (used) by operating activities			<u>\$ 135,483</u>		<u>\$ 101,838</u>



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

To the Board of Trustees
Douglas County School District
Minden, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Douglas County School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Reno, Nevada
December 1, 2025

DRAFT



DOUGLAS COUNTY SCHOOL DISTRICT

INDEPENDENT AUDITORS' COMMENTS

JUNE 30, 2025

CURRENT YEAR STATUTE COMPLIANCE

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

STATUS OF PRIOR YEAR STATUTE VIOLATIONS

There were no potential statute or regulation violations noted in the 2024 audit.

CURRENT YEAR AUDIT RECOMMENDATIONS

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

STATUS OF PRIOR YEAR AUDIT RECOMMENDATIONS

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

DOUGLAS COUNTY SCHOOL DISTRICT

***FINANCIAL STATEMENTS &
SUPPLEMENTARY INFORMATION***

Fiscal Year Ended

June 30, 2025



SILVA, SCEIRINE
& ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
District-Wide Financial Statements	
Statement of Net Position (Deficit)	18
Statement of Activities	19
Fund Financial Statements	
Balance Sheet – Governmental Funds	20
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	24
Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	25
<i>Major Special Revenue Funds:</i>	
Special Education Fund	30
Grants Fund	32
Statement of Net Position – Proprietary Funds	36
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	37
Statement of Cash Flows – Proprietary Funds	38
Notes to the Financial Statements	40
REQUIRED SUPPLEMENTAL INFORMATION	
Schedule of the District's Proportionate Share of the Net Pension Liability	67
Schedule of District's Contributions to Nevada PERS	68
Schedule of Changes in Net Other Postemployment Benefits Liability	69

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

Schedule of Revenues, Expenditures and Changes in Fund Balances –

Budget and Actual:

Debt Service Fund 72

Capital Projects 73

Nonmajor Governmental Funds

Combining Balance Sheet 75

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances 76

Schedules of Revenues, Expenditures, and Changes in Fund Balances –

Budget and Actual:

Food Service Fund 78

Student Activities Fund 79

PCFP-English Learner 80

PCFP-At Risk 81

PCFP-Gifted & Talented 82

Capital Projects 83

Proprietary Funds – Internal Service Funds

Combining Statement of Net Position 84

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position 85

Combining Statement of Cash Flows 86

Self Insurance Health Fund

Schedule of Revenues, Expenses, and Changes in Fund Net Position –

Budget and Actual 87

Schedule of Cash Flows – Budget and Actual 88

Workers' Compensation Self-Insurance Fund

Schedule of Revenues, Expenses, and Changes in Fund Net Position –

Budget and Actual 89

Schedule of Cash Flows – Budget and Actual 90

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

TABLE OF CONTENTS JUNE 30, 2025

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	91
Independent Auditors' Comments	93



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Douglas County School District
Minden, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Douglas County School District, Minden, Nevada (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Douglas County School District as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Substantial Doubt about the District's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the District will continue as a going concern. As discussed in Note 12 to the financial statements, the District has deficit fund balances in its General and Special Education funds. Management's evaluation of the events and conditions and its plans regarding those matters are also described in Note 12. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation in the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the schedules related to the District's net pension liability and net other postemployment benefit liability be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in

an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior Year Partial Comparative Information

We have previously audited in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2024, and have issued our report thereon dated November 30, 2024 which expressed an unmodified opinion on the respective financial statements of the governmental activities and each major fund. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2024 is consistent with the audited financial statements from which it is derived.

The individual fund financial statements and schedules related to the 2024 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2024 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2024 basic financial statements and certain other additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund financial statements and schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Silva Scirene & Assoc, LLC

Reno, Nevada
December 1, 2025



DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Management's Discussion and Analysis of Douglas County School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. We encourage readers to read the information presented here in conjunction with the District's financial statements, which follow this narrative.

Financial Highlights

- The District's net position (deficit) of \$(12,763,759) as of June 30, 2025, represents a decrease in net position of \$3,354,799 in FY25, which followed a net decrease of \$2,087,751 in FY24.
- The District's governmental funds decreased by \$7,062,872 in FY25, compared to an decrease of \$7,068,751 in FY24.

Overview of the Financial Statements

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

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

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

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

Supplementary information, including combining and individual fund statements and schedules, providing budget to actual and prior year comparisons, are presented in this part of the statements. Also included in this section is *Required Supplementary Information*, which presents in tabular format certain data related to the District's pension and other postemployment benefit (OPEB) liabilities.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

District-wide Financial Statements

The District-wide financial statements are designed to provide the reader with a broad overview of the Douglas County School District's finances, similar in format to a financial statement of a private-sector business.

The *Statement of Net Position* presents information on all the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

In many government entities, the District-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges by reporting them as business-type activities. The District has no functions in the business-type category, which results in the entire statement representing governmental activities. The District-wide financial statements are on pages 18 and 19 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the District's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Douglas County School District uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the Nevada Revised Statutes (NRS) and the District's regulations. The District's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The focus of the governmental fund statements is on major funds. The determination of a major fund is primarily dependent on criteria established by the Governmental Accounting Standards Board (GASB). Each fund is assessed on an annual basis and its classification as major or nonmajor can change. The District has 12 individual governmental funds. For the year ended June 30, 2025, the following are considered major funds:

- General Fund
- Special Education Fund
- Grants Fund
- Debt Service Fund
- Capital Projects Fund

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

Proprietary Funds – Proprietary funds are comprised of enterprise funds and internal service funds. As previously discussed, the District has no business-type activities to be accounted for in enterprise funds.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the functions of the District. The District uses two internal service funds to account for its self-insurance of employees' health care and workers' compensation. Because internal service fund operations primarily benefit governmental funds, they are included in the governmental activities in the District-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

DISTRICT-WIDE FINANCIAL ANALYSIS

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The negative net position can be attributed to GASB 68 and GASB 75 and the recording of a net pension and other postemployment benefits liability (net of the related deferred inflows and outflows) totaling \$81.3 million at year end.

The table below presents a comparison of the District's net position (deficit) as of June 30, 2025 compared to the prior year.

DISTRICT'S NET POSITION				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	
	<i>(In Millions)</i>			
Assets				
Current assets	\$ 21.6	\$ 29.3	\$ (7.7)	-26.3%
Net capital assets	78.7	78.3	0.4	0.5%
Total Assets	<u>100.3</u>	<u>107.6</u>	<u>(7.3)</u>	-6.8%
Deferred Outflows of Resources	<u>39.0</u>	<u>28.0</u>	<u>11.0</u>	39.3%
Total Assets and Deferred Outflows	<u>139.3</u>	<u>135.6</u>	<u>3.7</u>	2.7%
Liabilities				
Current liabilities	10.0	10.1	(0.1)	-1.0%
Long-term liabilities	124.2	122.8	1.4	1.1%
Total Liabilities	<u>134.2</u>	<u>132.9</u>	<u>1.3</u>	1.0%
Deferred Inflows of Resources	<u>17.9</u>	<u>12.1</u>	<u>5.8</u>	47.9%
Total Liabilities and Deferred Inflows	<u>152.1</u>	<u>145.0</u>	<u>7.1</u>	4.9%
Net Position (Deficit)				
Net Investment in Capital Assets	55.1	52.3	2.8	5.4%
Restricted	15.5	16.9	(1.4)	-8.3%
Unrestricted	<u>(83.4)</u>	<u>(78.6)</u>	<u>(4.8)</u>	-6.1%
Total Net Position (Deficit)	<u>\$ (12.8)</u>	<u>\$ (9.4)</u>	<u>\$ (3.4)</u>	-36.2%

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

A case could be made that the largest impact on the District's financial statement in 2025 had no impact on the District's financial condition; GASB 75 and GASB 68 (as amended by GASB 82) require the District to recognize a net pension and OPEB liability (net of related deferred outflows/inflows) of \$81.3 million. As discussed below, users of this financial statement may gain a clearer understanding of the District's actual financial condition by adding this amount to the reported net position.

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

DISTRICT'S CHANGES IN NET POSITION				
	Governmental Activities		Change	
	2025	2024		
Revenues	<i>(In Millions)</i>			
Program revenues:				
Charges for services	\$ 3.1	\$ 2.2	\$ 0.9	40.9%
Operating grants and contributions	11.9	15.3	(3.4)	-22.2%
Capital grants and contributions	0.1	0.1	(0.0)	-10.0%
General revenues:				
Property taxes	4.1	3.9	0.2	5.1%
Gov't svc & resident. permit taxes	2.3	2.3	-	0.0%
State aid, unrestricted	59.5	59.0	0.5	0.8%
Other revenues	0.9	0.8	0.1	12.5%
Total Revenues	<u>81.9</u>	<u>83.6</u>	<u>(1.7)</u>	<u>-2.0%</u>
Expenses				
Instruction	46.2	46.5	(0.3)	-0.6%
Support services	31.3	31.1	0.2	0.6%
Food service	2.3	2.7	(0.4)	-14.8%
Facilities acq/constr/imprvmt	4.8	4.7	0.1	2.1%
Interest on long-term debt	0.7	0.7	-	0.0%
Total Expenses	<u>85.3</u>	<u>85.7</u>	<u>(0.4)</u>	<u>-0.5%</u>
Change in Net Position (Deficit)	<u>\$ (3.4)</u>	<u>\$ (2.1)</u>	<u>\$ (1.3)</u>	<u>62.4%</u>

Governmental Activities:

- ◇ The largest and main revenue source for the District is the Pupil-Centered Funding Plan for the State of Nevada, representing 73% of total revenues and is reported as General Revenues on the Statement of Activities in this report.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

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

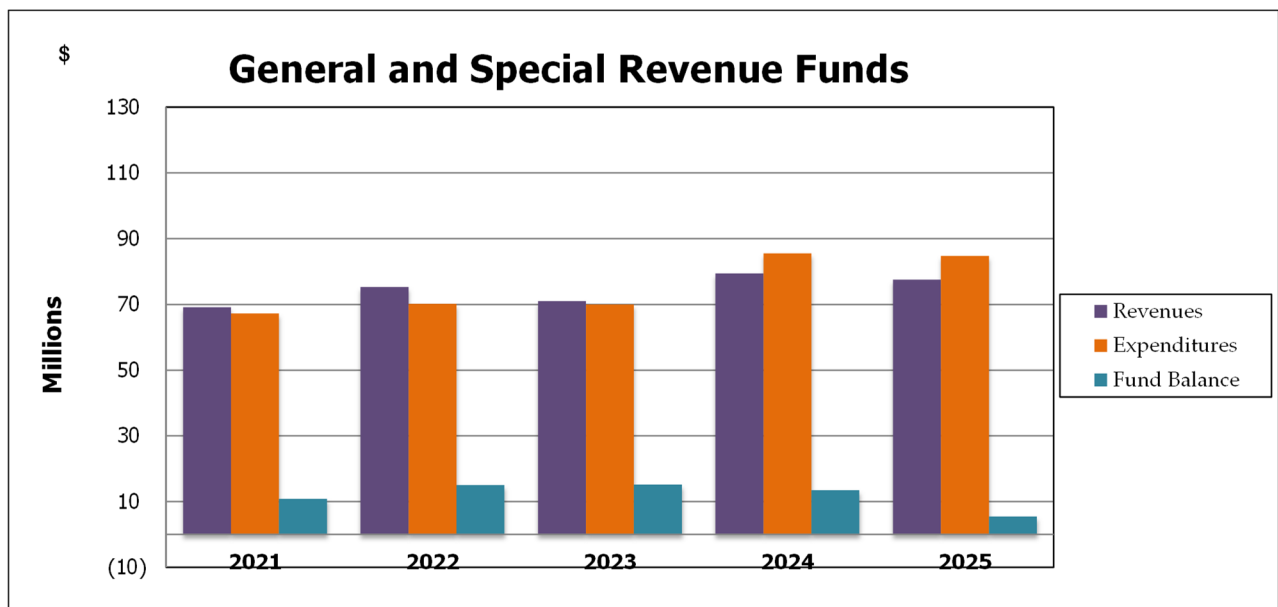
The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the District’s current funding requirements. Specifically, unassigned fund balance can be a useful measure of a government’s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

As of June 30, 2025, the District’s governmental funds reported a combined fund balance of \$12.1 million, a decrease of \$7.1 million or 37% from 2024.

Of the total fund balance as of June 30, 2025 of \$12.1 million, approximately \$14.6 million is nonspendable, restricted or assigned fund balance. The remaining unassigned fund balance (deficit) of (\$2.5 million) is comprised of unassigned deficits of (\$2.1 million) in the general fund and (\$476,000) in the special education fund.

General and Special Revenue Funds

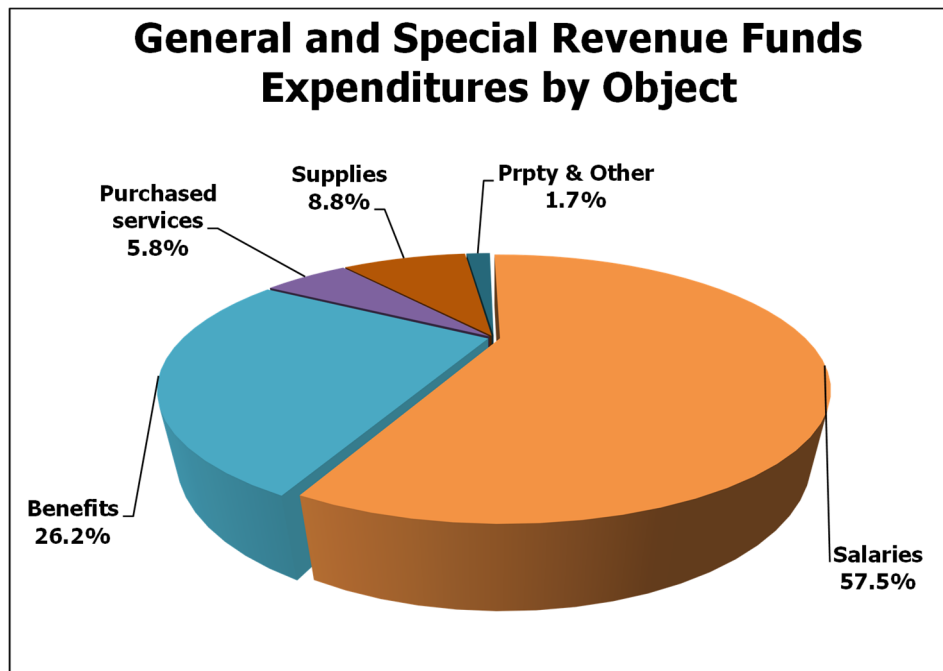
The General Fund and the special revenue funds (Special Education; Federal / State/ Local Grants; Food Service; and Student Activities funds) are often referred to as the District’s “operating funds.” The following chart compares the revenues to expenditures and fund balance for these funds for the last seven years:



DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Education is labor intensive, which is evident from the following chart. This chart displays the expenditures (by object) for the District’s General Fund and special revenue funds:



Debt Service Fund

The June 30, 2025 fund balance of the Debt Service Fund is \$6.2 million, which together with the 2025-26 budgeted revenues exceeds the 2025-26 anticipated debt service requirements of \$3.0 million on the District’s general obligation debt.

Capital Projects Funds

The District has two capital projects funds – the Building and Sites Fund and the Capital Projects Fund. These funds had a combined ending fund balance as of June 30, 2025 of \$3.0 million, which is restricted by NRS 387.328 to be used for major capital acquisitions and improvements.

Internal Service Funds

The District has two internal service funds – the Self-Insurance Health Fund and the Workers’ Compensation Self-Insurance Fund. As of June 30, 2025, these funds had a combined net position of \$2.1 million, which represents an decrease of \$182,000 or 8% from the previous year.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of June 30, 2025, compared to 2024 are as follows.

Capital Assets (Net of Depreciation)		
	<u>2025</u>	<u>2024</u>
	<i>(In Millions)</i>	
Land	\$ 1.3	\$ 1.3
Construction in progress	2.8	3.5
Buildings and improvements	67.9	66.8
Equipment and vehicles	<u>6.8</u>	<u>6.7</u>
	<u>\$ 78.8</u>	<u>\$ 78.3</u>

Debt Administration

The District's debt general obligation debt was comprised of the following as of June 30, 2025, compared to 2024:

Outstanding GO Bonds		
	<u>2025</u>	<u>2024</u>
	<i>(In Millions)</i>	
GO bonds, net of premiums and discounts	<u>\$ 23.8</u>	<u>\$ 26.2</u>

The last bond rating was completed January 2015. The District maintained an AA- rating with a stable outlook from Standard and Poor's (S&P).

Principal and interest payments on the General Obligation Bonds and the note payable for the 2025-26 fiscal year are scheduled to total \$3.0 million, less an expected interest subsidy of slightly over \$100 thousand on the Build America bonds for a net cash outlay requirement of \$2.9 million. Additional detail on the District's debt can be found in the notes to the financial statements.

The District is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 15% of the District's total assessed property valuation. Based on the District's most current assessed value, the District's statutory general obligation debt limit is \$706 million and its general

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

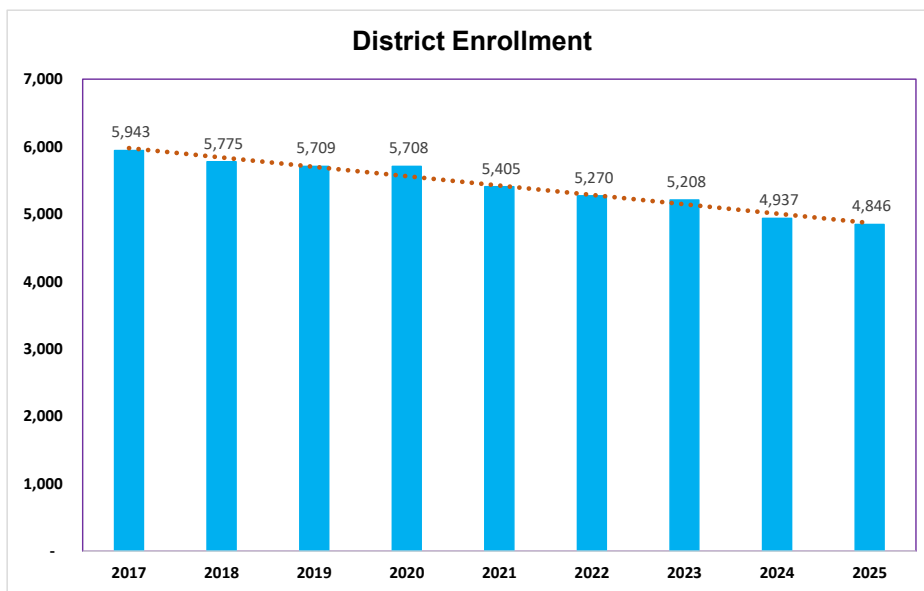
obligation debt did not exceed this statutory limit; however, other factors also limit the amount of the debt the District can issue.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Enrollment and Funding

Nevada's school districts are budgeted and funded in large part based on student enrollment at the end of the first school month. State statutes require all school districts to amend their general fund budgets after "count day" enrollment is known. Throughout the year, the District also amends their budget for other known adjustments, such as opening fund balance amounts based on prior year audited numbers and approved grant funds.

Provided below is a chart which depicts a trend of declining student enrollment. The District's enrollment for the current 2025-26 school year showed a slight decrease from the prior year moving from 4,937 students to 4,846, and has declined 19.8%, or 1097 students from 2016-17.



Nevada's school districts are highly dependent on the economic condition of the State. PCFP funding (Pupil Centered Funding Plan) was implemented on 7-1-21. This funding allows the State to take all local taxes that are normally submitted to each County and create a base amount that also includes several State grants and Class-Size Reduction. This base amount is determined by a fixed per pupil amount and distributed to each county based on the average enrollment for each school district. The State has determined categorical funding for ELL, GT and At-Risk. This revenue is outside of the base PCFP funding and added to their own separate funds outside of the General Fund.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

The first concern is the already noted trend of declining weighted enrollment. The methodology for enrollment that changed to an average daily attendance (ADE), allows the State to true-up the actual base for the PCFP funding for each year. In FY24-25 the actual true-up was (\$69,205), which was returned to the State. Decreasing enrollment has been a significant concern due to the high cost of real estate in the District. It has also been an area that many retirees have moved into without generating any students for the District.

