

**HUMBOLDT COUNTY
SCHOOL DISTRICT
JUNE 30, 2023**

HUMBOLDT COUNTY SCHOOL DISTRICT ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2023

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DRAKE ROSE & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Trustees of the
Humboldt County School District
Humboldt County, Nevada

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information of the Humboldt County School District, Humboldt County, Nevada (the "District"), as of and for the year ended June 30, 2023, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Humboldt County School District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 of the financial statements.
- Conclude whether, in our judgement, 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 on pages 5a through 5l, budgetary comparison information on pages 15 through 17, and the schedules related to other post-employment benefits and pensions and related notes on pages 55 through 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, including budgetary comparisons, and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, including budgetary comparisons, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the auditor's comments but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023, 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.

Blake Rose & Associates, LLC

Winnemucca, Nevada
November 30, 2023

**Humboldt County School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Humboldt County School District's management discussion and analysis is designed to accomplish the following objectives: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activities, (c) identify changes in the District's financial position (its ability to address the next and subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

We encourage readers to review this information in conjunction with the financial statements and notes to gain a more comprehensive picture of the information presented.

Financial Highlights

- The auditor's report offers an unqualified opinion on the financial statements, the highest opinion that can be attained.
- As of June 30, 2023, Government-wide Net Position was at (\$13.7) million, down \$6.6 million from the beginning balance of (\$7.1) million.
- The District's total revenues were \$51.5 million. The greatest revenue sources included non-restricted state aid at \$34.9 million, operating grants and contributions at \$12.6 million, and property tax (Ad Valorem) at \$1.8 million
- The District's total expenses increased from \$45.7 million to \$58.1 million. The greatest expenses were in regular instruction at \$22.2 million, special education instruction at \$7.3 million, and operation and maintenance at \$6.6 million.
- Net capital assets stayed the same at \$32 million. The major additions to the District's capital assets were HVAC projects, roofing projects, drainage project, landscaping projects, and paving projects. In addition, the District enhanced its capital assets through the purchase of school buses and fleet vehicles. Depreciation is reflected on all District-owned assets and current infrastructure is recorded. Depreciation expense totaling \$2.9 million is included in the government-wide statements.
- The District's General Fund ending balance is \$4,766,472, which represents a \$4,231 decrease from the previous year's ending fund balance of \$4,770,703. This slight decrease in ending fund balance is primarily the result of transfers out to other funds that were higher than the excess of revenues over expenditures.

Government-wide Financial Statements

The government-wide financial statements are designed to provide an overview of the District's finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement despite the fact that some items will only result in cash flows in future fiscal periods.

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

Fund Financial Statements

The Fund Financial Statements presentation is more common. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements described above. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. To provide a better understanding of the relationship between the fund statements and the government-wide statements, both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations between the two statement types.

The focus of the governmental fund statements is on major funds. The District has 14 individual governmental funds of which the General Fund, Special Education Fund, Federal Grants Fund, Debt Service Fund, and District Bond Initiative Fund are considered major. These funds are disclosed separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The remaining nine non-major governmental funds are combined into a single aggregated presentation in these statements. Individual fund data for each of these non-major funds is reported in combining statements in this report.

Proprietary funds are comprised of enterprise funds and internal service funds. As reported previously, the District has no business-type activities to be accounted for in enterprise funds. Internal service funds are used to accumulate and allocate costs internally among the District's various programs and functions. The District uses an internal service fund to account for unemployment insurance costs and worker's compensation insurance costs. Because internal service fund operations primarily benefit governmental funds, they are included in the governmental fund activities column in the government-wide statements.

The internal service funds are presented in the proprietary fund financial statement. Individual fund data for internal service funds are also provided in the combining statements in this report.

Fiduciary funds account for resources held for other governments or individuals outside of the District. As these resources do not support District activities, they are not included in the government-wide statements.

Notes to the Financial Statements

The notes provide required disclosure and information necessary to understand the District's activities.

Other

The individual fund statements, which provide budget to actual comparisons, are presented as supplementary information after the other government-wide financial statements. These schedules test compliance with budgetary constraints and management directives to enhance accountability at the fund and function level.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements are designed to provide readers with an overview of the District's financial position.

The following table illustrates the changes in net position in the fiscal year ending in June 2023. In order to enhance analysis, comparative information is provided for assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses.

HUMBOLDT COUNTY SCHOOL DISTRICT'S NET POSITION

	2023	2022
Assets		
Current and other assets	\$15,838,914	\$14,037,122
Net capital assets	32,440,043	31,951,183
Total assets	48,278,957	45,988,305
 Deferred Outflows of Resources		
Related to pension liabilities	36,431,841	27,239,298
Other postemployment benefits related amounts	1,558,137	1,712,663
Total deferred outflows of resources	37,989,978	28,951,961
 Liabilities		
Current liabilities	5,605,124	3,576,640
Long-term liabilities	68,566,650	44,566,606
Total liabilities	74,171,774	48,143,246
 Deferred Inflows of Resources		
Related to pension liabilities	23,201,606	32,317,138
Other postemployment benefits related amounts	2,595,122	1,629,761
Total deferred inflows of resources	25,796,728	33,946,899
 Net Position		
Invested in capital assets, net of related debt	31,049,235	30,532,183
Restricted	4,346,667	4,763,234
Unrestricted	(49,095,470)	(42,445,296)
Total Net Position	(\$13,699,568)	(\$7,149,879)

For more detailed information, see the Government-Wide Statement of Net Position and the Notes to the Financial Statements.

Net Position: The District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$13.7 million on June 30, 2023. This deficit is due in large part to the adoption of GASB 75 to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions and also GASB 82 requirement to record PERS liabilities. The largest portion of the net position reflects its investment in capital assets (e.g., land, buildings and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; therefore, they are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities.

Governmental activities decreased the District's net position by \$6.6 million. The details of the changes are noted in the following table:

HUMBOLDT COUNTY SCHOOL DISTRICT CHANGE IN NET POSITION

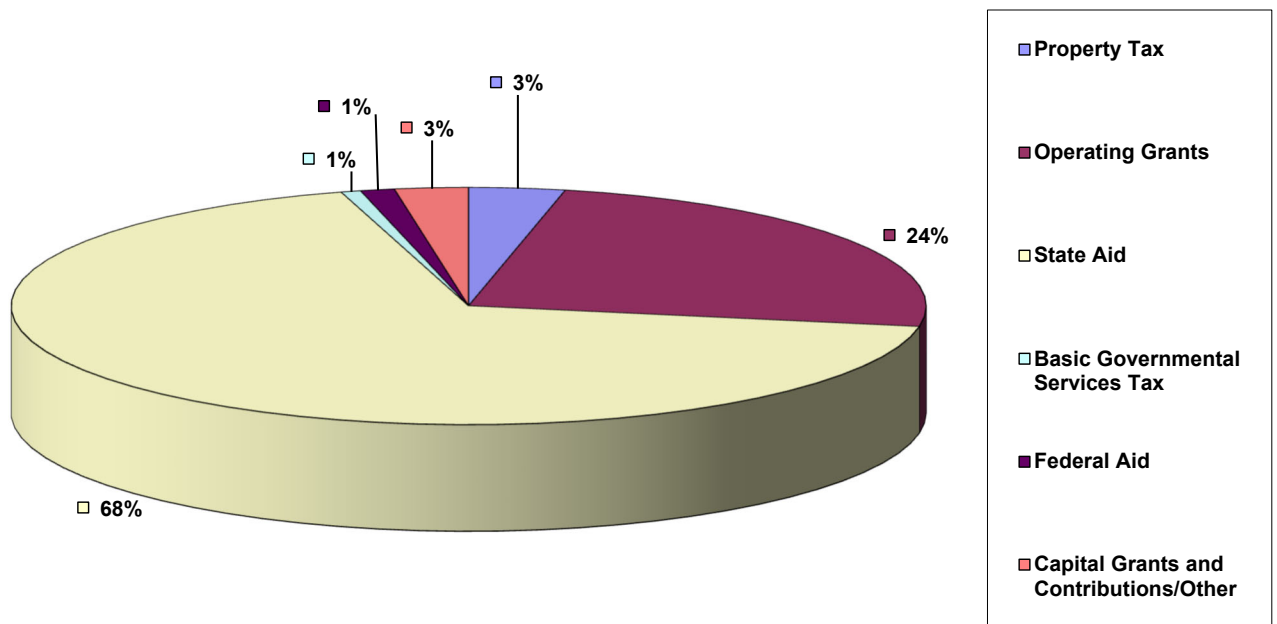
	<u>2023</u>	<u>2022</u>
Revenues		
Program revenues:		
Charges for services	\$ 509,616	\$ 429,355
Operating grants and contributions	12,560,721	14,092,063
Capital grants and contributions	546,787	166,450
General revenues:		
Property taxes	1,755,070	2,228,918
Government service taxes	348,185	340,044
Unrestricted investment earnings	175,142	15,664
State aid not restricted to specific purposes	34,873,175	30,892,018
Federal aid not restricted to specific purposes	640,208	640,828
Other	98,627	66,379
Total revenues	<u>\$ 51,507,531</u>	<u>\$ 48,871,719</u>
Expenses		
Instruction:		
Regular instruction	22,170,801	17,905,923
Special instruction	7,309,428	5,318,983
Vocational instruction	1,377,086	1,097,106
Other instruction	3,026,329	3,141,025
Co-curricular/athletics	1,097,040	866,624
Adult education	239,966	151,358
Community service	85,494	283,043
Support services:		
Student support	2,701,479	1,741,117
Instructional staff support	1,230,657	891,535
General administration	1,653,287	1,246,386
School administration	4,048,290	2,892,019
Administration support	1,143,362	863,811
Operation and maintenance	6,552,342	5,115,278
Student transportation	2,113,541	1,429,780
Facilities acquisition and construction	1,706,335	1,271,448
Other support	21,690	46,610
Food services	1,542,481	1,358,007
Interest on long-term debt	37,612	42,439
Total expenses	<u>\$ 58,057,220</u>	<u>\$ 45,662,492</u>
Increase/(Decrease) in Net Position	\$ (6,549,689)	\$ 3,209,227
Net Position July 1	<u>\$ (7,149,879)</u>	<u>\$ (10,359,106)</u>
Net Position June 30	<u>\$ (13,699,568)</u>	<u>\$ (7,149,879)</u>

Total Revenues: Total revenue increased 5.4% when compared to the previous year’s revenue. General revenues mainly comprised of taxes, federal aid, unrestricted state aid, and local sources represented 73.6% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

General Revenues: General revenues increased by 10.8% from the prior fiscal.

Program Revenues: Program revenues related to specific functions provided approximately 26.4% of the resources necessary to pay costs of providing program services. Program revenues are generally grant funding with limited longevity. The remaining program costs were financed from general revenues.

REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES



Governmental Activities

- The largest revenue sources for the District are state aid, property taxes (Ad Valorem), and Operating grants. These funds comprised 95.5% of total revenues.
- Property tax Ad Valorem decreased by 18.2% from \$2.2 million to \$1.8 million.
- Operating grants decreased by \$1.5 million from \$14.1 million to \$12.6 million.
- State revenue, as provided through the Pupil Centered Funding Plan, increased to \$34.9 million from \$30.9 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

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

Governmental Funds: The focus of the District's governmental funds is to provide information on current inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's current funding requirements. In particular, unrestricted fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

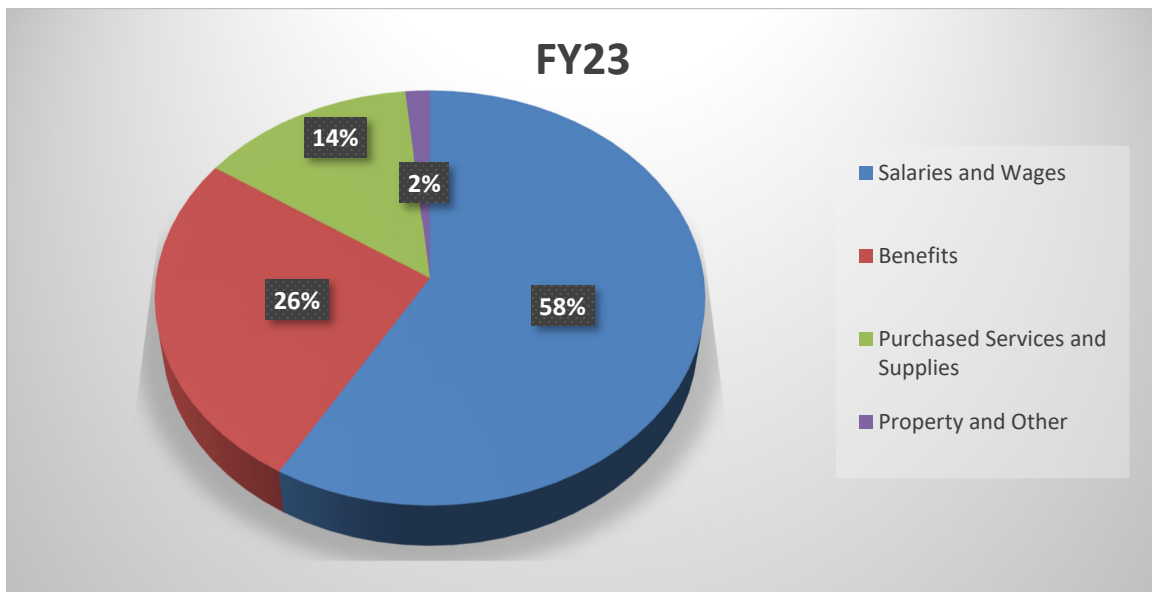
As of the current fiscal year, the District's governmental funds provide combined ending fund balances of \$8.7 million, down from \$8.9 million last year.

In 1993 the State Legislature enacted legislation that required the special education program (previously accounted within the general fund) to be accounted for in a separate special revenue fund. Because of its size and relationship to the general fund, it is included in the following analysis:

GENERAL AND SPECIAL EDUCATION FUNDS EXPENDITURES BY TYPE

	<u>2023</u>	<u>2022</u>
Salaries	\$ 21,951,988	\$ 21,431,099
Benefits	9,807,947	9,784,156
Purchased Services	1,998,774	1,566,311
Supplies	3,215,893	3,236,840
Property	539,653	282,959
Other	37,530	28,383
Debt Service	16,949	-
Totals	<u>\$ 37,568,734</u>	<u>\$ 36,329,748</u>

GENERAL AND SPECIAL EDUCATION FUNDS EXPENDITURES BY TYPE



- Salaries and wages comprise 58.4% of total expenditures. School Districts by their nature are labor intensive requiring a significant proportion of available funds.
- Employee benefits average 44.7% of salaries and wages and 26.1% of total expenditures. Benefits include contributions on the behalf of employees for retirement (Public Employees Retirement), health insurance, Medicare, life insurance and workers' compensation.
- Purchased services, supplies, other, property, and debt service comprise 15.5% of total expenditures.

The General Fund is the primary operating fund of the District. At the conclusion of the 2023 fiscal year, the unassigned fund balance of the General Fund was \$4.7 million compared to \$4.2 million in the prior year and total fund balance was \$4.8 for both the current and the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.4% of total fund expenditures while total fund balance represents 14.7% of that same amount.

The fund balance within the General Fund decreased by \$4,000 because the transfers out were greater than the amount that revenues exceeded expenditures.

The Special Education Fund accounts for resources (state-aid, Medicaid, and transfers from the General Fund) used to provide special education to eligible students. Resources and transfers totaled \$5.2 million; expenditures totaled \$5.2 million. Transfers from the general fund in the amount of \$2.8 million accounted for 53.8% of the resources in the fund. State aid totaled \$2.4 million.

The Federal Grants Fund is utilized to support a variety of student and support programs and projects such as professional development, curriculum development, and enhanced instruction in literacy, math, science, ELL, and special programs. The Federal Grants Fund had total revenue of \$7.6 million.

The Debt Service Fund has a total fund balance of \$1.7 million, all of which is restricted for the payment of debt service and use in capital projects. There was a slight increase in the fund balance of \$0.6 million due to a decrease of \$1 million in transfers out. A total of \$1 million was transferred to the District Bond Capital Projects fund for approved capital improvements and updates. The debt service fund's balance is high enough to cover the remaining six years' debt service requirements. The minimum fund balance required by state regulation is one year's requirement.

District Bond Initiative Fund is utilized in support of capital improvements and repairs. Funding is generated through the HC 1 bond proceeds. Funds are supported through voter approved property tax rate of 13.5 cents per \$100 of assessed valuation. This initiative has been approved by the voters through 2018 and extended to 2028 as a result of SB207 of the 2015 legislature session. Total expenditures were identified as \$2.2 million. The fund had a negative ending fund balance of \$307,824. The negative fund balance is due to a transfer from the Debt Service Fund not taking place until after the June 30, 2023 fiscal year end.

Proprietary Funds: The proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail. Beginning July 1, 2012, the district elected to make the transition from participation in the State POOL-PACT Worker's Comp Insurance to a Self-Insured Worker's Comp Fund. In the eleventh year of operating the fund, revenues exceeded expenses by \$3,704, resulting in an ending net position of \$2,046,701.

The District's unemployment insurance fund finished the year with a net position of \$73,641, which represents a decrease of \$2,496 from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Prior to the beginning of the fiscal year, the District is required to adopt its original (tentative) budget on or before June 8. The District is required to amend the budget by January 1 of the fiscal year to reflect the official enrollment count and any state PCFP adjustments made following the tentative budget. During the year, the Chief Financial Officer is authorized to transfer appropriations between accounts and funds, subject to the subsequent approval by the Board. The District may also augment the budget by a majority vote of the Board if resources actually available during the year exceed those estimated.

The District augmented the budget on December 13, 2022 to reflect actual enrollment and other adjustments in anticipated resources. The District again amended/augmented the budget on June 13, 2023. The significant changes from the original to the final budget are summarized below.

Beginning in the 2022 fiscal year, the State of Nevada changed their funding program from to the Pupil Centered Funding Plan. Under this plan, revenue is based on estimated average daily enrollment and then adjusted to actual throughout the school year. Throughout the year, as the actual numbers starting coming in for the PCFP program, the budgeted amounts for state sources was decreased by \$1,961,029. Other adjustments to local and federal sources resulted in a combined decrease to budgeted revenue of \$1,908,706.

Overall, actual revenue was less than the final budgeted resources in the general fund for all sources by \$138,740 or 0.4%. The general fund actual expenditures were 8.5% below appropriations compared to 7.3% last year.

Capital Assets and Debt Administration

Capital Assets

The District enhanced its capital assets through purchases of tangible fixed assets comprised primarily of HVAC projects and various other building and infrastructure improvements. Additional information on Humboldt County School District’s capital assets can be found in the notes to the financial statements of this report.

**HUMBOLDT COUNTY SCHOOL DISTRICT CAPITAL ASSETS
(Net of Depreciation)**

	<u>2023</u>	<u>2022</u>
Land	\$ 1,215,700	\$ 1,215,700
Construction in progress	814,158	1,182,920
Buildings and improvements	21,470,898	20,768,989
Site improvements	1,700,783	1,840,262
Machinery and equipment	<u>7,086,696</u>	<u>6,943,312</u>
Total	<u>\$ 32,288,235</u>	<u>\$ 31,951,183</u>

Debt Administration

The District’s outstanding debt decreased slightly during the current fiscal year with the regularly scheduled payment. State statute (NRS 387.400) limits the amount of general obligation debt a school district may issue to 15% of its total assessed valuation. The district is significantly below this limit. Additional information on Humboldt County School District’s long-term debt can be found in the notes to the financial statements of this report.

HUMBOLDT COUNTY SCHOOL DISTRICT OUTSTANDING DEBT

	<u>2023</u>	<u>2022</u>
General Obligation Bonds	<u>\$ 1,239,000</u>	<u>\$ 1,419,000</u>

ECONOMIC FACTORS AND FISCAL IMPACT

By way of background information, the Humboldt County School District is a mid-size rural county school district in the State of Nevada. During FY23, the District operated, for the first full year, under the Pupil Centered Funding Plan (PCFP); Nevada's updated formula for education funding. Under this plan, the District's primary funding comes from the State Education Fund, which operates as the flow through for all education related revenues. The district only continues to receive local funds as statutorily designed to support Capital Projects and Debt Service costs.

As noted above, one significant shift from the Nevada Plan to the Pupil Centered Funding Plan is the transition of prior local revenues which are now directed to the state education fund. Of particular import is the transition of what was identified as Net Proceeds of Minerals (NPM), from the local revenue stream to the state. The NPM generally operated as a primary fiscal resource to create the annual Ending Fund Balance (EFB) in the current fiscal year, and subsequently, the Opening Fund Balance (OFB) in the subsequent year. As gold prices and the local economy has noted strong economic benefit, this had created a strong funding mechanism for the district. It was the district's understanding that the funding that was received in May of 2020 and encumbered as part of the FY22 final budget, would be the final NPM qualifying districts would receive. However, due to miscommunication from the state to districts with NPM, these encumbered funds were swept at the conclusion of FY22, creating a negative impact of \$4.9 million to HCSD. This created a significant reversion to what had been designed as a strong local budget.

