NEW ISSUE **RATINGS: S&P: "AA-"**
BOOK-ENTRY ONLY **Moody's: "A1"**
See "RATINGS"

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2016A Bonds, the 2016B Bonds and the 2016C Bonds (together, the "2016 Bonds") is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2016 Bonds (the "Tax Code"), and interest on the 2016 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See "TAX MATTERS--Federal Tax Matters."

$186,035,000
Clark County School District, Nevada
General Obligation (Limited Tax)
Refunding Bonds
Series 2016A

$90,775,000
Clark County School District Nevada
General Obligation (Limited Tax) Refunding Bonds
(Additionally Secured by Pledged Revenues)
Series 2016B

$33,470,000
Clark County School District Nevada
General Obligation (Limited Tax)
Medium-Term Bonds
Series 2016C

Dated: Date of Delivery **Due: June 15, as shown herein**

The 2016 Bonds are issued as fully registered bonds in denominations of $5,000, or any integral multiples thereof. The 2016 Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the 2016 Bonds. Purchases of the 2016 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2016 Bonds. See "THE 2016 BONDS--Book-Entry Only System." The 2016 Bonds bear interest at the rates set forth herein, payable semiannually on June 15 and December 15 of each year, commencing December 15, 2016, to and including the maturity dates shown herein (unless the 2016 Bonds are redeemed earlier), to the registered owners of the 2016 Bonds (initially Cede & Co.). The principal of the 2016 Bonds will be payable upon presentation and surrender at the principal operations office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or its successor as the paying agent for the 2016 Bonds. See "THE 2016 BONDS."

The maturity schedule for each series of the 2016 Bonds appears on the inside cover page of this Official Statement.

The 2016B Bonds are subject to redemption prior to maturity at the option of the District as described in "THE 2016 BONDS—Prior Redemption." The 2016A Bonds and the 2016C Bonds are subject to mandatory sinking fund redemption as described in "THE 2016 BONDS—Prior Redemption."

Proceeds of the 2016A Bonds will be used to: (i) refund certain outstanding general obligation bonds of the District, as more particularly described herein; and (ii) pay the costs of issuing the 2016A Bonds. Proceeds of the 2016B Bonds will be used to: (i) refund certain outstanding general obligation bonds of the District, as more particularly described herein; and (ii) pay the costs of issuing the 2016B Bonds. Proceeds of the 2016C Bonds will be used to (i) finance the acquisition of transportation and technology equipment and (ii) pay the costs of issuing the 2016C Bonds. See "SOURCES AND USES OF FUNDS."

The 2016A Bonds and the 2016B Bonds constitute direct and general obligations of the District. The full faith and credit of the District is pledged for the payment of principal and interest on the 2016A Bonds and the 2016B Bonds, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS." The 2016B Bonds are additionally secured by a lien on the Pledged Revenues (defined herein) as more fully described herein; the lien of the 2016B Bonds on the Pledged Revenues has the priority described herein. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Security for the 2016B Bonds." *The Pledged Revenues are* ***not*** *pledged to the payment of the 2016A Bonds.*

The 2016C Bonds constitute direct and general obligations of the District. The principal of and interest on the 2016C Bonds will be payable from all funds of the District legally available for the purpose of making such payment, and provisions of such payment will be made as provided in the Project Act (defined herein). The full faith and credit of the District is pledged for the payment of principal and interest on the 2016C Bonds, subject to the limitations on the District's operating levies and on the aggregate amount of ad valorem taxes imposed by the constitution and laws of the State. See "SECURITY FOR THE 2016C BONDS."

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

The 2016 Bonds are offered when, as, and if issued by the District, subject to the approval of legality of the 2016 Bonds by Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel, and the satisfaction of certain other conditions. Sherman & Howard L.L.C., also has acted as special counsel to the District in connection with preparation of this Official Statement. Certain legal matters will be passed upon for the District by its General Counsel. Zions Public Finance, Las Vegas, Nevada, is acting as Financial Advisor to the District. It is expected that the 2016 Bonds will be available for delivery through the facilities of DTC, on or about June 16, 2016.

Official Statement dated May 19, 2016.

MATURITY SCHEDULES
(CUSIP© 6-digit issuer number: 181059)

$186,035,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS
SERIES 2016A

Maturing (June 15)	Principal Amount	Interest Rate	Yield*	CUSIP© Issue Number
2021	$23,350,000	5.000%	1.220%	UJ3
2022	20,045,000	5.000	1.390	UK0
2023	54,445,000	5.000	1.550	UL8
2024	57,030,000	5.000	1.720	UM6
2025	31,165,000	5.000	1.900	UN4

* Provided by J.P. Morgan Securities LLC, the initial purchaser of the 2016A Bonds. See "UNDERWRITING."

$90,775,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2016B

Maturing (June 15)	Principal Amount	Interest Rate	Yield*	CUSIP© Issue Number
2017	$100,000	3.000%	0.700%	UP9
2022	5,900,000	5.000	1.360	UU8
2023	22,560,000	5.000	1.500	UV6
2024	14,560,000	5.000	1.660	UW4
2025	15,205,000	5.000	1.820	UX2
2026	15,875,000	5.000	1.970	UY0
2027	16,575,000	5.000	2.100**	UZ7

* Provided by Citigroup Global Markets Inc., the initial purchaser of the 2016B Bonds. See "UNDERWRITING."
** Priced to the earliest optional redemption date of December 15, 2026.

$33,470,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) MEDIUM-TERM BONDS
SERIES 2016C

Maturing (June 15)	Principal Amount	Interest Rate	Yield*	CUSIP© Issue Number	Maturing (June 15)	Principal Amount	Interest Rate	Yield*	CUSIP© Issue Number
2017	$2,735,000	3.000%	0.700%	VA1	2022	$3,385,000	5.000%	1.360%	VF0
2018	2,810,000	4.000	0.800	VB9	2023	3,555,000	5.000	1.500	VG8
2019	2,925,000	5.000	0.950	VC7	2024	3,730,000	5.000	1.660	VH6
2020	3,070,000	5.000	1.090	VD5	2025	3,920,000	5.000	1.820	VJ2
2021	3,225,000	5.000	1.240	VE3	2026	4,115,000	5.000	1.970	VK9

* Provided by Citigroup Global Markets Inc., the initial purchaser of the 2015C Bonds. See "UNDERWRITING."

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USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, the inside cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the 2016 Bonds (defined herein) in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the 2016 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by District. The District maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2016 Bonds.

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

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2016 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the District, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the 2016 Bonds and may not be reproduced or used in whole or in part for any other purpose.

The 2016 Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. The 2016 Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE 2016 BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASERS (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE INITIAL PURCHASERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2016 BONDS, THE INITIAL PURCHASERS MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2016 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CLARK COUNTY SCHOOL DISTRICT, NEVADA

<u>Board of Trustees</u>

Linda E. Young, President
Chris Garvey, Vice President
Patrice Tew, Clerk
Kevin L. Child, Board Member
Erin E. Cranor, Board Member
Carolyn Edwards, Board Member
Deanna L. Wright, Board Member

<u>District Officials</u>

Pat Skorkowsky, Superintendent
Kimberly Wooden, Deputy Superintendent
James McIntosh, Chief Financial Officer
Michael Barton, Chief Student Achievement Officer
Michael Gentry, Co-interim Chief Human Resources Officer
Andre Long, Co-interim Chief Human Resources Officer
Edward Goldman, Associate Superintendent, Employee - Management Relations
Jeremy Hauser, Associate Superintendent, Operational Services Division
Carlos McDade, General Counsel

FINANCIAL ADVISOR

Zions Public Finance
Las Vegas, Nevada

BOND AND SPECIAL COUNSEL

Sherman & Howard L.L.C.
Las Vegas, Nevada

REGISTRAR, PAYING AGENT AND ESCROW BANK

The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

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NOTE: Tables marked with an (*) indicate Annual Financial Information to be updated pursuant to SEC Rule 15c2-12, as amended. See Appendix D - Form of Continuing Disclosure Certificate.

OFFICIAL STATEMENT

$186,035,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS
SERIES 2016A

$90,775,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2016B

$33,470,000
CLARK COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX) MEDIUM-TERM BONDS
SERIES 2016C

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and the appendices, is furnished by the Clark County School District, Nevada (the "District" and the "State," respectively), to provide information about the District and its $186,035,000 General Obligation (Limited Tax) Refunding Bonds, Series 2016A (the "2016A Bonds") and its $90,775,000 General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B (the "2016B Bonds") and its $33,470,000 General Obligation (Limited Tax) Medium-Term Bonds, Series 2016C (the "2016C Bonds" and together with the 2016A Bonds and the 2016B Bonds, the "2016 Bonds"). The 2016 Bonds will be issued pursuant to separate bond resolutions adopted by the Board of Trustees of the District (the "Board") on May 12, 2016. The Board resolution which approved the 2016A Bonds is referred to herein as the "2016A Bond Resolution," the Board resolution which approved the 2016B Bonds is referred to herein as the "2016B Bond Resolution and the Board resolution which approved the 2016C Bonds is referred to herein as the "2016C Bond Resolution." The 2016A Bond Resolution, the 2016B Bond Resolution and the 2016C Bond Resolution are referred to collectively as the "2016 Bond Resolutions."

The offering of the 2016 Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the 2016 Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this "INTRODUCTION" without the entire Official Statement, including the cover page, the inside cover page, and the appendices, is unauthorized.

The Issuer

The District is a political subdivision of the State organized pursuant to Nevada Revised Statutes ("NRS") Chapter 386. The District's boundaries are coterminous with those of Clark County, Nevada (the "County"). The District covers an area of approximately 8,012 square miles in the southern portion of the State. The District serves the unincorporated areas of the County and the following incorporated municipalities located within the District: Las Vegas, North Las Vegas, Henderson, Boulder City and Mesquite. See "CLARK COUNTY SCHOOL DISTRICT."

Authority for Issuance

The 2016 Bonds are issued pursuant to the constitution and laws of the State, including: the Local Government Securities Law, Nevada Revised Statutes ("NRS") 350.500 through 350.720, as amended (the "Bond Act"); chapter 348 of NRS (the "Supplemental Bond Act"); NRS 350.105 through 350.195 (the "Bond Sale Act") and the respective 2016 Bond Resolutions. The 2016B Bonds and the 2016C Bonds also are issued pursuant to NRS 350.087 through 350.095 (the "Project Act").

Purpose

2016A Bonds. Proceeds of the 2016A Bonds will be used to (i) refund a portion of the District's 2006B Bonds, 2007C Bonds and 2008A Bonds (the "2016A Refunding Project"); and (ii) pay the costs of issuing the 2016A Bonds. See "SOURCES AND USES OF FUNDS."

2016B Bonds. Proceeds of the 2016B Bonds will be used to (i) refund a portion of the District's 2006C Bonds and 2007B Bonds (the "2016B Refunding Project"); and (iii) pay the costs of issuing the 2016B Bonds. See "SOURCES AND USES OF FUNDS."

2016C Bonds. Proceeds of the 2016C Bonds will be used to: (i) finance the acquisition of transportation and technology equipment (the "2016C Project"); and (ii) pay the costs of issuing the 2016C Bonds. See "SOURCES AND USES OF FUNDS."

Security for the Bonds

2016A Bonds and 2016B Bonds.

General Obligations. The 2016A Bonds and the 2016B Bonds constitute direct and general obligations of the District. The full faith and credit of the District is pledged for the payment of principal and interest and any premium in connection with a mandatory redemption of the 2016A Bonds and 2016B Bonds (the "Bond Requirements"), subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes and further subject to statutory limitations on the amount of premium that may be paid. Generally, the combined overlapping tax rate is limited by statute to \$3.64 per \$100 of assessed valuation. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--General Obligations." Pursuant to State law, taxes levied for the payment of bonded indebtedness, including the 2016A Bonds and 2016B Bonds, enjoy a priority over taxes levied by each overlapping taxing unit for all other purposes where reduction is necessary in order to comply with the statutory limitations described in "PROPERTY TAX INFORMATION--Property Tax Limitations."

Additional Security for the 2016B Bonds. The 2016B Bonds are additionally secured by a pledge of the "Pledged Revenues," which consist of the proceeds of certain room taxes (the "Room Taxes") and real property transfer taxes ("Transfer Taxes"), each as described below, deposited in the District's fund for capital projects (the "Capital Projects Fund") pursuant to applicable law. "Pledged Revenues" also include additional income derived from any supplemental or additional excise taxes received by the District if the Board is authorized to include and elects to include the additional excise taxes in "Pledged Revenues" for the remaining term of the 2016B Bonds. *The Pledged Revenues are **not** pledged to the payment of the 2016A Bonds or the 2016C Bonds.*

Pursuant to State law, the Room Taxes currently consist of the proceeds of a 1.625% room tax collected within the County and the Transfer Taxes currently consist of a tax on the transfer of real property equal to $0.60 per $500 of value. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Security for the 2016B Bonds."

Lien Priority of 2016B Bonds. As of May 1, 2016 (taking into effect the issuance of the 2016B Bonds and the 2016B Refunding Project), the lien of the 2016B Bonds on the Pledged Revenues is on a parity with the lien thereon of $573,685,000 of outstanding general obligation bonds of the District (the "Parity Lien Bonds"), as more particularly described in "SECURITY FOR THE 2016A BONDS AND 2016B BONDS--Additional Security for the 2016B Bonds - Lien Priority."

Additional Bonds. The District may issue additional Parity Lien Bonds in the future. The District also is authorized to issue additional bonds that have a lien on the Pledged Revenues that is superior to the lien thereon of the Parity Lien Bonds (the "superior securities"); however, such additional superior securities shall not be issued as general obligations. No superior securities are outstanding as of the date of this Official Statement, nor does the District currently plan to issue any superior securities. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Bonds."

2016C Bonds. The 2016C Bonds, including the principal of, interest on and any prior redemption premiums on the 2016C Bonds (the "2016C Bond Requirements") constitute direct and general obligations of the District payable from revenues legally available for the purpose of making such payment, and provision for such payment will be made as provided in the Project Act. Notwithstanding the foregoing, ad valorem taxes levied for the purpose of paying the 2016C Bond Requirements shall be subject to the limitations contained in the Constitution and statutes of the State, including, without limitation, the limitations on the levy of ad valorem taxes imposed by NRS 387.195(1), which requires the Board of County Commissioners of the County to levy a tax of $0.75 per $100 of assessed valuation of taxable property within the County for District operating purposes. *The District **is not** authorized to levy ad valorem taxes exempt from the limitations of this statute to pay the 2016C Bond Requirements.* See "SECURITY FOR THE 2016C BONDS."

The full faith and credit of the District is pledged for the payment of the 2016C Bond Requirements, subject to State statutory and constitutional limits on the amount of ad valorem taxes the District may levy, as described herein. In the 2016C Bond Resolution, the District irrevocably covenants with the registered owners of the 2016C Bonds from time to time that it will make sufficient provisions annually in the budget to pay the 2016C Bond Requirements, when due. See “SECURITY FOR THE 2016C BONDS.” Pursuant to State law, taxes levied for the payment of bonded indebtedness, including the 2016C Bonds, enjoys a priority over taxes levied by each overlapping taxing unit for all other purposes where reduction is necessary in order to comply with the statutory limitations described in “PROPERTY TAX INFORMATION--Property Tax Limitations.”

Outstanding Bonds. For information on the District’s currently outstanding general obligation bonds, see “DEBT STRUCTURE--Outstanding Bonded Indebtedness and Other Obligations.” The District may issue additional bonds, including refunding bonds, at any time legal requirements are satisfied.

The 2016 Bonds; Prior Redemption

The 2016 Bonds are issued solely as fully registered certificates in denominations of $5,000, or any integral multiples thereof. The 2016 Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), the securities depository for the 2016 Bonds. Purchases of the 2016 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2016 Bonds. See “THE 2016 BONDS--Book-Entry Only System.” The 2016 Bonds are dated as of the date of their delivery and mature and bear interest (calculated based on a 360-day year consisting of twelve 30-day months) as set forth on the inside cover page hereof. The payment of principal and interest on the 2016 Bonds is described in “THE 2016 BONDS--Payment Provisions.”

The 2016B Bonds are subject to redemption prior to maturity at the option of the District as described in “THE 2016 BONDS—Prior Redemption.” The 2016A Bonds and the 2016C Bonds are subject to mandatory sinking fund redemption as described in “THE 2016 BONDS—Prior Redemption.”

Professionals

Sherman & Howard L.L.C., Las Vegas, Nevada, has acted as Bond Counsel in connection with the 2016 Bonds and also has acted as special counsel to the District in connection with this Official Statement. Certain legal matters will be passed on for the District by its General Counsel. Zions Public Finance, Las Vegas, Nevada, is acting as the financial advisor (the “Financial Advisor”) to the District. See “FINANCIAL ADVISOR.” The audited basic financial statements of the District, attached to this Official Statement as Appendix A, include the report of EideBailly LLP, certified public accountants, Las Vegas, Nevada. See “INDEPENDENT AUDITORS.” The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, will act as Registrar and Paying Agent for the 2016 Bonds (the “Registrar” and “Paying Agent”) and also will act as the Escrow Bank in connection with the 2016A Refunding Project and the 2016B Refunding Project. Certain mathematical computations regarding the Escrow

Account will be verified by Grant Thornton LLP, independent certified public accountants, Minneapolis, Minnesota. See “SOURCES AND USES OF FUNDS--The Project—The 2016A Refunding Project” and – The 2016B Refunding Project.”

Tax Matters

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2016 Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2016 Bonds (the “Tax Code”), and interest on the 2016 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See “TAX MATTERS--Federal Tax Matters.”

In the opinion of Bond Counsel, the 2016 Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS. See “TAX MATTERS--State Tax Exemption.”

Continuing Disclosure Undertaking

The District will execute a continuing disclosure certificate (the “Disclosure Certificate”) at the time of the closing for the 2016 Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the 2016 Bonds and the District will covenant in the respective 2016 Bond Resolutions to comply with its terms. The Disclosure Certificate will provide that so long as the applicable series of 2016 Bonds remain outstanding, the District will annually provide the following information to the Municipal Securities Rulemaking Board (the “MSRB”), through the Electronic Municipal Market Access (“EMMA”) system: (i) annually, certain financial information and operating data; and (ii) notice of the occurrence of certain material events; each as specified in the Disclosure Certificate. The form of the Disclosure Certificate is attached hereto as Appendix D. The District has never failed to materially comply with any prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Certain Risks

General. The purchase of the 2016 Bonds involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective purchaser of the 2016 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision.

Risks Related to Potential District Reorganization. During the 2015 legislative session, the Legislature adopted, and the Governor signed, Assembly Bill No. 394 (“AB 394”), which creates an advisory committee and a technical committee to develop a plan to reorganize the District. It is not yet possible to determine the impact of AB 394 on the District. AB 394 is described in more detail in "CLARK COUNTY SCHOOL DISTRICT--Potential Reorganization."

General Risks Related to Property Taxes. Due to the statutory process required for the levy of taxes, in any year in which the District is required to levy property taxes, there may be a delay in the availability of revenues to pay debt service on the 2016 Bonds. See "PROPERTY TAX INFORMATION--Property Tax Collections."

Economic Factors May Impact Property Values. The District's ability to retire the indebtedness created by the issuance of the 2016 Bonds is dependent, in part, upon the maintenance of an adequate tax base against which the District may levy and collect property tax revenues. The amount of General Taxes collected will be dependent upon the assessed valuation of land within the District.

In the past, economic conditions have negatively impacted the County (and the District) as they have the rest of the country. During the period of approximately 2008-2011, economic activity decreased in a variety of sectors throughout the County, including gaming and construction - areas that have previously provided growth to the County. Furthermore, due to the economic conditions, the County experienced a housing slump around the same period and experienced declines in commercial construction. The decline in the economy, the housing slump and declines in construction activity caused a decline in the assessed valuation of taxable property in the County from fiscal year 2010 to fiscal year 2013; however, assessed valuation has increased each of the last four fiscal years (2014-2017). See "PROPERTY TAX INFORMATION--History of Assessed Valuation." In addition, the Greater Las Vegas Association of Realtors ("GLVAR") reports that existing home prices in Southern Nevada have increased approximately 7.5% from a year ago. See "DISTRICT FINANCIAL INFORMATION—Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments." Foreclosures may impact the future assessed value of property in the District; it is not possible to quantify that impact at this time. It cannot be predicted at this time what impact these trends (or other economic trends) would have on property tax collections in the future.

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

Certain Risks Related to Room Tax Revenues. The economy of the County and the State is heavily dependent on the tourist industry, which is based significantly on legalized gambling. Any decrease in the level of tourist activity (including convention activity) in the County is likely to result in a reduction in Room Tax revenues. Factors such as weakening in the national economy and reductions in travel for any reason, including terrorist attacks and increases in gas prices, have impacted Room Tax revenues in the past and could do so in the future. Room Tax revenues declined significantly during fiscal years 2008-2009 as a result of the national recession; however, Room Tax revenues have increased each of the last five fiscal years (2011-2015) and are expected to increase again in fiscal year 2016 based upon collections through March 31, 2016. It is possible, however, that Room Tax revenues could decrease during the remainder of fiscal year 2016 or in any future fiscal year due to the factors described above or other factors. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Security for the 2016B Bonds--History of Pledged Revenues and Debt Service Coverage."

In the future, legalized gaming in other jurisdictions may provide competition that decreases visits to Las Vegas. See "ECONOMIC AND DEMOGRAPHIC INFORMATION--Gaming." In addition, other factors may adversely affect the level of Room Tax revenues in the future. One such factor is the dependence on the individual members of the hotel/casino industry to attract visitors to the Las Vegas area through the use of advertising and other promotional activities. Another factor is the availability of affordable and frequent air service to the County. Reductions in air service or sharp increases in the price of such service may occur due to the poor health of the airline industry in general, increases in jet fuel costs or other factors; such reductions may result in reduced visitors to the County and a subsequent reduction in Pledged Revenues. The District has no control over the activities of the airlines or the hotel/casino operators; however, any reduction in the level of such advertising and promotional activity or of air service resulting in reduced occupancy could result in a reduction in Room Tax receipts.

Other factors which are beyond the District's control include the rates at which hotels rent rooms and the rate at which hotel/casinos provide complimentary ("comp") rooms to guests. Hotel/casinos may be inclined, especially during low tourism periods or for competitive advantage, to significantly decrease the price of room rentals. When the price of the room rental decreases, Room Tax revenues may also decline. In addition, "comp" rooms are not subject to Room Tax. Accordingly, an increase in the number of "comp" rooms may adversely impact Room Tax revenues. The District has no control over the room rates charged by individual properties or the amount of "comp" rooms provided by hotel/casinos. Accordingly, when the hotel/casino operators decide to lower room rates for extended periods of time or increase the number of "comp" rooms, Room Tax revenues decline.

<u>Bankruptcy and Foreclosure</u>. The ability and willingness of an owner or operator of property to pay Room Tax may be adversely affected by the filing of a bankruptcy proceeding by the owner. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Security for the 2016B Bonds" regarding the pending bankruptcy of Caesars Entertainment Operating Company, Inc. The ability to collect delinquent Room Taxes using foreclosure and sale for non-payment of taxes may be forestalled or delayed by bankruptcy, reorganization, insolvency, or other similar proceedings of the owner of a taxed property or the holder of mortgage liens on the taxed property. Prosecution of such proceedings could be delayed due to crowded local court calendars or legal delaying tactics. The federal bankruptcy laws provide for an automatic stay of foreclosure and sale proceedings, thereby delaying such proceedings, perhaps for an extended period. Delays in the exercise of remedies could result in Pledged Revenues collections which may be insufficient to pay debt service on the 2016B Bonds when due.

<u>Certain Risks Related to Transfer Tax Revenues</u>. The amount of revenue the District receives from Transfer Taxes is based on the selling or market price of real property whenever an interest in the property is transferred. Two factors within the County housing market contributed to past declines: the drop in median price on the sale of homes and the

significant decrease in number of home sales. Due to the declining housing market in the County, the District's Transfer Tax revenues declined significantly from fiscal years 2007 through 2011; however, Transfer Tax revenues have increased each of the last four fiscal years (2012-2015) and are expected to increase again in fiscal year 2016 based upon collections through March 31, 2016. It is possible, however, that Transfer Tax revenues could decrease during the remainder of fiscal year 2016 or in any future fiscal year due to the factors described above or other factors. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--Additional Security for the 2016B Bonds--History of Pledged Revenues and Debt Service Coverage."

District Cannot Increase Rates of Taxes. The District has no control over the rates at which the Room Tax or the Transfer Tax are imposed; the rate of such taxes can be increased only by action of the Legislature. Accordingly, should the Pledged Revenues be insufficient to pay debt service on the 2016B Bonds and the other Parity Lien Bonds, the District is not authorized to increase the rate of the Room Tax or the Transfer Tax in order to raise sufficient revenues to pay debt service.

Limitations on Remedies - No Acceleration. There is no provision for acceleration of maturity of the principal of the 2016 Bonds in the event of a default in the payment of principal of or interest on the 2016 Bonds. Consequently, remedies available to the owners of the 2016 Bonds may have to be enforced from year to year.

Limitations on Remedies - Bankruptcy, Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the 2016 Bonds and the obligations incurred by the District in issuing the 2016 Bonds are subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; the power of the federal government to impose liens in certain situations; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government (including the imposition of tax liens by the federal government), if initiated, could subject the owners of the 2016 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

Changes in Laws. Various State laws apply to the imposition, collection, and expenditure of ad valorem property taxes (sometimes referred to as "General Taxes") as well as to the operation and finances of the District, including State funding of education.

The State legislature (the "Legislature") determines the amount of State funds that will be distributed to school districts in each year pursuant to statutory funding formulas. As discussed throughout this Official Statement, in response to the difficult economic situation experienced in the State during approximately 2009-2013, the Legislature took action to reduce the amount of State funding to school districts (including the District). These actions included reducing the per-pupil amounts paid to the District and providing that specified amounts on deposit in the District's Capital Projects Fund could be applied as local funds in the General Fund and used for operating purposes for the 2009-2011 and 2011-2013 bienniums rather than for capital projects. See "DISTRICT FINANCIAL INFORMATION--General Operating Fund."

During the 2015 legislative session, two statutes were adopted which could materially negatively impact the District. Assembly Bill No. 394 ("AB 394") creates an advisory committee and a technical committee to develop a plan to reorganize the District. AB 394 is described in more detail in "CLARK COUNTY SCHOOL DISTRICT--Proposed Reorganization." Senate Bill 302 ("SB 302") establishes a program by which a child who receives instruction from entities other than a public school may receive a grant of money, to be deducted from the amount otherwise received by the school district. SB 302 is described in more detail in "DISTRICT FINANCIAL INFORMATION--Education Savings Account Legislation."

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

Forward-Looking Statements

This Official Statement, particularly (but not limited to) the sections entitled "CERTAIN RISKS," "DISTRICT FINANCIAL INFORMATION--Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments," and statements throughout this Official Statement referring to budgeted or unaudited information for fiscal years 2016-2017 or future years, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not occur as assumed or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results. Those differences could be materially adverse to the owners of the 2016 Bonds and could impact the availability of revenues to pay debt service on the 2016 Bonds.

Additional Information

This introduction is only a brief summary of the provisions of the 2016 Bonds and the 2016 Bond Resolutions; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the 2016 Bonds, the 2016 Bond Resolutions, the 2016A Refunding Project, the 2016B Refunding Project, the 2016C Project and the District are included in this Official Statement. All references herein to the 2016 Bonds, the 2016 Bond Resolutions and other documents are qualified in their entirety by reference to such documents. *This Official Statement speaks only as of its date and the information contained herein is subject to change.*

Additional information and copies of the documents referred to herein are available from the District and the Financial Advisor:

Clark County School District, Nevada
Attn: Chief Financial Officer
5100 West Sahara Avenue
Las Vegas, Nevada 89146
Telephone: (702) 799-5445

Zions Public Finance
230 Las Vegas Boulevard South, Suite 200
Las Vegas, Nevada 89101
Telephone: (702) 796-7080.

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds of the 2016 Bonds are expected to be applied in the manner set forth in the following table.

Sources and Uses of Funds

	2016A Bonds	2016B Bonds	2016C Bonds	Total
SOURCES:				
Principal amount	$186,035,000.00	$90,775,000.00	$33,470,000.00	$310,280,000.00
Reoffering premium	42,700,904.00	22,937,814.60	6,260,280.50	71,898,999.10
Total	$228,735,904.00	$113,712,814.60	$39,730,280.50	$382,178,999.10
USES:				
The 2016A Refunding Project	$227,108,376.21	$ --	$ --	$227,108,376.21
The 2016B Refunding Project	--	112,691,248.02	--	112,691,248.02
The 2016C Project	--	--	39,468,110.00	39,468,110.00
Costs of issuance (including underwriting discount)[1]	1,627,527.79	1,021,566.58	262,170.50	2,911,264.87
Total	$228,735,904.00	$113,712,814.60	$39,730,280.50	$382,178,999.10

(1) See "UNDERWRITING."

Source: The Financial Advisor.

The Project

The 2016A Refunding Project. The net proceeds of the 2016A Bonds will be used to advance refund $28,110,000 of the 2006B Bonds, $78,570,000 of the 2007C Bonds and $105,655,000 of the 2008A Bonds (plus accrued interest). The 2006B Bonds to be refunded (the "Refunded 2006B Bonds") mature on June 15, 2021. The 2007C Bonds to be refunded (the "Refunded 2007C Bonds") mature on June 15, 2022, June 15, 2023 and June 15, 2024. The 2008A Bonds to be refunded (the "Refunded 2008A Bonds") mature on June 15, 2023, June 15, 2024 and June 15, 2025.

To accomplish the 2016A Refunding Project, the District will the net proceeds of the 2016A Bonds into the 2016A Escrow Account created pursuant to the 2016A Bond Resolution. Pursuant to an escrow agreement between the District and the Escrow Bank, the amounts deposited into the 2016A Escrow Account will be invested in Federal Securities (defined herein) maturing at such times and in such amounts as are required to pay: (i) the principal on the Refunded 2006B Bonds upon prior redemption on June 15, 2017, and the interest on the Refunded 2006B Bonds as it becomes due through June 15, 2017; (ii) the principal on the Refunded 2007C Bonds upon prior redemption on December 15, 2017, and the interest on the Refunded 2007C Bonds as it becomes due through December 15, 2017; (ii) the principal on the Refunded 2008A Bonds upon prior redemption on June 15, 2018, and the interest on the Refunded 2008A Bonds as it becomes due through June 15, 2018.

Grant Thornton LLP, a firm of independent public accountants, will deliver to the District, on or before the settlement date of the 2016A Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of: (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Federal Securities, to pay, when due, the maturing principal of and interest on the Refunded 2006B Bonds, the Refunded 2007C Bonds and the Refunded 2008A Bonds, and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the 2016A Bonds will be excluded from gross income for federal income tax purposes. The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the District and its representatives. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by the District and its representatives and has not evaluated or examined the assumptions or information used in the computations.

The 2016B Refunding Project. The net proceeds of the 2016B Bonds will be used to advance refund $16,810,000 of the 2006C Bonds and $89,500,000 of the 2007B Bonds. The 2006C Bonds to be refunded (the "Refunded 2006C Bonds") mature on June 15, 2022 and June 15, 2023. The 2007B Bonds to be refunded (the "Refunded 2007B Bonds") mature each June 15 from June 15, 2023, through June 15, 2027.

To accomplish the 2016B Refunding Project, the District will deposit the net proceeds of the 2016B Bonds into the 2016B Escrow Account created pursuant to the 2016B Bond Resolution. Pursuant to an escrow agreement between the District and the Escrow Bank, the amounts deposited into the 2016B Escrow Account will be invested in Federal Securities (defined herein) maturing at such times and in such amounts as are required to pay: (i) the principal on the Refunded 2006C Bonds upon prior redemption on June 15, 2017, and the interest on the Refunded 2006C Bonds as it becomes due through June 15, 2017; (ii) the principal on the Refunded 2007B Bonds upon prior redemption on December 15, 2017, and the interest on the Refunded 2007B Bonds as it becomes due through December 15, 2017.

Grant Thornton LLP, a firm of independent public accountants, will deliver to the District, on or before the settlement date of the 2016B Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of: (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Federal Securities, to pay, when due, the maturing principal of and interest on the Refunded 2006C Bonds and the Refunded 2007B Bonds, and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the 2016B Bonds will be excluded from gross income for federal income tax purposes. The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the District and its representatives. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by the District and its representatives and has not evaluated or examined the assumptions or information used in the computations.

The 2016C Project. The net proceeds of the 2016C Bonds are expected to be used to finance the acquisition of transportation and technology improvements for the District.

THE 2016 BONDS

General

The 2016 Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiples thereof. The 2016 Bonds will be dated as of their date of delivery and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) and mature as set forth on the inside cover page of this Official Statement. The 2016 Bonds initially will be registered in the name of "Cede & Co.," as nominee for DTC, the securities depository for the 2016 Bonds. Purchases of the 2016 Bonds are to be made in book-entry only form. Purchasers will not receive certificates evidencing their beneficial ownership interest in the 2016 Bonds. See "Book-Entry Only System" below.

Payment Provisions

Interest on the 2016 Bonds is payable on each June 15 and December 15, commencing December 15, 2016. Payment of interest on any 2016 Bond shall be made to the registered owner thereof by check or draft mailed by the Paying Agent, on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), to the registered owner thereof (*i.e.*, Cede & Co.), at the address as shown on the registration records kept by the Registrar as of the close of business on the last day of the calendar month next preceding such interest payment date (other than a special interest payment date hereafter fixed for payment of defaulted interest) (the "Regular Record Date"); but any such interest not so timely paid or duly provided for shall cease to be payable to the registered owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof, as shown on the registration records of the Registrar as of the close of business on a special record date fixed for the purpose of paying any such defaulted interest (the "Special Record Date"). Such Special Record Date shall be fixed by the Paying Agent whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given not less than ten days prior thereto by first-class mail to each registered owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any 2016 Bond by such alternative means as may be mutually agreed upon between the registered owner of such 2016 Bond and the Paying Agent (but the District shall not be required to make funds available to the Paying Agent prior to the date on which such funds are due for payment to the owners of the 2016 Bonds). The principal of and redemption premium, if any, on any 2016 Bond shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar, upon maturity or prior redemption and upon presentation and surrender at the corporate trust office of the Paying Agent, or such other office as designated by the Paying Agent. If any 2016 Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by the 2016 Bond until the principal thereof is paid in full. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Notwithstanding the foregoing, payments of the principal of and interest on the 2016 Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the 2016 Bonds. Disbursement of such payments to DTC's Participants (defined in Appendix C) is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners (defined in Appendix C) is the responsibility of DTC's Participants and the Indirect Participants (defined in Appendix C), as more fully described herein. See "Book-Entry Only System" below.

Prior Redemption

No Optional Redemption – 2016A Bonds. The 2016A Bonds are not subject to optional redemption prior to their maturity.

Optional Redemption – 2016B Bonds. The 2016B Bonds, or portions thereof ($5,000 or any integral multiple), maturing on June 15, 2027, shall be subject to redemption prior to their respective maturities, at the option of the District, as directed by the Chief Financial Officer, on and after December 15, 2026, in whole or in part at any time, from such maturities as are selected by the District, as directed by the Chief Financial Officer, and if less than all of the 2016B Bonds of a maturity are to be redeemed, the 2016B Bonds of such maturity are to be redeemed by lot within a maturity (giving proportionate weight to 2016B Bonds in denominations larger than $5,000), in such manner as the Paying Agent may determine, at a price equal to the principal amount of each 2016B Bond or portion thereof so redeemed and accrued interest thereon to the redemption date, without a redemption premium.

No Optional Redemption – 2016C Bonds. The 2016C Bonds are not subject to optional redemption prior to their maturity.

Mandatory Sinking Fund Redemption – 2016A Bonds and 2016C Bonds. The Notice of Sale provides that a bidder may request that one or more 2016A Bonds and 2016C Bonds in a series be included in one or more term 2016A Bonds or 2016C Bonds, respectively ("Term Bonds"). Amounts included in a single Term Bond must consist of consecutive maturities of the same series of 2016A Bonds or 2016C Bonds, respectively, must bear the same rate of interest and must include the entire principal amount between a serial maturity and a mandatory sinking fund redemption. Any such Term Bond will be subject to mandatory sinking fund redemption in installments in the same amounts and on the same dates as the series of 2016A Bonds or 2016C Bonds, respectively, would have matured if they were not included in a Term Bond. 2016A Bonds or 2016C Bonds redeemed pursuant to the mandatory sinking fund redemption provisions will be redeemed at a redemption price equal to the principal amount of the series of 2016A Bonds or 2016C Bonds, respectively, to be redeemed plus accrued interest to the redemption date in the manner and as otherwise provided in the applicable Bond Resolution.

The 2016A Bond Resolution and 2016C Bond Resolution each provide that the applicable series of Term Bonds are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the applicable Bond Fund on or before the dates set forth in the Certificate of the Chief Financial Officer, a sum which, together with other moneys available in the applicable

Bond Fund, is sufficient to redeem (after credit is provided below) on the dates and the principal amounts of the Term Bonds as set forth in the Certificate of the Chief Financial Officer, plus accrued interest to the redemption date.

At the option of the District to be exercised by delivery of a written certificate to the Registrar not less than sixty days next preceding any sinking fund redemption date, it may (i) deliver to the Registrar for cancellation Term Bonds, or portions thereof ($5,000 or any integral multiple thereof) in an aggregate principal amount desired by the District or, (ii) specify a principal amount of Term Bonds, or portion thereof ($5,000 or any integral multiple thereof) which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond or portions thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the District on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the District determines. In the event the District shall avail itself of the provisions of clause (i) of the first sentence of this paragraph, the certificate required by the first sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be canceled or in the event the 2016A Bonds or 2016C Bonds, respectively, are registered in the name of Cede & Co. as provided in the 2016A Bond Resolution and the 2016C Bond Resolution, the certificate required by the first sentence of this paragraph shall be accompanied by such direction and evidence of ownership as is satisfactory to The Depository Trust Company.

No Mandatory Sinking Fund Redemption – 2016B Bonds. The 2016B Bonds are not subject to mandatory sinking fund redemption.

Notice of Redemption. Unless waived by any registered owner of a 2016 Bond to be redeemed, notice of prior redemption shall be given by the Registrar, electronically as long as the nominee of The Depository Trust Company or a successor depository is the registered owner of the 2016 Bonds, and otherwise by first class mail, at least 30 days but not more than 60 days prior to the Redemption Date to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access System (the "MSRB") and to the registered owner of any 2016 Bond (initially Cede & Co.) all or a part of which is called for prior redemption at his or her address as it last appears on the registration records kept by the Registrar. The notice shall identify the applicable 2016 Bonds and state that on such date the principal amount thereof, and premium, if any, thereon will become due and payable at the office designated by the Paying Agent (accrued interest to the Redemption Date being payable by mail or as otherwise provided in the Bond Resolutions), and that after such Redemption Date interest will cease to accrue. After such notice and presentation of said 2016 Bonds, the 2016 Bonds called for redemption will be paid. Actual receipt of the notice by the MSRB or any registered owner of 2016 Bonds shall not be a condition precedent to redemption of such 2016 Bonds. Failure to give such notice to the MSRB or to the registered owner of any 2016 Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other 2016 Bond. A certificate by the Registrar that notice of call and redemption has been given as provided in the applicable Bond Resolution shall be conclusive as against all parties; and no owner whose 2016 Bond is called for redemption or any other owner of any 2016 Bond may object thereto or may object to the cessation of interest on the Redemption Date on the ground that he failed actually to receive such notice of redemption.

Notwithstanding the provisions of this section of the Bond Resolutions, any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the 2016 Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the 2016 Bonds called for redemption in the same manner as the original redemption notice was given.

Tax Covenant

In each 2016 Bond Resolution, the District covenants for the benefit of the registered owners of the applicable series of 2016 Bonds that it will not take any action or omit to take any action with respect to the 2016 Bonds, the proceeds thereof, any other funds of the District or any project financed or refinanced with the proceeds of the 2016 Bonds if such action or omission (i) would cause the interest on the 2016 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the 2016 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2016 Bonds until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code have been met.

Defeasance

When all Bond Requirements (as defined in the 2016 Bond Resolutions) of any 2016 Bond have been duly paid, the pledge and lien and all obligations hereunder as to that 2016 Bond shall thereby be discharged and the 2016 Bonds shall no longer be deemed to be Outstanding within the meaning of the applicable 2016 Bond Resolutions. There shall be deemed to be due payment of any Outstanding 2016 Bond or other security when the District has placed in escrow or in trust with a trust bank an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the 2016 Bond or other security, as the same become due to the final maturity of the 2016 Bond or other security, or upon any redemption date as of which the District shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the 2016 Bond or other security for payment then. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the owners thereof to assure availability as so needed to meet the schedule.

For the purpose of the previous paragraph, "Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States, shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the holder thereof.

