EUREKA COUNTY SCHOOL DISTRICT

Financial Statements

Year Ended June 30, 2026

EUREKA COUNTY SCHOOL DISTRICT
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Introductory Section

TO THE CITIZENS AND THE HONORABLE BOARD OF TRUSTEES OF THE EUREKA COUNTY SCHOOL DISTRICT

For Fiscal Year 2026 ending June 30, 2026

We are pleased to present the Eureka County School District's Annual Financial Report for the fiscal year ended June 30, 2026. This report has been prepared in full compliance with Nevada Revised Statutes (NRS) 354.624, which requires an annual audit of all financial statements by an independent certified public accounting firm.

District management assumes full responsibility for the accuracy, completeness, and fairness of the information presented in this report. Prepared by the Business Office, this report provides a clear and comprehensive presentation of the district's financial position, including all disclosures necessary to understand its operations and financial activities.

Squire & Company, PC issued an unmodified ('clean') opinion on the district's financial statements for the fiscal year ended June 30, 2026. The independent auditor's report is included at the beginning of the Financial Section of this report. In addition, the Management's Discussion and Analysis (MD&A) provides an overview of the district's financial position and results of operations and should be read in conjunction with this letter and the accompanying financial statements.

Profile of the District

Established in 1920, the Eureka County School District provides a full range of educational services for students from preschool through grade 12. During fiscal year 2026, the district operated two elementary schools and one combined junior-senior high school, serving 272 students with a dedicated workforce consisting of 31 licensed teachers, 3 administrators, and 33 classified employees.

The Board of Trustees, elected by the citizens of Eureka County, works collaboratively with administrators, educators, staff, and families to support student success. The mission of the Eureka County School District Board of Trustees is to ensure access to a high-quality learning environment that supports academic, occupational, and social growth, enabling every student to achieve their highest potential.

Governance and Financial Stewardship

The Board of Trustees provides oversight of all fiscal matters, while the Superintendent is responsible for the efficient administration of instructional programs, student services, personnel, and business operations. Together, they establish policies and strategic priorities that promote accountability, strengthen community partnerships, and position the district to meet evolving educational needs.

The Business Office administers a comprehensive budgeting process in accordance with Chapter 354 of the Nevada Revised Statutes. The annual operating budget is developed through public hearings, approved by the Board of Trustees, and submitted to the Nevada Tax Commission to ensure statutory compliance.

Local Economy and Long-Term Planning

Located in central Nevada, Eureka County's economy is primarily driven by mining, ranching, and agriculture, providing a distinct economic base compared to the tourism-oriented economy prevalent in many other areas of the state. The county's population of approximately 1,900 residents has increased by approximately 30 percent over the past decade.

The district continues to experience the challenges associated with declining student enrollment, a trend affecting many rural school districts throughout Nevada. Under Nevada's Pupil-Centered Funding Plan (PCFP), state funding is primarily driven by student enrollment, making enrollment trends a significant factor in long-term financial planning. While the District's strong financial position and prudent reserve management have helped mitigate the immediate effects of enrollment fluctuations, the Board of Trustees and district leadership continue to closely monitor enrollment patterns and their potential impact on future revenues. Strategic planning efforts remain focused on maintaining educational quality, preserving programs and services, and ensuring fiscal sustainability despite changing student populations.

To mitigate the effects of revenue volatility associated with the mining industry, the Board of Trustees has established two financial stabilization reserves. As of June 30, 2026, the Revenue Stabilization Fund maintained a balance of $1.0 million, while the Net Proceeds Mitigation Fund totaled $31.0 million. These reserves help ensure the district's long-term financial stability and its ability to maintain educational services during periods of economic fluctuation.

Internal Controls

The district maintains a comprehensive system of internal controls designed to safeguard assets, ensure compliance with applicable laws and regulations, and provide reliable financial reporting. District management continually evaluates these controls to balance prudent risk management with operational efficiency and cost-effectiveness.

Respectfully submitted,

Tate Else
Superintendent

Rhonda Wilker
Finance Officer



District Officials for Fiscal Year End June 30, 2026

BOARD OF TRUSTEES

Lynn Conley, President

Hallee Dechambeau, Clerk

Melinda Filippini, Member

Douglas Dickover, Member

Dillon Pollock, Member

ADMINISTRATIVE OFFICIALS

Tate Else, Superintendent

Lisa Hutchison, Elementary Principal

John Glover, High School Principal

Financial Section

Independent Auditor's Report

Board of Trustees
Eureka County School District
Eureka, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Eureka County School District, Nevada (a Nevada local government unit) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Eureka County School 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, each major fund, and the aggregate remaining fund information of Eureka County School District, as of June 30, 2026 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Eureka County School 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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Eureka County School District's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

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 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Eureka County School 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Eureka County School 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, budgetary comparison schedules, the reconciliation of the General Fund (budgetary basis) to the General Fund (GAAP Basis), schedules related to pensions, schedules related to other post-employment benefits, and notes to required supplementary information, as listed in the table of contents, 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 Eureka County School District's basic financial statements. The combining and individual major and nonmajor fund financial statements, and other schedules, as listed in the table of contents, 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 major and nonmajor fund financial statements, and other schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory sections 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 October 27, 2026, on our consideration of Eureka County School 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 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 Eureka County School District's internal control over financial reporting and compliance.

Squire & Company, PC

St. George, Utah
October 27, 2026

Eureka County School District's discussion and analysis is designed to (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 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 read this information in conjunction with the transmittal letter, financial statements and notes to the financial statements to gain a more complete picture of the information presented.

Overview of the Financial Statements

The District's basic financial statements consist of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

This report also includes required supplementary information and supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the District's finances using accounting methods similar to those used by private-sector entities.

The statement of net position presents all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Changes in net position over time may provide an indication of whether the District's overall financial position is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the year. Revenues and expenses are reported when the underlying event occurs, regardless of when cash is received or paid. The statement distinguishes program revenues, which are directly associated with particular functions, from general revenues used to support the District's programs as a whole.

All of the District's government-wide activities are reported as governmental activities. These activities are financed primarily through state educational funding, federal assistance, investment earnings, and other governmental and local sources.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District reports governmental funds and fiduciary funds.

Governmental Funds

Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on the resources available at year-end for future spending. Because governmental fund statements use a different measurement focus from the government-wide statements, reconciliations are presented to explain the differences between governmental fund balances and government-wide net position, and

between the change in governmental fund balances and the change in governmental activities' net position.

The District reports the following major governmental funds:

- General Fund, the District's primary operating fund
- Capital Projects Fund, which accounts for resources accumulated for the acquisition of capital assets

All other governmental funds are aggregated and presented as nonmajor governmental funds.

Fiduciary Funds

The District reports student activity resources in custodial funds. These resources are held for student groups and organizations and cannot be used to support the District's own programs. Consequently, fiduciary funds are excluded from the government-wide financial statements.

Notes to the Financial Statements

The notes provide additional information necessary to understand the amounts reported in the government-wide and fund financial statements. The notes address the District's significant accounting policies and provide detailed information concerning cash and investments, capital assets, long-term liabilities, pensions, other postemployment benefits, transfers, commitments, and other matters.

Other Information

Required supplementary information includes the General Fund budgetary comparison schedule, pension and other postemployment benefit schedules, and related notes. Supplementary information includes combining and individual fund schedules and additional budgetary comparison schedules.

Financial Summary

Condensed Statement of Net Position

	June 30, 2026 Governmental Activities	June 30, 2025 Governmental Activities	Increase (Decrease)
Current and other assets	$ 58,036,395	$ 58,429,045	$ (392,650)
Capital assets	45,980,040	47,085,035	(1,104,995)
Total assets	104,016,435	105,514,080	(1,497,645)
Deferred outflows of resources	3,928,187	4,440,265	(512,078)
Current liabilities	1,036,948	1,982,002	(945,054)
Current portion of long-term liabilities	276,628	320,529	(43,901)
Long-term liabilities	11,015,538	12,770,818	(1,755,280)
Total liabilities	12,329,114	15,073,349	(2,744,235)
Deferred inflows of resources	2,912,235	1,903,721	1,008,514
Net investment in capital assets	45,980,040	47,085,035	(1,104,995)
Restricted	41,057,657	40,398,448	659,209
Unrestricted	5,665,576	5,493,792	171,784
Total net position	$ 92,703,273	$ 92,977,275	$ (274,002)

At June 30, 2026, the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $92.7 million. Of this amount, $46.0 million was the District's net investment in capital assets, $41.1 million was restricted for specified purposes, and $5.7 million was unrestricted.

Restricted net position included $31.0 million for school district mitigation, $6.1 million for capital projects under NRS 354.6113, $2.7 million for capital projects under NRS 387.177, $1.0 million for revenue stabilization, and $265,469 for food service.

Net position decreased by $274,002 during 2026, from $93.0 million to $92.7 million. The decrease resulted because governmental activity expenses exceeded total revenues.

Condensed Changes in Net Position

	June 30, 2026 Governmental Activities	June 30, 2025 Governmental Activities	Increase (Decrease)
Revenues			
Program Revenues			
Charges for services	$ 61,004	$ 67,500	$ (6,496)
Operating grants and contributions	1,596,071	1,588,952	7,119
Total Program Revenues	**1,657,075**	**1,656,452**	**623**
General Revenues			
State aid not restricted to specific purposes	10,715,783	11,150,139	(434,356)
Federal aid not restricted to specific purposes	115,685	-	115,685
Miscellaneous	3,218	80,424	(77,206)
Unrestricted investment earnings	1,739,773	3,005,426	(1,265,653)
Total General Revenues	**12,574,459**	**14,235,989**	**(1,661,530)**
Total Revenues	**14,231,534**	**15,892,441**	(1,660,907)
Expenses			
Instruction expenses			
Regular programs	4,553,203	5,209,208	(656,005)
Special programs	1,164,229	1,179,498	(15,269)
Vocational programs	384,641	386,890	(2,249)
Other instructional	-	13,242	(13,242)
Co-curricular activities	339,559	367,715	(28,156)
Support services expenses:			
Student support	341,720	292,743	48,977
Instructional staff support	5,687	15,275	(9,588)
General administration	1,121,125	1,112,446	8,679
School administration	694,798	733,853	(39,055)
Central services	572,268	553,269	18,999
Operations and maintenance	1,801,298	1,772,294	29,004
Student transportation	719,379	696,098	23,281
Food services	319,632	317,522	2,110
Facilities acquisition and construction services	2,487,997	1,898,296	589,701
Total Expenses	**14,505,536**	**14,548,349**	(42,813)
Change in net position	**(274,002)**	**1,344,092**	(1,618,094)
Net Position Beginning	92,977,275	92,274,818	702,457
Restatement adjustments	-	(641,635)	641,635
Net Position Ending	**$ 92,703,273**	**$ 92,977,275**	$ (274,002)

The District's governmental activities generated $1.7 million of program revenues, consisting of $61,004 of charges for services and $1.6 million of operating grants and contributions. Those revenues funded a portion of the District's governmental programs. The remaining program costs were financed principally by state and federal aid, unrestricted investment earnings, and other general revenues.

State aid not restricted to specific purposes was the District's largest general revenue source at $10.7 million. Unrestricted investment earnings totaled $1.7 million.

Total revenues decreased $1.7 million, or 10.5%, from the prior year. The decrease was primarily attributable to a $1.3 million reduction in unrestricted investment earnings as interest rates and investment income returned to more typical levels following unusually strong investment performance in the prior year. State aid not restricted to specific purposes also declined by $434,356 due to continued enrollment decreases. Additionally, while the statewide per-pupil funding amount increased during the year, the increase was only $2 per student, which was significantly below inflationary cost increases and provided minimal additional funding to offset rising operating costs. These decreases were partially offset by $115,685 of federal aid not restricted to specific purposes received during fiscal year 2026. Program revenues remained relatively stable, increasing by only $623 from the prior year.