Though NPM is no longer available directly to district, the impacts of strong gold prices, and the development of a new Lithium project, have had a positive impact on our community. With the approval of Lithium Nevada, which, once constructed and in operation, will create the largest Lithium Mine in the United States, supplying the nation's lithium needs for generations to come. This project, with anticipated construction starting during the second to third quarter of 2023, is anticipated to bring an initial influx of 2,000 temporary construction workers, which will then transition to over 300 permanent high skill, high wage positions to our community. This will also directly impact various local business and industry's necessary to support this influx of employees. Not only does this project increase long term enrollment projections, but also tax revenues supporting the community.

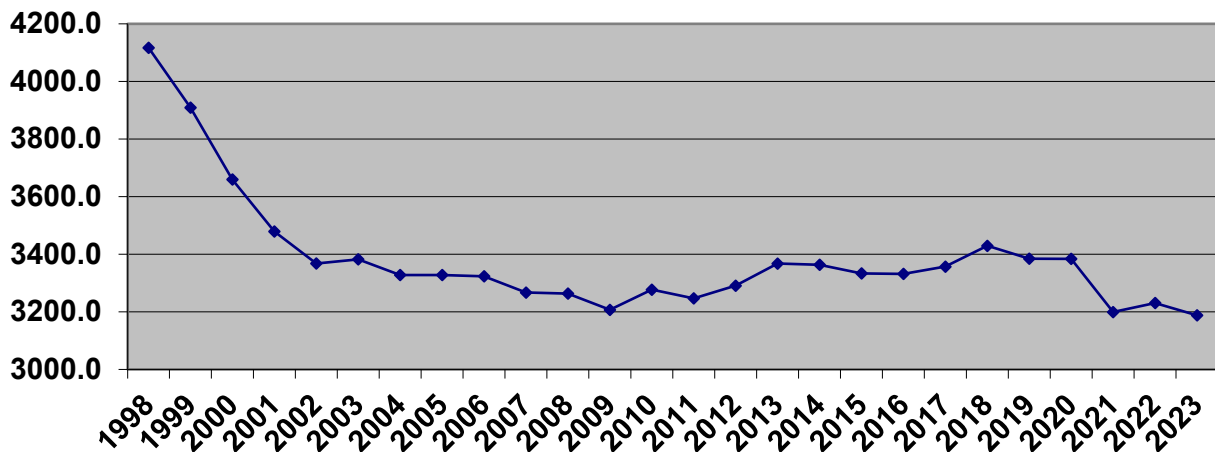
Following an initial decrease in student enrollment numbers post-COVID, the FY24 school year has demonstrated growth in overall student numbers. This increase has had a positive impact on the district, and will drive projections over the next several years. In addition, during the FY23 Legislative Session, the state of Nevada made a historic investment into education for the biennium of 2.6 billion dollars. This influx of funds shifted the district from the previous Hold Harmless provision of the PCFP, to being calculated through the plan. In addition, the increase in funding allowed for HCSD to participate in a state-wide initiative to increase educator's compensation, with a 10% general fund increase over the biennium, combined with an additional 4% annual salary increase for most employees made available through SB 231, calculated for FY 24 and FY 25 only.

The district also had favorable support through various Federal Stimulus dollars, which are set to expire in September of 2024. These funds directed much needed student and staff support, primarily in mental health supports, during the duration of the funding. The district is fortunate that we were notified of a successful 5-year Federal Project AWARE grant that will provide \$1.7

million annually to allow for ongoing commitment to many of the programs and personnel that were supported through stimulus funds. Where many districts will need to adjust staffing based on a loss of federal funds, HCSD is in a strong position to continue with these essential services, without negatively impacting limited district resources.

As noted above, FY 24 has noted an increase in student enrollment; a trend we anticipate will continue. For historical purposes, at that apex of the District’s enrollment, 1998 reflected a weighted enrollment of 4,117. By comparison, the average weighted enrollment as of November 2023 was 3,260; more than 70 students greater than FY23’s year-end enrollment of 3,188.

WEIGHTED COUNT DAY COMPARISON BY YEAR



Overall, the district is seeing a rebound in student enrollment from COVID losses, as well as a clear path to strengthen the district fiscal position (EFB) through a strategic plan which also accounts for staff increases to increase the competitiveness of our recruitment and retention of staff members. With the transition of the district off of prior Hold Harmless status, combined with projected economic factors and increased enrollment, HCSD is poised to see ongoing stability and growth.

REQUESTS FOR INFORMATION

The report is designed to provide a general overview of the Humboldt County School District’s finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to:

Dr. David Jensen, Superintendent
 Humboldt County School District
 310 E. Fourth Street
 Winnemucca, NV 89445
 (775) 623-8100

HUMBOLDT COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES
ASSETS	
Current assets:	
Cash and investments	\$ 13,499,713
Receivables:	
Ad valorem taxes	8,064
Interest	16,799
Other	198,355
Intergovernmental receivable	1,864,123
Prepays	2,533
Inventories	125,427
Total current assets	15,715,014
Noncurrent assets:	
Restricted cash	123,900
SBITAs - net of accumulated amortization	151,808
Capital assets not being depreciated:	
Land	1,215,700
Construction in progress	814,158
Other capital assets, net of depreciation	30,258,377
Total noncurrent assets	32,563,943
Total assets	48,278,957
DEFERRED OUTFLOWS OF RESOURCES	
Pension-related amounts	36,431,840
Other postemployment benefits-related amounts	1,558,137
Total deferred outflows of resources	37,989,977
LIABILITIES	
Current liabilities:	
Accounts payable	1,591,242
Claims liabilities	45,000
Accrued liabilities	3,233,512
Contract retainage payable	28,044
Interest payable	11,169
Intergovernmental payable	25,978
Unearned revenues	91,927
Current portion of SBITA obligations payable	46,114
Current portion of long-term obligations	532,138
Total current liabilities	5,605,124
	(CONTINUED)

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023**

		<u>GOVERNMENTAL ACTIVITIES</u>
Noncurrent liabilities:		
General obligation bonds payable	\$	1,239,000
SBITA obligations payable		48,420
Accrued compensated absences		1,453,046
Net pension liability		58,108,732
Other postemployment benefits (OPEB) liability		8,249,590
Less: current portion of long-term obligations		<u>(532,138)</u>
Total noncurrent liabilities		<u>68,566,650</u>
Total liabilities		<u>74,171,774</u>
 DEFERRED INFLOWS OF RESOURCES		
Pension-related amounts		23,201,606
Other postemployment benefits-related amounts		<u>2,595,122</u>
Total deferred inflows of resources		<u>25,796,728</u>
 NET POSITION		
Net investment in capital assets		31,049,235
Restricted for:		
Capital projects		386,181
Debt service		1,714,597
Self-insured programs		2,120,342
Other purposes		125,547
Unrestricted (deficit)		<u>(49,095,470)</u>
Total net position (deficit)	\$	<u><u>(13,699,568)</u></u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CON- TRIBUTIONS	CAPITAL GRANTS AND CON- TRIBUTIONS	
Governmental activities:					
Instruction:					
Regular instruction	\$ 22,170,801	\$ 236,612	\$ 1,759,974	\$ 344,193	\$ (19,830,022)
Special instruction	7,309,428	-	3,697,023	-	(3,612,405)
Vocational instruction	1,377,086	67,228	91,551	31,780	(1,186,527)
Other instruction	3,026,329	-	1,878,582	-	(1,147,747)
Co-curricular	1,097,040	190,776	3,680	-	(902,584)
Adult education	239,966	-	204,123	-	(35,843)
Community service	85,494	-	37,595	-	(47,899)
Total instruction	<u>35,306,144</u>	<u>494,616</u>	<u>7,672,528</u>	<u>375,973</u>	<u>(26,763,027)</u>
Support services:					
Student support	2,701,479	-	1,768,388	-	(933,091)
Instructional staff support	1,230,657	-	2,387	33,968	(1,194,302)
General administration	1,653,287	-	484,891	-	(1,168,396)
School administration	4,048,290	-	799,413	-	(3,248,877)
Administrative support	1,143,362	-	28,586	-	(1,114,776)
Operation and maintenance	6,552,342	-	237,142	97,376	(6,217,824)
Student transportation	2,113,541	-	-	-	(2,113,541)
Facilities acquisition and construction	1,706,335	-	-	26,401	(1,679,934)
Other support	21,690	-	-	-	(21,690)
Food service operations	1,542,481	15,000	1,567,386	13,069	52,974
Interest on long-term debt	37,612	-	-	-	(37,612)
Total support	<u>22,751,076</u>	<u>15,000</u>	<u>4,888,193</u>	<u>170,814</u>	<u>(17,677,069)</u>
Total governmental activities	<u>\$ 58,057,220</u>	<u>\$ 509,616</u>	<u>\$ 12,560,721</u>	<u>\$ 546,787</u>	<u>(44,440,096)</u>
General revenues:					
Property taxes				\$	1,755,070
Government service taxes for capital purposes					348,185
Interest earnings					175,142
State aid not restricted to specific purposes					34,873,175
Other local sources - general					14,304
Other local sources - other					84,323
Federal aid not restricted to specific purposes					640,208
Total general revenues					<u>37,890,407</u>
Change in Net Position					(6,549,689)
NET POSITION (DEFICIT) - JULY 1					<u>(7,149,879)</u>
NET POSITION (DEFICIT) - JUNE 30				\$	<u>(13,699,568)</u>

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	GENERAL FUND	SPECIAL EDUCATION FUND	FEDERAL GRANTS FUND
ASSETS			
Cash and investments	\$ 6,188,649	\$ 557,150	\$ 49,040
Receivables:			
Ad valorem taxes	-	-	-
Interest	-	-	-
Other	14,175	-	149,355
Due from other funds	935,900	-	-
Intergovernmental receivable	-	-	1,586,833
Inventories	109,827	-	-
Cash and investments - restricted	-	-	-
	-	-	-
Total assets	\$ 7,248,551	\$ 557,150	\$ 1,785,228
LIABILITIES			
Accounts payable	\$ 164,429	\$ 108,774	\$ 588,357
Contract retainage payable	-	-	-
Accrued liabilities	2,295,939	442,775	346,871
Due to other funds	1,334	-	830,000
Intergovernmental payable	20,377	5,601	-
Unearned revenues	-	-	-
	-	-	-
Total liabilities	2,482,079	557,150	1,765,228
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
FUND BALANCES			
Nonspendable:			
Inventories	109,827	-	-
Restricted for:			
NRS 350.020 - debt service	-	-	-
NRS 387.328 - capital projects	-	-	-
Assigned to:			
Food service	-	-	-
Special projects	-	-	20,000
Other capital projects	-	-	-
Unassigned	4,656,645	-	-
Total fund balances	4,766,472	-	20,000
Total liabilities, deferred inflows, and fund balances	\$ 7,248,551	\$ 557,150	\$ 1,785,228

See accompanying notes.

DEBT SERVICE FUND	DISTRICT BOND INITIATIVE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 1,566,089	\$ 371,632	\$ 2,616,632	\$ 11,349,192
8,064	-	-	8,064
-	1,415	15,384	16,799
-	-	25,592	189,122
-	-	1,334	937,234
24,861	-	248,114	1,859,808
-	-	15,600	125,427
123,900	-	-	123,900
<u>\$ 1,722,914</u>	<u>\$ 373,047</u>	<u>\$ 2,922,656</u>	<u>\$ 14,609,546</u>
\$ -	\$ 652,827	\$ 75,595	\$ 1,589,982
-	28,044	-	28,044
-	-	147,927	3,233,512
-	-	105,900	937,234
-	-	-	25,978
-	-	91,927	91,927
-	680,871	421,349	5,906,677
8,064	-	-	8,064
-	-	15,600	125,427
1,714,850	-	-	1,714,850
-	-	694,005	694,005
-	-	524,884	524,884
-	-	710,287	730,287
-	-	556,531	556,531
-	(307,824)	-	4,348,821
<u>1,714,850</u>	<u>(307,824)</u>	<u>2,501,307</u>	<u>8,694,805</u>
<u>\$ 1,722,914</u>	<u>\$ 373,047</u>	<u>\$ 2,922,656</u>	<u>\$ 14,609,546</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances for Governmental Funds	\$	8,694,805
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital Assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
SBITA asset (net of amortization)		151,808
Governmental capital assets	\$ 81,294,606	
Less accumulated depreciation	<u>(49,006,371)</u>	
		32,288,235
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Other postemployment benefits asset (liability)		(8,249,590)
Net pension asset (liability)		(58,108,732)
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental</p>		
Governmental bonds payable	(1,239,000)	
SBITA obligations payable	(94,534)	
Compensated absences	<u>(1,453,046)</u>	
		(2,786,580)
Interest payable		(11,169)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental</p>		
		8,064
<p>Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.</p>		
Deferred outflows of resources related to pensions		36,431,840
Deferred inflows of resources related to pensions		(23,201,606)
Deferred outflows of resources related to other postemployment benefits		1,558,137
Deferred inflows of resources related to other postemployment benefits		(2,595,122)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds are reported with governmental activities.</p>		
		<u>2,120,342</u>
Total Net Position of Governmental Activities	\$	<u><u>(13,699,568)</u></u>

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>FEDERAL GRANTS FUND</u>
REVENUES			
Local sources	\$ 110,253	\$ -	-
State sources	34,873,175	2,355,433	-
Federal sources	84,323	46,785	7,596,104
Total revenues	<u>35,067,751</u>	<u>2,402,218</u>	<u>7,596,104</u>
EXPENDITURES			
Current:			
Regular programs	17,810,475	-	1,247,153
Special programs	-	5,203,675	1,341,590
Vocational programs	962,023	-	28,860
Other instructional programs	626,140	-	1,027,219
Co-curricular/athletic programs	768,026	-	-
Adult education programs	-	-	-
Community services programs	526	-	37,595
Undistributed expenditures:			
Instruction	-	-	-
Student support	623,766	-	1,767,983
Instructional staff support	972,218	-	2,250
General administration	937,696	-	484,891
School administration	2,605,566	-	799,413
Administrative support	885,750	-	28,586
Operation and maintenance	4,560,421	-	810,564
Student transportation	1,595,503	-	-
Food service programs	-	-	-
Facilities acquisition and construction service	-	-	-
Other support services	-	-	-
Debt service:			
Principal	16,647	-	-
Interest	302	-	-
Total expenditures	<u>32,365,059</u>	<u>5,203,675</u>	<u>7,576,104</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,702,692</u>	<u>(2,801,457)</u>	<u>20,000</u>
OTHER FINANCING SOURCES (USES)			
Subscription-based IT arrangements	94,534	-	-
Transfers in	-	2,801,457	-
Transfers out	(2,801,457)	-	-
Total other financing sources (uses)	<u>(2,706,923)</u>	<u>2,801,457</u>	<u>-</u>
Net change in fund balances	(4,231)	-	20,000
FUND BALANCES, July 1	<u>4,770,703</u>	<u>-</u>	<u>-</u>
FUND BALANCES, June 30	<u>\$ 4,766,472</u>	<u>\$ -</u>	<u>\$ 20,000</u>

See accompanying notes.

DEBT SERVICE FUND	DISTRICT BOND INITIATIVE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 1,800,305	\$ 8,582	\$ 1,487,082	\$ 3,406,222
-	-	1,622,147	38,850,755
-	-	1,576,198	9,303,410
<u>1,800,305</u>	<u>8,582</u>	<u>4,685,427</u>	<u>51,560,387</u>
-	-	966,193	20,023,821
-	-	1,031	6,546,296
-	-	161,699	1,152,582
-	-	851,363	2,504,722
-	-	172,816	940,842
-	-	204,123	204,123
-	-	-	38,121
-	-	2,328	2,328
-	-	405	2,392,154
-	-	36,520	1,010,988
-	-	73	1,422,660
-	-	6,064	3,411,043
-	97,280	-	1,011,616
-	397,198	261,078	6,029,261
-	-	-	1,595,503
-	-	1,584,396	1,584,396
-	1,705,537	798	1,706,335
-	-	21,690	21,690
180,000	-	-	196,647
38,881	-	-	39,183
<u>218,881</u>	<u>2,200,015</u>	<u>4,270,577</u>	<u>51,834,311</u>
<u>1,581,424</u>	<u>(2,191,433)</u>	<u>414,850</u>	<u>(273,924)</u>
-	-	-	94,534
-	1,000,000	-	3,801,457
(1,000,000)	-	-	(3,801,457)
<u>(1,000,000)</u>	<u>1,000,000</u>	<u>-</u>	<u>94,534</u>
581,424	(1,191,433)	414,850	(179,390)
<u>1,133,426</u>	<u>883,609</u>	<u>2,086,457</u>	<u>8,874,195</u>
<u>\$ 1,714,850</u>	<u>\$ (307,824)</u>	<u>\$ 2,501,307</u>	<u>\$ 8,694,805</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Governmental Funds		\$ (179,390)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.</p>		
Expenditures for capital assets	\$ 3,165,642	
Less current year depreciation	<u>(2,861,694)</u>	303,948
Expenditures recognized in the fund financial statements for SBITA costs capitalized as assets in the government-wide statements		183,582
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund statements.		
Donated capital assets		26,401
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.		196,647
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due and thus requires current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		(1,643)
Because some property taxes will not be collected in time to pay for obligations of the current period, they are not considered available revenues in the governmental funds and are instead reported as deferred revenues. These revenues are accounted for as revenue in the statement of activities.		1,102
Governmental funds report pension and OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension and OPEB expense.		
District pension contributions	3,611,586	
Cost of pension benefits earned	(11,459,598)	
District OPEB contributions	475,671	
Cost of OPEB benefits earned	<u>373,161</u>	(6,999,180)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
SBITA other financing sources	(94,534)	
Obsolete assets	(9,944)	
Amortization related to SBITA asset	(31,774)	
Change in long-term compensated absences	<u>53,888</u>	(82,364)
Internal service funds are used by management to charge the costs of certain insurance activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.		<u>1,208</u>
Change in Net Position of Governmental Activities		<u>\$ (6,549,689)</u>

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Local sources	\$ 94,500	\$ 62,500	\$ 110,253	\$ 47,753
State sources	37,020,697	35,059,668	34,873,175	(186,493)
Federal sources	-	84,323	84,323	-
Total revenues	37,115,197	35,206,491	35,067,751	(138,740)
EXPENDITURES				
Regular programs	18,281,787	19,178,444	17,810,475	1,367,969
Vocational programs	989,636	1,006,590	962,023	44,567
Other instructional programs	639,773	688,812	626,140	62,672
Co-curricular/athletic programs	1,009,086	1,099,421	768,026	331,395
Community services programs	-	-	526	(526)
Undistributed expenditures:				
Student support	1,444,674	620,354	623,766	(3,412)
Instructional staff support	988,083	1,048,941	972,218	76,723
General administration	1,232,168	1,111,962	937,696	174,266
School administration	3,519,674	2,874,714	2,605,566	269,148
Administrative support	885,131	1,015,023	885,750	129,273
Operation and maintenance	4,311,626	4,824,024	4,560,421	263,603
Student transportation	1,530,519	1,872,924	1,595,503	277,421
Debt service:				
Principal	-	18,000	16,647	1,353
Interest	-	2,000	302	1,698
Total expenditures	34,832,157	35,361,209	32,365,059	2,996,150
Excess (deficiency) of revenues over (under) expenditures	2,283,040	(154,718)	2,702,692	2,857,410
OTHER FINANCING SOURCES (USES)				
Subscription-based IT arrangements	-	-	94,534	94,534
Transfers out	(2,473,176)	(2,816,861)	(2,801,457)	15,404
Total other financing sources (uses)	(2,473,176)	(2,816,861)	(2,706,923)	109,938
Net change in fund balance	(190,136)	(2,971,579)	(4,231)	2,967,348
FUND BALANCE, July 1	1,822,633	4,770,703	4,770,703	-
FUND BALANCE, June 30	\$ 1,632,497	\$ 1,799,124	\$ 4,766,472	\$ 2,967,348

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
State sources	\$ 2,175,523	\$ 2,355,506	\$ 2,355,433	\$ (73)
Federal sources	32,059	45,673	46,785	1,112
Total revenues	<u>2,207,582</u>	<u>2,401,179</u>	<u>2,402,218</u>	<u>1,039</u>
EXPENDITURES				
Special programs	4,680,758	5,218,040	5,203,675	14,365
Total expenditures	<u>4,680,758</u>	<u>5,218,040</u>	<u>5,203,675</u>	<u>14,365</u>
Excess (deficiency) of revenues over expenditures	(2,473,176)	(2,816,861)	(2,801,457)	15,404
OTHER FINANCING SOURCES (USES)				
Transfers in	2,473,176	2,816,861	2,801,457	(15,404)
Net change in fund balance	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Federal sources	\$ 6,185,052	\$ 10,347,872	\$ 7,596,104	\$ (2,751,768)
Total revenues	<u>6,185,052</u>	<u>10,347,872</u>	<u>7,596,104</u>	<u>(2,751,768)</u>
EXPENDITURES				
Regular programs	1,688,294	1,540,266	1,247,153	293,113
Special programs	1,595,130	1,437,845	1,341,590	96,255
Vocational programs	34,090	36,870	28,860	8,010
Other instructional programs	1,544,363	3,208,644	1,027,219	2,181,425
Community services programs	32,635	55,475	37,595	17,880
Undistributed expenditures:				
Student support	-	1,793,008	1,767,983	25,025
Instructional staff support	20,790	12,410	2,250	10,160
General administration	521,394	634,256	484,891	149,365
School administration	11,000	773,961	799,413	(25,452)
Administrative support	57,114	33,814	28,586	5,228
Operation and maintenance	680,242	810,573	810,564	9
Total expenditures	<u>6,185,052</u>	<u>10,347,872</u>	<u>7,576,104</u>	<u>2,771,768</u>
Net change in fund balance	-	-	20,000	20,000
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>

See accompanying notes.