In 2024-25 special education enrollment was 742, which was 15.3% of total enrollment. This allowed for full funding in special education. Special Education funding had a decrease of \$233,344 for FY24-25. The District is projecting 14.5% of total enrollment for special education in 2025-26. This is slightly lower than 2024-2025, so will continue to receive full funding for each student. PCFP funding for local special education is filtered into the General Fund and transferred to the special education fund. This allocation does not accommodate the total cost of Special Education, therefore, a transfer exceeding the local funding of \$1,600,000 was made from the General Fund to help fund the total Special Education Fund.

Local Sources - The approval of SB543 went into effect on 7-1-2021. Revenue projections went to the Pupil Centered Funding Plan (PCFP). All local taxes received in Douglas County, which includes property tax (ad valorem), LSST (sales tax) and GST (Governmental Services Tax are submitted to the State Education Fund. All revenue collected from the counties is combined in a fund and redistributed to each school district based on the State calculated per student amount generated from total revenue from each county.

State Sources of Funding - State revenue consists of the PCFP funding and limited State funding for grants not built into the base funding.

Proprietary Funds:

The District operates two proprietary funds: one for Workers' Compensation and the other for Health Insurance. Both funds are "self-funded" meaning the District, not an outside entity, assumes the financial risk for funding the plans. In practicality, this means the District pays for each workers' compensation or health insurance out-of-pocket claim as they are incurred rather than paying a fixed premium to an insurance carrier. The District purchases "Stop Loss" insurance for both plans to help minimize its risk. "Stop Loss" insurance is a mechanism that limits the amount of money the District would have to pay on catastrophic claims exceeding predetermined levels.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Workers' Compensation Funding: The District's Workers' Compensation Fund has been funded by an overhead rate of \$0.090/ \$100 in salary earnings by both permanent and temporary employees.

Each year, an actuarial review is conducted of the District's plan to evaluate the funding taking into account historical and trend data as well as projected claims. Actuarial and accounting guidance indicates that the funds should have sufficient reserves to accommodate claims costs with margin for unexpected adverse loss experience. The District's long-term funding policy is to maintain the fund at the 85% confidence level. The most recent actuarial review indicated the funding to be above the 85% confidence level in 2024-2025, and showed an increase in the ending fund balance of \$294,883. With projected costs, the District will continue with the rate of \$.090/100 for 2025-2026 to maintain a level recommended by our actuarial report.

Health Insurance Funding: For purposes of this discussion, health insurance includes medical, dental, optical, and life and AD&D insurances. Plan participants include employees, board members, retirees and spouses and/or dependents of any eligible member. Presently, the District pays 100% of the premium payment set at \$825 per month for each eligible employee.

The District's self-insurance fund is subject to negotiated contract language. Currently, all negotiated contracts provide for a monthly premium amount to be paid by the District for health insurance. Additionally, a committee made up of various bargaining group representatives meets monthly to review claims data and the financial health of the self-insurance fund. The Committee makes recommendations to the Board of Trustees pertaining to premium holidays, plan benefits, third party administrator, and stop-loss insurance, among other factors.

Over the past two years, the fund has shown a substantial decrease in the ending fund balance due to high claims cost. The Board of Trustees approved a transfer from the General Fund to the Insurance Fund of \$1,000,000 due to the high claims costs, which have occurred beginning in FY20-21. Claims increased by \$1,103,396 from FY23-24 to FY24-25. This was a increase of 13.8%. Prior to FY21-22, the Committee established that an average of 3 months of Incurred but not reported (IBNR) claims be maintained in the health insurance fund as an ending fund balance. With the fluctuating cost of claims and the decrease in the ending fund balance, the Board continued to approve a transfer from the General Fund to the Insurance Fund for FY24-25 as well as FY25-26. In FY24-25, the Committee only established a slight increase in dependent insurance premiums of 20% effective 1-1-25 to accommodate the recommendation of our Third Party Administration. The Committee will again re-evaluate the fund balance at the end of FY24-25 to determine whether additional changes are necessary in order for the fund to remain at the level the Committee has established.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

Capital Projects Funding:

Capital Projects Funding - The Capital Projects Fund generally receives two sources of revenue - Governmental Services Tax (GST; formerly referred to as Motor Vehicle Privilege Tax), and Residential Construction Tax (RCT).

Presently, Douglas County provides a breakdown to the District that indicates which portion of the GST flows to the General Fund (now being distributed to the State through the PCFP funding plan), and which portion flows to the Capital Projects Fund (approximately 18% of total GST revenues). Per NRS 371, the "debt service" portion of GST is dependent on having a debt service tax rate. Currently, the District's debt service tax rate is \$0.10 per \$100 in property tax revenues.

RCT revenue that helps to sustain the District's Capital Projects Fund comes from a privilege tax on residential building permits. RCT is currently imposed in Douglas County at \$1,600 per new residential unit, the maximum authorized by NRS 387.331. The Douglas County Commission and Department of Taxation have approved the levy of this tax through June 2028 at which time the District will need to resubmit a request for continuation of the levy.

New and Proposed Capital Funding - Several new and proposed alternatives are available to the District for additional funding. Nevada Revised Statute 350.020(5) allows for the reserve level in the debt service fund to decrease from 100% to 50%. The debt service fund has provided approximately \$300,000 in one-time funds to be transferred to the Capital Projects Fund. Due to increased revenue and refinancing current bonds at substantially lower interest rates, the Board could approve a transfer to the capital projects fund that would exceed the \$300,000 transfer now allocated. The Board of Trustees extended the authority of a rollover" question for an additional 10 year period after current authorization expired in 2018. This will continue until 2028. This option would provide approximately \$1 million over the course of the ten year extension in Pay- As-You-Go cash. Continued effort will be made to provide additional revenue from taxes for ongoing capital project needs.

Building and Sites Funding - This fund is designated to receive all monies from rental or sale of District's real property per NRS 393.320 and is restricted to capital related expenditures only. The proceeds from the sale of Kingsbury Middle School were allocated to this fund, and through Board approval, several projects have been allocated to implement safety projects for the entire district. Continued efforts will be made to further support the District FMP.

DOUGLAS COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2025

FUTURE OUTLOOK

As discussed earlier in this document, the District has experienced significant declines in the fund balance of its General Fund. The District's administration is working aggressively to mitigate the effects of the decline. Certain measures have been taken, and others are being considered, all towards the goal of returning the District to a relative stability. Please see Note 12 of the accompanying financial statements for a discussion of this matter.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the Douglas County School District's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Business Services Office, 1638 Mono Avenue, Minden, Nevada 89423.

DOUGLAS COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 18,526,768
Receivables	2,881,779
Inventories	194,999
Capital assets not being depreciated	4,113,039
Capital assets, net of accumulated depreciation	74,709,652
Total Assets	<u>100,426,237</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and OPEB	38,740,284
Deferred amount on refunding	229,200
	<u>38,969,484</u>
Total Assets and Deferred Outflows	<u>139,395,721</u>
LIABILITIES	
Accounts payable and accrued expenses	6,741,308
Unearned revenues	846,809
Noncurrent liabilities:	
Due within one year	2,437,508
Due in more than one year	22,081,729
Obligation for other postemployment benefits (OPEB)	10,416,138
Net pension liability	91,749,461
Total Liabilities	<u>134,272,953</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions and OPEB	<u>17,886,527</u>
Total Liabilities and Deferred Inflows	<u>152,159,480</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	55,148,448
Restricted for:	
Debt service	6,196,439
Self-insurance activities	2,064,592
Capital projects	2,965,557
Education and nutrition services	4,288,311
Unrestricted	<u>(83,427,106)</u>
Total Net Position (Deficit)	<u>\$ (12,763,759)</u>

124
See accompanying notes.

DOUGLAS COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUES AND CHANGES IN NET POSITION	
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS		
			OPERATING		CAPITAL
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 46,215,179	\$ 197,251	\$ 6,389,182	\$ -	\$ (39,628,746)
Support Services	31,346,455	2,032,237	4,395,930	-	(24,918,288)
Facilities Acquisition and Construction	4,836,302	-	-	96,161	(4,740,141)
Food Service	2,273,007	879,296	1,145,417	-	(248,294)
Interest and charges on long-term debt	663,386	-	-	-	(663,386)
Total School District	85,334,329	3,108,784	11,930,529	96,161	(70,198,855)
General Revenues:					
					4,108,202
					2,286,406
					571,206
					331,087
					59,547,155
					66,844,056
					(3,354,799)
					NET POSITION (DEFICIT), July 1, 2024
					(9,408,960)
					NET POSITION (DEFICIT), June 30, 2025
					\$ (12,763,759)

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	GENERAL	SPECIAL	GRANTS	DEBT	CAPITAL	NON-MAJOR	TOTALS	
	FUND	EDUCATION	FUND	SERVICE	PROJECTS	GOV'T	GOVERNMENTAL FUNDS	
		FUND	FUND	FUND		FUNDS	2025	2024
ASSETS								
Cash and investments	\$ 1,186,676	\$ -	\$ -	\$ 6,175,188	\$ 2,660,536	\$ 4,810,065	\$ 14,832,465	\$ 17,041,869
Receivables	45,571	601,095	1,820,560	50,100	168,082	189,804	2,875,212	8,373,265
Due from other funds	1,506,132	-	-	-	-	-	1,506,132	1,807,632
Inventories	121,797	-	-	-	-	73,202	194,999	198,344
Total Assets	<u>\$ 2,860,176</u>	<u>\$ 601,095</u>	<u>\$ 1,820,560</u>	<u>\$ 6,225,288</u>	<u>\$ 2,828,618</u>	<u>\$ 5,073,071</u>	<u>\$ 19,408,808</u>	<u>\$ 27,421,110</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 3,275,413	\$ 665,712	\$ 417,144	\$ -	\$ 144,515	\$ 317,868	\$ 4,820,652	\$ 5,441,781
Retainage payable	-	-	-	-	103,014	7,946	110,960	-
Due to other funds	533,675	411,722	1,093,134	-	-	1,276	2,039,807	2,360,891
Unearned revenues	-	-	310,282	28,849	-	-	339,131	424,624
Total Liabilities	<u>3,809,088</u>	<u>1,077,434</u>	<u>1,820,560</u>	<u>28,849</u>	<u>247,529</u>	<u>327,090</u>	<u>7,310,550</u>	<u>8,227,296</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	-	-	-	-	-	-	32,784
FUND BALANCES								
Nonspendable	121,797	-	-	-	-	73,202	194,999	198,344
Restricted	-	-	-	6,196,439	2,581,089	4,672,779	13,450,307	14,913,443
Assigned	1,000,157	-	-	-	-	-	1,000,157	2,986,158
Unassigned	(2,070,866)	(476,339)	-	-	-	-	(2,547,205)	1,063,085
Total Fund Balance	<u>(948,912)</u>	<u>(476,339)</u>	<u>-</u>	<u>6,196,439</u>	<u>2,581,089</u>	<u>4,745,981</u>	<u>12,098,258</u>	<u>19,161,030</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 2,860,176</u>	<u>\$ 601,095</u>	<u>\$ 1,820,560</u>	<u>\$ 6,225,288</u>	<u>\$ 2,828,618</u>	<u>\$ 5,073,071</u>	<u>\$ 19,408,808</u>	<u>\$ 27,421,110</u>

DOUGLAS COUNTY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT) JUNE 30, 2025

Fund Balance - Governmental Funds \$ 12,098,258

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

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

Governmental capital assets	189,580,046	
Less accumulated depreciation	<u>(110,757,355)</u>	78,822,691

Other deferred outflows of resources related to debt are not financial resources and therefore are not reported in the governmental funds:

Deferred debt charges	532,000	
Less accumulated amortization	<u>(302,800)</u>	229,200

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:

General obligation bonds payable	(23,721,000)	
Bond premium	(79,429)	
Accrued interest payable	(147,421)	
Compensated absences	(718,808)	
Net pension liability	(91,749,461)	
Net OPEB liability	<u>(10,416,138)</u>	(126,832,257)

Deferred inflows and outflows of resources related to pension and OPEB are applicable to future periods and, therefore are not reported in the governmental funds:

Deferred outflows of resources related to pensions	37,361,120	
Deferred inflows of resources related to pensions	(12,483,158)	
Deferred outflows of resources related to OPEB	1,379,164	
Deferred inflows of resources related to OPEB	<u>(5,403,369)</u>	20,853,757

Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds are reported with governmental activities.

2,064,592

Net Position (Deficit) - Governmental Activities

\$ (12,763,759)

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	GENERAL FUND	SPECIAL EDUCATION FUND	GRANTS FUND	DEBT SERVICE FUND	BUILDING AND SITES FUND	CAPITAL PROJECTS	NON-MAJOR GOV'T FUNDS	TOTALS
REVENUES								
Local sources	\$ 614,151	\$ 21,294	\$ 63,819	\$ 4,310,185	\$ -	\$ 2,362,002	\$ 3,079,538	\$ 10,450,989
State sources	58,453,818	4,318,634	545,219	-	-	-	1,125,872	64,443,543
Federal sources	-	-	5,857,440	96,161	-	-	1,112,882	7,066,483
Total Revenues	59,067,969	4,339,928	6,466,478	4,406,346	-	2,362,002	5,318,292	81,961,015
EXPENDITURES								
Regular programs	26,091,473	-	1,919,691	-	-	-	1,434,751	29,445,915
Special programs	-	10,586,857	1,234,396	-	-	-	-	11,821,253
Vocational programs	847,419	-	376,850	-	-	-	-	1,224,269
Adult education	-	-	46,865	-	-	-	-	46,865
Extra and Co-Curricular	698,159	-	-	-	-	-	-	698,159
Other instructional programs	1,553,052	130,672	33,454	-	-	-	1,113,384	2,830,562
Undistributed Expenditures:								
Student support	4,290,020	-	54,574	-	-	-	550,000	4,894,594
Instructional staff support	1,393,978	-	38,361	-	-	-	-	1,432,339
General administration	1,167,701	-	-	-	-	-	-	1,167,701
School administration	5,713,320	-	-	-	-	-	-	5,713,320
Central services	2,629,933	-	-	-	-	484,583	-	3,114,516
Operation and maintenance	8,578,252	-	120,630	-	-	-	-	8,698,882
Student transportation	4,085,890	-	-	-	-	-	-	4,085,890
Other support	180,250	-	2,348,789	-	-	63,386	-	2,592,425
Food service	-	-	-	-	-	-	2,274,318	2,274,318
Facilities construction/ Acquisition/improvements	376,990	-	292,868	-	-	4,027,156	277,537	4,974,551

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	GENERAL FUND	SPECIAL EDUCATION FUND	GRANTS FUND	DEBT SERVICE FUND	BUILDING AND SITES FUND	CAPITAL PROJECTS	NON-MAJOR GOV'T FUNDS	TOTALS
Debt Service:								
Principal	\$ -	\$ -	\$ -	\$ 2,393,000	\$ -	\$ -	\$ -	\$ 2,393,000
Interest	-	-	-	628,099	-	-	-	628,099
Fiscal agent charges	-	-	-	2,300	-	-	-	2,300
Total Expenditures	57,606,437	10,717,529	6,466,478	3,023,399	-	4,575,125	5,649,990	88,038,958
Revenues Over (Under) Expenditures	1,461,532	(6,377,601)	-	1,382,947	-	(2,213,123)	(331,698)	(6,077,943)
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of property	18,515	-	-	-	-	-	-	18,515
Transfers (to) from other funds	(6,600,000)	5,600,000	-	(300,000)	-	300,000	-	(1,000,000)
	(6,581,485)	5,600,000	-	(300,000)	-	300,000	-	(981,485)
Net Change in Fund Balances	(5,119,953)	(777,601)	-	1,082,947	-	(1,913,123)	(331,698)	(7,059,428)
FUND BALANCES, July 1, as previously reported	4,169,952	301,262	-	5,113,492	586,864	-	8,989,460	19,161,030
Adjustment	-	-	-	-	(586,864)	4,494,212	(3,907,348)	-
FUND BALANCES, July 1, as restated	4,169,952	301,262	-	5,113,492	-	4,494,212	5,082,112	19,161,030
Increase (decrease) in reserve for inventories	1,089	-	-	-	-	-	(4,433)	(3,344)
FUND BALANCES, June 30	<u>\$ (948,912)</u>	<u>\$ (476,339)</u>	<u>\$ -</u>	<u>\$ 6,196,439</u>	<u>\$ -</u>	<u>\$ 2,581,089</u>	<u>\$ 4,745,981</u>	<u>\$ 12,098,258</u>

DOUGLAS COUNTY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ (7,062,772)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.	541,609
Accrued interest on bonds is recorded in the Statement of Activities when incurred; it is not recorded in the governmental funds until it is paid.	9,606
Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	2,393,000
Governmental funds report the effect of discounts, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities over the life of the debt.	(42,593)
The change in the long-term portion of compensated absences is reported in the Statement of Activities. These do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(28,298)
Change in pension expense related to deferred items.	(1,808,923)
The full cost of postemployment benefits to current employees earned during the current year and the amortization of the past cost is recognized as an expense in the Statement of Activities while only the current contributions are reported in the fund statements.	2,825,378
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income (expense) of the internal service funds is reported with governmental activities.	(181,806)
Change in Net Position of Governmental Activities	<u>\$ (3,354,799)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Out-of-state tuition	\$ 240,000	\$ 189,115	\$ 197,251	\$ 8,136	\$ 250,953
Earnings on investments	180,000	153,954	163,823	9,869	294,711
Other	174,000	174,000	253,077	79,077	186,171
Total Local Sources	594,000	517,069	614,151	97,082	731,835
State Sources:					
Pupil-Centered Funding Plan	60,844,092	61,486,842	58,453,818	(3,033,024)	57,690,410
Total Revenues	61,438,092	62,003,911	59,067,969	(2,935,942)	58,422,245
EXPENDITURES					
Regular Programs:					
Salaries	16,488,619	16,376,195	17,037,094	(660,899)	17,177,875
Benefits	7,859,015	8,173,311	8,204,948	(31,637)	8,166,307
Purchased services	148,570	145,388	121,465	23,923	359,589
Supplies	887,439	826,427	667,137	159,290	604,672
Property	61,000	54,375	54,375	-	50,963
Other	8,650	7,939	6,454	1,485	7,849
	25,453,293	25,583,635	26,091,473	(507,838)	26,367,255
Vocational Programs:					
Salaries	534,607	559,927	557,174	2,753	531,842
Benefits	223,035	249,568	250,536	(968)	213,364
Purchased services	3,200	675	175	500	3,057
Supplies	51,097	47,981	39,144	8,837	42,849
Other	4,150	400	390	10	332
	816,089	858,551	847,419	11,132	791,444
Extra and Co-Curricular Activities:					
Co-Curricular Activities:					
Salaries	168,927	221,321	220,070	1,251	189,360
Benefits	4,225	5,808	5,769	39	5,091
Purchased services	7,500	3,800	-	3,800	7,448
Supplies	10,000	13,370	9,741	3,629	10,135
Property	3,100	-	-	-	-
Other	8,400	3,460	3,428	32	7,914
	202,152	247,759	239,008	8,751	219,948

Continued on next page.