Total expenses decreased $42,813, or 0.3%, from the prior year. Regular instruction expenses decreased $656,005, representing the most significant year-over-year change in expenditures. This decrease was largely offset by a $589,701 increase in facilities acquisition and construction services which increased due to the completion of the high school football field replacement project and other facility improvement activities. Other functions experienced only modest fluctuations compared with the prior year. As a result of these changes, the District reported a decrease in net position of $274,002 for fiscal year 2026, compared with an increase in net position of $1.3 million in fiscal year 2025.

Detailed Analyses

Government-Wide Financial Position and Results of Operations

The District's total net position decreased by $274,002 during the year. Although the governmental funds reported a $552,404 increase in fund balances, government-wide results also reflect capital asset depreciation and changes related to pensions, OPEB, and compensated absences.

The principal reconciling items between the governmental fund increase and the government-wide decrease were:

- Capital outlay of $1.4 million was less than depreciation expense of $2.5 million, producing a $1.1 million reduction in the government-wide change in net position.
- Pension contributions exceeded recognized pension expense by $362,137.
- Changes in compensated absences and the net OPEB liability reduced the government-wide change in net position by a net $83,548.

The District's net pension liability decreased by $1.9 million, from $11.5 million to $9.6 million. Its combined net OPEB liability decreased by approximately $73,000, from $611,800 to $538,619. These decreases were partially offset by a $148,521 increase in compensated absences.

Capital assets declined by $1.1 million on a net basis. Depreciation expense exceeded current-year capital outlay, and the District also removed completed construction-in-progress balances as projects were placed into service. See Significant Capital Asset and Long-Term Financing Activity below.

Governmental Funds

At June 30, 2026, the District's governmental funds reported combined ending fund balances of $57.0 million, an increase of $552,404 from the prior-year balance of $56.4 million.

Of the $57.0 million total governmental fund balance:

- $41.1 million was restricted
- $6.2 million was assigned
- $9.7 million was unassigned

The restricted balances primarily consisted of $31.0 million for school district mitigation, $6.1 million and $2.7 million for capital projects, $1.0 million for revenue stabilization, and $265,469 for food service. Assigned balances included $4.5 million for subsequent-year operations, $1.6 million for special education, and $115,685 for other purposes.

General Fund

The General Fund ended the year with a fund balance of $46.2 million, an increase of $31,933 from the beginning balance of $46.2 million. General Fund revenues of $12.6 million exceeded expenditures by $631,933 before transfers. The General Fund then transferred $600,000 to other funds, resulting in the net increase in fund balance.

The transfers consisted of $400,000 to the Capital Projects Fund and $200,000 to the Special Education Fund to supplement costs in those funds.

The General Fund's ending balance included:

- $31.0 million restricted for school district mitigation
- $1.0 million restricted for revenue stabilization
- $4.5 million assigned for subsequent-year operations
- $9.7 million unassigned

Although the General Fund has substantial total resources, the restricted and assigned portions are not available for unrestricted current-period spending.

Capital Projects Fund

The Capital Projects Fund was reported as a major fund in 2026. The fund received a $400,000 transfer from the General Fund and ended the year with restricted fund balance of $6.1 million. Its beginning balance included $5.7 million reclassified from the nonmajor governmental funds because of its major-fund presentation in 2026.

Budgetary Results

On the budgetary basis, General Fund actual revenues exceeded the final budget by $1.9 million, and actual expenditures were $5.3 million below the final budget. The resulting budgetary-basis ending fund balance was $14.2 million, which was $9.1 million greater than the final budget estimate.
The difference between the $14.2 million budgetary-basis balance and the $46.2 million GAAP-basis General Fund balance relates to the inclusion of the $31.0 million Net Proceeds Mitigation Fund and $1.0 million Revenue Stabilization Fund in the General Fund for external reporting.

Significant Capital Asset and Long-Term Financing Activity

Capital Assets

The District's net capital assets totaled $46.0 million at June 30, 2026, compared with $47.1 million at June 30, 2025. The $1.1 million net decrease resulted primarily because depreciation expense exceeded current-year capital outlay.

During the year, the District reported:

- $2.8 million of additions to depreciable capital assets

- $1.5 million of reductions in construction in progress as projects were completed or otherwise removed from that category
- $99,766 of capital asset deletions
- $2.5 million of depreciation expense

The largest current-year addition was $2.4 million of other improvements, primarily attributable to major facility improvement projects, including the replacement of the high school football field and roof revisions at Eureka Elementary School. The District also added approximately $302,942 of equipment and vehicles and $164,193 of buildings and improvements during the fiscal year.

Additional information about capital asset activity is provided in Note 6 to the financial statements.

Long-Term Liabilities and Financing

The District had total long-term liabilities of $11.3 million at June 30, 2026, compared with $13.1 million at June 30, 2025. Long-term liabilities consisted of compensated absences, the net pension liability, and the net OPEB liability.

During the year:

- The net pension liability decreased by $1.9 million to $9.6 million.
- The net OPEB liability decreased by approximately $73,000 to $538,619.
- Compensated absences increased by $148,521 to $1.2 million.

The District reported no outstanding bonded debt and no debt directly associated with its capital assets. It also reported no unused lines of credit at June 30, 2026.

Additional information about capital assets, long-term liabilities, pensions, and OPEB is provided in Notes 6, 7, 9, and 10.

Currently Known Facts, Decisions, or Conditions

In preparing the fiscal year 2027 budget, the District considered several factors, including a projected 5% decline in enrollment and the resulting reduction in state funding, a projected 6% decline in investment income, staffing needs, employee compensation, inflationary pressures, and program requirements. Management estimates that these factors will reduce available resources by approximately $880,000. To address these revenue reductions, planned expenditures were decreased by approximately $1,460,000.

The District has approved capital projects totaling approximately $866,500, consisting primarily of concrete and road refinishing projects in conjunction with the county, as well as various building improvement projects. These projects are expected to be financed through General Fund investment earnings.

Subsequent to June 30, 2026, the District entered into a contract for legislative representation approved by the Board of Trustees. Services under the agreement will begin in November at a cost of $6,000 per month. Management believes this agreement may affect future operating results through potential legislative and regulatory changes affecting the District.

The District continues to evaluate the effects of changes in pupil-centered funding, pension contribution rates, employee compensation, benefit costs, inflationary pressures, and enrollment trends on future budgets and operating results.

Basic Financial Statements

EUREKA COUNTY SCHOOL DISTRICT
Statement of Net Position
June 30, 2026

	2026
Assets	
Cash and investments	$ 57,943,197
Receivables:	
Other receivable	2,697
Due from other governments	90,501
Capital assets not being depreciated	828,951
Capital assets being depreciated, net of accumulated depreciation	45,151,089
Total assets	104,016,435
Deferred Outflows of Resources	
Deferred outflows related to pensions	3,819,719
Deferred outflows related to OPEB	108,468
Total deferred outflows of resources	3,928,187
Liabilities	
Accounts payable	123,777
Accrued liabilities	875,072
Due to other governments	38,089
Unearned revenue	10
Noncurrent liabilities:	
Due within one year	276,628
Due in more than one year	894,202
Net pension liability	9,582,717
Net other postemployment benefits liability	538,619
Total liabilities	12,329,114
Deferred Inflows of Resources	
Deferred inflows related to pensions	2,737,608
Deferred inflows related to OPEB	174,627
Total deferred inflows of resources	2,912,235
Net position:	
Net investment in capital assets	45,980,040
Restricted for:	
Capital projects per NRS 354.6113	6,073,810
Capital projects per NRS 387.177	2,718,378
School district mitigation per NRS 362.171	31,000,000
Revenue stabilization per NRS 354.6115	1,000,000
Food service	265,469
Unrestricted	5,665,576
Total net position	$ 92,703,273

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Statement of Activities
Year Ended June 30, 2026

Programs/Functions **Primary government:**	Expenses	Program Revenues Charges for Services	Program Revenues Operating Grants and Contributions	Net (Expense) / Revenue and Change in Net Position Governmental Activities
Programs				
Regular	$ 4,553,203	$ -	$ 237,490	$ (4,315,713)
Special	1,164,229	-	959,358	(204,871)
Vocational	384,641	-	-	(384,641)
Other instructional	-	-	-	-
Co-curricular & athletic	339,559	-	-	(339,559)
Total program	6,441,632	-	1,196,848	(5,244,784)
Support services				
Student support	341,720	-	-	(341,720)
Instructional staff support	5,687	-	-	(5,687)
General administration	1,121,125	-	-	(1,121,125)
School administration	694,798	-	-	(694,798)
Central services	572,268	-	-	(572,268)
Operations and maintenance	1,801,298	56,665	-	(1,744,633)
Student transportation	719,379	-	-	(719,379)
Noninstructional services				
Food services	319,632	4,339	399,223	83,930
Facilities acquisition & construction services	2,487,997	-	-	(2,487,997)
Total services	8,063,904	61,004	399,223	(7,603,677)
Total primary government	$ 14,505,536	$ 61,004	$ 1,596,071	$ (12,848,461)
General revenues:				
State aid not restricted to specific purposes				10,715,783
Federal aid not restricted to specific purposes				115,685
Miscellaneous				3,218
Unrestricted investment earnings				1,739,773
Total general revenues				12,574,459
Change in net position				(274,002)
Net position - beginning of year				92,977,275
Net position - end of year				$ 92,703,273

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Capital Projects Fund (previously non major)	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	$ 47,151,759	$ 6,073,810	$ 4,717,628	$ 57,943,197
Receivables				
Other	2,697	-	-	2,697
Due from other governments	-	-	90,501	90,501
Due from other funds	-	-	-	-
Total assets	$ 47,154,456	$ 6,073,810	$ 4,808,129	$ 58,036,395
Liabilities				
Accounts payable	$ 101,609	$ -	$ 22,168	$ 123,777
Accrued liabilities	792,617	-	82,455	875,072
Due to other governments	38,089	-	-	38,089
Due to other funds	-	-	-	-
Unearned revenue	-	-	10	10
Total liabilities	932,315	-	104,633	1,036,948
Fund balances				
Restricted for:				
Capital projects per NRS 354.6113	-	6,073,810	-	6,073,810
Capital projects per NRS 387.177	-	-	2,718,378	2,718,378
School district mitigation per NRS 362.171	31,000,000	-	-	31,000,000
Revenue stabilization per NRS 354.6115	1,000,000	-	-	1,000,000
Food service	-	-	265,469	265,469
Assigned to:				
Subsequent year operations	4,524,988	-	-	4,524,988
Special education	-	-	1,603,964	1,603,964
Other purposes	-	-	115,685	115,685
Unassigned	9,697,153	-	-	9,697,153
Total fund balances	46,222,141	6,073,810	4,703,496	56,999,447
Total liabilities, deferred inflows of resources, and fund balances	$ 47,154,456	$ 6,073,810	$ 4,808,129	$ 58,036,395

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2026

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

Total fund balances - total governmental funds		$ 56,999,447
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	$ 74,740,869	
Accumulated depreciation	(28,760,829)	45,980,040
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows related to pensions	3,819,719	
Deferred inflows related to pensions	(2,737,608)	
Deferred outflows related to OPEB	108,468	
Deferred inflows related to OPEB	(174,627)	1,015,952
Some liabilities, including bonds payable, pension liabilities and interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(1,170,830)	
Net pension liability	(9,582,717)	
Net OPEB obligation	(538,619)	(11,292,166)
Net position of governmental activities		$ 92,703,273