**HUMBOLDT COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2023**

		GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
ASSETS		
Current assets:		
Cash and investments	\$	2,150,521
Accounts receivable		9,233
Intergovernmental receivable		4,315
Prepays		2,533
		2,533
Total assets		2,166,602
 LIABILITIES		
Current liabilities:		
Accounts payable		1,260
Claims payable		45,000
		45,000
Total liabilities		46,260
 NET POSITION		
Restricted		2,120,342
Total net position	\$	2,120,342

**HUMBOLDT COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2023**

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
OPERATING REVENUES:	
Interfund charges	\$ <u>134,990</u>
OPERATING EXPENSES:	
Claims	57,083
Insurance premiums	55,819
Administrative expenses	<u>20,880</u>
Total operating expenses	<u>133,782</u>
Change in net position	1,208
NET POSITION - July 1	<u>2,119,134</u>
NET POSITION - June 30	\$ <u><u>2,120,342</u></u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2023**

	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	
Cash flows from operating activities:	
Cash received for interfund services provided	\$ 153,195
Cash payments for claims and services	<u>(116,017)</u>
Net cash provided (used) by operating activities	<u>37,178</u>
Cash and cash equivalents, beginning of year	<u>2,113,343</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,150,521</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ <u>1,208</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	16,617
(Increase) decrease in intergovernmental receivable	1,588
(Increase) decrease in prepaids	1,505
Increase (decrease) in claims payable	<u>16,260</u>
Total adjustments	<u>35,970</u>
Net cash provided (used) by operating activities	<u><u>\$ 37,178</u></u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023**

	PRIVATE- PURPOSE TRUST FUND	CUSTODIAL FUNDS	TOTAL
ASSETS			
Cash and investments	\$ 83,555	\$ 117,271	\$ 200,826
Interest receivable	318	-	318
Accounts receivable	-	2,500	2,500
Total assets	83,873	119,771	203,644
LIABILITIES			
Accounts payable	\$ -	\$ 6,621	\$ 6,621
Total liabilities	-	6,621	6,621
NET POSITION			
Held in trust for scholarship payments	\$ 83,873	\$ 113,150	\$ 197,023

**HUMBOLDT COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>PRIVATE- PURPOSE TRUST FUND</u>	<u>CUSTODIAL FUNDS</u>
ADDITIONS		
Contributions:		
Interest	\$ 2,577	\$ -
Donations	-	57,298
	<hr/>	<hr/>
Total additions	2,577	57,298
	<hr/>	<hr/>
DEDUCTIONS		
Scholarships	1,000	10,500
Other	-	33,946
	<hr/>	<hr/>
Total deductions	1,000	44,446
	<hr/>	<hr/>
Change in net position	1,577	12,852
NET POSITION, July 1	<hr/> 82,296	<hr/> 100,298
NET POSITION - June 30	<hr/> <u>\$ 83,873</u>	<hr/> <u>\$ 113,150</u>

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Humboldt County School District, Humboldt County, Nevada (the District) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of existing Government and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Reporting Entity

The District is the basic level of government having oversight responsibility and control over all activities related to the public-school education in Humboldt County, Nevada. The governing board consists of seven members elected by the voters in the district for four-year terms, and has authority to adopt and administer budgets. The District receives funding from Local, State, and Federal government sources and must comply with the related requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity,” since trustees are elected by the public, it is a legally separate government and it is fiscally independent of any other governmental entity. In addition, the District is not financially accountable for any other entity.

B. Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The reporting focus is on either the District as a whole or major individual funds and nonmajor funds in the aggregate (within the fund financial statements).

The government-wide financial statements (the Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of the District. Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated. In the Statement of Activities, internal service fund transactions have been eliminated.

In the government-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 which 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, and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s programs. The programs are also supported by the general government revenues (ad valorem taxes, pupil-centered funding plan, distributive school funds, government services tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

expenses (including depreciation) by related program revenues and operating grants. Program revenues include operating grants and contributions and investment earnings legally restricted to support a specific program. Program revenues 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.

C. 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, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures. District resources are allocated to and accounted for in 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The emphasis in the fund financial statements is on 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) 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 the 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. Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. 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's 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 program activity.

The District's fiduciary funds are presented in the fiduciary fund financial statement by type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

activities or obligations of the District, these funds are not incorporated into the government-wide statements.

The District reports the following major governmental funds:

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.

The *Special Education Fund* is used to account for transactions of the District relating to educational services provided to children with special needs supported by state and local sources. The major revenue source for this fund is state funds distributed through the pupil centered funding plan.

The *Federal Grants Fund* is used to account for the proceeds of specific federal revenue sources that are legally restricted to expenditures for specified purposes.

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

The *District Bond Initiative Fund* is used to account for HC1 bond proceeds provided for district-wide capital improvements and repairs.

Additionally, the District reports the following fund types:

Proprietary Funds:

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

Nevada Unemployment Compensation is used to account for the self-funded unemployment claims as they arise.

Self-Insured Workers' Compensation is used to account for the self-funded worker's compensation claims and related costs as they arise.

Fiduciary Funds:

Private Purpose Trust Funds are used to account for resources legally held in trust for the purpose of awarding future student scholarships.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Custodial Funds account for assets held by the District in a trustee capacity.

D. Measurement Focus and Basis of Accounting

The measurement focus describes the types of transactions and events that are reported in a fund’s operating statement. Basis of accounting refers to point at which revenues or expenditures/expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred revenue account is established. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Most major sources of revenue reported in governmental funds are susceptible to accrual under the modified accrual basis of accounting.

Below is a summary of revenue recognition policies for all major revenue sources.

Type of Revenue	Accrued When Measurable and Available	Recognized When Received	Accrued When Earned
AD VALOREM TAXES	X		
GOVERNMENT SERVICES TAXES	X		
PUPIL CENTERED FUND PLAN	X		
INTEREST			X
GRANTS-IN-AID			X
MISCELLANEOUS REVENUE		X	
TUITION PAYMENTS			X

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Funds:

Proprietary Funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the program.

Proprietary funds distinguish operating revenues and expenses from non-operating items. The principal operating revenues of the District's internal service funds are charges for insurance premiums. Operating expenses for internal service funds include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds:

The accounting records for the Private Purpose Trust Funds and Custodial Funds are maintained on the economic resources measurement focus and accrual basis of accounting.

E. Financial Statement Presentation

1. Budgets and Budgetary Accounting:

Annual budgets are adopted on a basis consistent with GAAP for all funds except trust and agency funds, which do not require budgets.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to April 15, the Superintendent submits to the Board of Trustees and to both the Nevada Department of Taxation and Department of Education a tentative budget for the fiscal year commencing the following July 1. The tentative budget includes proposed expenditures and the means of financing them.
- (2) Not sooner than the third Monday in May and not later than the last day in May prior to the third Wednesday in May, a minimum of seven days' notice of public hearing on the final budget is published in a local newspaper. The public hearing on the tentative budget must be held by the governing body. Public hearings are conducted prior to the adoption of the budget to obtain taxpayer comments.
- (3) On or before June 8, the budget is legally adopted by a majority vote of the Board of Trustees.

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- (4) On or before January 1, the Board of Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the completed count of students.
- (5) NRS 354.598005 provides that the Board of Trustees may augment the budget at any time by a majority vote of the Board providing the Board publishes notice of intention to act in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.
- (6) The legal level of budgetary control is at the program level for the General Fund, Special Revenue and Capital Projects Funds, and the sum of operating and non-operating expenses in the Internal Service Funds. State statute does not require that debt service payments be limited by the budget.
- (7) The Budget Officer and/or the Board of Trustees may transfer appropriations within and between funds if amounts do not exceed the original budget. Augmentations in excess of the original budgetary amounts may be made only with prior approval of the Board of Trustees, following a scheduled and noticed public hearing.
- (8) Formal budgetary integration in the financial records is employed to enhance management control during the year. The ensuing year's budget is augmented to provide for the payment of prior year encumbrances.
- (9) All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all funds except custodial funds, which do not require budgets.

All budgets presented in the accompanying financial statements reflect the original budget and final budget (which has been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations lapse at the end of each fiscal year.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations of the various programs of the individual funds except for bond repayments, short-term financing repayment, any other long-term contracts expressly authorized by law, and certain other items specified in NRS 354.626. For Proprietary Funds, the sum of operating and non-operating expenses may not exceed the sum of the budgeted operating and non-operating expenses.

2. *Cash and Investments:*

For purposes of the statements of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and have an original maturity date of three months or less to be cash and cash equivalents.

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. In accordance with NRS 355.175(3), the Board passed a resolution that all interest earned on these investments is to be allocated to the Building and Sites Fund, except for amounts credited to

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

various other funds in accordance with law, contract, District policy, or as the result of conditions related to grant awards.

Investments are carried at fair value as determined by quoted market prices, net of accrued interest as provided by the pool sponsors.

The District may invest in the following types of securities per Nevada Revised Statutes 355.170 and 355.167:

- Bonds and debentures of the United States maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Bills and notes of the United States Treasury maturing within ten (10) years from the date of purchase.
- Obligations of the United States or a corporation sponsored by the government, maturing within ten (10) years from the date of purchase.
- Negotiable certificates of deposit issued by commercial banks or insured savings and loan associations.
- Other securities expressly provided by the other statutes, including repurchase agreements.
- Obligations of state and local governments if:
 - (1) the interest is exempt for federal income tax purposes; and
 - (2) the obligation has been rated “A” or higher by a nationally recognized bond credit rating agency.
- State of Nevada Local Government Pooled Investment Fund.
- Negotiable notes or medium-term negotiable bonds issued by local governments of the State of Nevada.
- Certain bankers’ acceptances.
- Certain short-term corporate or depository institution commercial paper issued by U.S. Corporations.
- Certain “AAA” rated mutual funds that invest in federal securities.

3. *Property Taxes Receivable:*

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

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2021-2022 have been written off. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss in respect to the remaining balances.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation and tax rates described above.

The major classifications of personal property are commercial, agricultural, and mobile homes.

Effective July 1, 2021, under the new Pupil-Centered Funding Plan property taxes collected for the General Fund are now remitted to the State of Nevada and included in the new funding formula. The funds are then returned to school districts under the new plan. Therefore, the District no longer shows property taxes revenues or receivable in the General Fund. Property taxes collected for the Debt Service Fund are retained in a custodial fund at Humboldt County to be used for debt payments or transferred to District accounts for approved capital bond projects.

4. *Inventories and Prepaid Items:*

All District inventories are maintained on a consumption basis of accounting, where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventory in the General Fund consists principally of general office printing, paper, and maintenance supplies. Inventory in the Food and Nutrition Special Revenue Fund consist of food and commodities. Inventories are stated at cost on a first-in, first-out basis, except for commodities, which are stated at fair value.

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

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. *Capital Assets:*

Capital assets, which include land, building and improvements, site improvements, and equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$500 for tangible personal property and \$50,000 for land, buildings, and improvements; and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements to Buildings	20-30
Site Improvements	20
Equipment and Vehicles	5-15

6. *Allowance for Uncollectible Receivables:*

An allowance for uncollectible taxes receivable has not been established since Nevada law provides for the sale of property where a lien exists for the payment of property taxes.

7. *Subscription-based Information Technology Arrangements (SBITAs):*

The District implemented GASB Statement No. 96, subscription-based information technology arrangements (SBITAs) for the year ended June 30, 2023. A SBITA is a contract that conveys control of the right to use a SBITA vendor's information technology (IT) software, either alone or in combination with underlying tangible capital IT assets, for a period of time specified in the contract in an exchange or exchange-like transaction. SBITAs with non-cancellable terms of 12 months or more and those with non-cancellable terms of 12 months or less with an option to extend are reported consistent with GASB 96, at the net present value of subscription payments expected to be made during the subscription term plus those made to the SBITA vendor prior to the commencement of the subscription term, along with any direct costs related to the software implementation. A subscription asset is then amortized over the shorter of the subscription term or the useful life of the underlying IT asset. The related current inflows and outflows are reported in the general fund.

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The District has entered into several SBITAs with multiple vendors. These contracts' lengths range between two and three years and are primarily used for educational and data security purposes. These costs are recorded at their estimated present value and amortized over the length of the contract using the mid-month convention.

Software subscription liabilities are measured at the present value of future cash flows related to the software portion of contracts for subscription-based information technology arrangements. Additional amounts in the contracts, such as maintenance agreements, are not included in the software subscription liability. These amounts are expensed as incurred.

8. *Accrued Liabilities:*

Accrued liabilities consist principally of teacher, administrator, and other District employee salaries and benefits relating to the school program year ended June 30, 2023, not paid as of that date.

9. *Expenditures:*

Expenditure data is characterized by major program classifications pursuant to the provisions of the U.S. Department of Education "Financial Accounting for Local and State School Systems" published by the National Center for Education Statistics and adopted by the Nevada Department of Education. Below is a brief description of these program classifications.

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 students in prekindergarten through K-12 with learning experiences not included in other programs.

Co-curricular/athletic 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.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Community service programs are activities that are not directly related to the provision of educational services in a school district, including such services as community recreation programs, civic activities, public libraries, programs of custody and care of children, and community welfare activities provided by the district for the community as a whole or for some segment of the community.

Undistributed expenditures are charges not readily assignable to a specific program. Student and instructional staff support, overall general, administrative, and business costs are classified as undistributed expenditures. Also included in this line item are costs of operating, maintaining, and constructing the physical facilities of the District, providing transportation for students, and food service programs.

10. Compensated Absences:

The majority of the employees of the District are teachers who have contracts providing for unlimited accumulation of sick leave with no vacation time provided. The District pays \$75 a day of unused sick leave to certain eligible employees upon retirement. In governmental funds, the current portion is recorded as a payroll expenditure. Additionally, classified employees required to work overtime may accumulate a maximum of 40 hours compensatory time, except for the maintenance and transportation supervisor, who can accumulate a maximum of 60 hours.

Personal leave is also accrued by all district employees at a rate of three days per year for those certified individuals on step 20 and classified individuals on step 16 of the salary schedule, and two days per year for all other employees. Employees can carry over three days of personal leave into the next year. The excess is paid out at \$40 per day for certified or can be rolled to the sick leave. When a classified employee's leave balance exceeds one year's accrual amount, the excess is automatically rolled to their sick leave balance, without an option for payout. Compensated absences are generally liquidated by a combination of the major and nonmajor governmental funds with the majority liquidated from the general fund. The estimated long-term liability for compensated absences is accounted for in the government-wide financial statements.

11. Long-Term Obligations:

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

12. Deferred Inflows/Outflows of Resources:

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category: *deferred outflows* for pension-related amounts and for other postemployment benefits-related amounts. These amounts are comprised of various balances, some of which are actuarially-determined and deferred and amortized over the expected remaining service lives of covered employees or five years, depending on component being amortized.

The others are comprised of the District's contributions related to pensions and other postemployment benefits made subsequent to the measurement date.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, 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 that time. The District has three deferred inflow items. The first, unavailable revenue, arises only under a modified accrual basis of accounting and qualifies for reporting in this category. Accordingly, the item is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The unavailable revenues are from one source: property taxes. The second and third items are the collective deferred inflows related to net pension liability and other postemployment benefits liability arising under the economic resources measurement and accrual basis of account, which is reported in the statement of financial position. These amounts are actuarially-determined and are deferred and amortized over either the expected remaining service lives of covered employees or five years, depending on component being amortized.

13. Net Position and Fund Balance:

In government-wide and proprietary fund statements, equity is classified as net position and displayed in three components, if applicable:

- a. Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – consists of net position with constraints placed on their use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted assets are classified by function, debt service, projects, or claims.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- a) Restricted for Debt Service – represents assets legally restricted by statute or bond covenants for future debt service requirements of both principal and interest.
 - b) Restricted for Capital Projects – consists of unspent grants, donations, funds restricted by statute, and debt proceeds with third party restrictions for use on specific projects or programs.
 - c) Restricted for Self-Insured Programs – represents assets restricted by statute for future payment of benefits and costs related to the Nevada Unemployment and workers' compensation programs.
 - d) Restricted for Other Purposes – represents assets restricted by statute and nonspendable assets.
- c. Unrestricted net position – consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District's fund balance categories are as follows:

- a. Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaids) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).
- b. Restricted fund balance – amounts constrained to specific purposes by their external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance – amounts constrained to specific purposes by the District, using its highest level of decision-making authority, the Board of Trustees. Committed resources cannot be used for any other purpose unless the Board of Trustees takes the same highest-level action to remove or change the constraint.
- d. Assigned fund balance – amounts the District intends to use for a specific purpose as expressed by the Board of Trustees or an official or body to which the Board of Trustees delegates the authority. This is the residual classification for all governmental funds other than the general fund.
- e. Unassigned fund balance – represents the residual classification for the general fund or deficit balances in other funds.

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. The Superintendent or his designee and the CFO have been delegated authority to assign ending fund balance and to report any assigned funds to the Board of Trustees at their next regular scheduled board meeting.

It is the policy of the District to spend restricted fund balance first (unless legal requirements dictate otherwise) followed by committed, assigned and unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

In the general fund, the District strives to maintain an unrestricted fund balance to be used for unanticipated emergencies of approximately 5% of the total expenditures of that fund.

14. Reclassifications:

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

15. Use of Estimates:

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

16. Comparative Data:

Comparative data for the year ended June 30, 2022 has been extracted from the fiscal year 2022 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for fiscal year 2022. Such information can only be obtained by referring to the audited financial statements for that year.

NOTE 2 – COMPLIANCE

The District conformed to all significant statutory and administrative code constraints on its financial administration during the fiscal year, with one exception:

- Expenditures in the community services program of the General Fund exceeded appropriations by \$526, an apparent violation of NRS 354.626.
- Expenditures in the regular program of the Student Activities Fund exceeded appropriations by \$16,640, an apparent violation of NRS 354.626.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CASH AND INVESTMENTS

The District maintains a cash and investment pool available for use by all funds. At June 30, 2023, this pool is displayed by major and other governmental funds on the governmental funds balance sheet as "Cash and Investments."

The following schedule summarizes cash and investments for the District at June 30, 2023:

Cash and Investment Balances Held By:	
Governmental Funds	\$ 11,473,092
Internal Service Funds	2,150,521
Fiduciary Funds	200,826
Total Cash and Investments	\$ 13,824,439

Investments are carried at fair value. The following is a listing of investments at June 30, 2023:

Investment Type	Maturities (Average Weighted Maturity)	Fair Value
LGIP	125 Days	\$ 4,495,986
Cash		7,640,735
Humboldt County Investment Pool		1,687,718
Total Cash and Investments		\$ 13,824,439

The District is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the State of Nevada Board of Finance. The District's investments in the LGIP are equal to its original investment plus monthly allocations of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares. The District's investment in the LGIP is reported at fair value.

In addition, the District is a voluntary participant in Humboldt County's unrated external investment pool. The Board of County Commissioners has overall responsibility for investment of the funds in accordance with Nevada Revised Statute 355.175. The Humboldt County Treasurer is delegated investment authority by the Board of County Commissioners. The District's funds held in Humboldt County's external investment pool are invested in the State of Nevada LGIP.

The District's investment in the Humboldt County external pool is equal to its original investment plus monthly allocations of interest income and realized gains and losses. Fair value of the District's position in the pool is the same as the value of the pool shares.

Nevada Revised Statutes NRS 355.170 sets forth acceptable investments for Nevada local governments. The District has not adopted a formal investment policy that would further limit its investment choices nor further limit its exposure to certain risks as set forth below.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CASH AND INVESTMENTS (continued)

Interest Rate Risk – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the Statute.