Extra and Co-Curricular Activities (Cont'd.): See accompanying notes.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Athletics:					
Salaries	\$ 290,607	\$ 283,462	\$ 283,542	\$ (80)	\$ 284,904
Benefits	13,956	16,254	16,191	63	15,967
Purchased services	99,550	114,334	114,956	(622)	92,693
Supplies	27,180	42,894	30,744	12,150	22,432
Other	14,950	16,733	13,718	3,015	11,733
	<u>446,243</u>	<u>473,677</u>	<u>459,151</u>	<u>14,526</u>	<u>427,729</u>
Total Extra-and Co-Curricular Activities	<u>648,395</u>	<u>721,436</u>	<u>698,159</u>	<u>23,277</u>	<u>647,677</u>
Other Instructional Programs:					
Salaries	830,659	969,032	939,635	29,397	795,646
Benefits	351,051	458,400	453,983	4,417	314,118
Purchased services	129,200	128,600	126,249	2,351	124,677
Supplies	61,415	61,019	32,650	28,369	47,694
Other	4,300	3,600	535	3,065	3,463
	<u>1,376,625</u>	<u>1,620,651</u>	<u>1,553,052</u>	<u>67,599</u>	<u>1,285,598</u>
Undistributed Expenditures:					
Student Support:					
Salaries	2,600,104	2,860,745	2,858,086	2,659	2,701,648
Benefits	1,245,467	1,367,887	1,376,988	(9,101)	1,295,625
Purchased services	29,659	29,159	20,994	8,165	21,287
Supplies	47,533	50,062	33,410	16,652	41,732
Property	7,500	5,050	-	5,050	7,500
Other	1,059	1,059	542	517	596
	<u>3,931,322</u>	<u>4,313,962</u>	<u>4,290,020</u>	<u>23,942</u>	<u>4,068,388</u>
Instructional Staff Support:					
Salaries	901,447	899,592	902,725	(3,133)	889,251
Benefits	409,578	428,966	427,867	1,099	408,610
Purchased services	33,380	22,813	18,152	4,661	12,540
Supplies	50,912	62,433	44,770	17,663	52,698
Other	2,300	500	464	36	560
	<u>1,397,617</u>	<u>1,414,304</u>	<u>1,393,978</u>	<u>20,326</u>	<u>1,363,659</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
General Administration:					
Salaries	\$ 439,432	\$ 457,152	\$ 453,516	\$ 3,636	\$ 451,328
Benefits	204,615	194,475	193,093	1,382	198,357
Purchased services	495,500	484,515	443,532	40,983	490,920
Supplies	36,100	49,110	44,559	4,551	32,494
Property	5,500	-	-	-	1,571
Other	30,000	33,475	33,001	474	19,613
	<u>1,211,147</u>	<u>1,218,727</u>	<u>1,167,701</u>	<u>51,026</u>	<u>1,194,283</u>
School Administration:					
Salaries	3,665,252	3,847,484	3,845,984	1,500	3,672,884
Benefits	1,721,756	1,733,501	1,730,026	3,475	1,668,265
Purchased services	108,191	97,208	78,702	18,506	133,270
Supplies	64,121	55,977	50,840	5,137	57,480
Other	7,683	8,088	7,768	320	5,366
	<u>5,567,003</u>	<u>5,742,258</u>	<u>5,713,320</u>	<u>28,938</u>	<u>5,537,265</u>
Central Services:					
Salaries	1,388,015	1,391,421	1,380,018	11,403	1,221,734
Benefits	527,585	516,867	534,910	(18,043)	466,775
Purchased services	263,530	247,895	174,465	73,430	162,939
Supplies	427,293	353,314	321,393	31,921	315,948
Property	165,000	257,307	216,981	40,326	163,622
Other	5,507	4,747	2,166	2,581	2,997
	<u>2,776,930</u>	<u>2,771,551</u>	<u>2,629,933</u>	<u>141,618</u>	<u>2,334,015</u>
Operations and Maintenance:					
Salaries	3,392,222	3,338,103	3,449,825	(111,722)	3,314,470
Benefits	1,406,806	1,429,679	1,210,494	219,185	1,352,387
Purchased services	2,158,935	2,113,220	2,152,268	(39,048)	2,044,090
Supplies	2,004,982	1,990,746	1,701,634	289,112	2,145,749
Property	74,250	64,000	64,000	-	130,587
Other	2,419	225	31	194	1,337
	<u>9,039,614</u>	<u>8,935,973</u>	<u>8,578,252</u>	<u>357,721</u>	<u>8,988,620</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student Transportation:					
Salaries	\$ 2,107,735	\$ 2,107,420	\$ 1,940,577	\$ 166,843	\$ 2,105,268
Benefits	965,975	875,762	875,750	12	917,250
Purchased services	169,213	157,376	152,941	4,435	136,891
Supplies	755,681	779,455	456,619	322,836	515,923
Property	660,000	660,000	659,840	160	889,661
Other	100	163	163	-	165
	<u>4,658,704</u>	<u>4,580,176</u>	<u>4,085,890</u>	<u>494,286</u>	<u>4,565,158</u>
Other Support:					
Salaries	200,000	137,000	129,008	7,992	152,155
Benefits	47,000	38,500	34,892	3,608	98,758
Purchased services	109,911	40,000	7,439	32,561	-
Supplies	10,000	10,000	5,076	4,924	-
Other	14,600	14,600	3,835	10,765	1,523
	<u>381,511</u>	<u>240,100</u>	<u>180,250</u>	<u>59,850</u>	<u>252,436</u>
Total Support Services	<u>28,963,848</u>	<u>29,217,051</u>	<u>28,039,344</u>	<u>1,177,707</u>	<u>28,303,824</u>
Site Improvement:					
Purchased services	119,000	105,000	118,018	(13,018)	159,731
Building Improvements:					
Purchased services	355,000	358,000	258,972	99,028	274,985
Total Facilities Acquisition & Construction	<u>474,000</u>	<u>463,000</u>	<u>376,990</u>	<u>86,010</u>	<u>434,716</u>
Debt Service:					
Principal	-	-	-	-	319,000
Interest	-	-	-	-	3,589
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,589</u>
Total Undistributed Expenditures	<u>29,437,848</u>	<u>29,680,051</u>	<u>28,416,334</u>	<u>1,263,717</u>	<u>29,061,129</u>
Contingency	<u>550,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>58,282,250</u>	<u>58,464,324</u>	<u>57,606,437</u>	<u>857,887</u>	<u>58,153,103</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Revenues Over (Under)					
Expenditures	\$ 3,155,842	\$ 3,539,587	\$ 1,461,532	\$ (2,078,055)	\$ 269,142
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	8,000	8,000	18,515	10,515	3,439
Transfers (to) other funds	(6,700,000)	(6,600,000)	(6,600,000)	-	(6,700,000)
	(6,692,000)	(6,592,000)	(6,581,485)	10,515	(6,696,561)
Net Change in Fund Balance	(3,536,158)	(3,052,413)	(5,119,953)	(2,067,540)	(6,427,419)
FUND BALANCE, July 1	6,016,132	4,169,952	4,169,952	-	10,619,028
Increase (Decrease) in Reserve for Inventories	-	-	1,089	1,089	(21,657)
FUND BALANCE, June 30	<u>\$ 2,479,974</u>	<u>\$ 1,117,539</u>	<u>\$ (948,912)</u>	<u>\$ (2,066,451)</u>	<u>\$ 4,169,952</u>

DOUGLAS COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 15,000	\$ 20,000	\$ 21,294	\$ 1,294	\$ 29,662
State Sources:					
State appropriation	4,295,717	4,318,634	4,318,634	-	4,241,172
Total Revenues	4,310,717	4,338,634	4,339,928	1,294	4,270,834
EXPENDITURES					
Special Programs:					
Instruction:					
Salaries	5,346,301	5,429,886	5,398,527	31,359	5,484,699
Benefits	2,536,241	2,536,440	2,835,939	(299,499)	2,705,547
Purchased services	-	165	165	-	-
Supplies	34,450	35,555	15,391	20,164	17,715
	<u>7,916,992</u>	<u>8,002,046</u>	<u>8,250,022</u>	<u>(247,976)</u>	<u>8,207,961</u>
Other Direct Support:					
Salaries	970,610	942,006	1,009,849	(67,843)	1,013,293
Benefits	381,631	301,552	370,430	(68,878)	391,618
Purchased services	232,750	231,100	227,304	3,796	153,765
Supplies	54,050	27,950	21,054	6,896	31,403
Property	-	-	-	-	8,069
Other	1,000	1,600	546	1,054	1,109
	<u>1,640,041</u>	<u>1,504,208</u>	<u>1,629,183</u>	<u>(124,975)</u>	<u>1,599,257</u>
Student Transportation:					
Salaries	253,126	273,789	539,747	(265,958)	272,220
Benefits	90,027	98,413	127,251	(28,838)	101,940
Supplies	40,654	40,654	40,654	-	40,654
	<u>383,807</u>	<u>412,856</u>	<u>707,652</u>	<u>(294,796)</u>	<u>414,814</u>
Total Special Programs	9,940,840	9,919,110	10,586,857	(667,747)	10,222,032

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

SPECIAL EDUCATION FUND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Other Instructional Programs:					
Gifted and Talented:					
Salaries	\$ -	\$ 87,775	\$ 87,775	-	\$ -
Benefits		42,324	42,482	(158)	-
Supplies	850	576	415	161	326
Total Other Instructional	850	130,675	130,672	3	326
Contingency	97,408	-	-	-	-
Total Expenditures	10,039,098	10,049,785	10,717,529	(667,744)	10,222,358
Revenues Over (Under)					
Expenditures	(5,728,381)	(5,711,151)	(6,377,601)	(666,450)	(5,951,524)
OTHER FINANCING SOURCES					
Transfers from other funds	5,700,000	5,600,000	5,600,000	-	5,700,000
Net Change in Fund Balance	(28,381)	(111,151)	(777,601)	(666,450)	(251,524)
FUND BALANCE, July 1	254,183	301,262	301,262	-	552,786
FUND BALANCE, June 30	\$ 225,802	\$ 190,111	\$ (476,339)	\$ (666,450)	\$ 301,262

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 302,065	\$ 244,159	\$ 63,819	\$ (180,340)	\$ 155,471
State sources	576,341	753,369	545,219	(208,150)	2,435,696
Federal sources	16,202,906	15,877,011	5,857,440	(10,019,571)	5,438,230
Total Revenues	17,081,312	16,874,539	6,466,478	(10,408,061)	8,029,397
EXPENDITURES					
Regular Programs:					
Salaries	4,392,025	4,281,419	1,016,997	3,264,422	1,444,791
Benefits	1,524,046	1,428,901	462,958	965,943	693,128
Purchased services	436,763	490,997	220,180	270,817	142,205
Supplies	1,748,342	1,762,794	128,859	1,633,935	459,253
Property	26,510	26,510	-	26,510	-
Other	214,789	214,072	90,697	123,375	61,090
	8,342,475	8,204,693	1,919,691	6,285,002	2,800,467
Special Programs:					
Salaries	798,764	748,253	736,448	11,805	798,765
Benefits	384,000	332,236	327,994	4,242	383,999
Purchased services	18,400	68,799	55,736	13,063	18,400
Supplies	143,169	123,761	111,661	12,100	126,213
Other	47,600	48,555	2,557	45,998	47,600
	1,391,933	1,321,604	1,234,396	87,208	1,374,977
Vocational Programs:					
Salaries	19,141	26,421	2,888	23,533	16,772
Benefits	7,114	7,139	182	6,957	6,862
Purchased services	57,120	50,520	4,725	45,795	20,287
Supplies	205,199	320,674	206,811	113,863	124,518
Property	123,674	155,167	154,304	863	106,113
Other	18,719	15,182	7,940	7,242	6,346
	430,967	575,103	376,850	198,253	280,898

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Adult Education:					
Salaries	\$ 80,111	\$ 100,058	\$ 32,318	\$ 67,740	\$ 22,108
Benefits	6,849	8,555	1,881	6,674	1,349
Purchased services	1,447	24,847	7	24,840	68
Supplies	3,640	10,265	12,659	(2,394)	294
	<u>92,047</u>	<u>143,725</u>	<u>46,865</u>	<u>96,860</u>	<u>23,819</u>
Other Instructional Programs:					
Salaries	16,320	15,072	15,072	-	15,398
Benefits	7,735	7,141	7,141	-	7,121
Supplies	16,299	17,138	10,281	6,857	8,537
Other	1,710	1,666	960	706	1,316
	<u>42,064</u>	<u>41,017</u>	<u>33,454</u>	<u>7,563</u>	<u>32,372</u>
Community Service Programs:					
Salaries	2,424	2,682	-	2,682	947
Benefits	206	229	-	229	81
Supplies	4,654	6,642	-	6,642	403
	<u>7,284</u>	<u>9,553</u>	<u>-</u>	<u>9,553</u>	<u>1,431</u>
Undistributed Expenditures:					
Student Support:					
Salaries	106,497	17,000	30,500	(13,500)	89,497
Benefits	42,341	4,000	14,936	(10,936)	38,341
Purchased services	20,000	20,000	4,500	15,500	8,000
Supplies	-	2,000	574	1,426	-
Other	3,541	-	4,064	(4,064)	3,541
	<u>172,379</u>	<u>43,000</u>	<u>54,574</u>	<u>(11,574)</u>	<u>139,379</u>
Instructional Staff Support:					
Salaries	5,000	28,000	20,000	8,000	2,035
Benefits	3,000	3,541	470	3,071	12
Purchased services	44,425	18,500	14,150	4,350	41,749
Supplies	107	2,276	1,881	395	-
Other	1,620	2,192	1,860	332	2,194
	<u>54,152</u>	<u>54,509</u>	<u>38,361</u>	<u>16,148</u>	<u>45,990</u>

Continued on next page.

139
See accompanying notes.

DOUGLAS COUNTY SCHOOL DISTRICT

GRANTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Operations and Maintenance:					
Supplies	\$ 294,135	\$ 294,135	\$ 120,630	\$ 173,505	\$ 75,343
Property	149,800	149,800	-	149,800	-
	<u>443,935</u>	<u>443,935</u>	<u>120,630</u>	<u>323,305</u>	<u>75,343</u>
Other Support:					
Salaries	3,425,483	3,425,483	1,774,143	1,651,340	1,686,571
Benefits	1,106,442	1,106,442	549,245	557,197	522,132
Purchased services	111,697	55,876	3,000	52,876	89,721
Supplies	52,214	41,859	22,401	19,458	29,810
Other	500	-	-	-	200
	<u>4,696,336</u>	<u>4,629,660</u>	<u>2,348,789</u>	<u>2,280,871</u>	<u>2,328,434</u>
Total Support Services	<u>5,366,802</u>	<u>5,171,104</u>	<u>2,562,354</u>	<u>2,608,750</u>	<u>2,589,146</u>
Facilities Acquisition and Construction:					
Site Improvement:					
Purchased services	178,580	340,444	286,397	54,047	8,700
Supplies	22,830	22,830	900	21,930	21,930
Other	6,420	6,420	5,571	849	850
	<u>207,830</u>	<u>369,694</u>	<u>292,868</u>	<u>76,826</u>	<u>31,480</u>
Building Improvements:					
Purchased services	1,199,910	1,038,046	-	1,038,046	894,807
Total Facilities Acquisition and Construction	<u>1,407,740</u>	<u>1,407,740</u>	<u>292,868</u>	<u>1,114,872</u>	<u>926,287</u>
Total Undistributed Expenditures	<u>6,774,542</u>	<u>6,578,844</u>	<u>2,855,222</u>	<u>3,723,622</u>	<u>3,515,433</u>
Total Expenditures	<u>17,081,312</u>	<u>16,874,539</u>	<u>6,466,478</u>	<u>10,408,061</u>	<u>8,029,397</u>
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF NET POSITION

JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
ASSETS		
Current Assets:		
Cash and investments	\$ 3,694,303	\$ 3,627,978
Receivables	6,567	93,340
Due from other funds	533,675	553,259
Total Assets	<u>4,234,545</u>	<u>4,274,577</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	11,781	39,651
Unearned revenue	507,678	526,344
Pending claims	1,650,494	1,462,184
Total Current Liabilities	<u>2,169,953</u>	<u>2,028,179</u>
NET POSITION		
Restricted	<u>\$ 2,064,592</u>	<u>\$ 2,246,398</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
OPERATING REVENUES		
Insurance premiums	\$ 9,605,922	\$ 9,010,217
Insurance proceeds and other	162,349	226,019
Other	12,021	-
Total Operating Revenues	9,780,292	9,236,236
OPERATING EXPENSES		
Claims expense	9,784,377	8,212,376
Purchased services	1,258,204	1,150,325
Other	3,630	3,920
Total Operating Expenses	11,046,211	9,366,621
Operating Income (Loss)	(1,265,919)	(130,385)
NONOPERATING REVENUES		
Earnings on investments	84,113	66,075
Income (Loss) Before Transfers	(1,181,806)	(64,310)
TRANSFERS		
Transfers in	1,000,000	1,000,000
Change in Net Position	(181,806)	935,690
NET POSITION, July 1	2,246,398	1,310,708
NET POSITION, June 30	\$ 2,064,592	\$ 2,246,398

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from insurance premiums	\$ 9,606,840	\$ 8,983,302
Cash received from insurance proceeds and other	261,143	235,973
Cash paid for claims expense and services	(10,885,771)	(9,582,889)
Net cash provided (used) by operating activities	(1,017,788)	(363,614)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers from other funds	1,000,000	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	84,113	66,075
Net Increase (Decrease) in Cash and Investments	66,325	702,461
CASH AND INVESTMENTS, July 1	3,627,978	2,925,517
CASH AND INVESTMENTS, June 30	\$ 3,694,303	\$ 3,627,978

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS (Cont'd.)

YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	2025	2024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,265,919)	\$ (130,385)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
Receivables	86,773	9,954
Premiums due from other funds	19,583	82,030
Accounts payable	(27,870)	11,497
Unearned revenues	(18,665)	(108,945)
Pending claims	188,310	(227,765)
Total Adjustments	248,131	(233,229)
Net cash provided (used) by operating activities	\$ (1,017,788)	\$ (363,614)

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Reporting Entity

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

Basic Financial Statements – District-Wide Statements

The basic financial statements include both district-wide (based on the District as a whole) and fund financial statements. The District-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

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

The District-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (ad valorem taxes, school support taxes, distributive school funds, government services tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and capital and operating grants. Certain indirect costs are included as part

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

of the program expenses reported for the various functional activities. Program revenues include charges for services, grants, contributions, and investment earnings legally restricted to support a specific program. Program revenue must be directly associated with the function. Operating grants include operating-specific and discretionary grants. The net costs (by function) are normally covered by general revenue.

Basic Financial Statements – Fund Financial Statements

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

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

General Fund

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

Special Education Fund

The Special Education Fund is a special revenue fund which accounts for transactions of the District relating to educational services provided to children with special needs supported by state and local sources.

Grants Fund

The Grants Fund is a special revenue fund which accounts for grants received by the District from federal, state and local sources.

Debt Service Fund

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

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for acquisition of and major improvements to the District's existing facilities.

Additionally, the District reports the following fund types and funds:

Proprietary Funds:

Internal Service Funds

The Internal Service Funds account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. The District's internal service funds account for its self-funded insurance activities for group health and workers' compensation.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Special Revenue Funds (Nonmajor):

Special Revenue funds account for proceeds of specific revenue sources (other than private purpose trust or major capital projects) that are legally restricted to expenditures for specified purposes. The District reports the following nonmajor Special Revenue funds: Food Service Fund, Student Activities Fund, and the three funds receiving Pupil-Centered Funding Plan allocations for restricted purposes.

Building and Sites Fund (Nonmajor):

The Building and Sites Fund is a capital projects fund to account for financial resources to be used for major improvements to the District's existing facilities.

Measurement Focus

District-Wide Financial Statements

The District-wide statements, as well as the proprietary fund financial statements, are prepared using the economic resources measurement focus.