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental funds
Year Ended June 30, 2026

	General Fund	Capital Projects Fund (previously non major)	Other Governmental Funds	Total Governmental Funds
Revenues				
Local sources	$ 1,752,990	$ -	$ 61,004	$ 1,813,994
State sources	10,870,812	-	921,710	11,792,522
Federal sources	-	-	625,018	625,018
Total revenues	12,623,802	-	1,607,732	14,231,534
Expenditures				
Programs				
Regular	4,638,275	-	49,699	4,687,974
Special	-	-	1,216,402	1,216,402
Vocational	399,666	-	-	399,666
Other instructional	-	-	-	-
Co-curricular & athletics	339,146	-	-	339,146
Support services				
Student support	350,077	-	-	350,077
Instructional staff support	2,514	-	-	2,514
General administration	1,133,243	-	12,512	1,145,755
School administration	714,996	-	5,060	720,056
Central services	512,432	-	4,888	517,320
Operations and maintenance	1,722,927	-	62,925	1,785,852
Student transportation	646,400	-	302	646,702
Noninstructional services				
Food services	-	-	335,473	335,473
Facility acquisition & construction	1,532,193	-	-	1,532,193
Total expenditures	11,991,869	-	1,687,261	13,679,130
Excess revenues over (under) expenditures	631,933	-	(79,529)	552,404
Other financing sources (uses)				
Transfers in	-	400,000	200,000	600,000
Transfers out	(600,000)	-	-	(600,000)
Total other financing sources & uses	(600,000)	400,000	200,000	-
Net change in fund balances	31,933	400,000	120,471	552,404
Fund balances, beginning of year, as previously reported	46,190,208	-	10,256,835	56,447,043
Adjustment - changes from nonmajor fund to major fund	-	5,673,810	(5,673,810)	-
Fund balances - beginning of year	46,190,208	5,673,810	4,583,025	56,447,043
Fund balances - end of year	$ 46,222,141	$ 6,073,810	$ 4,703,496	$ 56,999,447

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2026

Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balances - total governmental funds		$ 552,404
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Capital outlay	$ 1,379,482	
Depreciation expense	(2,484,477)	(1,104,995)
Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the reported net pension liability is measured a year before the report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.		
Pension contributions	1,025,986	
Pension expense	(663,849)	362,137
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.		
Change in compensated absences	(148,521)	
Change in net OPEB obligation	64,973	(83,548)
Change in net position of governmental activities		$ (274,002)

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Statement of Fiduciary Net Position - Fiduciary Funds - Student Activities
June 30, 2026

	Custodial Funds
ASSETS	
Cash and investments	$ 175,550
Total assets	175,550
LIABILITIES	
Total liabilities	-
NET POSITION	
Restricted for:	
Student groups	175,550
Total net position	$ 175,550

The accompanying notes are an integral part of the financial statements.

EUREKA COUNTY SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position - Fiduciary Funds - Student Activities
Year Ended June 30, 2026

	Custodial Funds
ADDITIONS	
Student activities	$ 128,103
Total additions	128,103
DEDUCTIONS	
Student activities	103,366
Total deductions	103,366
Net increase (decrease) in fiduciary net position	24,737
Net position - beginning	150,813
Net position - ending	$ 175,550

The accompanying notes are an integral part of the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of Eureka County School District, Eureka 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 standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Reporting Entity

The District, organized as a result of legislation enacted in 1956, is the basic level of government having oversight responsibility and control over all activities related to the public-school education in Eureka County, Nevada. The governing board consists of five 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.

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the District and accounts for all revenue 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.

Capital Projects Fund – The Capital Projects Fund is used to account for the accumulation of resources to provide for the purchase of capital assets. Resources are provided by periodic transfers from other funds, local sources, and federal grants.

Additionally, the District reports the following fund types:

Fiduciary Funds

Student Activity Custodial Funds – used to account for assets held for student groups and organizations. They are custodial in nature and cannot be used to support the District's own programs.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-wide: The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property

taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds: 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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers grant revenues to be available if they are collected within 120 days of the end of the current fiscal period and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues have been extended due to the extended period required to collect revenues from the state and federal governments. When revenues are due but will not be collected within the availability period, the receivable is recorded and an offsetting deferred inflow of resources account is established. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures for compensated absences and claims and judgements, 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
Pupil-Centered Funding Plan	X		
Interest			X
Grants in Aid	X		
Miscellaneous Revenue		X	

Fiduciary Funds: Student activity custodial funds use the economic resources measurement focus and the accrual basis of accounting for reporting assets and liabilities.

Budgets and Budgetary Accounting

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

1. Prior to April 15, the Superintendent submits to the Board of Trustees and to both the Nevada Department of Taxation and the 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. Between the third Monday and the last day of May, a public hearing is conducted prior to the adoption of the budget to obtain taxpayer comments. A minimum of seven days' notice of public hearing on the final budget is published in a local newspaper.
3. On or before June 8, the budget is legally adopted by a majority vote of the Board of Trustees.
4. On or before January 1, the Board of Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the complete 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 function level for the General, Special Revenue, and Capital Projects Funds, except as related below.
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 of all funds is employed to enhance management control during the year.
9. All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all funds except for the fiduciary funds, which do not require budgets.

All budgets presented in the accompanying financial statements reflect the original budget (called the final budget per NRS) and final budget (the last budget of the year, which has been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations except unexpended grant appropriations, lapse at the end of each fiscal year.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations of the programs of the individual funds, except for bond repayments, short-term financing repayment and any other long-term contracts expressly authorized by law.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. The District also voluntarily participates in the State of Nevada Local Government Investment Pool (LGIP).

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

Pursuant to NRS 355.170 and 355.175, the District's money may only be invested in the following types of securities:

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Obligations of an agency or instrumentality of the United States of America or a corporation sponsored by the government, the maturity date of which is not more than 10 years from the date of purchase
- Negotiable certificates of deposit issued by commercial banks, insured credit unions, or insured savings and loan associations.
- Certain securities issued by local governments in the State of Nevada.
- Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States.
- Certain obligations of state and local governments.
- State of Nevada Local Government Pool Investment Fund.
- Certain "AAA" rated mutual funds that invest in federal securities.
- Other securities expressly provided by other statutes, including repurchase agreements.

Receivables

Receivables, as stated in the balance sheet, are considered collectible. An allowance for uncollectible receivables has not been recorded.

Capital Assets

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction period interest is not capitalized as a part of the building costs.

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

	Years
Buildings	35 to 50
Building Improvements	20 to 30
Machinery and Equipment	4 to 20
Vehicles/Buses	5 to 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, 2026, but not yet paid.

Compensated Absences

Certified employees receive up to 15 days paid time off. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to a specific maximum days/hours. Employees are allowed to accumulate sick days for future use. Certified employees have no limit on the amount of the accrual, while classified employees may not exceed 1,440 hours. The District pays limited accumulated sick leave benefits to certain employees upon retirement. The estimated long-term liability for compensated absences is accounted for in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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; the deferred pension related items (see Note 9) and deferred other post-employment benefits related items (see Note 10). These amounts are deferred and recognized as an outflow of resources in future periods.

In addition to liabilities, the statement of financial position 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 two items that qualify for reporting in this category; the deferred pension related items (see Note 9) and deferred other post-employment benefits related items (see Note 10). These amounts are deferred and recognized as an inflow of resources in future periods.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System of Nevada (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.

Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined based on annual actuarial reports. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Net Position

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

Net Investment in Capital Assets – This is the component of net position that reports the difference between capital assets net of accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of these assets. The District does not have any outstanding debt associated with the acquisition or construction of capital assets.

Restricted Net Position – The component of net position that reports the constraints placed on the use of net position by external parties and/or enabling legislation. Currently, the District has restricted net position related to capital projects, revenue stabilization, mitigation, and food service.

Unrestricted – The component of net position that is not reported in Net Investment in Capital Assets and Restricted Net Position.

Fund Balances

In the fund financial statements, the classifications of fund balance represent amounts that are not subject to appropriation or are legally segregated for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change. The following classifications have been implemented by the District:

Nonspendable Fund Balance – These items are legally or contractually required to be maintained intact and are not in a spendable form, such as inventories and prepaids.

Restricted Fund Balance – These amounts are constrained to being used for specific purposes by external parties, constitutional provisions or enabling legislation, such as debt service.

Committed Fund Balance – These amounts can only be used for specific purposes as set forth by the Board of Trustees. The Board must make a motion that receives a vote of approval, prior to the end of the reporting period, in order to establish an ending fund balance commitment for any specific purpose. Formal board action is also required to modify or rescind an established commitment.

Assigned Fund Balance – Assignments are neither restrictions nor commitments and represent the District's intent to use funds for a specific purpose. These assignments, however, are not legally binding and are meant to reflect intended future use of the District's ending fund balance. The Chief Financial Officer of the District has the responsibility of assigning amounts of ending fund balance.

Unassigned Fund Balance – The residual classification for the General Fund that is available to spend.

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

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Revenues and Expenditures/Expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

All real property in Eureka 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 assessed at 35% 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. In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the property tax levied on qualified property. For qualified property, the abatement will limit the increase of property taxes based on the previous year's assessed value.

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 Eureka 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.

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 and mobile homes. Property taxes for schools are billed and collected by Eureka County and then remitted to the State for inclusion in the education funding formula called the pupil-centered funding plan (PCFP) that replaced the Nevada Plan formula effective July 1, 2021.

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 for activities as citizens, family members, and non-vocational workers.
- Special programs are activities designed primarily to deal with students having special needs. The special programs include services for the mentally challenged, physically handicapped, emotionally disturbed, culturally different, learning disabled, bilingual, and special programs for other types of students at all levels.
- Vocational programs are learning experiences to provide individuals with the opportunity to develop the necessary knowledge, skills, and attitudes needed for occupational employment.
- Co-curricular programs are activities that add to a student's educational experience but are not related to educational activities.
- Athletics programs are activities that provide students with athletic opportunities.
- Support services provide administrative, technical, and logistical support to facilitate and enhance instruction.
    - Student support includes activities designed to assess and improve the well-being of students and to supplement the teaching process.
    - Instructional support includes activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.
    - General administration includes activities concerned with establishing and administering policy for operating the District.
    - School administration includes activities concerned with overall administrative responsibility for a school.
    - Central services include activities that support other administrative and instructional functions including, human resources, planning, and administrative information technology.
    - Operation and maintenance of plant services include activities concerned with keeping the physical buildings open, comfortable, and safe for use. This also includes keeping the grounds, buildings and equipment in effective working condition and state of repair. Additional activities include maintaining safety in buildings, on the grounds, and in the vicinity of schools.
    - Student transportation includes activities concerned with conveying students to and from school, as provided by state and federal law. It includes trips between home and school, as well as trips to school activities.
- Noninstructional services are all other support services that are not otherwise properly classified elsewhere in the support services functions.
    - Food services include activities concerned with providing food to students and staff in a school or school district. This includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

- Facility acquisition and construction services are activities concerned with the acquisition of land and buildings; remodeling buildings; constructing buildings and additions to buildings; initially installing or extending service systems and other built-in equipment; and improving sites.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

New Pronouncements

During the fiscal year ended June 30, 2026, the District implemented the following Governmental Accounting Standards Board (GASB) statements:

GASB Statement No. 103, Financial Reporting Model Improvements. This Statement revises requirements for management's discussion and analysis, reporting unusual or infrequent items, and budgetary comparison information. Implementation resulted in changes to the District's financial statement presentation and required supplementary information. Implementation did not affect beginning net position or fund balance.