Credit Risk – Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. The LGIP and Humboldt County Investment Pools are unrated external investment pools. As noted above the District does not have a formal investment policy that specifies minimum acceptable credit ratings beyond those specified in the Nevada Revised Statutes.

Custodial Credit Risk – Custodial credit risk is the risk in the event of a bank failure, the District’s deposits may not be returned. The District's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

Fair Value Measurements –The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2023:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
State of Nevada LGIP	\$ 4,495,986	\$ 1,775,914	\$ 2,720,072	\$ -

Investments classified in Level 1 of the fair value hierarchy are valued using quoted market prices. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value investments based on the investment’s relationship to benchmark quoted prices.

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	July 01, 2022 Balance	Additions	Deletions	Transfers	June 30, 2023 Balance
Capital assets, not being depreciated:					
Land	\$ 1,215,700	\$ -	\$ -	\$ -	\$ 1,215,700
Construction in progress	1,182,920	769,958	-	(1,138,720)	814,158
Total capital assets, not being depreciated	<u>2,398,620</u>	<u>769,958</u>	<u>-</u>	<u>(1,138,720)</u>	<u>2,029,858</u>
Capital assets, being depreciated:					
Building and improvements	55,148,934	920,079	-	1,138,720	57,207,733
Site improvements	3,098,948	-	-	-	3,098,948
Equipment and vehicles	17,516,547	1,518,653	(77,133)	-	18,958,067
Total capital assets, being depreciated	<u>75,764,429</u>	<u>2,438,732</u>	<u>(77,133)</u>	<u>1,138,720</u>	<u>79,264,748</u>
Less accumulated depreciation for:					
Building and improvements	(34,379,945)	(1,356,890)	-	-	(35,736,835)
Site improvements	(1,258,686)	(139,479)	-	-	(1,398,165)
Equipment and vehicles	(10,573,235)	(1,365,325)	67,189	-	(11,871,371)
Total accumulated depreciation	<u>(46,211,866)</u>	<u>(2,861,694)</u>	<u>67,189</u>	<u>-</u>	<u>(49,006,371)</u>
Total net capital assets, being depreciated	<u>29,552,563</u>	<u>(422,962)</u>	<u>(9,944)</u>	<u>1,138,720</u>	<u>30,258,377</u>
Governmental activities capital assets, net	<u>\$ 31,951,183</u>	<u>\$ (346,996)</u>	<u>\$ (9,944)</u>	<u>\$ -</u>	<u>\$ 32,288,235</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CAPITAL ASSETS (continued)

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

Regular Instruction	\$ 1,901,535
Special Instruction	18,193
Vocational Instructional	115,530
Other Instruction	82,884
Co-Curricular/Athletics	16,883
Adult Education	6,136
Community Service	3,070
Support Services:	
Student Support	2,174
Instructional Staff Support	97,274
General Administration	3,213
School Administration	4,421
Administrative Support	3,226
Operation and Maintenance	248,669
Student Transportation	314,183
Food Services	44,303
Total governmental activities depreciation expense	\$ 2,861,694

NOTE 5 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2023, is as follows:

Due to/from other funds:		
Receivable Fund	Payable Fund	Amount
General Fund	Major Federal Grants Fund	\$830,000
	Nonmajor Governmental Funds	105,900
		935,900
Nonmajor Governmental Funds	General Fund	1,334
		\$937,234

Interfund receivables and payables include charges incurred by one fund for the benefit of another fund. These include expenditures covered by the general fund for federal programs and interfund transfers recorded subsequent to year end.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 – INTERFUND BALANCES AND TRANSFERS (continued)

Interfund transfers for the year ended June 30, 2023, are as follows:

Transfers from:	Transfers to:	Amount
General Fund	Special Education Fund	<u>\$ 2,801,457</u>
Major Debt Service Fund	Major District Bond Initiative Fund	<u>1,000,000</u>
	Total interfund transfers	<u>\$ 3,801,457</u>

Transfers are used to supplement expected deficits, in accordance with grant awards, and in accordance with the voter-approved bond initiative. Transfers are reported as other financing sources or uses, as appropriate, in all funds other than Proprietary Funds, where they are reported as operating transfers.

NOTE 6 – COMMITMENTS AND ENCUMBRANCES

The District entered into several construction and asset purchase contracts during the fiscal year for various site and facilities improvements and upgrades and other capital projects. As of June 30, 2023, the District had outstanding construction contracts and asset purchases totaling \$1,853,005 that will be financed from operating funds. Other significant commitments include encumbrances outstanding for bus, passenger van, and walk in freezer purchases as shown below.

	Construction Commitments
Major District Bond Initiative Fund:	
LHS Storm Drain Improvement	\$ 641,943
McD Paving & Landscaping	908,773
District Office Roofing Project	159,326
WJHS Roofing Project	110,323
Project Management	<u>32,640</u>
	<u>\$ 1,853,005</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 – LONG TERM DEBT

Long-term liabilities at June 30, 2023 consisted of the following:

<u>General Obligation (Limited Tax) School Improvement Bonds</u>					
<u>Series</u>	<u>Date Issued</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount Issued</u>	<u>Balance June 30, 2023</u>
2019	02/21/19	04/01/29	2.74%	\$ 1,964,000	\$ 1,239,000

Long-term liability activity for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 1,419,000	\$ -	\$ 180,000	\$ 1,239,000	\$ 188,000
Compensated absences	1,506,934	404,165	458,053	1,453,046	344,138
Total	<u>\$ 2,925,934</u>	<u>\$ 404,165</u>	<u>\$638,053</u>	<u>\$ 2,692,046</u>	<u>\$ 532,138</u>

Total interest paid on long-term debt for the year ended June 30, 2023 was \$38,881.

As of June 30, 2023, annual debt service requirements to maturity are as follows:

	<u>General Obligation Bonds</u>	
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 188,000	\$ 33,949
2025	196,000	28,797
2026	203,000	23,427
2027	210,000	17,865
2028 – 2029	442,000	18,303
Total requirements	<u>\$ 1,239,000</u>	<u>\$ 122,341</u>

The District was, in compliance with Nevada Revised Statutes 387.400, within the legal debt limit at June 30, 2023.

Debt Service Reserve Fund. NRS 350.020 requires that the Board establish a reserve account for bonds authorized pursuant to this section within its debt service fund for payment of the outstanding bonds of the District. Currently, the account must be established and maintained in an amount at least equal to the lesser of the amount of principal and interest payments due in the next fiscal year on the General Obligation School Improvement Bonds issued in 2019 or 10% of the outstanding principal amount of this bond. The amounts on deposit in the reserve account are not directly pledged to pay debt service on the debt, and if permitted, may be used for other purposes. As of June 30, 2023, the amount required to fund the reserve account was \$123,900 and was fully funded by the District.

HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – RISK MANAGEMENT

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

The District has joined together with similar public agencies (cities, counties, and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The District pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The pool is considered a self-sustaining risk pool that will provide liability coverage for 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 sub-limits established for earthquake, flood, equipment breakdown, and money and securities.

The District has a self-insured unemployment compensation plan which is accounted for in the Nevada Unemployment Compensation Fund. Under this plan, the District reimburses the State of Nevada as claims are filed. The claims liability is the amount of claims relating to the fiscal year ended June 30, 2023, but not yet paid, and is based on actual claims filed subsequent to June 30, 2023, but relating to that period.

The District also has a self-insured worker's compensation plan which is accounted for in the Self-Insured Worker's Compensation Fund. Under this plan, the District has contracted with a third-party administrator to process claims. The District retains the risk for the first \$400,000 per occurrence. Excess insurance coverage is purchased to cover claims in excess of \$400,000. In the case of employer liability, there is a maximum limit of indemnity for all claims of \$1,000,000. There were no settlements in excess of the insurance coverage this year.

The Self-Insured Workers' Compensation Fund is funded by charges to the District's other funds, and is based primarily upon the contributing funds' actual gross payroll expense and an assessment rate that is applied to all funds. Liabilities of the fund are reported when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. An estimated amount of claims that have been incurred but not reported (IBNRs) is required to be included in the liabilities. Prior to the fiscal year end, incidents had occurred that may result in claims payable from the Self-Insured Workers' Compensation Fund. Management has estimated these probable claims, based on consideration of the types of claims open at the end of the fiscal year, to be approximately \$30,000, and has recorded this amount as additional claims expense and liability as of June 30, 2023 in that fund.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 – RISK MANAGEMENT (continued)

Changes in the balance of claims liabilities during the past two years are as follows:

	Nevada Unemployment Compensation	Self-Insured Worker's Compensation	Total
Claims liability, June 30, 2021	\$ -	\$ 30,000	\$ 30,000
Current year claims and changes in estimates	6,197	36,392	42,589
Claim payments	(6,197)	(36,392)	(42,589)
Claims liability, June 30, 2022	-	30,000	30,000
Current year claims and changes in estimates	2,496	69,587	72,083
Claim payments	(2,496)	(54,587)	(57,083)
Claims liability, June 30, 2023	\$ -	\$ 45,000	\$ 45,000

NOTE 9 – PENSION PROGRAM

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

Plan Description. The District participates in a cost sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement System of the State of Nevada (PERS). All full-time and certain part-time employees of the District are covered by PERS. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained on the PERS website at www.nvpers.org under Quick Links – Publications.

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

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PROGRAM (continued)

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this service time factor is 2.67% of average compensation. For plan members entering the System on or after January 1, 2010, there is a 2.5% service time factor for all years of service. Regular plan members entering the System on or after July 1, 2015 have a 2.25% service time factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during their lifetime and various optional monthly payments to a named beneficiary after their death. Post-retirement increases are provided by authority of NRS 286.575 - .579.

Vesting. Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 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 entering the System on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, age 62 with ten years of service, age 55 with thirty years of service, or any age with thirty-three and one-third years of service.

Police/Fire members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with 10 years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at age 50 with 20 years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

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

Contributions. The authority for establishing and amending the obligation to make contributions, and member contribution rates, is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in PERS are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan and cannot withdraw these contributions. The District is required to contribute all amounts due for plan members

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PROGRAM (continued)

under the Employer-Pay Contribution plan. The contribution requirements of the District are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may only be amended through legislation.

PERS’ basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee’s working lifetime in order to accumulate sufficient assets to pay benefits when due.

Although PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS on an actuarial reserve basis, contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuarial funding method is the Entry Age Normal Cost Method. It is intended to meet the funding objective and results in a relatively level long-term contribution requirement as a percentage of salary.

For the fiscal year ended June 30, 2022, the Statutory Employer/Employee matching rate was 15.50% for Regular and 22.75% for Police/Fire. The Employer-Pay Contribution (EPC) rate was 29.75% for Regular and 44.00% for Police/Fire.

District contributions of \$3,539,488 were paid during the fiscal year ended June 30, 2022 and were recognized as additions to the plan’s fiduciary net position, reducing the District’s proportionate share of net pension liability for the fiscal year ended June 30, 2023.

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 PERS System.

The following was the Board-adopted policy target asset allocation as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. stocks	42%	5.50%
International stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private markets	12%	6.65%
Total	100%	

*As of June 30, 2022, PERS’ long-term inflation assumption was 2.50%.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PROGRAM (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability, calculated using the discount rate of 7.25%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower at 6.25% and 1 percentage point higher at 8.25% than the current discount rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
District’s proportionate share of the net pension liability	\$89,214,594	\$58,107,873	\$ 32,440,161

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in a separately-issued PERS’ financial documents, available on the PERS website www.nvpers.org.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following assumptions, applied to all periods including the measurement:

Inflation Rate	2.50%
Projected Salary Increases	Regular: 4.20% to 9.10%, depending on service Police/Fire: 4.60% to 14.50%, depending on service Rates include inflation and productivity increases
Investment Rate of Return	7.25%
Productivity Pay Increase	0.50%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan’s current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PROGRAM (continued)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, the District reported a liability of \$58,108,733 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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 total contributions due on wages relative to the total contributions for all employers for the period ended June 30, 2022. The District’s proportion was 0.32184%, as of June 30, 2022, which was an decrease of 8.1454% from its proportion measured as of June 30, 2021.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,278,752	\$ 1,821,504
Changes of assumptions	18,322,485	-
Net difference between projected and actual earnings on pension plan investments	-	20,264,320
Changes in proportion and differences between actual and proportionate share of contributions	2,219,018	1,115,781
District contributions subsequent to the measurement date	3,611,586	-
Total	\$ 36,431,841	\$ 23,201,605

For the year ended June 30, 2023, the District recognized pension expense of \$11,459,598. At June 30, 2023, the District owed PERS \$594,358 for the June payroll (included in accrued liabilities) and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

\$3,611,586 reported as deferred outflows related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2024	\$	30,956
2025		338,762
2026		296,478
2027		6,413,618
2028		2,538,836
Thereafter		-

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – CONTINGENCIES

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the District.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Descriptions. The District administers a single-employer defined benefit healthcare plan, Humboldt County School District Employee Health Benefit Plan (HCSDEHBP). Additionally, the District participates in the State of Nevada's Public Employees' Benefits Plan (PEBP), an agent multiple-employer defined benefit postemployment healthcare plan. Each plan provides medical, vision, dental, and life insurance benefits to eligible retired District employees and beneficiaries. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

Benefits Provided. Benefit provisions for the HCSDEHBP are established pursuant to NRS 287.023 and amended through negotiations between the District and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Trustees. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the District's group health insurance plan, which covers both active and retired members. Under NRS 287.023 eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. To be eligible for coverage as a retiree, the employee must have qualified for and started his or her retirement benefits from Nevada Public Employee Retirement System (PERS), must have been eligible for benefits while employed by the District, and must have retired from the District at the time of their election to participate. As of June 30, 2023, 95 retirees were using this plan. The HCSDEHBP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. District employees who met the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for District employees who retired after November 29, 2008. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2023, 89 school district retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000 or (800) 326-5496, or by accessing the website at www.pebp.state.nv.us/resources/fiscal-utilization-reports.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Employees Covered by Benefit Terms. As of the June 2021 valuation date, the following employees were covered by benefit terms:

	HCSDEHBP	PEBP
Active members currently receiving benefit payments	353	N/A – no active employees in this plan
Active members entitled to but not currently receiving benefit payments	85	
Inactive members currently receiving benefit payments	78	89
Total	516	89

Contributions. For HCSDEHBP, contribution requirements of the plan members and the District are established and may be amended through negotiations between the District and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The District’s contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the District. The implicit subsidy as determined by the actuary for fiscal year 2023 is \$267,533.

For the PEBP, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired district employees. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy therefore, their contributions are not available. Subsidy rates vary with the type of plan and coverage elected by the retiree. The contribution requirements of plan members and the District are established and amended by the PEBP board of trustees. As a participating employer, the District is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2023, the District contributed \$208,138 to the plan for current premiums. The District did not prefund any future benefits.

Total OPEB Liability. The District’s total OPEB liability of \$8,249,590 was measured as of June 30, 2022, and was determined by actuarial valuations of both plans as of that date.

Actuarial Assumptions. The total OPEB liability in the June 2021 actuarial valuations was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022:

	HCSDEHBP	PEBP
Inflation	2.50% per year	2.50% per year
Salary Increase	3.0% per year	N/A – no active employees in this plan
Funding Method	Entry Age Normal Cost, closed group, level percent of pay	Entry Age Normal Cost, closed group, level percent of pay

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Healthcare Cost Trend Rates:

<u>Effective July 1,</u>	<u>District Medical Premium and Pre-Medicare PEBP Subsidy Increase</u>	<u>Medicare PEBP Subsidy Increase</u>
2021	Actual	Actual
2022	Actual	6.00%
2023	5.80%	5.80%
2024	5.60%	5.60%
2025	5.40%	5.40%
2026-2027	5.20%	5.20%
2028-2029	5.10%	5.10%

Discount rate. A discount rate of 4.09% as of June 30, 2022 and 2.18% as of June 30, 2021 was applied in the measurement of the total OPEB liability. The discount rate is based on the index rate for S&P General Obligation Municipal Bond 20 Year High Grade.

Mortality rates were based on the most recently published report of the Nevada Public Employees Retirement System, dated September 2021, as being reasonably representative of mortality experience as of that measurement date and cover the employees included in the valuation except for a different basis used to project future mortality improvements. Mortality improvement was based upon a MacLeod Watts Scale 2022 applied generationally from 2010 forward.

Changes in the Total OPEB Liability. Changes in the total OPEB liability were as follows:

	<u>HCSDEHBP</u>	<u>PEBP</u>	<u>Total OPEB</u>
Balance at June 30, 2022	\$ 6,384,150	\$ 3,834,204	\$ 10,218,309
Changes for the year:			
Service cost	273,824	-	273,824
Interest	142,337	81,099	223,436
Changes in plan experience	-	-	-
Changes of assumptions	(1,309,920)	(670,522)	(1,980,442)
Benefit payments	(257,415)	(228,122)	(485,537)
Net changes	<u>(1,151,174)</u>	<u>(817,545)</u>	<u>(1,968,719)</u>
Balance at June 30, 2023	\$ 5,232,931	\$ 3,016,659	\$ 8,249,590

Changes of assumptions and other inputs reflect a change in the discount rate from 2.18% in 2021 to 4.09% in 2022.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current discount rate.

	1% Decrease (3.09%)	Current Rate (4.09%)	1% Increase (5.09%)
HCSDEHBP	\$ 5,861,038	\$ 5,232,931	\$ 4,709,025
PEBP	3,340,994	3,016,659	2,741,520
Total OPEB Liability	\$ 9,202,032	\$ 8,249,590	\$ 7,450,545

Sensitivity of the total OPEB liability to changes in the healthcare trend rates. The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates assumed to start at 5.8% (effective July 1, 2023; known increases were applied prior to that date) and grade down to 3.9% by 2076. For the PEBP plan the actuary used the healthcare trend rate prior to eligibility for Medicare which was assumed to start at 6% (effective July 1, 2022) and grade down to 3.9% by 2076; medical cost inflation for those covered by Medicare is 4.5% per year.

	1% Decrease	Healthcare Cost Trend Rates (Current)	1% Increase
HCSDEHBP	\$ 4,593,317	\$ 5,232,931	\$ 6,028,837
PEBP	2,717,646	3,016,659	3,364,183
Total OPEB Liability	\$ 7,310,963	\$ 8,249,590	\$ 9,393,020

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the HCSDEHBP recognized OPEB expense of \$216,262 and the PEBP plan recognized OPEB expense of \$(589,423) for a total OPEB expense of \$(373,161). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
HCSDEHBP		
Changes in Assumptions	\$ 362,947	\$ 2,595,122
Differences between expected and actual experience	719,519	-
Contributions Made Subsequent to the Measurement Date	267,533	-
Total HCSDEHBP	\$ 1,349,999	\$ 2,595,122

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
PEBP		
Changes in Assumptions	\$ -	\$ -
Differences between expected and actual experience	-	-
Contributions Made Subsequent to the Measurement Date	208,138	-
Total PEBP	<u>\$ 208,138</u>	<u>\$ -</u>
 Total Combined		
Changes in Assumptions	\$ 362,947	\$ 2,595,122
Differences between expected and actual experience	719,519	-
Contributions Made Subsequent to the Measurement Date	475,671	-
Total Combined	<u>\$ 1,558,137</u>	<u>\$ 2,595,122</u>

The District will recognize the Contributions Made Subsequent to the Measurement Date in the next fiscal year. Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	
2024	\$(199,899)
2025	(199,899)
2026	(199,899)
2027	(199,899)
2028	(193,578)
Thereafter	(519,482)

NOTE 12 – STATE OF NEVADA TAX ABATEMENTS

For the fiscal year ended June 30, 2023, the District’s local school support tax revenues were reduced by a total of \$465, on an accrual basis, under agreements entered into by the State of Nevada as follows:

Renewable Energy, Nevada Revised Statute (NRS) 701A.370 – Partial abatement of certain taxes imposed on renewable energy facilities. Amount abated during the year ended June 30, 2023 was \$465.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 13 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The District implemented GASB Statement No. 96, *SBITAs*; see Note 1 for additional information.

Under this statement, certain software arrangements are to be measured and recognized using the facts and circumstances that existed at the beginning of the fiscal year of implementation. Accordingly, the assets and liabilities resulting from SBITAs have been recorded based on the facts and circumstances in place as of July 1, 2022 and no restatement of beginning fund balance nor net position is required since the SBITA-related assets and liabilities were valued the same as of that date.

The right-to-use (RTU) intangible capital assets associated with the District’s active SBITAs for various administration, teacher, and student electronic resources are as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being amortized: SBITA-Software Subscriptions	<u>\$ -</u>	<u>\$ 183,582</u>	<u>\$ -</u>	<u>\$ 183,582</u>
Less accumulated amortization for: SBITA-Software Subscriptions	<u>-</u>	<u>31,774</u>	<u>-</u>	<u>31,774</u>
SBITA assets – net of accumulated amortization	<u><u>\$ -</u></u>	<u><u>\$ 151,808</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 151,808</u></u>

All software subscription liability contracts were entered into during the 2023 fiscal year with a maximum contract length of 36 months. Principal and interest requirements over the contract periods can be found in the table below:

<u>Year Ending June 30,</u>	<u>SBITAs Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2024	\$ 46,114	\$ 994	\$ 47,108
2025	48,420	1,858	50,278
Total requirements	<u><u>\$ 94,534</u></u>	<u><u>\$ 2,852</u></u>	<u><u>\$ 97,386</u></u>

The District paid \$50,698 toward SBITA liabilities during the fiscal year ended June 30, 2023, and accrued \$2,852 in interest payable.