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

Fund Financial Statements

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

Basis of Accounting

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Revenues

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include taxes, grants, entitlements and donations for which the revenue is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Property taxes are recognized as revenues in the year for which they are levied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are deemed both measurable and available at fiscal year-end: investment earnings, grants and entitlements.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *outflows* of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred *inflows* of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. One such inflow arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, certain pension-related and other postemployment benefit (OPEB) items are reported as deferred *outflows* and deferred *inflows* on the Statement of Net Position. See Notes 9 and 10 for additional information on these elements.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

amortization, are not recognized in the governmental funds. Debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property Taxes

Taxes on real property are levied and the lien attaches on July 1st of each year. They are due on the third Monday of August and can be paid in quarterly installments on or before the third Monday of August and the first Monday of October, January, and March, respectively. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. If delinquent taxes are not paid within the two-year redemption period, the Treasurer of Douglas County obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the Treasurer may sell the property to satisfy the tax lien.

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

Budgets and Budgetary Accounting

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

1. Prior to April 15, the District's Board of Trustees (the Board) files a tentative budget with the Nevada Department of Taxation and the Nevada Department of Education for the fiscal year beginning the following July 1. For all funds except Agency funds, the tentative budget includes proposed expenditures and the means of financing them.
2. Prior to June 8, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the Board's members.
3. On or before the following January 1, the Board of Trustees adopts an amended final budget to reflect any adjustments necessary as a result of the complete count of students.
4. The Superintendent of Schools is authorized to transfer appropriations between accounts within departments and funds, if amounts do not exceed the original budget, subject to subsequent approval by the Board of Trustees. Augmentations in excess of the original budget require approval from the Board of Trustees.
5. Formal budgetary integration is employed as a management control device for the General Fund, Special Revenue funds, the Debt Service Fund, Capital Projects funds,

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

and the Internal Service funds. Such funds have legally adopted annual budgets which lapse at year-end.

6. Budgeted appropriations may not be exceeded by actual expenditures of the various programs in the budgeted governmental funds. The sum of operating and nonoperating expenses in the Internal Service funds may not exceed appropriations.
7. All budgets are adopted on a basis consistent with GAAP. The accompanying financial statements reflect the Original Budget and the Final Budget, which include the adjustments for legally authorized revisions made during the year. Appropriations, except encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year.

Cash and Investments

The District pools cash and investment resources of its various funds in order to facilitate the management of its cash and investments. Amounts applicable to a particular fund are readily identifiable.

The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the District's investments. Investments are carried at fair value as determined by quoted market prices, net of accrued interest as provided by the pool sponsors. Restricted cash includes cash reserved for the acquisition or construction of capital assets or improvements.

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

1. United States bonds and debentures maturing within 10 years from the date of purchase.
2. Certain farm loan bonds.
3. Securities of the United States Treasury, obligations of an agency or instrumentality of the United States, or a corporation sponsored by the government maturing within (10) years from the date of purchase.
4. Negotiable certificates of deposit from commercial banks, insured credit unions or savings and loan associations.
5. Certain nonnegotiable certificates of deposit issued by insured commercial banks, insured credit unions, or insured savings and loan associations.
6. Certain securities issued by local governments of the State of Nevada.
7. Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and certain money market mutual funds.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

8. Certain obligations of state and local governments.
9. State of Nevada Local Government Investment Pool Fund.
10. Other securities expressly provided by other statutes, including repurchase agreements.

Statements of Cash Flows

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

Inventories

Inventories in the General Fund and Food Services Special Revenue Fund are maintained on the consumption basis of accounting, where items are purchased for inventory and recorded as expenditures as the items are consumed. Inventories are valued at cost, as determined using the first-in, first-out (FIFO) cost method, except for commodities, which are stated at their fair value.

Capital Assets

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

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

	<u>Years</u>
Buildings and Improvements	20-50
Vehicles/Buses	8
Equipment	5-15

Allowance for Uncollectible Receivables

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

Accrued Liabilities

Accrued liabilities consist principally of teacher, administrator, and other District employee salaries and benefits for the school program year ended June 30, 2025, but not yet paid.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Expenditures

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

A brief description of these program classifications follows:

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

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

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

Other instructional programs are activities that provide elementary and secondary students with learning experiences in school-sponsored activities, athletics, and summer school.

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

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

Food services (nutrition services) programs consist of activities to provide food service to students and staff.

Community Services programs are those programs not directly related to the provision of educational services, including services for the welfare of the community.

Compensated Absences

Teachers and certain school administrators do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to specific maximum days/hours. Employees are allowed to accumulate sick days for future use up to certain maximums. Vested sick leave will be paid by the District to eligible employees. Payments will be made as a lump sum at the rate of \$40 per day of accumulated and vested sick leave for eligible administrators, and at the rate of \$30 per day for all other eligible employees. The current portion of vacation and sick leave is recorded as a payroll expenditure. The estimated long-term liability for vacation and sick leave is accounted for in the district-wide financial statements.¹⁵⁴

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Use of Estimates

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

Prior Year Information

Certain basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2024, from which summarized information was derived. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications relate primarily to the determination of major and nonmajor funds, as previously discussed.

NOTE 2 – COMPLIANCE WITH NEVADA REVISED STATUTES

The District conformed to all significant statutory constraints on its financial administration during the year, with the exception of the following expenditures in excess of their budgetary appropriation, which are potential violations of NRS 354.626:

<u>Fund</u>	<u>Program</u>	<u>Expenditure Exceeds Budget</u>
General	Regular Program	\$507,838
Special Education	Special Programs	667,747
Capital Projects	Facilities	284,360
Self-Insurance	Self-Insurance	1,363,767

NOTE 3 – CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of the pool is displayed on the Governmental Funds Balance Sheet as "Cash and Investments."

As of June 30, 2025, the District had the following amounts reported as cash and investments:

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

District-Wide Balances:

Pooled cash	\$ 6,189,390
Food services	51,241
Self-insurance claims accounts	49,116
Cash held by Student Activity Funds	<u>1,336,313</u>
	7,626,060
Deposits held with Douglas County, Nevada	20,708
Local Government Investment Pool	<u>10,880,000</u>
Total Cash and Investments	<u>\$ 18,526,768</u>

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District investments are held in the State of Nevada's Local Government Investment Pool; as such, the investments are not categorized by valuation inputs.

As of June 30, 2025, the District had \$10,880,000 invested with Nevada's Local Government Investment Pool. The investment is stated at fair value with a maturity date of less than one year.

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

Interest Rate Risk – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from the rise in interest rates. To limit exposure to interest rate risk, the Nevada Revised Statutes limits bankers' acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturity.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. In accordance with the Nevada Revised Statutes, the District limits its investment instruments by their credit risk. The State of Nevada Local Government Investment Pool and the Douglas County Investment Pool are unrated external investment pools.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or brokerage failure, the District's deposits may not be returned. The District's bank deposits are generally covered by FDIC insurance and are collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 4 – RECEIVABLES

As of June 30, 2025, the District’s receivables totaled \$2,875,212 and were comprised primarily of amounts due from the State of Nevada Department of Education for reimbursement of grant expenditures.

NOTE 5 – INTERFUND BALANCES AND TRANSACTIONS

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

The cost of health and workers’ compensation insurance benefits are accounted for in internal service funds which assess each fund based on total enrolled members in the District’s plan. The amounts due to the Self Insurance Health Fund and Workers’ Compensation Self-Insurance Fund at year end represent the portion attributable to year end accrued salaries.

Interfund transfers are shown as other financing sources (uses) in all funds other than the internal service funds, where they are shown as operating transfers. Transfers are used primarily to supplement programs that are not fully funded by general revenues.

Interfund receivable and payable balances as of June 30, 2025 are as follows:

	Interfund Receivables	Interfund Payables
Major Governmental Funds:		
General Fund	\$ 1,506,132	\$ 533,675
Special Education Fund	-	411,722
Grants Fund	-	1,093,134
Non-major funds	-	1,276
Internal Service Funds:		
Self Insurance Health Fund	507,678	-
Workers' Comp. Self-Insurance Fund	25,997	-
	\$ 2,039,807	\$ 2,039,807

Transfers made during the year ended June 30, 2025 were as follows:

	Transfers	
	To	From
General Fund	\$ -	\$ 6,600,000
Special Education Fund	5,600,000	-
Debt Service Fund	-	300,000
Capital Projects Fund	300,000	-
Health Insurance Fund	1,000,000	-
	\$ 6,900,000	\$ 6,900,000

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 6 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2025 is shown below:

	Balance July 1, 2024	Additions / Transfers	Deletions / Transfers	Balance June 30, 2025
Nondepreciable Capital Assets				
Land	\$ 1,273,439	\$ -	\$ -	\$ 1,273,439
Construction in progress	3,524,737	4,420,952	(5,106,089)	2,839,600
	<u>4,798,176</u>	<u>4,420,952</u>	<u>(5,106,089)</u>	<u>4,113,039</u>
Depreciable Capital Assets				
Buildings and improvements	161,562,383	5,655,674	-	167,218,057
Equipment and vehicles	17,624,774	1,268,910	(644,734)	18,248,950
	<u>179,187,157</u>	<u>6,924,584</u>	<u>(644,734)</u>	<u>185,467,007</u>
Total Capital Assets	<u>183,985,333</u>	<u>11,345,536</u>	<u>(5,750,823)</u>	<u>189,580,046</u>
Less accumulated depreciation for:				
Buildings and improvements	94,815,657	4,511,805	-	99,327,462
Equipment and vehicles	10,888,594	1,177,962	(636,663)	11,429,893
	<u>105,704,251</u>	<u>5,689,767</u>	<u>(636,663)</u>	<u>110,757,355</u>
Governmental Activities, Capital Assets, net	<u>\$ 78,281,082</u>	<u>\$ 5,655,769</u>	<u>\$ (5,114,160)</u>	<u>\$ 78,822,691</u>

Depreciation expense was allocated to the following functions/programs:

Instruction	\$ 227,591
Support Services	625,874
Facilities construction and improvement	<u>4,836,302</u>
Total Depreciation Expense	<u>\$ 5,689,767</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 7 – LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of the changes in the District’s long-term obligations during the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions of New Debt	Retirements, Repayments and Reductions	Balance June 30, 2025	Due Within One Year	Due After One Year
General Obligation Bonds	\$ 26,114,000	\$ -	\$ (2,393,000)	\$ 23,721,000	\$ 2,431,000	\$ 21,290,000
Plus: Bond Premiums	85,937	-	(6,508)	79,429	6,508	72,921
Total Bonds Payable	26,199,937	-	(2,399,508)	23,800,429	2,437,508	21,362,921
Compensated Absences	690,510	28,298	-	718,808	-	718,808
	26,890,447	28,298	(2,399,508)	24,519,237	2,437,508	22,081,729
OPEB	12,729,510	-	(2,313,372)	10,416,138	-	10,416,138
Pension liability	88,369,704	3,379,757	-	91,749,461	-	91,749,461
	<u>\$127,989,661</u>	<u>\$ 3,408,055</u>	<u>\$ (4,712,880)</u>	<u>\$126,684,836</u>	<u>\$ 2,437,508</u>	<u>\$124,247,328</u>

Total interest expense for the year ended June 30, 2025 was \$663,386.

The District was, in accordance with NRS 387.400, within the legal debt limit at June 30, 2025.

General Obligation Bonds payable consist of the following as of June 30, 2025:

Issue	Date Issued	Date of Final Maturity	Original Interest Rate %	Amount Issued	Balance June 30, 2025
Improvement Bonds (QSCBs), Series 2010C	5/13/2010	4/1/2027	4.5 - 6.4	\$ 2,305,000	\$ 2,000,000
Improvement Bonds, Series 2012	12/19/2012	4/1/2042	2.0 - 3.25	9,000,000	5,605,000
Improvement Bonds, Series 2015	2/19/2015	4/1/2035	2.0 - 3.25	5,000,000	3,205,000
Refunding Bonds, Series 2020	12/3/2020	4/1/2030	1.340	11,858,000	6,064,000
Taxable/Tax-Exempt Refunding, Series 2021	12/8/2021	4/1/2034	2.290	7,516,000	6,847,000
					<u>\$23,721,000</u>

The annual requirements to amortize all General Obligation Debt outstanding (exclusive of bond premiums of \$79,429) as of June 30, 2025 are as follows:

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Fiscal Year Ending June 30,	Principal	Interest	Expected Interest Subsidy	Total Requirements
2026	\$ 2,431,000	\$ 589,681	\$ (56,600)	\$ 2,964,081
2027	2,507,000	550,600	(56,600)	3,001,000
2028	2,490,000	415,002	-	2,905,002
2029	2,532,000	373,148	-	2,905,148
2030	2,436,000	330,403	-	2,766,403
2031 - 2035	7,290,000	1,129,596	-	8,419,596
2036 - 2040	2,785,000	459,230	-	3,244,230
2041 - 2042	1,250,000	58,909	-	1,308,909
	<u>\$ 23,721,000</u>	<u>\$ 3,906,569</u>	<u>\$ (113,200)</u>	<u>\$ 27,514,369</u>

NOTE 8 – FUND BALANCE/NET POSITION

District-Wide Financial Statements

The district-wide Statement of Net Position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is categorized as invested in capital assets, restricted and unrestricted.

Net position is reported as restricted when there are statutory limitation on their use either through enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Unrestricted net position represents the District’s available financial resources.

Fund Financial Statements

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

Nonspendable - fund balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The District has inventories that are considered nonspendable.

Restricted – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Committed – fund balances that contain self-imposed constraints of the District by its Board of Trustees, the highest level of the District’s decision making authority. Committed fund balance is reported pursuant to formal action of the Board of Trustees.

Assigned – fund balances that contain self-imposed constraints of the District to be used for a particular purpose. Amounts may be assigned by the Board of Trustees or its designee(s).

Appropriated assigned fund balance is an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year’s budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Unassigned – fund balance of the General Fund that is not constrained for any particular purpose.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned as needed.

The following is a summary of the District’s governmental fund balances as of June 30, 2025:

	Major Funds					Total Governmental Funds
	General Fund	Special Education Fund	Debt Service Fund	Building and Sites Fund	Other Gov't Funds	
Nonspendable:						
Inventories	\$ 121,797	\$ -	\$ -	\$ -	\$ 73,202	\$ 194,999
Restricted for:						
Debt service	-	-	6,196,439	-	-	6,196,439
Property renovations/upgrades	-	-	-	384,468	2,581,089	2,965,557
Nutrition services	-	-	-	-	2,951,998	2,951,998
Student activities	-	-	-	-	1,336,313	1,336,313
Assigned to:						
Education services	1,000,157	-	-	-	-	1,000,157
Unassigned	(2,070,866)	(476,339)	-	-	-	(2,547,205)
Governmental Fund Balances	<u>\$ (948,912)</u>	<u>\$ (476,339)</u>	<u>\$ 6,196,439</u>	<u>\$ 384,468</u>	<u>\$ 6,942,602</u>	<u>\$ 12,098,258</u>

Deficit Fund Balances

The District reported deficits in fund balance as of June 30, 2025, as follows:

Fund	Deficit
General Fund	\$ (948,912)
Special Education Fund	(476,339)

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE 9 – NEVADA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

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

Benefits Provided

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

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

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

Vesting

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

Contributions

Contribution provisions are specified by state statute and may be amended only by action of the State legislature. Contribution rates are based on biennial actuarial valuations and are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions (EE/ER), while the other plan provides for employer-pay contributions (EPC) only. Under the matching Employee/Employer Contribution (EE/ER) plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution (EE/ER) plan.

The required contribution rates for the years ended June 30, 2025 was 17.50%, for the EE/ER plan and 33.50%, for the EPC plan. The District's contributions to the Plan were \$7,539,057 and \$7,393,897 for the years ended June 30, 2025 and 2024, respectively.

PERS Investment Policy

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the PERS Board's adopted policy target asset allocation as of June 30, 2025:

Asset Class	Target Allocation	Long-Term
		Geometric Expected Real Rate of Return
U.S. Stocks	34%	5.50%
International Stocks	14%	5.50%
U.S. Bonds	28%	2.25%
Private Markets	12%	6.65%
Short-term investments	12%	0.50%
	<u>100%</u>	

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Net Pension Liability

At June 30, 2025, the District reported a liability of \$91,749,461 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the PERS pension plan relative to the total contributions of all participating reporting units and members. At June 30, 2024, the District's proportion of the regular plan was .50780%, which was a decrease of .000192 from its .47017% proportion measured as of June 30, 2023.

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

The following presents the net pension liability of the District calculated using the discount rate of 7.25%. The following also reflects what the District's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current discount rate of 7.25%.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net Pension Liability	\$ 147,544,241	\$ 91,749,461	\$ 45,718,160

Pension Plan Fiduciary Net Position

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

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025

Investment rate of return	7.25% per year.
Salary increases	4.20% to 9.10% depending on service.
Inflation rate	2.50% per year.
Productivity pay increase	0.50%
Other assumptions	Same as those used in the June 30, 2024 funding actuarial valuation.

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the year ended June 30, 2025, the District recognized pension expense of \$9,256,457. As of June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 19,464,321	\$ -
Changes in assumptions	5,920,251	-
Net difference between projected and actual earnings on pension plan assets	-	9,038,504
Changes in proportion	4,437,491	3,444,654
The District's contributions subsequent to the measurement date	7,539,057	-
	<u>\$ 37,361,120</u>	<u>\$ 12,483,158</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Amount
2026	\$ 2,130,973
2027	11,473,777
2028	977,613
2029	658,984
2030	2,097,559
	<u>\$ 17,338,906</u>

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

Plan Descriptions

Nevada Public Employees' Benefits Program

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

Douglas County School District Healthcare Plan

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

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

issued for this plan. The District has elected to pay the implicit cost of postemployment benefits on the *pay-as-you-go* basis. District contributions were \$331,124 for FY 25.

Plan membership consisted of 639 active plan members and 83 retirees as of September 1, 2024, the date of the latest actuarial valuation.

The District is self-insured for healthcare coverage. NRS 288.150 specifies that insurance benefits are subject to mandatory bargaining. The amount employees contribute towards their insurance premium is negotiated with each association.

Actuarial Methods and Assumptions

The District’s net OPEB liability for each plan was measured as of June 30, 2024, and the total OPEB liabilities used to calculate their respective net OPEB liability were determined by actuarial valuations for each plan as of September 1, 2024.

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

	<u>District</u>	<u>PEBP</u>
Valuation Date	9/1/24	9/1/2024
Actuarial cost method	Entry Age Normal	Entry Age Normal
Inflation	2.50%	2.50%
Salary increases	3.00%	N/A
Discount rate	5.20%	5.20%
Retirement age	45 to 75	N/A
Healthcare cost trend rate		
2026	6.00%	6.50%
By 2075	grading to 3.9%	grading to 3.9%
		Post MC: 4.50%
Mortality	NV PERS 2021; Projected with MW Scale 2022	NV PERS 2021; Projected with MW Scale 2022

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

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

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

Net OPEB Liability	1% Decrease in Discount Rate to 4.20%	Current Discount Rate 5.20%	1% Increase in Discount Rate to 6.20%
District	\$ 4,183,536	\$ 3,870,389	\$ 3,585,331
PEBP	7,339,516	6,545,749	6,261,589
	\$ 11,523,052	\$ 10,416,138	\$ 9,846,920

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

Net OPEB Liability	1% Decrease in Current Trend	Current Trend	1% Increase in Current Trend
District	\$ 3,535,564	\$ 3,870,389	\$ 4,254,786
PEBP	6,280,719	6,545,749	7,306,876
	\$ 9,816,283	\$ 10,416,138	\$ 11,561,662

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

For the year ended June 30, 2025, the District recognized OPEB income of \$550,213 for the District Plan and OPEB income of \$1,755,643 for PEBP. As of June 30, 2025, the District reported deferred inflows of \$5,403,369 and \$-0- for the District Plan and PEBP, respectively, and deferred outflows of \$1,379,164 and \$-0-, respectively.