GASB Statement No. 104, Disclosure of Certain Capital Assets. This Statement requires separate disclosure of lease assets, subscription assets, and other intangible assets. It also establishes additional disclosure requirements for capital assets held for sale. Implementation did not affect the measurement of capital assets or beginning net position.

NOTE 2 - COMPLIANCE WITH NEVADA REVISED STATUTES AND NEVADA ADMINISTRATIVE CODE

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

NOTE 3 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 16.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 18.

NOTE 4 - CASH AND INVESTMENTS

The following schedule summarizes cash and investments for the District as of June 30, 2026:

Governmental Funds	
Unrestricted	$ 57,943,197
Fiduciary Funds	
School Activity Funds	175,550
	$ 58,118,747
Balances at Fair Value Classified by	
Nevada State Bank	
Checking	$ 2,014,833
Money Market Funds	44,694
Other marketable securities	54,766,867
Local Government Investment Pool (LGIP)	1,292,353
Total cash	$ 58,118,747

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. All deposits were collateralized under the Nevada Pooled Collateral Program or insured by the Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC).

Investments

The District is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the Board of Finance of the State of Nevada. The District's investment in the LGIP is equal to its original investments plus monthly allocation 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. Fair value is determined on a daily basis.

Fair Value of Investments

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 the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using level 2 or level 3 inputs. The District has the following recurring fair value measurements as of June 30, 2026:

Investments by Fair Value Level	Quoted Prices in Active Markets for Identical Assets (Level 1)
Money Market Funds	$ 1,057,078
U.S. Treasury Notes and Bonds	11,575,491
U.S. Government Securities	39,636,690
Negotiable Certificates of Deposit	2,497,608
	$ 54,766,867

Nevada Revised Statutes (NRS 355.170) set 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.

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 that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. The State of Nevada Local Government Investment Pool is an unrated investment pool. All corporate bonds held by the District are rated AA+/Aaa by Standard and Poor's and Moody's, respectively. All money market funds held by the District are unrated. As noted above, the District does not have a formal investment policy that specifies minimum acceptable credit ratings.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

There were no interfund receivable and payable balances at June 30, 2026.

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the fiscal year ended June 30, 2026 are as follows:

	Transfers In		
Transfers Out	**Capital Project Fund**	**Special Education Fund**	**Total**
General Fund	$ 400,000	$ 200,000	$ 600,000
Total	$ 400,000	$ 200,000	$ 600,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The Board authorized a transfer of $200,000 and $400,000 from the General fund to the Nonmajor Special Education Fund and Major Capital Project Fund, respectively, to supplement operating costs.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026 was as follows:

GOVERNMENTAL ACTIVITIES	Balance July 01, 2025	Additions	Deletions	Balance June 30, 2026
Capital assets, not being depreciated				
Land	$ 786,286	$ -	$ -	$ 786,286
Construction in progress	1,502,499	-	(1,459,834)	42,665
Total capital assets, not being depreciated	2,288,785	-	(1,459,834)	828,951
Capital assets, being depreciated				
Buildings and improvements	59,160,868	164,193	-	59,325,061
Equipment and vehicles	7,909,352	302,942	(99,766)	8,112,528
Other improvements	4,102,148	2,372,181	-	6,474,329
Total capital assets, being depreciated	71,172,368	2,839,316	(99,766)	73,911,918
Less accumulated depreciation				
Buildings and improvements	(19,989,966)	(1,684,778)	-	(21,674,744)
Equipment and vehicles	(4,519,969)	(511,242)	99,766	(4,931,445)
Other improvements	(1,866,183)	(288,457)	-	(2,154,640)
Total accumulated depreciation	(26,376,118)	(2,484,477)	99,766	(28,760,829)
Total capital assets, being depreciated, net	44,796,250	354,839	-	45,151,089
Governmental activities capital assets, net	$ 47,085,035	$ 354,839	$ (1,459,834)	$ 45,980,040

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

Regular programs	$	16,592
Special programs		2,859
Vocational programs		4,332
Co-curricular and athletic programs		4,407
Food service operations		4,574
Support Services:		
Instructional staff support		3,173
General administration		443
Central services		86,468
Operations and maintenance		65,047
Student transportation		234,124
Facilities and acquisition and construction		2,062,458
	$	2,484,477

NOTE 7 - LONG-TERM LIABILITIES

Changes in long-term liabilities at June 30, 2026 consisted of the following:

Governmental Activities:	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026	Current Portion
Compensated Absences	$ 1,022,309	$ 148,521	$ -	$ 1,170,830	$ 276,628
Net Pension Liability	11,457,238	-	(1,874,521)	9,582,717	-
Net OPEB Liability	611,800	-	(73,181)	538,619	-
Total long-term liabilities	$ 13,091,347	$ 148,521	$ (1,947,702)	$ 11,292,166	$ 276,628

Governmental activities liabilities are generally liquidated by the General Fund.

The District has no unused lines of credit at June 30, 2026.

NOTE 8 - PUPIL-CENTERED FUNDING PLAN

Effective July 1, 2021, the Nevada Plan formula was replaced by a new pupil-centered funding plan (PCFP). The Nevada Plan had been in existence since 1967 and had few revisions over its 55 years of existence. The PCFP was created pursuant to Senate Bill 543 during the 2019 legislative session amending Chapter 387 – Financial Support of School System. The new law created a special revenue fund called the state education fund (SEF) with dedicated sources of revenue that will ensure revenue designated for education will remain committed to education and cannot be used to fund other state functions. The law also established an education stabilization account (ESA) that is designed to receive school district surplus funds via transfer if school district fund balances exceed 16.6% of total budgeted expenditures compared with the same calculation for FY2020.

Under the Nevada Plan, a portion of funding was retained by the local education agency and a portion of funding provided through state appropriation. Under the PCFP all state and local funding for education flow through the SEF except for de minimis miscellaneous and federal revenue. Net proceeds of minerals are retained at the local level but included in the SEF for the calculation of base and adjusted base funding. This will significantly improve transparency as it relates to the calculation of education funding and per pupil allotments.

NRS 387.1214 requires that the Legislature determine a statewide base per pupil funding amount for each fiscal year of the biennium expressed on a per pupil basis for projected enrollment. It is the intention of the Legislature that the statewide base per pupil amount for any fiscal year be no less than the per pupil amount, adjusted for inflation, for the immediately preceding year to the extent practicable. Exceptions are allowed for economic adversity that call for proportional reductions in funding relative to the State's budget. After the state-wide base is determined, certain cost adjustment factors are applied pursuant to NRS 387.1215 to equitably adjust per pupil funding for each school district and charter schools. Additional funding is added to the adjusted per pupil allotment for auxiliary services such as food services and transportation for pupils.

Program weights for English learners, at-risk and gifted and talented student populations are multiplied by the base, per pupil amount to determine additional, weighted program funding for these student populations. These funds are restricted for their designated purpose.

Special education funding is based on a weighted formula. Funding is based on the number of special education students with a maximum student limit equal to 13% of the total student population. Provisions have been included for contingencies to meet unexpected demand, one-half of the number of students in excess of the 13% cap and an inflationary factor determined by the department of education. The estimated portion of local revenue required to support special education, also called general fund transfers, is provided by the State. Districts can transfer only the amount needed to meet maintenance of efforts requirements and are not required to transfer the estimate provided by the State.

Under this plan, the district has received the following amounts:

Unrestricted - General Fund		
PCFP Adjusted Base	$	10,281,524
PCFP Transportation		434,259
Total General Fund	$	10,715,783
Restricted - Special Education Fund		
Local Special Education	$	200,000
Restricted - Food Services Fund		
PCFP Food Services	$	399,223
Restricted		
English learners	$	10,213
At-risk	$	1,198

Although funding was provided for gifted and talented students, funding was only provided to a few school districts.

A Commission on School Funding was created through statute with the expressed purpose to provide guidance to school districts and the Department of Education on the implementation of the Pupil-Centered Funding Plan and monitor its impact and make recommendations for improvement as an ongoing effort to achieve optimal funding.

NOTE 9 - RETIREMENT AND PENSION PLANS

Public Employees' Retirement System of Nevada (PERS)

Plan description

The District contributes to the Public Employees' Retirement System of the State of Nevada (PERS). PERS administers a cost-sharing, multiple-employer, defined benefit pension plan, which includes Regular members. PERS was established by the Nevada Legislature in 1947, effective July 1, 1948. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Benefits provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), 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.

Monthly benefit allowances for members are computed as 2.50% 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 2.50% 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. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

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

Vesting

Regular members entering the system prior to 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 any age with 30 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 at age 62 with 10 years of service, or any age with 30 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, or at age 62 with 10 years of service or at age 55 with 30 years of service or at any age with 33 1/3 years of service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Regular 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 the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan and cannot withdraw these contributions.

The System's 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 the System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System 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 used 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 year ended June 30, 2025 and June 30, 2026 the Statutory Employer/Employee matching rate was 17.50% and 19.25% for Regular members. The Employer-pay contribution (EPC) rate was 33.50% and 36.75% for Regular members.

The District's contributions for the current and two preceding fiscal years, all of which were equal to the required contributions, were as follows:

Year Ended June 30,	Regular Fund
2024	$ 911,888
2025	924,521
2026	1,025,986

Investment policy

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

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

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return*
U.S. stocks	34%	5.50%
International stocks	14%	5.50%
U.S. bonds	28%	2.25%
Private markets	12%	6.65%
Short-term investments	12%	0.50%

*As of June 30, 2025, PERS' long-term inflation assumption was 2.50%.

Pension liability

Net pension liability

At June 30, 2026, the District reported a liability of $9,582,717 for its proportionate share of the PERS' net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their employer contributions relative to the total employer contributions for all employers for the period ended June 30, 2025. The District's proportion measured as of June 30, 2025, was 0.05576%, which was a decrease of 0.007650% from its proportion measured as of June 30, 2024.

Pension liability discount rate sensitivity

The following presents the net pension liability of the PERS as of June 30, 2025, using the discount rate of 7.25%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of Net pension (asset) / liability	$ 16,122,941	$ 9,582,717	$ 4,187,480

Pension plan fiduciary net position

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

Actuarial assumptions

The District's net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50%
Investment rate of return	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service. Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2025 funding actuarial valuation

Actuarial assumptions used in the June 30, 2025, valuation were based on the results of the experience study covering 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, 2025. 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 that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2025.

Pension expense and deferred outflows/inflows of resources related to pensions

For the year ended June 30, 2026, the District recognized pension expense for PERS of $663,849. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,304,668	$ -
Changes in assumptions	346,311	-
Net difference between projected and actual earnings on pension plan investments	-	1,392,249
Subtotal	2,650,979	1,392,249
Changes in proportion and differences between contributions and proportional share of contributions	142,754	1,345,359
Contributions subsequent to the measurement date	1,025,986	-
Total	$ 3,819,719	$ 2,737,608

Average expected remaining service lives 5.68 years

The $1,025,986 reported as deferred outflows of resources related to PERS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pensions, excluding the changes in proportion and differences between actual contributions and proportionate share of contributions, will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2027	$ 1,178,574
2028	(931)
2029	(97,627)
2030	66,914
2031	111,800
Thereafter	-
Total	$ 1,258,730

Additional Information

The PERS' Annual Comprehensive Financial Report is available on the PERS website at http://www.nvpers.org/publications/reports.