Book-Entry Only System

The 2016 Bonds will be available only in book-entry form in the principal amount of $5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the 2016 Bonds. The ownership of one fully registered 2016 Bond for each maturity in each series, as set forth on the inside cover page of this Official Statement, in the aggregate principal amount of such maturity coming due thereon, will be registered in the name of Cede & Co., as nominee for DTC. See Appendix C - Book-Entry Only System.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2016 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE OWNERS WILL MEAN CEDE & CO. AND WILL <u>NOT</u> MEAN THE BENEFICIAL OWNERS.

Neither the District nor the Registrar and Paying Agent will have any responsibility or obligation to DTC's Direct Participants or Indirect Participants (each as defined in Appendix C), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the 2016 Bonds as further described in Appendix C to this Official Statement.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the 2016 Bonds in each fiscal year. See "DEBT STRUCTURE--District Debt Service Requirements" for information on the debt service due on all of the District's outstanding general obligation bonds.

Debt Service Requirements[1]

Fiscal	2016A Bonds			2016B Bonds			2016C Bonds		
Year[2]	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	$ --	$9,275,912	$9,275,912	$ 100,000	$4,524,148	$4,624,148	$2,735,000	$1,586,281	$4,321,281
2018	--	9,301,750	9,301,750	--	4,533,750	4,533,750	2,810,000	1,508,650	4,318,650
2019	--	9,301,750	9,301,750	--	4,533,750	4,533,750	2,925,000	1,396,250	4,321,250
2020	--	9,301,750	9,301,750	--	4,533,750	4,533,750	3,070,000	1,250,000	4,320,000
2021	23,850,000	9,301,750	32,651,750	--	4,533,750	4,533,750	3,225,000	1,096,500	4,321,500
2022	20,045,000	8,134,250	28,179,250	5,900,000	4,533,750	10,433,750	3,385,000	935,250	4,320,250
2023	54,445,000	7,132,000	61,577,000	22,560,000	4,238,750	26,798,750	3,555,000	766,000	4,321,000
2024	57,030,000	4,409,750	61,439,750	14,560,000	3,110,750	17,670,750	3,730,000	588,250	4,318,250
2025	31,165,000	1,558,250	32,723,250	15,205,000	2,382,750	17,587,750	3,920,000	401,750	4,321,750
2026	--	--	--	15,875,000	1,622,500	17,497,500	4,115,000	205,750	4,320,750
2027	--	--	--	16,575,000	828,750	17,403,750	--	--	--
Total	$186,035,000	$67,717,162	$253,752,162	$90,775,000	$39,376,398	$130,151,398	$33,470,000	$9,734,681	$43,204,681

(1) Totals may not add due to rounding.
(2) The District's fiscal year ends on June 30 of each calendar year shown. Debt service in each fiscal year includes the payment of principal and interest on June 15 in each calendar year shown and the payment of interest on the preceding December 15.

Source: The Financial Advisor.

SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS

General Obligations

General. The 2016A Bonds and the 2016B Bonds are direct and general obligations of the District, and the full faith and credit of the District is pledged for the payment of the principal of, any prior redemption premiums and the interest on the 2016A Bonds and the 2016B Bonds, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "PROPERTY TAX INFORMATION--Property Tax Limitations." The 2016A Bonds and the 2016B Bonds are payable by the District from any source legally available therefor at the times such payments are due, including the General Fund of the District. In the event, however, that such legally available sources of funds are insufficient, the District is obligated to levy a general (ad valorem) tax on all taxable property within the District for payment of the 2016A Bonds and the 2016B Bonds, subject to the limitations provided in the constitution and statutes of the State. Due to the statutory process required for the levy of taxes, in any year in which the District is required to levy property taxes, there may be a delay in the availability of revenues to pay debt service on the 2016A Bonds and the 2016B Bonds. See "PROPERTY TAX INFORMATION--Property Tax Collections."

Limitations on Property Tax Revenues. The constitution and laws of the State limit the total ad valorem property taxes that may be levied by all overlapping taxing units within each county (including the State, the County, any city, or any special district) in each year. Generally, the combined overlapping tax rate is limited by statute to \$3.64 per \$100 of assessed valuation. Those limitations are described in "PROPERTY TAX INFORMATION--Property Tax Limitations." In any year in which the total property taxes levied within the County by all applicable taxing units exceed such property tax limitations, the reduction to be made by those units must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

District Tax Levies

2016A Bonds. Since fiscal year 1998, the District's debt rate has been \$0.5534 (tax rates generally are expressed herein as a number equal to \$x.xxxx per \$100 of assessed value). At an election held on November 3, 1998 (the "1998 Election"), District voters approved a proposal that allowed the District to issue general obligation bonds for school construction purposes until June 30, 2008, provided that the District Board made a finding that the proposed bonds could be paid within the existing \$0.5534 property tax rate for debt service. Those findings required approval of the County Debt Management Commission and the County Oversight Panel for School Facilities. The District currently expects to repay all outstanding bonds issued pursuant to such authorization (including the 2016A Bonds) without increasing its debt rate of \$0.5534. However, the District may increase that rate to pay debt service on such bonds, subject to the State constitutional and statutory limitations discussed throughout this Official Statement. In 2015, the Nevada Legislature adopted Senate Bill 119 ("SB 119") and Senate Bill 207 ("SB 207"), which authorize school districts with prior voter approval (such as the 1998 Election) to issue general obligation bonds in certain circumstances for a ten year period so long as existing tax rates are not increased to pay such bonds. See the discussion in

"DISTRICT FINANCIAL INFORMATION--Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments."

The District's tax rate has been $1.3034 since fiscal year 1998, including the $0.5534 tax rate for debt service and the District's statutorily mandated $0.75 tax rate for operating purposes. See "PROPERTY TAX INFORMATION."

2016B Bonds. General obligation (limited tax) bonds of the District, including the 2016B Bonds, historically have been paid from Pledged Revenues. If the Pledged Revenues are not sufficient to pay debt service on such bonds, however, the District is obligated to pay the difference between the Pledged Revenues and the debt service requirements, and is obligated to impose a tax rate to do so, subject to applicable statutory and constitutional limits.

Additional Security for the 2016B Bonds

Pledged Revenues. The 2016B Bonds will be additionally secured by a pledge of the Pledged Revenues, which consist generally of the proceeds of the Room Taxes and the Transfer Taxes. Pursuant to State law, the Room Taxes currently consist of the proceeds of a 1.625% room tax collected within the County and the Transfer Taxes currently consist of a tax on the transfer of real property equal to $0.60 per $500 of value.

History of Pledged Revenues and Debt Service Coverage. The following table sets forth a history of the Pledged Revenues and debt service coverage in each year, calculated by dividing the total amount of Pledged Revenues by the actual debt service paid on the Parity Lien Bonds in each year shown**.**

History of Pledged Revenues and Debt Service Coverage

Fiscal Year	Room Taxes	Transfer Taxes	Total	% Change	Debt Service on Parity Lien Bonds(1)	Coverage
2011(2)	$59,142,147	$18,630,717	$77,772,864	--	$78,062,085	0.99x
2012	66,023,176	17,679,059	83,702,236	7.6%	79,118,850	1.06x
2013	67,277,580	19,696,212	86,973,792	3.9	78,520,682	1.11x
2014	74,067,663	21,311,525	95,379,188	9.7	75,349,775	1.27x
2015	81,297,840	22,146,920	103,444,760	8.5	72,957,617	1.42x
2016(3)	64,778,258	19,063,379	83,841,637	--	89,315,555 (4)	--

(1) Excludes debt service on certain direct-pay qualified school construction bonds ("QSCBs") issued by the District because the QSCBs have a subordinate lien on the Pledged Revenues and are not Parity Lien Bonds.
(2) The District used investment earnings and/or available fund balance in the Capital Projects Fund to pay a portion of the debt service due in fiscal year 2011.
(3) For the period July 1, 2015, through March 31, 2016 (unaudited).
(4) Reflects debt service on bonds outstanding on May 1, 2016, after taking the issuance of the 2016B Bonds and the 2016B Refunding Project into account.

Source: The District.

The District has budgeted a total of approximately $103.5 million of Pledged Revenues for fiscal year 2016 ($81.3 million in Room Taxes and $22.2 million in Transfer Taxes).

After taking the issuance of the 2016B Bonds into account, the estimated combined maximum annual debt service payable on the 2016B Bonds, the Parity Lien Bonds and the 2010A Bonds (defined below; the 2010A Bonds are subordinate to the 2016B Bonds and the Parity Lien Bonds) is expected to be $89,493,750 in fiscal year 2021 (assuming receipt of the entire amount of the QSCB Subsidy with respect to the 2010A Bonds in each year). Without taking the QSCB Subsidy into account, the combined maximum annual debt service payable on the 2016B Bonds, the Parity Lien Bonds and the 2010A Bonds is $95,066,840 in fiscal year 2021. See "CLARK COUNTY SCHOOL DISTRICT--Compliance With Federal Laws—Sequestration."

Room Taxes are based upon numerous factors, including visitor volume, occupancy rates and room pricing. Due primarily to the local and national economic recession, the amount of Pledged Revenues declined in fiscal years 2007 through 2010. Room Tax revenues have increased each year since fiscal year 2010 due to higher visitor volume. Room Taxes for fiscal year 2015 increased by 9.8% from fiscal year 2014 levels. For the first nine months of fiscal year 2016, Room Taxes increased 11.8% over the same period in fiscal year 2015.

As described in footnote 2 to the table "Principal Property Owning Taxpayers in the District" in "PROPERTY TAX INFORMATION--Largest Taxpayers in the District," various entities related to Caesars Entertainment Corporation ("Caesars") filed for Chapter 11 bankruptcy protection on January 15, 2015. Caesars (directly or indirectly) owns numerous hotels located in the District. It is unclear how many of the entities which own these hotels are part of the bankruptcy filing, and it is further unclear how the bankruptcy filing will impact Room Tax revenues, if at all. It is possible that the payment of Room Taxes by certain hotels related to Caesars could be delayed, and the District's ability to collect delinquent Room Taxes using foreclosure could be forestalled or delayed. Since the date of the bankruptcy filing, Caesars has paid its Room Tax in a timely manner.

In addition, the District receives revenues from the Transfer Taxes, which are based on the selling or market price of real property whenever an interest in the property is transferred. Transfer Taxes for fiscal year 2015 increased by 3.9% from fiscal year 2014 levels. For the first nine months of fiscal year 2016, Transfer Taxes increased 19.0% over the same period in fiscal year 2015.

Lien Priority. The lien of the 2016B Bonds on the Pledged Revenues is on a parity to the lien thereon of the Parity Lien Bonds. The following table illustrates the currently outstanding Parity Lien Bonds as of May 1, 2016, after taking the issuance of the 2016B Bonds and the 2016B Refunding Project into account. All of the bonds listed in the following table constitute general obligation bonds of the District that are additionally secured by the Pledged Revenues.

Currently Outstanding Parity Lien Bonds

Name of Issue	Original Amount	Outstanding as of 5/1/16
School Bonds, Series 2006C (the "2006C Bonds")	$125,000,000	$70,405,000
School Bonds, Series 2007B (the "2007B Bonds")	250,000,000	96,725,000
Refunding Bonds, Series 2011B (the "2011B Bonds")	29,420,000	20,495,000
Refunding Bonds, Series 2014B (the "2014B Bonds")	62,200,000	56,980,000
Refunding Bonds, Series 2015B (the "2015B Bonds")	129,080,000	129,080,000
School Bonds, Series 2015D (the "2015D Bonds")	200,000,000	200,000,000
Total		$573,685,000

The 2006C Bonds, the 2007B Bonds, the 2011B Bonds, the 2014B Bonds, the 2015B Bonds and the 2015D Bonds constitute the currently outstanding Parity Lien Bonds.

In addition to the Parity Lien Bonds, the District currently has outstanding its General Obligation (Limited Tax) School Bonds (Additionally Secured by Pledged Revenues) (Taxable Direct Pay Qualified School Construction Bonds), Series 2010A, in the aggregate principal amount of $103,900,000 (the "2010A Bonds"). The 2010A Bonds have a lien on the Pledged Revenues that is subordinate to the lien thereon of the 2016B Bonds and the Parity Lien Bonds.

The District currently does not anticipate issuing any additional Parity Lien Bonds or subordinate lien bonds other than refunding bonds in the near future, but reserves the right to do so upon the satisfaction of all legal requirements. See "DEBT STRUCTURE--Additional General Obligation Bonds and Other Proposed Financings."

Additional Bonds – 2016B Bonds

Additional Parity Lien Bonds and Superior Securities. The 2016B Bond Resolution authorizes the issuance of additional Parity Lien Bonds and superior securities. Before any additional Parity Lien Bonds or superior securities are authorized or actually issued (excluding any securities issued to refund the Parity Lien Bonds or superior securities), the following requirements must be met:

A. Absence of Default. The District is not in default in making any payments with respect to any Parity Lien Bond or senior securities.

B. Earnings Test. Except as described below: (1) the Pledged Revenues derived in the Fiscal Year immediately preceding the date of the issuance of the additional superior or parity securities shall have been at least sufficient to pay an amount equal to the combined maximum annual principal and interest requirements (to be paid during any one Bond Year, commencing with the Bond Year in which the additional superior or parity securities are issued and ending on the fifteenth day of June of the year in which any then Outstanding Bonds last mature) of the Outstanding Bonds, the Outstanding Parity Lien Bonds and any other Outstanding superior or parity securities of the District and the bonds or other securities proposed to be issued (excluding the reserves therefor); or, (2) the Pledged Revenues estimated by the Chief Financial Officer, independent feasibility consultant or an Independent Accountant to be derived in each of the first five Fiscal Years immediately succeeding the issuance of the other additional superior or parity securities proposed to be issued, shall be at least equal to such combined maximum annual principal and interest requirements.

C. Adjustment of Pledged Revenues. In any computation of the earnings test described above, the amount of the Pledged Revenues for the next preceding Fiscal Year shall be decreased and may be increased by the amount of any loss or gain conservatively estimated by the Chief Financial Officer, independent feasibility consultant or Independent Accountant making the computations, which loss or gain results from any change in the rate of the taxes deposited in the Capital Projects Fund pursuant to State law or otherwise constituting a part of the Pledged Revenues, which change took effect during the next preceding Fiscal Year or thereafter prior to the issuance of Parity Lien Bonds or superior securities, as if such modified rate shall have been in effect during the entire next preceding Fiscal Year, if such change shall have been made before the computation of the designated earnings test but made in the same Fiscal Year as the computation is made or in the next preceding Fiscal Year.

D. Certification of Revenues. A written certification or written opinion by the Chief Financial Officer, an independent feasibility consultant or an Independent Accountant, based upon estimates thereby as described in paragraphs (B) and (C) above, that the annual revenues, when adjusted as described above, are sufficient to pay the amounts described in paragraph (B) above, shall be conclusively presumed to be accurate in determining the right of the District to authorize, issue, sell and deliver additional bonds or additional securities superior to or on a parity with the 2016B Bonds.

Refunding Securities. The 2016B Bond Resolution contains separate provisions governing the issuance of refunding securities. See Appendix B - Summary of Certain Provisions of the 2016B Bond Resolution--Refunding Securities.

Subordinate Securities Permitted. The 2016B Bond Resolution authorizes the issuance of additional securities payable from the Pledged Revenues and having a lien thereon that is subordinate, inferior and junior to the lien thereon of the 2016B Bonds.

Superior Securities. The 2016B Bond Resolution authorizes the issuance of additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon prior and superior to the lien thereon of the 2016B Bonds; however, such additional superior bonds or other additional superior securities shall not be issued as general obligations of the District. No such superior securities are currently outstanding.

2016A and 2016B Bond Resolutions Irrepealable

Each of the 2016A and 2016B Bond Resolutions provides that after any of the 2016A Bonds and 2016B Bonds, respectively, are issued, the applicable 2016A or 2016B Bond Resolution shall constitute an irrevocable contract between the District and the registered owner or owners of the 2016A Bonds and 2016B Bonds, respectively; and each 2016A Bond Resolution and 2016B Bond Resolution shall be and shall remain irrepealable until the related 2016A Bonds and 2016B Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged as provided in the 2016A and 2016B Bond Resolutions.

Other Security Matters

No Repealer. State statutes provide that no act concerning the 2016A Bonds or the 2016B Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the 2016A Bonds or 2016B Bonds or their security until all of the 2916A Bonds and 2016B Bonds have been discharged in full or provision for their payment and redemption has been fully made.

No Pledge of Property. The payment of the 2016A Bonds and 2016B Bonds is not secured by an encumbrance, mortgage or other pledge of property of the District, except the proceeds of general (ad valorem) taxes and any other monies pledged under the 2016A and 2016B Bond Resolutions for the payment of the 2016A Bonds or 2016B Bonds, respectively. Other than the items specifically pledged under the 2016A and 2016B Bond Resolutions, such as the Pledged Revenues pledged under the 2016B Bond Resolution for payment of the 2016B Bonds, no property of the District shall be liable to be forfeited or taken in payment of the 2016A Bonds or 2016B Bonds.

No Recourse. No recourse shall be had for the payment of the 2016A Bond Requirements or 2016B Bond Requirements or for any claim based thereon or otherwise upon the 2016A or 2016B Bond Resolutions or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise.

SECURITY FOR THE 2016C BONDS

General Obligations

General. The 2016C Bonds constitute general obligations of the District payable from revenues legally available for the purpose of making such payment, and provision for the payment of the 2016C Bond Requirements will be made as provided in the Project Act. Notwithstanding the foregoing, ad valorem taxes levied for the purpose of paying the 2016C Bond Requirements shall be subject to the limitations contained in the Constitution and statutes of the State, including, without limitation, the limitations on the levy of ad valorem taxes imposed by NRS 387.195(1), which requires the Board of County Commissioners of the County to levy a tax of $0.75 per $100 of assessed valuation of taxable property within the County for District operating purposes. The District is not authorized to levy ad valorem taxes exempt from the limitations of this statute to pay the 2016C Bond Requirements. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

The full faith and credit of the District is pledged for the payment of the 2016C Bond Requirements, subject to State statutory and constitutional limits on the amount of ad valorem taxes the District may levy, as described above and in "PROPERTY TAX INFORMATION." The ad valorem tax revenues available to pay debt service on the 2016C Bonds is effectively limited to the District's $0.75 operating tax rate and any available tax override rates that may be available in the future.

In the 2016C Bond Resolution, the District irrevocably covenants with the registered owners of the 2016C Bonds from time to time that it will make sufficient provisions annually in the budget to pay the 2016C Bond Requirements, when due.

Sources of Revenue. Any legally available revenues of the District may be used to pay debt service on the 2016C Bonds. See "DISTRICT FINANCIAL INFORMATION--History of Revenues and Expenditures - General Operating Fund."

The 2016C Bond Resolution provides that, if necessary, the 2016C Bond Requirements shall be paid out of a general fund of the District or out of any other funds that may be available for such purpose, including, without limitation, any proceeds of any general (ad valorem) taxes legally available therefor. *Currently, the general ad valorem taxes available are limited to the District's $0.75 operating rate.* For the purpose of repaying any moneys so paid from any such fund or funds (other than any moneys available without replacement for the payment of such 2016C Bond Requirements on other than a temporary basis), and for the purpose of creating funds for the payment of the 2016C Bond Requirements, the 2016C Bond Resolution creates the "Medium Term Debt Service Fund" for the 2016C Bonds. Pursuant to State law, except to the extent other funds are legally available therefor, there shall be duly levied immediately after the issuance of the 2016C Bonds and annually thereafter, until all of the 2016C Bond Requirements shall have been fully paid, satisfied and discharged, a general (ad valorem) tax on all property, both real and personal, subject to taxation within the boundaries of the District, including the net proceeds of mines, fully sufficient to reimburse such fund or funds for any such amounts temporarily advanced to pay such initial installment of interest, and to pay the interest on the 2016C Bonds becoming due after such initial installment, and to pay and retire the 2016C Bonds provided in the 2016C Bond Resolution, after there are made due allowances for probable delinquencies. The proceeds of such annual levies shall be duly credited to the Medium-Term Debt Service Fund for the payment of such 2016C Bond Requirements. In the preparation of the annual budget or appropriation resolution or Resolution for the District, the Board shall first make proper provisions through the levy of sufficient general taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the District, including, without limitation, the 2016C Bonds, subject to the limitations imposed by NRS 387.195(1) and 361.453, and Section 2, Art. 10, of the State Constitution, and the amount of money necessary for this purpose shall be a first charge against all the legally available revenues received by the District.

Priorities for 2016C Bonds. The constitution and laws of the State limit the total ad valorem property taxes that may be levied by all overlapping taxing units within each county (including the State, the County, the District, the cities of Boulder City, Henderson, Las Vegas, Mesquite and North Las Vegas, and any special districts) in each year. Those limitations are described in "PROPERTY TAX INFORMATION--Property Tax Limitations." In any year in which the total property taxes levied within the County by all applicable taxing units exceed such property tax limitations, and it becomes necessary by reason thereof to reduce the levies made by any and all such units, the reductions so made shall be in General Taxes levied by such unit or units (including, without limitation, the District and the State) for purposes other than the payment of bonded indebtedness, including the 2016C Bonds, and the interest thereon. The General Taxes levied for the payment of such bonded indebtedness, the 2016C Bonds and the interest thereon shall always enjoy a priority over General Taxes levied by each such unit (including, without limitation, the District and the State) for all other purposes where reduction is necessary in order to comply with the limitations of NRS 387.195(1) and 367.453, which requires the Board of County Commissioners of the County to levy a tax of $0.75 per $100 of assessed valuation of taxable property within the County for District operating purposes. The District's operating tax rate is not subject to reduction in order to meet the property tax limitations described in "PROPERTY TAX INFORMATION--Property Tax Limitations."

2016C Bond Resolution Irrepealable

The 2016C Bond Resolution provides that after any of the 2016C Bonds are issued, the 2016C Bond Resolution and the provisions of the Bond Act shall constitute an irrevocable contract between the District and the registered owner or registered owners of the 2016C Bonds; and the 2016C Bond Resolution shall be and shall remain irrepealable until the 2016C Bonds, as to all 2016C Bond Requirements, shall be fully paid, canceled and discharged, as provided in the 2016C Bond Resolution.

Other Security Matters

No Pledge of Property. The payment of the 2016C Bonds is not secured by an encumbrance, mortgage or other pledge of property of the District, except the proceeds of general (ad valorem) taxes and any other monies pledged under the 2016C Bond Resolution for the payment of the 2016C Bonds. Other than the items specifically pledged under the 2016C Bond Resolution, no property of the District shall be liable to be forfeited or taken in payment of the 2016C Bonds.

No Recourse. No recourse shall be had for the payment of the 2016C Bond Requirements or for any claim based thereon or otherwise upon the 2016C Bond Resolution or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise.

Amendment of 2016C Bond Resolution

The 2016C Bond Resolution may be amended by the District without the consent of or notice to the holders of the 2016C Bonds for the purpose of curing any ambiguity or formal defect or omission therein. No such amendment, unless consented to by the 2016C Bondholder adversely affected thereby, shall permit: (1) a change in the maturity or in the terms of redemption of the principal of any outstanding 2016C Bond or any installment of interest thereon; (2) a reduction in the principal amount of any 2016C Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith; or (3) the establishment of priorities as between 2016C Bonds issued and outstanding under the provisions of the 2016C Bond Resolution.

PROPERTY TAX INFORMATION

Property Tax Base

The State Department of Taxation reports the assessed valuation of property within the District for the fiscal year ending June 30, 2016, to be $71,055,253,233 (including the valuation attributable to the Redevelopment Agencies). That assessed valuation represents an increase of 10.6% from the assessed valuation for fiscal year 2015. The State Department of Taxation reports the final (as of March 15, 2016) assessed valuation of property within the District for the fiscal year ending June 30, 2017, to be $76,633,199,093 (subject to change, and including the final assessed valuation attributable to the Redevelopment Agencies).

State law requires that the County assessor reappraise at least once every five years all real and secured personal property (other than certain utility owned property which is centrally appraised and assessed by the Nevada Tax Commission). While the law provides that in years in which the property is not reappraised, the County assessor is to apply a factor representing typical changes in value in the area since the preceding year, it is the policy of the Clark County Assessor to reappraise all real and secured personal property in the District each year. State law requires that property be assessed at 35% of taxable value; that percentage may be adjusted upward or downward by the Legislature. Based on the assessed valuation for fiscal year 2016, the taxable value of all taxable property within the District is $203,015,009,237 (subject to change, and including the taxable value attributable to the Redevelopment Agencies). Based on the final (as of March 15, 2016) assessed valuation for fiscal year 2017, the preliminary taxable value of all taxable property within the District is $218,951,997,409 (subject to change, and including the taxable value attributable to the Redevelopment Agencies).

"Taxable value" is defined in the statutes as the full cash value in the case of land and as the replacement cost less straight-line depreciation in the case of improvements to land and in the case of taxable personal property, less depreciation in accordance with the regulations of the Nevada Tax Commission but in no case an amount in excess of the full cash value. Depreciation of improvements to real property must be calculated at 1.5% of the cost of replacement for each year of adjusted actual age up to a maximum of 50 years. Adjusted actual age is actual age adjusted for any addition or replacement. The maximum depreciation allowed is 75% of the cost of replacement. When a substantial addition or replacement is made to depreciable property, its "actual age" is adjusted, *i.e.*, reduced to reflect the increased useful term of the structure. The adjusted actual age has been used on appraisals for taxes since 1986-87.

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

History of Assessed Value

The following table illustrates a history of the assessed valuation in the District, including the assessed values attributable to the Boulder City Redevelopment Agency, the Clark County Redevelopment Agency, the Henderson Redevelopment Agency, the Las Vegas Redevelopment Agency, the Mesquite Redevelopment Agency and the North Las Vegas

Redevelopment Agency (collectively, the "Redevelopment Agencies"). However, due to property tax abatement laws enacted in 2005 (described in "Required Property Tax Abatements" below) the taxes collected by taxing entities within the County are capped and there is no longer a direct correlation between changes in assessed value and property tax revenue.

History of Assessed Value

Fiscal Year Ended June 30	Assessed Value of the District	Assessed Value of Redevelopment Agencies	Total Assessed Value of the District	Percent Change
2012	$57,878,335,897	$1,176,499,255	$59,054,835,152	--
2013	54,195,268,097	1,030,444,078	55,225,712,175	(6.5)%
2014	55,220,637,749	1,076,210,139	56,296,847,888	1.9
2015	62,904,942,089	1,347,691,561	64,252,633,650	14.1
2016	69,266,468,466	1,788,784,767	71,055,253,233	10.6
2017(1)	74,597,622,262	2,035,576,831	76,633,199,093	7.9

(1) Final data as of March 15, 2016; subject to change.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation, 2011-2012 through 2015-2016 and Proforma Ad Valorem Revenue Projections – State of Nevada Department of Taxation, 2016-2017 (as of March 15, 2016).

Property taxes received as a result of the District's $0.75 operating levy on the assessed value of Redevelopment Agencies (as shown in the table above) are not transferred to the District, but rather are transferred to the Redevelopment Agencies to be used for redevelopment purposes. Property taxes levied on this property for bonded indebtedness approved by the electors of the District before November 5, 1996, are also transferred to the Redevelopment Agencies. However, property taxes levied on the assessed value of the Redevelopment Agencies for all bonded indebtedness approved by the voters will be retained by the District as of June 16, 2016.

Property Tax Collections

General. In Nevada, county assessors are responsible for assessments in the counties except for property centrally assessed by the State. County treasurers are responsible for the collection of property taxes, and forwarding the allocable portions thereof to the overlapping taxing units within the counties.

A history of the County's tax roll collection record appears in the following table. *This table reflects all amounts collected by the County, including amounts levied by the District, the County, the cities within the County and certain special taxing districts. The figures in the following table include property taxes that are not available to pay debt service on the 2016 Bonds.* The table below provides information with respect to the historic collection rates for the County and the District, but may not be relied upon to depict the amounts of ad valorem property taxes available to the District in each year. There is no assurance that collection rates will be similar to the historic collection rates depicted below.

Property Tax Levies, Collections and Delinquencies - Clark County, Nevada[1]

Fiscal Year Ending June 30	Net Secured Roll Tax Levy[2]	Current Tax Collections	% of Levy (Current) Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as % of Current Levy[3]
2011	$1,769,849,825	$1,736,385,757	98.11%	$32,851,801	$1,769,237,557	99.97%
2012	1,600,957,496	1,576,935,410	98.50	23,353,270	1,600,288,680	99.96
2013	1,460,538,389	1,446,106,236	99.01	13,563,673	1,459,669,909	99.94
2014	1,467,972,532	1,453,556,514	99.02	11,654,735	1,465,211,249	99.81
2015	1,515,889,726	1,506,108,484	99.34	3,240,740	1,509,349,223	99.56
2016	1,585,819,224	1,266,180,406[4]	79.97	n/a[5]	1,266,180,406[4]	79.97

(1) Subject to revision. Represents the real property tax roll levies and collections.
(2) Adjusted county tax levied for the fiscal year.
(3) Percentage of total taxes collected to date (calculated on the Net Secured Roll Tax Levy).
(4) Collections as of February 29, 2016 (unaudited).
(5) Fiscal year 2016 delinquent collections are still in progress.

Source: Clark County Treasurer's Office.

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

Effect of Abatement. Because of the effect of the Abatement Act (described in "Required Property Tax Abatements" below), the change in assessed value occurring after fiscal year 2005 does not produce a corresponding increase in tax revenues, even if the tax rate is constant. The District's tax rate has remained constant since 1998 with $0.75 per $100 of assessed value being levied for operating purposes and $0.5534 per $100 of assessed value being levied for debt service. As illustrated in "History of Assessed Value" above, the District's assessed value (including the assessed values of the Redevelopment Agencies) increased by 1.9% from 2013 to 2014, by 14.1% from 2014 to 2015 and by 10.6% from 2015 to 2016. During those same periods, District ad valorem property tax revenues (General Fund and Debt Service Fund) decreased by 0.2% from 2013 to 2014, increased by 3.5% from 2014 to 2015 and are budgeted to increase by 3.6% from 2015 to 2016. Such revenues are budgeted to remain unchanged from 2016 to 2017 in the budget initially adopted on June 29, 2015, as revised on December 10, 2015.

Largest Taxpayers in the District

The following table represents the ten largest property-owning taxpayers in the County (which has boundaries coterminous with the District) based on fiscal year 2015-2016 assessed valuations. The assessed valuations in this table represent both the secured tax roll (real property) and the unsecured tax roll (generally personal property). No independent investigation has been made of, and consequently there can be no representation as to, the financial conditions of the taxpayers listed, or that any such taxpayer will continue to maintain its status as a major taxpayer based on the assessed valuation of its property in the County.

In recent years, several major taxpayers in the County have experienced varying degrees of financial difficulty, including bankruptcy proceedings. Although those entities continued to pay property taxes in a timely manner, those or other entities may encounter future difficulties that could negatively impact the timely payment of property taxes.

Principal Property Owning Taxpayers in the District
Fiscal Year 2015-2016

Taxpayer	Type of Business	Assessed Value	% of Total Assessed Value(1)
MGM Resorts International	Hotels/Casinos	$ 3,463,940,674	4.87%
Caesars Entertainment Corporation(2)	Hotels/Casinos	1,829,517,435	2.57
NV Energy	Utility	1,745,262,140	2.46
Las Vegas Sands Corporation	Hotels/Casinos	988,434,935	1.39
Wynn Resorts Limited	Hotels/Casinos	863,528,905	1.22
Station Casinos Incorporated	Hotels/Casinos	577,441,319	0.81
Nevada Property 1 LLC	Hotel/Casino	417,970,291	0.59
Eldorado Energy LLC	Solar Energy	357,230,311	0.50
Howard Hughes Corporation	Developer	331,120,927	0.47
Boyd Gaming Corporation	Hotels/Casinos	306,871,653	0.43
Total		$10,881,318,590	15.31%

(1) Based on the District's fiscal year 2016 assessed valuation of $71,055,253,233 (which includes the assessed valuation attributable to the Redevelopment Agencies).

(2) Caesars Entertainment Corporation ("CEC") owns, directly or indirectly, numerous properties within the boundaries of the District, including but not limited to Caesars Palace Hotel and Casino, Bally's Hotel and Casino, the Forum Shops, the Cromwell Hotel, the Flamingo Hotel and Casino, Harrah's Hotel and Casino, Nobu Hotel, Paris Hotel and Casino, Planet Hollywood Hotel and Casino, The Linq Hotel and the Rio Hotel and Casino. The assessed value figure provided in this table represents the combined assessed value of all property owned directly or indirectly by CEC. On January 15, 2015, a bankruptcy petition (the "CEOC Petition") was filed in the U.S. Bankruptcy Court for the Northern District of Illinois by Caesars Entertainment Operating Company, Inc. ("CEOC"). The CEOC Petition states that on the same day, bankruptcy petitions were filed by approximately 172 other entities which are believed to be related to CEOC. The CEOC Petition states that CEC is the owner of 89.3% of CEOC; however, CEC is not one of the debtors named in the CEOC Petition and the other bankruptcy petitions. Therefore, it is unclear how many of the hotels, casinos, and other properties which comprise the assessed value figure provided in this table are effected by the CEOC Petition and the other bankruptcy petitions. It is also unclear at this time whether, or by how much, the filing of the CEOC Petition and the other bankruptcy petitions will impact the payment of property taxes by CEC or entities directly or indirectly related to it. Since the date of the bankruptcy filing, CEC has paid its property taxes in a timely manner.

Source: County Assessor's website (report dated 10/15/15); Petition (for footnote 2).

Property Tax Limitations

Overlapping Property Tax Caps. Article X, Section 2, of the State constitution limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (*i.e.*, the State, and any county, city, town, school district or special district) to an amount not to exceed five cents per dollar of assessed valuation ($5 per $100 of assessed valuation) of the property being taxed. Further, the combined overlapping tax rate is limited by statute to $3.64 per $100 of assessed valuation in all counties of the State with certain exceptions that (a) permit a combined overlapping tax rate of up to $4.50 per $100 of assessed valuation in the case of certain entities that are in financial difficulties; and (b) require that $0.02 of the statewide property tax rate of $0.17 per $100 of assessed valuation is not included in computing compliance with this $3.64 cap. (This $0.02 is, however, counted against the $5.00 cap.) State statutes provide a priority for taxes levied for the payment of general obligation bonded indebtedness (including the District's debt levy of $0.5534) in any year in which the proposed tax rate to be levied by overlapping units within a county exceeds any rate limitation; a reduction must be made by those units for purposes other than the payment of general obligation bonded indebtedness, including interest thereon.

Local Government Property Tax Revenue Limitation. State statutes limit the revenues school districts may receive from ad valorem property taxes for operating purposes. Pursuant to NRS 387.195, each board of county commissioners levies a tax of $0.75 per $100 of assessed valuation for school district operating purposes. School districts are also allowed additional levies for voter-approved debt service and voter-approved tax overrides for capital projects.

State statutes also limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness which is exempt from such ad valorem revenue limits. These revenue limitations do not apply to ad valorem taxes levied to repay the 2016 Bonds, which are exempt from such ad valorem revenue limits. This rate is generally limited as follows. The assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This cap operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property.

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

The County and the cities within the County are levying various tax overrides as allowed or required by State statutes.

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

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

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

Potential Constitutional Amendment - Senate Joint Resolution 13. Senate Joint Resolution 13 ("SJR 13"), adopted by the 2015 session of the Nevada Legislature, proposes to amend the Nevada Constitution. Under Nevada law, constitutional amendments require majority approval by each house of the Legislature in two separate legislative sessions and then majority approval by the general electorate. SJR 13, therefore, will be considered again in the 2017 Legislature. If it is approved again, it is expected that it will be placed on the ballot for the November 2018 general election.

SJR 13 would impose certain additional limitations on property taxes on real property. SJR 13 would, among other things, limit taxes on real property to 1.25% of the "base" value of the property; require a new "uniform and just" valuation of property for taxation; generally limit increases in the property base values to the lesser of 3% per year or the rate of inflation; and require updates to the "base" value of real property upon certain transfers of the property. If applied theoretically as of the date hereof, SJR 13 would not reduce the amount of taxes paid to the District. Many of the provisions of SJR 13 are unclear, however (including the definition of "base" value); the amendment will require additional legislation not yet introduced in order to implement. It is not possible to predict at this time whether it will become law, or what its impact will be on the District's property tax revenue if it does become law, except that by its terms it will not impact the District's property tax imposed for debt repayment purposes.

Required Property Tax Abatements

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

Generally, reductions in the amount of ad valorem property tax revenues levied in the County are required to be allocated among all of the taxing entities in the County in the same proportion as the rate of ad valorem taxes levied for that taxing entity bears to the total combined rate of all ad valorem taxes levied for that fiscal year. However, abatements caused by tax rate increases are to be allocated against the entity that would benefit from the tax increase rather than among all entities uniformly. Revenues realized from new or increased ad valorem taxes that are required by any legislative act that was effective after April 6, 2005, generally are exempt from the abatement formulas. The Abatement Act provides for the recapture of previously abated property tax revenues in certain limited situations.

Levies for Debt Service. Revenues resulting from increases in the rate of ad valorem taxes for the payment of tax-secured obligations are exempt from the Abatement Act formulas if increased rates are necessary to pay debt service on the related obligation in any fiscal year if (1) the tax-secured obligations were issued before July 1, 2005; or (2) the governing body of the taxing entity and the County Debt Management Commission make findings that no increase in the rate of an ad valorem tax is anticipated to be necessary for payment of the obligations during their term. Ad valorem tax rate increases to pay debt service on the 2016B Bonds may be exempt from the Abatement Act formulas. Ad valorem tax rate increases to pay debt service on the 2016A Bonds may not be exempt from the Abatement Act formulas.

General Effects of Abatement. Limitations on property tax revenues could negatively impact the finances and operations of the taxing entities in the State, including the District, to an extent that cannot be determined at this time. See "Property Tax Collections - Effect of Abatement Act" above.

Overlapping Tax Rates and General Obligation Indebtedness

Overlapping Tax Rates. The following table presents a history of statewide average tax rates and a representative overlapping tax rate for several taxing districts located in Las Vegas, the County seat and the most populous city in the County. The overlapping rates for incorporated and unincorporated areas within the County vary depending on the rates imposed by applicable taxing jurisdictions. The highest overlapping tax rate in the County currently is $3.4030 in Mt. Charleston Town.

History of Statewide Average and Sample Overlapping Property Tax Rates[1]

Fiscal Year Ended June 30,	2012	2013	2014	2015	2016
Average Statewide rate	$3.1171	$3.1304	$3.1212	$3.1232	$3.1360
Clark County	$0.6541	$0.6541	$0.6541	$0.6541	$0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
City of Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
Las Vegas-Clark County Library District	0.0942	0.0942	0.0942	0.0942	0.0942
Las Vegas Metro Police	0.2850	0.2850	0.2850	0.2850	0.2850
State of Nevada[2]	0.1700	0.1700	0.1700	0.1700	0.1700
Total	$3.2782	$3.2782	$3.2782	$3.2782	$3.2782

(1) Per $100 of assessed valuation.
(2) $0.0200 of the State rate is exempt from the $3.64 cap. See "Property Tax Limitations" above.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada, Department of Taxation, 2011-2012 through 2015-2016.

Estimated Overlapping General Obligation Indebtedness. In addition to the general obligation indebtedness of the District, other taxing entities are authorized to incur general obligation debt within boundaries that overlap or partially overlap the boundaries of the District. In addition to the entities listed below, other governmental entities may overlap the District but have no general obligation debt outstanding. The following chart sets forth the estimated overlapping general obligation debt (including general obligation medium-term bonds) chargeable to property owners within the District as of May 1, 2016.

Estimated Overlapping Net General Obligation Indebtedness

Entity[1]	Total General Obligation Indebtedness	Presently Self-Supporting General Obligation Indebtedness	Net Direct General Obligation Indebtedness	Percent Applicable[2]	Overlapping Net General Obligation Indebtedness[3]
Clark County	2,739,490,851	2,712,179,000	27,311,851	100.00	27,311,851
Henderson	212,718,288	191,519,288	21,199,000	100.00	21,199,000
Las Vegas	498,735,000	442,810,000	55,925,000	100.00	55,925,000
Mesquite	27,031,296	18,978,296	8,053,000	100.00	8,053,000
North Las Vegas	419,970,000	408,010,000	11,960,000	100.00	11,960,000
Clark County Water Reclamation District	477,971,197	477,971,197	0	100.00	0
Las Vegas Valley Water District	3,331,030,000	3,331,030,000	0	100.00	0
Las Vegas-Clark County Library District	20,775,000	0	20,775,000	100.00	20,775,000
Boulder City Library District	1,265,000	0	1,265,000	100.00	1,265,000
Big Bend Water District	3,927,311	3,927,311	0	100.00	0
State of Nevada	1,498,660,000	332,630,333	1,166,030,000	69.78	813,655,734
TOTAL	$9,231,573,943	$7,919,055,092	$1,312,518,851		$960,144,585

(1) Other taxing entities overlap the District and may issue general obligation debt in the future.
(2) Based on fiscal year 2015-2016 assessed valuation in the respective jurisdiction. The percent applicable is derived by dividing the assessed valuation of the governmental entity into the assessed valuation of the District.
(3) Overlapping Net General Obligation Indebtedness equals total existing general obligation indebtedness less presently self-supporting general obligation indebtedness times the percent applicable.