HUMBOLDT COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
PEBP			
Service Cost	\$ -	\$ -	\$ -
Interest on the total OPEB Liability	81,099	119,153	125,938
Changes in benefits	-	-	-
Difference between expected and actual experience	-	(679,025)	-
Changes in assumptions	(670,522)	24,383	69,105
Benefit payments	(228,122)	(219,492)	(239,495)
Net changes	(817,545)	(754,981)	(44,452)
Total OPEB liability - beginning	3,834,204	4,589,185	4,633,637
Total OPEB liability - ending	\$ 3,016,659	\$ 3,834,204	\$ 4,589,185
Covered-employee payroll	N/A	N/A	N/A
Total OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A
HCSDEHBP			
Service Cost	\$ 273,824	\$ 289,702	\$ 271,088
Interest on the total OPEB Liability	142,337	153,144	151,923
Changes in benefits	-	-	-
Difference between expected and actual experience	-	241,349	-
Changes in assumptions	(1,309,920)	347,209	85,261
Benefit payments	(257,415)	(229,749)	(200,019)
Net changes	(1,151,174)	801,655	308,253
Total OPEB liability - beginning	6,384,105	5,582,450	5,274,197
Total OPEB liability - ending	\$ 5,232,931	\$ 6,384,105	\$ 5,582,450
Covered-employee payroll	\$ 24,251,178	\$ 24,251,178	\$ 23,544,833
Total OPEB liability as a percentage of covered-employee payroll	22%	26%	24%
Total Combined OPEB Liability			
Service Cost	\$ 273,824	\$ 289,702	\$ 271,088
Interest on the total OPEB Liability	223,436	272,297	277,861
Changes in benefits	-	-	-
Difference between expected and actual experience	-	(437,676)	-
Changes in assumptions	(1,980,442)	371,592	154,366
Benefit payments	(485,537)	(449,241)	(439,514)
Net changes	(1,968,719)	46,674	263,801
Total OPEB liability - beginning	10,218,309	10,171,635	9,907,834
Total OPEB liability - ending	\$ 8,249,590	\$ 10,218,309	\$ 10,171,635

Note: Complete data for this schedule is not available prior to 2018.

The notes to the required supplementary information are an integral part of this schedule.

2020	2019	2018
\$ -	\$ -	\$ -
118,207	124,454	116,577
-	-	-
528,540	-	-
138,354	105,929	(237,840)
(236,260)	(243,513)	(261,402)
548,841	(13,130)	(382,665)
4,084,796	4,097,926	4,480,591
\$ 4,633,637	\$ 4,084,796	\$ 4,097,926
N/A	N/A	N/A
N/A	N/A	N/A
\$ 386,412	\$ 349,407	\$ 383,598
186,699	182,961	160,153
-	-	-
833,614	-	-
(1,917,464)	37,419	(457,021)
(187,426)	(186,861)	(179,115)
(698,165)	382,926	(92,385)
5,972,362	5,589,436	5,681,821
\$ 5,274,197	\$ 5,972,362	\$ 5,589,436
\$ 22,968,352	\$ 19,904,018	\$ 18,983,119
23%	30%	29%
\$ 386,412	\$ 349,407	\$ 383,598
304,906	307,415	276,730
-	-	-
1,362,154	-	-
(1,779,110)	143,348	(694,861)
(423,686)	(430,374)	(440,517)
(149,324)	369,796	(475,050)
10,057,158	9,687,362	10,162,412
\$ 9,907,834	\$ 10,057,158	\$ 9,687,362

**HUMBOLDT COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY - PUBLIC EMPLOYEE'S RETIREMENT SYSTEM OF NEVADA (PERS)
Last 10 Fiscal Years**

Year Ended June 30	District's proportion of the net pension liability (asset)	District's proportionate share of the net pension liability (asset)	District's covered- employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.32184%	\$ 58,108,733	\$ 24,279,820	239.33%	~
2022	0.35038%	31,952,646	23,804,892	134.23%	75.10%
2021	0.32649%	45,474,789	25,076,826	181.34%	86.50%
2020	0.33028%	45,036,816	23,288,022	193.39%	77.00%
2019	0.33155%	45,216,170	22,712,347	199.08%	76.50%
2018	0.32207%	42,835,308	21,970,021	194.97%	75.24%
2017	0.33413%	44,964,894	20,665,924	217.58%	74.42%
2016	0.32288%	37,000,589	20,199,760	183.17%	72.23%
2015	0.33008%	34,400,719	19,360,490	177.69%	75.13%
2014	*	43,404,765	19,342,306	224.40%	76.31%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is ~Information not yet available.

The notes to the required supplementary information are an integral part of this schedule.

**HUMBOLDT COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PUBLIC EMPLOYEE'S RETIREMENT
SYSTEM OF NEVADA (PERS)
Last 10 Fiscal Years**

Year Ended June 30	Statutorily Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution deficiency (excess)	Covered Employee Payroll	Contributions as a percentage of covered-employee payroll
2023	\$ 3,611,586	\$ 3,611,586	\$ -	\$ 24,279,820	14.87%
2022	3,539,488	3,539,488	-	23,804,892	14.87%
2021	3,667,392	3,667,392	-	25,076,826	14.62%
2020	3,402,458	3,402,458	-	23,288,022	14.61%
2019	3,179,487	3,179,487	-	22,712,347	14.00%
2018	3,075,804	3,075,804	-	21,970,021	14.00%
2017	2,892,684	2,892,684	-	20,665,924	14.00%
2016	2,832,851	2,832,851	-	20,199,760	14.02%
2015	4,985,328	4,985,328	-	19,360,490	25.75%
2014	4,972,386	4,972,386	-	19,342,306	25.71%

Note: Beginning with the year ended June 30, 2016, all contributions shown reflect employer-paid contributions only, and employer-paid member contributions are excluded as required by Government Accounting Standards Board (GASB) Statement No. 82.

The notes to the required supplementary information are an integral part of this schedule.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023**

OPEB - Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 2.18% in 2021 to 4.09% in 2022.

OPEB - Differences Between Expected and Actual Experience. Due to premiums and estimated claims other than expected, change in medicare status and demographic experience other than expected were the primary cause of the unexpected change in plan experience for the fiscal year ending June 30, 2022.

OPEB - Plan Assets. No assets are accumulated in a trust that meets all of the following criteria of GASBS No. 75, paragraph 4, to pay benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
Local sources:					
Tuition	\$ 48,000	\$ 48,000	\$ 74,309	\$ 26,309	\$ 55,986
Private donations	5,000	-	-	-	-
Pay to play	12,000	-	21,640	21,640	11,030
Boat registration fees	9,500	9,500	-	(9,500)	-
Other	20,000	5,000	14,304	9,304	3,473
	<u>94,500</u>	<u>62,500</u>	<u>110,253</u>	<u>47,753</u>	<u>70,489</u>
State sources:					
Pupil centered funding plan	37,020,697	35,059,668	34,873,175	(186,493)	30,892,019
Federal sources:					
Schools and roads - grants to counties	-	84,323	84,323	-	82,066
Forest reserve	-	-	-	-	451
	<u>-</u>	<u>84,323</u>	<u>84,323</u>	<u>-</u>	<u>82,517</u>
Total revenues	<u>37,115,197</u>	<u>35,206,491</u>	<u>35,067,751</u>	<u>(138,740)</u>	<u>31,045,025</u>
EXPENDITURES					
Regular programs:					
Instruction					
Salaries	11,316,676	11,534,705	11,056,770	477,935	10,548,361
Benefits	5,364,755	5,648,064	5,286,675	361,389	5,121,082
Purchased services	124,770	220,120	90,933	129,187	103,399
Supplies	1,344,677	1,469,556	1,094,734	374,822	1,614,829
Property	-	53,000	115,036	(62,036)	32,609
Other	2,650	6,400	5,321	1,079	1,412
	<u>18,153,528</u>	<u>18,931,845</u>	<u>17,649,469</u>	<u>1,282,376</u>	<u>17,421,692</u>
Instructional staff support					
Salaries	27,800	43,200	44,832	(1,632)	71,170
Benefits	3,144	5,324	4,312	1,012	4,475
Purchased services	33,015	44,000	46,060	(2,060)	33,020
Supplies	15,000	79,500	14,704	64,796	21,616
	<u>78,959</u>	<u>172,024</u>	<u>109,908</u>	<u>62,116</u>	<u>130,281</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Student transportation					
Salaries	\$ 17,500	\$ 25,000	\$ 17,019	\$ 7,981	\$ 11,712
Benefits	5,300	13,575	12,999	576	13,282
Purchased services	26,500	36,000	21,080	14,920	17,984
	<u>49,300</u>	<u>74,575</u>	<u>51,098</u>	<u>23,477</u>	<u>42,978</u>
Total student transportation					
	<u>18,281,787</u>	<u>19,178,444</u>	<u>17,810,475</u>	<u>1,367,969</u>	<u>17,594,951</u>
Total regular programs					
Vocational programs:					
Instruction					
Salaries	637,010	637,623	621,879	15,744	617,162
Benefits	266,626	266,967	257,786	9,181	256,578
Purchased services	30,000	30,000	20,000	10,000	23,429
Supplies	55,000	67,000	61,227	5,773	43,042
	<u>988,636</u>	<u>1,001,590</u>	<u>960,892</u>	<u>40,698</u>	<u>940,211</u>
Total instruction					
Student transportation					
Purchased services	1,000	5,000	1,131	3,869	171
	<u>989,636</u>	<u>1,006,590</u>	<u>962,023</u>	<u>44,567</u>	<u>940,382</u>
Total vocational programs					
Other instructional programs:					
Instruction					
Salaries	378,245	382,220	362,551	19,669	315,201
Benefits	169,628	170,292	143,963	26,329	147,141
Purchased services	68,250	86,650	75,311	11,339	12,724
Supplies	8,150	34,150	24,624	9,526	5,369
	<u>624,273</u>	<u>673,312</u>	<u>606,449</u>	<u>66,863</u>	<u>480,435</u>
Total instruction					
Instructional staff support					
Benefits	-	-	480	(480)	-
Purchased services	14,000	14,000	8,588	5,412	9,004
Supplies	1,500	1,500	-	1,500	910
	<u>15,500</u>	<u>15,500</u>	<u>9,068</u>	<u>6,432</u>	<u>9,914</u>
Total instructional staff support					

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Administrative Support					
Benefits	\$ -	\$ -	\$ 11	\$ (11)	\$ -
Student transportation					
Salaries	-	-	8,058	(8,058)	-
Benefits	-	-	2,554	(2,554)	-
Total student transportation	-	-	10,612	(10,612)	-
Community support					
Supplies	-	-	-	-	375
Total other instructional programs	639,773	688,812	626,140	62,672	490,724
Co-curricular/athletic programs:					
Instruction					
Salaries	469,065	529,459	427,666	101,793	417,570
Benefits	42,367	46,408	35,389	11,019	38,254
Purchased services	80,130	50,130	33,891	16,239	39,890
Supplies	62,929	83,929	70,308	13,621	51,490
Property	15,000	15,000	-	15,000	15,248
Other	6,300	6,700	4,618	2,082	3,728
Total instruction	675,791	731,626	571,872	159,754	566,180
Student transportation					
Purchased services	333,295	367,795	196,154	171,641	179,841
Total co-curricular/ athletic programs	1,009,086	1,099,421	768,026	331,395	746,021
Community services programs:					
Community service					
Salaries	-	-	526	(526)	-
Undistributed expenditures:					
Student support					
Salaries	989,249	384,857	384,495	362	968,119
Benefits	427,505	161,892	159,131	2,761	423,823
Purchased services	7,765	14,500	6,596	7,904	4,694

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Supplies	\$ 19,655	\$ 58,305	\$ 73,229	\$ (14,924)	\$ 10,398
Other	500	800	315	485	195
Total student support	1,444,674	620,354	623,766	(3,412)	1,407,229
Instructional staff support					
Salaries	623,070	638,786	621,468	17,318	595,377
Benefits	286,276	292,836	278,472	14,364	274,346
Purchased services	6,000	12,000	6,697	5,303	6,895
Supplies	72,737	105,319	58,253	47,066	31,527
Property	-	-	7,328	(7,328)	-
Total instructional staff support	988,083	1,048,941	972,218	76,723	908,145
General administration					
Salaries	655,729	505,729	480,570	25,159	485,800
Benefits	256,983	194,983	185,296	9,687	189,977
Purchased services	261,575	310,575	224,222	86,353	218,996
Supplies	39,881	70,675	26,305	44,370	22,336
Other	18,000	30,000	21,303	8,697	16,434
Total general administration	1,232,168	1,111,962	937,696	174,266	933,543
School administration					
Salaries	2,362,831	1,835,032	1,754,513	80,519	1,665,813
Benefits	984,863	788,177	730,472	57,705	703,375
Purchased services	133,280	211,205	92,123	119,082	110,379
Supplies	35,150	35,150	26,058	9,092	31,252
Other	3,550	5,150	2,400	2,750	2,998
Total school administration	3,519,674	2,874,714	2,605,566	269,148	2,513,817
Administrative support					
Salaries	420,677	477,677	446,957	30,720	390,662
Benefits	208,154	242,821	202,040	40,781	193,993
Purchased services	125,600	137,500	100,111	37,389	114,135
Supplies	129,200	154,525	136,424	18,101	110,235
Other	1,500	2,500	218	2,282	80
Total administrative support	885,131	1,015,023	885,750	129,273	809,105