NOTE 10 - POST EMPLOYMENT HEALTHCARE PLAN

The District provides other postemployment benefits (OPEB) for eligible retired employees through either participation in the District's health insurance program or the Nevada Public Employees' Benefit Plan (PEBP) under NRS 287.023.

Plan Description

The District contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Additionally, the District administers a single-employer defined benefit healthcare plan, Eureka County School District Employee Health Benefits Plan (ECSDEHBP). Each plan provides medical, vision, dental, prescription, and life insurance benefits to eligible retired District employees and beneficiaries.

Benefit provisions for 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. Benefit provisions for ECSDEHBP 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 Board of Trustees.

Benefits provided

PEBP

PEBP closed to non-State public agency retirees on September 1, 2008 unless the agency's active employees are participating in PEBP. However, the District is responsible for a portion of the PEBP subsidy for a former employee retiring after September 1, 2008 from the State or from a Non-State public agency whose active employees participate in PEBP. For a retiree to participate in the PEBP program, the participant must be receiving a PERS benefit. PERS eligibility requirements vary by employee group and benefit type.

Those retirees and former employees who were eligible and elected PEBP coverage are entitled to a subsidy toward their premium cost based on their years of covered employment under Nevada PERS. The subsidy is shared on a pro-rata basis by the employers for which the retiree has worked and earned PERS service credit. Thus, the District is obligated to subsidize health care premiums for former employees as well as those who retired directly from the District.

The Nevada Legislature changes the benefit subsidies from time to time. The monthly subsidy continues to be based on years of credited service under Nevada PERS, though the level differs for pre-Medicare and Medicare eligible retirees. The subsidy ends at the earlier of the retiree's death or the date he or she discontinues coverage.

There are exceptions to the amounts shown below:

(a) Participants who retired before June 30, 1994 receive the 15 year subsidy, regardless of their years of covered service and

(b) Participants may have PEBP coverage but do not receive a subsidy if (1) they were hired by their last PEBP-participating employer on or after June 30, 2010, and prior to January 1, 2012, retired with less than 15 years of service and were not disabled or (2) were hired by the last PEBP-participating employer after January 1, 2012.

Agency subsidy for PEBP coverage for non-state pre-Medicare retirees: The subsidy provided to pre-Medicare retirees varies based on the type of plan selected (PPO or HMO) and by the level of coverage taken (e.g., single, two party, family, etc.). The chart below shows the monthly amounts payable beginning February 2025 for those with 15 years of PERS service. Actual pre-Medicare subsidies for February 2025, as invoiced to the District by individual, were used for the valuation.

Coverage Level	PPO CDHP	PPO Low Deductible	Statewide EPO/HMO
	15 Years of PERS Service		
Retiree Only	$ 718.74	$ 745.98	$ 658.60
Retiree + Spouse	1,317.51	1,371.98	1,197.22
Retiree + Children	943.29	980.74	860.58
Retiree + Family	1,542.05	1,606.74	1,399.20

HRA Contributions for non-State Medicare Retirees covered by the Exchange: Amounts paid for Medicare eligible retirees covered by the Exchange do not vary by type of plan or coverage level; they vary only by years of PERS membership service. In February 2025, the monthly subsidy for retirees on the Medicare Exchange is $13 per month per year of PERS service. The maximum benefit payable is $260 per month.

ECSDEHBP

Employees who retire from the District are eligible to continue their coverage under the health plans and life insurance plan offered by the District to its active employees or, if they retired prior to July 1, 2008, could elect to participate in the Public Employees' Benefit Plan (PEBP).

Employees who retire from the District may elect to continue their medical, dental, vision and life insurance coverage under the programs made available to the District's active employees. Once the retiree or spouse becomes eligible for Medicare, the District's medical plan coverage is no longer available.

The only conditions to be eligible for coverage as a retiree are:

1. The employee must have qualified for and started his or her retirement benefits from Nevada PERS;
2. The employee was eligible for benefits while employed by the District; and
3. The District is the employee's last Nevada public agency employer.

The District does not pay any portion of the retiree's premiums. The premiums for all coverage are entirely at the retiree's own expense.

District medical plan premium rates: A composite monthly premium rate applies to medical, dental and vision coverage and the premium varies based on the family members covered. The District healthcare plan's monthly premium rates in effect beginning January 1, 2025 through December 31, 2025 are:

	Health Care Plan	
Coverage Level	PPO (PHD10)	POS 9
Employee only	$ 1,154.95	$ 1,040.53
Additional for spouse	2,540.84	2,289.13
Additional for children	2,078.88	1,872.93
Additional for family	3,580.26	3,225.57

Life insurance coverage: The face amount of life insurance for retirees is $40,000 while under age 65. The face amount decreases to $26,000 at age 65, and again to $20,000 at age 70. For retirees, premiums are currently at the rate of $0.20 per month per $1,000 of coverage, which equals $8.00 per month prior to age 65, $5.20 from age 65 but prior to age 70, and $4.00 per month for ages 70 and over. The District does not offer life insurance coverage to dependents of retirees.

Employees covered by benefit terms

PEBP

There are no active District employees covered by or eligible for coverage under PEBP. There are 20 former employees for the June 2024 valuation for whom the District pays a subsidy toward the cost of PEBP coverage.

ECSDEHBP

There are 64 active employees for the June 2024 valuation. Of these, 54 were shown as currently participating in the medical program while 10 employees were waiving coverage. There are 7 retirees covered by the District's life insurance coverage.

Contributions

PEBP

District contributions to the Plan occur as benefits are paid to retirees. In this PEBP program, the only benefit payments occur in the form of direct payments to PEBP on behalf of currently covered retirees. Contributions to the Plan from the District were $26,308 for the year ended June 30, 2026.

ECSDEHBP

District contributions to the Plan occur as benefits are paid to retirees. Benefit payments may occur in the form of direct payments for premiums and taxes ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). Contributions to the Plan from the District were $20,384 for the year ended June 30, 2026.

Plan financial reports

Information about PEBP's financial report is available at www.pebp.state.nv.us. ECSDEHBP does not issue a separate financial report.

OPEB liability

Net OPEB liability

At June 30, 2026, the District reported a net OPEB liability of $286,676 for PEBP and $251,943 for ECSDEHBP. The net liability was measured as of June 30, 2025 and the total liability was determined by an actuarial valuation as of June 30, 2024. An OPEB trust has not been established so the total liability is equal to net liability. There are no assets accumulated in a trust that meet the criteria in GASB 75 (paragraph 4) to pay related benefits. The total OPEB liability as of June 30, 2025 reflects a change in the use of discount rates of 3.93% as of June 30, 2024 and 5.20% as of June 30, 2025. There were no other significant changes of actuarial assumptions.

OPEB liability discount rate sensitivity

The following presents the net OPEB liability calculated using the discount rate of 5.20%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Net OPEB liability - PEBP	$ 311,004	$ 286,676	$ 265,645
Net OPEB liability - ECSDEHBP	280,768	251,943	228,226

OPEB liability healthcare cost trend rates sensitivity

The following presents the net OPEB liability calculated using current healthcare cost trend rates, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than current healthcare cost trend rates:

	1% Decrease	Medical Trend	1% Increase
Net OPEB liability - PEBP	$ 264,418	$ 286,676	$ 312,011
Net OPEB liability - ECSDEHBP	240,159	251,943	265,487

Actuarial assumptions

PEBP

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

Inflation rate	2.50%
Salary increases	N/A - no active employee in this plan
Discount rate	3.93% as of June 30, 2024 and 5.20% as of June 30, 2025
Funding method	Entry age normal cost, level percent of pay
Healthcare cost trend rates	All District retirees enrolled in PEBP are covered on the Medicare Exchange. PEBP subsidy increases for Medicare-eligible retirees covered on the Exchange are assumed to increase by 4.5% per year.

The basic mortality rates used in this valuation are based on the most recently published report of the Nevada Public Employees Retirement System, issued September 2021.

Males: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30%
Females: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 15%

These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2022 on a generational basis from 2010 forward (i.e. mortality is projected to improve each year until the payments anticipated in any future year occur).

The discount rate used to measure the total OPEB liability was 3.93% as of June 30, 2024 and 5.20% as of June 30, 2025. The District funds the PEBP OPEB liability on a pay-as-you-go basis. Therefore, the discount rate used in this valuation is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

ECSDEHBP

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

Inflation rate	2.50%
Salary increases	3.00% per year
Discount rate	3.93% as of June 30, 2024 and 5.20% as of June 30, 2025
Funding method	Entry age normal cost, level percent of pay
Healthcare trend	6.5% in 2025, fluctuating down to 3.9% by 2075

The demographic actuarial assumptions used in this valuation are based on the most recently published report of the Nevada Public Employees Retirement System issued September 2021, which covers the employees included in this valuation.

Non-disabled life rates for regular and safety employees:
Males: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30%

Females: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 15%

Pre-retirement life rates for regular and safety employees:
Males and Females: Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table

These rates were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2022 on a generational basis from 2010 forward (i.e. mortality is projected to improve each year until the payments anticipated in any future year occur).

The discount rate used to measure the total OPEB liability was 3.93% as of June 30, 2024 and 5.20% as of June 30, 2025. The District funds the ECSDEHBP OPEB liability on a pay-as-you-go basis. Therefore, the discount rate used in this valuation is based on the Bond Buyer General obligation 20-Bond Municipal Bond Index.

Changes in the net OPEB liability

PEBP

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB (asset) liability (a) - (b)
Balances at June 30, 2025	$ 332,234	$ -	$ 332,234
Changes during the period:			
Service cost	-		-
Interest cost	12,535		12,535
Expected investment income			-
Employer contributions		26,561	(26,561)
Changes of benefit terms	-		-
Benefit payments	(26,561)	(26,561)	-
Assumption changes	(31,532)		(31,532)
Plan experience			-
Investment experience			-
Net changes	(45,558)	-	(45,558)
Balances at June 30, 2026	$ 286,676	$ -	$ 286,676

ECSDEHBP

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB (asset) liability (a) - (b)
Balances at June 30, 2025	$ 279,566	$ -	$ 279,566
Changes during the period:			
Service cost	14,956		14,956
Interest cost	11,256		11,256
Expected investment income			-
Employer contributions		16,207	(16,207)
Changes of benefit terms	-		-
Benefit payments	(16,207)	(16,207)	-
Assumption changes	(37,628)		(37,628)
Plan experience	-		-
Investment experience			-
Net changes	(27,623)	-	(27,623)
Balances at June 30, 2026	$ 251,943	$ -	$ 251,943

Plan fiduciary net position

Detailed information about PEBP's fiduciary net position is available in a separately issued PEBP financial report. ECSDEHBP does not issue a separate financial report.

OPEB expense

For the year ended June 30, 2026, the District recognized OPEB expense for PEBP of ($18,997) and for ECSDEHBP of $716.

Deferred outflows/inflows of resources related to OPEB

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

PEBP

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 26,308	$ -
Total	$ 26,308	$ -

The amount $26,308 reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

ECSDEHBP

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 27,989	$ 106,998
Differences between expected and actual experience	33,787	67,629
Net difference between projected and actual earnings on	-	-
Contributions subsequent to the measurement date	20,384	-
Total	$ 82,160	$ 174,627

The amount $20,384 for ECSDEHBP reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2027	$ (25,496)
2028	(24,624)
2029	(20,976)
2030	(8,644)
2031	(7,153)
Thereafter	(25,958)

Combined balances for OPEB plans

The combined balances for both the PEBP and ECSDEHBP OPEB plans as of and for the year ended June 30, 2026 are as follows:

	PEBP	ECSDEHBP	Combined
Net OPEB liability	$ 286,676	$ 251,943	$ 538,619
Deferred outflows	26,308	82,160	108,468
Deferred inflows	-	174,627	174,627
OPEB expense	(18,997)	716	(18,281)

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks, except for injuries to employees, are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have been minimal in the past three years.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability in the applicable funds. The amounts, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

NOTE 13 – CHANGE WITHIN THE FINANCIAL REPORTING ENTITY

For the fiscal year ended June 30, 2026, the District reports the Capital Projects Fund as a major governmental fund. This fund was previously included within the aggregate nonmajor governmental funds. The change resulted from the fund meeting the quantitative criteria for major fund reporting.