The deferred resources for the District Plan will be recognized as a component of annual OPEB expense or income.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Change in Net OPEB Liability

The following table depicts the District's changes in the net OPEB liability for the year ended June 30, 2025:

	<u>District</u>	<u>PEBP</u>	<u>Combined</u>
Balance, July 1, 2024	\$ 3,185,847	\$ 8,892,002	\$ 12,077,849
Changes for the Year:			
Service cost	101,589	-	101,589
Interest cost	122,689	337,850	460,539
Change of experience	251,059	(846,604)	
Changes of assumptions	540,329	(1,246,889)	(706,560)
Benefit payments	(331,124)	(590,610)	(921,734)
Net Changes	<u>684,542</u>	<u>(2,346,253)</u>	<u>(1,661,711)</u>
Balance, June 30, 2025	<u>\$ 3,870,389</u>	<u>\$ 6,545,749</u>	<u>\$ 10,416,138</u>

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. These risks are provided for through participation in the Nevada Public Agency Insurance Pool (the Pool), a public entity risk pool. The District pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool covers its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

Self-Insurance Health Fund

The District contributed approximately \$825 per employee to this fund for health and accident coverage. In addition, employees have the option to authorize payroll deductions for premiums for dependent coverage. The premiums are adjusted annually as necessary to properly allow for health and accident claims. The District's third party administrator monitors and negotiates payment of all health and accident claims.

The District is protected against unanticipated catastrophic individual or aggregate loss through its stop-loss coverage, which is in effect for individual claims exceeding \$275,000 and for aggregate loss, which is based on a factor determined monthly by the carrier.

Workers' Compensation Self-Insurance Fund

Claims are paid by a third-party administrator acting on behalf of the District. The District is protected against unanticipated catastrophic claims and annual aggregate loss by a commercial insurance carrier. Coverage is in effect for specific occurrences exceeding \$400,000. Liabilities for incurred losses to be settled

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

by fixed or reasonably determined payments over an extended period of time are computed by an actuary and are reported at their present value using an expected future investment yield of 2.5%.

The self-insurance funds are reported as internal service funds in the accompanying financial statements. Liabilities are recorded in the financial statements if it is probable that a liability has been incurred at the date of the financial statements and a reasonable estimate of the liability can be made. These liabilities include an estimate for claims that have been incurred but not yet reported. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are reevaluated annually to take into consideration recently settled claims, claim frequency, and other economic and social factors.

The changes in the claims liability for the years ended June 30, 2024 and 2025 are as follows:

	Self-Insurance Funds		
	Health Fund	Workers' Compensation	Total
Claims liability, July 1, 2023	\$ 1,079,848	\$ 610,000	\$ 1,689,848
Current year claims and changes in estimates	8,137,877	74,500	8,212,377
Claim payments	<u>(8,233,641)</u>	<u>(206,500)</u>	<u>(8,440,141)</u>
Claims liability, June 30, 2024	984,084	478,000	1,462,084
Current year claims and changes in estimates	9,571,263	213,214	9,784,477
Claim payments	<u>(9,420,853)</u>	<u>(175,214)</u>	<u>(9,596,067)</u>
Claims liability, June 30, 2025	<u>\$ 1,134,494</u>	<u>\$ 516,000</u>	<u>\$ 1,650,494</u>

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation

The District is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable. In the opinion of management, any resulting uninsured liability will not have a material effect, if any, on the financial position or results of the operations of the District.

Grants

The District has received state and federal grants for specific purposes that are subject to audit and review by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although, based on prior experience, the District believes such disallowances, if any, will not be material.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

Construction Commitments

The District has active construction projects as of June 30, 2025 which are being financed primarily by available cash in the District's two capital projects funds. No additional financing is required to complete these projects.

Going Concern

Since June 30, 2022, the District has experienced a steady decline in its General Fund fund balance. Over the past three fiscal years, the fund balance has gone from \$10.6 million to a deficit at June 30, 2025 of \$949 thousand – a cumulative decrease of \$11.6 million. The most significant factors pertinent to the decline are:

- Declining student enrollment. From FY19-20 to FY24-25, the student enrollment has decreased by 862 students, or approximately 15%.
- Conversely, the special education enrollment has increased. Expenditures required to adequately serve this student population segment have consistently outpaced the State's funding for special education, thereby requiring increasing transfers from the General Fund.
- Beginning July 2021, the State's funding for K-12 public education is through the Pupil-Centered Funding Plan (PCFP) and in FY22-23, the State's mechanism for funding assistance to district's experiencing declining enrollment ("hold harmless") was discontinued and funding is based on actual enrollment.
- Contrary to the District's increasing enrollment decline, staffing levels in the District have increased by approximately 1% over the same time period discussed earlier.
- In FY23-24, the District negotiated an 11% salary increase to all employees, followed by a 4% increase in FY24-25.

Remediation efforts are being aggressively pursued by the District's administration, including, but not limited to:

- Review of and a temporary hold on hiring for vacant budgeted positions. Every vacated position will be critically evaluated prior to vacancies being filled.
- Review and revision of the District's Staff Allocation criteria, currently resulting in 47 positions reduced from the FY26 budget, most of which were vacant budget positions.
- Reduced six of the seven critical shortage teaching positions. These reductions came from advertising and mid-year hires.
- Vacant Inclusive Education teacher positions and parapro hours have been reduced without comprising IEP compliance.
- Planned textbook adoptions of \$250 thousand have been frozen.
- A continuing critical analysis of the District's expenditures. Such efforts are forecasting an approximate \$950 thousand savings in the General Fund.
- The District is actively pursuing the implementation of Medicaid billing that can provide revenue for escalating Special Education expenditures.
- Exploration of new revenue sources, including implementation of a parking agreement with Douglas County and a school bus advertising program. To date, these programs have brought in approximately \$60 thousand of new revenue.

DOUGLAS COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

- Researching the potential impacts of consolidating schools. This includes researching our facility capacity levels; savings amount of any consolidation; impact on transportation costs; the necessity of redrawing school boundaries; and, cost savings through the elimination of duplicate positions.

NOTE 13 – CHANGE WITHIN THE REPORTING ENTITY

During fiscal year 2025, there was a change within the financial reporting entity which resulted in the Capital Projects Fund being reported as a major fund instead of a nonmajor fund and in the Building and Sites Fund being reported as a nonmajor fund instead of a major fund. Accordingly, the funds' respective fund balances as of June 30, 2024 have been reported as adjustments to beginning fund balance, as follows:

	July 1, 2024, As Previously Reported	Change Within the Reporting Entity	July 1, 2024, As Restated
Nonmajor Funds	\$ 8,989,460	\$ (3,907,348)	\$ 5,082,112
New Major Fund - Capital Projects	N/A	4,494,212	4,494,212
Previous Major Fund - Buildings & Sites	586,864	(586,864)	-

DOUGLAS COUNTY SCHOOL DISTRICT

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

	Plan Year Ended				
	2024	2023	2022	2021	2020
District's proportion of the Net Pension Liability	0.50780%	0.47017%	0.48945%	0.51427%	0.51782%
District's proportionate share of the Net Pension Liability	\$ 91,749,461	\$ 85,820,451	\$ 88,369,704	\$ 46,897,874	\$ 72,123,743
District's covered employee payroll	\$ 44,185,933	\$ 43,620,526	\$ 36,240,689	\$ 35,776,138	\$ 36,405,291
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	207.64%	196.74%	243.84%	131.09%	198.11%
Plan fiduciary net position as a percentage of the Total Pension Liability	78.11%	76.16%	76.50%	86.51%	77.00%
	2019	2018	2017	2016	2015
District's proportion of the Net Pension Liability	0.52206%	0.53453%	0.57247%	0.58846%	0.60910%
District's proportionate share of the Net Pension Liability	\$ 71,188,494	\$ 72,898,330	\$ 76,137,260	\$ 79,189,924	\$ 69,799,991
District's covered employee payroll	\$ 36,654,122	\$ 35,646,119	\$ 35,305,799	\$ 35,363,059	\$ 35,561,565
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	194.22%	204.51%	215.65%	223.93%	196.28%
Plan fiduciary net position as a percentage of the Total Pension Liability	76.46%	75.23%	74.42%	72.20%	75.10%

DOUGLAS COUNTY SCHOOL DISTRICT

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

	Determined for the Year Ended June 30,				
	2025	2024	2023	2022	2021
Statutorily required contribution	\$ 7,539,057	\$ 7,393,897	\$ 5,491,452	\$ 5,376,583	\$ 5,378,816
Contributions in relation to the statutorily required contribution	<u>7,539,057</u>	<u>7,393,897</u>	<u>5,491,452</u>	<u>5,376,583</u>	<u>5,378,816</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 44,185,933	\$ 43,620,526	\$ 36,240,689	\$ 35,776,138	\$ 36,405,291
Contributions as a percentage of covered employee payroll	17.06%	16.95%	15.15%	15.03%	14.77%
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 5,415,208	\$ 5,025,730	\$ 4,983,219	\$ 4,989,279	\$ 8,912,739
Contributions in relation to the statutorily required contribution	<u>5,415,208</u>	<u>5,025,730</u>	<u>4,983,219</u>	<u>4,989,279</u>	<u>8,912,739</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 36,654,122	\$ 35,646,119	\$ 35,305,799	\$ 35,363,059	\$ 35,561,565
Contributions as a percentage of covered employee payroll	14.77%	14.10%	14.11%	14.11%	25.06%

DOUGLAS COUNTY SCHOOL DISTRICT

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

	2025			2024		
	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability						
Service cost	\$ 101,589	\$ -	\$ 101,589	\$ 101,679	\$ -	\$ 101,679
Interest	122,689	337,850	460,539	118,681	332,841	451,522
Expected versus actual experience	251,059	(846,604)	(595,545)	-	-	-
Changes in assumptions	540,329	(1,246,889)	(706,560)	(38,779)	(244,675)	(283,454)
Benefit payments	(331,124)	(590,610)	(921,734)	(291,207)	(630,201)	(921,408)
Net change in Total OPEB Liability	684,542	(2,346,253)	(1,661,711)	(109,626)	(542,035)	(651,661)
Total OPEB Liability, beginning	3,185,847	8,892,002	12,077,849	3,295,473	9,434,037	12,729,510
Total OPEB Liability, ending	3,870,389	6,545,749	10,416,138	3,185,847	8,892,002	12,077,849
Plan Fiduciary Net Position						
Employer contributions	331,124	590,610	921,734	291,207	662,556	953,763
Net investment income	-	-	-	-	-	-
Benefit payments	(331,124)	(590,610)	(921,734)	(291,207)	(662,556)	(953,763)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-
District's Net OPEB Liability	\$ 3,870,389	\$ 6,545,749	\$ 10,416,138	\$ 3,185,847	\$ 8,892,002	\$ 12,077,849
Covered payroll	\$ 42,639,998	N/A	N/A	\$ 43,391,859	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	9.08%	N/A	N/A	7.34%	N/A	N/A

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

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DOUGLAS COUNTY SCHOOL DISTRICT

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

	2023			2022			2021		
	District	PEBP	Total	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability									
Service cost	\$ 348,551	\$ -	\$ 348,551	\$ 438,487	\$ -	\$ 438,487	\$ 413,849	\$ -	\$ 413,849
Interest	234,782	356,453	591,235	160,882	261,495	422,377	170,448	339,258	509,706
Expected versus actual experience	(3,142,467)	(187,506)	(3,329,973)	-	-	-	(1,965,138)	(2,900,406)	(4,865,544)
Changes in assumptions	(304,856)	(472,922)	(777,778)	(1,077,162)	(1,630,288)	(2,707,450)	1,325,871	(2,472)	1,323,399
Benefit payments	(248,460)	(662,556)	(911,016)	(248,142)	(673,756)	(921,898)	(219,786)	(688,599)	(908,385)
Net change in Total OPEB Liability	(3,112,450)	(966,531)	(4,078,981)	(725,935)	(2,042,549)	(2,768,484)	(274,756)	(3,252,219)	(3,526,975)
Total OPEB Liability, beginning	6,407,923	10,400,568	16,808,491	7,133,858	12,443,117	19,576,975	7,408,614	15,695,336	23,103,950
Total OPEB Liability, ending	3,295,473	9,434,037	12,729,510	6,407,923	10,400,568	16,808,491	7,133,858	12,443,117	19,576,975
Plan Fiduciary Net Position									
Employer contributions	248,460	662,556	911,016	248,142	673,756	921,898	219,786	688,599	908,385
Net investment income	-	-	-	-	-	-	-	-	-
Benefit payments	(248,460)	(662,556)	(911,016)	(248,142)	(673,756)	(921,898)	(219,786)	(688,599)	(908,385)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-	-	-	-
District's Net OPEB Liability	\$ 3,295,473	\$ 9,434,037	\$ 12,729,510	\$ 6,407,923	\$ 10,400,568	\$ 16,808,491	\$ 7,133,858	\$ 12,443,117	\$ 19,576,975
Covered payroll	\$ 39,116,652	N/A	N/A	\$ 37,977,332	N/A	N/A	\$ 38,199,000	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	8.42%	N/A	N/A	16.87%	N/A	N/A	18.68%	N/A	N/A

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

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DOUGLAS COUNTY SCHOOL DISTRICT

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

	2020			2019			2018		
	District	PEBP	Total	District	PEBP	Total	District	PEBP	Total
Total OPEB Liability									
Service cost	\$ 308,442	\$ -	\$ 308,442	\$ 470,590	\$ -	\$ 470,590	\$ 487,581	\$ -	\$ 487,581
Interest	221,063	473,506	694,569	352,961	531,373	884,334	315,670	512,486	828,156
Expected versus actual experience	-	-	-	(2,182,159)	(1,222,963)	(3,405,122)	-	-	-
Changes in assumptions	1,023,019	2,120,778	3,143,797	(995,379)	1,322,789	327,410	(398,244)	(575,379)	(973,623)
Benefit payments	(267,079)	(778,304)	(1,045,383)	(251,622)	(823,650)	(1,075,272)	(262,271)	(766,650)	(1,028,921)
Net change in Total OPEB Liability	1,285,445	1,815,980	3,101,425	(2,605,609)	(192,451)	(2,798,060)	142,736	(829,543)	(686,807)
Total OPEB Liability, beginning	6,123,169	13,879,356	20,002,525	8,728,778	14,071,807	22,800,585	8,586,042	14,901,350	23,487,392
Total OPEB Liability, ending	7,408,614	15,695,336	23,103,950	6,123,169	13,879,356	20,002,525	8,728,778	14,071,807	22,800,585
Plan Fiduciary Net Position									
Employer contributions	267,079	778,304	1,045,383	251,622	823,650	1,075,272	262,271	766,650	1,028,921
Net investment income	-	-	-	-	-	-	-	-	-
Benefit payments	(267,079)	(778,304)	(1,045,383)	(251,622)	(823,650)	(1,075,272)	(262,271)	(766,650)	(1,028,921)
Net change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, beginning	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, ending	-	-	-	-	-	-	-	-	-
District's Net OPEB Liability	\$ 7,408,614	\$ 15,695,336	\$ 23,103,950	\$ 6,123,169	\$ 13,879,356	\$ 20,002,525	\$ 8,728,778	\$ 14,071,807	\$ 22,800,585
Covered payroll	\$ 37,443,397	N/A	N/A	\$ 31,511,797	N/A	N/A	\$ 35,338,249	N/A	N/A
District's net OPEB liability as a percentage of covered payroll	19.79%	N/A	N/A	0.1943	N/A	N/A	0.247	N/A	N/A

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

DOUGLAS COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Ad valorem taxes	\$ 3,771,002	\$ 3,771,002	\$ 4,108,202	\$ 337,200	\$ 3,863,112
Earnings on investments	30,000	30,000	201,983	171,983	156,111
Total Local Sources	3,801,002	3,801,002	4,310,185	509,183	4,019,223
Federal Sources:					
Bond interest subsidy	56,600	56,600	96,161	39,561	122,174
Total Revenues	3,857,602	3,857,602	4,406,346	548,744	4,141,397
EXPENDITURES					
Debt Service:					
Principal	2,393,000	2,393,000	2,393,000	-	2,385,000
Interest	628,099	628,099	628,099	-	669,686
Fiscal agent charges	6,000	6,000	2,300	3,700	3,050
Total Expenditures	3,027,099	3,027,099	3,023,399	3,700	3,057,736
Revenues Over (Under) Expenditures	830,503	830,503	1,382,947	552,444	1,083,661
OTHER FINANCING SOURCES (USES)					
Transfer (to) other funds	(300,000)	(300,000)	(300,000)	-	(100,000)
Net Change in Fund Balance	530,503	530,503	1,082,947	552,444	983,661
FUND BALANCE, July 1	4,815,683	5,113,492	5,113,492	-	4,129,831
FUND BALANCE, June 30	\$ 5,346,186	\$ 5,643,995	\$ 6,196,439	\$ 552,444	\$ 5,113,492

DOUGLAS COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Governmental services tax	\$ 1,781,143	\$ 1,781,143	\$ 1,886,267	\$ 105,124	\$ 1,765,776
Residential construction tax	422,958	422,958	400,139	(22,819)	507,460
Earnings on investments	20,000	20,000	75,596	55,596	151,865
Total Revenues	2,224,101	2,224,101	2,362,002	137,901	2,425,101
EXPENDITURES					
Undistributed Expenditures:					
Central Services:					
Supplies	-	326,733	308,112	18,621	786,154
Property	-	148,063	176,471	(28,408)	99,765
	-	474,796	484,583	(9,787)	885,919
Other Support:					
Purchased services	-	64,000	63,386	614	-
Supplies	525,000	-	-	-	-
Property	60,000	28,408	-	28,408	85,470
	585,000	92,408	63,386	29,022	85,470
Total Support Services	585,000	567,204	547,969	19,235	971,389
Facilities Acquisition and Construction:					
Building Acquisition/Construction					
Purchased services	-	-	-	-	198,075
Site Improvements:					
Purchased services	-	239,000	232,994	6,006	1,155,244
Building Improvements:					
Purchased services	3,400,000	3,503,796	3,794,162	(290,366)	975,815
Total Facilities Acquisition and Construction	3,400,000	3,742,796	4,027,156	(284,360)	2,329,134

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DOUGLAS COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025	2024	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total Expenditures	\$ 3,985,000	\$ 4,310,000	\$ 4,575,125	\$ (265,125)	\$ 3,300,523
Revenues Over (Under) Expenditures	(1,760,899)	(2,085,899)	(2,213,123)	(127,224)	(875,422)
OTHER FINANCING SOURCES					
Transfer from other funds	300,000	300,000	300,000	-	100,000
Net Change in Fund Balance	(1,460,899)	(1,785,899)	(1,913,123)	(127,224)	(775,422)
FUND BALANCE, July 1	<u>3,277,868</u>	<u>4,494,212</u>	<u>4,494,212</u>	<u>-</u>	<u>5,269,634</u>
FUND BALANCE, June 30	<u>\$ 1,816,969</u>	<u>\$ 2,708,313</u>	<u>\$ 2,581,089</u>	<u>\$ (127,224)</u>	<u>\$ 4,494,212</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2025

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS		
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT- RISK	PCFP GIFTED & TALENTED	TOTALS	FUND BUILDING AND SITES	TOTAL
ASSETS								
Cash and investments	\$ 2,862,947	\$ 1,336,313	\$ 184,300	\$ 34,119	\$ -	\$ 4,417,679	\$ 392,386	\$ 4,810,065
Receivables	186,033	-	-	-	1,276	187,309	2,495	189,804
Inventories	73,202	-	-	-	-	73,202	-	73,202
Total Assets	<u>\$ 3,122,182</u>	<u>\$ 1,336,313</u>	<u>\$ 184,300</u>	<u>\$ 34,119</u>	<u>\$ 1,276</u>	<u>\$ 4,678,190</u>	<u>\$ 394,881</u>	<u>\$ 5,073,071</u>
LIABILITIES								
Accounts payable and accrued liabilities	\$ 96,982	\$ -	\$ 184,300	\$ 34,119	\$ -	\$ 315,401	\$ 2,467	\$ 317,868
Retainage payable	-	-	-	-	-	-	7,946	7,946
Due to other funds	-	-	-	-	1,276	1,276	-	1,276
Total Liabilities	<u>96,982</u>	<u>-</u>	<u>184,300</u>	<u>34,119</u>	<u>1,276</u>	<u>316,677</u>	<u>10,413</u>	<u>327,090</u>
FUND BALANCES								
Nonspendable	73,202	-	-	-	-	73,202	-	73,202
Restricted	2,951,998	1,336,313	-	-	-	4,288,311	384,468	4,672,779
Total Fund Balances	<u>3,025,200</u>	<u>1,336,313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,361,513</u>	<u>384,468</u>	<u>4,745,981</u>
Total Liabilities and Fund Balances	<u>\$ 3,122,182</u>	<u>\$ 1,336,313</u>	<u>\$ 184,300</u>	<u>\$ 34,119</u>	<u>\$ 1,276</u>	<u>\$ 4,678,190</u>	<u>\$ 394,881</u>	<u>\$ 5,073,071</u>

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			TOTAL
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT- RISK	PCFP GIFTED & TALENTED	SUB- TOTALS	BUILDING AND SITES	CAPITAL PROJECTS	
REVENUES									
Local sources	\$ 972,160	\$ 2,032,237	\$ -	\$ -	\$ -	\$ 3,004,397	\$ 75,141	\$ -	\$ 3,079,538
State sources	32,535	-	677,805	322,899	92,633	1,125,872	-	-	1,125,872
Federal sources	1,112,882	-	-	-	-	1,112,882	-	-	1,112,882
Total Revenues	<u>2,117,577</u>	<u>2,032,237</u>	<u>677,805</u>	<u>322,899</u>	<u>92,633</u>	<u>5,243,151</u>	<u>75,141</u>	<u>-</u>	<u>5,318,292</u>
EXPENDITURES									
Regular programs	-	1,434,751	-	-	-	1,434,751	-	-	1,434,751
Other instructional programs	-	20,047	677,805	322,899	92,633	1,113,384	-	-	1,113,384
Undistributed Expenditures:									
Student support	-	550,000	-	-	-	550,000	-	-	550,000
Central services	-	-	-	-	-	-	-	-	-
Other support	-	-	-	-	-	-	-	-	-
Noninstructional:									
Food service	2,274,318	-	-	-	-	2,274,318	-	-	2,274,318
Facilities Acquisition and Construction	-	-	-	-	-	-	277,537	-	277,537
Total Expenditures	<u>2,274,318</u>	<u>2,004,798</u>	<u>677,805</u>	<u>322,899</u>	<u>92,633</u>	<u>5,372,453</u>	<u>277,537</u>	<u>-</u>	<u>5,649,990</u>
Revenues Over (Under) Expenditures	<u>(156,741)</u>	<u>27,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(129,302)</u>	<u>(202,396)</u>	<u>-</u>	<u>(331,698)</u>

Continued on next page.