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
Operation and maintenance					
Salaries	\$ 1,727,013	\$ 1,819,013	\$ 1,697,305	\$ 121,708	\$ 1,639,668
Benefits	812,559	847,836	797,448	50,388	782,591
Purchased services	598,260	684,780	601,184	83,596	401,936
Supplies	1,172,544	1,398,399	1,391,335	7,064	1,044,279
Property	-	72,496	71,469	1,027	70,102
Other	1,250	1,500	1,680	(180)	1,552
Total operation and maintenance	<u>4,311,626</u>	<u>4,824,024</u>	<u>4,560,421</u>	<u>263,603</u>	<u>3,940,128</u>
Student transportation					
Salaries	732,015	767,215	730,950	36,265	716,884
Benefits	324,229	353,019	335,461	17,558	318,099
Purchased services	81,550	160,050	97,010	63,040	53,918
Supplies	266,125	352,675	192,247	160,428	208,905
Property	125,000	238,365	238,365	-	165,000
Other	1,600	1,600	1,470	130	1,614
Total student transportation	<u>1,530,519</u>	<u>1,872,924</u>	<u>1,595,503</u>	<u>277,421</u>	<u>1,464,420</u>
Total undistributed expenditures	<u>13,911,875</u>	<u>13,367,942</u>	<u>12,180,920</u>	<u>1,187,022</u>	<u>11,976,387</u>
Debt service					
Principal	-	18,000	16,647	1,353	-
Interest	-	2,000	302	1,698	-
Total debt service	<u>-</u>	<u>20,000</u>	<u>16,949</u>	<u>3,051</u>	<u>-</u>
Total expenditures	<u>34,832,157</u>	<u>35,361,209</u>	<u>32,365,059</u>	<u>2,996,676</u>	<u>31,748,465</u>
Excess of revenues over expenditures	2,283,040	(154,718)	2,702,692	2,857,936	(703,440)
OTHER FINANCING SOURCES (USES)					
Subscription-based IT arrangements	-	-	94,534	94,534	-
Transfers out	<u>(2,473,176)</u>	<u>(2,816,861)</u>	<u>(2,801,457)</u>	<u>15,404</u>	<u>(2,358,470)</u>
Total other financing sources (uses)	<u>(2,473,176)</u>	<u>(2,816,861)</u>	<u>(2,706,923)</u>	<u>109,938</u>	<u>(2,358,470)</u>
Net change in fund balance	(190,136)	(2,971,579)	(4,231)	2,967,348	(3,061,910)
FUND BALANCE, July 1	<u>1,822,633</u>	<u>4,770,703</u>	<u>4,770,703</u>	<u>-</u>	<u>7,832,613</u>
FUND BALANCE, June 30	<u>\$ 1,632,497</u>	<u>\$ 1,799,124</u>	<u>\$ 4,766,472</u>	<u>\$ 2,967,348</u>	<u>\$ 4,770,703</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
State sources:					
Pupil centered funding plan	\$ 2,175,523	\$ 2,355,506	\$ 2,355,433	\$ (73)	\$ 2,174,689
Federal sources:					
Medicaid	32,059	45,673	46,785	1,112	48,124
Total revenues	<u>2,207,582</u>	<u>2,401,179</u>	<u>2,402,218</u>	<u>1,039</u>	<u>2,222,813</u>
EXPENDITURES					
Special programs:					
Instruction					
Salaries	2,225,214	2,527,887	2,531,573	(3,686)	2,205,471
Benefits	959,491	1,025,370	1,042,297	(16,927)	979,997
Purchased services	25,000	13,809	16,676	(2,867)	41,918
Supplies	36,500	24,405	20,484	3,921	10,603
Other	500	500	200	300	370
Total instruction	<u>3,246,705</u>	<u>3,591,971</u>	<u>3,611,230</u>	<u>(19,259)</u>	<u>3,238,359</u>
Student support					
Salaries	590,072	602,734	590,392	12,342	610,099
Benefits	247,998	250,989	246,077	4,912	256,492
Purchased services	148,185	341,865	351,180	(9,315)	185,003
Supplies	6,000	6,000	3,144	2,856	4,699
Other	200	200	5	195	-
Total student support	<u>992,455</u>	<u>1,201,788</u>	<u>1,190,798</u>	<u>10,990</u>	<u>1,056,293</u>
Instructional staff support					
Salaries	-	-	590	(590)	14,936
Benefits	-	-	29	(29)	6,280
Purchased services	14,500	14,500	9,124	5,376	8,975
Supplies	17,890	17,890	2,674	15,216	5,831
Total instructional staff support	<u>32,390</u>	<u>32,390</u>	<u>12,417</u>	<u>19,973</u>	<u>36,022</u>
Administrative support					
Salaries	11,000	16,000	15,551	449	12,512
Benefits	3,400	5,083	5,699	(616)	4,335
Purchased services	-	700	703	(3)	-
Total administrative support	<u>14,400</u>	<u>21,783</u>	<u>21,953</u>	<u>(170)</u>	<u>16,847</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
Student transportation					
Salaries	\$ 150,922	\$ 158,922	\$ 158,323	\$ 599	\$ 144,582
Benefits	71,636	81,636	81,356	280	70,036
Purchased services	2,250	2,250	-	2,250	-
Supplies	20,000	20,000	20,143	(143)	19,144
Property	150,000	107,300	107,455	(155)	-
Total student transportation	<u>394,808</u>	<u>370,108</u>	<u>367,277</u>	<u>2,831</u>	<u>233,762</u>
Total expenditures	<u>4,680,758</u>	<u>5,218,040</u>	<u>5,203,675</u>	<u>14,365</u>	<u>4,581,283</u>
Excess (deficiency) of revenues over expenditures	(2,473,176)	(2,816,861)	(2,801,457)	15,404	(2,358,470)
OTHER FINANCING SOURCES					
Transfers in	<u>2,473,176</u>	<u>2,816,861</u>	<u>2,801,457</u>	<u>(15,404)</u>	<u>2,358,470</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>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
REVENUES					
Federal sources:					
Federal direct	\$ 576,921	\$ 613,172	\$ 613,172	\$ -	\$ 527,234
Federal indirect	5,528,331	9,465,593	6,748,204	(2,717,389)	8,271,439
E-Rate funds	79,800	269,107	234,728	(34,379)	171,098
	<u>6,185,052</u>	<u>10,347,872</u>	<u>7,596,104</u>	<u>(2,751,768)</u>	<u>8,969,771</u>
Total revenues					
EXPENDITURES					
Regular programs:					
Instruction					
Salaries	132,970	123,951	107,112	16,839	351,372
Benefits	29,253	28,128	24,203	3,925	32,775
Purchased services	-	80,219	32,708	47,511	47,870
Supplies	426,481	75,389	93,301	(17,912)	536,001
Property	-	207,708	149,229	58,479	110,273
	<u>588,704</u>	<u>515,395</u>	<u>406,553</u>	<u>108,842</u>	<u>1,078,291</u>
Total instruction					
Student support					
Supplies	600	1,661	647	1,014	596
	<u>600</u>	<u>1,661</u>	<u>647</u>	<u>1,014</u>	<u>596</u>
Instructional staff support					
Salaries	295,572	523,223	371,431	151,792	314,984
Benefits	46,899	86,653	72,648	14,005	46,970
Purchased services	751,219	354,865	321,923	32,942	841,268
Supplies	5,300	30,664	56,823	(26,159)	111,344
Other	-	160	-	160	-
	<u>1,098,990</u>	<u>995,565</u>	<u>822,825</u>	<u>172,740</u>	<u>1,314,566</u>
Total instructional staff support					
Student transportation					
Purchased services	-	27,645	17,128	10,517	13,647
	<u>-</u>	<u>27,645</u>	<u>17,128</u>	<u>10,517</u>	<u>13,647</u>
Total regular programs	<u>1,688,294</u>	<u>1,540,266</u>	<u>1,247,153</u>	<u>293,113</u>	<u>2,407,100</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
Special programs:					
Instruction					
Salaries	\$ 763,259	\$ 583,925	\$ 569,787	\$ 14,138	\$ 655,844
Benefits	324,710	258,127	254,198	3,929	273,175
Purchased services	-	-	-	-	10,167
Supplies	29,674	89,525	72,295	17,230	46,312
Property	-	10,000	-	10,000	8,650
Total instruction	<u>1,117,643</u>	<u>941,577</u>	<u>896,280</u>	<u>45,297</u>	<u>994,148</u>
Student support					
Salaries	-	11,000	11,000	-	4,500
Benefits	-	218	215	3	133
Purchased services	313,450	160,000	149,750	10,250	200,725
Supplies	-	43,307	37,179	6,128	6,512
Total student support	<u>313,450</u>	<u>214,525</u>	<u>198,144</u>	<u>16,381</u>	<u>211,870</u>
Instructional staff support					
Salaries	51,781	87,000	68,138	18,862	40,358
Benefits	1,528	1,773	1,339	434	1,342
Purchased services	11,013	95,018	79,945	15,073	44,718
Supplies	-	-	-	-	4,188
Other	-	150	150	-	130
Total instructional staff support	<u>64,322</u>	<u>183,941</u>	<u>149,572</u>	<u>34,369</u>	<u>90,736</u>
Administrative support					
Salaries	72,324	71,282	71,282	-	66,097
Benefits	27,391	26,362	26,312	50	24,918
Total administrative support	<u>99,715</u>	<u>97,644</u>	<u>97,594</u>	<u>50</u>	<u>91,015</u>
Student transportation					
Salaries	-	-	-	-	1,295
Benefits	-	158	-	158	272
Total student transportation	<u>-</u>	<u>158</u>	<u>-</u>	<u>158</u>	<u>1,567</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
Community service					
Purchased services	\$ -	\$ -	\$ -	\$ -	\$ 1,954
Total special programs	<u>1,595,130</u>	<u>1,437,845</u>	<u>1,341,590</u>	<u>96,255</u>	<u>1,391,290</u>
Vocational programs:					
Instruction					
Purchased services	4,025	4,025	3,775	250	2,958
Supplies	-	-	-	-	1,110
Property	-	1,560	-	1,560	30,722
Total instruction	<u>4,025</u>	<u>5,585</u>	<u>3,775</u>	<u>1,810</u>	<u>34,790</u>
Student transportation					
Purchased services	<u>30,065</u>	<u>31,285</u>	<u>25,085</u>	<u>6,200</u>	<u>29,893</u>
Total vocational programs	<u>34,090</u>	<u>36,870</u>	<u>28,860</u>	<u>8,010</u>	<u>64,683</u>
Other instructional programs:					
Instruction					
Salaries	108,307	767,089	211,080	556,009	346,135
Benefits	44,309	141,562	52,317	89,245	61,442
Purchased services	-	1,200	-	1,200	44,970
Supplies	341,172	194,411	10,164	184,247	375,202
Other	13,465	12,317	2,156	10,161	1,208
Total instruction	<u>507,253</u>	<u>1,116,579</u>	<u>275,717</u>	<u>840,862</u>	<u>828,957</u>
Student support					
Salaries	15,593	15,593	11,478	4,115	14,795
Benefits	5,098	5,047	3,639	1,408	4,838
Purchased services	50,000	261,189	126,910	134,279	190,356
Supplies	-	-	-	-	978
Total student support	<u>70,691</u>	<u>281,829</u>	<u>142,027</u>	<u>139,802</u>	<u>210,967</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
Instructional staff support					
Salaries	\$ 401,126	\$ 974,702	\$ 316,869	\$ 657,833	\$ 410,707
Benefits	173,286	389,750	116,904	272,846	170,995
Purchased services	275,562	353,736	172,577	181,159	344,869
Supplies	116,445	15,458	3,055	12,403	3,843
Total instructional staff support	<u>966,419</u>	<u>1,733,646</u>	<u>609,405</u>	<u>1,124,241</u>	<u>930,414</u>
School administration					
Salaries	-	-	-	-	21,979
Benefits	-	-	-	-	648
Total general administration	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,627</u>
Student transportation					
Salaries	-	30,000	-	30,000	3,493
Benefits	-	9,563	-	9,563	1,098
Purchased services	-	70	70	-	-
Supplies	-	25,920	-	25,920	-
Total student transportation	<u>-</u>	<u>65,553</u>	<u>70</u>	<u>65,483</u>	<u>4,591</u>
Community support					
Supplies	-	11,037	-	11,037	-
Total other instructional programs	<u>1,544,363</u>	<u>3,208,644</u>	<u>1,027,219</u>	<u>2,181,425</u>	<u>1,997,556</u>
Community services programs:					
Community service operations					
Salaries	-	-	-	-	2,750
Benefits	-	-	-	-	81
Purchased services	5,987	700	672	28	229,865
Supplies	26,648	54,655	36,923	17,732	70,419
Other	-	120	-	120	-
Total community services programs	<u>32,635</u>	<u>55,475</u>	<u>37,595</u>	<u>17,880</u>	<u>303,115</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Undistributed expenditures:					
Student support					
Salaries	\$ -	\$ 1,044,012	\$ 1,041,975	\$ 2,037	\$ 335,102
Benefits	-	474,342	458,092	16,250	140,416
Purchased services	-	253,073	208,613	44,460	44,010
Supplies	-	21,581	59,303	(37,722)	46,407
Total student support	<u>-</u>	<u>1,793,008</u>	<u>1,767,983</u>	<u>25,025</u>	<u>565,935</u>
Instructional staff support					
Salaries	-	-	-	-	5,219
Benefits	-	410	-	410	-
Purchased services	8,000	12,000	2,250	9,750	-
Supplies	12,790	-	-	-	-
Total instructional staff support	<u>20,790</u>	<u>12,410</u>	<u>2,250</u>	<u>10,160</u>	<u>5,219</u>
General administration					
Salaries	349,539	452,864	342,622	110,242	319,929
Benefits	152,155	181,392	135,621	45,771	130,582
Purchased services	5,000	-	6,648	(6,648)	3,727
Supplies	14,700	-	-	-	-
Total general administration	<u>521,394</u>	<u>634,256</u>	<u>484,891</u>	<u>149,365</u>	<u>454,238</u>
School administration					
Salaries	-	522,535	522,535	-	520,030
Benefits	-	198,027	198,027	-	200,516
Purchased services	11,000	53,399	78,851	(25,452)	54,720
Total school administration	<u>11,000</u>	<u>773,961</u>	<u>799,413</u>	<u>(25,452)</u>	<u>775,266</u>
Administrative support					
Salaries	18,884	18,884	18,884	-	20,690
Benefits	9,920	9,930	9,702	228	9,459
Purchased services	-	5,000	-	5,000	-
Supplies	28,310	-	-	-	-
Total administrative support	<u>57,114</u>	<u>33,814</u>	<u>28,586</u>	<u>5,228</u>	<u>30,149</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
Operation and maintenance					
Purchased services	\$ 680,242	\$ 804,972	\$ 804,972	\$ -	\$ 853,528
Supplies	-	5,601	5,592	9	123,324
Total operation and maintenance	<u>680,242</u>	<u>810,573</u>	<u>810,564</u>	<u>9</u>	<u>976,852</u>
Student transportation					
Purchased services	-	10,750	-	10,750	-
Total undistributed expenditures	<u>1,290,540</u>	<u>4,068,772</u>	<u>3,893,687</u>	<u>175,085</u>	<u>2,807,659</u>
Total expenditures	<u>6,185,052</u>	<u>10,347,872</u>	<u>7,576,104</u>	<u>2,771,768</u>	<u>8,971,403</u>
Net change in fund balance	-	-	20,000	20,000	(1,632)
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,632</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>

HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTALS</u>	
			<u>2023</u>	<u>2022</u>
ASSETS				
Cash and investments	\$ 1,407,038	\$ 1,209,594	\$ 2,616,632	\$ 3,289,656
Receivables:				
Interest	-	15,384	15,384	3,588
Other	25,592	-	25,592	30
Due from other funds	1,334	-	1,334	1,404
Intergovernmental receivable	210,821	37,293	248,114	212,404
Inventories	15,600	-	15,600	5,009
	<u>1,660,385</u>	<u>1,262,271</u>	<u>2,922,656</u>	<u>3,512,091</u>
Total assets	\$ <u>1,660,385</u>	\$ <u>1,262,271</u>	\$ <u>2,922,656</u>	\$ <u>3,512,091</u>
LIABILITIES				
Accounts payable	\$ 63,860	\$ 11,735	\$ 75,595	\$ 206,114
Contract retainage payable	-	-	-	11,337
Accrued liabilities	147,927	-	147,927	120,470
Due to other funds	105,900	-	105,900	51,000
Unearned revenues	91,927	-	91,927	153,104
	<u>409,614</u>	<u>11,735</u>	<u>421,349</u>	<u>542,025</u>
Total liabilities	\$ <u>409,614</u>	\$ <u>11,735</u>	\$ <u>421,349</u>	\$ <u>542,025</u>
FUND BALANCES				
Nonspendable:				
Inventory	15,600	-	15,600	5,009
Restricted for:				
Construction of capital assets	-	694,005	694,005	1,384,424
Committed to:				
Other capital purchases	-	-	-	44,026
Assigned to:				
Food service	524,884	-	524,884	480,390
Special projects	710,287	-	710,287	617,748
Other capital projects	-	556,531	556,531	438,469
	<u>1,250,771</u>	<u>1,250,536</u>	<u>2,501,307</u>	<u>2,970,066</u>
Total fund balances	\$ <u>1,250,771</u>	\$ <u>1,250,536</u>	\$ <u>2,501,307</u>	\$ <u>2,970,066</u>
Total liabilities and fund balances	\$ <u>1,660,385</u>	\$ <u>1,262,271</u>	\$ <u>2,922,656</u>	\$ <u>3,512,091</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	TOTALS	
			2023	2022
REVENUES				
Local sources	\$ 1,011,257	\$ 475,825	\$ 1,487,082	\$ 1,060,319
State sources	1,622,147	-	1,622,147	1,608,041
Federal sources	1,576,198	-	1,576,198	1,730,643
Total revenues	<u>4,209,602</u>	<u>475,825</u>	<u>4,685,427</u>	<u>4,399,003</u>
EXPENDITURES				
Current:				
Regular programs	966,193	-	966,193	810,116
Special programs	1,031	-	1,031	8,112
Vocational programs	161,699	-	161,699	147,137
Other instructional programs	851,363	-	851,363	850,621
Co-curricular/athletic programs	172,816	-	172,816	158,170
Adult education programs	204,123	-	204,123	169,928
Undistributed expenditures:				
Instruction	2,328	-	2,328	-
Student support	405	-	405	252
Instructional staff support	36,520	-	36,520	10,104
General administration	-	73	73	4,161
School administration	6,064	-	6,064	7,503
Administrative support	-	-	-	96,000
Operation and maintenance	97,376	163,702	261,078	350,898
Student transportation	-	-	-	5,500
Food service programs	1,584,396	-	1,584,396	1,501,487
Facilities acquisition and construction service	-	798	798	1,271,448
Other support services	21,690	-	21,690	46,610
Total expenditures	<u>4,106,004</u>	<u>164,573</u>	<u>4,270,577</u>	<u>5,438,047</u>
Excess (deficiency) of revenues over (under) expenditures	<u>103,598</u>	<u>311,252</u>	<u>414,850</u>	<u>(1,039,044)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,000,000
Net change in fund balances	103,598	311,252	414,850	960,956
FUND BALANCES, July 1	<u>1,147,173</u>	<u>939,284</u>	<u>2,086,457</u>	<u>2,009,110</u>
FUND BALANCES, June 30	<u>\$ 1,250,771</u>	<u>\$ 1,250,536</u>	<u>\$ 2,501,307</u>	<u>\$ 2,970,066</u>

SPECIAL REVENUE FUNDS

Special Revenue funds account for the proceeds of specific revenue sources (other than major capital projects or private-purpose trusts) that are legally restricted to expenditures for specified purposes. Individual funds include the following:

ADULT EDUCATION – to account for funds received from the state for adults returning to school to receive their diploma.

CLASS SIZE REDUCTION – to account for state funds provided to reduce student-teacher ratios in kindergarten through grade three.

FOOD AND NUTRITION – to account for funds used to provide lunch and breakfast to schoolchildren.

STATE GRANTS - to account for the proceeds and specific state revenue sources that are legally restricted to expenditures for specified purposes.

GIFTS AND DONATIONS – to account for the proceeds of specific gifts and donations.

STUDENT ACTIVITY - to account for funds used account for the costs and operations of the student activity accounts at individual schools.

PCFP ENGLISH LEARNER - to account for the costs and operations of programs to help support English Learner programs in the schools.

PCFP AT-RISK - to account for the costs and operations of programs in support of at-risk students.

**HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	ADULT EDUCATION FUND	FOOD AND NUTRITION FUND	STATE GRANT FUND	GIFTS AND DONATIONS FUND
ASSETS				
Cash and investments	\$ 2,945	\$ 528,375	\$ 1,431	\$ 91,178
Other receivables	-	25,457	-	-
Due from other funds	11	-	-	-
Intergovernmental receivable	57,557	44,405	108,859	-
Inventories	-	15,600	-	-
	<u>60,513</u>	<u>613,837</u>	<u>110,290</u>	<u>91,178</u>
Total assets	<u>\$ 60,513</u>	<u>\$ 613,837</u>	<u>\$ 110,290</u>	<u>\$ 91,178</u>
LIABILITIES				
Accounts payable	\$ 12,595	\$ 40,895	\$ 256	\$ 6,667
Accrued liabilities	7,918	10,558	49,922	-
Due to other funds	40,000	-	55,000	-
Unearned revenues	-	21,900	5,112	64,915
	<u>60,513</u>	<u>73,353</u>	<u>110,290</u>	<u>71,582</u>
Total liabilities	<u>60,513</u>	<u>73,353</u>	<u>110,290</u>	<u>71,582</u>
FUND BALANCES				
Nonspendable:				
Inventory	-	15,600	-	-
Committed to:				
Capital purchases	-	-	-	-
Assigned to:				
Food service	-	524,884	-	-
Special projects	-	-	-	19,596
	<u>-</u>	<u>540,484</u>	<u>-</u>	<u>19,596</u>
Total fund balances	<u>-</u>	<u>540,484</u>	<u>-</u>	<u>19,596</u>
Total liabilities and fun	<u>\$ 60,513</u>	<u>\$ 613,837</u>	<u>\$ 110,290</u>	<u>\$ 91,178</u>

STUDENT ACTIVITY FUND	PCFP ENGLISH LEARNER FUND	PCFP AT-RISK FUND	TOTALS	
			2023	2022
\$ 703,580	\$ 47,336	\$ 32,193	\$ 1,407,038	\$ 1,450,445
135	-	-	25,592	30
1,323	-	-	1,334	1,404
-	-	-	210,821	176,855
-	-	-	15,600	5,009
<u>\$ 705,038</u>	<u>\$ 47,336</u>	<u>\$ 32,193</u>	<u>\$ 1,660,385</u>	<u>\$ 1,633,743</u>
\$ 3,447	\$ -	\$ -	\$ 63,860	\$ 161,996
-	47,336	32,193	147,927	120,470
10,900	-	-	105,900	51,000
-	-	-	91,927	153,104
<u>14,347</u>	<u>47,336</u>	<u>32,193</u>	<u>409,614</u>	<u>486,570</u>
-	-	-	15,600	5,009
-	-	-	-	44,026
-	-	-	524,884	480,390
<u>690,691</u>	<u>-</u>	<u>-</u>	<u>710,287</u>	<u>617,748</u>
<u>690,691</u>	<u>-</u>	<u>-</u>	<u>1,250,771</u>	<u>1,147,173</u>
<u>\$ 705,038</u>	<u>\$ 47,336</u>	<u>\$ 32,193</u>	<u>\$ 1,660,385</u>	<u>\$ 1,633,743</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	<u>ADULT EDUCATION FUND</u>	<u>FOOD AND NUTRITION FUND</u>	<u>STATE GRANT FUND</u>	<u>GIFTS AND DONATIONS FUND</u>
REVENUES				
Local sources	\$ -	\$ 15,000	\$ -	\$ 349,596
State sources	204,123	4,257	562,404	-
Federal sources	-	1,576,198	-	-
	<u>204,123</u>	<u>1,595,455</u>	<u>562,404</u>	<u>349,596</u>
Total revenues	204,123	1,595,455	562,404	349,596
EXPENDITURES				
Regular programs	-	-	499,713	180,326
Special programs	-	-	-	-
Vocational programs	-	-	62,691	31,780
Other instructional programs	-	-	-	-
Co-curricular/athletic programs	-	-	-	3,680
Adult education programs	204,123	-	-	-
Undistributed expenditures:				
Instruction	-	-	-	2,328
Student support	-	-	-	405
Instructional staff support	-	-	-	34,105
General administration	-	-	-	-
School administration	-	-	-	-
Operation and maintenance	-	-	-	97,376
Food service programs	-	1,584,396	-	-
Other support services	-	-	-	-
	<u>204,123</u>	<u>1,584,396</u>	<u>562,404</u>	<u>350,000</u>
Total expenditures	204,123	1,584,396	562,404	350,000
Net change in fund balances	-	11,059	-	(404)
FUND BALANCES, July 1	<u>-</u>	<u>529,425</u>	<u>-</u>	<u>20,000</u>
FUND BALANCES, June 30	<u>\$ -</u>	<u>\$ 540,484</u>	<u>\$ -</u>	<u>\$ 19,596</u>

STUDENT ACTIVITY FUND	PCFP ENGLISH LEARNER FUND	PCFP AT-RISK FUND	TOTALS	
			2023	2022
\$ 646,661	\$ -	\$ -	\$ 1,011,257	\$ 647,893
-	488,829	362,534	1,622,147	1,608,041
-	-	-	1,576,198	1,730,643
<u>646,661</u>	<u>488,829</u>	<u>362,534</u>	<u>4,209,602</u>	<u>3,986,577</u>
286,154	-	-	966,193	810,116
1,031	-	-	1,031	8,112
67,228	-	-	161,699	147,137
-	488,829	362,534	851,363	850,621
169,136	-	-	172,816	158,170
-	-	-	204,123	169,928
-	-	-	2,328	-
-	-	-	405	252
2,415	-	-	36,520	10,104
-	-	-	-	4,088
6,064	-	-	6,064	7,503
-	-	-	97,376	3,657
-	-	-	1,584,396	1,501,487
<u>21,690</u>	<u>-</u>	<u>-</u>	<u>21,690</u>	<u>46,610</u>
<u>553,718</u>	<u>488,829</u>	<u>362,534</u>	<u>4,106,004</u>	<u>3,717,785</u>
92,943	-	-	103,598	268,792
<u>597,748</u>	<u>-</u>	<u>-</u>	<u>1,147,173</u>	<u>878,381</u>
<u>\$ 690,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,250,771</u>	<u>\$ 1,147,173</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
ADULT EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
State sources:					
High school diploma program	\$ 171,909	\$ 213,613	\$ 204,123	\$ (9,490)	\$ 169,928
EXPENDITURES					
Adult education programs:					
Instruction					
Salaries	25,000	46,361	42,761	3,600	33,520
Benefits	810	11,323	9,754	1,569	1,331
Purchased services	9,822	3,881	3,413	468	3,430
Supplies	37,252	50,367	47,281	3,086	39,077
Total instruction	72,884	111,932	103,209	8,723	77,358
Instructional staff support					
Purchased services	-	8,887	8,887	-	-
Supplies	-	2,917	2,917	-	-
Total instructional staff support	-	11,804	11,804	-	-
Administrative support					
Salaries	60,461	58,951	58,951	-	57,421
Benefits	28,782	18,687	18,687	-	26,560
Purchased services	7,018	7,912	7,912	-	6,226
Supplies	2,764	4,327	3,560	767	2,363
Total administrative support	99,025	89,877	89,110	767	92,570
Total expenditures	171,909	213,613	204,123	9,490	169,928
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**HUMBOLDT COUNTY SCHOOL DISTRICT
FOOD AND NUTRITION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
REVENUES					
Local sources:					
Daily sales	\$ 4,050	\$ 13,096	\$ 15,000	\$ 1,904	\$ 10,025
State sources:					
State lunch program	6,462	4,257	4,257	-	7,898
Federal sources:					
National school lunch program	946,237	806,051	814,697	8,646	1,286,273
School breakfast program	214,740	184,144	202,046	17,902	322,939
Commodity food program	88,645	36,649	72,023	35,374	64,600
Other grants	70,136	419,448	487,432	67,984	56,831
Total federal sources	1,319,758	1,446,292	1,576,198	129,906	1,730,643
Total revenues	1,330,270	1,463,645	1,595,455	131,810	1,748,566
EXPENDITURES					
Undistributed expenditures:					
Food service programs:					
Salaries	151,008	186,806	129,894	56,912	132,111
Benefits	51,002	65,520	40,021	25,499	43,786
Purchased services	897,485	1,395,606	1,252,634	142,972	1,038,209
Supplies	206,170	127,694	85,775	41,919	260,276
Property	22,655	215,494	74,422	141,072	25,455
Other	1,950	1,950	1,650	300	1,650
Total expenditures	1,330,270	1,993,070	1,584,396	408,674	1,501,487
Net change in fund balance	-	(529,425)	11,059	540,484	247,079
FUND BALANCE, July 1	-	529,425	529,425	-	282,346
FUND BALANCE, June 30	\$ -	\$ -	\$ 540,484	\$ 540,484	\$ 529,425