Source: Debt information compiled by the Financial Advisor; percentages calculated using information from Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2015-2016.

The following table sets forth the total net direct and overlapping general obligation indebtedness attributable to the District as of May 1, 2016 (after taking the issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the effect of the 2016A and 2016B Refunding Projects into account).

Net Direct & Overlapping General Obligation Indebtedness

Total General Obligation Indebtedness[1]	$2,866,995,000
Less: Self-supporting General Obligation Indebtedness[1]	(768,360,000)
Net Direct General Obligation Indebtedness	2,098,635,000
Plus: Overlapping Net General Obligation Indebtedness	960,144,585
Net Direct & Overlapping Net General Obligation Indebtedness	$3,058,779,585

(1) Assumes the issuance of the 2016A Bonds, the 2016B Bonds, the 2016C Bonds and the effect of the 2016A and 2016B Refunding Projects. See "DISTRICT FINANCIAL INFORMATION AND DEBT STRUCTURE--Outstanding Indebtedness and Other Obligations."

Selected Debt Ratios

The following table sets forth historical (and, for fiscal year 2016, projected) information relating to the District's outstanding general obligation debt as compared to the population, assessed valuation, taxable value and per capita personal income within the District.

Select Direct General Obligation Debt Ratios

Fiscal Year Ended June 30	2011	2012	2013	2014	2015	2016[7]
Population[1]	1,967,722	1,988,195	2,031,723	2,069,450	2,188,353	2,188,353
Assessed Value[2]	$65,758,625,871	$59,054,835,152	$55,225,712,175	$56,296,847,888	$64,252,633,650	$71,055,253,233
Taxable Value[2]	$187,881,788,203	$168,728,100,434	$157,787,749,071	$160,848,136,823	$202,900,723,523	$203,015,009,237
Per Capita Income[3]	$36,488	$38,713	$38,091	$39,533	$39,533	$39,533
Gross Direct G.O. Debt[4]	$3,860,905,000	$3,554,575,000	$3,223,895,000	$2,894,125,000	$2,548,890,000	$2,590,805,000[5]
RATIO TO:						
Per Capita	$1,962.12	$1,787.84	$1,586.78	$1,398.50	$1,164.75	$1,183.91
Percent of Assessed Value	5.87%	6.02%	5.84%	5.14%	3.97%	3.65%
Percent of Taxable Value	2.05%	2.11%	2.04%	1.80%	1.26%	1.28%
Percent of Per Capita Income[6]	5.38%	4.62%	4.17%	3.54%	2.95%	2.99%
Net Direct G.O. Debt[4]	$3,063,405,000	$2,802,125,000	$2,518,415,000	$2,245,520,000	$1,964,995,000	$1,881,385,000[5]
RATIO TO:						
Per Capita	$1,556.83	$1,409.38	$1,239.55	$1,085.08	$897.93	$859.73
Percent of Assessed Value	4.66%	4.74%	4.56%	3.99%	3.06%	2.65%
Percent of Taxable Value	1.63%	1.66%	1.60%	1.40%	0.97%	0.93%
Percent of Per Capita Income[6]	4.27%	3.64%	3.25%	2.74%	2.27%	2.17%

(1) Reflects State Demographer estimates for the County as of July 1 of each year shown. The population figures for 2011-2015 represent certified estimates; the population figure for 2015 is used in 2016 as no information is yet available for that year. See "ECONOMIC AND DEMOGRAPHIC INFORMATION—Population and Age Distribution."

(2) See "PROPERTY TAX INFORMATION--Property Tax Base" for a description of assessed valuation and taxable value. Includes the assessed values attributable to the Redevelopment Agencies.

(3) See "ECONOMIC AND DEMOGRAPHIC INFORMATION--Income." The 2014 figure also is used in 2015-2016 as no information is yet available for those years.

(4) See "DEBT STRUCTURE--Outstanding Bonded Indebtedness and Other Obligations."

(5) Fiscal year 2016 debt represents an estimate as of June 30, 2016, and is based upon the following assumptions: (a) the issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the completion of the 2016A and 2016B Refunding Projects and (b) the scheduled retirement of outstanding debt on June 15, 2016. See "INTRODUCTION—Forward-Looking Statements."

(6) Per capita debt as a percent of per capita personal income.

(7) Except for assessed value and taxable value, the information in this column contains projections which are subject to material change. See "INTRODUCTION—Forward-Looking Statements."

Sources: Population data: Nevada State Demographer's Office (2011-2015 certified estimates as of July 1st); per capita income amounts: United States Department of Commerce, Bureau of Economic Analysis; and debt information: the Financial Advisor.

CLARK COUNTY SCHOOL DISTRICT

General

All school districts in the State are organized under the terms of legislation enacted in 1956. There is one school district in each county with responsibility for all public education from pre-kindergarten through the twelfth grade. The District is located in the County and has boundaries that are coterminous with those of the County. The incorporated municipalities located within the District are Las Vegas, North Las Vegas, Henderson, Boulder City and Mesquite. According to the State Demographer's office, the certified estimated population of the County (which has boundaries identical to the District) was 2,188,353 as of July 1, 2015.

Proposed Reorganization

During the 2015 legislative session, the Nevada legislature adopted, and the Governor signed, Assembly Bill No. 394 ("AB 394"). AB 394 creates an advisory committee and a technical committee to develop a plan (the "Plan") to reorganize the District into "local school precincts" no later than the 2018-2019 school year.

Description of AB 394.

Composition of Committees. The *advisory committee* is to be comprised of nine members appointed as follows: (a) four members of the Nevada Senate elected from districts which include any area within the County; (b) four members of the Nevada Assembly elected from districts which include any area within the County; and (c) one member appointed by the Nevada Legislative Commission who "is a member of the general public, is a resident of Clark County and represents the ethnic diversity of Clark County." The *technical advisory committee* is to be comprised of members appointed as follows: (a) one member who is appointed by the governing body of each of the incorporated cities within the County (five members total); (b) one member who is appointed by the Governor; (c) one member who is appointed by the State Board of Education; (d) one member who is appointed by the Board of the District; (e) one member who is appointed by the Board of County Commissioners of Clark County, (f) one member who is appointed by the Legislative Commission from a list of recommendations by the Clark County Education Association; (g) one member who is appointed by the Legislative Commission from a list of recommendations by the Urban Chamber of Commerce; (h) one member who is appointed by the Legislative Commission from a list of recommendations by the Latin Chamber of Commerce; (i) one member who is the parent or guardian of a pupil enrolled in the District appointed by the Legislative Commission from a list of recommendations by the Nevada Parent Teacher Association; (j) one member who is appointed by the Legislative Commission from a list of recommendations by the Las Vegas Asian Chamber of Commerce; and (k) any other persons who have knowledge, experience or expertise in the matters appointed by the Chair of the advisory committee.

Duties of Advisory Committee. The advisory committee is required to do the following, in consultation with the technical advisory committee: (a) retain an independent consultant to perform a study to assist the advisory committee with developing the Plan;

(b) establish benchmarks that must be met within the District to ensure that the Plan will be implemented before the 2018-2019 school year.

AB 394 states that in developing the plan to reorganize the District, the advisory committee must take into consideration 20 factors involving precinct boundaries, curriculum, staffing, safety, ensuring equity with respect to the Nevada Plan and other issues. The listed factors related to debt and finance include: (a) the allocation, dedication and transfer of revenues to precincts for capital projects and programming; (b) the authority to issue bonds or otherwise raise revenue; (c) the application for and receipt of any grant; (d) the creation and administration of accounts to manage any money for the precincts; (e) financial planning for programs, pupil funding and capital projects; (f) the liability of precincts with respect to any duties and obligations of the Board which will be assumed by the governing body of a precinct. The advisory committee must also ensure that the District is funded in accordance with the Nevada Plan (described in "DISTRICT FINANCIAL INFORMATION--General Operating Fund"); authorize the precincts to request that the District issue bonds on behalf of the precincts; require the District to issue bonds upon receiving such a request, except for good cause; and require a precinct on behalf of which bonds are issued to use the proceeds on a "per pupil basis."

Additional Procedures. Upon completion of the Plan, the Board of County Commissioners of Clark County must conduct not less than six public meetings where the Plan is to be presented to the public for input. Upon completion of the meetings, the advisory committee must revise the Plan as necessary, file the Plan with the Board of the District and submit the Plan to the State Board of Education and to the Director of the Legislative Council Bureau for transmittal to the 79th Session of the Nevada Legislature.

Important Dates and Current Status. The advisory committee and technical advisory committee members have been appointed. The first meeting of the advisory committee took place on October 12, 2015, and it has met on a monthly basis since that time, most recently on April 13, 2016. The first meeting of the technical advisory committee took place on November 10, 2015, and it has also met on an approximately monthly basis since that time, most recently on April 13, 2016.

At the first meeting of the advisory committee, the Superintendent of the District initially presented a proposed plan to create seven "Instructional Precincts" with boundaries consistent with the precinct boundaries of each of the seven existing Board members. The creation of these precincts would be implemented in three phases beginning in October 2015, with full implementation by the beginning of the 2016-2017 school year. The precincts would make instructional decisions and be accountable for the academic success within the precinct. The plan also provides for the reorganization of District resources between the central office and the precincts. Since the first advisory committee meeting, the Superintendent altered his initial proposal to only include the following three components for implementation by the 2016-2017 school year: (1) restructure the behavioral school model to reduce from five behavior schools and two continuation schools to one behavioral school and one continuation school to better serve the needs of these students within their neighborhood school environment, (2) distribute funding and decision making closer to the students through Strategic Budgeting (described below under "District Organization and Divisions--Strategic Budgeting" for all District schools, and (3) move approximately 100 licensed project facilitators back into classrooms to assist with the ongoing shortage of licensed teachers.

The advisory committee is under no obligation to accept plans proposed by the Superintendent, and although several monthly public meetings have been held, the advisory committee has not yet put forth a proposed recommendation. The plan eventually adopted by the advisory committee is required to be effective after the State Board of Education adopts regulations to effectuate the implementation and the Governor issues a proclamation to that effect.

Potential Impact of AB 394. AB 394 does not call for the dissolution of the District, and it appears likely that after the reorganization, the District will continue to provide unspecified centralized services. AB 394 contains many provisions, however, which are unclear. For example, Nevada law does not currently contain the concept of a "school precinct." It is unknown how many such precincts will be included in the Plan, what the boundaries of the precincts will be and what the legal relationship will be between the District and the precincts.

AB 394 does not address whether the Plan will attempt to impact the payment of existing debt of the District. However, it states that the advisory committee must take into consideration "[t]he liability of a local school precinct with respect to any duties and obligations of the [Board] which will be assumed by the governing body of a precinct." It is unclear whether these "duties and obligations" include the payment of existing District debt. Article 1 Section 10 of the United States Constitution, however, provides that "[n]o State shall pass any ... law impairing the obligation of contracts...." Accordingly, the District expects that its existing debt will continue to be repaid from the ad valorem property taxes and other taxes and revenues which are pledged to such debt. Although the advisory committee and technical advisory committee have not yet made any formal findings regarding District debt, several committee members have stated in the public meetings which have occurred so far that District debt should not be impacted by the reorganization.

AB 394 contains provisions related to the issuance of future debt, but these provisions are also unclear. AB 394 states that the advisory committee must authorize one or more precincts to request that the District issue bonds on behalf of the precincts, and must require the District to issue bonds upon receiving such a request, except for good cause. The legislation does not state what security may or must be pledged to the repayment of such bonds. It also does not define "good cause" or describe what findings the governing body of the precinct and the Board must make prior to issuing such bonds. It does not provide any par amount limitations or other limitations of future debt based upon interest rates, maturity dates, discounts or premiums or credit quality considerations. AB 394 states that the advisory committee must require a precinct to use bond proceeds on a "per pupil basis." The meaning of this provision is unclear.

AB 394 states that the advisory committee must take into consideration "the authority to issue bonds or otherwise raise revenue." It is unclear what types of revenues are referred to in this statement, and whether precincts will be able to issue bonds and raise revenue independent of the District.

Board of Trustees

The District is governed by an elected, seven-member Board. Board members represent specific geographic areas and are elected for four-year overlapping terms by the voters in the District. The Board elects one of its members as president, one of its members as vice president and one of its members as clerk. Board members are limited to 12 years in office pursuant to State constitutional term limitations. Regular Board meetings are held on the second and fourth Thursday of each month at the Edward A. Greer Education Center in the District; special meetings are held as needed.

The present members of the Board, the year each began service as trustee, and the expiration of their respective terms are as follows:

Board Member and Title	Director District	First Term Began	Current Term Expires (January)
Linda E. Young, President	C	January 2009	2017
Chris Garvey, Vice President	B	January 2009	2017
Patrice Tew, Clerk	E	January 2013	2017
Kevin Child, Board Member	D	January 2015	2019
Eric Cranor, Board Member	G	January 2011	2019
Carolyn Edwards, Board Member	F	January 2007	2019
Deanna L. Wright, Board Member	A	January 2009	2017

District Management Philosophy

The Vision of the Board of School Trustees. All students progress in school and graduate prepared to succeed and contribute in a diverse global society.

The Mission of the District and Superintendent. To ensure that all students experience success in school. "Success," as defined by the District, means all students are "ready to exit." The District is working to implement the Board of Trustees' vision for increasing student achievement through the Superintendent's Strategic Plan known as the Pledge of Achievement, adopted in 2014. The pledge identifies the following Strategic Imperatives: Academic Excellence, Engagement, School Support, and Clarity and Focus as well as the following Focus Areas: Proficiency, Academic Growth, Achievement Gaps, College and Career Readiness, Value/Return on Investment, Disproportionality, and Family/Community Engagement and Customer Service. Additionally, focus is placed in six key areas. The first focus area is achievement; every student should graduate ready for college or a career. The second is people; every adult must contribute to student success. The third is opportunity; every student and adult has an equitable opportunity to succeed. The forth is innovation; every level of the organization should nurture a culture of innovation. The fifth is community engagement; every member of our community has the opportunity to contribute to student success. The sixth is results; every investment of time, money, and people contributes to student success.

Administration

The Board establishes District policy and oversees the budget. The Board appoints the Superintendent as its Chief Executive Officer to administer the day-to-day operations of the District. The Deputy Superintendent and the Chief Financial Officer report directly to the Superintendent.

Brief biographies for the Superintendent and the Chief Financial Officer, each of whom is directly involved in the issuance of the 2016 Bonds, are set forth below.

Pat Skorkowsky, Superintendent. Mr. Skorkowsky was appointed as the District's Superintendent in May 2013. Prior to that time, he served as an Assistant Superintendent for six years. Mr. Skorkowsky has been employed by the District since August 1988, when he was a first-grade teacher. He also has served as an elementary school assistant principal and as a middle school principal in the District. Mr. Skorkowsky received his Associate Degree in Science from St. Gregory's College in Oklahoma, his Bachelor's Degree in Elementary Education from Oklahoma State University and his Master's Degree in Educational Administration from the University of Nevada, Las Vegas.

James McIntosh, Chief Financial Officer. Mr. McIntosh was appointed by the Superintendent as the Chief Financial Officer in January 2014, having previously worked six years as the Deputy Chief Financial Officer. Prior to becoming Deputy CFO, Mr. McIntosh held various accounting roles in the District, including as the Accounting Director, and he has over 15 years of experience in the Business and Finance Division at the District. Mr. McIntosh started his career working for local public accounting firms where he specialized in tax and audit. Mr. McIntosh holds both a bachelor's degree in business administration with a major in accounting and a master's degree in business administration from the University of Nevada, Las Vegas.

District Organization and Divisions

Administration and Areas. District operations are administered by the Superintendent, one Deputy Superintendent, the Chief Financial Officer, the Chief Student Achievement Officer, the Chief Human Resources Officer, the Chief Educational Opportunity Officer, a General Counsel, and two Associate Superintendents (Employee Management Relations and Operational Services Division).

In 2011, the District implemented a reorganization around performance zones designed to help focus the District's resources on its most pressing needs. The change revised the previous six school Areas into more than a dozen performance zones. These performance zones report to the Chief Student Achievement Officer, who is accountable for coordinating all academic programs and services provided to schools in these zones. All schools in each of these performance zones are now vertically aligned, forming a cluster around a high school using a feeder school pattern. These are clustered by academic performance (but will tend to cluster geographically).

Each performance zone represents approximately 10 to 27 schools. However, where lower-performing schools face greater challenges, fewer schools are included in the zone.

Such a zone represents approximately 10-20 schools. Schools in these zones tend to have more oversight and less autonomy. Certain benefits accrue to schools in higher-need (lower-performing) zones, such as having the first opportunity to hire new talent or tap professional development funds. By contrast, zones with higher-performing schools represent approximately 20 to 27 schools. Schools in a higher-performing zone tend to have less oversight and more autonomy than lower-performing schools.

Each zone has a single Assistant Chief Student Achievement Officer (to whom each principal in the zone reports). The zones work directly with the Chief Student Achievement Officer.

This hierarchy provides a distinct structure that: supports increased student achievement, focusing resources on schools with the most need; helps students to transition from elementary to middle school and middle school to high school; enables ongoing school processes to remain unchanged (such as attendance zones, bus transportation, etc.) for families; provides clear expectations for all schools with performance targets; reduces the management structure over the schools (flattens the organization); and represents part of the long-term plan to improve school performance.

Magnet Schools/Career and Technical Academies. Magnet Schools and Career and Technical Academies offer learning opportunities related to various themes for interested students. Students from across the District may apply to a Magnet School or Career and Technical Academy, regardless of the geographic area in which they reside. The purposes of these schools are to improve student achievement, promote diversity, and create an awareness of career opportunities relative to the fields of study in which students may be interested.

Magnet Schools/Career and Technical Academies offer coursework associated with a variety of pathways leading to both careers and opportunities for higher education, such as aerospace and aviation, information technologies, performing and fine arts, communications, law preparatory, health services, travel and tourism, and engineering.

Strategic Budgeting. Strategic Budgeting, formerly known as Flexible Budgeting, is a District effort which is part of the Superintendent's AB 394 proposal described above and which is designed to improve learning and student performance through increased school autonomy of spending and decision making. Strategic Budgeting has been implemented as part of the 2016-2017 Tentative Budget. As financial considerations are at the root of all major business decisions, clear budgetary planning is essential, not only at the District level, but also at the individual school level. Strategic Budgeting allows schools to understand the financial implications of all decisions in order to ensure student success. The mission of Strategic Budgeting is to purposely allocate and expend resources dispersed to all worksites in order to carry out the Superintendent's Pledge of Achievement (described under "District Management Philosophy" above) for every student in every classroom, without exceptions, without excuses. Strategic Budgeting aligns to the Pledge of Achievement by its focus on deploying budget and resources in support of four priorities: (a) better training and preparation of current and prospective teachers and school leaders; (b) increasing the engagement of students, staff, parents, and the community; (c) providing a demonstrated return on investment for all District funds and expenditures and (d) focusing support for new ideas. With Strategic Budgeting, school communities have a greater role in diagnosing their own school specific needs, implementing their plans by working outside the normal mechanics of the Central Office, engaging all stakeholders in the budgetary planning process, dedicating resources to growth and development of staff and allowing for transparency in return on investment at each site. Rather than being recipients of funds with predetermined uses, Strategic Budgeting gives schools the autonomy to deploy their resources for maximum impact, according to the needs of their individual communities.

Administrative Units and Programs. The administrators discussed above, together with administrative staff, oversee the District's operations through the following divisions and programs: the Business and Finance Division; Community and Government Relations; Vegas PBS, a public television station licensed to the Board; the Educational and Operational Excellence Unit; the Instruction Unit; the Human Resources Unit; the Education Services Division; Instructional Design and Professional Learning Division; the Assessment, Accountability, Research, and School Improvement Division; Diversity and Affirmative Action Programs; and School Police Services.

Enrollment

The District enrolls approximately 68% of all school children in the State. The following table presents a historical record of school enrollment within the District and projected enrollment for the current and following school years.

Enrollment History and Projection

School Year Ending June 30	Student Population[1]	Percent Change
2012	308,377	--
2013	311,218	1.0%
2014	314,598	1.1
2015	317,759	1.0
2016	319,558[2]	0.6
2017	321,308[2]	0.5

(1) Except as noted, represents final enrollment audited by the State.
(2) Represents projected Average Daily Enrollment ("ADE"), defined and described below.

Source: The District.

The District has been experiencing enrollment growth, with school year 2016 representing the fourth year since 2012 that the District has experienced enrollment gains throughout the year after the State audited enrollments. The trend is expected to continue in school year 2017. If current trends hold, the District predicts between 0.5% and 1% annual enrollment increases for the next several years.

Senate Bill 508, passed in the 2015 legislative session, changed the Distributive School Account ("DSA") (see "DISTRICT FINANCIAL INFORMATION--General Operating Fund") reporting from a single annual official count day to a quarterly Average Daily Enrollment ("ADE"). The annual ADE reporting days are October 1, January 1, April 1, and July 1. ADE represents the District's total number of pupils enrolled in and scheduled to attend school divided by the number of days school is in session for that quarter. School year 2015-2016 is the first year of the legislatively mandated change.

Employees; Benefits and Pension Matters

Employees. As of February 29, 2016, the District had 29,163 full-time equivalent employees, which is an increase of 793 full-time equivalent employees from February 28, 2015. The District's administrators, teachers, support staff, school police and school police administrators are represented by separate bargaining units, and collective bargaining agreements are in effect for four of the units. The school police administrators currently are bargaining for an initial agreement.

The following table illustrates the type and number of personnel employed by the District as of February 28, 2015, and February 29, 2016:

District Employees(1)

	Number of Employees	
Type	February 28, 2015	February 29, 2016
Licensed Personnel(2)	23,303	23,906
Administrators	1,096	1,129
Professional/Technical	230	237
School Police	153	154
Support Personnel	15,580	15,829
TOTAL	40,362	41,255

(1) Headcount. Includes full-time, part-time, temporary substitute staff, and student workers.
(2) Approximately 71% of the District's licensed personnel hold advanced degrees (master's or higher).

Source: The District.

Collective Bargaining Agreements. The previous agreement with the Clark County Education Association ("CCEA"), the licensed teachers association, expired on August 18, 2015. On December 10, 2015, the District reached agreement to modify the 2014-2015 agreement for Article 28 by increasing the monthly health insurance contribution per licensed employee by $45 monthly from January 1, 2016 to December 31, 2016. Subsequently on January 14, 2016, the District signed a two-year contract with the CCEA, covering the 2015-2016 and 2016-2017 school years. CCEA, though a vote of its members, ratified this agreement on December 19, 2015. Pursuant to this agreement, licensed employees continue to pay their share (1%) of the 2% State Public Employee's Retirement System ("PERS") rate increase that became effective July 1, 2013, and agreed to pay their share (1.125%) of the 2.25% PERS rate increase that became effective July 1, 2015. In addition, the teachers negotiated an additional step on the salary schedule in all columns retroactive to July 1, 2015, known as the Transitional Salary Table ("TSS"), and were placed on a new salary table effective March 1, 2016, known as the Professional Salary Table ("PST"), which brings the beginning salary of a teacher to $40,000 and provides for column movement every three years for licensed employees who attain 225 contact units achieved through professional development tailored to the individual needs of their school and students. Also, licensed employees receive a 2.25% cost of living increase on the PST salary schedule effective July 1, 2016, and retain allowable movement (as eligible) on the salary schedule known as a step increase effective the 2016-2017 school year. An additional $4.60 monthly health insurance contribution per licensed employee was provided beginning January 1, 2016, through December 31, 2016, will be used to reduce the out-of-pocket contribution by $100.00 for employees enrolled in the Platinum plan as of December 2015. In return, the licensed employee group allowed the District to continue the elimination of both employer and employee contributions into the Retiree Health Trust, adjust the start date of the school year to begin several weeks earlier effective the 2017-2018 school year, and hold weekly site-specific professional developments in lieu of the previous four professional development days. Health insurance for teachers, currently provided for through the Teacher's Health Trust, remains a topic of negotiation.

On July 20, 2013, the members of the Education Support Employees Association ("ESEA"), the bargaining unit representing District support staff employees, ratified its contract for the period of July 1, 2013, through June 30, 2015. This contract expired on June 30, 2015. Negotiations with the ESEA were declared to be at an impasse for the 2015-2016 school year. Although the District reviewed various proposals presented by ESEA since the impasse was declared, no agreement has been reached. The support staff personnel voted on December 5, 2015, to remove the ESEA in favor of the Teamsters Local 14 as the union to represent support staff. The ESEA legally challenged the outcome of the vote and received a temporary stay on February 17, 2016, from Clark County District Court, leaving ESEA as the current bargaining unit. On April 20, 2016, the ESEA was affirmed as the bargaining unit by a judicial decision.

On October 7, 2014, the members of the Clark County Association of School Administrators and Professional-Technical Employees, the District's administrative and professional-technical bargaining group, agreed to modify the existing 2013-2015 contract covering the 2014-2015 school year. This contract expired on June 30, 2015. The District is still in negotiations for school year 2015-2016.

Negotiations with the Police Officer's Association ("POA"), representing school police employees in the District, were declared to be at an impasse for the 2014-2015 school year; however, subsequently a tentative agreement was reached and ratified through a vote of its members on October 19, 2015, and approved by the District on November 12, 2015. Pursuant to the agreement, school police receive a 3% increase on the police/fire or regular salary schedule, whichever applies, retroactive to July 1, 2014. School police continue to have the District pay their share (.375%) of the .75% PERS police/fire rate increase, as well as the District's share (1.0%) of the 2% regular PERS rate increase that became effective July 1, 2013, through the end of June 30, 2015. Additionally, the District's insurance contribution was increased $23 per employee per month. Furthermore, an agreement for 2015-2016 was reached between the District and the POA on February 11, 2016. The agreement provides for a 2% increase on the police/fire or regular salary schedule, whichever applies, retroactive to July 1, 2015, the District will pay their share (1.125%) of the 2.25% PERS rate increase that became effective July 1, 2015, and the District's insurance contribution will increase by an additional $61.87 per employee per month effective July 1, 2015, through December 31, 2016. SB 241 eliminates the payment of additional compensation or monetary benefits, typically known as the "evergreen" clause, to or on behalf of employees of the affected bargaining unit until negotiations have been finalized. This is a significant change from previous law and affects all bargaining units at the District.

In addition to collective bargaining, the District holds frequent discussions with the leaders of the employee groups. The District is committed to maintaining competitive salaries for all employees within available funding. In the opinion of the District's Chief Financial Officer, the state of employee relations generally is good.

Benefits. The District offers its employees a comprehensive benefits package. All District employees receive the following benefits: medical, dental, vision and prescription drug insurance; life and long-term disability insurance (except that the licensed personnel group does not receive long-term disability as part of the benefits package). Additional voluntary benefits are available via payroll deduction. The District also pays retirement contributions through Nevada Public Employees' Retirement System (PERS as discussed herein) and provides workers' compensation insurance as required by law. Licensed District employees are offered a comprehensive benefits package through the Teachers Health Trust (the "Trust") established by the Clark County Education Association and the District in 1983. The Trust was established to administer health benefits for its participants. Earlier in 2015, the Trust announced that it was facing financial difficulties due to rising costs and flat revenue. Effective July 23, 2015, the Trust implemented a new coinsurance requirement whereby participants are responsible for 20% of medical expenses plus the preexisting copays. The Trust documents provide that the District is not obligated to provide benefit payments if the Trust does not have sufficient assets to do so.

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

All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing multiple-employer defined benefit plan. Benefits, as established by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under PERS include pension benefits, disability benefits and death benefits.

Regular members of PERS enrolled prior to January 1, 2010 are eligible for retirement benefits 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 PERS system on or after January 1, 2010 but before July 1, 2015, are eligible for retirement at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service and at any age if the member has at least 30 years of service. Regular members entering the PERS system on or after July 1, 2015, are eligible for retirement at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service, at age 55 if the member has at least 30 years of service and at any age if the member has at least 33 1/3 years of service. A police officer or firefighter who has an effective date of membership before January 1, 2010, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 55 if the police officer or firefighter has at least 10 years of service, at age 50 if the police officer or firefighter has at least 20 years of service and at any age if the police officer or firefighter has at least 25 years of service. A police officer or firefighter that has an effective date of membership on or after January 1, 2010, and before July 1, 2015, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 60 if the police officer or firefighter has at least 10 years of service and at age 50 if the police officer or firefighter has at least 20 years of service. A police officer or firefighter that has an effective date of membership on or after July 1, 2015, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 60 if the police officer or firefighter has at least 10 years of service and at age 50 if the police officer or firefighter has at least 20 years of service.

Nevada law requires PERS to conduct a biennial actuarial valuation showing unfunded actuarial accrued liability ("UAAL") and the contribution rates required to fund PERS on an actuarial reserve basis; however, actual contribution rates are established by the Legislature. By PERS policy, the system actually performs an annual actuary study. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2015. As of June 30, 2013, PERS reported a UAAL of approximately $12.88 billion, the funded ratio for all members was 69.3% (actuarial value basis) and the market value of total assets was approximately $28.83 billion (resulting in a 68.7% funded ratio). As of June 30, 2014, PERS reported a UAAL of approximately $12.53 billion, the funded ratio for all members was 71.3% (actuarial value basis) and the market value of total assets was approximately $33.57 billion (resulting in a 76.3% funded ratio). As of June 30, 2015, PERS reported a UAAL of approximately $12.53 billion, the funded ratio for all members was 71.3% (actuarial value basis) and the market value of total assets was approximately $33.57 billion (resulting in a 76.3% funded ratio).

For the purpose of calculating the actuarially determined contribution rate, the UAAL is amortized as a level percent of payroll over a year-by-year closed amortization period where each amortization period is set at 20 years. The calculation method for the UAAL existing as of June 30, 2011, is amortized using the closed method over 30 years. Effective for fiscal year 2012, the PERS Board adopted changes to the amortization method to be used to amortize new UAAL resulting from actuarial gains or losses and changes in actuarial assumptions. Any new UAAL will be amortized over a period equal to the truncated average remaining amortization period of all prior UAAL layers, until the average remaining amortization period is less than 20 years; after that time, 20-year amortization periods will be used. The current effective amortization period is 20.6 years. The PERS Board also adopted a five-year asset smoothing policy for net deferred gains/losses. As of June 30, 2015, PERS has unrecognized net deferred gains of $0.70 billion. Unless offset by future investment losses, the recognition of the $0.70 billion net deferred market gains is expected to increase the future actuarial funded ratio and decrease the future contribution rate.

For the year ended June 30, 2015, PERS adopted Governmental Accounting Standards Board ("GASB") Statement No. 67, *Financial Reporting for Pension Plans.* This

GASB statement replaces the requirements of GASB statements 25 and 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The objective of GASB 67 is to improve financial reporting by state and local governmental pension plans. It requires enhancement to footnote disclosure and required supplementary information for pension plans. In addition, it requires the determination of net pension liability ("NPL") as opposed to the previously disclosed UAAL.

Prior to these new standards, the accounting and reporting requirements of the pension related liabilities followed a long-term funding policy perspective. The new standards separate the accounting and reporting requirements from the funding decisions and require the unfunded portion of the pension liability to be apportioned among the participating employers. These standards apply for financial reporting purposes only and do not apply to contribution amounts for pension funding purposes.

With the implementation of GASB 67, PERS reported its total pension liability, fiduciary net position, and NPL in its financial statements for the fiscal year ended June 30, 2014. The total pension liability for financial reporting was determined on the same basis as the actuarial accrued liability measure for funding. The fiduciary net position is equal to the market value of assets. The NPL is equal to the difference between the total pension liability and the fiduciary net position.

PERS's NPL as of June 30, 2014 was $10.42 billion as compared to $13.15 billion as of June 30, 2013, when measured in accordance with GASB 67. PERS' fiduciary net position as a percentage of the total pension liability was 76.31% as of June 30, 2014, as compared to 68.68% as of June 30, 2013. Although PERS Comprehensive Annual Financial Report for the fiscal year ending June 30, 2015, is not complete, its June 30, 2015 actuary report is complete. It reports the June 30, 2015 NPL as $11.46 billion, and its fiduciary net position as a percentage of total pension liability as 75.13%.

For the fiscal year ended June 30, 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments to calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan, which include the NPL, deferred outflows of resources, deferred inflows of resources and pension expense. The effect of implementation of these standards on beginning net position resulted, for the first time, in a negative net position of $651,803,162 on the District's Government-wide Statement of Net Position. Among other requirements, the District was required to report its proportionate share of the total PERS (fiduciary) NPL in its financial statements. PERS was required to implement GASB 67. As a result of an actuarial study, the District's proportionate share of PERS's NPL is 24.2%, resulting in the recording of a June 30, 2015 pension liability of $2,522,385,016. As stated above, the transition to this standard resulted in a negative net position of $651,803,162 on the District's Government-wide Statement of Net Position. The implementation of this standard has no effect at the individual fund statement level. The District has no legal obligation to fund any of PERS's NPL nor does it have any ability to affect funding, benefit, or actuarially determined contribution decisions made by PERS or the Legislature.

Contribution rates to PERS are established in accordance with State statute. The statute allows for biennial increases or decreases of the actuarially determined rate. The Legislature can increase the contribution rate for members by any amount it determines necessary. Pursuant to statute, there is no obligation on the part of the employers to pay for their proportionate share of the unfunded liability. The District is obligated to contribute all amounts due under PERS; however, in accordance with State law, non-police/fire employees share the annual increases equally with the employer. As a result, salaries for regular employees were reduced by 1% in fiscal year 2014 and 1.125% in fiscal year 2016 in order to cover half of the increase in statutory contribution rates. A history of contribution rates is shown below.

	Fiscal Years 2010 and 2011	Fiscal Years 2012 and 2013	Fiscal Years 2014 and 2015	Fiscal Years 2016 and 2017
Regular members	21.50%	23.75%	25.75%	28.00%
Police/fire members	37.00	39.75	40.50	40.50

The District's contribution to PERS for the years ended June 30, 2014 and 2015, were $364,569,644, and $376,340,869, respectively, equal to the required contributions for each year. The District has budgeted $443,789,000 in PERS contributions for the fiscal year ended June 30, 2016, considering the increase for regular PERS members that became effective on July 1, 2015.

All District employees are enrolled under a non-contributory plan and the District is obligated to contribute all amounts due under PERS. Pursuant to prior collective bargaining agreements, District payment of what were formerly employee contributions was made in lieu of equivalent salary increases. As of July 1, 2009, the salary schedules for support staff, school police, and administrative/professional-technical personnel were reduced to reflect that these District employees would pay for their portion (one-half) of the PERS rate increase through salary reduction. In accordance with NRS 286.421(8), the employer-pay contribution plan for members is treated as being equally divided between employee and employer for the purposes of adjusting salary increases or salary reductions. However, changes were made during the collective bargaining process for support staff, police and administrative/professional-technical personnel regarding that shared increase. (See the discussion in "Employees" above.) For 2014-2015, one-half of the rate increase effective July 1, 2013 continued to be offset by a corresponding decrease (1%) to employee salary schedules for 2014-2015. For 2015-2016, one-half of the rate increase effective July 1, 2015 will be offset by a corresponding decrease (1.125%) to all employee salary schedules for 2015-2016.

See Note 12 in the audited financial statements attached hereto as Appendix A for additional information on PERS. In addition, copies of PERS' most recent annual financial report, including audited financial statements and required supplemental information, are available from the Public Employees Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, telephone: (775) 687-4200.

Retiree Healthcare Benefits.

Public Employees' Benefit Program. The 2003 Nevada Legislature adopted Assembly Bill 286 ("AB 286"), which required local governments, including school districts, to subsidize the health insurance premiums of its retired employees who enrolled in the State's Public Employees' Benefit Program ("PEBP"). Prior to this, the District did not provide for any post-employment benefits to retirees.

In the 2007 Nevada Legislative Session, Senate Bill 544 ("SB 544") was adopted, which eliminated the ability of a retiree to receive coverage for health insurance under the PEBP unless the retiree's last employer was actively participating in the plan. Since the District does not utilize the plan for active employees, the practical effect of SB 544 was that, after November 30, 2008, retired District personnel were no longer eligible to receive health insurance coverage through the PEBP, ensuring that the District would no longer be required to subsidize premiums for retirees after that date. Any members already enrolled in the plan at that date were grandfathered in and were not subject to any benefit terminations.

Accounting for Costs of Retiree Healthcare Benefits. Beginning in 2007-2008, Governmental Accounting Standards Board ("GASB") Statement No. 45 required the District to begin recognizing the cost of other postemployment benefits ("OPEB") in the period in which the benefits are incurred, rather than its previous approach in which the cost of benefits were not reported until after employees retired. The District anticipated that the UAAL would be made up primarily of OPEB costs related to retired school district personnel who chose benefits provided by the PEBP through AB 286 prior to November 30, 2008; thereafter, OPEB costs would primarily consist of costs attributable to retired employees covered by the District's health benefits plan who decided to continue with that plan. The administrators and the licensed teachers have bargaining unit sponsored health plans. Members of these bargaining units had the choice of participating in the health benefit program provided by their bargaining units, rather than participating in the PEBP, until November 30, 2008; since that date, those employees will only be covered by the bargaining unit health plans. Other employees did not have such a choice, but may have chosen not to participate in PEBP or the District's health plan because of other alternatives (*e.g.*, insurance provided through another source, such as the spouse's employer). In addition, the UAAL includes OPEB costs associated with an "implicit rate subsidy" because retirees are allowed to pay the same premium as active employees.

The District's annual OPEB cost (expense) for the plan is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

During fiscal year 2011, the PEBP announced significant plan design changes for retirees participating in their program. As a result of these changes, a new valuation was completed and as of July 1, 2011, pre-Medicare retirees now participate in a High Deductible Health Care Program in which PEBP provides $700 to a Health Reimbursement Account (HRA) per year for the retiree and $200 for a spouse. All Medicare eligible retirees will participate in a Medicare Exchange with PEBP providing a service related contribution to a HRA equal to

$10 per month per year of service (maximum $200 per month). As a result of this change, the UAAL decreased by about 68% or $329 million.

The District received a report, dated July 17, 2015, to determine the actuarial value of its obligations. The report indicates that as of July 1, 2014, the present value of benefits for the District (*i.e.*, the total present value of all expected future benefits, based on certain actuarial assumptions) is $170,497,027 using a 4.0% discount rate; the District's total combined UAAL is $170,497,027 using a 4.0% discount rate; and the annual amount required to be paid to amortize this liability over 18 years and to accumulate an appropriate amount for current employees so that the UAAL does not increase (*i.e.*, the ARC, as described above) is $13,468,127, also based on a 4.0% discount rate. These valuations are based on several assumptions, including a level percent of pay amortization method.

For fiscal year 2012, the District's annual OPEB cost (expense) was $11,268,000 and was calculated under the Projected Unit Credit Cost Method. The District contributed $12,030,988 toward the obligation throughout the year, resulting in a net OPEB obligation at year-end of $33,024,636, which is recorded as a liability on the statement of net assets.

For fiscal year 2013, the District's annual OPEB cost (expense) was $11,497,790 and was calculated under the Projected Unit Cost Method. The District contributed $11,827,782 toward the obligation throughout the year, resulting in a net OPEB obligation at year-end of $32,694,644, which is recorded as a liability on the statement of net position.

For fiscal year 2014, the District's annual OPEB cost (expense) was $12,506,571 and was calculated under the Projected Unit Cost Method. The District contributed $10,730,287 toward the obligation throughout the year, resulting in a net OPEB obligation at year-end of $34,470,928, which is recorded as a liability on the statement of net position.

For fiscal year 2015, the District's annual OPEB cost (expense) was $12,123,991 and was calculated under the Projected Unit Cost Method. The District contributed $9,767,074 toward the obligation throughout the year, resulting in a net OPEB obligation at year-end of $36,827,845, which is recorded as a liability on the statement of net position.

In the 2007 Nevada Legislature, Senate Bill 457 created a procedure which allows local governments to authorize investments, funding their OPEB, through trust funds with broader investments powers than the District has. The District does not presently plan on establishing such a fund and did not pre-fund any portion of the plan.

See Note 16 and the Required Supplementary Information in the audited financial statements attached hereto as Appendix A for further information on the District's OPEB obligations.

District Facilities and Capital Improvement Plan

<u>Existing Facilities and 1998 Capital Program</u>. The District experienced rapid growth over much of the last 20 years and engaged in extensive planning to blend the best utilization of existing facilities with the construction of additional facilities. The District issued bonds during the period 1998-2008 in the amount of $4.5 billion. Proceeds of those bonds were

used to construct 101 new schools, expand or replace 38 schools and provide technology and equipment upgrades and other modernization improvements for 229 schools.