DOUGLAS COUNTY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			
	FOOD SERVICE	STUDENT ACTIVITIES	PCFP ENGLISH LEARNERS	PCFP AT- RISK	PCFP GIFTED & TALENTED	SUB- TOTALS	BUILDING AND SITES	CAPITAL PROJECTS	TOTAL
FUND BALANCES, July 1, as previously reported	\$ 3,186,374	\$ 1,308,874	\$ -	\$ -	\$ -	\$ 4,495,248	\$ -	\$ 4,494,212	\$ 8,989,460
Adjustment	-	-	-	-	-	-	586,864	(4,494,212)	(3,907,348)
FUND BALANCES, July 1 as restated	3,186,374	1,308,874	-	-	-	4,495,248	586,864	-	5,082,112
Increase (decrease) in reserve for inventories	(4,433)	-	-	-	-	(4,433)	-	-	(4,433)
FUND BALANCES, June 30	<u>\$ 3,025,200</u>	<u>\$ 1,336,313</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,361,513</u>	<u>\$ 384,468</u>	<u>\$ -</u>	<u>\$ 4,745,981</u>

DOUGLAS COUNTY SCHOOL DISTRICT

FOOD SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 15,000	\$ 15,000	\$ 92,864	\$ 77,864	\$ 71,827
Daily sales	480,000	480,000	879,296	399,296	232,387
Other local sources	50,000	50,000	-	(50,000)	-
Total Local Sources	545,000	545,000	972,160	427,160	304,214
State Sources - Grants	8,000	8,000	32,535	24,535	203,510
Federal Sources - Grants	1,220,000	1,220,000	1,112,882	(107,118)	2,786,531
Total Revenues	1,773,000	1,773,000	2,117,577	344,577	3,294,255
EXPENDITURES					
Salaries	997,735	1,000,099	928,368	71,731	920,879
Benefits	475,580	475,784	448,805	26,979	436,231
Purchased services	17,050	17,550	9,147	8,403	12,283
Supplies	1,291,205	1,315,536	876,542	438,994	1,275,148
Property	226,681	201,850	8,850	193,000	81,384
Other	2,950	2,950	2,606	344	2,532
Total Food Service	3,011,201	3,013,769	2,274,318	739,451	2,728,457
Contingency	25,000	25,000	-	25,000	-
Total Expenditures	3,036,201	3,038,769	2,274,318	764,451	2,728,457
Net Change in Fund Balance	(1,263,201)	(1,265,769)	(156,741)	1,109,028	565,798
FUND BALANCE, July 1	1,774,396	3,186,374	3,186,374	-	2,622,952
Increase (decrease) in reserve for inventories	-	-	(4,433)	(4,433)	(2,376)
FUND BALANCE, June 30	<u>\$ 511,195</u>	<u>\$ 1,920,605</u>	<u>\$ 3,025,200</u>	<u>\$ 1,104,595</u>	<u>\$ 3,186,374</u>

DOUGLAS COUNTY SCHOOL DISTRICT

STUDENT ACTIVITIES FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Student activities	\$ 2,120,000	\$ 2,120,000	\$ 2,032,237	\$ (87,763)	\$ 1,730,680
EXPENDITURES					
Regular Programs:					
Supplies	1,500,000	1,500,000	1,434,751	65,249	1,321,600
Other Instructional Programs:					
Supplies	70,000	70,000	20,047	49,953	16,729
Undistributed Expenditures:					
Student Support:					
Supplies	550,000	550,000	550,000	-	334,582
Total Expenditures	2,120,000	2,120,000	2,004,798	115,202	1,672,911
Net Change in Fund Balance	-	-	27,439	27,439	57,769
FUND BALANCE, July 1,	1,251,105	1,308,874	1,308,874	-	1,251,105
FUND BALANCE, June 30	<u>\$ 1,251,105</u>	<u>\$ 1,308,874</u>	<u>\$ 1,336,313</u>	<u>\$ 27,439</u>	<u>\$ 1,308,874</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-ENGLISH LEARNER
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 715,932	\$ 677,805	\$ 677,805	\$ -	\$ 681,857
EXPENDITURES					
Other Instructional Programs:					
Salaries	455,251	471,945	457,740	14,205	473,646
Benefits	260,681	205,860	220,065	(14,205)	234,680
Total Expenditures	715,932	677,805	677,805	-	708,326
Net Change in Fund Balance	-	-	-	-	(26,469)
FUND BALANCE, July 1	-	-	-	-	26,469
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-AT RISK

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 563,426	\$ 322,899	\$ 322,899	\$ -	\$ 536,610
EXPENDITURES					
Other Instructional Programs:					
Salaries	349,017	217,881	215,224	2,657	348,618
Benefits	214,409	105,018	107,675	(2,657)	187,992
Total Expenditures	563,426	322,899	322,899	-	536,610
Net Change in Fund Balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

PCFP-GIFTED & TALENTED
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State Sources:					
State appropriation	\$ 51,965	\$ 92,633	\$ 92,633	\$ -	\$ 49,492
EXPENDITURES					
Other Instructional Programs:					
Salaries	33,120	67,503	67,417	86	100,721
Benefits	18,845	25,130	25,216	(86)	51,846
Total Expenditures	51,965	92,633	92,633	-	152,567
Net Change in Fund Balance	-	-	-	-	(103,075)
FUND BALANCE, July 1	-	-	-	-	103,075
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY SCHOOL DISTRICT

BUILDING AND SITES FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local Sources:					
Earnings on investments	\$ 1,014	\$ 2,946	\$ 15,646	\$ 12,700	\$ 32,127
Rents	2,400	2,400	59,495	57,095	6,567
Total Revenues	3,414	5,346	75,141	69,795	38,694
EXPENDITURES					
Other Support:					
Purchased services	-	-	-	-	10,000
Supplies	-	-	-	-	4,200
Property	-	-	-	-	8,864
	-	-	-	-	23,064
Facilities Acquisition and Construction:					
Site Improvement:					
Purchased services	-	37,500	-	37,500	68,069
Building Improvement:					
Purchased services	-	433,000	277,537	155,463	1,015,599
Total Facilities Acquisition and Construction	-	470,500	277,537	192,963	1,083,668
Total Expenditures	-	470,500	277,537	192,963	1,106,732
Net Change in Fund Balance	3,414	(465,154)	(202,396)	262,758	(1,068,038)
FUND BALANCE, July 1	200,445	586,864	586,864	-	1,654,902
FUND BALANCE, June 30	\$ 203,859	\$ 121,710	\$ 384,468	\$ 262,758	\$ 586,864

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	SELF- INSURANCE HEALTH FUND	WORKERS' COMP SELF INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
			2025	2024
ASSETS				
Current Assets:				
Cash and investments	\$ 1,746,890	\$ 1,947,413	\$ 3,694,303	\$ 3,627,978
Receivables	2,624	3,943	6,567	93,340
Due from other funds	507,678	25,997	533,675	553,259
Total Assets	2,257,192	1,977,353	4,234,545	4,274,577
 LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	5,614	6,167	11,781	39,651
Unearned revenue	507,678	-	507,678	526,344
Pending claims	1,134,494	516,000	1,650,494	1,462,184
Total Current Liabilities	1,647,786	522,167	2,169,953	2,028,179
 NET POSITION				
Restricted	\$ 609,406	\$ 1,455,186	\$ 2,064,592	\$ 2,246,398

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS
COMBINING STATEMENT OF
REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	SELF - INSURANCE HEALTH FUND	WORKERS' COMP SELF INSURANCE FUND	TOTALS GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
			2025	2024
OPERATING REVENUES				
Insurance premiums	\$ 9,185,439	\$ 420,483	\$ 9,605,922	\$ 9,010,217
Insurance proceeds	162,349	-	162,349	226,019
Other	-	12,021	12,021	-
Total Operating Revenues	<u>9,347,788</u>	<u>432,504</u>	<u>9,780,292</u>	<u>9,236,236</u>
OPERATING EXPENSES				
Claims expense	9,571,163	213,214	9,784,377	8,212,376
Purchased services	1,153,004	105,200	1,258,204	1,150,325
Other	3,630	-	3,630	3,920
Total Operating Expenses	<u>10,727,797</u>	<u>318,414</u>	<u>11,046,211</u>	<u>9,366,621</u>
Operating Income (Loss)	(1,380,009)	114,090	(1,265,919)	(130,385)
NONOPERATING REVENUES				
Earnings on investments	26,507	57,606	84,113	66,075
Income (loss) before transfers	(1,353,502)	171,696	(1,181,806)	(64,310)
TRANSFERS				
Transfers in	1,000,000	-	1,000,000	1,000,000
Change in Net Position	(353,502)	171,696	(181,806)	935,690
NET POSITION, July 1	<u>962,908</u>	<u>1,283,490</u>	<u>2,246,398</u>	<u>1,310,708</u>
NET POSITION, June 30	<u>\$ 609,406</u>	<u>\$ 1,455,186</u>	<u>\$ 2,064,592</u>	<u>\$ 2,246,398</u>

DOUGLAS COUNTY SCHOOL DISTRICT

PROPRIETARY FUNDS COMBINING STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	SELF -	WORKERS'	TOTALS	
	INSURANCE	COMP SELF	GOVERNMENTAL ACTIVITIES	
	HEALTH FUND	FUND	INTERNAL SERVICE FUNDS	
			2025	2024
CASH FROM OPERATING ACTIVITIES				
Cash received from insurance premiums	\$ 9,185,439	\$ 421,401	\$ 9,606,840	\$ 8,983,302
Cash received from insurance and other	238,574	22,569	261,143	235,973
Cash paid for claims and services	(10,577,284)	(308,487)	(10,885,771)	(9,582,889)
Net cash provided (used) by operating activities	(1,153,271)	135,483	(1,017,788)	(363,614)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfer from other funds	1,000,000	-	1,000,000	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	26,507	57,606	84,113	66,075
Net Increase (Decrease) in Cash and Investments	(126,764)	193,089	66,325	702,461
CASH AND INVESTMENTS, July 1	<u>1,873,654</u>	<u>1,754,324</u>	<u>3,627,978</u>	<u>2,925,517</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,746,890</u>	<u>\$ 1,947,413</u>	<u>\$ 3,694,303</u>	<u>\$ 3,627,978</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,380,009)	\$ 114,090	\$ (1,265,919)	\$ (130,385)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	76,225	10,548	86,773	9,954
Premiums due from other funds	18,665	918	19,583	82,030
Accounts payable and accrued expenses	203	(28,073)	(27,870)	11,497
Unearned revenue	(18,665)	-	(18,665)	(108,945)
Pending claims	150,310	38,000	188,310	(227,765)
Total Adjustments	<u>226,738</u>	<u>21,393</u>	<u>248,131</u>	<u>(233,229)</u>
Net cash provided (used) by operating activities	<u>\$ (1,153,271)</u>	<u>\$ 135,483</u>	<u>\$ (1,017,788)</u>	<u>\$ (363,614)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

SELF-INSURANCE HEALTH FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Insurance premiums	\$ 8,810,000	\$ 8,810,000	\$ 9,185,439	\$ 375,439	\$ 8,593,645
Insurance proceeds	-	-	162,349	162,349	217,798
Total Operating Revenues	8,810,000	8,810,000	9,347,788	537,788	8,811,443
OPERATING EXPENSES					
Claims expense	8,100,000	8,100,000	9,571,163	(1,471,163)	8,137,876
Purchased services	1,255,000	1,255,000	1,153,004	101,996	1,047,265
Other	9,030	9,030	3,630	5,400	3,920
Total Operating Expenses	9,364,030	9,364,030	10,727,797	(1,363,767)	9,189,061
Operating Income (Loss)	(554,030)	(554,030)	(1,380,009)	(825,979)	(377,618)
NONOPERATING REVENUES					
Earnings on investments	10,000	10,000	26,507	16,507	18,425
Income (Loss) Before Transfers	(544,030)	(544,030)	(1,353,502)	(809,472)	(359,193)
TRANSFERS					
Transfers from other funds	1,000,000	1,000,000	1,000,000	-	1,000,000
Change in Net Position	455,970	455,970	(353,502)	(809,472)	640,807
NET POSITION, July 1	326,167	962,908	962,908	-	322,101
NET POSITION, June 30	\$ 782,137	\$ 1,418,878	\$ 609,406	\$ (809,472)	\$ 962,908

DOUGLAS COUNTY SCHOOL DISTRICT

SELF-INSURANCE HEALTH FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from insurance premiums	\$ 8,810,000	\$ 8,810,000	\$ 9,185,439	\$ 375,439	\$ 8,593,645
Cash received from insurance and other	-	-	238,574	238,574	224,716
Cash paid for claims and services	(9,364,030)	(9,364,030)	(10,577,284)	(1,213,254)	(9,283,813)
Net cash provided (used) by operating activities	(554,030)	(554,030)	(1,153,271)	(599,241)	(465,452)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers from other funds	1,000,000	1,000,000	1,000,000	-	1,000,000
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	10,000	10,000	26,507	16,507	18,425
Net Increase (Decrease) in Cash	455,970	455,970	(126,764)	(582,734)	552,973
CASH AND INVESTMENTS, July 1	<u>1,324,747</u>	<u>1,876,398</u>	<u>1,873,654</u>	<u>(2,744)</u>	<u>1,320,681</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,780,717</u>	<u>\$ 2,332,368</u>	<u>\$ 1,746,890</u>	<u>\$ (585,478)</u>	<u>\$ 1,873,654</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)			<u>\$ (1,380,009)</u>		<u>\$ (377,618)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Change in assets and liabilities:					
Receivables			76,225		6,918
Premiums due from other funds			18,665		86,644
Accounts payable and accrued exp.			203		1,013
Unearned revenues			(18,665)		(86,644)
Pending claims			150,310		(95,765)
Total Adjustments			<u>226,738</u>		<u>(87,834)</u>
Net cash provided (used) by operating activities			<u>\$ (1,153,271)</u>		<u>\$ (465,452)</u>

DOUGLAS COUNTY SCHOOL DISTRICT

WORKERS' COMPENSATION SELF-INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Insurance premiums	\$ 360,000	\$ 360,000	\$ 420,483	\$ 60,483	\$ 416,572
Other	10,000	10,000	12,021	2,021	8,221
Total Operating Revenues	370,000	370,000	432,504	62,504	424,793
OPERATING EXPENSES					
Claims expense	-	-	213,214	(213,214)	74,500
Purchased services	518,800	518,800	105,200	413,600	103,060
Total Operating Expenses	518,800	518,800	318,414	200,386	177,560
Operating Income (Loss)	(148,800)	(148,800)	114,090	262,890	247,233
NONOPERATING REVENUES					
Earnings on investments	20,000	20,000	57,606	37,606	47,650
Change in Net Position	(128,800)	(128,800)	171,696	300,496	294,883
NET POSITION, July 1	934,807	1,283,490	1,283,490	-	988,607
NET POSITION, June 30	\$ 806,007	\$ 1,154,690	\$ 1,455,186	\$ 300,496	\$ 1,283,490

DOUGLAS COUNTY SCHOOL DISTRICT

WORKERS' COMPENSATION SELF-INSURANCE FUND SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	2025 BUDGET		2025		2024
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from insurance premiums	\$ 360,000	\$ 360,000	\$ 421,401	\$ 61,401	\$ 389,657
Cash received from other sources	10,000	10,000	22,569	12,569	11,257
Cash paid for claims and services	(518,800)	(518,800)	(308,487)	210,313	(299,076)
Net cash provided (used) by operating activities	(148,800)	(148,800)	135,483	284,283	101,838
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	20,000	20,000	57,606	37,606	47,650
Net Increase (Decrease) in Cash	(128,800)	(128,800)	193,089	321,889	149,488
CASH AND INVESTMENTS, July 1	<u>1,551,036</u>	<u>1,551,036</u>	<u>1,754,324</u>	<u>203,288</u>	<u>1,604,836</u>
CASH AND INVESTMENTS, June 30	<u>\$ 1,422,236</u>	<u>\$ 1,422,236</u>	<u>\$ 1,947,413</u>	<u>\$ 525,177</u>	<u>\$ 1,754,324</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)			\$ 114,090		\$ 247,233
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Change in assets and liabilities:					
Receivables			10,548		3,036
Premiums due from other funds			918		(4,614)
Accounts payable and accrued exp.			(28,073)		10,484
Unearned revenue			-		(22,301)
Pending claims			38,000		(132,000)
Total Adjustments			<u>21,393</u>		<u>(145,395)</u>
Net cash provided (used) by operating activities			<u>\$ 135,483</u>		<u>\$ 101,838</u>



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

To the Board of Trustees
Douglas County School District
Minden, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Douglas County School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Silva Scavone & Assoc, LLC

Reno, Nevada

December 1, 2025



DOUGLAS COUNTY SCHOOL DISTRICT

INDEPENDENT AUDITORS' COMMENTS

JUNE 30, 2025

CURRENT YEAR STATUTE COMPLIANCE

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

STATUS OF PRIOR YEAR STATUTE VIOLATIONS

There were no potential statute or regulation violations noted in the 2024 audit.