HUMBOLDT COUNTY SCHOOL DISTRICT
STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
REVENUES					
State sources:					
Special appropriations	\$ 605,472	\$ 592,057	\$ 562,404	\$ (29,653)	\$ 579,594
EXPENDITURES					
Regular programs:					
Instruction					
Salaries	364,393	348,415	339,005	9,410	355,892
Benefits	175,554	156,336	144,061	12,275	152,518
Supplies	-	17,305	12,171	5,134	11,483
Total instruction	539,947	522,056	495,237	26,819	519,893
Instructional staff support					
Purchased services	-	4,476	4,476	-	-
Total regular programs	539,947	526,532	499,713	26,819	519,893
Vocational programs:					
Instruction					
Salaries	3,625	3,625	2,110	1,515	1,820
Benefits	332	332	172	160	167
Supplies	58,126	58,126	58,126	-	45,599
Property	-	-	-	-	10,210
Total instruction	62,083	62,083	60,408	1,675	57,796
Instructional staff support					
Purchased services	-	2,283	2,283	-	-
Supplies	-	-	-	-	1,905
Total instructional staff support	-	2,283	2,283	-	1,905
Student transportation					
Purchased services	3,442	1,159	-	1,159	-
Total vocational programs	65,525	65,525	62,691	2,834	59,701
Total expenditures	605,472	592,057	562,404	29,653	579,594
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**HUMBOLDT COUNTY SCHOOL DISTRICT
GIFTS AND DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
Local sources:					
Private donations	\$ 66,282	\$ 414,542	\$ 349,596	\$ (64,946)	\$ 95,571
Other	-	-	-	-	2,982
Total revenues	<u>66,282</u>	<u>414,542</u>	<u>349,596</u>	<u>(64,946)</u>	<u>98,553</u>
EXPENDITURES					
Regular programs:					
Instruction					
Supplies	40,870	83,374	69,661	13,713	34,579
Property	-	109,463	109,465	(2)	31,350
Total instruction	<u>40,870</u>	<u>192,837</u>	<u>179,126</u>	<u>13,711</u>	<u>65,929</u>
Instructional staff support					
Purchased services	-	1,200	1,200	-	-
Total regular programs	<u>40,870</u>	<u>194,037</u>	<u>180,326</u>	<u>13,711</u>	<u>65,929</u>
Special programs:					
Instruction					
Supplies	6,250	-	-	-	6,080
Vocational programs:					
Instruction					
Supplies	8,300	-	-	-	6,983
Property	-	71,504	31,780	39,724	-
Total vocational programs	<u>8,300</u>	<u>71,504</u>	<u>31,780</u>	<u>39,724</u>	<u>6,983</u>
Co-curricular/athletic programs:					
Instruction					
Supplies	-	10,699	3,680	7,019	460
Undistributed expenditures:					
Instruction					
Supplies	-	1,740	2,328	(588)	-

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
GIFTS AND DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Student support					
Purchased services	\$ -	\$ 10,000	\$ 405	\$ 9,595	\$ -
Supplies	-	-	-	-	252
Total student support	-	10,000	405	9,595	252
Instructional staff support					
Supplies	2,000	13,877	137	13,740	10,104
Property	-	33,996	33,968	28	-
Total instructional staff support	2,000	47,873	34,105	13,768	10,104
General administration					
Purchased services	3,382	1,282	-	1,282	-
Supplies	-	-	-	-	4,088
Total general administration	3,382	1,282	-	1,282	4,088
Operation and maintenance					
Purchased services	-	-	-	-	3,657
Property	-	97,407	97,376	31	-
Total operation and maintenance	-	97,407	97,376	31	3,657
Other support services					
Other	5,480	-	-	-	1,000
Total undistributed expenditures	10,862	158,302	134,214	24,088	19,101
Total expenditures	66,282	434,542	350,000	84,542	98,553
Net change in fund balance	-	(20,000)	(404)	19,596	-
FUND BALANCE, July 1	-	20,000	20,000	-	20,000
FUND BALANCE, June 30	\$ -	\$ -	\$ 19,596	\$ 19,596	\$ 20,000

**HUMBOLDT COUNTY SCHOOL DISTRICT
STUDENT ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
Local sources:					
Private donations	\$ 74,403	\$ 74,403	\$ 155,051	\$ 80,648	\$ 77,527
Tuition	5,000	5,000	-	(5,000)	-
Interest	700	700	1,751	1,051	83
Admissions	56,500	56,500	87,680	31,180	65,105
Membership and class fees	181,000	181,000	83,842	(97,158)	89,721
Pay to play	15,000	15,000	(4,349)	(19,349)	5,675
Sales activities	180,000	180,000	198,686	18,686	197,748
Other activity income	122,050	122,050	124,000	1,950	103,178
Other	20	20	-	(20)	278
	<u>634,673</u>	<u>634,673</u>	<u>646,661</u>	<u>11,988</u>	<u>539,315</u>
EXPENDITURES					
Regular programs:					
Instruction					
Purchased services	4,116	4,116	-	4,116	4,100
Supplies	140,474	222,556	234,502	(11,946)	208,716
Property	-	-	15,500	(15,500)	-
Other	12,214	39,964	36,152	3,812	10,568
	<u>156,804</u>	<u>266,636</u>	<u>286,154</u>	<u>(19,518)</u>	<u>223,384</u>
Student transportation					
Purchased services	2,878	2,878	-	2,878	910
	<u>159,682</u>	<u>269,514</u>	<u>286,154</u>	<u>(16,640)</u>	<u>224,294</u>
Special programs:					
Instruction					
Supplies	2,547	2,547	1,031	1,516	2,032

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
STUDENT ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
Vocational programs:					
Instruction					
Purchased services	\$ -	\$ 15,000	\$ 12,226	\$ 2,774	\$ 28,078
Supplies	42,722	52,722	47,404	5,318	37,282
Other	2,000	7,000	6,711	289	4,802
Total instruction	<u>44,722</u>	<u>74,722</u>	<u>66,341</u>	<u>8,381</u>	<u>70,162</u>
Student transportation					
Purchased services	29,640	29,643	887	28,756	10,291
Total vocational programs	<u>74,362</u>	<u>104,365</u>	<u>67,228</u>	<u>37,137</u>	<u>80,453</u>
Other instructional programs:					
Instruction					
Supplies	2,500	2,500	-	2,500	-
Co-curricular programs:					
Instruction					
Purchased services	44,644	34,644	11,718	22,926	36,648
Supplies	81,642	81,642	86,787	(5,145)	82,135
Other	43,625	53,625	53,824	(199)	15,996
Total instruction	<u>169,911</u>	<u>169,911</u>	<u>152,329</u>	<u>17,582</u>	<u>134,779</u>
Student transportation					
Purchased services	140,297	100,000	16,807	83,193	22,931
Total co-curricular programs	<u>310,208</u>	<u>269,911</u>	<u>169,136</u>	<u>100,775</u>	<u>157,710</u>
Undistributed expenditures:					
Instructional staff support					
Supplies	1,713	1,713	2,415	(702)	-

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
STUDENT ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
School administration					
Supplies	\$ 19,532	\$ 22,432	\$ 6,064	\$ 16,368	\$ 6,448
Other	2,900	-	-	-	1,055
Total school administration	<u>22,432</u>	<u>22,432</u>	<u>6,064</u>	<u>16,368</u>	<u>7,503</u>
Other support services					
Purchased services	6,500	6,500	290	6,210	310
Other	106,916	90,000	21,400	68,600	45,300
Total other support services	<u>113,416</u>	<u>96,500</u>	<u>21,690</u>	<u>74,810</u>	<u>45,610</u>
Total undistributed expenditures	<u>137,561</u>	<u>120,645</u>	<u>30,169</u>	<u>90,476</u>	<u>53,113</u>
Total expenditures	<u>686,860</u>	<u>769,482</u>	<u>553,718</u>	<u>215,764</u>	<u>517,602</u>
Net change in fund balance	(52,187)	(134,809)	92,943	227,752	21,713
FUND BALANCE, July 1	<u>532,916</u>	<u>597,748</u>	<u>597,748</u>	-	<u>576,035</u>
FUND BALANCE, June 30	<u>\$ 480,729</u>	<u>\$ 462,939</u>	<u>\$ 690,691</u>	<u>\$ 227,752</u>	<u>\$ 597,748</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
PCFP ENGLISH LEARNER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
State sources:					
PCFP English learners	\$ 488,829	\$ 488,829	\$ 488,829	\$ -	\$ 488,403
EXPENDITURES					
Other instructional programs:					
Instruction					
Salaries	350,977	335,056	340,996	(5,940)	336,650
Benefits	137,852	153,773	147,833	5,940	151,622
Total instruction	488,829	488,829	488,829	-	488,272
Community services					
Other	-	-	-	-	131
Total expenditures	488,829	488,829	488,829	-	488,403
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**HUMBOLDT COUNTY SCHOOL DISTRICT
PCFP AT-RISK FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
State sources:					
PCFP at-risk	\$ 362,534	\$ 362,534	\$ 362,534	\$ -	\$ 362,218
EXPENDITURES					
Other instructional programs:					
Instruction					
Salaries	188,286	209,754	209,463	291	200,720
Benefits	95,388	91,876	92,134	(258)	88,808
Total instruction	283,674	301,630	301,597	33	289,528
Administrative support					
Salaries	52,636	40,075	40,075	-	49,237
Benefits	26,224	20,829	20,862	(33)	23,453
Total administrative support	78,860	60,904	60,937	(33)	72,690
Total expenditures	362,534	362,534	362,534	-	362,218
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DEBT SERVICE FUND

The debt service fund is a major fund which accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

**HUMBOLDT COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
Local sources:					
Ad valorem taxes	\$ 2,011,363	\$ 2,011,363	\$ 1,763,134	\$ (248,229)	\$ 2,282,221
Earnings on investments	<u>2,034</u>	<u>2,034</u>	<u>37,171</u>	<u>35,137</u>	<u>3,283</u>
Total revenues	<u>2,013,397</u>	<u>2,013,397</u>	<u>1,800,305</u>	<u>(213,092)</u>	<u>2,285,504</u>
EXPENDITURES					
Debt service:					
Principal	180,000	180,000	180,000	-	172,000
Interest	<u>38,881</u>	<u>38,881</u>	<u>38,881</u>	<u>-</u>	<u>43,593</u>
Total expenditures	<u>218,881</u>	<u>218,881</u>	<u>218,881</u>	<u>-</u>	<u>215,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,794,516</u>	<u>1,794,516</u>	<u>1,581,424</u>	<u>(213,092)</u>	<u>2,069,911</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,850,000)</u>	<u>(2,446,908)</u>	<u>(1,000,000)</u>	<u>1,446,908</u>	<u>(2,000,000)</u>
Net change in fund balance	(55,484)	(652,392)	581,424	1,233,816	69,911
FUND BALANCE, July 1	<u>536,518</u>	<u>1,133,426</u>	<u>1,133,426</u>	<u>-</u>	<u>1,063,515</u>
FUND BALANCE, June 30	<u>\$ 481,034</u>	<u>\$ 481,034</u>	<u>\$ 1,714,850</u>	<u>\$ 1,233,816</u>	<u>\$ 1,133,426</u>

CAPITAL PROJECTS FUNDS

Capital projects funds account for financial resources to be used for the construction and/or acquisition of major capital facilities. Individual funds include the following:

MAJOR CAPITAL PROJECT FUNDS

DISTRICT BOND INITIATIVE – to account for HC1 bond proceeds provided for district-wide capital improvements and repairs.

NONMAJOR CAPITAL PROJECT FUNDS

BUILDING RESERVE (DMV) – to account for the portion of the governmental services tax in accordance with NRS 387.328. Expenditures are limited to the purposes described in NRS 387.335 and include site acquisition and improvement, building acquisition and construction, remodeling and repair, and furniture and equipment acquisition.

BUILDING AND SITES – to account for financial resources received and used for the acquisition, construction, major maintenance, remodeling or replacement of major capital facilities such as school buildings and related improvements. Expenditures are limited to the purposes described in NRS 387.335 and include site acquisition and improvement, building acquisition and construction, remodeling and repair, and furniture and equipment acquisition.

**HUMBOLDT COUNTY SCHOOL DISTRICT
DISTRICT BOND INITIATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
REVENUES					
Local sources:					
Earnings on investments	\$ 350	\$ 5,800	\$ 8,582	\$ 2,782	\$ 1,635
Private Donations	-	-	-	-	60,000
Total revenues	<u>350</u>	<u>5,800</u>	<u>8,582</u>	<u>2,782</u>	<u>61,635</u>
EXPENDITURES					
Undistributed expenditures:					
Administrative support					
Purchased services	<u>96,000</u>	<u>97,280</u>	<u>97,280</u>	<u>-</u>	<u>96,000</u>
Operation and maintenance					
Purchased services	200,000	188,000	187,393	607	157,540
Supplies	75,000	-	-	-	-
Property	-	212,020	209,805	2,215	-
Total operation and maintenance	<u>275,000</u>	<u>400,020</u>	<u>397,198</u>	<u>2,822</u>	<u>157,540</u>
Facilities acquisition and construction service					
Architecture and engineering					
Purchased services	-	15,500	15,500	-	18,720
Site improvement					
Property	<u>150,000</u>	<u>1,892,217</u>	<u>657,829</u>	<u>1,234,388</u>	<u>44,200</u>
Building improvement					
Property	<u>1,398,350</u>	<u>921,300</u>	<u>1,032,208</u>	<u>(110,908)</u>	<u>1,203,303</u>
Total facilities acquisition and construction service	<u>1,548,350</u>	<u>2,829,017</u>	<u>1,705,537</u>	<u>1,123,480</u>	<u>1,266,223</u>
Total expenditures	<u>1,919,350</u>	<u>3,326,317</u>	<u>2,200,015</u>	<u>1,126,302</u>	<u>1,519,763</u>
Excess (deficiency) of revenues over expenditures	<u>(1,919,000)</u>	<u>(3,320,517)</u>	<u>(2,191,433)</u>	<u>1,129,084</u>	<u>(1,458,128)</u>

(CONTINUED)

**HUMBOLDT COUNTY SCHOOL DISTRICT
DISTRICT BOND INITIATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	2022
	ORIGINAL	FINAL		FINAL BUDGET	
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 1,850,000	\$ 2,446,908	\$ 1,000,000	\$ (1,446,908)	\$ 2,000,000
Net change in fund balance	(69,000)	(873,609)	(1,191,433)	(317,824)	541,872
FUND BALANCE, July 1	<u>79,000</u>	<u>883,609</u>	<u>883,609</u>	<u>-</u>	<u>341,737</u>
FUND BALANCE, June 30	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ (307,824)</u>	<u>\$ (317,824)</u>	<u>\$ 883,609</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
JUNE 30, 2023
(With Comparative Totals for June 30, 2022)**

	BUILDING RESERVE (DMV) FUND	BUILDING AND SITES FUND	TOTALS	
			2023	2022
ASSETS				
Cash and investments	\$ 668,447	\$ 541,147	\$ 1,209,594	\$ 1,839,211
Interest receivable	-	15,384	15,384	3,588
Intergovernmental receivable	37,293	-	37,293	35,549
Total assets	<u>\$ 705,740</u>	<u>\$ 556,531</u>	<u>\$ 1,262,271</u>	<u>\$ 1,878,348</u>
LIABILITIES				
Accounts payable	\$ 11,735	\$ -	\$ 11,735	\$ 44,118
Contract retainage payable	-	-	-	11,337
Total liabilities	<u>11,735</u>	<u>-</u>	<u>11,735</u>	<u>55,455</u>
FUND BALANCES				
Restricted for:				
Construction of capital assets	694,005	-	694,005	1,384,424
Assigned to:				
Other capital projects	-	556,531	556,531	438,469
Total fund balances	<u>694,005</u>	<u>556,531</u>	<u>1,250,536</u>	<u>1,822,893</u>
Total liabilities and fund balances	<u>\$ 705,740</u>	<u>\$ 556,531</u>	<u>\$ 1,262,271</u>	<u>\$ 1,878,348</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	BUILDING RESERVE (DMV) FUND	BUILDING AND SITES FUND	TOTALS	
			2023	2022
REVENUES				
Local sources	\$ 348,185	\$ 127,640	\$ 475,825	\$ 412,426
EXPENDITURES				
Undistributed expenditures:				
General administration	-	73	73	73
Administrative support	-	-	-	96,000
Operation and maintenance	154,995	8,707	163,702	347,241
Student transportation	-	-	-	5,500
Facilities acquisition and construction service	-	798	798	1,271,448
	154,995	9,578	164,573	1,720,262
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	193,190	118,062	311,252	(1,307,836)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,000,000
Net change in fund balances	193,190	118,062	311,252	692,164
FUND BALANCES, July 1	500,815	438,469	939,284	1,130,729
FUND BALANCES, June 30	\$ 694,005	\$ 556,531	\$ 1,250,536	\$ 1,822,893

**HUMBOLDT COUNTY SCHOOL DISTRICT
BUILDING RESERVE (DMV) FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
REVENUES					
Local sources:					
Governmental service tax	\$ 352,545	\$ 352,545	\$ 348,185	\$ (4,360)	\$ 340,045
Total revenues	<u>352,545</u>	<u>352,545</u>	<u>348,185</u>	<u>(4,360)</u>	<u>340,045</u>
EXPENDITURES					
Undistributed expenditures:					
Operation and maintenance					
Purchased services	95,000	207,600	113,174	94,426	119,255
Supplies	190,000	225,000	22,984	202,016	9,103
Property	<u>65,000</u>	<u>87,755</u>	<u>18,837</u>	<u>68,918</u>	<u>27,926</u>
Total operation and maintenance	<u>350,000</u>	<u>520,355</u>	<u>154,995</u>	<u>365,360</u>	<u>156,284</u>
Student transportation					
Supplies	-	-	-	-	5,500
Property	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>	<u>-</u>
Total student transportation	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>	<u>5,500</u>
Facilities acquisition and construction service					
Site improvement					
Property	<u>88,005</u>	<u>88,005</u>	<u>-</u>	<u>88,005</u>	<u>-</u>
Building acquisition					
Property	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>
Total facilities acquisition and construction service	<u>213,005</u>	<u>213,005</u>	<u>-</u>	<u>213,005</u>	<u>-</u>
Total expenditures	<u>608,005</u>	<u>778,360</u>	<u>154,995</u>	<u>623,365</u>	<u>161,784</u>
Net change in fund balance	(255,460)	(425,815)	193,190	619,005	178,261
FUND BALANCE, July 1	<u>330,460</u>	<u>500,815</u>	<u>500,815</u>	<u>-</u>	<u>322,554</u>
FUND BALANCE, June 30	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 694,005</u>	<u>\$ 619,005</u>	<u>\$ 500,815</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
BUILDING AND SITES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
REVENUES					
Local sources:					
Earnings on investments	\$ 5,000	\$ 105,000	\$ 127,640	\$ 22,640	\$ 10,746
EXPENDITURES					
Undistributed expenditures:					
General administration					
Other	-	150	73	77	73
Operation and maintenance					
Purchased services	56,000	56,000	-	56,000	19,937
Supplies	24,444	62,090	8,707	53,383	13,480
Property	52,598	52,598	-	52,598	-
Total operation and maintenance	133,042	170,688	8,707	161,981	33,417
Facilities acquisition and construction service					
Building improvement					
Supplies	132,814	127,589	798	126,791	5,225
Total expenditures	265,856	298,427	9,578	288,849	38,715
Net change in fund balance	(260,856)	(193,427)	118,062	311,489	(27,969)
FUND BALANCE, July 1	435,898	438,469	438,469	-	466,438
FUND BALANCE, June 30	\$ 175,042	\$ 245,042	\$ 556,531	\$ 311,489	\$ 438,469

INTERNAL SERVICE FUNDS

Internal service funds account for transactions relating to risk management services provided to other departments of the District on a cost-reimbursement basis. The funds in this category are:

NEVADA UNEMPLOYMENT COMPENSATION – to account for funds accumulated to pay unemployment claims as they arise.