The District currently operates 356 school programs servicing students in grades kindergarten through 12. Approximately 92% of the District's educational programs, a total of 329, are located in urban areas of unincorporated Clark County, Las Vegas, North Las Vegas and Henderson. Approximately 8% of the District's educational programs, a total of 28, are located in rural Clark County. The following table illustrates the type of schools and the number of each type of school within the District:

District Schools - 2015-2016 School Year

School Type	Number
Elementary	217
Middle	59
Senior High	49
Special	8
Alternative Schools	23
Total	356

In addition to its school buildings, the District owns and operates a variety of facilities in order to accommodate its educational program for the school-age children residing within its boundaries, including administrative facilities, food service facilities, maintenance facilities, transportation centers and a school safety services center.

There are approximately 1,765 acres of vacant land in the District's inventory. This includes approximately 559 acres that are owned by the District, as well as 1,206 acres held through Bureau of Land Management patents or leases. The District also owns numerous vehicles, including a fleet of school buses.

The 2015-2025 Capital Improvement Program. In 2015, two Senate Bills critical to funding capital projects for the District, Senate Bills 119 and 207 ("SB 119" and "SB 207," respectively), were adopted by the Nevada Legislature. These bills allow the District to issue additional bonds secured by the debt levy approved in the 1998 Election for an additional ten years. See "SECURITY FOR THE 2016A BONDS AND THE 2016B BONDS--District Tax Levies." After taking SB 119 and SB 207 into account, on September 24, 2015, the Board adopted a $4.1 billion ten-year capital improvement plan (the "Ten Year CIP").

Early in the legislative session, the District estimated that it could quickly build 12 new schools in the areas where they were most needed and replace two of the District's oldest elementary schools, for a total of 14 schools to be constructed. Sites were selected for the new schools using a data driven process examining areas of high growth located in attendance zones where elementary schools were already 25% over capacity. In determining site selection, the District relied on current land inventory in its possession, relevant Bureau of Land Management leases of property, and developer set-asides of property within housing projects under construction. For purposes of determining the schools slated for replacement, the District relied on its Facility Condition Index calculation, an assessment methodology that assigns a score to each facility. Higher scores represent facilities with the greatest need to be replaced.

The final result was a list of 14 school building construction projects provided to the Nevada Legislature and to the Board which further identified the cross streets and jurisdictions of each new school and the names of the replacement school candidates. Based on early examinations of the sites, it was determined that due to the nature or complexity of some of the locations, school construction would be completed in phases, with six new schools and two replacement schools expected to be completed by August 2017 and six new schools expected to be completed by August 2018.

On September 24, 2015, the Board approved the allocation of funding for the 2015 Capital Improvement Plan. The Board's approved plan, referred to as "B-BOT," allocated \$2.05 billion to address the District's capacity needs. These dollars will allow the District to construct 35 new elementary schools, 2 new high schools, and school additions at approximately 54 elementary schools. Additionally, the plan allocated \$2 billion to address modernization, equity, life cycle and technology needs of the District over the next ten years.

It is expected that the Ten Year CIP will be a dynamic capital program initially defined by guiding principles that will be shaped by the community, District leadership, and Board management. As such, there will be potential changes to future and current construction projects whenever data suggests that there are better suited alternatives or when the principles guiding the strategy of the program are revised or changed in any way.

<u>Five-Year Official Capital Improvement Plan</u>. Pursuant to State law, the District is required to adopt a five-year Capital Improvement Plan (the "Five Year CIP") in conjunction with its budget process. The Five Year CIP provides information about anticipated capital expenditures and funding sources. The Five Year CIP is a planning tool, and projects may be reprioritized, altered, added or deleted from the Five Year CIP at the discretion of the Board. The current Five Year CIP was adopted on July 16, 2015, prior to the passage of SB 119 and SB 207. Nevertheless, it represents the District's current official CIP.

The current Five Year CIP includes approximately \$2.341 billion of projects, including phase II of a phased replacement, classroom additions at three elementary schools, a gymnasium addition, modernization projects, and technology upgrades and the 2015 capital program. Planned projects total approximately \$296.8 million in 2015-2016, \$442.6 million in 2016-2017, \$507.2 million in 2017-2018, \$572.2 million in 2018-2019 and \$522.2 million in 2019-2020. Sources of funding include bond proceeds, Room Tax, Transfer Tax and governmental service tax revenues, available District funds and available fund balance.

Compliance With Federal Laws

<u>General</u>. As a public entity, the District is subject to various federal laws, including those relating to environmental matters and accommodation of those with disabilities.

The District has a safety and environmental protection section within the Risk Management Division that handles hazardous material issues on an ongoing basis and other than asbestos-containing materials has found no other environmental problems.

The District is also subject to the Americans with Disabilities Act. The District has an ongoing plan for bringing District facilities into compliance with the Act, much of which is being funded from the District's capital programs. The District believes that the plan it has in place will, upon completion of the steps outlined therein, bring the District's facilities into compliance with the Americans with Disabilities Act.

Federal regulations have been developed relating to instructional aides in Title I (as described herein) classrooms as part of the "No Child Left Behind Act." Title I provides services in areas such as reading/language arts to meet academic needs of educationally disadvantaged students in school attendance areas with high concentrations of children from low-income families. It is anticipated that absent sequestration (described below) or other changes to federal law, federal funding will cover most costs associated with this mandate.

The State has received a waiver from the Federal No Child Left Behind law. The waiver now gives the State the authority to use the State's accountability system in place of key federal accountability requirements. The State accountability system includes a different method of measuring student achievement, more rigorous national standards and new school and teacher evaluation systems. The State accountability system will now be used to meet many of the No Child Left Behind requirements, including the requisite to annually determine school and district progress in meeting performance targets.

Sequestration. The District is subject to developments at the federal level with respect to the Budget Control Act of 2011 ("sequestration"). The District's QSCB Subsidy received on or about June 15, 2014, was reduced 7.2% (approximately $437,309) as a result of sequestration, and the QSCB Subsidy received on or about June 15, 2015, was reduced 7.3% (approximately $443,383) as a result of sequestration. The District's QSCB Subsidy expected to be received on or about June 15, 2016, is estimated to be reduced 6.8% (approximately $412,692) as a result of sequestration.

Sequestration is expected to reduce federal education funds only minimally in fiscal year 2016 across all federal grants. Included in that amount are cuts to Title I, Individuals with Disabilities Education Act, Title II, Title III, the 21st Century grant, the Striving Readers grant, the School Improvement grant and numerous grant programs available to school districts. Unless Congress takes the necessary action to avoid sequestration, the District will be forced to reduce programs, projects and spending of federal funds.

The laws described above and other federal laws presently in effect or enacted in the future may require the expenditure of funds on programs without necessarily providing sufficient resources (in the form of federal grants or otherwise) to pay for the mandates of those requirements. The District cannot predict the ultimate effect of this federal legislation on the District.

DISTRICT FINANCIAL INFORMATION

Budgeting

General. Prior to April 15 of each year, the District is required to submit to the Nevada Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The tentative budget contains the proposed expenditures and means of financing them. After reviewing the tentative budget, the Nevada Department of Taxation is required to notify the District upon its acceptance of the budget. Following acceptance of the proposed budget by the Nevada Department of Taxation, the District is required to conduct public hearings on its budget on the third Wednesday in May and adopt the final budget on or before June 8.

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

Awards. Government Finance Officers Association of the United States and Canada (the "GFOA") presented the District with its 23rd consecutive award for Distinguished Budget Presentation for its annual budget for the fiscal year ending June 30, 2016. In order to receive this award, a governmental unit must publish a public document that meets program criteria in a policy document, as an operations guide, as a financial plan, and a communications device.

Annual Reports

General. The District prepares a comprehensive annual financial report ("CAFR") setting forth the financial condition of the District as of June 30 of each fiscal year. The CAFR, which includes the District's basic audited financial statements, is the official financial report of the District. It is prepared following generally accepted accounting principles ("GAAP"). The latest completed report is for the year ended June 30, 2015. See Note 1 in the audited financial statements attached hereto as Appendix A for a summary of the District's significant accounting policies.

The audited basic financial statements for the year ended June 30, 2015, which are attached hereto as Appendix A, are excerpted from the CAFR and represent the most recent audited financial statements of the District. Financial statements for prior years may be obtained from the sources listed in "INTRODUCTION--Additional Information.

Certificate of Achievement. The District received the GFOA Certificate of Achievement for Excellence in Financial Reporting for its comprehensive financial report for the fiscal year ended June 30, 2015. This is the 30th consecutive year the District has received this recognition. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to program standards. Such reports must satisfy both generally accepted accounting principles and acceptable legal requirements.

Accounting

All governmental funds are accounted for using the modified accrual basis of accounting in which revenues are recognized when they become measurable and available as net current assets. Sales and use taxes, hotel room taxes, real property transfer taxes and governmental services taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue for the period in which the underlying transaction occurs. Ad valorem taxes are recognized as revenue when due and collected from the taxpayer within 60 days of the fiscal year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is principal and interest on general long term debt which are recognized when due.

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

Education Savings Account Legislation

During the 2015 legislative session, the Nevada legislature adopted, and the Governor signed, Senate Bill No. 302 ("SB 302"). SB 302 establishes a program by which a child who receives instruction from entities other than a public school may receive a grant of money and the amount of the grant must be deducted from the total apportionment amount otherwise received by the school district. By adopting this legislation, Nevada reportedly became the first state in the nation to establish such a program for every child in the state.

The program established by SB 302 consists primarily of the creation of education savings accounts ("ESA"). Families who elect to participate in the program are required to enter into an agreement with the State Treasurer pursuant to which the family will agree to enroll the child at a certain school and open an ESA on behalf of the child and the State will agree to provide a grant to the family and deposit the grant into the ESA. Each agreement is valid for one school year but may be terminated early and may be renewed for any subsequent school year.

The amount of the grant is equal to 90% (or, if the child has a disability or a household income less than 185% of the federal poverty level, 100%) of the statewide average basic support per pupil. For fiscal year 2016, the statewide average basic support per pupil is $5,676, resulting in a potential grant amount of approximately $5,100 per child. Grant money deposited into the ESA may be used only for certain specific items which include, generally, tuition and fees, textbooks, tutoring, ESA management fees and transportation (up to $750 per school year).

In order to be eligible to apply for the program, children must be between the ages of 7 and 18, the ages required by the State to attend school, and must have attended a public school for 100 consecutive school days. In order to receive the grant, a school must meet certain requirements established by SB 302. Schools which may participate in the program and receive grant money include certain private schools, certain colleges and universities, certain programs of distance education, tutors and parents of the child. Participating entities must require students to take certain examinations. A parent may not establish an ESA for a child who will be homeschooled; however, a parent may become a "participating entity" by submitting an application to the State Treasurer. A homeschooled child is a child who receives instruction at home and who is exempt from compulsory attendance, and an opt-in child is a child for whom an ESA has been established, who is not enrolled full-time in a public or private school and receives all or a portion of his or her instruction from a participating entity.

Funds to make the grant into each ESA are derived by deducting the appropriate amount from the total apportionment to the school district. At least three lawsuits have been regarding SB 302. In one of these lawsuits, a Nevada district court judge issued an order on January 11, 2016 holding that SB 302 violates the Nevada constitution and enjoining the implementation of SB 302. This decision was appealed to the Nevada Supreme Court on January 20, 2016, where it is currently pending.

According to the State Treasurer, prior to the injunction being ordered, approximately 4,100 applications were filed during the early enrollment period. The District serves approximately 68% of the students State-wide. Since the lawsuits were filed, information from the State Treasurer has been very limited, including data pertaining only to the District. Until such time as the Treasurer's Office provides the District specific data, however, the potential impact on the District for this school year and future years is not known. The District is also unable to provide information regarding the long-term impact of SB 302 on the District.

General Operating Fund

General. The General Operating Fund consists of two funds, the General Fund and the Special Education Fund. The General Operating Fund includes the budgets necessary for the basic instruction of students and the day-to-day operational activities of the District.

The purpose of the General Fund is to finance the ordinary operations of the District (including debt service to the extent that the ad valorem tax levy is not sufficient to service outstanding debt) and to finance those operations not provided for in other funds. The purpose of the District's Special Education Fund is to separately account for revenues and expenditures related to the education of students with special needs. Although the Special Education Fund is a special revenue fund for accounting purposes, the District budgets it in conjunction with the General Fund because a large portion (approximately 80.1% in fiscal year 2015) of its operating resources are contributed by the General Fund. However, in the District's government-wide financial statements, the Special Education Fund is a Major Special Revenue Fund separate from the General Fund.

Sources of Funding. The operating revenues of school districts are derived primarily from local and State sources as dictated by State law. School districts also receive federal revenues and miscellaneous revenues.

Local Sources. The District's local operating revenue sources are comprised largely of a countywide $0.75 ad valorem property tax and the Local School Support sales and use taxes (the "LSST"), a sales and use tax equal to 2.60% of taxable sales.

The District received $397,118,677 and $410,706,438 from ad valorem property taxes (including net proceeds of mines) in fiscal years 2014 and 2015, respectively, accounting for approximately 19.2% and 19.4% of General Operating Fund revenues in those years. The District has budgeted to receive $425,000,000 ad valorem property taxes (including net proceeds of mines) for fiscal year 2016.

The District received $832,511,729 and $881,056,204 from the LSST for fiscal years 2014 and 2015, respectively, accounting for approximately 40.3% and 41.7% of General Operating Fund revenues in those years. All of the property tax revenues and the local support sales tax revenues are accounted for in the General Fund. The District has budgeted to receive $943,920,000 in LSST revenue for fiscal year 2016.

During the period July 1, 2009 through June 30, 2013, the Legislature required that $85 million of funds on deposit in the District's Capital Projects Fund could be applied as local funds in the General Fund and used for operating purposes for the 2009-2011 and 2011-2013 bienniums rather than for capital projects.

Other local operating sources in the General Operating Fund include revenues received from a governmental services tax (motor vehicle license fees), utility franchise fees, earnings on investments, tuition and summer school fees, athletic proceeds, facility rentals, donations and grants and miscellaneous sources. None of these sources of revenue account for significant amounts of General Operating Fund revenues.

State Sources. State revenue sources consist primarily of payments from the State Distributive School Account (the "DSA") received pursuant to the Nevada Plan for School Finance (the "School Finance Plan" or the "Nevada Plan"). The revenue for the DSA is received from the following five sources: (a) appropriation from the State General Fund; (b) a portion of the annual excise tax of $250 for each slot machine operated in the State; (c) revenue from mineral leases on federal land; (d) interest earned on the Permanent School Fund established by the State Constitution; and (e) sales tax currently at a rate of 2.25% on out-of-state sales that cannot be attributed to a particular county.

Each school district's share of State aid is set by the Legislature for the biennium in accordance with a formula set forth in the School Finance Plan. The School Finance Plan was adopted by the State legislature in 1967 to compensate for wide local variations in resources and in cost per pupil. It is designed to provide reasonable equal educational opportunity and can be expressed in a formula partially on a per-pupil basis and partially on a per-program basis. The formula in the School Finance Plan contains four basic calculations: equalized basic support ratios, wealth adjustment factors, transportation allotments, and guaranteed basic support. To protect districts during times of declining enrollment, State law contains a "hold-harmless" provision which provides that the guaranteed level of funding is based on the higher of the current or the previous year's enrollment (unless the decline in enrollment is more than 5%, in which case the funding is based on the higher of the current or the previous two years' enrollment). The State has experienced substantial budget shortfalls between 2009 to 2013 and had previously been unable to fulfill the guarantee and had previously reduced overall school funding in special and regular sessions of the Legislature.

The amounts of per-pupil State guaranteed support for the District for fiscal years 2011, 2012, 2013, 2014 and 2015 were $5,035, $5,136, $5,257, $5,457 and $5,527, respectively. For fiscal year 2016, the per-pupil State guaranteed support is $5,512, a decrease of $15 per pupil. In 2010, the per-pupil amount was reduced from the amounts originally approved by the Legislature due to State financial difficulties. At a special session held in 2010, the Legislature reduced the basic support guarantee for 2009-2010 to $4,962, a 1.25% decrease that resulted in a mid-year budgetary reduction of nearly $19 million. The District received $686,744,074 and $688,533,420 in DSA revenue from the State for fiscal years 2011 and 2012, respectively, accounting for approximately 35.7% and 35.5% of General Operating Fund revenues in those years. The District received $693,193,421, $752,389,804 and $736,733,654 from DSA revenue in fiscal years 2013 through 2015, respectively, accounting for approximately 35.3%, 36.4% and 34.8% of General Operating Fund revenues. The District has budgeted to receive $680,440,000 in DSA revenue for fiscal year 2016. The enactment of SB 302 could decrease State funding to the District. See "Education Savings Accounts Legislation" above.

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

The School Finance Plan provides a substantial guarantee of revenue support for the District's General Operating Fund budget. Under the School Finance Plan, the District is generally protected from fluctuations in receipts of the LSST (see "Local Sources" above) and from fluctuations in receipts with respect to one-third of the revenues generated by the $0.75 (*i.e.*, as to $0.25) property tax levy for operating purposes (see "Local Sources" above) by virtue of the State's guarantee of such receipts from those tax sources to the District. The effect of this guarantee is that over 75% of the District's budgeted General Operating Fund revenue is statutorily fixed as a State obligation and is therefore not generally subject to revenue fluctuations during the course of the school year. See "PROPERTY TAX INFORMATION--Required Property Tax Abatements."

The Legislature may amend the provisions of the School Finance Plan at any time, including the various funding formulas embedded within it, and has done so on numerous occasions in the past. It is likely that the School Finance Plan will be amended in the future; there is no assurance that such amendments will not result in reduced funding to the District.

Federal Sources. The District also receives General Operating Fund revenues from various federal sources, including federal impact aid and federal forest reserve funds.

In February 2009, the United States Congress enacted the American Recovery and Reinvestment Act ("ARRA") with the intent to stimulate the U.S. economy and invest in long-term education goals. The District was eligible for several of the education funding provisions allowed for under ARRA, including $110 million in various Title I grants for use in 2010 and 2011 (these grants were not reflected in the General Operating Fund). In addition, the State Department of Education used approximately $82 million of ARRA funding to continue providing for monthly DSA basic support payments to the District in fiscal year 2009.

Other Sources. The District also receives General Operating Fund revenues from sales of District property, proceeds from insurance and other miscellaneous sources.

General Operating Fund

General. The following table sets forth a history of the financial operations for the District's General Operating Fund (which includes the General Fund and the Special Education Fund), the 2016 Revised Amended Final Budget and the 2017 tentative budget. The information for fiscal years 2011 through 2015 was derived from the District's CAFR for each of those years. The 2016 Amended Revised Final Budget information was derived from the District's Revised Amended Final Budget (initially adopted on June 29, 2015, and revised on December 10, 2015) for fiscal year 2015-2016. The year-to-date 2016 actual information was derived from the 2017 tentative budget. The 2017 tentative budget was approval by the Board on April 6, 2016. See "Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments" below for a description of factors used in formulating the fiscal year 2015-2016 budget.

The information in this table should be read together with the District's audited financial statements for the year ended June 30, 2015, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

This table is not presented in accordance with GAAP, as the two funds contained in the General Operating Fund are different fund types for accounting purposes. Further, State law requires that all funds used for special education purposes be segregated; the District accounts for those funds in the Special Education Fund. Accordingly, the information in this table is provided for informational purposes only and does not imply that all of the revenues shown below are legally available to pay debt service on the 2016 Bonds. The information in this table should be read together with the District's audited financial statements for the year ended June 30, 2016, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

The expenditures in the Special Education Fund exceed the revenues in each year. The District transfers funds from the General Fund to the Special Education Fund in an amount sufficient to cover the deficiency; the Special Education Fund does not have a fund balance.

Reserve Policy. As described throughout this Official Statement, the District has experienced budget pressures and engaged in cost-cutting measures in fiscal years 2009-2013. See "Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments" below, for a description of expected budget constraints for fiscal year 2016.

It is the District's policy to maintain budgeted reserves in the General Fund in an amount equal to 2% of General Fund revenues as an unassigned fund balance. Due to expected budget constraints in fiscal years 2010 through 2015, the Board approved a temporary reduction of that policy to 1% of General Fund revenues. The District is in phase two of returning to the

2% unassigned fund balance policy. In fiscal year 2015, the District added $5 million to the unassigned ending fund balance as part of a four-year plan to restore the unassigned ending fund balance back to the 2% requirement. The District has budgeted to add another $5 million to the unassigned ending fund balance by the end of fiscal year 2016, at which time the unassigned fund balance is projected to be 1.75% of total revenues.

History of Revenues and Expenditures and Budget Information - General Operating Fund[1]

Fiscal Year Ending June 30	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	2016 Revised Amended Final Budget	2016 Estimated Actual[2]	2017 Tentative Budget
Beginning Fund Balance	$145,055,694	$96,620,752	$76,982,721	$92,596,487	$119,902,569	$105,624,469	$105,624,469	$51,600,469
Revenues								
Local Sources								
Property Taxes	463,669,889	424,822,601	397,676,720	397,118,677	410,706,438	425,000,000	425,000,000	425,000,000
Sales Taxes	692,813,744	750,527,063	792,018,758	832,511,729	881,056,204	943,920,000	928,268,000	980,600,000
Other	79,216,764	74,271,222	78,488,343	85,755,058	85,980,359	91,295,000	97,482,000	93,765,000
State Sources	686,744,074	688,533,420	693,193,421	752,389,804	736,734,504	681,485,000	691,445,000	688,745,000
Federal Sources	337,954	839,281	374,155	237,429	340,659	300,000	300,000	300,000
Total Revenues	1,922,782,425	1,938,993,587	1,961,751,397	2,068,012,697	2,114,818,164	2,142,000,000	2,142,495,000	2,188,410,000
Expenditures								
Regular Programs	994,439,106	961,824,927	923,458,756	960,048,587	972,713,565	960,484,223	1,003,459,700	957,043,003
Special Programs	311,370,842	311,378,002	310,837,486	325,796,722	339,846,969	339,127,847	359,164,800	359,219,761
Vocational Programs	8,323,853	6,855,793	6,326,520	6,964,108	7,123,998	8,761,706	7,050,000	8,840,257
Other Instructional Programs	10,244,214	11,629,993	22,129,858	40,079,397	42,676,997	52,670,511	43,472,500	52,672,511
Undistributed Expenditures	724,684,263	712,192,323	722,867,114	763,272,305	800,810,362	870,383,182	817,922,000	839,754,737
Total Expenditures	2,049,062,278	2,003,881,038	1,985,619,734	2,096,161,119	2,163,171,891	2,231,427,469	2,231,069,000	2,217,530,269
Excess (deficiency) of revenues over (under) expenditures	(126,279,853)	(64,887,451)	(23,868,337)	(28,148,422)	(48,353,727)	(89,427,469)	(88,574,000)	(29,120,269)
Other Financing Sources (Uses)								
Net Transfers to Other Funds[3]	--	(2,250,580)	(4,817,116)	(4,909,472)	(2,052,025)	--		--
Sale of Medium-Term Bonds	--	--	--	--	--	34,550,000	34,550,000	34,550,000
Premium on GO Bonds	--	--	--	1,576,637	--	--	--	--
GO Refunding Bonds	--	--	--	32,855,000	--	--	--	--
Transfers from Other Funds[4]	77,844,911	47,500,000	44,299,219	25,932,339	36,127,652	--	--	--
Total Other	77,844,911	45,249,420	39,482,103	55,454,504	34,075,627	34,550,000	34,550,000	34,550,000
Net Change in Fund Balance	(48,434,942)	(19,638,031)	15,613,766	27,306,082	(14,278,100)	(54,877,469)	(54,024,000)	5,429,731
Ending Fund Balance[5]	$96,620,752	$76,982,721	$92,596,487	$119,902,569	$105,624,469	$50,747,000	$51,600,469	$57,030,200
Nonspendable Fund Balance	4,006,893	,943,290	14,329,960	5,260,902	5,227,043	5,000,000	5,000,000	5,000,000
Restricted Fund Balance	31,396,735	10,975,344	464,209	202,114	198,492	250,000	250,000	250,000
Assigned Fund Balance	41,989,300	42,674,151	58,184,804	88,589,394	68,476,662	8,011,000	8,011,000	8,011,000
Unassigned Fund Balance	19,227,824	19,389,936	19,617,514	25,850,159	31,722,272	37,486,000	38,339,469	43,769,200

(Footnotes on following page)

(1) Includes combined information for the District's General Fund and Special Education Fund.
(2) Unaudited estimate derived from the 2017 Tentative Budget.
(3) Net of the transfer between the General Fund and the Special Education Fund.
(4) The 2011 transfer represents a transfer from the Special Revenue Funds ($18 million) received as philanthropic support resulting from the Edison Schools Partnership agreement and inclusion of District Projects Funds previously included in Special Revenue Funds, a transfer ($24.9 million) for class size reduction, and a transfer ($35 million) from the Capital Projects Fund for room and real estate transfer taxes. The 2012 transfer represents a transfer ($23.7 million) from the Special Revenue Funds for class size reduction, a transfer ($20 million) from the Capital Projects Fund for room and real estate transfer taxes, and a transfer ($3.8 million) from the Graphic Arts Fund. The 2013 transfer represents a transfer ($24.3 million) from the Special Revenue Funds for class size reduction and a transfer ($20 million) from the Capital Projects Fund for room and real estate transfer taxes. The 2014 transfer represents a transfer ($25.9 million) from the Special Revenue Funds for class size reduction. The 2015 transfer represents a transfer from the Special Revenue Funds for class size reduction.
(5) Budgeted ending fund balances for the years shown in the table were: 2011 - 74,325,000; 2012 - $60,000,000; 2013 - $31,000,000; 2014 - $47,815,000; and 2015 - $52,530,000.

Source: Derived from the District's CAFRs for fiscal years 2011-2015; fiscal year 2016 Revised Amended Final Budget; fiscal year 2017 Tentative Budget.

Debt Service Fund

The Debt Service Fund is used to accumulate moneys for payment of voter-approved general obligation bonds and general obligation bonds additionally secured by pledged revenues. The debt service reserve account required by NRS 350.020 (described under "DISTRICT FINANCIAL INFORMATION--Reserve Account") is accounted for as part of the fund balance in the Debt Service Fund.

The following table sets forth a history of the financial operations for the District's Debt Service Fund, the 2016 Revised Amended Final Budget and the 2017 tentative budget. The 2016 Revised Amended Final Budget information was derived from the District's Revised Amended Final Budget (initially adopted on June 29, 2015, and revised on December 10, 2015) for fiscal year 2015-2016. The year-to-date 2016 actual information was derived from the 2017 tentative budget. The 2017 tentative budget was approved by the Board on April 6, 2016. See "Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments" below for a description of factors used in formulating the fiscal year 2015-2016 budget.

The information in this table should be read together with the District's audited financial statements for the year ended June 30, 2015, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

History of Revenues and Expenditures - Debt Service Fund

Fiscal Year Ending June 30	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	2016 Revised Amended Final Budget	2016 Estimated Actual[1]	2017 Tentative Budget
Revenues								
Local sources								
Property Taxes	$348,401,059	$317,572,690	$297,741,021	$297,236,844	$307,869,927	$319,500,000	$319,500,000	$319,500,000
Other Local Sources	38,296	88,322	27,973	10,198	35,625	25,000	35,625	25,000
Investment Income	3,961,557	2,027,113	381,497	1,675,687	886,757	500,000	500,000	500,000
Total Revenues	352,400,912	319,688,125	298,150,491	298,922,729	308,792,309	320,025,000	320,035,625	320,025,000
Expenditures								
Debt service								
Bond principal retirement	356,120,000	306,330,000	329,110,000	339,665,000	312,475,000	276,190,000	276,190,000	293,090,000
Interest on bonds	206,686,713	190,032,980	171,213,890	151,995,089	131,837,127	132,195,695	132,195,695	144,634,753
Bond issuance costs	330,317	--	518,784	432,508	450,089	1,649,000	985,000	--
Purchased services	140,733	136,403	123,097	124,561	125,283	4,334,876	2,193,313	--
Total Expenditures	563,277,763	496,499,383	500,965,771	492,217,158	444,887,499	414,369,571	411,564,008	437,724,753
Excess (deficiency) of revenues over (under) expenditures	(210,876,851)	(176,811,258)	(202,815,280)	(193,294,429)	(136,095,190)	(94,344,571)	(91,528,383)	(117,699,753)
Other financing sources[2]	92,726,296	92,552,980	101,656,829	95,919,160	84,513,632	102,750,730	102,819,603	108,563,398
Net Change in Fund Balance	(118,150,555)	(84,258,278)	(101,158,451)	(97,375,269)	(51,581,558)	8,406,159	11,291,220	(9,136,355)
Beginning Fund Balance	479,362,977	361,212,422	276,954,144	175,795,693	78,420,424	26,838,866	26,838,866	38,130,086
Ending Fund Balance	$361,212,422	$276,954,144	$175,795,693	$78,420,424	$26,838,866	$35,245,025	$38,130,086	$28,993,731

(1) Unaudited estimate derived from the 2017 Tentative Budget.
(2) Represents the net effect of transfers to/from other funds for debt service and the debt service reserve (including transfers permitted under prior law to the Capital Projects Fund for asbestos removal).

Source: Derived from the District's CAFRs for fiscal years 2011-2015; fiscal year 2016 Revised Amended Final Budget; fiscal year 2017 Tentative Budget.

Capital Projects Fund

The Capital Projects Fund is the statutorily required Capital Projects Fund discussed earlier in this Official Statement that is used to account for the Pledged Revenues. The Capital Projects Fund is a component of the District's Bond Fund. Accordingly, the Capital Projects Fund is not reflected as a stand-alone fund in the audited financial statements attached hereto as Appendix A.

The following table provides a history of the financial operations for the Capital Projects Fund, the 2016 Revised Amended Final Budget and the 2017 tentative budget. The 2016 Revised Amended Final Budget information was derived from the District's Revised Amended Final Budget (initially adopted on June 29, 2015, and revised on December 10, 2015) for fiscal year 2015-2016. The year-to-date 2016 actual information was derived from the 2017 tentative budget. The 2017 tentative budget was approved by the Board on April 6, 2016. See "Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments" below for a description of factors used in formulating the fiscal year 2015-2016 budget.

The information in this table should be read together with the District's audited financial statements for the year ended June 30, 2015, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

History of Revenues and Expenditures - Capital Projects Fund[1]

Fiscal Year Ending June 30	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	2016 Revised Amended Final Budget	2016 Estimated Actual[2]	2017 Tentative Budget
Revenues								
Real estate transfer tax	$18,630,717	$17,679,059	$19,696,212	$21,311,525	$22,146,920	$22,150,000	$24,000,000	$24,000,000
Room tax	59,142,147	66,023,176	67,277,580	74,067,663	81,297,840	81,300,000	85,000,000	85,000,000
Investment Income[3]	1,281,390	917,313	103,412	1,115,327	1,203,992	1,200,000	1,000,000	1,000,000
Federal sources[4]	5,685,686	6,073,730	5,809,522	5,636,421	5,630,347	5,631,000	5,656,000	5,656,000
Total Revenues	84,739,940	90,693,278	92,886,726	102,130,936	110,279,099	110,281,000	115,656,000	115,656,000
Expenditures	--	--	--	--	--	--	--	--
Other Financing (Uses)								
Loan Proceeds	--	--	--	--	--	--	--	--
Transfer to General Fund	(35,000,000)	(20,000,000)	(20,000,000)	--	--	--	--	--
Transfer to Capital Fund	(18,653,104)	--	--	--	(917,776)	(25,000,000)	--	--
Transfer to Building & Sites Fund	--	--	(698,690)	(1,499,207)	--	--	--	--
Transfer to Bond Fund	--	--	--	--	--	--	--	--
Transfer to Debt Service Fund	(84,634,741)	(84,848,480)	(84,275,980)	(83,151,333)	(83,188,392)	(99,927,500)	(99,927,270)	(108,563,398)
Total	(138,287,845)	(104,848,480)	(104,974,670)	(84,650,540)	(84,106,168)	(124,927,500)	(99,927,270)	(108,563,398)
Net Change in Fund Balance	(53,547,905)	(14,155,202)	(12,087,944)	17,480,396	26,172,931	(14,646,500)	15,728,730	7,092,602
Beginning Fund Balance	179,105,709	125,557,804	111,402,602	99,314,658	116,795,054	142,967,985	142,967,985	158,696,715
Ending Fund Balance	$125,557,804	$111,402,602	$99,314,658	$116,795,054	$142,967,985	$128,321,485	$158,696,715	$165,789,317

(1) This fund is a component fund within the District's Bond Fund and is used to account for the Pledged Revenues. This fund constitutes the Capital Projects Fund required to be established pursuant to State law.
(2) Unaudited estimate derived from the 2017 Tentative Budget.
(3) Includes investment earnings and net changes in the fair value of investments.
(4) Represents interest subsidy payments received or expected to be received from the U.S. Treasury and applied or expected to be applied toward the interest payments on debt incurred on certain direct-pay qualified school construction bonds ("QSCBs") issued by the District.

Source: Derived from the District's CAFRs for fiscal years 2011-2015; fiscal year 2016 Revised Amended Final Budget; fiscal year 2017 Tentative Budget.

Other District Funds

As illustrated by the audited basic financial statements attached hereto as Appendix A, the District maintains numerous other funds, including additional governmental, special revenue, capital projects, enterprise, internal service and agency funds. See Note 1 in the audited financial statements attached hereto as Appendix A for a description of the various fund types and the District's significant accounting policies.

Chief Financial Officer's Analysis of Material Financial Trends and Recent Developments

General. The District has historically benefitted from an increasing tax base that has partially enabled the District to respond to associated growth in enrollment. See "CLARK COUNTY SCHOOL DISTRICT--Enrollment" and "PROPERTY INFORMATION--Property Tax Base" and "Property Tax Collections." The derived benefits were evidenced by the approval of voters in 1998 to maintain the property tax rate, which enabled the District to continue to issue bonds until 2008 in support of its school construction program. Original projections estimated that approximately $3.5 billion of bond capacity would be available to the District over a period of 10 years as a result of this approval and the legislation authorizing it. However, the revenues that have been available have resulted in an actual capacity of approximately $4.9 billion. During the 2015 Legislative Session, Senate Bills 119 and 207 were passed that extended the District's authority, granted in 1998, to issue bonds against the local property tax debt rate for the next ten years. Specific projects related to the extended bond authority is discussed in "CLARK COUNTY SCHOOL DISTRICT—District Facilities and Capital Improvement Plan."

District Budget Development. State and local economies were hit hard during the recent Great Recession. Several factors, in particular the decline in local property tax collections, have significantly affected the District. Since 2009, the District's taxable assessed valuation has been reduced by over $45 billion, or 39%. Taxable assessed valuation grew 14.1% for fiscal year ended June 30, 2015, and by 10.6% for fiscal year ended June 30, 2016, and is projected by the State Department of Taxation to increase by 7.9% for the fiscal year ended June 30, 2017 (final amount as of March 15, 2016). Even with these increases, however, assessed values have not nearly recovered to pre-Great Recession levels. In fiscal year 2016, the District's revenues from property tax collections are projected to increase by approximately $15.5 million after abatement.

As a result of legislation enacted in the 2015 Legislative Session, the District's State basic support (DSA) per student in the 2015-2016 Revised Amended Final Budget is $5,512 per pupil. This represents a $15 decrease from the prior year's DSA per pupil support of $5,527, or a total decrease in revenues of over $4.8 million.

Due to revenue shortfalls in previous years, the Board of School Trustees granted a temporary waiver to the requirement of maintaining a 2% ending fund balance. The Board is aware of the importance of restoring the ending fund balance back to the two percent level. Therefore, beginning with the 2013-2014 fiscal year, $5 million has been budgeted annually to the unassigned ending fund balance as part of a four-year plan to restore unassigned ending fund balance back to the 2% requirement. The unassigned ending fund balance is 1.5% of total revenues as of June 30, 2015 and the 2015-2016 Revised Amended Final Budget (approved by the Board on December 10, 2015) contains a budgeted unassigned ending fund balance of 1.75% of total revenues as of June 30, 2016, a budgeted increase of .25% from the previous year.

The Revised Amended Final Budget was developed with a total enrollment projection of 322,902 students, an increase of 4,856 students, or 1.5% above the total enrollment in the prior school year. The District will realize more than $26.8 million in additional revenues above that of the previous fiscal year as a result of the enrollment increase.

The District retains the liability for all employee compensated absences in its governmental funds, internal service funds, and enterprise funds. The liability for the employee compensated absences (*e.g.*, vacation and sick leave sell-back) as of June 30, 2015 was $59,942,610.

Balances in the District's Debt Service Fund, which may by State statute be applied only toward debt service, have decreased from $78 million in fiscal year 2014 to $26.8 million in 2015. These balances, being restricted from other use by State law, provide both a margin of security for the District's bonds (see "Debt Service Fund") and the opportunity to support increases in bonded debt while maintaining stability in property tax rates.

Housing Market and Other Economic Conditions. While the Southern Nevada economy still has not fully recovered to pre-Great Recession levels, it does show signs of recovery. For example, figures released by The Greater Las Vegas Association of Realtors ("GLVAR") show that existing home prices in Southern Nevada continue to increase and as of February 2016 were nearly 7.5% higher than they were in February 2015 due to stronger demand including higher priced homes, a tighter housing inventory, fewer distressed sales and more traditional home sales where lenders are not controlling the transaction. As of February 2016, GLVAR reported the median single-family home price of $220,350, up from $205,000 for February 2015, an increase of 7.5%.

While the Las Vegas housing market has stabilized and is recovering, it is important to note that the median single-family home price is still down from the 2006 peak of $315,000. The decline in home values has a direct effect on District revenues, particularly on local property tax receipts, as is explained under the "General Operating Fund – Sources of Funding" section. The District's property tax receipts grew by 3.5% from fiscal year 2014 to fiscal year 2015 and are budgeted to increase 3.5% in fiscal year 2016.

Assessed Values and Property Taxes. Legislation was enacted in 2005 to provide partial abatement of ad valorem taxes to provide relief from escalating assessments resulting from previous increases to the market values of real property in Clark County. The cap limits each property's tax increase to no more than 3% above that assessed during the prior year on all single-family, owner-occupied residences. All other real property categories are limited to an increase in tax established by a formula (which for fiscal year 2014-2015 was 3%), with a cap of 8%. As a result of the recent dramatic downturn in the County's real estate market values, most properties have returned to their pre-2005 taxable values resulting in a negligible loss of potential tax collections from those properties still subject to the cap limits. The fundamental reason for establishing the property-tax caps no longer exists. The Nevada Legislature created the tax caps to protect homeowners from rapidly rising real-estate prices to avoid severe economic hardship to the owner of the residence. During periods of real-estate deflation, the abatement law has become a mechanism that often results in a mandatory increase in property taxes. Even as property values have fallen by as much as 50 percent, local governments continue to see increases in property tax revenues by 3 or 8 percent per year for certain properties. This fiscal year the maximum commercial property tax rate per formula is 3.7% or 3.8%. It should be noted for fiscal year 2016-2017 that District projected property tax revenues are flat due to tax cap projections of a mere .20% increase. The tax cap rate is calculated as either the owner occupied residential property rate equal to the lesser of three percent or the commercial property cap equal to the greater of two times the Consumer Price Index ("CPI") or the average 10-year assessed valuation growth rate, that cannot exceed eight percent. Due to extraordinary low fuel prices, the CPI is .10%. This has not been a factor since fiscal year 2010-20112 in the Great Recession.

Sales Taxes and State Funding. In addition to changes in State funding, current sales tax projections for the 2015-2016 Revised Amended Final Budget are estimated to be $943,920,000, an increase of $76,220,000 compared to the 2014-2015 Amended Final Budget. Since any increases or decreases in sales tax revenues are included in the Nevada Plan's funding formula as local revenues, the State funding portion of the Nevada Plan "guarantee" will decrease to the extent of increases in sales tax revenues and other factors. As a result of the increase in sales tax revenue and the application of other factors under the Nevada Plan, no net loss of funding is expected under the Nevada Plan.

Reserve Account

NRS 350.020 requires that the Board establish a reserve account within its debt service fund for payment of the outstanding bonds of the District. The Reserve Account must be established and maintained in an amount at least equal to the lesser of: 25% of the amount of principal and interest payments, net of any subsidies, due on all of the outstanding bonds of the District in the next fiscal year, or 10% of the outstanding principal amount of the District's bonds, or any other amount required by statute (the "Reserve Requirement").

The amounts on deposit in the Reserve Account are not directly pledged to pay debt service on the 2016 Bonds or other outstanding bonds of the District. Amounts in the Reserve Account may be withdrawn and used for purposes other than payment of debt service on outstanding District bonds. The District currently expects that it will use a portion of the amount on deposit in the Reserve Account to pay debt service over the next several years.

After issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the completion of the 2016A and 2016B Refunding Projects, the amount required to be on deposit in the Reserve Account is $102,705,373; that amount has been funded with available funds of the District. If the amount in the Reserve Account falls below the required amount, NRS 350.020(5) provides that: (a) the Board shall not issue additional bonds pursuant to NRS 350.020(4) until the Reserve Account is restored to an amount equal to the Reserve Requirement; and (b) the Board shall apply all of the taxes levied by the District for payment of bonds of the District that are not needed for payment of the principal and interest on bonds of the District in the current fiscal year to restore the reserve account to an amount equal to the Reserve Requirement.

Investment Policy

The District's Chief Financial Officer, in conjunction with the District's Investment Committee, develops investment guidelines for managing substantially all District funds in accordance with State law and regulations approved by the Board of Trustees. The District's policy allows investments only in U.S. Treasury obligations; obligations of Agencies of the U.S.; "AAA" rated collateralized mortgage obligations; "AAA" rated asset-backed securities; FDIC insured or collateralized certificates of deposit; pooled investment funds for local governments operated by the state treasurer; short term bankers acceptance notes, short term repurchase agreements and short term commercial paper, each in limited amounts; and certain "AAA" rated money market mutual funds.

The District's Cash and Investment Management Unit manages the District investment portfolios in accordance with investment guidelines recommended by the GFOA and reports in accordance with the standards established by GASB. In addition, internal controls and investment transactions are reviewed regularly by the District's Investment Committee.

See Note 3 in the audited basic financial statements attached hereto as Appendix A for a description of permitted and actual District investments as of June 30, 2015.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and/or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District accounts for such losses through its insurance and Risk Management Internal Service Fund. The District maintains insurance coverage which the District administration believes is sufficient to cover losses generally experienced by school districts similar in size to the District. Additionally, the District self-insures for certain liabilities. See Note 13 in the audited financial statements attached hereto as Appendix A for a further description of the District's risk management program, including coverages for fiscal year 2015. The District's current policies, which became effective on July 1, 2015, are substantially similar to those described in Appendix A.

DEBT STRUCTURE

Debt Limitation

State statutes limit the aggregate principal amount of the District's general obligation debt to 15% of the District's total assessed valuation. In addition to the District's legal debt limit as a percentage of its total assessed value, the District's ability to issue future property tax supported debt is also constrained by constitutional and statutory limits of total property taxes that may be levied. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

The following table presents a record of the District's outstanding general obligation indebtedness with respect to its statutory debt limitation.

Statutory Debt Limitation

Fiscal Year Ended June 30	Total Assessed Valuation[1]	Debt Limit	Outstanding General Obligation Debt[2]	Additional Statutory Debt Capacity[3]
2012	$59,054,835,152	$8,858,225,273	$3,554,575,000	$5,303,650,273
2013	55,225,712,175	8,283,856,826	3,223,895,000	5,059,961,826
2014	56,296,847,888	8,444,527,183	2,894,125,000	5,550,402,183
2015	64,252,633,650	9,637,895,048	2,548,890,000	7,089,005,048
2016	71,055,253,233	10,658,287,985	2,590,805,000[4]	8,067,482,985

(1) Includes the assessed valuation of the Redevelopment Agencies. See "PROPERTY TAX INFORMATION--History of Assessed Value." Property taxes levied against the assessed value in redevelopment areas are made available to the District to pay bonded indebtedness approved by the voters of the District on and after November 5, 1996, but not for bonded indebtedness approved by the voters of the District before that date. See the discussion in "History of Assessed Value." The fiscal year 2017 total assessed valuation is $76,633,199,093.

(2) Excludes short term notes, leases and installment purchases.

(3) Additional debt issuance may be further limited by property tax limitations. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

(4) Fiscal year 2016 debt represents an estimate as of June 30, 2016, and is based upon the following assumptions: (a) the issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the completion of the 2016A and 2016B Refunding Projects and (b) the scheduled retirement of outstanding debt on June 15, 2016. See "INTRODUCTION—Forward-Looking Statements."

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation, 2011-2012 through 2015-2016; debt information compiled by the Financial Advisor.

The District may issue general obligation bonds by means of authority granted to it by its electorate or the Legislature, or, under certain circumstances without an election as provided in existing statutes.

Outstanding Bonded Indebtedness and Other Obligations

Outstanding Bonded Indebtedness. The following table presents the District's outstanding obligations as of May 1, 2016 (after taking the issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the effect of the 2016A and 2016B Refunding Project into account).

Outstanding Bonded Indebtedness[1]
As of May 1, 2016

	Dated	Maturing	Original Amount	Outstanding Principal Amount
GENERAL OBLIGATION BONDS[2]				
Building Bonds, Series 2006B	12/19/06	06/15/26	$450,000,000	$285,845,000
Refunding Bonds, Series 2007A	03/01/07	06/15/25	473,045,000	318,835,000
Building Bonds, Series 2007C	12/11/07	06/15/27	400,000,000	129,720,000
Building Bonds, Series 2008A	06/03/08	06/15/28	675,000,000	193,920,000
Refunding Bonds, Series 2011A	03/22/11	06/15/16	69,160,000	15,095,000
Refunding Bonds, Series 2013A	10/04/12	06/15/21	159,425,000	138,880,000
Refunding Bonds, Series 2013B	07/31/13	06/15/19	95,870,000	53,555,000
Refunding Bonds, Series 2014A	04/29/14	06/15/20	131,175,000	115,970,000
Refunding Bonds, Series 2015A	03/18/15	06/15/19	266,640,000	257,445,000
Building and Refunding Bonds, Series 2015C	11/23/15	06/15/35	338,445,000	338,445,000
Refunding Bonds, Series 2016A *(this issue)*	06/16/16	06/15/25	186,035,000	186,035,000
TOTAL GENERAL OBLIGATION BONDS				2,033,745,000
GENERAL OBLIGATION REVENUE BONDS[3]				
Parity Lien Bonds				
School Bonds, Series 2006C	12/19/06	06/15/26	$125,000,000	70,405,000
School Bonds, Series 2007B	12/11/07	06/15/27	250,000,000	96,725,000
Refunding Bonds, Series 2011B	03/22/11	06/15/19	29,420,000	20,495,000
Refunding Bonds, Series 2014B	04/29/14	06/15/20	62,200,000	56,980,000
Refunding Bonds, Series 2015B	03/18/15	06/15/22	129,080,000	129,080,000
School Bonds, Series 2015D	11/23/15	06/15/35	200,000,000	200,000,000
Refunding Bonds, Series 2016B *(this issue)*	06/16/16	06/15/27	90,775,000	90,775,000
Total Parity Lien Bonds				664,460,000
Subordinate Bonds [4]				
School Bonds, Series 2010A (QSCB)	07/08/10	06/15/24	104,000,000	103,900,000
TOTAL GENERAL OBLIGATION REVENUE BONDS				768,360,000
GENERAL OBLIGATION MEDIUM-TERM BONDS[5]				
Medium-Term Bonds, Series 2010D (QSCB)	07/08/10	06/15/20	6,245,000	6,245,000
Medium-Term Bonds, Series 2013A	07/31/13	06/15/23	32,855,000	25,175,000
Medium-Term Bonds, Series 2016C *(this issue)*	06/16/16	06/15/26	33,470,000	33,470,000
TOTAL				64,890,000
Total General Obligation Bonds				$2,866,995,000

(footnotes on following page)

(1) Excludes short term notes, leases and installment purchase obligations.
(2) General obligation bonds secured by the full faith, credit and taxing power of the District. The ad valorem tax available to pay these bonds is limited by the $3.64 statutory and the $5.00 constitutional limits. See “PROPERTY TAX INFORMATION - Property Tax Limitations.”
(3) General obligation bonds secured by the full faith, credit and taxing power of the District. The ad valorem tax available to pay these bonds is limited to the $3.64 statutory and the $5.00 constitutional limits. These bonds are additionally secured by pledged revenues. If revenues are not sufficient, the District is obligated to pay the difference between such revenues and debt service requirements of the respective bonds. See “PROPERTY TAX INFORMATION - Property Tax Limitations.”
(4) The 2010A Bonds have a lien on the Pledged Revenues that is subordinate to the lien of the Parity Lien Bonds.
(5) General obligation bonds secured by the full faith and credit of the District and payable from any legally available funds of the District. The ad valorem tax rate available to pay these bonds is limited by the $3.64 statutory and the $5.00 constitutional limits as well as by the $0.75 limit on the District’s operating levy. See “PROPERTY TAX INFORMATION - Property Tax Limitations.” With respect to the 2010D Bonds, the District currently plans to pay debt service from the Room Tax and Transfer Tax revenues remaining after payment of the debt service on the Parity Lien Bonds (if any) and from any available amounts on deposit in the Capital Projects Fund (which is comprised of Room Tax and Transfer Tax revenues collected in the past).
(6) The 2006B Bonds, 2007A Bonds and 2008A Bonds are expected to be partially refunded with proceeds of the 2016A Bonds. See “SOURCES AND USES OF FUNDS.”
(7) The 2006C Bonds and 2007B Bonds are expected to be partially refunded with proceeds of the 2016B Bonds. See “SOURCES AND USES OF FUNDS.”

Source: The District.

Other Obligations. The District also leases a fiber optical wide area network under a noncancellable operating lease. Lease payments are $2,403,120 per year through fiscal year 2024 (based on the current number of sites served).

The District also records a liability for compensated absences. See Notes 1 and 10 in the audited financial statements attached hereto as Appendix A for a further description.

District Debt Service Requirements

Set forth below is a summary of the combined annual debt service requirements on the District’s outstanding general obligation bonds, after taking the issuance of the 2016A Bonds, the 2016B Bonds and the 2016C Bonds and the effect of the 2016A and 2016B Refunding Projects into account.

Annual Debt Service Requirements - District's Outstanding General Obligation Bonds[1]

Fiscal Year Ended	General Obligation Bonds[2]		General Obligation Revenue Bonds[3][4]		Medium-Term General Obligation Bonds[4][5]		Grand
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Total
2016	$213,250,000	$94,864,326	$58,940,000	$36,100,445	$4,000,000	$1,230,925	$408,385,696
2017	227,145,000	87,088,762	59,140,000	34,784,813	6,895,000	2,657,206	417,728,681
2018	239,105,000	75,900,325	61,685,000	31,824,890	7,135,000	2,413,175	418,063,390
2019	235,535,000	64,226,975	64,130,000	28,740,640	5,315,000	2,127,775	400,075,390
2020	156,300,000	52,596,825	61,765,000	25,534,140	11,780,000	1,909,825	309,885,790
2021	147,070,000	44,781,825	72,635,000	22,431,840	5,760,000	1,338,275	294,016,940
2022	121,165,000	37,428,325	72,790,000	18,687,890	5,995,000	1,100,975	257,167,190
2023	127,110,000	31,960,375	58,935,000	14,936,190	6,245,000	853,425	240,039,990
2024	133,325,000	26,069,725	61,395,000	11,846,283	3,730,000	588,250	236,954,258
2025	136,485,000	19,891,575	33,785,000	8,763,850	3,920,000	401,750	203,247,175
2026	107,920,000	13,576,200	35,310,000	7,215,975	4,115,000	205,750	168,542,925
2027	76,035,000	8,887,500	26,665,000	5,597,850	--	--	117,185,350
2028	47,060,000	5,085,750	10,595,000	4,264,600	--	--	67,005,350
2029	8,315,000	2,732,750	11,125,000	3,734,850	--	--	25,907,600
2030	8,735,000	2,317,000	11,685,000	3,178,600	--	--	25,915,600
2031	9,080,000	1,967,600	12,265,000	2,711,200	--	--	26,023,800
2032	9,445,000	1,604,400	12,880,000	2,220,600	--	--	26,150,000
2033	9,825,000	1,226,600	13,525,000	1,705,400	--	--	26,282,000
2034	10,215,000	833,600	14,200,000	1,164,400	--	--	26,413,000
2035	10,625,000	425,000	14,910,000	596,400	--	--	26,556,400
Total	$2,033,745,000	$573,465,438	$768,360,000	$266,040,854	$64,890,000	$14,827,329	$3,721,328,621

(1) Totals may not add due to rounding.

(2) General obligation bonds secured by the full faith, credit and taxing power of the District. The ad valorem tax available to pay these bonds is limited by the $3.64 statutory and the $5.00 constitutional limits. See "PROPERTY TAX INFORMATION--Property Tax Limitations." *Includes the 2016A Bonds and the effect of the 2016A Refunding Project.*

(3) General obligation bonds secured by the full faith, credit and taxing power of the District. The ad valorem tax available to pay these bonds is limited to the $3.64 statutory and the $5.00 constitutional limits. These bonds are additionally secured by pledged revenues. If revenues are not sufficient, the District is obligated to pay the difference between such revenues and debt service requirements of the respective bonds. See "PROPERTY TAX INFORMATION - Property Tax Limitations." Includes the 2010A Bonds, which have a subordinate lien on the Pledged Revenues. *Includes the 2016B Bonds and the effect of the 2016B Refunding Project.*

(4) The 2010A Bonds and the 2010D Bonds were issued as direct-pay QSCBs. The District expects to receive an interest subsidy on the QSCBs in each year equal to the interest rate payable on the QSCBs (the "QSCB Subsidy"). However, receipt of the subsidy is dependent on numerous factors and it is possible that the District may not receive the QSCB Subsidy in future years. The amounts shown reflect total interest due on the QSCB; the amounts are *not net* of the QSCB Subsidy. The District is required to pay all of the interest of the 2010A Bonds and the 2010D Bonds even if the QSCB Subsidy is not received.

(5) General obligation bonds secured by the full faith, credit and payable from all legally available funds of the District. The ad valorem tax rate available to pay these bonds is limited to the statutory and the constitutional limit as well as to the District's maximum operating levy. *Includes the 2016C Bonds.* See "PROPERTY TAX INFORMATION--Property Tax Limitations."

Source: Compiled by Zions Public Finance.

Additional General Obligation Bonds and Other Proposed Financings

General Obligation Bonds. Pursuant to NRS 387.335, the District has the authority, subject to the approval of the registered voters of the District, to issue general obligation bonds to finance various projects including, but not limited to, constructing or purchasing new buildings, enlarging, remodeling or repairing existing buildings or grounds, acquiring sites for new buildings and purchasing necessary furniture and equipment.

The District issued all of the general obligation bonds authorized by voters at the 1998 Election; however, due to recent legislation, the District is authorized to issue additional general obligation indebtedness until March 2025. The first such issuance consisted of the new money portion of the District's General Obligation (Limited Tax) Building and Refunding Bonds, Series 2015C in the amount of approximately $140,000,000. The timing and scope of the remaining future bond-funded building program have not yet been determined, although the District anticipates issuing additional indebtedness to accomplish the ten-year capital improvement program adopted by the Board in September 2015. The next potential such issuance, if approved by the County Debt Management Commission, is expected to occur in fiscal year 2017 in an amount currently estimated to be approximately $160,000,000. See "CLARK COUNTY SCHOOL DISTRICT--District Facilities and Capital Improvement Plan."

The District does not currently anticipate issuing any additional general obligation bonds during fiscal year 2016 and does not currently anticipate issuing any additional general obligation bonds in fiscal year 2017 other than the bonds described in the preceding paragraph, refunding bonds and medium-term bonds in the potential par amount of $25-35 million, subject to additional Board discussion and approval. However, the District reserves the right to issue general obligation bonds, including general obligation bonds supported by pledged revenues, refunding bonds or medium-term bonds, at any time legal requirements are satisfied. See "CLARK COUNTY SCHOOL DISTRICT--District Facilities and Capital Improvement Plan."

General Obligation Revenue Bonds. Pursuant to State law, the District receives the proceeds of the Room Tax and the Transfer Tax. The District may issue additional general obligation bonds additionally secured by these revenues. The District currently has no authorization from the County Debt Management Commission to issue general obligation revenue bonds. The District has taken no action towards issuing any additional general obligation revenue bonds or general obligation medium term bonds, other than the 2016C Bonds. The District reserves the right to sell additional general obligation bonds secured by pledged revenues, including refunding bonds, at any time legal requirements are satisfied.

ECONOMIC AND DEMOGRAPHIC INFORMATION

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

Population and Age Distribution

Population. The table below sets forth the population growth of the County and the State since 1970. Between 2000 and 2010, the County's population increased 41.8% and the State's population increased 35.1%.

Population

Year	Clark County	Percent Change	State of Nevada	Percent Change
1970	273,288	--	488,738	--
1980	463,087	69.5%	800,493	63.8%
1990	741,459	60.1	1,201,833	50.1
2000	1,375,765	85.5	1,998,257	66.3
2010	1,951,269	41.8	2,700,551	35.1
2011	1,967,722	0.8	2,721,794	0.8
2012	1,988,195	1.0	2,750,217	1.0
2013	2,031,723	2.2	2,800,967	1.8
2014	2,069,450	1.9	2,843,301	1.5
2015	2,188,353	2.4	2,897,585	1.9

Sources: United States Department of Commerce, Bureau of Census (1970-2010 as of April 1st.), and Nevada State Demographer's Office (2011-2015 estimates are as of July 1st). Populations are subject to periodic revision.

Age Distribution. The following table sets forth a projected comparative age distribution profile for the County, the State and the nation as of January 1, 2015.

Age Distribution

Percent of Population

Age	Percent of Population		
	Clark County	State of Nevada	United States
0-17	23.8%	23.3%	23.0%
18-24	9.0	9.0	9.8
25-34	14.1	13.8	13.4
35-44	14.1	13.5	12.6
45-54	13.5	13.4	13.3
55-64	11.7	12.3	12.8
65-74	8.5	9.1	8.8
75 and Older	5.3	5.6	6.3

Source: © 2016 The Nielsen Company.

Income

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

Median Household Effective Buying Income Estimates[(1)]

Year	Clark County	State of Nevada	United States
2012	$45,810	$45,512	$41,253
2013	40,897	40,617	41,358
2014	41,576	42,480	43,715
2015	43,603	44,110	45,448
2016	45,634	46,230	46,738

(1) The difference between consecutive years is not an estimate of change from one year to the next; separate combinations of data are used each year to identify the estimated mean of income from which the median is computed.

Source: © The Nielsen Company, *SiteReports*, 2012-2016.

Percent of Households by Effective Buying Income Groups – 2016 Estimates

Effective Buying Income Group	Clark County Households	State of Nevada Households	United States Households
Under $24,999	23.6%	23.8%	24.8%
$25,000 - $49,999	31.5	30.5	28.8
$50,000 - $74,999	20.0	20.7	19.1
$75,000 - $99,999	12.1	12.4	12.2
$100,000 - $124,999	5.2	5.7	5.8
$125,000 - $149,999	2.5	2.6	3.7
$150,000 or more	4.1	4.3	5.6

Source: © 2016 The Nielsen Company.

The following table sets forth the annual per capita personal income levels for the residents of the County, the State and the nation.

Per Capita Personal Income(1)

Year	Clark County	State of Nevada	United States
2010	$36,057	$36,918	$40,277
2011	36,488	37,745	42,453
2012	38,713	39,436	44,266
2013	38,091	39,223	44,438
2014	39,533	40,742	46,049
2015	n/a	42,185	47,669

(1) County figures posted November 2015; state and national figures posted March 2016. All figures are subject to periodic revisions.

Source: United States Department of Commerce, Bureau of Economic Analysis.

Employment

The average annual labor force summary for the Las Vegas- Henderson-Paradise Metropolitan Statistical Area ("MSA") is set forth in the following table. The boundaries of Las Vegas - Henderson - Paradise MSA match those of Clark County.

Average Annual Labor Force Summary
Las Vegas-Henderson-Paradise MSA, Nevada
(Estimates in Thousands)

Calendar Year[1]	2011	2012	2013	2014	2015[2]	2016[2]
TOTAL LABOR FORCE	995.5	1000.9	1006.7	1019.6	1,043.0	1049.0
Unemployment	132.2	112.7	96.7	79.6	72.0	68.0
Unemployment Rate[3]	13.3%	11.3%	9.6%	7.8%	6.9%	6.5%
Total Employment[4]	863.4	888.2	910.0	940.0	971.0	981.0

(1) Numbers for 2011-2014 revised April 2015.
(2) Averaged figures for January 2016.
(3) The annual average U.S. unemployment rates for the years 2011 through 2015 are 8.9%, 8.1%, 7.4%, 6.2%, and 5.3%, respectively.
(4) Adjusted by census relationships to reflect number of persons by place of residence.

Sources: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation; and U.S. Bureau of Labor, Bureau of Labor Statistics.

The following table indicates the number of persons employed, by type of employment, in non-agricultural industrial employment in the Las Vegas-Henderson-Paradise MSA.

Industrial Employment[1]
Las Vegas-Henderson-Paradise MSA, Nevada (Clark County)
(Estimates in Thousands)

Calendar Year	2011	2012	2013	2014	2015	2016[2]
Natural Resources and Mining	0.2	0.3	0.3	0.4	0.4	0.3
Construction	37.6	37.4	41.1	45.4	51.5	53.6
Manufacturing	19.8	20.2	20.7	21.1	21.2	22.0
Trade (Wholesale and Retail)	114.5	117.7	120.0	124.1	125.5	131.1
Transportation, Warehousing & Utilities	35.2	36.2	36.6	38.3	39.1	42.7
Information	9.3	9.7	9.8	10.6	10.5	10.2
Financial Activities	40.0	41.7	43.3	43.6	42.2	44.1
Professional and Business Services	102.1	106.7	111.6	117.7	121.7	124.9
Education and Health Services	72.7	75.6	79.2	82.8	85.6	92.1
Leisure and Hospitality (casinos excluded)	100.4	103.9	109.6	115.7	120.6	120.0
Casino Hotels and Gaming	159.2	157.9	157.8	162.6	166.3	156.3
Other Services	23.3	24.0	24.4	25.4	26.6	25.3
Government	94.0	93.9	95.1	96.4	97.4	99.9
TOTAL ALL INDUSTRIES	808.2	825.1	849.4	883.9	908.6	922.1

(1) Totals may not add up due to rounding. Reflects employment by place of work. Does not necessarily coincide with labor force concept. Includes multiple job holders. All numbers are subject to periodic revision.
(2) Averaged figures through February 29, 2016.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

The following table is based on unemployment insurance tax account numbers and is an estimate based on reported information. No independent investigation has been made of and, consequently, no assurances can be given as to the financial condition or stability of the employers listed below or the likelihood that such entities will maintain their status as major employers in the County.

Clark County's Ten Largest Employers
3rd Quarter 2015

Employer	Employment Range	Industry
Clark County School District	30,000 - 39,999	Public education
Clark County	8,000 - 8,499	Local government
Wynn Las Vegas	8,000 - 8,499	Casino hotel
MGM Grand Hotel/Casino	8,000 - 8,499	Casino hotel
Bellagio LLC	8,000 - 8,499	Casino hotel
Mandalay Bay Resort and Casino	7,000 - 7,499	Casino hotel
Aria Resort & Casino LLC	7,000 - 7,499	Casino hotel
University of Nevada – Las Vegas	5,000 - 5,499	University
Caesars Palace	5,000 - 5,499	Casino hotel
Las Vegas Metropolitan Police	4,500 - 4,999	Police protection

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

The following table lists the firm employment size breakdown for the County.

Size Class of Industries(1)
Clark County, Nevada (Non-Government Worksites)

CALENDAR YEAR	3rd Qtr. 2015	3rd Qtr. 2014	Percent Change 2015/2014	Employment Totals 3rd Qtr. 2015
TOTAL NUMBER OF WORKSITES	53,472	51,402	4.0%	817,046
Less Than 10 Employees	40,287	38,761	3.9	100,140
10-19 Employees	6,315	6,106	3.4	85,421
20-49 Employees	4,323	4,050	6.7	129,079
50-99 Employees	1,398	1,412	(1.0)	96,174
100-249 Employees	810	745	8.7	118,243
250-499 Employees	185	179	3.4	64,253
500-999 Employees	85	84	1.2	57,796
1000+ Employees	69	65	6.2	165,940

(1) Subject to revisions.

Source: Research and Analysis Bureau, Nevada Dept. of Employment, Training and Rehabilitation.

Retail Sales

The following table presents a record of taxable sales in the County and the State.

Taxable Sales[1]

Fiscal Year[2]	County Total	Percent Change	State Total	Percent Change
2011	$29,046,721,805	--	$39,935,016,227	--
2012	31,080,880,557	7.0%	42,954,750,131	7.6%
2013	32,566,664,630	4.8	45,203,408,413	5.2
2014	35,040,891,695	7.6	47,440,345,167	4.9
2015	37,497,073,742	7.0	50,347,535,591	6.1
July 14-Jan 15	$21,538,867,189	--	$29,058,899,806	--
July 15-Jan 16	22,623,006,857	5.0%	30,426,321,451	4.7%

(1) Subject to revision.
(2) Fiscal year runs from July 1 to the following June 30.

Source: State of Nevada - Department of Taxation.

Construction

Construction valuation is a value placed on a project in order to determine permit and plans check fees. Construction valuation has no relationship to assessed valuation. Set forth in the following table is a summary of the number and valuation of new single-family (including townhomes and condos) building permits within the County and its incorporated areas.

Residential Building Permits
Clark County, Nevada
(Values in Thousands)

Calendar Year	2011		2012		2013		2014		2015	
	Permits	Value	Permits	Value	Permits	Value	Permits	Value	Permits	Value
Las Vegas	816	$106,483	1,235	$154,145	1,538	$201,412	1,453	$202,296	1,663	$243,674
North Las Vegas	529	78,973	636	98,280	506	70,222	491	66,508	698	91,462
Henderson	819	109,646	1,133	145,144	1,352	185,094	1,318	196,285	1,696	255,663
Mesquite	134	21,268	169	26,341	202	33,066	196	34,323	206	40,564
Unincorporated Clark County	1,612	191,359	2,984	415,477	3,593	449,225	3,428	452,740	3,847	492,320
Boulder City[1]	3	1,059	9	3,201	10	3,401	16	5,199	22	6,977
TOTAL	3,913	$508,788	6,166	$842,588	7,201	$942,420	6,902	$957,351	8,132	$1,130,660

(1) Boulder City imposed a strict growth control ordinance effective July 1, 1979.

Sources: Building Departments: Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County; and Boulder City.

The following table is a summary of the total valuation of all permits issued within the County and its incorporated areas.

Total Building Permits

Calendar Year	2011	2012	2013	2014	2015	2016[1]
Las Vegas	$ 378,230,284	$ 411,022,949	$ 497,750,543	$ 596,103,559	$ 602,775,475	$106,988,537
North Las Vegas	187,964,611	158,651,851	203,590,405	263,192,557	262,266,938	47,564,578
Henderson	194,361,740	243,753,376	359,371,027	385,009,871	423,923,070	128,048,969
Mesquite	26,761,655	28,789,392	38,879,662	38,059,247	45,697,056	8,023,625
Unincorporated Clark County	811,065,954	1,661,632,803	1,631,904,822	1,987,655,692	2,251,507,323	340,930,116
Boulder City	20,853,975	96,450,660	333,212,307	29,391,159	18,566,548	1,264,372
TOTAL	$1,619,238,219	$2,600,301,031	$3,064,708,766	$3,299,412,085	$3,604,736,410	$632,820,197
Percent Change	--	60.59%	17.86%	7.66%	9.25%	--

(1) As of February 29, 2016.

Sources: Building Departments: Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County; and Boulder City.

Gaming

General. The economy of the County (and the State) is substantially dependent upon the tourist industry, which is based on legalized casino gambling and related forms of entertainment. The following table shows a history of the gross taxable gaming revenue and total gaming taxes collected in the County and the State. Over the last five years, an average of 85.5% of the State's total gross taxable gaming revenue has been generated from Clark County.

Gross Taxable Gaming Revenue and Total Gaming Taxes[1]

Fiscal Year Ended June 30	Gross Taxable Gaming Revenue[2] State Total	Gross Taxable Gaming Revenue[2] Clark County	% Change Clark County	State Gaming Collection[3] State Total	State Gaming Collection[3] Clark County	% Change Clark County
2011	$ 9,836,451,902	$8,366,841,567	--	$853,455,347	$725,936,954	--
2012	9,770,060,305	8,310,282,237	(0.68)%	864,621,791	750,628,068	3.40%
2013	10,208,523,998	8,758,830,526	5.40	892,106,457	774,549,912	3.19
2014	10,208,208,433	8,767,996,640	0.10	912,371,316	795,514,687	2.71
2015	10,511,301,026	9,026,040,026	2.94	909,857,085	790,512,643	(0.63)
Jul 14 – Feb 15	$6,873,384,354	$5,886,449,936	--	$543,032,213	$473,852,213	--
Jul 15 – Feb 16	7,037,345,737	6,031,992,165	2.47%	555,801,467	485,928,121	2.55%

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.
(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).
(3) Cash receipts of the State from all sources relating to gaming (General Fund and other revenues) including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees, and miscellaneous collections. A portion of collections is deposited to the State funds other than the State's General Fund.

Source: State of Nevada - Gaming Control Board.

Gaming Competition. Different forms of legalized gaming have been authorized by many states, as well as the tribal casinos, across the United States. Other states may authorize gaming in the future in one form or another. The different forms of gaming range from casino gaming to riverboat gambling to lotteries and internet gaming. Historically, the availability of these forms of gaming in other states has not had any significant impact on gaming in the County.

Nonetheless, neither the County nor the Commission can predict the impact of legalization of legalized gaming in other states or other countries on the future economy of the County.

Tourism

Tourism is an important industry in the County. Hoover Dam, Lake Mead, Mt. Charleston and other tourist attractions are in the County. Attractions such as the Great Basin, Grand Canyon, Yosemite, Bryce Canyon, Zion, and Death Valley National Parks are each within a short flight or day's drive of southern Nevada.

One reflection of the growth of tourism in southern Nevada is the increase in the number of hotel and motel rooms available for occupancy as shown in the following table. The area's hotels and motels have historically experienced higher occupancy rates than those on a national level. Set forth in the table below is the Las Vegas Convention and Visitors Authority ("LVCVA") Marketing Department's estimate of the number of visitors to the Las Vegas Metropolitan Area since 2010.

Visitor Volume and Room Occupancy Rate
Las Vegas Metropolitan Area, Nevada

Calendar Year	Total Visitor Volume	Number of Hotel/Motel Rooms Available	Hotel/Motel Occupancy Rate[1]	National Occupancy Rate[2]
2011	38,928,708	150,161	83.8%	60.1%
2012	39,727,022	150,481	84.4	61.4
2013	39,668,221	150,593	84.3	62.3
2014	41,126,512	150,544	86.8	64.4
2015	42,312,216	149,213	87.7	65.6
2016[3]	6,799,850	149,262	86.0	57.6

(1) The sample size for this survey represents approximately 75% of the hotel/motel rooms available.
(2) Smith Travel Research Inc., Lodging Outlook.
(3) As of February 29, 2016. Total visitor volume reflects a 2.4% increase over the same time period in 2015.

Source: Las Vegas Convention and Visitors Authority.

The LVCVA is financed with the proceeds of hotel and motel room taxes in the County and its incorporated cities. A history of the room tax revenue collected is set forth in the following table.

Room Tax Revenue[1]
Las Vegas Convention & Visitors Authority, Nevada

Calendar Year	Revenue	Percent Change
2011	$194,329,584	--
2012	200,384,250	3.12%
2013	210,138,996	4.87
2014	232,443,537	10.61
2015	254,438,208	9.46
2016[2]	25,597,528	--

(1) Subject to revision. Room tax revenue represents a 5% tax allocated to the Las Vegas Convention & Visitors Authority; a total 9-11% room tax is assessed on all Clark County hotel/motel properties.
(2) As of January 31, 2016.

Source: Las Vegas Convention and Visitors Authority.

Transportation

The County, through its Department of Aviation, operates an airport system comprised of McCarran International Airport ("McCarran"); North Las Vegas Airport which caters to general aviation activity; Henderson Executive Airport, a corporate aviation facility; and Jean Sports Aviation Center and Overton-Perkins Field, which are primarily used for recreational purposes. Boulder City Municipal Airport, which is not owned by the County, is located in the southeastern part of the County.

Nearly half of all Las Vegas visitors arrive by air via McCarran, making it a major driving force in the southern Nevada economy. McCarran's long range plan focuses on building and maintaining state-of-the-art facilities, maximizing existing resources, and capitalizing on new and innovative technology. McCarran opened Terminal 3 in 2012, a new 1.9 million-square-foot facility, which eases congestion within garages, ticketing lobbies and security checkpoints. Research conducted by local firm Applied Analysis found that McCarran and the Clark County Aviation System generate $28.4 billion in total economic output annually. Additionally, more than 201,000 jobs and $8.0 billion in labor income can be attributed to County-managed airports. McCarran reported 45.4 million arriving and departing passengers in 2015, making that year the third-busiest year in the airport's 67-year history. Forecasts for first quarter 2016 indicate further growth as airport officials report a 8.1% increase through February. A history of passenger statistics is set forth in the following table.

McCarran International Airport Enplaned & Deplaned Passenger Statistics

Calendar Year	Scheduled Carriers	Charter, Commuter & Other Aviation	Total	Percent Change
2011	39,506,442	1,974,762	41,481,204	--
2012	39,807,361	1,860,235	41,667,596	0.4%
2013	40,334,735	1,522,324	41,857,059	0.5
2014	41,327,024	1,558,326	42,885,350	2.5
2015	43,933,404	1,455,670	45,389,074	5.8
2016(1)	6,751,924	243,696	6,995,620	--

(1) As of February 29, 2016.

Source: McCarran International Airport.

A major railroad crosses Clark County. There are nine federal highways in Nevada, two of which are part of the interstate system. Interstate 15, connecting Salt Lake City and San Diego, passes through Las Vegas and provides convenient access to the Los Angeles area. Interstate 80 connects Salt Lake City with the San Francisco Bay area and passes through the Reno-Sparks area. Several national bus lines and trucking lines serve the State.

U.S. Highways 95 and 93 are major routes north from Las Vegas, through Reno and Ely, Nevada, respectively. South of Las Vegas, U.S. 95 extends to the Mexican border, generally following the Colorado River, and U.S. 93 crosses Hoover Dam into Arizona.

LEGAL MATTERS

Litigation

There are various suits pending in courts within the State to which the District is a party. In the opinion of the District's General Counsel, however, there is no litigation or controversy of any nature now pending, or to the knowledge of the District's General Counsel, threatened: (i) restraining or enjoining the issuance, sale, execution or delivery of the 2016 Bonds or (ii) in any way contesting or affecting the validity of the 2016 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the 2016 Bonds. Further, the District's general counsel is of the opinion that current litigation facing the District will not materially affect the District's ability to perform its obligations to the owners of the 2016 Bonds.

Approval of Certain Legal Proceedings

The approving opinion of Sherman & Howard L.L.C., as Bond Counsel, will be delivered with each series of the 2016 Bonds. A form of each of the Bond Counsel opinions is attached to this Official Statement as Appendix E. The opinions will include a statement that the obligations of the District are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the federal constitution, including bankruptcy. Sherman & Howard L.L.C. has also acted as Special Counsel to the District in connection with this Official Statement. Certain matters will be passed upon for the District by its general counsel.

Police Power

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

Sovereign Immunity

Pursuant to State statute (NRS 41.035), an award for damages in an action sounding in tort against the District may not include any amount as exemplary or punitive damages and is limited to $100,000 per cause of action. The limitation does not apply to federal actions brought under federal law such as civil rights actions under 42 U.S.C. Section 1983 and actions under The Americans with Disabilities Act of 1990 (P.L. 101-336), or to actions in other states

TAX MATTERS

Federal Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2016 Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2016 Bonds (the "Tax Code"), and interest on the 2016 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below.

The Tax Code imposes several requirements which must be met with respect to the 2016 Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the 2016 Bonds. These requirements include: (a) limitations as to the use of proceeds of the 2016 Bonds; (b) limitations on the extent to which proceeds of the 2016 Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the 2016 Bonds above the yield on the 2016 Bonds to be paid to the United States Treasury. The District will covenant and represent in the 2016 Bond Resolutions that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the 2016 Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations) under such federal income tax laws in effect when the 2016 Bonds are delivered. Bond Counsel's opinion as to the exclusion of interest on the 2016 Bonds from gross income and alternative minimum taxable income (to the extent described above) is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the District to comply with these requirements could cause the interest on the 2016 Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the District and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum tax net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the 2016 Bonds.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2016 Bonds. Owners of the 2016 Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2016 Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. The 2016 Bonds were sold at a premium, representing a difference between the original offering price of the 2016 Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest on the 2016 Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the 2016 Bonds. Owners of the 2016 Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the 2016 Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the 2016 Bonds, the exclusion of interest on the 2016 Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the 2016 Bonds or any other date, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the 2016 Bonds. Owners of the 2016 Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the 2016 Bonds. If an audit is commenced, the market value of the 2016 Bonds may be adversely affected. Under current audit procedures the Service will treat the District as the taxpayer and the 2016 Bond owners may have no right to participate in such procedures. The District has covenanted in the 2016 Bond Resolutions not to take any action that would cause the interest on the 2016 Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the District, the Financial Advisor, the Initial Purchasers, Bond Counsel or Special Counsel is responsible for paying or reimbursing any 2016 Bond holder with respect to any audit or litigation costs relating to the 2016 Bonds.

State Tax Exemption

The 2016 Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

RATINGS

Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P") have assigned the 2016 Bonds the respective ratings shown on the cover page of this Official Statement. An explanation of the significance of the ratings given by S&P may be obtained from S&P at 55 Water Street, New York, New York 10041. An explanation of the significance of the ratings may be obtained from Moody's and S&P, respectively.

Such ratings reflect only the views of such rating agencies, and there is no assurance that any rating, once received, will continue for any given period of time or that either rating will not be revised downward or withdrawn entirely by the applicable rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2016 Bonds. Except for its responsibilities under the Disclosure Certificate, the District has not undertaken any responsibility to bring to the attention of the owners of the 2016 Bonds any proposed change in or withdrawal of such ratings once received or to oppose any such proposed revision.

INDEPENDENT AUDITORS

The audited basic financial statements of the District as of and for the year ended June 30, 2015, attached hereto as Appendix A, have been audited by Eide Bailly LLP, Las Vegas, Nevada, independent certified public accountants, to the extent and for the period indicated in their report thereon.

The audited basic financial statements of the District, including the auditors report thereon, are public documents and pursuant to State law, no consent from the auditors is required to be obtained prior to inclusion of the audited financial statements in this Official Statement. Accordingly, the District has not requested consent from its auditors. Since the date of its report, Eide Bailly LLP has not been engaged to perform and has not performed any procedures on the basic financial statements addressed in that report and also has not performed any procedures relating to this Official Statement.

FINANCIAL ADVISOR

Zions Public Finance, Las Vegas, Nevada ("Zions" or the "Financial Advisor") is serving as financial advisor to the District in connection with the 2016 Bonds. See "INTRODUCTION--Additional Information" for contact information for the Financial Advisor. Zions has not audited, authenticated or otherwise verified the information set forth in this Official Statement, or any other related information available to the District, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by Zions respecting accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

UNDERWRITING

The District sold the 2016A Bonds at public sale to J.P. Morgan Securities LLC at a purchase price of $227,473,882.19 (consisting of the par amount of the 2016A Bonds of $186,035,000.00, plus reoffering premium of $42,700,904.00, less underwriting discount of $1,262,021.81).

The District sold the 2016B Bonds at public sale to Citigroup Global Markets Inc. at a purchase price of $112,917,625.60 (consisting of the par amount of the 2016B Bonds of $90,775,000.00, plus reoffering premium of $22,937,814.60, less underwriting discount of $795,189.00).

The District sold the 2016C Bonds at public sale to Citigroup Global Markets Inc. at a purchase price of $39,624,850.00 (consisting of the par amount of the 2016C Bonds of $33,470,000.00, plus reoffering premium of $6,260,280.50, less underwriting discount of $105,430.50).

J.P. Morgan Securities Inc. and Citigroup Global Markets Inc. are referred to herein together as the “Initial Purchasers.”

OFFICIAL STATEMENT CERTIFICATION

The undersigned official hereby confirms and certifies that the execution and delivery of this Official Statement and its use in connection with the offering and sale of the 2016 Bonds has been duly authorized by the Board.

CLARK COUNTY SCHOOL DISTRICT, NEVADA

By: /s/ James McIntosh
Chief Financial Officer

APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE: The audited basic financial statements of the District included in this Appendix A have been derived from the District's CAFR for the fiscal year ended June 30, 2015. The table of contents, introductory section, individual fund budgetary statements, and other items referred to in the auditor's report attached hereto has purposely been excluded from this Official Statement. Such information provides supporting details and is not necessary for a fair presentation of the basic financial statements of the District.