Required Supplementary Information

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - General Fund - Budget and Actual
Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance Favorable
	Original	Final	Final Budget	Actual	(Unfavorable)
Revenues					
Local sources					
Donations	$ -	$ -	$ -	$ 10,000	$ 10,000
Earnings on investments	1,000,000	1,000,000	-	1,739,773	739,773
Miscellaneous	-	-	-	3,217	3,217
Total from local sources	1,000,000	1,000,000	-	1,752,990	752,990
State sources					
State grants	-	-	-	155,029	155,029
Pupil centered funding plan	11,969,922	9,769,122	2,200,800	10,715,783	946,661
Total from state sources	11,969,922	9,769,122	2,200,800	10,870,812	1,101,690
Federal sources					
E-rate funds	-	-	-	-	-
Total from federal sources	-	-	-	-	-
Total revenues	12,969,922	10,769,122	2,200,800	12,623,802	1,854,680
Expenditures					
Regular programs Instruction					
Salaries and wages	3,476,200	3,476,200	-	2,893,372	582,828
Employee benefits	2,069,120	2,037,120	32,000	1,441,928	595,192
Purchased services	282,900	282,900	-	103,621	179,279
Supplies	329,140	329,140	-	199,354	129,786
Property	12,000	12,000	-	-	12,000
Other	100	100	-	-	100
Total regular programs	6,169,460	6,137,460	32,000	4,638,275	1,499,185
Vocational programs Instruction					
Salaries and wages	223,200	223,200	-	202,168	21,032
Employee benefits	133,765	133,765	-	113,828	19,937
Purchased services	64,500	64,500	-	28,718	35,782
Supplies	61,000	61,000	-	32,070	28,930
Property	16,000	16,000	-	11,000	5,000
Other	15,000	15,000	-	11,882	3,118
Total vocational programs	513,465	513,465	-	399,666	113,799

(continued)

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - General Fund - Budget and Actual
Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance Favorable
Expenditures (Continued):	Original	Final	Final Budget	Actual	(Unfavorable)
Co-curricular programs/activities					
Instruction					
Salaries and wages	$ 145,600	$ 145,600	$ -	$ 137,453	$ 8,147
Employee benefits	4,400	4,400	-	6,394	(1,994)
Purchased services	106,000	106,000	-	75,526	30,474
Supplies	92,950	92,950	-	67,739	25,211
Property	30,000	30,000	-	8,450	21,550
Other	3,500	3,500	-	3,480	20
Total co-curricular activities	382,450	382,450	-	299,042	83,408
Athletics Student transportation					
Salaries and wages	26,000	36,000	(10,000)	31,030	4,970
Employee benefits	3,900	3,900	-	1,931	1,969
Supplies	40,000	40,000	-	7,143	32,857
Total athletics	69,900	79,900	(10,000)	40,104	39,796
Total co-curricular programs	452,350	462,350	(10,000)	339,146	123,204
Support services					
Student support					
Salaries and wages	283,600	283,600	-	157,654	125,946
Employee benefits	108,300	108,300	-	116,985	(8,685)
Purchased services	90,000	90,000	-	68,433	21,567
Supplies	24,500	24,500	-	6,826	17,674
Other	500	500	-	179	321
Total student support	506,900	506,900	-	350,077	156,823
Instructional staff support					
Purchased services	500	500	-	-	500
Supplies	27,100	27,100	-	2,514	24,586
Total instructional staff support	27,600	27,600	-	2,514	25,086
General administration					
Salaries and wages	556,000	556,000	-	547,900	8,100
Employee benefits	299,000	299,000	-	266,399	32,601
Purchased services	1,695,900	1,715,900	(20,000)	284,357	1,431,543
Supplies	51,700	51,700	-	30,254	21,446
Other	10,000	10,000	-	4,333	5,667
Total general administration	2,612,600	2,632,600	(20,000)	1,133,243	1,499,357
School administration					
Salaries and wages	475,100	475,100	-	465,897	9,203
Employee benefits	232,100	264,100	(32,000)	242,265	21,835
Purchased services	25,400	25,400	-	3,487	21,913
Supplies	41,250	41,250	-	3,347	37,903
Total school administration	773,850	805,850	(32,000)	714,996	90,854

(continued)

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - General Fund - Budget and Actual
Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance Favorable
Expenditures (Continued):	Original	Final	Final Budget	Actual	(Unfavorable)
Central services					
Salaries and wages	$ 233,550	$ 233,550	$ -	$ 218,106	$ 15,444
Employee benefits	156,500	156,500	-	113,804	42,696
Purchased services	118,000	118,000	-	72,906	45,094
Supplies	263,200	263,200	-	87,239	175,961
Property and equipment	140,000	140,000	-	20,377	119,623
Total central services	911,250	911,250	-	512,432	398,818
Operation and maintenance					
Salaries and wages	601,800	601,800	-	546,369	55,431
Employee benefits	353,800	353,800	-	316,485	37,315
Purchased services	401,100	401,100	-	368,701	32,399
Supplies	583,000	583,000	-	455,300	127,700
Property and equipment	82,000	62,000	20,000	33,439	28,561
Other	3,500	3,500	-	2,633	867
Total operation and maintenance	2,025,200	2,005,200	20,000	1,722,927	282,273
Student transportation					
Salaries and wages	228,200	228,200	-	218,551	9,649
Employee benefits	141,100	141,100	-	113,482	27,618
Purchased services	86,000	86,000	-	50,508	35,492
Supplies	168,300	164,300	4,000	107,799	56,501
Property and equipment	180,000	174,000	6,000	156,060	17,940
Total student transportation	803,600	793,600	10,000	646,400	147,200
Other support services					
Employee benefits	25,000	25,000	-	-	25,000
Total other support services	25,000	25,000	-	-	25,000
Facilities acquisition and construction services					
Purchased services	511,000	511,000	-	425,539	85,461
Property and equipment	1,943,000	1,943,000	-	1,106,654	836,346
Total facilities acquisition and construction services	2,454,000	2,454,000	-	1,532,193	921,807
Total service expenditures	10,140,000	10,162,000	(22,000)	6,614,782	3,547,218
Total expenditures	17,275,275	17,275,275	-	11,991,869	5,283,406
Excess of revenues over/(under) expenditures	(4,305,353)	(6,506,153)	2,200,800	631,933	7,138,086

(continued)

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - General Fund - Budget and Actual
Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance Favorable
	Original	Final	Final Budget	Actual	(Unfavorable)
Other Sources (uses)					
Transfers out	$ (368,221)	$ (2,111,000)	$ 1,742,779	$ (600,000)	$ 1,511,000
Contingency	(500,000)	(500,000)	-	-	500,000
Total other financing sources (uses):	(868,221)	(2,611,000)	1,742,779	(600,000)	2,011,000
Net change in fund balance	(5,173,574)	(9,117,153)	3,943,579	31,933	9,149,086
Fund balance, beginning of year	14,190,208	14,190,208	-	14,190,208	-
Fund balance, end of year	$ 9,016,634	$ 5,073,055	$ 3,943,579	$ 14,222,141	$ 9,149,086

EUREKA COUNTY SCHOOL DISTRICT

Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) Schedule of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2026

	General Fund (Budgetary Basis)	Net Proceeds Mitigation Fund	Revenue Stabilization Fund	General Fund as Reported on Statement of Revenues, Expenditures, and Changes in Fund Balances (GAAP Basis)
Revenues				
Local sources	$ 1,752,990	$ -	$ -	$ 1,752,990
State sources	10,870,812	-	-	10,870,812
Federal sources	-	-	-	-
Total revenues	12,623,802	-	-	12,623,802
Expenditures				
Programs				
Regular	4,638,275	-	-	4,638,275
Vocational	399,666	-	-	399,666
Other instructional	-	-	-	-
Co-curricular	299,042	-	-	299,042
Athletics	40,104	-	-	40,104
Total program expenditures	5,377,087	-	-	5,377,087
Support services				
Student support	350,077	-	-	350,077
Instructional staff support	2,514	-	-	2,514
General administration	1,133,243	-	-	1,133,243
School administration	714,996	-	-	714,996
Central services	512,432	-	-	512,432
Operations and maintenance	1,722,927	-	-	1,722,927
Student transportation	646,400	-	-	646,400
Facility acquisition and construction services	1,532,193	-	-	1,532,193
Total service expenditures	6,614,782	-	-	6,614,782
Total expenditures	11,991,869	-	-	11,991,869
Excess revenues over (under) expenditures	631,933	-	-	631,933
Other financing sources (uses)				
Transfers out	(600,000)	-	-	(600,000)
Total other financing sources and uses	(600,000)	-	-	(600,000)
Net change in fund balances	31,933	-	-	31,933
Fund balances - beginning of year	14,190,208	31,000,000	1,000,000	46,190,208
Fund balances - end of year	$ 14,222,141	$ 31,000,000	$ 1,000,000	$ 46,222,141

EUREKA COUNTY SCHOOL DISTRICT

Schedule of the Proportionate Share of the Net Pension Liability Public Employees' Retirement System of Nevada

June 30, 2026

Reporting fiscal year (measurement date) June 30,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered	Plan fiduciary net position as a percentage of the total pension liability
2017 (2016)	0.06593%	$ 8,872,791	$ 4,014,039	221.04%	72.23%
2018 (2017)	0.06668%	8,868,536	4,263,196	208.03%	74.42%
2019 (2018)	0.06664%	9,088,632	4,425,175	205.38%	75.24%
2020 (2019)	0.06789%	9,257,324	4,668,643	198.29%	75.20%
2021 (2020)	0.06622%	9,223,658	4,732,903	194.88%	76.50%
2022 (2021)	0.06503%	5,930,001	4,653,770	127.42%	86.50%
2023 (2022)	0.06883%	12,427,141	5,097,751	243.78%	75.10%
2024 (2023)	0.06471%	11,810,838	5,035,803	234.54%	76.20%
2025 (2024)	0.06341%	11,457,238	5,482,654	208.97%	78.10%
2026 (2025)	0.05576%	9,582,717	5,519,532	173.61%	80.50%

EUREKA COUNTY SCHOOL DISTRICT

Schedule of Contributions Public Employees' Retirement System of Nevada

June 30, 2026

Reporting fiscal year June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2017	$ 593,771	$ (593,771)	$ -	$ 4,263,196	13.93%
2018	618,622	(618,622)	-	4,425,175	13.98%
2019	653,537	(653,537)	-	4,668,643	14.00%
2020	690,119	(690,119)	-	4,732,903	14.58%
2021	680,614	(680,614)	-	4,653,770	14.63%
2022	757,120	(757,120)	-	5,097,751	14.85%
2023	749,076	(749,076)	-	5,035,803	14.88%
2024	911,888	(911,888)	-	5,482,654	16.63%
2025	924,521	(924,521)	-	5,519,532	16.75%
2026	1,025,986	(1,025,986)	-	5,618,297	18.26%

All contributions shown reflect employer-paid contributions only. Member contributions are excluded. All values are restated due to GASB No. 82, which classifies contributions as member contributions for the purposes of GASB No. 68 if they are made by an employer to satisfy what are actually deemed to be member contribution requirements.