SELF-INSURED WORKERS' COMPENSATION – to account for the self insured worker's compensation plan. The District charges the other funds a predetermined rate per payroll, per employee and payments of employee medical worker's compensation claims and related costs are made from these funds.

**HUMBOLDT COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023
(With Comparative Totals for June 30, 2022)**

	NEVADA UNEMPLOYMENT COMPENSATION FUND	SELF-INSURED WORKERS' COMPENSATION FUND	TOTAL	
			2023	2022
ASSETS				
Current assets:				
Cash and investments	\$ 71,108	\$ 2,079,413	\$ 2,150,521	\$ 2,113,343
Accounts receivable	-	9,233	9,233	25,850
Intergovernmental receivable	-	4,315	4,315	5,903
Prepays	2,533	-	2,533	4,038
	<u>73,641</u>	<u>2,092,961</u>	<u>2,166,602</u>	<u>2,149,134</u>
Total assets				
LIABILITIES				
Current liabilities:				
Accounts payable	-	1,260	1,260	-
Claims payable	-	45,000	45,000	30,000
	<u>-</u>	<u>46,260</u>	<u>46,260</u>	<u>30,000</u>
Total liabilities				
NET POSITION				
Restricted	<u>73,641</u>	<u>2,046,701</u>	<u>2,120,342</u>	<u>2,119,134</u>
Total net position	<u>\$ 73,641</u>	<u>\$ 2,046,701</u>	<u>\$ 2,120,342</u>	<u>\$ 2,119,134</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	NEVADA UNEMPLOYMENT COMPENSATION FUND	SELF-INSURED WORKERS' COMPENSATION FUND	TOTAL	
			2023	2022
OPERATING REVENUES				
Interfund charges	\$ -	\$ 134,990	\$ 134,990	\$ 392,835
OPERATING EXPENSES				
Claims	2,496	54,587	57,083	42,589
Insurance premiums	-	55,819	55,819	52,674
Administrative expenses	-	20,880	20,880	17,787
Total operating expenses	2,496	131,286	133,782	113,050
Change in net position	(2,496)	3,704	1,208	279,785
NET POSITION - July 1	76,137	2,042,997	2,119,134	1,839,349
NET POSITION - June 30	\$ 73,641	\$ 2,046,701	\$ 2,120,342	\$ 2,119,134

HUMBOLDT COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	NEVADA UNEMPLOYMENT COMPENSATION FUND	SELF-INSURED WORKERS' COMPENSATION FUND	TOTAL	
			2023	2022
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Cash flows from operating activities:				
Cash received for interfund services provided	\$ -	\$ 153,195	\$ 153,195	\$ 387,770
Cash payments for claims and services	(991)	(115,026)	(116,017)	(117,503)
Net increase (decrease) in cash and cash equivalents	(991)	38,169	37,178	270,267
Cash and cash equivalents, July 1	72,099	2,041,244	2,113,343	1,843,076
Cash and cash equivalents, June 30	\$ 71,108	\$ 2,079,413	\$ 2,150,521	\$ 2,113,343
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (2,496)	\$ 3,704	\$ 1,208	\$ 279,785
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	-	16,617	16,617	838
Increase (decrease) in intergovernmental receivable	-	1,588	1,588	(5,903)
Increase (decrease) in prepaids	1,505	-	1,505	(4,038)
Increase (decrease) in claims payable	-	16,260	16,260	(415)
Total adjustments	1,505	34,465	35,970	(9,518)
Net cash provided (used) by operating activities	\$ (991)	\$ 38,169	\$ 37,178	\$ 270,267

**HUMBOLDT COUNTY SCHOOL DISTRICT
NEVADA UNEMPLOYMENT COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2022</u>
OPERATING REVENUES					
Interfund charges	\$ -	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES					
Unemployment claims	12,000	12,000	2,496	9,504	6,197
Change in net position	(12,000)	(12,000)	(2,496)	9,504	(6,197)
NET POSITION - July 1	<u>70,334</u>	<u>76,137</u>	<u>76,137</u>	<u>-</u>	<u>82,334</u>
NET POSITION - June 30	<u>\$ 58,334</u>	<u>\$ 64,137</u>	<u>\$ 73,641</u>	<u>\$ 9,504</u>	<u>\$ 76,137</u>

HUMBOLDT COUNTY SCHOOL DISTRICT
NEVADA UNEMPLOYMENT COMPENSATION FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	<u>2023</u>	<u>2022</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities:		
Cash payments for claims and services	\$ <u>(991)</u>	\$ <u>(10,235)</u>
Net increase (decrease) in cash and cash equivalents	<u>(991)</u>	<u>(10,235)</u>
Cash and cash equivalents, July 1	<u>72,099</u>	<u>82,334</u>
Cash and cash equivalents, June 30	<u>\$ 71,108</u>	<u>\$ 72,099</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ <u>(2,496)</u>	\$ <u>(6,197)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in prepaids	<u>1,505</u>	<u>(4,038)</u>
Total adjustments	<u>1,505</u>	<u>(4,038)</u>
Net cash provided (used) by operating activities	<u>\$ (991)</u>	<u>\$ (10,235)</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
 SELF-INSURED WORKERS' COMPENSATION FUND
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2022
OPERATING REVENUES					
Interfund charges	\$ 134,425	\$ 134,425	\$ 134,990	\$ 565	\$ 392,835
OPERATING EXPENSES					
Workers compensation claims	57,425	53,606	54,587	(981)	36,392
Insurance premiums	55,000	55,819	55,819	-	52,674
Administrative expenses	22,000	25,000	20,880	4,120	17,787
Total operating expenses	134,425	134,425	131,286	3,139	106,853
Change in net position	-	-	3,704	3,704	285,982
NET POSITION - July 1	<u>1,987,542</u>	<u>2,042,997</u>	<u>2,042,997</u>	<u>-</u>	<u>1,757,015</u>
NET POSITION - June 30	<u>\$ 1,987,542</u>	<u>\$ 2,042,997</u>	<u>\$ 2,046,701</u>	<u>\$ 3,704</u>	<u>\$ 2,042,997</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
 SELF-INSURED WORKERS' COMPENSATION FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2023
 (With Comparative Totals for the Year ended June 30, 2022)**

	<u>2023</u>	<u>2022</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities:		
Cash received for interfund services provided	\$ 153,195	\$ 387,770
Cash payments for claims and services	<u>(115,026)</u>	<u>(107,268)</u>
Net increase (decrease) in cash and cash equivalents	<u>38,169</u>	<u>280,502</u>
Cash and cash equivalents, July 1	<u>2,041,244</u>	<u>1,760,742</u>
Cash and cash equivalents, June 30	<u>\$ 2,079,413</u>	<u>\$ 2,041,244</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ <u>3,704</u>	\$ <u>285,982</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	16,617	838
(Increase) decrease in intergovernmental receivable	1,588	(5,903)
Increase (decrease) in accounts and claims payable	<u>16,260</u>	<u>(415)</u>
Total Adjustments	<u>34,465</u>	<u>(5,480)</u>
Net cash provided (used) by operating activities	<u>\$ 38,169</u>	<u>\$ 280,502</u>

FIDUCIARY FUNDS

Fiduciary funds account for activities in which the District acts in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Custodial funds are used to account for funds held in custody by the District (assets equal liabilities) and do not involve measurement of results of operations. Individual funds include the following:

PRIVATE – PURPOSE TRUST FUND – to account for the revenue received from the investment of the Julian Montero, John Nouque, and Tom Ormachea memorial scholarship trust funds and the related scholarship expenses.

CUSTODIAL FUNDS – to account for student activity funds under the control of external groups.

**HUMBOLDT COUNTY SCHOOL DISTRICT
 FIDUCIARY FUNDS
 PRIVATE-PURPOSE TRUST FUND
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2023
 (With Comparative Totals for June 30, 2022)**

	2023	2022
ASSETS		
Cash and investments	\$ 83,555	\$ 82,227
Interest receivable	318	69
Total assets	83,873	82,296
NET POSITION		
Reserved for scholarships	\$ 83,873	\$ 82,296

**HUMBOLDT COUNTY SCHOOL DISTRICT
 FIDUCIARY FUNDS
 PRIVATE-PURPOSE TRUST FUND
 SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (With Comparative Actual Amounts for the Year Ended June 30, 2022)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
ADDITIONS					
Interest	\$ 210	\$ 810	\$ 2,577	\$ 1,767	\$ 283
DEDUCTIONS					
Scholarships	4,000	4,000	1,000	3,000	1,000
Change in net position	(3,790)	(3,190)	1,577	4,767	(717)
NET POSITION - July 1	<u>81,243</u>	<u>82,296</u>	<u>82,296</u>	<u>-</u>	<u>83,013</u>
NET POSITION - June 30	<u>\$ 77,453</u>	<u>\$ 79,106</u>	<u>\$ 83,873</u>	<u>\$ 4,767</u>	<u>\$ 82,296</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023**

	JOSHUA ROSE MEMORIAL SCHOLARSHIP FUND	LYMAN SHWARTZ MEMORIAL SCHOLARSHIP FUND	SOBER GRAD PARTY FUND	TOTALS
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash	\$ 109,113	\$ 1,743	\$ 6,415	\$ 117,271
Accounts receivable	-	-	2,500	2,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	109,113	1,743	8,915	119,771
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 6,621	\$ 6,621
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET POSITION				
Held in trust for others	\$ 109,113	\$ 1,743	\$ 2,294	\$ 113,150
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023**

	JOSHUA ROSE MEMORIAL SCHOLARSHIP FUND	LYMAN SHWARTZ MEMORIAL SCHOLARSHIP FUND	SOBER GRAD PARTY FUND	TOTALS
ADDITIONS				
Donations	\$ 25,272	\$ -	\$ 32,026	\$ 57,298
DEDUCTIONS				
Scholarships	10,500	-	-	10,500
Other	-	-	33,946	33,946
Total deductions	10,500	-	33,946	44,446
Change in net position	14,772	-	(1,920)	12,852
NET POSITION, July 1	94,341	1,743	4,214	100,298
NET POSITION, June 30	\$ 109,113	\$ 1,743	\$ 2,294	\$ 113,150



**Independent Auditor's Report on Internal Control Over Financial Reporting
And on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Trustees of the
Humboldt County School District
Humboldt County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Humboldt County School District, Humboldt County, Nevada (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2023.

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 District'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have direct and material effect on the financial statements. 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blake Row : Associates, LLC

Winnemucca, Nevada

November 30, 2023



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Trustees of the
Humboldt County School District
Humboldt County, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Humboldt County School District, Humboldt County, Nevada's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Humboldt County School District, Humboldt County, Nevada complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the

requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Blake Row : Associates, LLC

Winnemucca, Nevada
November 30, 2023

**HUMBOLDT COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 1 of 3)**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH IDENTIFYING NUMBER	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Education:</u>			
DIRECT - Impact Aid	84.041	S041B-2023-3000	\$ <u>593,423</u>
DIRECT - Indian Education - Grants to Local Educational Agencies	84.060	S060A220118	<u>19,749</u>
<i>Passed through the State of Nevada Department of Education</i>			
Special Education Cluster (IDEA)			
Special Education - Grants to States, Local Plan	84.027	23-639-07000	733,654
Special Education DIG	84.027	23-641-07000	57,972
IDEA Implementation	84.027	23-667-07006	124,660
Special Education Teacher Transition Specialist	84.027	23-667-07008	59,513
Physical and Occupational Therapy	84.027	23-667-07007	59,513
COVID-19 - ARP ESSER III - Special Education Part B	84.027X	23-757-07000	38,970
COVID-19 - ARP ESSER III - Special Education ECH	84.027X	23-764-07000	<u>1,390</u>
			<u>1,075,672</u>
Special Education - Preschool Grants, Early Childhood Aide Time	84.173	23-675-07003	162,500
Early Childhood Speech Therapy	84.173	23-675-07002	60,000
Early Childhood Program	84.173	23-665-07000	<u>27,597</u>
			<u>250,097</u>
			<u>1,325,769</u>
Total Special Education Cluster (IDEA)			
Title I Grants to Local Education Agencies			
Title I - Part A, Helping Disadvantaged Students Meet High Standards	84.010	23-633-07000	<u>429,667</u>
Title I - Section 1003(a) School Improvement Grant	84.010A	23-624-07001	584,695
Title I - Section 1003(a) School Improvement Grant	84.010A	22-624-07001	<u>1,997</u>
			<u>586,692</u>
			<u>1,016,359</u>
Title I, Part C - Migrant State Grant Program	84.011A	23-629-07000	<u>14,191</u>
Title I, Part C - Migrant Consortium Special Projects	84.144A	23-625-07000	6,764
Title I, Part C - Migrant Consortium Special Projects	84.144A	22-628-07000	<u>70</u>
			<u>6,834</u>
Career and Technical Education - Carl D Perkins, Basic	84.048	23-631-07000	<u>28,860</u>
Nevada Indian Education Enhancement	84.299A	23-618-07000	17,302
Nevada Indian Education Enhancement	84.299A	22-618-07000	<u>77,865</u>
			<u>95,167</u>

HUMBOLDT COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 2 of 3)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH IDENTIFYING NUMBER	TOTAL FEDERAL EXPENDITURES
Title III, Part A			
English Language Acquisition State Grants	84.365A	23-658-07000	\$ 34,539
Title II-A, Supporting Effective Instruction, State Grants, Teacher/Principal Training & Recruiting	84.367	23-709-07000	87,848
Title IV School Based Mental Health Services	84.184H	22-732-07000	17,650
Title IV A Student Support and Academic Enrichment	84.424A	23-715-07000	17,000
Title IV A Student Support and Academic Enrichment	84.424A	22-715-07000	5,835
			<u>22,835</u>
Title IV B, 21st Century Learning Communities	84.287	23-769-07000	112,467
Title IV B, 21st Century Learning Communities	84.287	22-769-07000	3,325
			<u>115,792</u>
EDUCATION STABILIZATION FUND			
COVID-19 - CARES Act ESSER I (Elementary and Secondary School Emergency Relief Fund) Allocation	84.425D	21-741-07000	381,525
COVID-19 - ARP ESSER III (Elementary and Secondary School Emergency Relief Fund) Allocation	84.425U	21-742-07000	989,285
COVID-19 - CARES Act ARP ESSER Evidence-Based Summer Enrichment and After-School Programs	84.425U	22-743-07000	78,169
COVID-19 - CARES Act ESSER Competitive - High Quality Professional Development	84.425D	21-744-07000	5,228
COVID-19 - CARES Act ESSER Competitive - Wrap Around Services	84.425D	21-746-07000	43,469
COVID-19 - ESSER II School Based Mental Health Professionals	84.425D	22-748-07000	61,935
COVID-19 - ESSER II School Based Mental Health Professionals	84.425C	22-748-07000	61,935
COVID-19 - ESSER II MTSS Coaching	84.425D	22-773-07000	99,913
COVID-19 - ESSER II Elementary and Secondary School Emergency Relief Fund	84.425D	23-962-07000	950,619
			<u>2,672,078</u>
AB495 American Rescue Plan (ARP)	21.027A	23-719-07000	1,218,853
National School Lunch Program - Coronavirus State and Local Fiscal Recovery Funds	21.027	N-07-13	470,269
			<u>1,689,122</u>
Total U.S. Department of Education			<u>7,740,216</u>

**HUMBOLDT COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 3 of 3)**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH IDENTIFYING NUMBER	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of the Treasury:</u>			
<i>Passed through the Centers for Disease Control and Prevention</i>			
Coronavirus Relief Fund (CRF)			
COVID-19 - Epidemiology and Laboratory Capacity	93.323	23-798-07000	\$ 88,030
COVID-19 - Epidemiology and Laboratory Capacity	93.323	22-798-07000	<u>3,399</u>
Total U.S. Department of the Treasury			<u>91,429</u>
<u>U.S. Department of Agriculture:</u>			
<i>Passed through Humboldt County, Nevada</i>			
Forest Service Schools and Roads Cluster			
Schools and Roads, Grants to States	10.665	n/a	<u>84,323</u>
Total Forest Service Schools and Roads Cluster			<u>84,323</u>
Child Nutrition Cluster			
<i>Passed through the State of Nevada Department of Agriculture</i>			
School Breakfast Program	10.553	N-07-13	477,294
National School Lunch Program	10.555	N-07-13	547,646
Fresh Fruit and Vegetable Program	10.582	22-808	4,093
National School Lunch Program - Commodities (Noncash)	10.555	E001	<u>72,023</u>
Total Child Nutrition Cluster			<u>1,101,056</u>
NSLP Equipment Assistance Grant	10.579	7NV300AG7	<u>13,069</u>
			<u>1,114,125</u>
Total U.S. Department of Agriculture			<u>1,198,448</u>
	TOTAL		<u>\$ 9,030,093</u>

See accompanying notes to schedule of expenditures of federal awards.

**HUMBOLDT COUNTY SCHOOL DISTRICT
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2023**

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the expenditure activity of all federal awards programs of the Humboldt County School District (the District) for the year ended June 30, 2023. The District's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Humboldt County School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

(2) Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Humboldt County School District has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance. The amounts shown as expenditures of the Food Distribution Program represent the fair value of commodity food received by the District.

(3) Relationship to Basic Financial Statements

Expenditures of federal awards have been included in the individual funds of the District as follows:

General Fund	\$ 84,323
Major Special Revenue Funds	7,361,376
Nonmajor Special Revenue Funds	<u>1,584,394</u>
Total	<u>\$ 9,030,903</u>

(4) Schoolwide Programs

Title I, Part A allows for the use of its funds in schoolwide programs. The amount used by the District in schoolwide programs during the year ended June 30, 2023 was \$1,016,359.

**HUMBOLDT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Auditor's Results:

- Drake Rose & Associates, LLC issued an unqualified opinion on the financial statements of the Humboldt County School District for the year ended June 30, 2023.
- No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Humboldt County School District, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- No deficiencies in internal control over major federal award programs were disclosed during the audit as reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). No material weaknesses are reported.
- Drake Rose & Associates, LLC issued an unmodified opinion on compliance for the major federal award program of the Humboldt County School District.
- Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
- The programs tested as major programs for the year ended June 30, 2023 included:

<u>CFDA</u>	<u>Program</u>
84.425D, 84.425U	COVID-19 Education Stabilization Fund
21.027	COVID-19 American Rescue Plan
10.553, 10.555, 10.582	Child Nutrition Cluster
84.041	Impact Aid

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2023, was \$750,000.
- Humboldt County School District qualified as a low-risk auditee for the year ended June 30, 2023 under the criteria set forth in 2 CFR section 200.520.

**HUMBOLDT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Financial Statement Findings:

None

Findings and Questioned Costs for Major Federal Awards Programs:

None

**HUMBOLDT COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

Prior Year Findings and Questioned Costs for Major Federal Awards Programs:

<u>Audit Finding Reference</u>	<u>Finding Summary</u>	<u>Status of Prior Finding</u>
2022-001 IDEA Cluster Allowable Costs/Cost Principles	The District did not maintain sufficient time and effort documentation for those individuals who started work on the IDEA projects <i>during</i> the school year.	Planned corrective action was completed this fiscal year.
2022-002 CRF Period of Performance	Due to an un-corrected administrative error on the part of the pass-through entity, the District's program expenditures occurred prior to the dates of performance specified in the sub-grant award.	This was an isolated incident and was out of the District's control. No repeat finding was noted during the current year audit.



Independent Auditor's Comments

To the Board of Trustees of the
Humboldt County School District
Humboldt County, Nevada

In connection with our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Humboldt County School District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the District failed to comply with the specific requirements of the Nevada Revised Statutes.

CURRENT YEAR STATUTE COMPLIANCE

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

PROGRESS ON PRIOR YEAR SATUTE COMPLIANCE

Efforts were made during the current fiscal year to monitor expenditures in order to avoid noncompliance with the provisions of NRS 354.626, however, see Note 2 to the financial statements for disclosure of apparent current year violations.

PRIOR YEAR RECOMMENDATIONS

There were no formal recommendations made in the prior year report.

CURRENT YEAR RECOMMENDATIONS

Current year audit recommendations are included in the Schedule of Findings and Questioned Costs.

Drake Rose & Associates, LLC

Winnemucca, Nevada
November 30, 2023