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark County School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position and, where, applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Special Education Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Notes 1 and 18 to the financial statements, the District has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which has resulted in a restatement of the net position as of July 1, 2014. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 20 and the schedule of funding progress for the District's post employment healthcare plan and the schedule of the District's proportionate share of the net pension liability and the schedule of District contributions for the District's defined benefit pension plan on pages 75 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements. The introductory section, combining and individual nonmajor fund financial statements, capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular *A-133, Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, capital asset schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, capital asset schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Prior Year Comparative Information

The financial statements of the District as of and for the year ended June 30, 2014, were audited by Kafoury, Armstrong & Co., who joined Eide Bailly LLP on December 15, 2014, and whose report dated October 10, 2014, expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2014, is consistent with the audited financial statements from which it has been derived.

The individual fund schedules related to the 2014 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2014 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated October 12, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Las Vegas, Nevada
October 12, 2015

The Management's Discussion and Analysis (MD&A) offers readers a narrative overview and analysis of the Clark County School District's (District) financial statements for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which precedes this report, and the financial statements, which immediately follow this report.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2015

Following is an analysis of facts, descriptions and/or conditions of the District, in fiscal year 2015, that had a material effect on its financial position and/or operating results.

Government-wide Financial Statements

- The overall financial position of the District changed significantly as government-wide net position decreased $2.664 billion during fiscal year 2015, from $2.012 billion to a negative $651.8 million. This was due to the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 which required the District to record their proportionate share of the net pension liability of the Public Employees' Retirement System of Nevada (PERS). A prior period adjustment was required which significantly reduced the government-wide net position for the current year.

- Total revenues increased $97 million from $2.997 billion in fiscal year 2014 to $3.094 billion in fiscal year 2015, a 3.25% increase. This was mainly due to a rise in property taxes and local school support taxes.

- Certain local revenues such as the real estate transfer tax and the governmental services tax experienced an increase from fiscal year 2014 in the amount of $835,395 and $6,610,395, respectively, due to a slight increase in home sales and increased local population. Franchise tax revenue decreased by 50.55% due to an overall decrease in tax receipts this year resulting from lower net profits by one of the main public utilities and a timing difference in the tax receipts for 2015. Room tax had an increase of $7,230,177 or 9.76% in fiscal year 2015 due to the growth in visitor volume from the previous year.

- Total expenses increased $22 million from $2.920 billion in fiscal year 2014 to $2.942 billion in fiscal year 2015, a 0.76% increase. The increase in expenses can be attributed to the state mandated initiative to expand the Full-day Kindergarten and English Language Learners (ELL) programs which required additional licensed personnel. The pension expense, which is now being recorded as a result of GASB Statement No. 68, is recognized as the difference between the net pension liability from the prior fiscal year to the current fiscal year, with some adjustments, and is not based solely on contributions. Even though the pension expense adjustment recorded in fiscal year 2015 reduced overall expenses, this didn't completely offset the increases in expenses for all functional areas.

Fund Financial Statements

- The combined ending governmental fund balances decreased to $453 million in fiscal year 2015 from $506 million in fiscal year 2014, a 10.44% decrease.

- Decreases to the ending combined fund balances were mainly due to the decrease in the Debt Service Fund. The Debt Service ending fund balance has been declining over several years due to the decrease in property tax revenue; a result of the decline in Clark County's assessed valuation, and insufficient tax revenue to cover debt payments. However, in fiscal year 2015, we are beginning to see an increase in property tax revenue.

- As the local economy continues to improve, the combined revenues in the governmental funds recorded an $88 million increase from the previous year predominantly in the General Fund and the State Grants Fund. The additional revenue received in the General Fund was due to the local school support tax increase of $49 million and the property tax increase of $14 million. Additional revenues received in the State Grants Fund resulted from state-wide programs to promote early education opportunities through increases of $3 million for full-day kindergarten, $7 million for class size reduction kindergarten, and $7 million for pre-kindergarten in Zoom schools.

- One of the largest sources of revenue in the General Fund and the Special Education Fund is state aid known as the Distributive School Account (DSA). These funds decreased by approximately $16 million due to an increase in property tax and local school support taxes (sales tax), commonly referred to as the LSST. Revenue received from these local taxes are deducted from the guarantee, which determines the amount of state aid the District will receive. The effect of increases in property taxes and LSST are offset by reduced DSA revenues.

General Operating Fund Balance

- Ending fund balance in the General Fund decreased from approximately $120 million in fiscal year 2014 to approximately $106 million in fiscal year 2015, an 11.91% decrease. Local revenues increased from the prior year and property tax has increased for the first time in five years. The General Fund's increased expenditures are due to enrollment related growth, purchase of early literacy books, and the purchase of new buses for student transportation.

- Total General Fund revenues increased $45 million to $2.038 billion in fiscal year 2015. This was due to the increase in property taxes, local school support tax, and governmental services tax revenue.

- The District funded the unassigned (spendable) portion of fund balance to 1.50% of general operating revenue in fiscal year 2015. As a component of budget savings, it was recommended and the Board of Trustees approved on May 21, 2014 to waive the current unassigned fund balance requirement from the 2% established by District Regulation 3110. Unassigned fund balance is reported at $31.7 million in 2015. The District will continue to increase .25% annually until unassigned fund balance reaches the 2% requirement in the District Regulation 3110.

- The District was able to assign additional funding in its General Fund for instructional supply appropriations, school bus appropriations, potential revenue shortfall, school carryovers, categorical indirect costs, deferred maintenance initiatives, and human capital management implementation for the next fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with an assessment of the overall financial position and activities of the District as a whole. These statements are structured around the primary government, not including fiduciary funds. They are further divided into governmental activities and business-type activities. Governmental activities being those generally financed through taxes and intergovernmental revenues, while business-type activities are those financed to some degree by charging external parties for goods received.

The statement of net position combines and consolidates all of the District's current financial resources (short-term spendable resources) with capital assets, deferred outflows of resources, long-term obligations, and deferred inflows of resources using the accrual basis of accounting. The end result is net position that is segregated into three components: net investment in capital assets; restricted and unrestricted net position. The statement of activities presents information showing how the District's net position changed during fiscal year 2015. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, there are some revenues and expenses reported in this statement that will result in cash flows in future fiscal periods. All expenditures are reported by related function as prescribed by the Nevada Department of Education Handbook II Accounting System.

Fund Financial Statements

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

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

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

Fiduciary Funds – Funds that are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the government's own programs. The District currently holds assets related to student activities of various schools in its single fiduciary fund, the Student Activity Agency Fund.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Clark County School District's Net Position:

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	$ 859,080,428	$ 936,124,054	$ 64,527,179	$ 57,418,406	$ 923,607,607	$ 993,542,460
Capital assets, net	4,368,145,717	4,532,343,300	12,701,768	12,679,400	4,380,847,485	4,545,022,700
Total assets	5,227,226,145	5,468,467,354	77,228,947	70,097,806	5,304,455,092	5,538,565,160
Deferred outflows	407,223,152	30,782,071	5,785,930	-	413,009,082	30,782,071
Current liabilities	663,823,221	743,184,118	3,839,161	4,299,638	667,662,382	747,483,756
Long-term liabilities	5,013,246,547	2,808,242,443	37,329,414	817,127	5,050,575,961	2,809,059,570
Total liabilities	5,677,069,768	3,551,426,561	41,168,575	5,116,765	5,718,238,343	3,556,543,326
Deferred inflows	641,596,538	1,029,707	9,432,455	-	651,028,993	1,029,707
Net position:						
Net investment in capital assets	1,736,010,978	1,602,205,080	12,701,768	12,679,400	1,748,712,746	1,614,884,480
Restricted	274,868,608	287,372,577	-	-	274,868,608	287,372,577
Unrestricted	(2,695,096,595)	57,215,500	19,712,079	52,301,641	(2,675,384,516)	109,517,141
Total net position	$ (684,217,009)	$ 1,946,793,157	$ 32,413,847	$ 64,981,041	$ (651,803,162)	$ 2,011,774,198

The District's assets and deferred outflows of resources fell short of liabilities and deferred inflows of resources by $651,803,162 at the close of the current fiscal year and total net position decreased by 132.40% or $2,663,577,360. This was due mainly to the implementation of GASB Statement No. 68 which requires the District to report its proportionate share of the net pension liability in fiscal year 2015.

Governmental Activities

The District's total net position in governmental activities is a negative $684,217,009 of which, unrestricted net position totaled a negative $2,695,096,595. Included in this figure is the impact of recording the net pension liability, the District pays to PERS the required contributions, but pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability.

Portions of total net position are subject to external restrictions on how the resources may be utilized. In the current fiscal year, restricted assets include assets for servicing long-term general obligation bonded debt in the amount of $169,806,850; assets related to bond proceeds and other revenues to be used in the District's capital projects programs in the amount of $93,891,829; and net position restricted for other purposes totaling $11,169,929, which includes donations of $902, City of Henderson redevelopment funds in the amount of $197,590, state restricted money for adult education in the amount of $1,517,087, a certificate of deposit with the State of Nevada for the District's workers' compensation self-insurance program in the amount of $7,738,000 and a total of $1,716,350 in term endowments made over time to Vegas PBS.

Business-type Activities

Business-type activities consist solely of the District's Food Service Enterprise Fund. Net position in this fund decreased by 50.12% to $32,413,847, which was due to the net pension liability that was recorded as a result of the implementation of GASB Statement No. 68. Revenues exceeded expenses by $8,264,909. Food Service is reporting approximately $20 million in unrestricted net position.

Clark County School District's Statement of Activities:

	Governmental activities		Business-type activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	$ 6,949,400	$ 10,249,955	$ 15,248,543	$ 16,357,955	$ 22,197,943	$ 26,607,910
Operating grants and contributions	498,060,401	465,539,067	102,805,262	98,664,573	600,865,663	564,203,640
Capital grants and contributions	3,838,310	7,918,056	-	-	3,838,310	7,918,056
Total program revenues	508,848,111	483,707,078	118,053,805	115,022,528	626,901,916	598,729,606
General revenues:						
Property taxes	717,405,247	692,150,495	-	-	717,405,247	692,150,495
Local school support tax	881,056,204	832,511,729	-	-	881,056,204	832,511,729
Governmental services tax	80,298,474	73,688,079	-	-	80,298,474	73,688,079
Room tax	81,297,840	74,067,663	-	-	81,297,840	74,067,663
Real estate transfer tax	22,146,920	21,311,525	-	-	22,146,920	21,311,525
Franchise tax	1,781,645	3,602,799	-	-	1,781,645	3,602,799
Other local taxes	197,590	-	-	-	197,590	-
Unrestricted federal aid	340,659	237,429	-	-	340,659	237,429
Unrestricted state aid	659,619,067	677,169,613	-	-	659,619,067	677,169,613
Other local sources	18,779,550	17,966,634	56,618	63,384	18,836,168	18,030,018
Unrestricted investment earnings	4,015,151	5,064,337	223,300	176,652	4,238,451	5,240,989
Total general revenues	2,466,938,347	2,397,770,303	279,918	240,036	2,467,218,265	2,398,010,339
Total revenues	2,975,786,458	2,881,477,381	118,333,723	115,262,564	3,094,120,181	2,996,739,945
Expenses						
Instruction expenses	1,721,284,287	1,696,578,663	-	-	1,721,284,287	1,696,578,663
Support services:						
Student support	120,371,299	120,130,725	-	-	120,371,299	120,130,725
Instructional staff support	163,271,875	159,075,335	-	-	163,271,875	159,075,335
General administration	25,462,151	22,356,725	-	-	25,462,151	22,356,725
School administration	192,067,658	187,494,657	-	-	192,067,658	187,494,657
Central services	78,312,962	78,632,206	-	-	78,312,962	78,632,206
Operation and maintenance of plant services	266,323,989	269,244,660	-	-	266,323,989	269,244,660
Student transportation	124,388,428	127,025,270	-	-	124,388,428	127,025,270
Other support services	4,214,011	3,733,353	-	-	4,214,011	3,733,353
Community services	2,487,740	3,113,614	-	-	2,487,740	3,113,614
Facilities acquisition and construction services	7,089,192	7,481,160	-	-	7,089,192	7,481,160
Interdistrict payments	2,996,640	2,423,183	-	-	2,996,640	2,423,183
Interest on long-term debt	123,373,106	134,468,848	-	-	123,373,106	134,468,848
Food services	-	-	110,068,814	107,785,101	110,068,814	107,785,101
Total expenses	2,831,643,338	2,811,758,399	110,068,814	107,785,101	2,941,712,152	2,919,543,500
Change in net position before term endowments and transfers	144,143,120	69,718,982	8,264,909	7,477,463	152,408,029	77,196,445
Term endowment	21,719	61,250	-	-	21,719	61,250
Change in net position	144,164,839	69,780,232	8,264,909	7,477,463	152,429,748	77,257,695
Net position - beginning	1,946,793,157	1,877,012,925	64,981,041	57,503,578	2,011,774,198	1,934,516,503
Prior period restatement	(2,775,175,005)	-	(40,832,103)	-	(2,816,007,108)	-
Net position - beginning (as restated)	(828,381,848)	-	24,148,938	-	(804,232,910)	-
Net position - ending	$ (684,217,009)	$ 1,946,793,157	$ 32,413,847	$ 64,981,041	$ (651,803,162)	$ 2,011,774,198

Governmental Activities

Net Position

Governmental activities increased the District's net position by $144,164,839 for fiscal year 2015. Increases in net position are due to the implementation of GASB Statement No. 68 which required the recording of a pension expense adjustment to governmental activities. The prior period adjustment required in GASB Statement No. 68 caused an overall negative net position for fiscal year 2015.

Revenues

The largest general revenues received by the District include local school support tax in the amount of $881,056,204, aggregated property taxes in the amount of $717,405,247, and unrestricted state aid in the amount of $659,619,067. These revenues represent 29.61%, 24.11%, and 22.17%, respectively, of total governmental revenues for the current fiscal year.

This year's unrestricted state aid in the General Fund decreased by 2.59% and is guaranteed through a funding mechanism known as the Nevada Plan. The District is legislatively guaranteed to receive a specific amount of per-pupil funding from the state which is apportioned through components of both sales and property taxes. The amount received per pupil for fiscal year 2015 was $5,527, up from last year's amount of $5,457 per pupil. The state is required to provide funding to meet the residual amount that is not collected through these taxes. Under the provision of this plan, the State formula is adjusted by the change in local sales tax and property tax revenues which then increases or decreases the State's obligation. This year the impact of local taxes decreased total state aid by approximately $17 million.

As the Clark County economy continues to recover, many other revenue collections have experienced improvements over the previous year. In fiscal year 2015, the real estate transfer tax, a tax collected on transfers of real property, has experienced a slight increase of $835,395 due to the positive change in the housing market. The room tax, a tax associated with hotel lodging and deposited into the Bond Fund, experienced an increase of $7,230,177 or 9.76% over the previous year. The real estate transfer tax, along with the property tax and room tax are the main components of meeting outstanding bond obligations. The reductions of property taxes over the last few years have placed a strain on servicing future debt obligations and on future bonding capacity.

The Local School Support Tax (LSST), a component of the sales tax, in Clark County, is one of the few revenues of the District that showed increases for the last six years. It currently increased 5.83% or $48,544,475 over the prior year, with collections totaling $881,056,204 due to the 2.1% total taxable sales increase for the year.

LSST and property tax collection are part of the Nevada Plan for school funding. When LSST and property tax decreases, the state is required to make up the difference to meet its basic support obligation. However, when LSST and property tax are higher than anticipated, as occurred this year, the District does not share in any surplus. It simply means the state reduces its state-aid payments through the DSA.

Franchise tax revenue decreased significantly by $1,821,154 or 50.55% due to an overall decrease in tax receipts this year that resulted primarily from lower net profits of $1.15 million reported by one of the public utilities, and a timing difference in some of the receipts received for fiscal year 2015.

The District has also seen a decrease in its unrestricted investment earnings as fund balance begins to decrease and the lower interest rates in fiscal year 2015. Overall investment earnings have decreased $1,049,186 or 20.72% from fiscal year 2014.

In fiscal 2015, governmental services tax revenue increased $6,610,395 or 8.97%. Governmental services taxes are collected when residents register their vehicles each year. This tax is based on the original Manufactures Suggested Retail Price (MSRP) set when the vehicle was new.

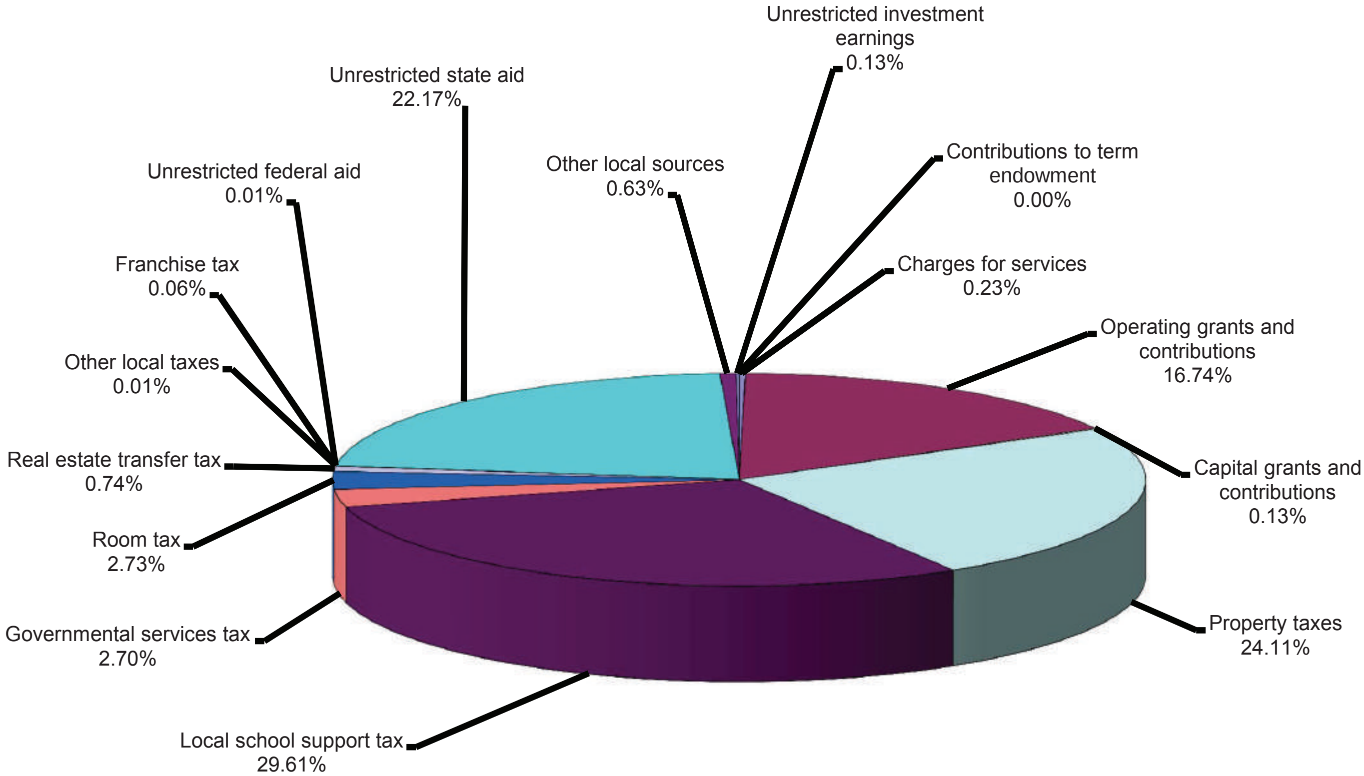
This year charges for services revenue decreased by $3,300,555 or 32.20% due to the phase out of the tuition based Full-day Kindergarten program. There were 51 tuition based full-day kindergarten schools in fiscal year 2014, reduced to 28 schools in fiscal year 2015.

Due to increased funding in state grants from the Nevada Department of Education for Full-day Kindergarten and Zoom school programs, revenues increased $32,521,334 or 6.99% from the prior year for operating grants and contributions.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Capital grants and contributions decreased $4,079,746 or 51.52% compared to last fiscal year where most of the portables were built to accommodate the growth in the Full-day Kindergarten program.

Governmental Activities – Revenue Sources



Governmental Activities - Change in Revenues

Revenues	2015	2014	Inc / (Dec) from 2014	% Inc / (Dec) from 2014
Charges for services	$ 6,949,400	$ 10,249,955	$ (3,300,555)	-32.20%
Operating grants and contributions	498,060,401	465,539,067	32,521,334	6.99%
Capital grants and contributions	3,838,310	7,918,056	(4,079,746)	-51.52%
Property taxes	717,405,247	692,150,495	25,254,752	3.65%
Local school support tax	881,056,204	832,511,729	48,544,475	5.83%
Governmental services tax	80,298,474	73,688,079	6,610,395	8.97%
Room tax	81,297,840	74,067,663	7,230,177	9.76%
Real estate transfer tax	22,146,920	21,311,525	835,395	3.92%
Franchise tax	1,781,645	3,602,799	(1,821,154)	-50.55%
Other local taxes	197,590	-	197,590	100.00%
Unrestricted federal aid	340,659	237,429	103,230	43.48%
Unrestricted state aid	659,619,067	677,169,613	(17,550,546)	-2.59%
Other local sources	18,779,550	17,966,634	812,916	4.52%
Unrestricted investment earnings	4,015,151	5,064,337	(1,049,186)	-20.72%
Contributions to term endowment	21,719	61,250	(39,531)	-64.54%
Total revenues	$ 2,975,808,177	$ 2,881,538,631	$ 94,269,546	3.27%

Expenses

- Instruction related expenses represent 60.79% of total governmental expenses. They consist of regular, special, gifted and talented, vocational, other instruction, and adult program expenses, with 94.91% of these dollars spent on regular and special education.

- Instruction related expenses reported an increase of $24,705,624 or 1.46% from the previous fiscal year. Included in these expenses are enrollment growth related staffing positions. The overall increase, net of the pension expense credit, is due to additional positions for state implemented Full-day Kindergarten and English Language Learners (ELL) initiatives, and supply increases for early literacy books.

- Operation and maintenance of plant services account for the next highest expenses comprising approximately 9.41% of total expenses. These expenses include utility and maintenance costs intended to provide upkeep for the District's schools and administrative facilities. Also included in these expenses was the purchase of new maintenance vehicles. The decrease of $2,920,671 or 1.08% was due to the impact of the GASB Statement No.68 pension expense adjustment recognized this year that offset these expenses.

- General administration expenses increased by $3,105,426 or 13.89%. There was an increase in property and liability insurance premiums in the current year.

- The school administration function includes an increase of $4,573,001 or 2.44%. These increases are due to additional assistant principals as the District is restoring these positions to pre-recession levels.

- Instructional staff support expenses increased this year by $4,196,540 or 2.64% due to an increase of 44 qualified school-based computer technicians for Phase 2 of the Technology Integration Support Model Project and the purchase of ELL library books.

- Student transportation expenses decreased by $2,636,842 or 2.08% due to the lower cost of diesel fuel and the GASB Statement No. 68 pension expense credit. Also included in this function was the purchase of new school buses to accommodate the student enrollment growth.

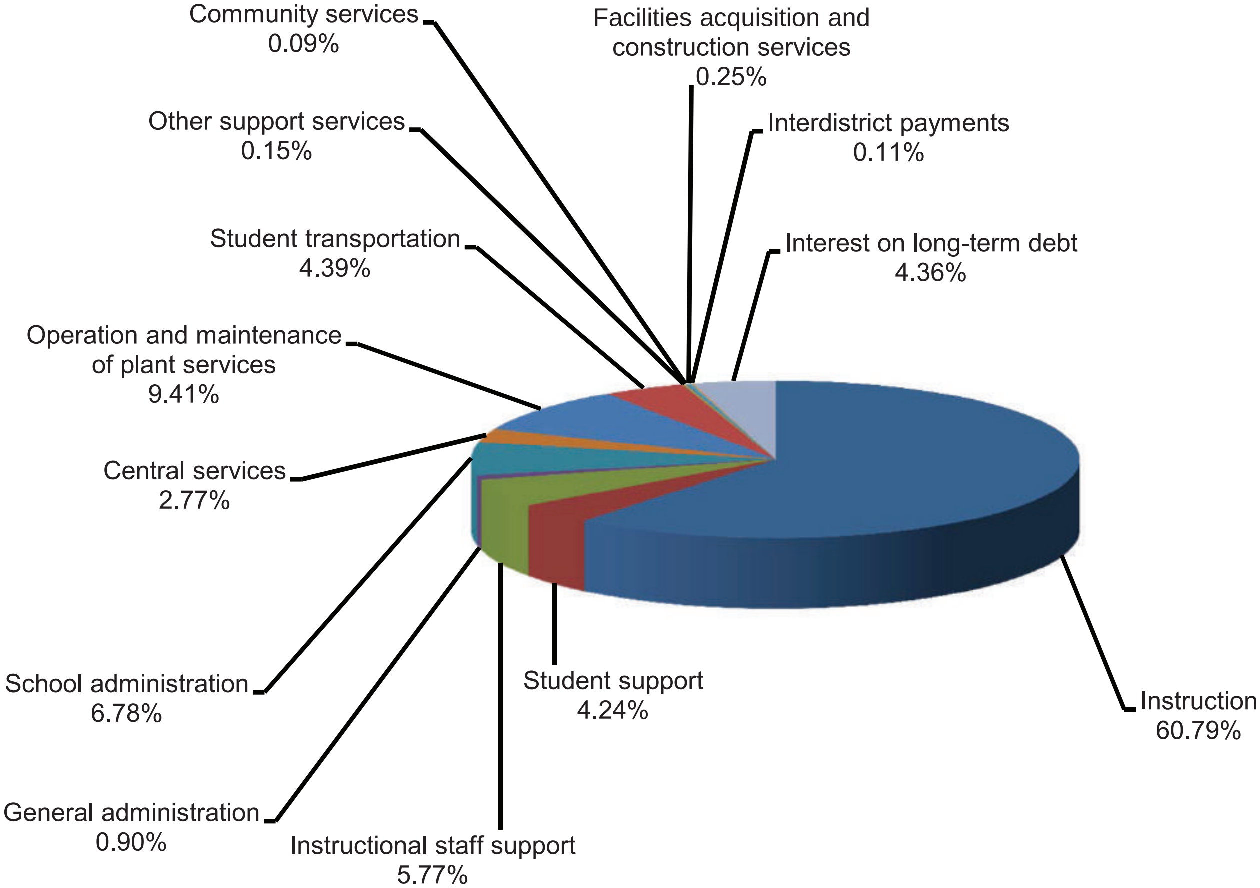
- Other support services function increased by $480,658. The indirect cost rate went from 1.91% in fiscal year 2014 to 2.38% in fiscal year 2015, contributing to this increase.

- Community services expenses decreased by $625,874 or 20.10% as a result of a reduction in licensed personnel associated with the closing of several Parent Centers due to the consolidation of these locations.

- Interdistrict payments increased by $573,457 or 23.67% due to an increase in the number of students enrolled at charter schools.

- Interest on long term debt decreased by $11,095,742 or 8.25% due to a decrease of interest payments in the Debt Service fund resulting from the issuance of two advance bond refundings and no new school construction debt.

Governmental Activities – Expenses by Function**



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

Governmental Activities – Change in Expenses by Function

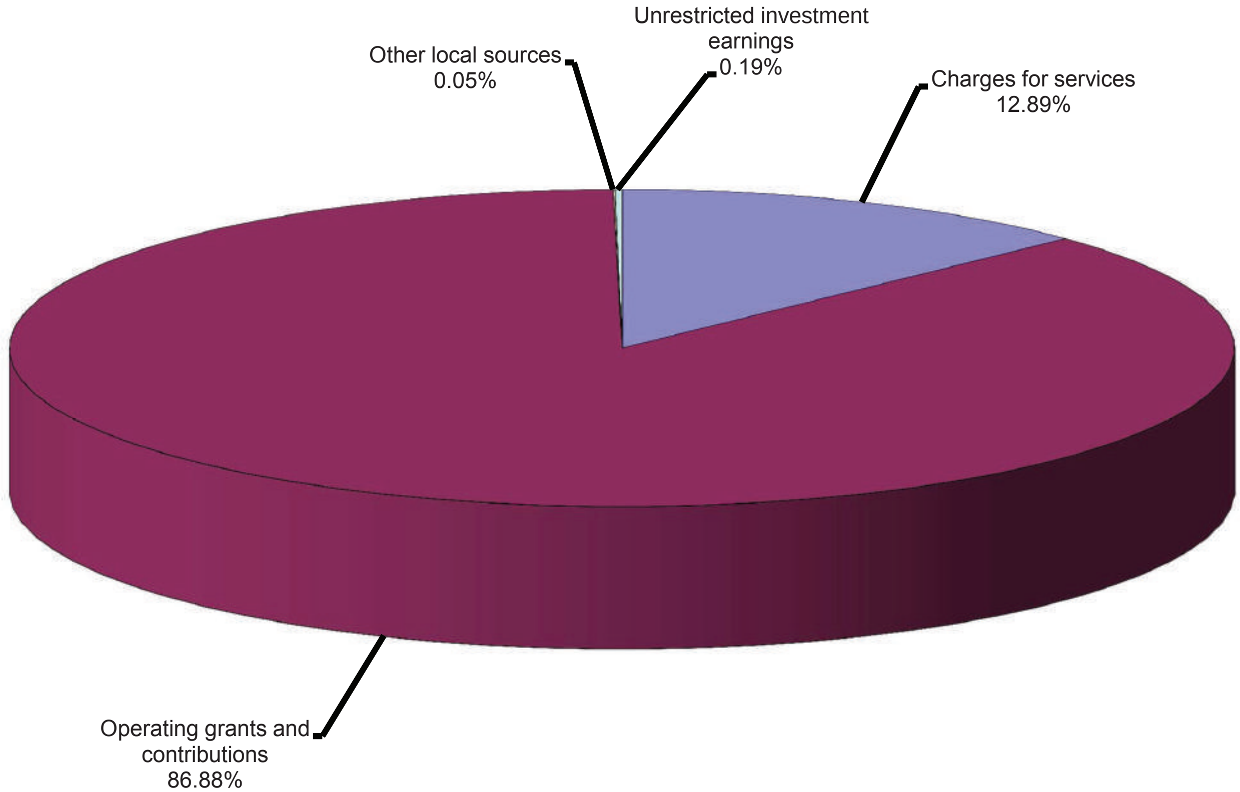
Expenses	2015	2014	Inc / (Dec) from 2014	% Inc / (Dec) from 2014
Instruction	$ 1,721,284,287	$ 1,696,578,663	$ 24,705,624	1.46%
Student support	120,371,299	120,130,725	240,574	0.20%
Instructional staff support	163,271,875	159,075,335	4,196,540	2.64%
General administration	25,462,151	22,356,725	3,105,426	13.89%
School administration	192,067,658	187,494,657	4,573,001	2.44%
Central services	78,312,962	78,632,206	(319,244)	-0.41%
Operation and maintenance of plant services	266,323,989	269,244,660	(2,920,671)	-1.08%
Student transportation	124,388,428	127,025,270	(2,636,842)	-2.08%
Other support services	4,214,011	3,733,353	480,658	12.87%
Community services	2,487,740	3,113,614	(625,874)	-20.10%
Facilities acquisition and construction services	7,089,192	7,481,160	(391,968)	-5.24%
Interdistrict payments	2,996,640	2,423,183	573,457	23.67%
Interest on long-term debt	123,373,106	134,468,848	(11,095,742)	-8.25%
Total expenses	$ 2,831,643,338	$ 2,811,758,399	$ 19,884,939	0.71%

Business-type Activities

Business-type activities consist solely of the District's Food Service Enterprise Fund. In the current fiscal year, this activity increased net position by $8,264,909 before the prior period restatement which includes the implementation of GASB Statement No. 68 that required the District to recognize our proportionate share of the Nevada PERS pension liability.

Food service student charges and federal subsidies, including contributions of commodity food products, account for almost 100% of the revenues received by business-type activities, with student charges representing approximately 12.89% and federal subsidies accounting for 86.88%. The majority of the expenses in business-type activities are for food purchases and personnel expenses, including salary and benefits, to maintain the District's food service program.

Business-type Activities – Revenue Sources**



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

Business-type Activities - Change in Revenues

Revenues	2015	2014	Increase / (Decrease) from 2014	% Increase / (Decrease) from 2014
Charges for services	$ 15,248,543	$ 16,357,955	$ (1,109,412)	-6.78%
Operating grants and contributions	102,805,262	98,664,573	4,140,689	4.20%
Other local sources	56,618	63,384	(6,766)	-10.67%
Unrestricted investment earnings	223,300	176,652	46,648	26.41%
Total Revenues	$ 118,333,723	$ 115,262,564	$ 3,071,159	2.66%

Revenues generated from charges for services declined in fiscal year 2015, due to a drop in a la carte sales, from $6.1 million to $5 million. Federal proceeds increased in 2015 due to an additional $2 million which was received for the 6 cent Menu Certification for complying with the meal requirements under the Healthy Hunger Kids Act of 2010 and a larger consumption of commodities, from $6.9 million to $8 million.

ANALYSIS OF GOVERNMENTAL FUND BALANCES AND TRANSACTIONS

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

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of $453 million, a decrease of almost $53 million from last year. The General Fund reported higher revenue collections overall as a result of improvements in the local economy and increased expenditures fueled by a student enrollment growth of 3,161. Of the total governmental fund balance, $5,227,043 is classified as nonspendable and $332,093,357 as restricted. Committed fund balance totaled $15,474,650 which included amounts for PBS programming fees and Medicaid programs. The assigned fund balance totaling $68,476,662 are for various initiatives throughout the District including instructional supply appropriations, school bus appropriations, potential revenue shortfall, school carryover, categorical indirect costs, deferred maintenance initiatives, and human capital management implementation. Unassigned fund balance, for all governmental funds (which serves as a useful measure of the District's net resources as a whole) available for spending is $31,722,272.

The main operating fund of the District is the General Fund. At the end of the current fiscal year, the total fund balance in the General Fund was $105,624,469; nonspendable portion totaled $5,227,043 and the restricted portion was $198,492. The unassigned portion which represents spendable resources was $31,722,272, representing 30.03% of the total fund balance or 1.50% of the general operating budget resources.

Although reported separately, the Special Education Fund is budgeted for in combination with the General Fund and together they represent the general operating budget of the District. Any deficiencies of revenues under expenditures in the Special Education Fund are compensated for through a transfer from the General Fund. The transfer from the General Fund to cover special education expenditures in fiscal year 2015 was $310,178,706. This is an increase of 4.27% over 2014, as Special Education instruction and transportation costs increased over the prior year due to the continued spike in the enrollment growth of students qualifying for special education services.

The District's Debt Service Fund reported a decrease in fund balance by approximately $51 million, from $78 million in fiscal year 2014 to $27 million in fiscal year 2015. Even as the property tax revenue has begun to increase, it is expected that the District will continue to utilize its reserves to assist with servicing debt until 2017 when it is projected to once again have one times coverage.

The District's Bond Fund reported an increase in fund balance of $664,724 due to increases in the real estate transfer tax and room tax. As the 1998 bond program is coming to an end, no new school construction debt could be authorized or issued in 2015. The District received $103 million in combined revenues from the room tax and real property transfer tax. These taxes are pledged to reduce specific general obligation debts as it comes due. Most of these pledged revenues are reported as a transfer out of the Bond Fund in the amount of $83 million and are shown as transfer in to the Debt Service Fund. See **Note 4.**

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

Towards the end of the current fiscal year, the grant/fiscal accountability department requested draws to cover several expenditures mainly in its Title I, Full-day Kindergarten, Zoom, and IDEA grants, but did not receive the funding until after the end of the current fiscal year. As of June 30, 2015, the Federal Projects Fund and the State Grants Fund are reporting $36 million and $23 million receivables, respectively. Since these funds did not receive grant awards in time to cover the current expenditures, funding was provided by the General Fund. Liabilities are recorded in the Federal Projects Fund in the amount of $20,176,585 and $7,751,522 in the State Grants Fund to recognize the payable; corresponding receivables are recorded in the General Fund.

BUDGETARY HIGHLIGHTS

The Original Budget was approved on May 21, 2014. Budgeted appropriations were developed with certain assumptions remaining unknown or not finalized, namely certified student enrollment and beginning fund balances. For this reason, the Original Budget was approved and submitted according to NRS 354.598 on or before June 8 to commence District operations for the fiscal year beginning July 1, 2014, pending final resolution of various revenue assumptions as more complete estimates became available.

An amendment to the 2014-2015 Original Budget was approved on December 11, 2014, following recognition of final certified student enrollment and the audited June 30, 2014, ending fund balance. Total General Operating Fund resources were increased by $23.6 million (0.9%) between adoption of the Original Budget in May 2014 and the Final Budget in December 2014.

The Final Budget reflects the District's best estimates and includes all transfers, additions, and deletions that have been approved through June 30, 2015, and more accurately denote total appropriation activity throughout the year.

Nevada Revised Statutes and District regulations require that school districts legally adopt budgets for all funds. Budgets are prepared in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments and transfers made during the year. The Final Budget is prepared by fund, program, and function. All appropriations lapse at year-end and certain allowable encumbrances will carry over and be appropriated in 2015-2016.

There were numerous variances between the original and final budgets in the General and the Special Education Funds attributable largely to changes in educational priorities between adoption of the original and final budgets. Actual count day enrollment exceeded the May 2014 projected unweighted enrollment by 70 students which necessitated additional appropriations for support of instructional based services.

The Board of School Trustees (the Board) adopted the Amended Final Budget for 2014-2015 of the General Operating Fund in December 2014 that reflected total resources of $2,279,000,000 including a projected ending fund balance of $52.5 million. Local school support taxes (LSST) were $13.4 million higher and ad valorem property taxes were $4.3 million lower resulting in a net increase of $9.1 million above projections and were offset by a $16 million decrease in state related revenue as part of the state educational aid guaranteed through a funding mechanism known as the Nevada Plan.

Total revenues were $14.2 million less than anticipated. Two percent franchise tax was $1.2 million lower than projections due to a major utility company experiencing a decrease in its net profits translating to a decrease in franchise revenue for the District. Tuition and summer school fees were $3.0 million below budget expectations due to fewer fee-based extended-day kindergarten classrooms. This was a direct result of the state of Nevada providing additional grant funding for all-day kindergarten programs.

Overall expenses were less than projected due to positive expenditure variances of budgeted to actual expenditures. Staffing vacancies accounted for total regular programs being $7.2 million, other instructional programs being $7.8 million, and special education and student transportation programs being $21.7 million under projections. Due to the nationwide teacher shortage, Clark County School District continues to struggle filling all licensed classroom positions. Operation and maintenance of plant services were $7.0 million lower than budgeted due to lower than anticipated custodian and labor costs.

The actual ending fund balance of $105.6 million was $53.1 million more than budgeted largely from lower than anticipated expenditures of $58.4 million. Although unassigned fund balance increased by $5.9 million from 2014, this continues to necessitate a waiver approved by the Board relative to Regulation 3110 that requires the unassigned fund balance be no less than 2.0% of total revenues. For fiscal year 2015, General Operating Fund revenues were 0.67% less than anticipated while total expenditures produced a positive variance of 2.63%, thereby providing additional resources for fiscal year 2016.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

At June 30, 2015, the District held approximately $4.4 billion invested in a broad range of capital assets, net of depreciation, including land and improvements, buildings and improvements, and equipment. This amount represents a net decrease (including additions, disposals, and depreciation) of $164 million or 3.61% from last year. The following tables reflect additions and disposals of capital assets for governmental and business-type activities (see following page).

Governmental Activities Capital Assets:

	Balance June 30, 2014	Additions	Disposals	Balance June 30, 2015
Land	$ 265,261,985	$ -	$ -	$ 265,261,985
Land Improvements	1,278,443,555	2,274,186	-	1,280,717,741
Buildings	4,303,739,167	6,709,044	(197,205)	4,310,251,006
Building Improvements	902,702,336	3,218,547	-	905,920,883
Equipment	520,491,103	41,006,244	(3,275,685)	558,221,662
Construction in Progress	8,840,023	35,295,867	(14,396,370)	29,739,520
Less: Accumulated Depreciation	(2,747,134,869)	(238,125,049)	3,292,838	(2,981,967,080)
Total Capital Assets, Net	$ 4,532,343,300	$ (149,621,161)	$ (14,576,422)	$4,368,145,717

The majority of the decrease in capital assets is due to the increase in depreciation expense. In fiscal year 2015, the District did not open any new schools. Additions to land, buildings, and building improvements include expansions and renovations to existing District facilities. Construction in progress includes school renovations, improvements, expansions to existing schools, and work performed to completely replace some older existing schools.

Business-type Activities Capital Assets:

	Balance June 30, 2014	Additions	Disposals	Balance June 30, 2015
Land Improvements	$ 240,579	$ 727,700	$ -	$ 968,279
Buildings	1,715,486	21,927	-	1,737,413
Building Improvements	559,584	38,372	-	597,956
Equipment	20,354,310	1,185,343	(96,634)	21,443,019
Construction in Progress	401,464	386,536	(788,000)	-
Less: Accumulated Depreciation	(10,592,023)	(1,493,525)	40,649	(12,044,899)
Total Capital Assets, Net	$ 12,679,400	$ 866,353	$ (843,985)	$ 12,701,768

Additional information on the District's capital assets can be found in note 5 on pages 58-59 of this report.