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Changes in Net OPEB Liability and Related Ratios - PEBP
Last 10 Fiscal Years

	Reporting Fiscal Year (Measurement Date)								
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**
Total OPEB liability									
Service cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest cost	12,535	16,296	17,035	14,189	17,170	20,303	21,925	25,122	23,377
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Benefit payments	(26,561)	(28,944)	(45,793)	(50,537)	(43,587)	(43,127)	(48,575)	(48,273)	(47,244)
Assumption changes	(31,532)	5,759	(1,585)	(119,983)	35,306	5,849	15,894	32,587	(45,279)
Plan experience	-	(69,931)	-	(80,433)	-	(65,035)	-	(76,144)	-
Net change in total OPEB liability	(45,558)	(76,820)	(30,343)	(236,764)	8,889	(82,010)	(10,756)	(66,708)	(69,146)
Total OPEB liability - beginning	332,234	409,054	439,397	676,161	667,272	749,282	760,038	826,746	895,892
Total OPEB liability - ending (a)	$ 286,676	$ 332,234	$ 409,054	$ 439,397	$ 676,161	$ 667,272	$ 749,282	$ 760,038	$ 826,746
Plan fiduciary net position									
Employer contributions	$ 26,561	$ 28,944	$ 45,793	$ 50,537	$ 43,587	$ 43,127	$ 48,575	$ 48,273	$ 47,244
Benefit payments	(26,561)	(28,944)	(45,793)	(50,537)	(43,587)	(43,127)	(48,575)	(48,273)	(47,244)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning									
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability - ending (a) - (b)	$ 286,676	$ 332,234	$ 409,054	$ 439,397	$ 676,161	$ 667,272	$ 749,282	$ 760,038	$ 826,746
Covered payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability as a percentage of covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

GASB Statement No. 75 requires 10 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 available.

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Changes in Net OPEB Liability and Related Ratios - ECSDEHBP
Last 10 Fiscal Years

	Reporting Fiscal Year (Measurement Date)								
	2026 (2025)	**2025 (2024)**	**2024 (2023)**	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**
Total OPEB liability									
Service cost	$ 14,956	$ 10,616	$ 10,381	$ 21,834	$ 19,460	$ 22,327	$ 20,789	$ 34,081	$ 35,318
Interest cost	11,256	12,273	12,064	7,075	7,856	8,259	7,835	12,449	10,091
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Benefit payments	(16,207)	(16,711)	(21,910)	(17,262)	(13,363)	(3,608)	(1,179)	(3,423)	(8,795)
Assumption changes	(37,628)	23,113	(1,153)	(83,604)	14,819	(7,444)	5,320	(63,596)	(16,871)
Plan experience	-	(44,633)	-	56,163	-	(12,478)	-	(102,138)	-
Net change in total OPEB liability	(27,623)	(15,342)	(618)	(15,794)	28,772	7,056	32,765	(122,627)	19,743
Total OPEB liability - beginning	279,566	294,908	295,526	311,320	282,548	275,492	242,727	365,354	345,611
Total OPEB liability - ending (a)	$ 251,943	$ 279,566	$ 294,908	$ 295,526	$ 311,320	$ 282,548	$ 275,492	$ 242,727	$ 365,354
Plan fiduciary net position									
Employer contributions	$ 16,207	$ 16,711	$ 21,910	$ 17,262	$ 13,363	$ 3,608	$ 1,179	$ 3,423	$ 8,795
Benefit payments	(16,207)	(16,711)	(21,910)	(17,262)	(13,363)	(3,608)	(1,179)	(3,423)	(8,795)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability - ending (a) - (b)	$ 251,943	$ 279,566	$ 294,908	$ 295,526	$ 311,320	$ 282,548	$ 275,492	$ 242,727	$ 365,354
Covered-employee payroll	$ 5,559,195	$ 6,549,927	$ 5,381,575	$ 5,206,905	$ 5,546,277	$ 4,706,498	$ 4,665,340	$ 4,599,429	$ 4,585,923
Net OPEB liability as a percentage of covered payroll	4.53%	4.27%	5.48%	5.68%	5.61%	6.00%	5.91%	5.28%	7.97%

GASB Statement No. 75 requires 10 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 available.

NOTE 1 – PENSION INFORMATION

The Schedule of the Proportionate Share of the Net Pension Liability presents information for the District's proportionate share of the Public Employees' Retirement System of Nevada net pension liability. Amounts are reported using the measurement date applicable to each reporting fiscal year. The Schedule of Contributions presents the District's required contributions, contributions made in relation to the requirement, covered payroll, and contributions as a percentage of covered payroll.

Changes in the District's proportionate share of the net pension liability, related ratios, and contribution percentages reflect changes in the District's proportion of system-wide contributions, actuarial experience, assumptions, investment experience, covered payroll, and statutory contribution rates. Additional information is provided in Note 9 to the financial statements.

NOTE 2 – OPEB INFORMATION

The schedules of changes in the net OPEB liability and related ratios present information for the Public Employees' Benefits Program and the Eureka County School District Employee Health Benefits Plan. The District finances benefits on a pay-as-you-go basis; therefore, no assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

Changes in the net OPEB liabilities and related ratios result from service cost, interest cost, benefit payments, changes in assumptions, and plan experience. The 2026 schedules reflect changes in discount rates and actuarial experience described in Note 10 to the financial statements. The schedules are intended to accumulate ten years of information; information is presented for the years available since implementation of GASB Statement No. 75.

NOTE 3 - RECONCILIATION OF THE GENERAL FUND

The Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external reporting purposes.

Budget to actual comparisons are presented for all funds of the District, except for Fiduciary funds, as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted, and approved by the State of Nevada Department of Taxation. However, guidance provided in governmental accounting standards specifies that two of these internally reported funds of Eureka County School District do not meet the definition of special revenue funds and do not qualify to be separately presented for external reporting purposes.

These internally reported funds of the District (Net Proceeds Mitigation Fund and Revenue Stabilization Fund) are combined with the General Fund for external reporting purposes.

NOTE 4 – SIGNIFICANT BUDGET VARIATIONS

The District's General Fund budgetary comparison schedule presents separate variances between the original and final budget and between the final budget and actual results. The following explanations address the significant variations reported for the year ended June 30, 2026.

Original Budget to Final Budget

The final General Fund revenue budget decreased by $2,200,800, from $12,969,922 to $10,769,122. The decrease was attributable to a reduction in budgeted Pupil-Centered Funding Plan revenue from $11,969,922 to $9,769,122. The reduction in budgeted Pupil-Centered Funding Plan revenue reflected updated enrollment projections and revised state funding estimates received after adoption of the original budget. As additional information became available regarding projected enrollment counts and funding calculations, the District adjusted its revenue expectations to align more closely with anticipated state allocations.

The final expenditure budget in total did not change; however, changes within the expenditure budget included:

- a $32,000 decrease in regular program expenditures;
- a $10,000 increase in co-curricular and athletic program expenditures;
- a $20,000 increase in general administration expenditures;
- a $32,000 increase in school administration expenditures;
- a $20,000 decrease in operations and maintenance expenditures; and
- a $10,000 decrease in student transportation expenditures.

These amendments reflected management's reallocation of budgeted resources among functional categories based on operational needs identified during the fiscal year. Adjustments were primarily related to staffing costs, employee benefit allocations, program requirements, and anticipated transportation and administrative expenditures.

Budgeted transfers out increased from $368,221 to $2,111,000, an increase of $1,742,779. The amended budget also retained a $500,000 contingency. The increase in budgeted transfers was attributable to the District's planned funding of capital improvement projects and anticipated support for Special Education programs. Budgeted transfers were included to provide flexibility for facility-related projects and to supplement special education expenditures if needed during the fiscal year.

As a result of the revised revenue, expenditure, and transfer estimates, the budgeted decrease in General Fund balance increased from $5,173,574 in the original budget to $9,117,153 in the final budget.

Final Budget to Actual Results

Actual General Fund revenues exceeded the final budget by $1,854,680. The principal favorable revenue variances were:

- Local-source revenues exceeded budget by $752,990, primarily because actual investment earnings were $1,739,773 compared with $1,000,000 included in the final budget.
- State-source revenues exceeded budget by $1,101,690, as actual Pupil-Centered Funding Plan revenue totaled $10,870,812 compared with the final budget of $9,769,122.

Actual General Fund expenditures were $5,283,406 below the final budget. Significant favorable expenditure variances included:

- Regular programs: $1,499,185;
- General administration: $1,499,357;
- Facilities acquisition and construction services: $921,807;
- Central services: $398,818;
- Operations and maintenance: $282,273;

- Student support: $156,823;
- Student transportation: $147,200;
- Co-curricular and athletic programs: $123,204.

The favorable expenditure variances resulted from a combination of personnel vacancies, lower-than-anticipated employee benefit costs, deferred purchases, and capital projects that were completed at costs below budget or were not fully completed during the fiscal year. In addition, several departments operated below budgeted spending levels as actual program and operational needs were less than anticipated.

Actual transfers out were $600,000, compared with the final budget of $2,111,000, resulting in a favorable variance of $1,511,000. The District transferred $400,000 to the Capital Projects Fund and $200,000 to the Special Education Fund. The remaining budgeted transfers were not made because actual operating results exceeded expectations and the additional transfers ultimately were not necessary to support planned operations, capital projects, or special education activities. District management determined that available fund balances and current-year resources were sufficient to meet expenditure requirements without utilizing the full amount of budgeted transfers.

The District did not use the $500,000 budgeted contingency, resulting in an additional favorable variance of $500,000. Total other financing uses were therefore $2,011,000 less than the final budget. Collectively, actual revenues exceeding budget, expenditures below budget, and transfers below budget resulted in an actual increase in fund balance of $31,933, compared with the final budgeted decrease of $9,117,153. The ending General Fund balance on the budgetary basis was $14,222,141, which was $9,149,086 greater than the final budgeted ending balance of $5,073,055.