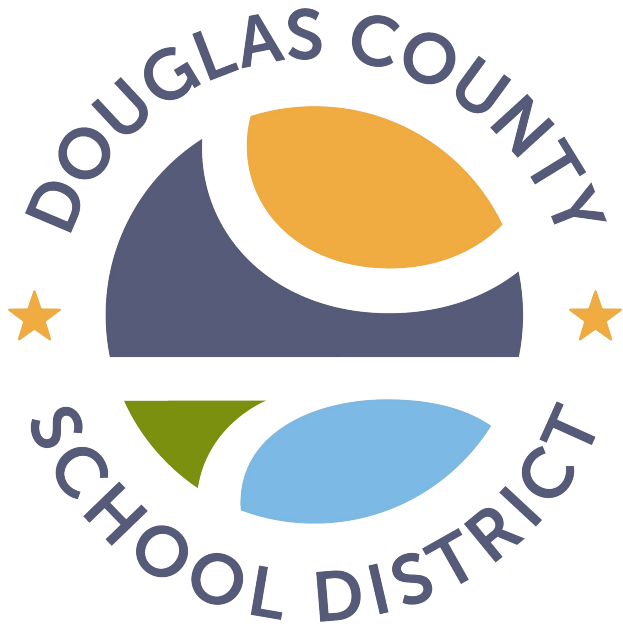
CURRENT YEAR AUDIT RECOMMENDATIONS

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

STATUS OF PRIOR YEAR AUDIT RECOMMENDATIONS

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





Facility Capacity Review

200

12.3.2025

Terminology

School Capacity - Maximum number of students a school can accommodate.

Full Time Equivalent (FTE) - Used to calculate staffing needs based on projected student numbers.



Valley Elementary Facility Review

CCMES

17/26 = 65% Utilized
345/654 Students = 53% capacity

GES

18/29 = 62% Utilized
281/586 Students = 48% capacity

JVES

17/26 = 65% Utilized
349/628 Students = 56% capacity

202

MES

17/20 = 85% Utilized
363/477 Students = 76% capacity

PHES

14/31 Classrooms = 45% Utilized
257/686 Students = 37% capacity

SES

18/29 = 62% Utilized
307/624 Students = 49% capacity



Valley Secondary Facility Review

CVMS

32/37 Classrooms = 86% Utilized
633/1,018 = 62% capacity

PWLMS

37/41 = 90% Utilized
412/908 = 45% capacity

DNO

Uses Aspire Facility for In 203
Person Work

DHS

86/92 = 93% Utilized
1424/2032 = 70% capacity

ASPIRE

Aspire's capacity was not assessed
at this time due to their change in
location next school year.
Current enrollment = 103

JHS

Facility is at China Springs
Youth Camp
Current = 24 students



Lake Schools Facility Review

ZCES

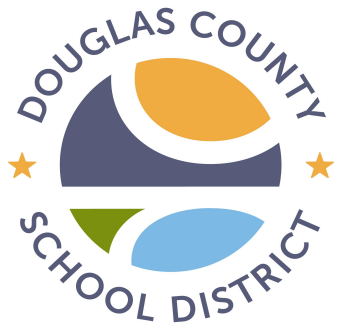
9/21 Classrooms = 43% Utilized
153/484 = 32% capacity

GWHS

17/19 Classrooms = 89% Utilized
140/494 = 28% capacity

204





Overview of the Transportation & Fleet Maintenance Department



205

WEDNESDAY DECEMBER 03, 2025



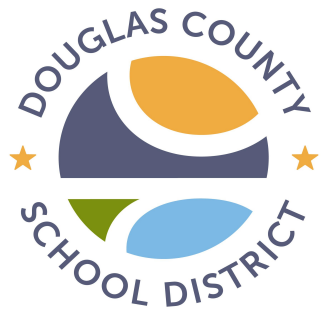
Transportation Service Area

We provide transportation to District students in any grade level who live more than ONE MILE from their school of attendance. The shortest, safest, and most convenient walking path shall measure distance from school.

206

Our Transportation serves the communities of the Carson Valley Topaz Lake Area, Gardnerville, Minden, Genoa and parts of Lake Tahoe (from Glenbrook to Stateline area.)





SCHOOL BUS

Current AM / PM SCHOOL BUS ROUTES

- Thirty Six (36) School Bus Routes
- Nine (9) Inclusive Education Bus Routes

ECE SCHOOL BUS ROUTES

- Eight (8) MID Routes (59 Students Transported)²⁰⁷

ADJUSTED STUDENT SCHEDULE ROUTES

- Five (5) Adjusted Student Transportation Schedules
- We Transport 3,859 Students Daily Average

TRANSPORTATION / FLEET MAINTENANCE OFFICE

- Fifty (50) Employees



What is the average number of students on a general education route?

Due to our vast landscape our district transportation department serves a wide range due to our rural location, the average number of students per general education route are:

AM / PM Route:

- **107 Students Daily**

*39 Middle / High School ~ 24 Elementary ~ Per Run
Average number of students over 32 Routes*

*Cost to Transport One Student Daily to and from School: \$3.52
(Average Driver Wage, Fuel, Maintenance)*

\$376.64.52 Cost to Run a General Ed Route Per Day

Have we reduced routes?

Since 2021 / 2022 School Year, we have merged eight (8) Routes

- Route # 09
- Route # 14
- Route # 19
- Route # 21
- Route # 28
- Route # 36
- Route # 40
- Route # 204



Routes That Were Merged:

Route # 09

(Merged into Route # 10 / 31 ~ Completed May 10, 2024)

Route # 14

(Merged into Route # 16 ~ Completed June 17, 2024)

Route # 19

(Merged into Route # 34 / 37 ~ Completed 2019-Est)

Route # 21

(Merged into Route # 32 / 41 / 17 ~ Completed 2021-Est)

Route # 28

(Merged into Route # 32 / 41 / 17 ~ Completed 2021-Est)



Routes That Were Merged (Continued):

Route # 36

(Merged into Route # 32 / 41 ~ Completed 2021-Est)

Route # 40

(Merged into Route # 32 / 41 ~ Completed 2021-Est)

Route # 204

(Merged into Route # 32 / 41 ~ Completed 2021-Est)

Critical Shortage Relief Driver # 1

(Reduced ~ Completed June 17, 2024)

Route # 27 (Original Rt)

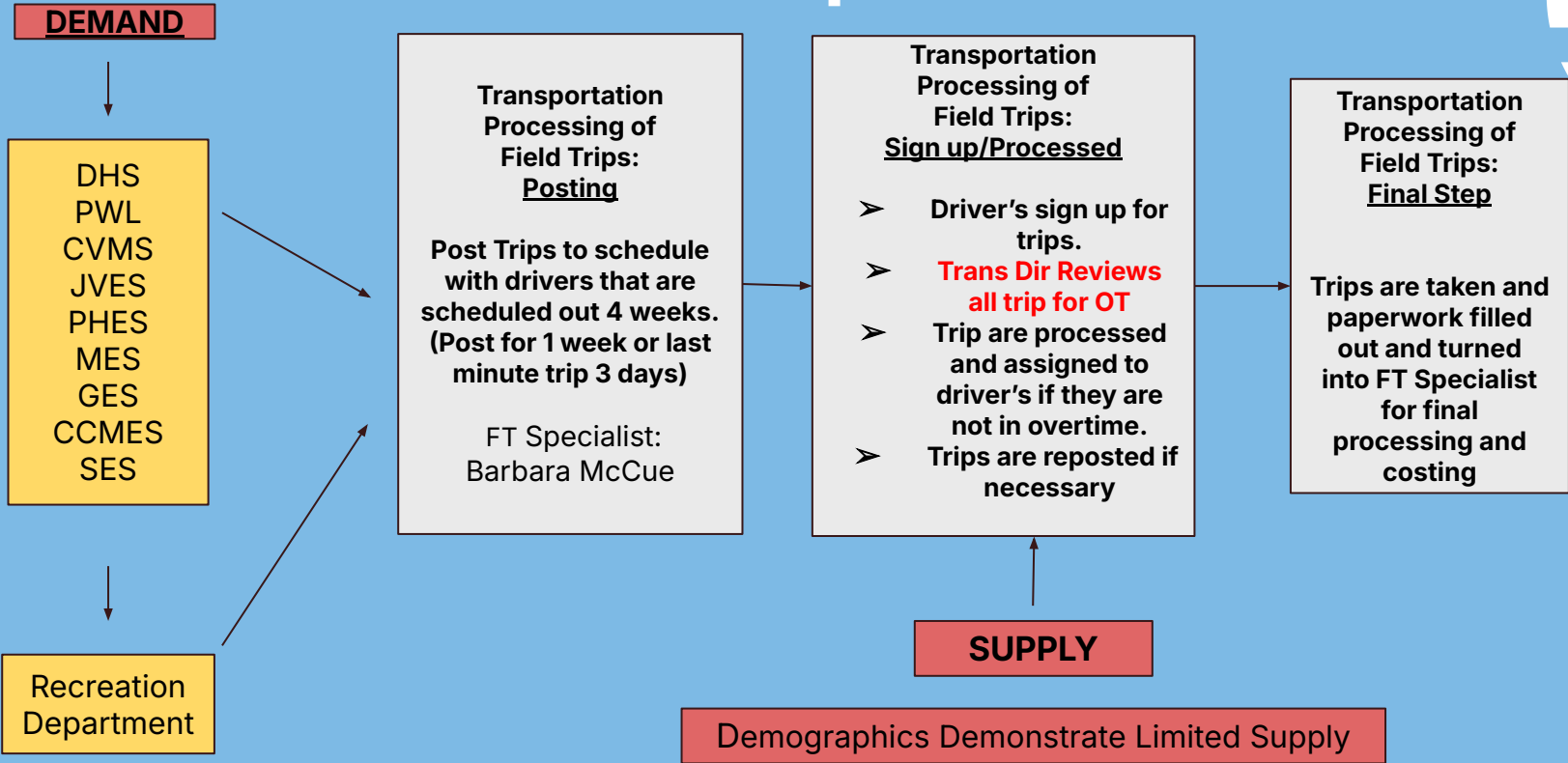
(Merged into Route # 11 / 38 / 4 / 6 ~ **Completed January 03, 2025**)

Projected Cost Savings \$296,138.18

(\$27.79 Per Hour Average X 6 Hr Contract X 187 Days = \$31,180.38 Average Yearly Wage X 8 Routes = \$ 249,443.041)



Field Trip Process



Field Trip Process ~ Continued

★ A critical staffing shortage occurred at the end of last year. Due to this shortage the District Office and our local Bus Drivers Association came up a temporary solution called the ten (10) hour rule. The ten (10) Hour rule allowed drivers to go into ten (10) hours of overtime to support the District needs during the end of last year and the beginning of this year. Since we were able to source enough drivers to fill our routes and fill field trips the ten (10) hour rule been eliminated, however the needs of the District are great when it comes to Field Trips. The demographics of our drivers is such that many do not want to take field trips because of lifestyles. Due to this demographic, Field Trips (District Demand) are filled with a limited number of Drivers (Supply) this creates scenarios where a driver may have to be utilized in excess to fill demand and overtime occurs. We currently have a process in place to mitigate overtime however when the needs of the district become so great overtime may occur on occasion.

★ DCSD Transportation is currently hiring personal / drivers to support our District needs when it comes to Field Trips and Substitute drivers. When we achieve our goal we should be able to meet the District Demand and greatly minimize overtime.



Cost Efficiency Measures

1

Route Consolidation and Maintenance

2

Field Trip Process Flow

3

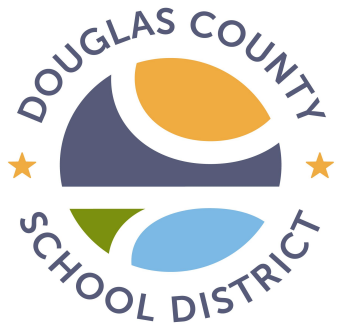
Supply (Drivers) vs Demand (Field Trips) Staffing

4

Overtime Control

214





Overview of the Transportation & Fleet Maintenance Department



215

WEDNESDAY DECEMBER 03, 2025



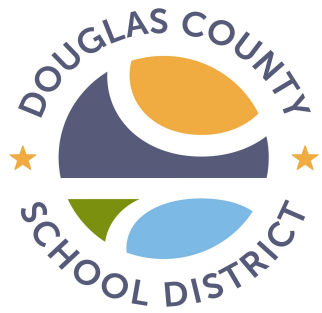
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- Seven of those are Inclusive Education Bus Routes

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- Eight (8) MID Routes (59 Students Transported)²¹⁷

ADJUSTED STUDENT SCHEDULE ROUTES

- Five (5) Adjusted Student Transportation Schedules
- We Transport 3,918 Students Daily Average

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- Fifty (50) Employees



What is the average number of students on a general education route?

Due to our vast landscape our district transportation department serves a wide range due to our rural location, the average number of students per general education route are:

AM / PM Route:

- **118 Students Daily Per Route**

Middle / High School / Elementary

Average number of students over 31 Routes

218

*Cost to Transport One Student Daily to and from School: \$ 1.799745762711864
(Average Driver Wage - 165.86 - Day, Fuel-\$2.94 Gal - 14 Gallons A day \$41.16 day,
Maintenance - 5.35)*

\$212.37 Cost to Run a General Ed Route Per Day



Have we reduced routes?

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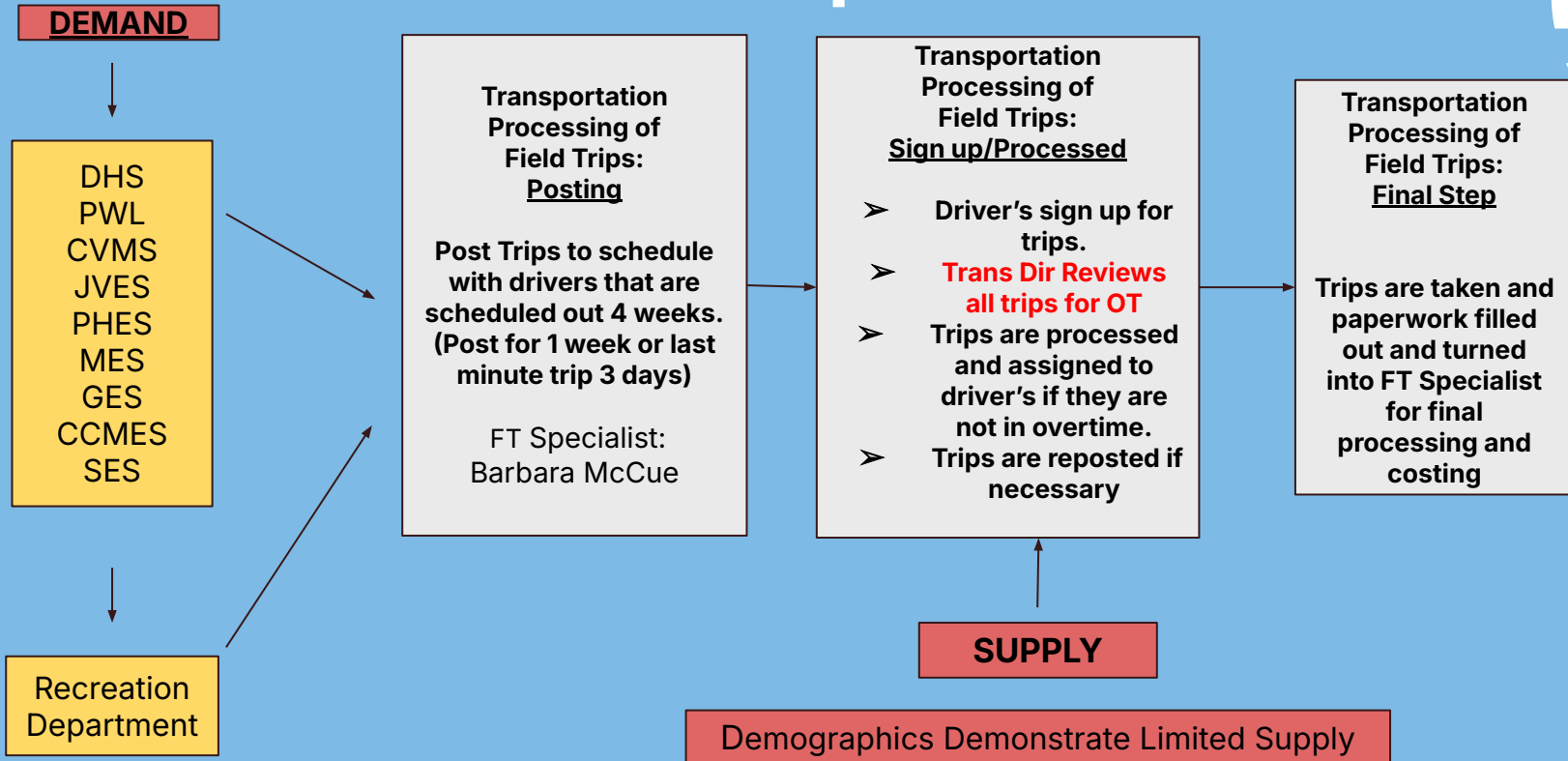
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Projected Cost Savings \$296,138.18

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Field Trip Process



Field Trip Process ~ Continued

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Cost Efficiency Measures

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Route Consolidation and Maintenance

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Field Trip Process Flow

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Supply (Drivers) vs Demand (Field Trips) Staffing

4

Overtime Control

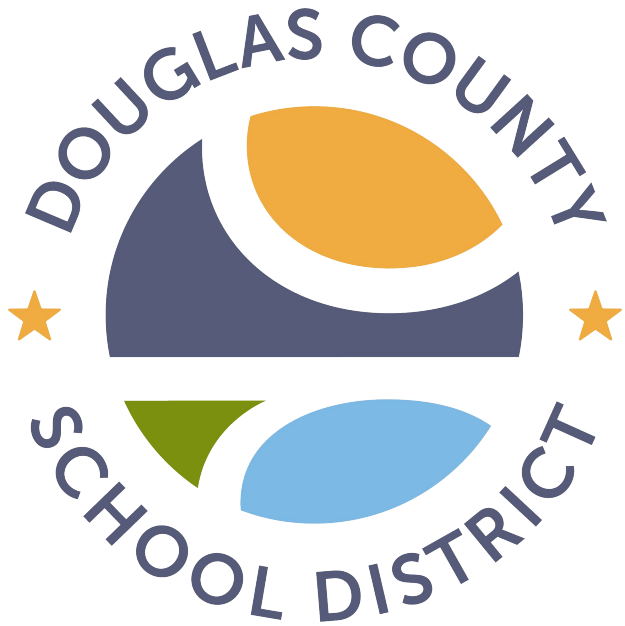
224



FY 26 Grants Overview

Douglas County School District
*This is not a fully exhaustive list of all grant expenditures