Long-term Debt

The Clark County School District has finalized one of the largest school construction programs in the United States funded through the issuance of municipal bonds. Before bonds can be sold, the District provides information to various bond raters to obtain bond ratings for the proposed issue. Much of the information centers on the financial stability of the District and how it responds to various financial situations. As the local economy has improved in Clark County, the District now has the following ratings with Standard and Poor's (AA-), Fitch (A), and Moody's Investor Services (A1) all with a stable outlook rating at year end.

As of June 30, 2015, the District carried approximately $2.7 billion in debt. The District previously issued general obligation bonds to finance various projects including, but not limited to, constructing or purchasing new buildings, enlarging, remodeling or repairing existing buildings or grounds, acquiring sites for new buildings, and purchase necessary furniture and equipment for schools including equipment used for the transportation of pupils. The following table summarizes long-term debt activity over the past fiscal year (see following page).

Long-term Debt Obligations:

	Balance July 1, 2014	Issuances	Retirements	Balance June 30, 2015
Governmental Activities:				
General Obligation Debt	$ 2,894,125,000	$ 386,525,000	$ (731,760,000)	$ 2,548,890,000
Plus: Premiums	165,133,418	47,872,083	(44,356,264)	168,649,237
Less: Discounts	(6,436,007)	-	656,151	(5,779,856)
General Obligation Debt, Net	$ 3,052,822,411	$ 434,397,083	$ (775,460,113)	$ 2,711,759,381

Per Nevada Revised Statute Chapter 387.400, the debt limitation for the District is equal to 15 percent of the assessed valuation of property, excluding motor vehicles. The debt limitation currently applicable at June 30, 2015 is $9,637,895,048. It is expected that future increases in assessed valuation and the retirement of bonds will result, at all times, in a statutory debt limitation in excess of outstanding debt, subject to changes in assumptions, costs and revenues.

Additional information on the District's long-term debt can be found in notes 8 and 10 on pages 60-64 of this report.

During the recent 2015 Legislative Session Senate Bills 119 and 207 passed which extend the authority of the District to issue bonds for construction and renovation of schools through 2025. The District is currently holding community input meetings to assist in the planning of 12 new schools and 2 replacement schools over the next two years. Assembly Bill 394 also passed to create an advisory committee to study and develop a plan to reorganize the District into multiple local school precincts by the 2018-2019 school year.

REQUESTS FOR INFORMATION

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

Clark County School District
Accounting Department
5100 W. Sahara Avenue
Las Vegas, NV 89146

Basic Financial Statements

CCSD
CLARK COUNTY
SCHOOL DISTRICT

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CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash and investments	$ 508,761,395	$ 30,939,130	$ 539,700,525
Accounts receivable	340,859,319	24,231,108	365,090,427
Interest receivable	657,369	-	657,369
Inventories	5,227,043	9,356,941	14,583,984
Prepaids	2,377,996	-	2,377,996
Prepaid bond insurance premium costs	1,197,306	-	1,197,306
Capital assets - not being depreciated	295,001,505	-	295,001,505
Capital assets - net of accumulated depreciation	4,073,144,212	12,701,768	4,085,845,980
Total assets	5,227,226,145	77,228,947	5,304,455,092
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refundings	13,979,440	-	13,979,440
Pension related - contributions	370,883,926	5,456,943	376,340,869
Pension related - difference between employer and proportionate share of contributions	22,359,786	328,987	22,688,773
Total deferred outflows of resources	407,223,152	5,785,930	413,009,082
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	5,634,449,297	83,014,877	5,717,464,174
LIABILITIES			
Accounts payable	88,345,122	1,651,944	89,997,066
Accrued salaries and benefits	256,815,066	754,297	257,569,363
Unearned revenues	4,319,284	1,095,145	5,414,429
Interest payable	9,864,015	-	9,864,015
Construction contracts and retention payable	1,716,007	-	1,716,007
Liability insurance claims payable	3,555,000	-	3,555,000
Workers' compensation claims payable	7,272,000	-	7,272,000
Long term liabilities:			
Portion due or payable within one year:			
General obligation bonds payable	265,825,000	-	265,825,000
Compensated absences payable	26,111,727	337,775	26,449,502
Portion due or payable after one year:			
General obligation bonds payable	2,445,934,381	-	2,445,934,381
Compensated absences payable	32,738,277	754,831	33,493,108
OPEB obligation	36,827,845	-	36,827,845
Net pension liability	2,485,810,433	36,574,583	2,522,385,016
Long term claims payable	11,935,611	-	11,935,611
Total Liabilities	5,677,069,768	41,168,575	5,718,238,343
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refundings	514,853	-	514,853
Pension related - difference between projected and actual experiences and investment earnings	641,081,685	9,432,455	650,514,140
Total deferred outflow of resources	641,596,538	9,432,455	651,028,993
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	6,318,666,306	50,601,030	6,369,267,336
NET POSITION			
Net investment in capital assets	1,736,010,978	12,701,768	1,748,712,746
Restricted for:			
Debt service	169,806,850	-	169,806,850
Capital projects	93,891,829	-	93,891,829
Other purposes	11,169,929	-	11,169,929
Unrestricted	(2,695,096,595)	19,712,079	(2,675,384,516)
TOTAL NET POSITION	$ (684,217,009)	$ 32,413,847	$ (651,803,162)

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
GOVERNMENTAL ACTIVITIES			
Instruction:			
Regular instruction	$ (1,322,796,796)	$ 3,582,965	$ 329,055,534
Special instruction	(310,959,763)	-	132,461,974
Gifted and talented instruction	(11,662,791)	-	42,878
Vocational instruction	(23,574,258)	-	5,480,027
Other instruction	(46,069,783)	1,143,214	-
Adult instruction	(6,220,896)	-	6,737,619
Total instruction	(1,721,284,287)	4,726,179	473,778,032
Support services:			
Student support	(120,371,299)	-	1,329,873
Instructional staff support	(163,271,875)	1,810,223	12,451,935
General administration	(25,462,151)	-	-
School administration	(192,067,658)	-	-
Central services	(78,312,962)	100,780	4,420,928
Operation and maintenance of plant services	(266,323,989)	-	379,491
Student transportation	(124,388,428)	312,218	1,911
Other support services	(4,214,011)	-	67,884
Community services	(2,487,740)	-	-
Facilities acquisition and construction services [1]	(7,089,192)	-	-
Interdistrict payments	(2,996,640)	-	-
Interest on long-term debt	(123,373,106)	-	5,630,347
Total support services	(1,110,359,051)	2,223,221	24,282,369
TOTAL GOVERNMENTAL ACTIVITIES	(2,831,643,338)	6,949,400	498,060,401
BUSINESS-TYPE ACTIVITIES			
Food service	(110,068,814)	15,248,543	102,805,262
TOTAL SCHOOL DISTRICT	$ (2,941,712,152)	$ 22,197,943	$ 600,865,663

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

Total general revenues and contributions to term endowment

Change in net position

Net position - July 1
Prior period restatement
Net position - beginning (as restated)
Net position - June 30

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

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

	Net (Expenses) Revenues and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
$ 336,640	$ (989,821,657)	$ -	$ (989,821,657)
-	(178,497,789)	-	(178,497,789)
-	(11,619,913)	-	(11,619,913)
-	(18,094,231)	-	(18,094,231)
-	(44,926,569)	-	(44,926,569)
120,019	636,742	-	636,742
456,659	(1,242,323,417)	-	(1,242,323,417)
-	(119,041,426)	-	(119,041,426)
58,039	(148,951,678)	-	(148,951,678)
-	(25,462,151)	-	(25,462,151)
-	(192,067,658)	-	(192,067,658)
-	(73,791,254)	-	(73,791,254)
132,249	(265,812,249)	-	(265,812,249)
-	(124,074,299)	-	(124,074,299)
-	(4,146,127)	-	(4,146,127)
-	(2,487,740)	-	(2,487,740)
3,191,363	(3,897,829)	-	(3,897,829)
-	(2,996,640)	-	(2,996,640)
-	(117,742,759)	-	(117,742,759)
3,381,651	(1,080,471,810)	-	(1,080,471,810)
3,838,310	(2,322,795,227)	-	(2,322,795,227)
-	-	7,984,991	7,984,991
$ 3,838,310	$ (2,322,795,227)	$ 7,984,991	$ (2,314,810,236)
	410,037,200	-	410,037,200
	307,368,047	-	307,368,047
	881,056,204	-	881,056,204
	80,298,474	-	80,298,474
	81,297,840	-	81,297,840
	22,146,920	-	22,146,920
	1,781,645	-	1,781,645
	197,590	-	197,590
	340,659	-	340,659
	659,619,067	-	659,619,067
	18,779,550	56,618	18,836,168
	4,015,151	223,300	4,238,451
	21,719	-	21,719
	2,466,960,066	279,918	2,467,239,984
	144,164,839	8,264,909	152,429,748
	1,946,793,157	64,981,041	2,011,774,198
	(2,775,175,005)	(40,832,103)	(2,816,007,108)
	(828,381,848)	24,148,938	(804,232,910)
	$ (684,217,009)	$ 32,413,847	$ (651,803,162)

CLARK COUNTY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	MAJOR	
	General Fund	Special Education Fund
ASSETS		
Pooled cash and investments	$ 93,436,128	$ 42,955,083
Accounts receivable	245,866,852	16,747
Interest receivable	526,178	-
Due from other funds	27,928,107	-
Inventories	5,227,043	-
TOTAL ASSETS	$ 372,984,308	$ 42,971,830
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	$ 62,589,722	$ 482,649
Intergovernmental accounts payable	17,719,582	-
Accrued salaries and benefits	173,661,108	42,489,181
Unearned revenue	1,021,146	-
Construction contracts and retentions payable	-	-
Due to other funds	-	-
Total liabilities	254,991,558	42,971,830
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - delinquent property taxes	7,242,565	-
Unavailable revenue - other	5,125,716	-
Total deferred inflows of resources	12,368,281	-
FUND BALANCES		
Nonspendable:		
Inventories	5,227,043	-
Restricted for:		
Donations	902	-
City of Henderson RDA	197,590	-
Debt service reserve requirement per NRS 350.020	-	-
Debt service	-	-
Capital projects	-	-
Capital improvements	-	-
Term endowment	-	-
Adult educational programs	-	-
Committed to:		
PBS programming fees	-	-
Medicaid programs	-	-
Assigned to:		
Instructional supply appropriations	1,130,661	-
School bus appropriations	1,199,508	-
Potential revenue shortfall	17,275,280	-
School carryover	15,167,138	-
Categorical indirect costs	13,594,075	-
Deferred maintenance initiative	14,110,000	-
Human capital management implementation	6,000,000	-
Unassigned:	31,722,272	-
Total fund balances	105,624,469	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 372,984,308	$ 42,971,830

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

FUNDS			
Debt Service Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
$ 21,533,697	$ 217,214,887	$ 99,629,151	$ 474,768,946
10,664,437	20,291,838	64,019,445	340,859,319
117,643	88	-	643,909
-	-	-	27,928,107
-	-	-	5,227,043
$ 32,315,777	$ 237,506,813	$ 163,648,596	$ 849,427,324
$ -	$ 2,415,899	$ 4,766,846	$ 70,255,116
-	-	-	17,719,582
-	46,209	40,453,554	256,650,052
-	-	3,298,138	4,319,284
-	914,637	801,370	1,716,007
-	-	27,928,107	27,928,107
-	3,376,745	77,248,015	378,588,148
5,476,911	-	-	12,719,476
-	-	-	5,125,716
5,476,911	-	-	17,845,192
-	-	-	5,227,043
-	-	-	902
-	-	-	197,590
26,838,866	71,747,722	-	98,586,588
-	71,220,262	-	71,220,262
-	91,162,084	-	91,162,084
-	-	67,692,494	67,692,494
-	-	1,716,350	1,716,350
-	-	1,517,087	1,517,087
-	-	1,086,361	1,086,361
-	-	14,388,289	14,388,289
-	-	-	1,130,661
-	-	-	1,199,508
-	-	-	17,275,280
-	-	-	15,167,138
-	-	-	13,594,075
-	-	-	14,110,000
-	-	-	6,000,000
-	-	-	31,722,272
26,838,866	234,130,068	86,400,581	452,993,984
$ 32,315,777	$ 237,506,813	$ 163,648,596	$ 849,427,324

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CLARK COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Total fund balances - governmental funds	**$**	**452,993,984**
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of the related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net position.		4,367,696,299
Other long-term assets are not available to pay for current period expenditures and, therefore are unavailable in the funds.		17,845,189
Certain liabilities, deferred inflows of resources, and deferred outflows of resources (such as bonds payable and capital leases payable) are not reported in the Governmental Funds financial statements because they are not due and payable in the current period, but they are presented as liabilities or deferred inflows of resources in the statement of net position.		(2,802,150,900)
Assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Internal Service Fund are not reported in the Governmental Funds financial statements because they are presented on a different accounting basis, but they are presented as assets, deferred outflows of resources, liabilities and deferred inflows of resources in the statement of net position.		5,834,763
Some liabilities, including net pension obligations are not due and payable in the current period and, therefore, are not reported in the funds. Net pension liability obtained from the pension schedule.		(2,479,252,232)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(247,184,112)
Total net position - governmental activities	**$**	**(684,217,009)**

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	MAJOR	
	General Fund	Special Education Fund
REVENUES		
Local sources	$ 1,377,734,591	$ 8,410
State sources	659,619,917	77,114,587
Federal sources	340,659	-
TOTAL REVENUES	2,037,695,167	77,122,997
EXPENDITURES		
Current:		
Instruction:		
Regular instruction	935,599,323	-
Special instruction	1,027,679	296,555,407
Gifted and talented instruction	11,760,576	20,034
Vocational instruction	6,034,570	-
Other instruction	23,672,612	-
Adult instruction	-	-
Support services:		
Student support	80,570,777	21,395,834
Instructional staff support	102,238,882	4,026,658
General administration	24,184,857	799,927
School administration	194,215,843	177,824
Central services	57,094,886	549,940
Operation and maintenance of plant services	266,794,323	124,675
Student transportation	72,675,860	62,464,028
Other support services	-	-
Community services	-	-
Interdistrict payments	-	1,187,376
Capital outlay:		
Facilities acquisition and construction services	-	-
Debt service:		
Principal	-	-
Interest	-	-
Purchased services	-	-
Bond issuance costs	-	-
TOTAL EXPENDITURES	1,775,870,188	387,301,703
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	261,824,979	(310,178,706)
OTHER FINANCING SOURCES (USES)		
Transfers in	36,127,652	310,178,706
Transfers out	(312,230,731)	-
Premiums on general obligation bonds	-	-
General obligation refunding bonds issued	-	-
Payment to refunded bond escrow agent	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(276,103,079)	310,178,706
NET CHANGE IN FUND BALANCES	(14,278,100)	-
FUND BALANCES, JULY 1	119,902,569	-
FUND BALANCES, JUNE 30	$ 105,624,469	$ -

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

FUNDS			
Debt Service Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
$ 308,792,309	$ 104,834,955	$ 33,782,592	$ 1,825,152,857
-	-	224,026,885	960,761,389
-	5,630,347	179,940,359	185,911,365
308,792,309	110,465,302	437,749,836	2,971,825,611
-	1,261,970	214,634,751	1,151,496,044
-	-	17,216,131	314,799,217
-	-	40,245	11,820,855
-	-	3,378,348	9,412,918
-	-	22,423,362	46,095,974
-	-	6,675,230	6,675,230
-	-	19,408,022	121,374,633
-	86,250	59,187,976	165,539,766
-	-	119,682	25,104,466
-	-	138,822	194,532,489
-	594,429	20,071,393	78,310,648
-	-	2,562,275	269,481,273
-	-	738,375	135,878,263
-	-	3,781,712	3,781,712
-	-	2,520,856	2,520,856
-	-	1,709,216	2,896,592
-	23,751,761	15,535,229	39,286,990
312,475,000	-	-	312,475,000
131,837,127	-	-	131,837,127
125,283	-	-	125,283
450,089	-	-	450,089
444,887,499	25,694,410	390,141,625	3,023,895,425
(136,095,190)	84,770,892	47,608,211	(52,069,814)
85,240,417	-	917,776	432,464,551
-	(84,106,168)	(36,127,652)	(432,464,551)
47,872,084	-	-	47,872,084
386,525,000	-	-	386,525,000
(435,123,869)	-	-	(435,123,869)
84,513,632	(84,106,168)	(35,209,876)	(726,785)
(51,581,558)	664,724	12,398,335	(52,796,599)
78,420,424	233,465,344	74,002,246	505,790,583
$ 26,838,866	$ 234,130,068	$ 86,400,581	$ 452,993,984

CLARK COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Net change in fund balances - governmental funds	**$**	**(52,796,599)**
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.		(163,887,701)
Revenues that are collected in time to pay obligations of the current period are reported as revenue in the fund statements. However, amounts that relate to prior periods that first become available in the current period should not be reported as revenue in the statement of activities.		3,954,598
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		313,201,786
The net revenues of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Internal Service Fund are not reported in this fund financial statement because they are presented on a different accounting basis (in the proprietary fund financial statements), but they are presented in the statement of activities.		(3,310,472)
Generally expenditures recognized in the fund financial statements are limited to only those that use current financial resources but expenses are recognized in the statement of activities when incurred.		5,751,056
Gains, losses, and capital donations are not presented in this financial statement because they do not provide or use current financial resources, but they are presented in the statement of activities.		(164,869)
Governmental funds report District pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		41,417,040
Change in net position of governmental activities	**$**	**144,164,839**

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

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
REVENUES					
Local sources:					
Local school support tax	$ 840,170,000	$ 867,700,000	$ 881,056,204	$ 27,530,000	$ 13,356,204
Property taxes	415,000,000	415,000,000	410,706,438	-	(4,293,562)
Governmental services tax	48,785,000	53,785,000	54,724,535	5,000,000	939,535
Two percent franchise tax	3,000,000	3,000,000	1,781,645	-	(1,218,355)
E-rate reimbursements	3,500,000	3,500,000	3,119,698	-	(380,302)
Local government taxes	600,000	1,300,000	1,591,903	700,000	291,903
Tuition and summer school fees	8,550,000	8,655,000	5,680,812	105,000	(2,974,188)
Adult education	50,000	100,000	100,000	50,000	-
Athletic proceeds	1,200,000	1,200,000	1,168,588	-	(31,412)
Rental of facilities	2,700,000	2,300,000	1,615,285	(400,000)	(684,715)
Donations and grants	5,600,000	5,950,000	5,150,449	350,000	(799,551)
Other local sources	9,535,000	11,854,431	9,841,295	2,319,431	(2,013,136)
Investment income	1,285,000	1,485,000	1,197,739	200,000	(287,261)
Total local sources	1,339,975,000	1,375,829,431	1,377,734,591	35,854,431	1,905,160
State sources:					
State distributive fund	707,315,000	675,830,000	659,619,067	(31,485,000)	(16,210,933)
State special appropriations	-	45,000	850	45,000	(44,150)
Total state sources	707,315,000	675,875,000	659,619,917	(31,440,000)	(16,255,083)
Federal sources:					
Federal impact aid	300,000	200,000	242,994	(100,000)	42,994
Forest reserve	-	100,000	97,665	100,000	(2,335)
Third-party billing	4,000,000	-	-	(4,000,000)	-
Total federal sources	4,300,000	300,000	340,659	(4,000,000)	40,659
Other sources:					
Proceeds from insurance	100,000	100,000	-	-	(100,000)
TOTAL REVENUES	2,051,690,000	2,052,104,431	2,037,695,167	414,431	(14,409,264)
EXPENDITURES					
Current:					
REGULAR PROGRAMS					
Instruction:					
Salaries	639,079,373	631,414,247	627,946,534	(7,665,126)	3,467,713
Benefits	251,247,862	239,954,462	238,789,705	(11,293,400)	1,164,757
Purchased services	4,303,407	6,418,559	6,126,159	2,115,152	292,400
Supplies	41,629,128	61,774,243	61,633,863	20,145,115	140,380
Property	605,000	704,639	625,414	99,639	79,225
Other	25,500	961,374	477,648	935,874	483,726
Total instruction	936,890,270	941,227,524	935,599,323	4,337,254	5,628,201
Support services:					
Student transportation:					
Purchased services	370,500	2,256,477	1,468,181	1,885,977	788,296
Supplies	-	1,631	127	1,631	1,504
Other	-	30	3,245	30	(3,215)

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Total student transportation	$ 370,500	$ 2,258,138	$ 1,471,553	$ 1,887,638	$ 786,585
Other support services:					
Salaries	27,602,772	24,369,595	23,886,961	(3,233,177)	482,634
Benefits	10,671,122	9,557,411	9,391,722	(1,113,711)	165,689
Purchased services	235,000	430,820	466,765	195,820	(35,945)
Supplies	2,736,275	1,988,906	1,854,311	(747,369)	134,595
Property	-	25,200	20,572	25,200	4,628
Other	-	56,111	21,658	56,111	34,453
Total other support services	41,245,169	36,428,043	35,641,989	(4,817,126)	786,054
Total support services	41,615,669	38,686,181	37,113,542	(2,929,488)	1,572,639
TOTAL REGULAR PROGRAMS	978,505,939	979,913,705	972,712,865	1,407,766	7,200,840
SPECIAL PROGRAMS					
Instruction:					
Salaries	627,261	730,206	722,580	102,945	7,626
Benefits	236,323	274,482	284,142	38,159	(9,660)
Purchased services	26,500	11,500	6,951	(15,000)	4,549
Supplies	50,000	20,000	14,006	(30,000)	5,994
Total instruction	940,084	1,036,188	1,027,679	96,104	8,509
Other support services:					
Salaries	92,312	114,611	13,710	22,299	100,901
Benefits	33,737	34,773	1,472	1,036	33,301
Purchased services	35,000	67,000	150,643	32,000	(83,643)
Supplies	65,000	45,444	1,456	(19,556)	43,988
Property	-	15,000	11,998	15,000	3,002
Total support services	226,049	276,828	179,279	50,779	97,549
TOTAL SPECIAL PROGRAMS	1,166,133	1,313,016	1,206,958	146,883	106,058
GIFTED AND TALENTED PROGRAMS					
Instruction:					
Salaries	8,609,029	8,724,637	8,529,732	115,608	194,905
Benefits	3,267,456	3,327,176	3,230,844	59,720	96,332
Total instruction	11,876,485	12,051,813	11,760,576	175,328	291,237
Other support services:					
Salaries	-	146,905	144,045	146,905	2,860
Benefits	-	31,265	29,764	31,265	1,501
Purchased services	-	11,000	9,066	11,000	1,934
Supplies	-	33,075	33,380	33,075	(305)
Total support services	-	222,245	216,255	222,245	5,990
TOTAL GIFTED AND TALENTED PROGRAMS	11,876,485	12,274,058	11,976,831	397,573	297,227

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
VOCATIONAL PROGRAMS					
Instruction:					
Salaries	$ 3,611,051	$ 2,805,030	$ 2,556,955	$ (806,021)	$ 248,075
Benefits	1,367,145	1,404,474	692,549	37,329	711,925
Purchased services	91,565	133,490	174,783	41,925	(41,293)
Supplies	1,343,945	3,279,481	2,536,568	1,935,536	742,913
Property	303,500	291,500	39,422	(12,000)	252,078
Other	-	-	34,293	-	(34,293)
Total instruction	6,717,206	7,913,975	6,034,570	1,196,769	1,879,405
Support services:					
Student transportation:					
Purchased services	3,000	59,001	53,530	56,001	5,471
Other support services:					
Salaries	208,242	504,611	502,295	296,369	2,316
Benefits	76,345	178,177	171,004	101,832	7,173
Purchased services	114,429	251,600	246,691	137,171	4,909
Supplies	70,025	79,399	67,726	9,374	11,673
Property	-	8,000	6,975	8,000	1,025
Other	9,000	46,000	41,207	37,000	4,793
Total other support services	478,041	1,067,787	1,035,898	589,746	31,889
Total support services	481,041	1,126,788	1,089,428	645,747	37,360
TOTAL VOCATIONAL PROGRAMS	7,198,247	9,040,763	7,123,998	1,842,516	1,916,765
OTHER INSTRUCTIONAL PROGRAMS					
School co-curricular activities:					
Instruction:					
Salaries	2,436,083	2,496,423	1,518,341	60,340	978,082
Benefits	859,092	877,322	568,182	18,230	309,140
Purchased services	2,703,440	2,979,365	3,461,811	275,925	(482,446)
Supplies	3,231,765	3,434,495	2,078,704	202,730	1,355,791
Other	146,085	14,373	182,280	(131,712)	(167,907)
Total instruction	9,376,465	9,801,978	7,809,318	425,513	1,992,660
Support services:					
Student transportation:					
Purchased services	1,780,570	1,774,495	1,710,868	(6,075)	63,627
Other support services:					
Salaries	1,977,223	2,077,585	1,929,214	100,362	148,371
Benefits	383,347	394,129	361,128	10,782	33,001
Purchased services	272,686	293,036	279,002	20,350	14,034
Supplies	188,583	177,883	171,324	(10,700)	6,559
Other	51,000	80,450	77,590	29,450	2,860
Total other support services	2,872,839	3,023,083	2,818,258	150,244	204,825

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Total support services	$ 4,653,409	$ 4,797,578	$ 4,529,126	$ 144,169	$ 268,452
Total school co-curricular activities	14,029,874	14,599,556	12,338,444	569,682	2,261,112
Summer school:					
Instruction:					
Salaries	1,844,441	1,844,441	1,486,529	-	357,912
Benefits	42,325	48,402	33,064	6,077	15,338
Purchased services	10,000	10,000	630	-	9,370
Supplies	207,000	137,726	25,905	(69,274)	111,821
Other	5,000	-	-	(5,000)	-
Total instruction	2,108,766	2,040,569	1,546,128	(68,197)	494,441
Support services:					
Student transportation:					
Purchased services	130,000	130,000	29,520	-	100,480
Other support services:					
Salaries	377,084	377,084	217,550	-	159,534
Benefits	7,845	23,571	5,067	15,726	18,504
Purchased services	15,500	-	-	(15,500)	-
Total other support services	400,429	400,655	222,617	226	178,038
Total support services	530,429	530,655	252,137	226	278,518
Total summer school	2,639,195	2,571,224	1,798,265	(67,971)	772,959
English language learners:					
Instruction:					
Salaries	1,154,515	1,097,063	471,723	(57,452)	625,340
Benefits	463,817	435,531	185,123	(28,286)	250,408
Purchased services	50,000	-	-	(50,000)	-
Supplies	244,680	219,680	7,165	(25,000)	212,515
Total instruction	1,913,012	1,752,274	664,011	(160,738)	1,088,263
Support services:					
Student transportation:					
Purchased services	83,975	-	-	(83,975)	-
Other support services:					
Salaries	4,411,466	4,449,069	4,070,360	37,603	378,709
Benefits	1,813,253	1,826,401	1,640,079	13,148	186,322
Purchased services	1,184,276	1,492,051	190,614	307,775	1,301,437
Supplies	314,951	261,671	58,128	(53,280)	203,543
Other	10,589	10,589	1,060	-	9,529
Total other support services	7,734,535	8,039,781	5,960,241	305,246	2,079,540
Total support services	7,818,510	8,039,781	5,960,241	221,271	2,079,540
Total English language learners	9,731,522	9,792,055	6,624,252	60,533	3,167,803

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Alternative education:					
Instruction:					
Salaries	$ 10,101,019	$ 10,650,772	$ 9,847,665	$ 549,753	$ 803,107
Benefits	3,471,361	3,672,481	3,249,580	201,120	422,901
Purchased services	18,500	20,500	36,897	2,000	(16,397)
Supplies	2,181,649	143,761	488,716	(2,037,888)	(344,955)
Property	-	30,000	25,940	30,000	4,060
Other	3,000	3,500	4,358	500	(858)
Total instruction	15,775,529	14,521,014	13,653,156	(1,254,515)	867,858
Support services:					
Student transportation:					
Purchased services	-	1,000	700	1,000	300
Other support services:					
Salaries	6,033,796	6,247,029	5,769,190	213,233	477,839
Benefits	2,450,073	2,526,757	2,247,029	76,684	279,728
Purchased services	22,811	20,811	74,120	(2,000)	(53,309)
Supplies	3,000	3,000	20,426	-	(17,426)
Other	-	2,000	1,929	2,000	71
Total other support services	8,509,680	8,799,597	8,112,694	289,917	686,903
Total support services	8,509,680	8,800,597	8,113,394	290,917	687,203
Total alternative education	24,285,209	23,321,611	21,766,550	(963,598)	1,555,061
TOTAL OTHER INSTRUCTIONAL PROGRAMS	50,685,800	50,284,446	42,527,511	(401,354)	7,756,935
ADULT EDUCATION PROGRAMS					
Other support services:					
Salaries	131,354	304,151	72,856	172,797	231,295
Benefits	31,337	94,822	26,537	63,485	68,285
Purchased services	-	60,000	50,793	60,000	9,207
Supplies	75,000	-	-	(75,000)	-
TOTAL ADULT EDUCATION PROGRAMS	237,691	458,973	150,186	221,282	308,787
UNDISTRIBUTED EXPENDITURES					
Support services:					
Student support:					
Salaries	55,832,586	55,056,331	54,542,695	(776,255)	513,636
Benefits	22,269,664	22,386,454	22,053,887	116,790	332,567
Purchased services	78,275	26,089	28,862	(52,186)	(2,773)
Supplies	641,577	1,118,569	707,118	476,992	411,451
Property	10,000	-	-	(10,000)	-
Other	6,000	12,600	130	6,600	12,470
Total student support	78,838,102	78,600,043	77,332,692	(238,059)	1,267,351
Instructional staff support:					
Salaries	23,814,587	24,727,318	23,535,524	912,731	1,191,794
Benefits	8,660,892	9,510,034	8,526,154	849,142	983,880

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Purchased services	$ 5,700,319	$ 7,132,569	$ 6,743,216	$ 1,432,250	$ 389,353
Supplies	14,032,061	17,533,207	16,020,895	3,501,146	1,512,312
Property	10,000	2,699,000	2,333,226	2,689,000	365,774
Other	314,429	1,381,429	857,614	1,067,000	523,815
Total instructional staff support	52,532,288	62,983,557	58,016,629	10,451,269	4,966,928
General administration:					
Salaries	10,670,316	11,456,466	10,343,432	786,150	1,113,034
Benefits	3,845,706	3,989,776	3,589,265	144,070	400,511
Purchased services	6,547,834	8,535,046	9,619,957	1,987,212	(1,084,911)
Supplies	1,526,620	2,840,040	514,487	1,313,420	2,325,553
Property	-	12,000	18,092	12,000	(6,092)
Other	73,866	62,445	86,171	(11,421)	(23,726)
Total general administration	22,664,342	26,895,773	24,171,404	4,231,431	2,724,369
School administration:					
Salaries	135,996,835	134,922,182	134,670,925	(1,074,653)	251,257
Benefits	58,401,557	54,719,823	53,817,265	(3,681,734)	902,558
Purchased services	1,205,000	1,270,324	651,108	65,324	619,216
Supplies	-	5,755	250,533	5,755	(244,778)
Other	-	55	4,522	55	(4,467)
Total school administration	195,603,392	190,918,139	189,394,353	(4,685,253)	1,523,786
Central services:					
Salaries	32,058,317	31,241,076	30,869,334	(817,241)	371,742
Benefits	12,314,092	12,902,163	13,030,548	588,071	(128,385)
Purchased services	11,544,431	12,183,684	11,285,576	639,253	898,108
Supplies	1,318,204	1,260,092	547,335	(58,112)	712,757
Property	250,000	629,200	435,783	379,200	193,417
Other	191,365	167,963	543,464	(23,402)	(375,501)
Total central services	57,676,409	58,384,178	56,712,040	707,769	1,672,138
Operation and maintenance of plant services:					
Salaries	117,006,847	114,663,361	112,185,654	(2,343,486)	2,477,707
Benefits	50,416,963	50,419,199	47,351,380	2,236	3,067,819
Purchased services	38,497,051	35,126,190	34,457,171	(3,370,861)	669,019
Supplies	63,086,453	68,583,531	68,525,751	5,497,078	57,780
Property	298,750	2,620,397	2,522,318	2,321,647	98,079
Other	362,495	208,195	92,756	(154,300)	115,439
Total operation and maintenance of plant services	269,668,559	271,620,873	265,135,030	1,952,314	6,485,843
Student transportation:					
Salaries	29,308,664	24,638,099	23,933,220	(4,670,565)	704,879
Benefits	14,994,133	12,309,970	11,944,060	(2,684,163)	365,910
Purchased services	1,851,000	1,956,004	1,246,257	105,004	709,747
Supplies	7,305,316	6,703,974	5,617,543	(601,342)	1,086,431
Property	34,270,000	26,766,929	26,651,813	(7,503,071)	115,116
Other	27,500	27,500	16,798	-	10,702

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
Total student transportation	$ 87,756,613	$ 72,402,476	$ 69,409,691	$ (15,354,137)	$ 2,992,785
Other support:					
Supplies	25,000	-	-	(25,000)	-
TOTAL UNDISTRIBUTED EXPENDITURES	764,764,705	761,805,039	740,171,839	(2,959,666)	21,633,200
TOTAL EXPENDITURES	1,814,435,000	1,815,090,000	1,775,870,188	655,000	39,219,812
EXCESS OF REVENUES OVER EXPENDITURES	237,255,000	237,014,431	261,824,979	(240,569)	24,810,548
OTHER FINANCING SOURCES (USES)					
Transfers in	28,825,000	30,093,000	36,127,652	1,268,000	6,034,652
Transfers out	(327,895,000)	(334,480,000)	(312,230,731)	(6,585,000)	22,249,269
Other proceeds	34,500,000	-	-	(34,500,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(264,570,000)	(304,387,000)	(276,103,079)	(39,817,000)	28,283,921
NET CHANGE IN FUND BALANCE	(27,315,000)	(67,372,569)	(14,278,100)	(40,057,569)	53,094,469
FUND BALANCE, JULY 1	80,000,000	119,902,569	119,902,569	39,902,569	-
FUND BALANCE, JUNE 30	$ 52,685,000	$ 52,530,000	$ 105,624,469	$ (155,000)	$ 53,094,469

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

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
REVENUES					
Local sources:					
Donations and grants	$ -	$ -	$ 8,410	$ -	$ 8,410
State sources:					
State distributive fund	76,985,000	76,900,000	77,114,587	(85,000)	214,587
TOTAL REVENUES	76,985,000	76,900,000	77,122,997	(85,000)	222,997
EXPENDITURES					
Current:					
SPECIAL PROGRAMS					
Instruction:					
Salaries	201,070,648	209,207,806	203,422,637	8,137,158	5,785,169
Benefits	86,681,395	89,447,499	86,981,917	2,766,104	2,465,582
Purchased services	2,166,100	3,764,576	3,575,298	1,598,476	189,278
Supplies	3,233,535	3,248,388	2,557,516	14,853	690,872
Other	31,000	19,813	18,039	(11,187)	1,774
Total instruction	293,182,678	305,688,082	296,555,407	12,505,404	9,132,675
Support services:					
Student transportation:					
Purchased services	2,510,000	3,108,012	3,102,655	598,012	5,357
Other support services:					
Salaries	18,037,877	17,605,389	17,542,921	(432,488)	62,468
Benefits	6,962,620	7,083,959	6,568,283	121,339	515,676
Purchased services	716,233	2,600,605	2,296,357	1,884,372	304,248
Supplies	436,809	519,439	440,828	82,630	78,611
Property	-	8,800	8,730	8,800	70
Other	6,832	15,847	11,746	9,015	4,101
Total other support services	26,160,371	27,834,039	26,868,865	1,673,668	965,174
Total support services	28,670,371	30,942,051	29,971,520	1,075,656	970,531
TOTAL SPECIAL PROGRAMS	321,853,049	336,630,133	326,526,927	13,581,060	10,103,206
GIFTED AND TALENTED PROGRAMS					
Instruction:					
Supplies	19,000	20,787	19,980	1,787	807
Other	-	68	54	68	14
Total instruction	19,000	20,855	20,034	1,855	821
Other support services:					
Salaries	51,501	51,501	54,691	-	(3,190)
Benefits	20,654	20,685	20,815	31	(130)
Purchased services	21,000	25,210	21,215	4,210	3,995
Supplies	16,425	19,196	19,498	2,771	(302)
Total support services	109,580	116,592	116,219	7,012	373
TOTAL GIFTED AND TALENTED PROGRAMS	128,580	137,447	136,253	8,867	1,194

(Continued)

CLARK COUNTY SCHOOL DISTRICT
MAJOR FUND - SPECIAL EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued					
UNDISTRIBUTED EXPENDITURES					
Operation and maintenance of plant services:					
Salaries	$ 55,635	$ 620,310	$ 61,409	$ 564,675	$ 558,901
Benefits	28,124	26,142	28,365	(1,982)	(2,223)
Total operation and maintenance of plant services	83,759	646,452	89,774	562,693	556,678
Student transportation:					
Salaries	40,090,450	40,442,279	37,318,031	351,829	3,124,248
Benefits	17,690,319	18,111,317	15,980,965	420,998	2,130,352
Purchased services	55,000	281,000	157,053	226,000	123,947
Supplies	8,998,843	9,062,772	5,904,808	63,929	3,157,964
Other	-	600	516	600	84
Total student transportation	66,834,612	67,897,968	59,361,373	1,063,356	8,536,595
Interdistrict payments:					
Other	1,100,000	1,188,000	1,187,376	88,000	624
TOTAL UNDISTRIBUTED EXPENDITURES	68,018,371	69,732,420	60,638,523	1,714,049	9,093,897
TOTAL EXPENDITURES	390,000,000	406,500,000	387,301,703	15,303,976	19,198,297
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(313,015,000)	(329,600,000)	(310,178,706)	16,585,000	19,421,294
OTHER FINANCING SOURCES					
Transfers in	313,015,000	329,600,000	310,178,706	(16,585,000)	(19,421,294)
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-	-
FUND BALANCE, JUNE 30	$ -	$ -	$ -	$ -	$ -

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Pooled cash and investments	$ 30,939,130	$ 26,254,449
Accounts receivable	24,231,108	-
Interest receivable	-	13,460
Inventories	9,356,941	-
Prepaids	-	2,377,996
Total current assets	64,527,179	28,645,905
Noncurrent assets:		
Restricted pooled cash and investments:		
Certificate of deposit for self-insurance	-	7,738,000
Capital assets - net of accumulated depreciation	12,701,768	449,418
Total noncurrent assets	12,701,768	8,187,418
Total assets	77,228,947	36,833,323
DEFERRED OUTFLOW OF RESOURCES		
Pension related - contributions	5,456,943	978,486
Pension related - difference between employer and proportionate share of contributions	328,987	58,990
Total deferred outflows of resources	5,785,930	1,037,476
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	83,014,877	37,870,799
LIABILITIES		
Current liabilities:		
Accounts payable	1,651,944	370,422
Accrued salaries and benefits	754,297	165,013
Unearned revenues	1,095,145	-
Liability insurance claims payable	-	3,555,000
Workers compensation claims payable	-	7,272,000
Compensated absences liability	337,775	291,544
Total current liabilities	3,839,161	11,653,979
Noncurrent liabilities:		
Compensated absences liability	754,831	196,907
Net pension liability	36,574,583	6,558,202
Long term claims payable	-	11,935,611
Total noncurrent liabilities	37,329,414	18,690,720
Total liabilities	41,168,575	30,344,699
DEFERRED INFLOW OF RESOURCES		
Pension related - difference between projected and actual experiences and investment earnings	9,432,455	1,691,337
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	50,601,030	32,036,036
NET POSITION		
Net investment in capital assets	12,701,768	449,418
Restricted for certificate of deposit for self-insurance	-	7,738,000
Unrestricted	19,712,079	(2,352,655)
TOTAL NET POSITION	$ 32,413,847	$ 5,834,763

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	**Governmental Activities Internal Service Funds**
OPERATING REVENUES:		
Charges for sales and services:		
Daily food sales	$ 15,081,193	$ -
Catering sales	167,350	-
Graphic production sales	-	1,996,069
Insurance premiums	-	18,064,040
Subrogation claims	-	325,041
Other revenue	56,618	-
TOTAL OPERATING REVENUES	15,305,161	20,385,150
OPERATING EXPENSES:		
Salaries	27,906,573	3,674,046
Benefits	9,537,457	1,250,407
Purchased services	5,389,381	5,552,358
Food and supplies	62,980,831	1,039,689
Insurance claims	-	11,934,489
Depreciation	1,493,525	168,630
Other expenses	2,761,047	268,837
TOTAL OPERATING EXPENSES	110,068,814	23,888,456
OPERATING LOSS	(94,763,653)	(3,503,306)
NON-OPERATING REVENUES:		
Federal subsidies	94,259,124	-
Commodity revenue	8,067,003	-
State matching funds	479,135	-
Investment income	223,300	192,834
TOTAL NON-OPERATING REVENUES	103,028,562	192,834
CHANGE IN NET POSITION	8,264,909	(3,310,472)
NET POSITION, JULY 1	64,981,041	16,466,854
PRIOR PERIOD RESTATEMENT	(40,832,103)	(7,321,619)
NET POSITION, BEGINNING (AS RESTATED)	24,148,938	9,145,235
NET POSITION, JUNE 30	$ 32,413,847	$ 5,834,763

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	MAJOR FUND	
	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	$ 15,180,701	$ 20,060,210
Cash received from other operating sources	167,350	325,041
Cash paid for services and supplies	(61,076,443)	(8,854,633)
Cash paid for other operating uses	(2,744,470)	(10,341,875)
Cash paid to employees	(37,985,748)	(4,985,602)
Cash from other sources	56,618	-
Net cash provided by/(used in) operating activities	(86,401,992)	(3,796,859)
Cash flows from capital and related financing activities:		
Purchase of equipment	(1,515,893)	(23,615)
Cash flows from noncapital financing activities:		
Federal reimbursements	72,256,814	-
State matching funds	479,135	-
Net cash provided by noncapital financing activities	72,735,949	-
Cash flows from investing activities:		
Investment income	223,300	190,108
Sale of restricted investments	-	6,947,000
Purchase of restricted investments	-	(7,738,000)
Net cash provided by/(used in) investing activities	223,300	(600,892)
Net decrease in cash and cash equivalents	(14,958,636)	(4,421,366)
Cash and cash equivalents, July 1	45,897,766	30,675,815
Cash and cash equivalents, June 30	30,939,130	26,254,449
Restricted investments	-	7,738,000
Cash, cash equivalents, and restricted investments	$ 30,939,130	$ 33,992,449
Reconciliation of operating loss to net cash provided by/(used in) operating activities:		
Operating loss	$ (94,763,653)	$ (3,503,306)
Adjustments to reconcile operating loss to net cash provided by/(used in) operating activities:		
Depreciation	1,493,525	168,630
Commodity inventory used	8,067,003	-
Change in assets, deferred outflows, liabilities and deferred inflows:		
(Increase)/decrease in accounts receivable	(43,614)	100
(Increase) in inventories	(21,484)	-
(Increase) in prepaids	-	(2,349,866)
(Increase) in pension contributions	(141,430)	(25,359)
(Increase) in employer and proportionate share of contributions	(328,987)	(58,990)
Increase/(decrease) in accounts payable	(735,172)	87,279
Increase in unearned revenues	143,122	-
Increase in workers compensation claims payable	-	1,247,000
(Decrease) in liability insurance claims payable	-	(15,001)
Increase/(decrease) in liability for compensated absences	(3,369)	24,245
Increase in accrued salaries and benefits	72,645	24,164
(Decrease) in net pension liability	(9,573,033)	(1,716,544)
Increase in long term claims payable	-	629,452
Increase in pension investment earnings	7,682,160	1,377,491
Increase in pension experiences	1,750,295	313,846
Total adjustments	8,361,661	(293,553)
Net cash provided by/(used in) operating activities	$ (86,401,992)	$ (3,796,859)
Noncash capital and financing activities:		
Commodity revenue[1]	$ 8,067,003	$ -

[1] The District received the equivalent of $8,067,003 in fair market value of commodity food inventory from the federal government. The net effect of this non-cash transaction increased the value on inventory. Consumption of commodity revenue throughout the year resulted in a reduction of inventory and a charge to operating expenses.