Supplementary Information

EUREKA COUNTY SCHOOL DISTRICT

Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) Combining Balance Sheet

June 30, 2026

	General Fund (Budgetary Basis)	Net Proceeds Mitigation Fund	Revenue Stabilization Fund	General Fund as Reported on Governmental Balance Sheet (GAAP Basis)
Assets				
Cash and investments	$ 15,151,759	$ 31,000,000	$ 1,000,000	$ 47,151,759
Receivables	2,697			2,697
Total assets	$ 15,154,456	$ 31,000,000	$ 1,000,000	$ 47,154,456
Liabilities				
Accounts payable	$ 101,609	$ -	$ -	$ 101,609
Accrued liabilities	792,617	-	-	792,617
Due to other governments	38,089	-	-	38,089
Total liabilities	932,315	-	-	932,315
Fund Balance				
Restricted for:				
School district mitigation per NRS 362.171	-	31,000,000	-	31,000,000
Revenue stabilization per NRS 354.6115	-	-	1,000,000	1,000,000
Committed for:				
Capital projects	-	-	-	-
Estimated commitments in progress	-	-	-	-
Salary and benefit agreements	-	-	-	-
Assigned to:				
Subsequent year operations	4,524,988	-	-	4,524,988
Unassigned	9,697,153	-	-	9,697,153
Total fund balances	14,222,141	31,000,000	1,000,000	46,222,141
Total liabilities, deferred inflows of resources, and fund balances	$ 15,154,456	$ 31,000,000	$ 1,000,000	$ 47,154,456

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Capital Projects Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Local sources	$ -	$ -	$ -
Expenditures			
Facility acquisition and construction services			
Purchased services	-	-	-
Property	-	-	-
Total facility acquisition and construction	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers in	1,000,000	400,000	(600,000)
Total other financing sources and uses	1,000,000	400,000	(600,000)
Net change in fund balance	1,000,000	400,000	(600,000)
Fund balance, beginning of year	5,673,810	5,673,810	-
Fund balance, end of year	$ 6,673,810	$ 6,073,810	$ (600,000)

EUREKA COUNTY SCHOOL DISTRICT
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2026

	Special Revenue Funds					Total Nonmajor Special Revenue	Capital Projects Fund	Total Nonmajor Governmental Funds
	English Learners	At-Risk	Special Education	Federal Grants	Food Services		Building and Sites	
Assets								
Cash and investments	$ -	$ -	$ 1,700,195	$ 30,274	$ 265,500	$ 1,995,969	$ 2,721,659	$ 4,717,628
Accounts receivable	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	90,501	-	90,501	-	90,501
Total assets	$ -	$ -	$ 1,700,195	$ 120,775	$ 265,500	$ 2,086,470	$ 2,721,659	$ 4,808,129
Liabilities								
Accounts payable	$ -	$ -	$ 14,439	$ 4,448	$ -	$ 18,887	$ 3,281	$ 22,168
Accrued liabilities	-	-	81,782	642	31	82,455	-	82,455
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	10	-	-	10	-	10
Total liabilities	-	-	96,231	5,090	31	101,352	3,281	104,633
Fund Balance								
Restricted								
Capital projects per NRS 387.177	-	-	-	-	-	-	2,718,378	2,718,378
Food service	-	-	-	-	265,469	265,469	-	265,469
Assigned						-		
Special education	-	-	1,603,964	-	-	1,603,964	-	1,603,964
Other purposes	-	-	-	115,685	-	115,685	-	115,685
Total fund balances	-	-	1,603,964	115,685	265,469	1,985,118	2,718,378	4,703,496
Total liabilities and fund balances	$ -	$ -	$ 1,700,195	$ 120,775	$ 265,500	$ 2,086,470	$ 2,721,659	$ 4,808,129

EUREKA COUNTY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2026

	Special Revenue Funds					Total Nonmajor	Capital Projects Fund		Total Nonmajor
	English Learners	At-Risk	Special Education	Federal Grants	Food Services	Special Revenue	Building and Sites	Capital Projects	Governmental Funds
Revenues									
Local sources	$ -	$ -	$ -	$ -	$ 4,339	$ 4,339	$ 56,665	$ -	$ 61,004
State sources	10,213	1,198	511,076	-	399,223	921,710	-	-	921,710
Federal sources	-	-	-	625,018	-	625,018	-	-	625,018
Total revenues	10,213	1,198	511,076	625,018	403,562	1,551,067	56,665	-	1,607,732
Expenditures									
Regular programs	10,213	1,198	-	38,288	-	49,699	-	-	49,699
Special programs	-	-	768,119	448,283	-	1,216,402	-	-	1,216,402
Undistributed expenditures									
General administration	-	-	-	12,512	-	12,512	-	-	12,512
School administration	-	-	-	5,060	-	5,060	-	-	5,060
Central services	-	-	-	4,888	-	4,888	-	-	4,888
Operations and maintenance	-	-	-	-	-	-	62,925	-	62,925
Student transportation	-	-	-	302	-	302	-	-	302
Food services	-	-	-	-	335,473	335,473	-	-	335,473
Total expenditures	10,213	1,198	768,119	509,333	335,473	1,624,336	62,925	-	1,687,261
Excess of revenues over (under) expenditures	-	-	(257,043)	115,685	68,089	(73,269)	(6,260)	-	(79,529)
Other financing sources (uses):									
Transfers in	-	-	200,000	-	-	200,000	-	-	200,000
Total other financing sources (uses)	-	-	200,000	-	-	200,000	-	-	200,000
Net change in fund balances	-	-	(57,043)	115,685	68,089	126,731	(6,260)	-	120,471
Fund balance, beginning of year	-	-	1,661,007	-	197,380	1,858,387	2,724,638	5,673,810	10,256,835
Adjustment - changes from nonmajor fund to major fund	-	-	-	-	-	-	-	(5,673,810)	(5,673,810)
Fund balance, beginning of year, as adjusted	-	-	1,661,007	-	197,380	1,858,387	2,724,638	-	4,583,025
Fund balance, end of year	$ -	$ -	$ 1,603,964	$ 115,685	$ 265,469	$ 1,985,118	$ 2,718,378	$ -	$ 4,703,496

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - English Learners Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
State sources			
State grants	$ -	$ 10,213	$ 10,213
Total revenues	-	10,213	10,213
Expenditures			
Regular programs Instruction			
Salaries and wages	-	10,213	(10,213)
Purchased services	16,972	-	16,972
Total expenditures	16,972	10,213	6,759
Excess of revenues over (under) expenditures	(16,972)	-	16,972
Other Financing Sources (Uses)			
Transfers in	16,972	-	(16,972)
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

EUREKA COUNTY SCHOOL DISTRICT

Schedule of Revenues, Expenditures and Changes in Fund Balance - At-Risk Fund - Budget and Actual

For the Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
State sources			
State grants	$ -	$ 1,198	$ 1,198
Total revenues	-	1,198	1,198
Expenditures			
Regular programs Instruction			
Purchased services	3,300	1,198	2,102
Total expenditures	3,300	1,198	2,102
Excess of revenues over (under) expenditures	(3,300)	-	3,300
Other financing sources (uses)			
Transfers in	3,300	-	(3,300)
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Special Education Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
State sources			
State grants	$ 351,600	$ 511,076	$ 159,476
Expenditures			
Special programs			
Instruction			
Salaries and wages	837,000	487,755	349,245
Employee benefits	475,400	243,213	232,187
Purchased services	160,350	23,014	137,336
Supplies	17,100	8,469	8,631
Property	6,000	5,668	332
Other	40,000	-	40,000
Total instruction	1,535,850	768,119	767,731
Total special programs	1,535,850	768,119	767,731
Total expenditures	1,535,850	768,119	767,731
Excess of revenues over (under) expenditures	(1,184,250)	(257,043)	927,207
Other Financing Sources (Uses)			
Transfers in	-	200,000	200,000
Net change in fund balance	(1,184,250)	(57,043)	1,127,207
Fund balance, beginning of year	1,661,007	1,661,007	-
Fund balance, end of year	$ 476,757	$ 1,603,964	$ 1,127,207

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Federal Grants Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Federal sources			
Federal grants	$ 514,995	$ 625,018	$ 110,023
Total revenues	514,995	625,018	110,023
Expenditures			
Regular programs			
Instruction			
Purchased services	45,851	37,177	8,674
Supplies	1,111	1,111	-
Total regular programs	46,962	38,288	8,674
Special programs			
Instruction			
Salaries and wages	174,063	174,063	-
Employee benefits	100,563	100,563	-
Purchased services	152,152	152,152	-
Property and equipment	21,505	21,505	-
Total special programs	448,283	448,283	-
Undistributed expenditures			
Support services - general administration support			
Purchased services	13,000	12,512	488
Total general administration support	13,000	12,512	488
Support services - school administration support			
Purchased services	3,476	5,060	(1,584)
Total school administration support	3,476	5,060	(1,584)
Central services			
Purchased services	2,972	4,888	(1,916)
Total central services	2,972	4,888	(1,916)
Student transportation			
Purchased services	302	302	-
Total student transportation	302	302	-
Total undistributed expenditures	19,750	22,762	(3,012)
Total expenditures	514,995	509,333	5,662
Net change in fund balance	-	115,685	115,685
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ 115,685	$ 115,685

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Food Service Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Local sources			
Hot lunch ticket sales	$ 6,000	$ 4,339	$ (1,661)
State sources			
State grants	-	399,223	399,223
Total revenues	6,000	403,562	397,562
Expenditures			
Noninstructional services			
Food services			
Salaries and wages	132,300	133,165	(865)
Employee benefits	57,200	52,934	4,266
Purchased services	10,000	815	9,185
Supplies	222,500	132,230	90,270
Property and equipment	25,000	16,329	8,671
Other	2,000	-	2,000
Total food services	449,000	335,473	113,527
Total expenditures	449,000	335,473	113,527
Excess of revenues over (under) expenditures	(443,000)	68,089	511,089
Other Financing Sources (Uses)			
Transfers in	347,949	-	(347,949)
Net change in fund balance	(95,051)	68,089	163,140
Fund balance, beginning of year	197,380	197,380	-
Fund balance, end of year	$ 102,329	$ 265,469	$ 163,140

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Building and Sites Fund - Capital Project Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Local sources			
Rent	$ 75,000	$ 56,665	$ (18,335)
Expenditures			
Operation and maintenance			
Purchased services	50,000	48,007	1,993
Supplies	25,000	14,918	10,082
Total operation and maintenance	75,000	62,925	12,075
Total expenditures	75,000	62,925	12,075
Excess of revenues over (under) expenditures	-	(6,260)	(6,260)
Other Financing Sources (Uses)			
Transfers in	600,000	-	(600,000)
Net change in fund balance	600,000	(6,260)	(606,260)
Fund balance, beginning of year	2,724,638	2,724,638	-
Fund balance, end of year	$ 3,324,638	$ 2,718,378	$ (606,260)

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Net Proceeds Mitigation Fund · Special Revenue Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Fund balance, beginning of year	$ 31,000,000	$ 31,000,000	$ -
Fund balance, end of year	$ 31,000,000	$ 31,000,000	$ -

EUREKA COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Revenue Stabilization Fund - Budget and Actual
Year Ended June 30, 2026

	Final Budget	Actual	Variance Favorable (Unfavorable)
Fund balance, beginning of year	$ 1,000,000	$ 1,000,000	$ -
Fund balance, end of year	$ 1,000,000	$ 1,000,000	$ -

EUREKA COUNTY SCHOOL DISTRICT
Statement of Fiduciary Net Position - Fiduciary Funds - Student Activities
June 30, 2026

	Custodial Funds			
	Eureka County High School	Eureka County Elementary School	Crescent Valley Elementary School	Total
Assets				
Cash and investments	$ 164,114	$ 7,066	$ 4,370	$ 175,550
Total assets	164,114	7,066	4,370	175,550
Liabilities				
Total liabilities	-	-	-	-
Net position				
Restricted for:				
Student groups	164,114	7,066	4,370	175,550
Total net position	$ 164,114	$ 7,066	$ 4,370	$ 175,550

EUREKA COUNTY SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position - Fiduciary Funds - Student Activities
Year Ended June 30, 2026

	Custodial Funds			
	Eureka County High School	Eureka County Elementary School	Crescent Valley Elementary School	Total
Additions				
Student activities	$ 123,888	$ 3,024	$ 1,191	$ 128,103
Total additions	123,888	3,024	1,191	128,103
Deductions				
Student activities	99,129	3,095	1,142	103,366
Total deductions	99,129	3,095	1,142	103,366
Net increase (decrease) in fiduciary net position	24,759	(71)	49	24,737
Net position - beginning	139,355	7,137	4,321	150,813
Net position - ending	$ 164,114	$ 7,066	$ 4,370	$ 175,550

Compliance Section

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*

Board of Trustees
Eureka County School District
Eureka, Nevada

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Eureka County School District, State of Nevada, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Eureka County School District's basic financial statements and have issued our report thereon dated October 27, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Eureka County School 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 Eureka County School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Eureka County School 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Eureka County School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements, including whether the funds established by the District, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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.



St. George, Utah
October 27, 2026