FY26 Grants	Start of FY 26 = July 1, 2025	End of FY 26 = June 30, 2026	Budgeted Expenditures
CTE Grants	CTE Competitive: \$107,941		Salary and benefits for Work Based Learning TOSA
	CTE State Allocation: \$103,829.46		Conference and Competition registration and travel (staff and students), substitute teachers, course supplies, LEA PD registration and fees, End of Program exams
	Perkins Local: \$54,223		OSHA 10 and ServSafe Manager certifications, UNR Engineering Trip, 8 th grade CTE recruitment, course supplies 225
Title Grants	Title I, Part A: \$551,755.54		Early Childhood program teachers, aides, training, and supplies; Intervention support at Title 1 schools, Parent Engagement, Spanish Translation, Professional Development, SIT funds, Title 1 site-specific programming support (web-based platforms, supplies, books, training, etc.), Equitable funds to private schools
	Title I, Part D: \$23,259.80		Math program tutor to support JHS, web-based programming for math recovery
	Title I, I003(a): \$111,727.66		Alternative education teacher @ AAHS and supplies for Alt. Ed. program
	Title II, Part A: \$163,773.62		Percentage of PDC salaries and benefits, supplies, substitute teachers for PDC trainings and coaching opportunities, registration for PD and training, Equitable funds to private schools
	Title III, EL: \$23,463.69		Substitutes for EL training, Family Engagement support, supplies, technology, and curriculum for EL classrooms, Equitable funds to private schools
	Title IV, Part A: \$44,925.19		Teacher leaders to support Portrait of a Learner at the site level, substitutes to allow for training for teacher leaders, Equitable funds to private schools
Special Education Grants	Special Education, Part B: \$1,240,524		Salaries and benefits for site aides, school psychologists, ESY intervention support, and clerical support; Professional development registration and travel; Orientation and Mobility contractor, copier lease agreement, student transportation costs, general supplies for various inclusive education programs, workbooks, textbooks, IT supplies, web-based programming, CPI Membership
	Special Education, Early Childhood: \$57,607		Salaries and benefits for Special Education Early Childhood aides, general supplies for ECE programs
	IDEA Special Project: \$226,306		Salaries and benefits for teacher, paraprofessional, and Braille transcriber for Blind/Visually Impaired services
	Disability Innovation Fund: \$14,000		Stipend and benefits for DCSD TRIP Outreach Specialist, Conference registration, staff travel to support transition through Nevada TRIP
Other	Adult High School Education Program: \$129,353.31		Salaries and benefits for certificated instruction employees to support adult education students, HiSET tests and fees, professional development, advertising and marketing, copying services
	McKinney-Vento Grant: \$25,549.03		Transportation to and from schools of origin, counseling services, supplies including medical records, clothing shoes, transportation assistance, hygiene care, school materials, etc.
	School Improvement Funds: \$44,584		Site-based funding allocated by site administration to include expenditures such as tutoring, explorations, web-based programming, supplies, substitute teachers, etc.
	Financial and Operational Efficiency Grant: \$115,682.79		Digitization of personnel files within the HR Department, Legal review of Board Policy to ensure compliance with current regulations



2025-2026 Grants Overview

December 3, 2025

Grant: CTE Competitive- \$107,941

- ★ Year-to-Date Expenditures: \$21,570.86/19.98%
- ★ DCSD Funds: Salary and benefits for Work Based Learning TOSA

-
- ★ Competitive grant requests must implement or expand upon a high-skill, high-wage and/or in-demand industry sector
 - Must align with DCSD's Comprehensive Local Needs Assessment
 - All funded programs must be included in Nevada's CTE Course Catalog
 - Budget and expenditures must align with approved application

Grant: CTE State Allocation- \$103,829.46

- ★ Year-to-Date Expenditures: \$12,928.03/ 12.45%
- ★ DCSD Funds: Conference and Competition registration and travel (staff and students), substitute teachers, course supplies, LEA PD registration and fees, End of Program exams

228

- ★ Goal: To increase the number of students who enroll in and complete CTE programs of study by funding new program development, program expansion, and program improvement and support activities
- ★ Funded programs must serve middle school through 12th grade students and align with CTE course catalog career pathways

Grant: Perkins Local- \$54,223

- ★ Year-to-date Expenditures: \$28,637.17/ 52.81%
- ★ DCSD Funds: OSHA 10 and ServSafe Manager certifications, UNR Engineering Trip, 8 grade CTE recruitment, course supplies

229

- ★ Funds are to be used on innovation and improvement of CTE programs, not routine operational expenses
 - Allowable expenditures include Assessments, Work-based learning, CTSO support, equipment and supplies
 - Funds can support instruction and instructional materials, work-based learning, supplies and equipment, CTSO activities and related travel

Grant: Title 1, Part A- \$551,755.54

- ★ Year-to-date Expenditures: \$103,615.23
 - ★ DCSD funds: Early Childhood program teachers, aides, training, and supplies; Intervention support at Title 1 schools, Parent Engagement, Spanish Translation, Professional Development, SIT funds, Title 1 site-specific programming support (web-based platform²³⁰ supplies, books, training, etc.), Equitable funds to private schools
-
- ★ Funds must meet required set-asides, including Parent and Family Engagement, Homeless, Neglected and Delinquent, Underperforming Schools, and equitable services. Site funds must be allocated proportional to low-income population. District allocations can be budgeted for administrative support, professional development, summer school, Pre-K, and more.

Grant: Title 1, Part A- \$551,755.54, cont.

- ★ Primary goal is to provide supplemental funding to schools with high percentages of low-income families through:
 - closing achievement gaps
 - ensuring all children have a fair, equitable, and high-quality education,
 - supporting educational strategies that enable students to meet challenging state academic standards
 - Providing resources to support educators in improving the academic achievement of students who are economically and educationally disadvantaged

Grant: Title 1, Part D- \$23,259.80

- ★ Year-to-date Expenditures: \$0.00/0%
- ★ DCSD Funds: Salary and benefits for program tutor to support math instruction, web-based programming to support math recovery

-
- ★ Funds are designed to support education services for students who are neglected, delinquent, or at-risk of dropping out of school (JHS)
 - ★ Goal: Improve educational services for these students so they can close achievement gaps, ensure a successful transition from institutions to further schooling or employment, and prevent at-risk youth from dropping out by offering a support system for dropouts or youth returning from correctional facilities to continue their education

Grant: Title 1, Part 1003(a)- \$111,727.66

- ★ Year-to-date Expenditures: \$25,100.43/ 22.47%
 - ★ DCSD funds: Alternative education teacher @ AAHS and supplies for Alt. Ed. program
-
- ★ Goal: To provide school improvement funds specifically for sites identified for comprehensive support and improvement or additional targeted support and improvement (Aspire Academy)
 - ★ Focus: To build the capacity of school leaders and staff to implement effective, evidence-based school improvement practices
 - ★ Use: Must align with school improvement plan and have a strong evidence base of improving outcomes. Some examples of allowable expenses include professional development, collaboration time, data analysis, purchasing curriculum, and academic support.

Grant: Title II, Part A- \$163,773.62

- ★ Year-to-date Expenditures: \$31,639.61/ 19.32%
 - ★ DCSD funds: Percentage of PDC salaries and benefits, substitute teachers for PDC trainings and coaching opportunities, supplies, registration for professional development and trainings, equitable funds to private schools
-
- ★ Title II, Part A is the only dedicated source of federal funding for preparing, training, and recruiting high-quality educators for districts. ²³⁴
 - ★ Allowable expenses include induction and mentoring programs, professional development, recruitment and retention efforts, class size reduction, and evaluation systems.
 - ★ DCSD has a 91% retention rate. PDC supports this by providing targeted support to 1st and 2nd year teachers, training teachers new to Nevada in the NEPF, and supporting the specific training needs identified in an annual, districtwide needs assessment

Grant: Title III, EL: \$23,463.69

- ★ Year-to-date Expenditures: \$0.00/ 0%
 - ★ DCSD funds: Substitutes for EL training, Family Engagement support, supplies, technology, and curriculum for EL classrooms, Equitable funds to private schools
-
- ★ Goal: To help ensure that English language learners attain English language proficiency and meet the challenging Nevada academic content standards 235
 - ★ Funding must be used for three required activities: to develop and implement effective Language Instruction Educational Programs, to provide effective professional development, and to provide and implement other effective activities and strategies that enhance or support LIEPs, which must include parent, family, and community engagement activities.
 - ★ Funds cannot be used to fulfill civil rights obligations to EL students, including identifying and assessing potential EL students, providing an educationally sound language assistance program, or ensuring that EL students have equal opportunities to participate in all curricular and extracurricular activities

Grant: Title IV, Part A- \$44,925.19

- ★ Year-to-date Expenditures: \$336.46/ .75%
- ★ DCSD funds: Teacher leaders to support Portrait of a Learner at the site level, substitutes to allow for training for teacher leaders, Equitable funds to private schools

236

-
- ★ Goal: To enhance student support and academic enrichment through increasing DCSD's capacity to provide a well-rounded education (>20% of funds), safe and healthy students (>20% of funds), and effective use of technology (<15% of funds).
 - ★ DCSD focused on utilizing this year's allocation to provide support to sites after

Grant: Special Education, Part B- \$1,240,524

- ★ Year-to-date Expenditures: \$348,948.42/ 28.13%
- ★ DCSD funds: Salaries and benefits for site aides, school psychologists, ESY intervention support, and clerical support; Professional development registration and travel; Orientation and Mobility contractor, copier lease agreement, student transportation costs, general supplies for various inclusive education programs, workbooks, textbooks, IT supplies, web-based programming, CPI Membership

237

-
- ★ Goals and Provisions: To ensure that all eligible students with disabilities have available a Free Appropriate Public Education
 - Funding supports all students with disabilities ages 3-21

Special Education, Part B- \$1,240,524, cont.

★ Goals and Provisions, cont.

- Per the “Excess costs” rule, Part B funds are required to pay for the excess costs of providing special education and related services to qualified students
- Funds are provided to support the implementation of IEPs and ensure that students receive specially designed instruction in the least restrictive environment

Grant: Special Education, Early Childhood- \$57,607

- ★ Year-to-date Expenditures: \$14,648.86/ 25.43%
- ★ DCSD funds: Salaries and benefits for Special Education Early Childhood aides, general supplies for ECE programs

239

- ★ Goal: To provide a Free Appropriate Public Education and necessary related services to children with disabilities ages 3-5
- ★ Allowable expenditures include those related to the excess costs required to provide special education and related services to qualified students. This might include personnel (salaries and benefits, services, supports, supplies, materials, and professional development

Grant: IDEA Special Project- \$226,306

- ★ Year-to-date Expenditures: \$50,730.57/ 22.42%
- ★ DCSD funds: Salaries and benefits for teacher, paraprofessional, and Braille transcriber for Blind/Visually Impaired services

240

- ★ Goal: Special Project funds allow district to target funding towards programs that serve a very small number of students or require specialized personnel and equipment. They are not allocated annually or automatically, but were pursued for DCSD by the Inclusive Education department.

Grant: Disability Innovation Fund- \$14,000

- ★ Year-to-date Expenditures: \$2,500/ 17.86%
- ★ DCSD funds: Stipend and benefits for DCSD TRIP Outreach Specialist, Conference registration, staff travel to support transition through Nevada TRIP

241

- ★ DIF grants are federal, competitive funds aimed at supporting innovative activities and increasing competitive integrated employment for students.
 - DIF funds received by NDE were for the Nevada Transitions Roadmap through Innovative Partnerships project
 - Goal: To centralize and streamline transition services for students with disabilities, ages 10-24, by creating a “digital one-stop shop” website and app to help navigate services

Grant: Adult High School Education Program- \$129,353.31

- ★ Year-to-date Expenditures: \$8,813.30/ 6.81%
- ★ DCSD funds: Salaries and benefits for certificated instruction employees to support adult education students, HiSET tests and fees, professional development, advertising and marketing, copying services

242

-
- ★ The primary spending requirement is that the funds must be directed toward the operation of the Adult High School Education Program, which is focused on serving adult students.
 - Expenditures must meet federal grant principles (no food/drink, entertainment, gifts, scholarships, stipends paid to students, lobbying, goods and services for personal use, non-instructional furniture, etc.

Grant: Mckinney Vento- \$25,549.03

- ★ Year-to-date Expenditures: \$4,479.43/ 17.5%
- ★ DCSD funds: Transportation to and from schools of origin, counseling services, supplies including medical records, clothing, shoes, transportation assistance, hygiene care, school materials, etc.

243

-
- ★ Goal: To eliminate specific barriers to education for students experiencing homelessness, ensuring their identification, enrollment, attendance, and academic success.
 - Students are considered eligible if they lack a fixed, regular, and adequate nighttime residence. This Act ensures that they have the right to immediate enrollment and transportation to their school of origin.

Grant: Board Intervention Funds- \$44,584

- ★ Year-to-date Expenditures: Differs by site
- ★ DCSD funds: Sites use their allocated funds to support a variety of programs including after school tutoring, Explorations, math interventions, after school MTSS programs, ACT interventions, AP Task Force, support SIT students, Friday school program, and Pre-ACT practice

244

-
- ★ Goal: BIF grants are provided by the Board of Trustees to the sites for student intervention and school improvement. AGPM oversees the management of the funds. Site funds are allocated based on enrollment and final budget applications are determined by site administration.

Grant: Financial and Operational Efficiency-\$115,682.79

- ★ Year-to-date Expenditures: \$0.00/ 0%
- ★ DCSD funds: Digitization of personnel files within the HR department, Legal review of Board Policy to ensure compliance with current regulations

245

- ★ This grant was competitively offered to school districts who identified specific areas of administrative improvement or remediation. Funds were awarded this fall, with the grant period ending June 30th, 2027. Funds can only be spent on the specific expenditures identified in the initial grant application.

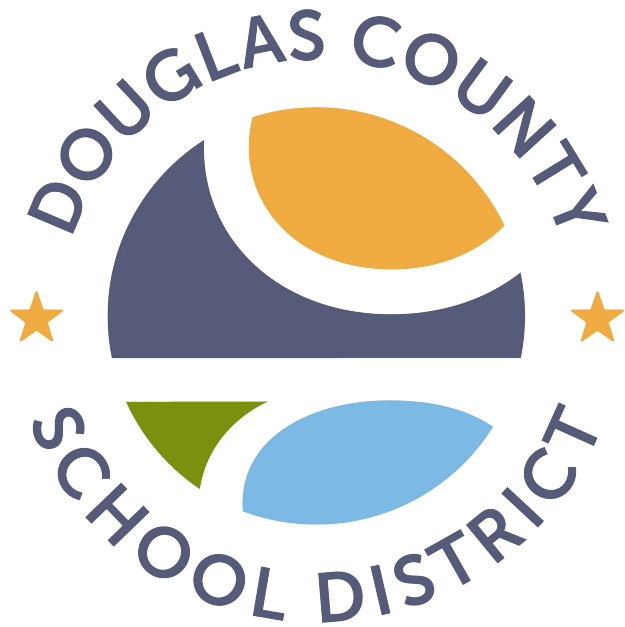
Grant: Rotary Grants Received - \$10,170.00

- ★ Year-to-date Expenditures: 10,170.00/ 100%
- ★ DCSD funds: Grants were awarded for a variety of projects including student transportation for work-based learning field trips, supplies for CCMES' schoolwide Literacy Fair and Family Literacy Night, art supplies for an enhanced art program at JVES, hourly pay for a weekly after-school math club at CCMES, books for GES' Battle of the Books program, Lexia Reading, iReady, and more. 246

- ★ The Rotary Club of Minden, NV awards various grants throughout the community multiple times a year. During their Fall grant cycle, they generously selected 12 DCSD teachers to receive grants for their proposed projects. Additional grant cycles will run in the winter and spring.

Grants FYI:

- ★ Revisions: Grant revisions are limited. Too many revisions lowers our risk assessment and increases on-site auditing. We want to design a budget in the Spring that we can mostly follow for the upcoming school year.
- ★ Supplement not supplant: We cannot use grant funds to remove items from the general fund or re-allocate expenditures that we are already paying for (or have already budgeted for). We need to be able to prove on any potential audits that we are using funding to supplement our general fund, not supplant district expenditures.
- ★ Allocations: Initial budget allocations each Spring are based on the current year's #'s. NDE provides final allocations in the mid-late summer that often require early revisions. ²⁴⁷
- ★ Monitoring: NDE monitoring requires that we tie grant funds to district priorities (DPP, SPP, Strategic Plan, etc.) and grant priorities. Each grant requires several levels of annual monitoring that sites and programs support by frequently communicating with AGPM.
- ★ Equitable Services: Private schools in DCSD and surrounding counties are entitled to opt-in to receive Title funds for eligible DCSD students attending their schools
- ★ Indirect Costs: DCSD receives a portion of most grants (2-5%) for overhead/administrative costs



Enrollment Vs Staffing Comparison

248

FY 2018 -
FY 2026

Terminology

Full Time Equivalent (FTE) - Used to calculate staffing needs based on projected student numbers.

Full Enrollment - Straightforward headcount of students in the district

249

Weighted Enrollment - Adjusted enrollment count based on Pre-K students, who are counted at .6

Ratios - A comparison of staffing based on overall student enrollment- how many students that staff member comparatively represents or services



Table Legend

Instruction (1000) - Classroom teachers, playground and Kindergarten aides, classroom teachers and aides (special ed)

Student Support (2100) - Social Workers, grants department, counselors, Dean TOSA & Psychologists (grant funded)

250

Staff Support (2200) - Library, Ed Svcs & Curriculum Directors, MTSS Admin, PDC & Secretary, Teacher Assistant

General Admin (2300) - Supt & 2 Secretaries, Marketing

School Admin. (2400) - Principals, Vice Principals, School Secretaries

Central Support (2500) - Bus Svcs, IT, HR & Warehouse



Table Legend

Operations & Maintenance (2600) - Custodial, Supervisors, Maintenance & Grounds, Security

Transportation (2700) - Bus Drivers, Transportation Office staff & Vehicle Maintenance Staff

Other Support (2900) - Vacation & Sick Leave payouts, SB500 (grant funded)

251

Community Services (3000) - Grants only



Total Summary by Budget Function Code

Description		2026	2025	2024	2023	2022	2021	2020	2019	2018
Full Enrollment		4,655	4,820	4,973	5,188	5,271	5,275	5,662	5,703	5,756
FTE Summary by Function		2026	2025	2024	2023	2022	2021	2020	2019	2018
1000	Instruction	256	288	277	275	288	299	296	298	294
2100	Student Support	34	43	35	35	33	33	30	31	31
2200	Staff Support	16	16	14	14	14	15	17	14	14
2300	General Admin	4	4	4	4	2	2	2	2	2
2400	School Admin.	50	52	51	51	50	55	53	55	54
2500	Central Support	16	16	16	16	17	17	18	19	18
2600	Operations & Maintenance	60	64	61	61	60	65	61	61	61
2700	Transportation	47	47	43	43	42	46	47	46	48
2900	Other Support	0	0	0	0	0	0	0	0	0
3000	Community Services	0	0	0	0	0	0	0	0	0
	Total	483	530	501	500	506	531	524	525	522

Full Enrollment Ratios by Year

Description	2026	2025	2024	2023	2022	2021	2020	2019	2018
Full Enrollment	4,655	4,820	4,973	5,188	5,271	5,275	5,662	5,703	5,756

Pupil/Staff Ratio - Full Enrollment	2026	2025	2024	2023	2022	2021	2020	2019	2018
1000 Instruction	18.18	16.74	17.98	18.87	18.31	17.65	19.15	19.13	19.57
2100 Student Support	136.91	112.09	141.76	147.88	158.76	160.82	188.23	186.49	185.08
2200 Staff Support	290.94	301.25	344.63	359.49	366.03	358.11	330.53	418.40	408.23
2300 General Admin	1,163.75	1,205.00	1,243.25	1,296.88	2,635.40	2,637.50	2,831.00	2,851.40	2,878.00
2400 School Admin.	93.10	92.69	97.89	102.12	105.42	95.56	107.03	104.22	106.59
2500 Central Support	290.94	301.25	310.81	324.22	313.74	312.13	314.56	302.06	321.56
2600 Operations & Maintenance	77.58	75.31	81.35	84.86	87.41	81.15	92.82	93.80	93.90
2700 Transportation	99.04	102.55	115.97	119.58	126.70	115.68	120.98	123.30	121.18
2900 Other Support									
3000 Community Services									

253

Adjusted Staffing based on FY 2022 Full Student Ratios

Func	Description	2022 Ratios Applied to 2026 Student Count (Full)	2026 Staff	Difference
1000	Instruction	254.18	256	(1.82)
2100	Student Support	29.32	34	(4.68)
2200	Staff Support	12.72	16	(3.28)
2300	General Admin	1.77	4	(2.23)
2400	School Admin.	44.16	50	(5.84)
2500	Central Support	14.84	16	(1.16)
2600	Operations & Maintenance	53.26	60	(6.74)
2700	Transportation	36.74	47	(10.26)
2900	Other Support	-	0	-
3000	Community Services	-	0	-
	Totals	446.97	483.00	(36.03)