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

CLARK COUNTY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - FIDUCIARY FUNDS
JUNE 30, 2015

	STUDENT ACTIVITY AGENCY FUND
ASSETS	
Cash in bank	$ 25,344,172
LIABILITIES	
Due to student groups	$ 25,344,172

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

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

Blended Component Unit

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

Vegas PBS
3050 E. Flamingo Rd.
Las Vegas, NV 89121

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

BASIC FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are specifically associated with a program or service and are, therefore, clearly identifiable to a particular function. Program revenues include operating grants and contributions and investment earnings legally restricted to support a specific program. Taxes and other revenues properly not included among

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

program revenues are reported instead as general revenues. This statement provides a net cost or net revenue of specific programs and functions within the District. Those functions with a net cost are generally dependent on general-purpose tax revenues, such as property tax, to remain operational.

Fund Financial Statements

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

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

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

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

In addition, the District's agency fund is reported under the accrual basis of accounting.

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

The District reports the following major governmental funds:

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Additionally the District reports the following fund types:

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds

Agency Fund – Agency funds are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the government's own programs. All assets reported in an agency fund are offset by a liability to the party on whose behalf they are held.

Student Activity Agency Fund – The District's Student Activity Agency Fund reports assets held in an agency capacity for student groups and organizations.

BUDGETS AND BUDGETARY ACCOUNTING

Nevada Statutes and District policies and regulations require that school districts legally adopt budgets for all funds except fiduciary funds. The budgets are filed as a matter of public record with the County Auditor, and the State Departments of

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation and Education. The District staff uses the following procedures to establish, modify, and control the budgetary data reflected in the financial statements:

1. The statutes provide for the following timetable in adoption of budgets:

   (a) Before April 15, the Superintendent of Schools submits to the Board of School Trustees a tentative budget for the upcoming fiscal year. The tentative budget includes proposed expenditures and the means to finance them.

   (b) Before the third Wednesday in May, a minimum seven-day notice of public hearing on the final budget is published in a local newspaper.

   (c) Before June 8, the Board of School Trustees must adopt a final budget.

2. On or before January 1, the Board of School Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the completed count of students.

3. NRS 354.615 provides that the Board of School Trustees may augment the budget at any time by a majority vote of the Board providing the Board publishes notice of its intention to act in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.

4. NRS 354.598005 allows appropriations to be transferred within or among any functions or programs within a fund without an increase in total appropriations. If it becomes necessary during the course of the year to change any of the departmental budgets, transfers are initiated by department heads and approved by the appropriate administrator. Transfers within program or function classifications can be made with appropriate administrative approval. The Board of School Trustees is advised of transfers between funds, program, or function classifications and the transfers are recorded in the official Board minutes, on a monthly basis.

5. Budgeted appropriations may not be exceeded by actual expenditures of the various programs and functions of the General Fund, Special Revenue, and Capital Projects Funds, as described on pages 52-54, Expenditure Line Item Titles. The sum of operating and non-operating expenses in the Enterprise and Internal Service Funds may not exceed total appropriations.

6. Generally, budgets for all funds are adopted in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. Individual amendments were not material in relation to the original appropriation.

7. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are included in restricted, committed, or assigned fund balance, as appropriate and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. See **Note 14**.

POOLED CASH AND INVESTMENTS

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CASH AND CASH EQUIVALENTS

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

ACCOUNTS RECEIVABLE

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

Property Taxes

All property taxes collected within 60 days of year end are reported as accounts receivable as of June 30, 2015, as well as those taxes assessed but not yet received. The Clark County Treasurer, based on the assessed valuation at January 1st of each year, levies taxes on real property. A lien is placed on the property subject to the payment of taxes on July 1st of each year and the taxes are due on the third Monday in August. Taxes may be paid in quarterly installments on or before the third Monday in August, and the first Monday in October, January, and March. If not paid, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, interest, and costs. If delinquent taxes are not paid within the redemption period, the County Treasurer obtains a property deed free of encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. Article X, Section 2, of the Nevada Constitution limits the taxes levied by all units of Clark County to an amount not to exceed $5 per $100 of assessed valuation. The 1979 Nevada Legislature enacted provisions whereby starting July 1, 1979, the combined overlapping tax rate was limited to $3.64 per $100 of assessed value. The assessed value is annually adjusted. The Nevada legislature also passed a property tax abatement law in 2005 that generally caps increases in property taxes received from any owner-occupied residential property to three percent per year, and eight percent per year for all other property.

INVENTORIES

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

PREPAID ITEMS

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

CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. If purchased or constructed, all capital assets are recorded at historical cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are valued at their 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 assets' lives are not capitalized.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

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

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

ACCRUED SALARIES AND BENEFITS

District salaries earned but not paid by June 30, 2015, have been accrued as liabilities and shown as expenses for the current year.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred losses and gains, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are immediately expensed in the government-wide financial statements. Deferred losses related to refundings of debt are reported as deferred outflows of resources and deferred gains related to refundings of debt are reported as deferred inflows of resources. They are amortized over the term of the related debt.

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

For the year ended June 30, 2015, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions,* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The effect of implementation of these standards on beginning net position is disclosed in **Note 18** and the additional disclosures required by these standards are included in **Note 12**.

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

COMPENSATED ABSENCES AND ACCUMULATED SICK LEAVE

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

With no material liability for sick leave, nothing is recorded in the accompanying financial statements. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

FUND BALANCES

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

a. *Nonspendable* fund balance: These items are legally or contractually required to be maintained intact and are not in a spendable form, such as inventories and prepaids.

b. *Restricted* fund balance: These amounts are constrained to being used for specific purposes by external parties, constitutional provisions or enabling legislation, such as debt service.

c. *Committed* fund balance: These amounts can only be used for specific purposes as set forth by the Board of Trustees. The Board must take formal action, by adoption of a resolution prior to the end of the reporting period, in order to establish an ending fund balance commitment for any specific purpose. A resolution by the Board is also required to modify or rescind an established commitment. Only the highest level action that constitutes the most binding constraint can be considered a commitment for fund balance classification purposes.

d. *Assigned* fund balance: Assignments are neither restrictions nor commitments and represent the District's intent to use funds for a specific purpose. These assignments, however, are not legally binding and are meant to reflect intended future use of the District's ending fund balance. The Chief Financial Officer of the District has the responsibility of assigning amounts of ending fund balance per District Regulation 3110.

e. *Unassigned* fund balance: The residual classification for the General Fund that is available to spend. The District's Regulation 3110 requires that an unassigned ending fund balance of not less than 2% of total General Operating Fund revenues be included in the budget. A Board waiver is required to adopt a budget that does not meet this requirement. On May 21, 2014, the Board approved a waiver to reduce the projected balance requirement for 2014-2015 to 1.5% of total revenues.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Net Investment in Capital Assets

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

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

Restricted Net Position

The component of net position that reports the constraints placed on the use of assets by either external parties and/or enabling legislation. Currently, the District has restricted assets related to its Debt Service Fund, assets related to its Capital Projects Funds, education foundation donations in the General Fund, state restricted money for Adult Education, reserve to self-insurance deposits related to the District's worker's compensation program accounted for in the Insurance and Risk Management Fund, and term endowments to Vegas PBS.

Unrestricted Net Position

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

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

Negative Net Position

Effective with fiscal year 2015, GASB Statement No. 68 was implemented requiring employers to record their proportionate share of the fiduciary net pension liability on their financial statements. The implementation of this standard in fiscal year 2015 resulted in a negative net position on the District's Statement of Net Position. Contributions are paid into PERS on behalf of the District's employees and pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability.

The transition to the new accounting standard will result in recording, for the first time, a material long-term pension liability in the financial statements. GASB Statement No. 68 is required to be applied retroactively, which includes reporting a restatement of the beginning net position. This is needed in order to:

1. Remove the net pension obligation balance reported in accordance with GASB Statement No. 27
2. Add the net pension liability in accordance with the new GASB Statement No. 68

This new standard applies to both the government-wide and proprietary fund statements, including the Food Service, Insurance & Risk Management, and Graphic Arts Production Funds. The impact of recording the retroactive net pension liability

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

includes the likelihood of negative net position, which is the case for this fiscal year with the government-wide statement and the Graphic Arts Production Fund. See **Note 18**.

COMPARATIVE TOTAL DATA AND RECLASSIFICATIONS

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

USE OF ESTIMATES

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

REVENUE LINE ITEM TITLES

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

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

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

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

EXPENDITURE LINE ITEM TITLES

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

Programs:

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Functions:

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

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

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

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

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

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

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

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

The governmental funds balance sheet includes a reconciliation between fund balances – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Certain liabilities, deferred inflows of resources, and deferred outflows of resources (such as bonds payable and capital leases payable) are not reported in the Governmental Funds financial statements because they are not due and payable in the current period, but they are presented as liabilities or deferred inflows of resources in the statement of net position." The details of this $2,802,150,900 difference are as follows:

Bonds payable	$ 2,548,890,000
Bond discounts (net of amortization)	(5,779,856)
Prepaid bond insurance premium costs (net of amortization)	(1,197,306)
Deferred losses on refundings (net of amortization)	(13,979,440)
Deferred gain on refundings (net of amortization)	514,853
Bond premiums (net of amortization)	168,649,237
Interest payable	9,864,015
Compensated absences	58,361,552
OPEB obligation	36,827,845
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	$ 2,802,150,900

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

Capital Assets - Governmental Funds	$ 4,368,145,717
Less: Capital Assets - Internal Service Funds	(449,418)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$ 4,367,696,299

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

The governmental funds statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities." The details of this $163,887,701 difference are as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

Capital outlay	$ 74,068,718
Depreciation expense	(237,956,419)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	$(163,887,701)

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

This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $313,201,786 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation debt	$(386,525,000)
Plus: Bond premiums	(47,872,084)
General obligation debt principal payments	312,475,000
Payment to escrow agent for refunding	435,123,870
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	$ 313,201,786

Another element of that reconciliation states that "Generally expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when incurred." The details of this $5,751,056 difference are as follows:

Change in accrued interest	$ (8,036,021)
Amortization of deferred gain/loss on refunding	(6,924,392)
Amortization of issuance costs	(209,144)
Amortization of bond discounts	(656,151)
Amortization of bond premiums	24,080,585
Change in compensated absences	(146,904)
Change in OPEB obligation	(2,356,917)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	$ 5,751,056

NOTE 3 - DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2015, this pool is displayed in the statement of net position and major and other governmental funds on the governmental funds balance sheet as "Pooled Cash and Investments." The District accounts for its debt issuance proceeds portfolio separately in the capital projects funds to aid in compliance with bond covenants and federal arbitrage regulations. See **Note 8**. As of June 30, 2015, the District had the total amounts reported as pooled cash and investments (see following page):

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Combined Pooled Cash and Investments

Pooled Cash	$ (1,878,991)
Non-negotiable Certificate of Deposit	7,738,000
Student Activity Agency Fund	25,344,172
Pooled Investments	533,841,516
Total Pooled Cash and Investments	$ 565,044,697

Except for financial reporting purposes, the cash balances in the Student Activity Agency Fund are not normally considered part of the District's pooled cash and investments. These amounts represent cash held in an agency capacity by the District for student groups and organizations and cannot be used in the District's normal operations. The balances listed above for this fund are a consolidation of individual bank account balances held at schools across the District as of June 30, 2015.

As of June 30, 2015, the District had the following investments (*numbers stated in thousands):*

		Investment Maturities (In Years)					
General Pooled Investments:	Fair Value	Less Than 1	1-5	6-10	More than 10	Interest Rec.	Total Value
U.S. Treasury Notes	$ 110,505	$ 30,161	$ 80,344	$ -	$ -	$ 218	$ 110,723
U.S. Agencies	164,877	24,997	139,880	-	-	308	165,185
Commercial Paper	49,999	49,999	-	-	-	-	49,999
Money Market Mutual Fund	16,500	16,500	-	-	-	-	16,500
Vegas PBS Endowment	2,300	2,300	-	-	-	-	2,300
NVEST Program:							
U.S. Treasury Notes	52,030	7,148	44,882	-	-	62	52,092
U.S. Agencies	6,896	6,008	888	-	-	8	6,904
Asset Backed Securities	37,160	462	24,156	10,844	1,698	47	37,207
Money Market Mutual Fund	110	110	-	-	-	-	110
Subtotal Gen. Pooled Investments	440,377	137,685	290,150	10,844	1,698	643	441,020
Bond Proceed Investments:							
U.S. Agencies	69,988	69,988	-	-	-	-	69,988
Commercial Paper	14,977	14,977	-	-	-	-	14,977
Money Market Mutual Fund	8,500	8,500	-	-	-	-	8,500
Subtotal Bond Proceed Investments	93,465	93,465	-	-	-	-	93,465
Total Securites Held	$ 533,842	$ 231,150	$ 290,150	$10,844	$ 1,698	$ 643	$ 534,485

Interest Rate Risk

While the District does not have an overall investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate risk, Nevada statutes and District policy do impose certain restrictions by investment instrument. These include limiting maturities on U.S. Treasuries and Agencies to less than 10 years, limiting bankers' acceptances to 180 days maturity, limiting commercial paper to 270 days maturity and repurchase agreements to 90 days. The District's approximate weighted average maturity is 1.63 years.

U.S. Agencies as reported above consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and Federal Home Loan Bank. Since investments in these agencies are in several cases backed by assets such as mortgages they are subject to prepayment risk. Also, approximately $120 million of the U.S. Agencies investments reported above have a call option which, should interest rates change, could shorten the maturity of these investments.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Credit Risk

State statute and the District's own investment policy limit investment instruments to the top rating issued by one of the nationally recognized statistical rating organizations (NRSROs). The District's investment in commercial paper is limited to that rated P-1 by Moody's Investor Service, Standard and Poor's as A-1, and Fitch Investors Service as F-1. The District's money market investments are only with those funds rated by a nationally recognized rating service as AAA or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities. Credit ratings for obligations of U.S. government agencies only implicitly guaranteed by the U.S. Government, such as, the Federal National Mortgage Association, the Federal Farm Credit Bank, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation, short and long term instruments are limited to those rated A-1 / AA, P-1 / Aaa or F1 / AAA, by Standard and Poor's, Moody's and Fitch Investors Service, respectively. The investment program through the State of Nevada, NVEST, is not rated by any investment service.

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

Concentrations of Credit Risk

To limit exposure to concentrations of credit risk, the District's investment policy limits investment in bankers' acceptance notes to 15%, repurchase agreements to 25%, commercial paper to 15%, and money market mutual funds to 25%, of the entire portfolio on the day of purchase. As of June 30, 2015, more than 5% of the District's investments are in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Bank of Tokyo NY commercial paper. These investments are 9%, 20%, 9%, 10%, and 9%, respectively, of the District's total investments.

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Interfund Balances:

The "due to/due from other funds" balance in the General Fund of $27,928,107 was offset against the amounts reported in the Federal Projects Fund of $20,176,585 and the State Grants Fund of $7,751,522. These interfund balances represent funds that were transferred from the General Fund to the Federal Projects Fund and the State Grants Fund to cover the negative cash balances.

Interfund Transfers:

In the fund financial statements, interfund transfers are shown as other financing sources or uses. Transfers between funds during the year ended June 30, 2015 are as follows:

	Transfers In:				
Transfers Out:	General Fund	Special Education Fund	Debt Service	Nonmajor Governmental Funds	Totals
General Fund	$ -	$ 310,178,706	$ 2,052,025	$ -	$ 312,230,731
Bond Fund	-	-	83,188,392	917,776	84,106,168
Nonmajor Governmental Funds	36,127,652	-	-	-	36,127,652
Total	$ 36,127,652	$ 310,178,706	$ 85,240,417	$ 917,776	$ 432,464,551

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

$310,178,706 was transferred from the General Fund to the Special Education Fund for costs related to programs for special needs students. Beginning in 1994, Senate Bill 569 has required separate accounting for revenues and expenditures associated with special education. The majority of the revenues are collected in the General Fund and transferred to the Special Education Fund to offset special education expenditures.

NOTE 4 - INTERFUND BALANCES AND TRANSFERS (continued)

The Bond Fund transferred a total of $83,188,392 during fiscal year 2015 to the Debt Service Fund to service the current principal and interest on the District's revenue bonds and the portion related to school bus purchases of the 2013A medium-term bond. Pledged revenues for these bonds, which include a portion of the real estate transfer tax and room tax collected within the county are deposited within the Bond Fund and transferred on a monthly basis to the Debt Service Fund. See **Note 8.** A transfer of $2,052,025 was made from the General Fund to the Debt Service Fund to service the principal and interest on the technology equipment portion of the District's 2013A medium term bond.

In the nonmajor governmental funds, the Class Size Reduction Fund transferred $36,127,652 to the General Fund per Assembly Bill No. 579 of the Nevada Legislature in 2011 which temporarily revises provisions governing class-size reduction to allow school districts flexibility in addressing budget shortfalls. The Bond Fund transferred $917,776 to the Capital Replacement Fund for costs associated with the new student information system (SIS), referred to as Infinite Campus.

NOTE 5 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2015 follows:

Governmental Activities:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets, not being depreciated:				
Land	$ 265,261,985	$ -	$ -	$ 265,261,985
Construction in progress	8,840,023	35,295,867	(14,396,370)	29,739,520
Total capital assets, not being depreciated	274,102,008	35,295,867	(14,396,370)	295,001,505
Capital assets, being depreciated:				
Buildings	4,303,739,167	6,709,044	(197,205)	4,310,251,006
Building improvements	902,702,336	3,218,547	-	905,920,883
Land improvements	1,278,443,555	2,274,186	-	1,280,717,741
Equipment	520,491,103	41,006,244	(3,275,685)	558,221,662
Total capital assets being depreciated	7,005,376,161	53,208,021	(3,472,890)	7,055,111,292
Less accumulated depreciation for:				
Buildings	(1,148,974,221)	(104,568,568)	114,966	(1,253,427,823)
Building improvements	(567,164,841)	(43,115,751)	-	(610,280,592)
Land improvements	(659,422,437)	(58,285,731)	-	(717,708,168)
Equipment	(371,573,370)	(32,154,999)	3,177,872	(400,550,497)
Total accumulated depreciation	(2,747,134,869)	(238,125,049)	3,292,838	(2,981,967,080)
Total capital assets being depreciated, net	4,258,241,292	(184,917,028)	(180,052)	4,073,144,212
Governmental activities capital assets, net	$ 4,532,343,300	$ (149,621,161)	$ (14,576,422)	$ 4,368,145,717

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 5 - CAPITAL ASSETS (continued)

Business-type activities:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets, not being depreciated:				
Construction in progress	$ 401,464	$ 386,536	$ (788,000)	$ -
Total capital assets, not being depreciated	401,464	386,536	(788,000)	-
Capital assets, being depreciated:				
Buildings	1,715,486	21,927	-	1,737,413
Building improvements	559,584	38,372	-	597,956
Land improvements	240,579	727,700	-	968,279
Equipment	20,354,310	1,185,343	(96,634)	21,443,019
Total capital assets being depreciated	22,869,959	1,973,342	(96,634)	24,746,667
Less accumulated depreciation for:				
Buildings	(50,378)	(58,375)	-	(108,753)
Building improvements	(6,995)	(29,364)	-	(36,359)
Land improvements	(3,007)	(39,397)	-	(42,404)
Equipment	(10,531,643)	(1,366,389)	40,649	(11,857,383)
Total accumulated depreciation	(10,592,023)	(1,493,525)	40,649	(12,044,899)
Total capital assets being depreciated, net	12,277,936	479,817	(55,985)	12,701,768
Business-type activities capital assets, net	$ 12,679,400	$ 866,353	$ (843,985)	$ 12,701,768

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

Governmental Activities:

Instruction:	
Regular instruction	$ 193,258,322
Special instruction	442,571
Vocational instruction	14,570,493
Adult instruction	65,437
Other instruction	36,737
Support services:	
Student support	631,616
Instructional staff support	3,422,926
General administration	723,078
School administration	70,877
Business support	1,185,536
Operation and maintenance of plant services	3,085,354
Student transportation	16,823,365
Other support services	483,794
Facilities acquisition and construction services	3,324,943
	$ 238,125,049

NOTE 6 - ACCOUNTS RECEIVABLE

Receivables as of June 30, 2015, for the government's individual major funds and nonmajor funds in the aggregate are as follows (see following page):

NOTE 6 - ACCOUNTS RECEIVABLE (continued)

	General Fund	Special Education Fund	Debt Service Fund	Bond Fund	Nonmajor and Other Funds	Total
Local Sources:						
Property and Transfer Taxes	$ 14,142,319	$ -	$ 10,660,034	$ 4,293,455	$ -	$ 29,095,808
Room Taxes	-	-	-	15,998,383	-	15,998,383
Governmental Services Tax	4,901,086	-	-	-	2,290,377	7,191,463
Local School Support Tax	155,820,656	-	-	-	-	155,820,656
Other Local Sources	1,659,307	-	4,403	-	-	1,663,710
State Sources:						
Grants	-	-	-	-	22,854,717	22,854,717
Distributive School Account	63,473,226	-	-	-	-	63,473,226
Federal Sources:						
Grants	-	-	-	-	35,878,179	35,878,179
Medicaid	-	-	-	-	2,303,860	2,303,860
Other Sources:						
E-rate Reimbursement	5,125,716	-	-	-	-	5,125,716
Miscellaneous	744,542	16,747	-	-	692,312	1,453,601
Total Receivables	$ 245,866,852	$ 16,747	$ 10,664,437	$ 20,291,838	$ 64,019,445	$ 340,859,319

NOTE 7 - UNEARNED REVENUES

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period and also in connection with resources that have been received but not yet earned. A summary of unearned revenues for the individual major governmental funds and nonmajor governmental funds in the aggregate at June 30, 2015 are as follows:

	General Fund	Nonmajor and Other Funds	Total
Summer School	$ 898,426	$ -	$ 898,426
State Grants	-	3,298,138	3,298,138
Miscellaneous	122,720	-	122,720
Total	$ 1,021,146	$ 3,298,138	$ 4,319,284

In the General Fund, summer school unearned revenue represents monies collected for summer school tuition in advance of the fiscal year 2016 summer school program. The miscellaneous unearned revenues consist of $122,000 for extended-day kindergarten tuition which was received in advance and $720 for salary reimbursements of extra duty training for fiscal year 2016.

Nonmajor and other funds include state grants in the amount of $3,298,138 which is state grant revenue received in advance of expenditures.

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE

General Obligation Bonds:

The District issues general obligation bonds to provide proceeds for the District's construction and modernization program and for other major capital acquisitions. These bonds are direct obligations and pledge the full faith and credit of the District. Bonds are often sold at a premium or a discount. These premiums and discounts are reported in the fund statements in the

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

year incurred but are deferred and amortized over the life of the debt in the government-wide financial statements. Similarly, any gain or loss derived from an advance refunding is amortized in the government-wide financial statements. The Debt Service Fund services all of the bonds payable. The remaining principal and interest payment requirements for the general obligation debt as of June 30, 2015 are as follows:

General Obligation Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2015	Principal Due Within One Year	Interest Due Within One Year
2006B	Building	12/19/06	06/15/26	3.00% - 5.00%	$ 450,000,000	$ 313,955,000	$ 22,665,000	$ 12,707,150
2007A	Refunding	03/01/07	06/15/25	4.00% - 5.00%	473,045,000	318,835,000	25,940,000	15,118,950
2007C	Building	12/11/07	06/15/27	5.00%	400,000,000	297,960,000	19,465,000	14,898,000
2008A	Building	06/03/08	06/15/28	5.00%	675,000,000	421,880,000	23,815,000	21,094,000
2010D	Building (QSCB)	07/08/10	06/15/20	5.51%	6,245,000	6,245,000	-	344,099
2011A	Refunding	03/22/11	06/15/16	5.00%	69,160,000	15,095,000	15,095,000	754,750
2012A	Refunding	10/04/12	06/15/21	5.00%	159,425,000	138,880,000	26,305,000	6,944,000
2013A	Vehicles & Equip	07/31/13	06/15/23	3.25% - 4.00%	32,855,000	25,175,000	4,000,000	886,825
2013B	Refunding	07/31/13	06/15/19	3.00% - 5.00%	95,870,000	53,555,000	-	2,677,750
2014A	Refunding	04/29/14	06/15/20	5.00% - 5.50%	131,175,000	115,970,000	37,280,000	6,141,425
2015A	Refunding	03/18/15	06/15/19	5.00%	257,445,000	257,445,000	42,685,000	15,983,044
						$ 1,964,995,000	$ 217,250,000	$ 97,549,993

General Obligation Revenue Bonds:

The District also issues general obligation debt that is additionally secured by a pledge of proceeds of taxes deposited in the District's Bond Fund. The District receives the proceeds of a $1^{5/8}$ % room tax collected within Clark County and this revenue is reflected in total in the Bond Fund. The proceeds of a tax equivalent to 60 cents for each $500 of value on transferred real property are also deposited by the county. The District pledges the room tax and the real property transfer tax revenues to pay debt service on certain general obligation debt. In 2015, the District received $103,444,760 and pledged 100% of these revenues to pay the principal and interest requirement. The remaining principal and interest payment requirements for the general obligation debt additionally secured by these pledged revenues as of June 30, 2015 are as follows:

General Obligation Revenue Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2015	Principal Due Within One Year	Interest Due Within One Year
2006 C	Building	12/19/06	06/15/26	3.50% - 5.00%	$125,000,000	$ 87,215,000	$ 6,295,000	$ 3,936,400
2007 B	Building	12/11/07	06/15/27	5.00%	250,000,000	186,225,000	12,165,000	9,311,250
2010A	Building (QSCB)	07/08/10	06/15/24	4.74% - 5.51%	104,000,000	103,900,000	-	5,724,890
2011B	Refunding	03/22/11	06/15/19	5.00%	29,420,000	20,495,000	9,370,000	1,024,750
2014B	Refunding	04/29/14	06/15/20	5.00% - 5.50%	62,200,000	56,980,000	5,885,000	2,960,350
2015B	Refunding	03/18/15	06/15/22	5.00%	129,080,000	129,080,000	14,860,000	8,013,717
						$583,895,000	$48,575,000	$ 30,971,357

At year end, pledged future revenues totaled $756,574,118, which was the amount of the remaining principal and interest on these bonds.

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

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

Summary of Debt Service:

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

Fiscal Year	Principal	Interest	Total Requirements
2016	$ 265,825,000	$ 128,521,350	$ 394,346,350
2017	279,230,000	110,756,489	389,986,489
2018	293,620,000	96,850,890	390,470,890
2019	290,055,000	82,495,040	372,550,040
2020	214,245,000	68,186,689	282,431,689
2021 - 25	939,155,000	191,107,052	1,130,262,052
2026 - 28	266,760,000	21,333,824	288,093,824
Totals	$ 2,548,890,000	$ 699,251,334	$ 3,248,141,334

A statutory limit of bonded indebtedness for school districts is set forth in Chapter 387.400 of the Nevada Revised Statutes. The limitation is based on 15% of the assessed valuation of property within the District, excluding motor vehicles. Based on the 2015 assessed valuation of $64,252,633,650 the applicable debt limit is $9,637,895,048 leaving the legal debt margin at $7,089,005,048, notwithstanding the statutory tax rate limitation explained in **Note 1**. The District is in compliance with Chapter 387.400 as of June 30, 2015.

Authorized Unissued Debt:

In 1998, the District received both legislative and voter approval to issue a projected $3.2 billion in long-term debt for school construction and modernization. The election authorized the District to issue general obligation bonds for school construction until June 30, 2008. As the authority to issue debt under this program has ended, the District will rely on pay-as-you-go financing to fund any capital requirements until the Board obtains voter approval to fund a future capital program. In the 2015 legislative session, Senate Bill 207 was passed which allows an extension of bond rollover funds from property taxes for districts to keep pace with the need for new schools and major repairs on existing schools. The bill gives school boards the authority to continue issuing construction bonds for 10 years beyond the time period approved by voters, although districts would not be allowed to raise property tax rates to pay debt service on the bonds. As of June 30, 2015, there is no reportable authorized unissued debt. See **Note 19**.

Refunded Debt:

In March 2015, the District issued $257,445,000 of general obligation (limited tax) Series 2015A refunding bonds. This action was taken to achieve interest savings as well as to maintain the current levy for future bond issuance. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. With the Series 2015A refunding of bonds originally issued in 2005, the District was able to reduce the cost of future debt service by approximately $22 million, which equates to a net present value savings of 8.473 percent and an economic gain of $21,812,411.

Also in March 2015, the District issued $129,080,000 of general obligation (additionally secured by pledged revenues) Series 2015B refunding bonds. With this Series 2015B refunding of bonds originally issued in 2005, the District was able to reduce the cost of future debt service by approximately $20 million, which equates to a net present value savings of 13.597 percent and an economic gain of $17,551,329.

NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

Defeasement of Debt:

The District has defeased certain general obligation bonds by placing the proceeds of new bonds into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2015, the outstanding principal on the following bonds is considered defeased:

CCSD School Improvement & Building Bonds	Defeased Principal
Series 2005C: Dated November 15, 2005	$ 330,280,000

Obligation for Arbitrage Payable:

The Tax Reform Act of 1986 established arbitrage guidelines that require a rebate of interest earned on bond funds in excess of interest paid. At June 30, 2015, the District is currently reporting negative arbitrage and thus no rebate of interest is required.

Debt Service Fund:

Nevada Revised Statute 350.020 requires that the Board establish a restricted account within its debt service fund for payment of the outstanding bonds of the District. In 2012, Assembly Bill 376 changed the amount of the reserves required to 10% of the outstanding principal or 25% (changed from 100%) of the principal and interest payments due on all outstanding bonds of the District in the next fiscal year, whichever is less. The amounts on deposit in this restricted account are not directly pledged to pay debt service on the debt, and if permitted, may be used for other purposes. As of June 30, 2015, the amount required to fund this account was $98,586,588; which was fully funded by the District in the Debt Service Fund restricted amount of $26,838,866 and the Bond Fund restricted amount of $71,747,722.

NOTE 9 - LEASES

Operating Leases

Lessee

The District leases a fiber optical wide-area network under a non-cancelable operating lease. Total costs for this lease were $2,416,140 for the year ending June 30, 2015. The future minimum lease payments for this lease are as follows:

Year Ending, June 30	Amount
2016	$ 2,403,120
2017	2,403,120
2018	2,403,120
2019	2,403,120
2020	2,403,120
2021 - 2024	9,612,480
Total	$ 21,628,080

Lessor

In 2008, Vegas PBS entered into a lease agreement with Sprint Nextel, Inc. whereby Sprint Nextel leases available spectrum from Vegas PBS for commercial use. The term for this cancelable operating lease agreement is 15 years with automatic

NOTE 9 - LEASES (continued)

renewal of an additional 15 years, for a maximum of 30 years. The spectrum provided by the District is an intangible asset which carries no value on the financial statements. Therevenue recognized for this period is $1,316,834 which includes a monthly fee paid to the District by Sprint Nextel.

NOTE 10 - CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year-ended June 30, 2015 was as follows:

	Beginning Balance July 1, 2014	Additions	Reductions	Ending Balance June 30, 2015	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	$ 2,245,520,000	$ 257,445,000	$ (537,970,000)	$ 1,964,995,000	$ 217,250,000
General obligation revenue bonds	648,605,000	129,080,000	(193,790,000)	583,895,000	48,575,000
Less: issuance discounts	(6,436,007)	-	656,151	(5,779,856)	-
Plus: issuance premiums	165,133,418	47,872,084	(44,356,265)	168,649,237	-
Total bonds payable	3,052,822,411	434,397,084	(775,460,114)	2,711,759,381	265,825,000
Compensated absences	58,678,853	26,282,878	(26,111,727)	58,850,004	26,111,727
Other long term liabilities	-	19,610,464	(7,674,853)	11,935,611	-
Governmental activity long-term liabilities	$ 3,111,501,264	$ 480,290,426	$ (809,246,694)	$ 2,782,544,996	$ 291,936,727
Business-type Activities:					
Compensated absences	$ 1,095,975	$ 334,406	$ (337,775)	$ 1,092,606	$ 337,775

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the above totals for governmental activities. At year end, $488,451 of internal service funds compensated absences are included in the above amounts. In governmental activities, compensated absences are generally liquidated by a combination of the major and nonmajor governmental funds with the majority liquidated from the General Fund.

NOTE 11 - COMPLIANCE AND ACCOUNTABILITY

Per NRS 354.626, the District is required to report and explain expenditures that exceeded budgeted appropriations at the function level for the General Fund, Special Revenue, and Capital Project Funds. The sum of operating and non-operating expenses in the Enterprise and Internal Service Funds may not exceed total appropriations. As of June 30, 2015, the District reported no expenditures over appropriations.

NOTE 12 - DEFINED BENEFIT PENSION PLAN

All half-time or greater District employees are covered by the State of Nevada Public Employees Retirement System (the Plan), a cost sharing multiple-employer defined benefit plan of the public employee retirement system. The payroll for employees covered by the Plan for the year ended June 30, 2015 was $1,476,544,506 and the District's total payroll was $1,592,498,389. All full-time District employees are mandated by state law to participate in the Plan. Vested members are entitled to a life-time monthly retirement benefit equal to the service time multiplier (STM) percentages listedon the following page times the member's years of service to a maximum of 30 years. The schedule of Eligibility for Monthly Unreduced Retirement Benefits for regular members and police/fire members are as follows (see following page):

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

Eligibility for Regular Members:

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

Eligibility for Police/Fire Members:

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

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

All District employees in the plan are enrolled under a non-contributory plan. District payment of what were formerly employee contributions, was made in lieu of equivalent salary increases. Per Chapter 286 of the Nevada Revised Statutes, the District's contribution was based on the actuarially determined statutory rate of 25.75% in 2014-15 for unified, licensed, and support employees and 40.50% for police employees of gross compensation and amounted to $376,340,869, 24.28% of the $1,549,846,535 total paid by all employees and employers into the Plan for the year ended June 30, 2015. The District's contributions to PERS for the years ended June 30, 2014, 2013, and 2012 were $364,569,644, $327,548,750, and $331,265,268, respectively, equal to the required contributions for each year, at the actuarially determined statutory rates of 25.75, 23.75, and 23.75%, respectively, for unified, licensed and support employees and 40.50, 39.75, and 39.75%, respectively, for police employees.

At June 30, 2015, the District reported a liability of $2,522,385,016 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014 and was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the level percentage-of-payroll contribution rates required to fund the Retirement System on an actuarial reserve basis. At June 30, 2015, the District's proportionate share of the net pension liability was 24.20255%.

For the year ended June 30, 2015, the District recognized pension expense of $334,203,275. At June 30, 2015 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (see following page):

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 120,710,014
Net difference between projected and actual earnings on pension plan investments	-	529,804,126
Changes in proportion and differences between District contributions and proportionate share of contributions	22,688,773	-
District contributions subsequent to the measurement date	376,340,869	-
Total	$ 399,029,642	$ 650,514,140

The amount of $376,340,869 was reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the pension expense in the year ended June 30, 2016. Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

Reporting period ended June 30:	
2016	$ (149,647,740)
2017	(149,647,740)
2018	(149,647,740)
2019	(149,647,740)
2020	(17,196,709)
Thereafter	(12,037,698)

Actuarial assumptions. The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	3.50%
Payroll Growth	5.00%, including inflation
Investment return	8.00%
Productivity pay increase	0.75%
Projected salary increases	Regular: 4.60% to 9.75%, dependng on service
	Police/Fire: 5.25% to 14.50%, depending on service
	Rates include inflation and productivity increases
Consumer Price Index	3.50%
Other assumptions	Same as those used in the June 30, 2014 funding Actuarial valuation

Mortality Rates – For non-disabled male regular members it is the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA. For non-disabled female regular members it is the RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year. For all non-disabled police/fire members it is the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year.

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLAN (continued)

The mortality table used in the actuarial valuation to project mortality rates for all disabled regular members and all disabled police/fire members is the RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years.

The actuarial assumptions and methods used in the June 30, 2014 actuarial valuation were adopted by the Public Employees' Retirement Board and were based on the results of the experience review completed in 2013.

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

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

* As of June 30, 2014, PERS' long-term inflation assumption was 3.5%.

Discount rate. The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014 and June 30, 2013. The projection of cash flows used to determine the discount rate assumed that employees and employer contributions will be made at the rate specified in statute.

Based on that assumption, the pension plan's fiduciary net position at June 30, 2014, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014 and June 30, 2013.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 8.00%, as well as what it would be using a discount rate that is 1-percentage–point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease in Discount Rate (7.00%)	Discount Rate (8.00%)	1% Increase in Discount Rate (9.00%)
Net Pension Liability	$ 3,922,584,526	$ 2,522,385,016	$ 1,358,462,676

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

Financial statements for the Plan are available by calling (775) 687-4200 or writing to:

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

NOTE 13 - RISK MANAGEMENT

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

1. Worker's compensation up to $1,250,000.
2. General liability and motor vehicle liability, with retention of $3,000,000.
3. Errors and omissions and employment practices liability, with retention of $3,000,000 per occurrence.
4. Property, including boiler and machinery and terrorism, with retention of $500,000.
5. Broadcaster's liability, with retention of $5,000.
6. Crime/employee dishonesty, with retention of $50,000.
7. National Flood Insurance Program, with retention of $50,000 for specific schools.

The District purchases commercial insurance for occurrences in excess of the foregoing retention levels. Over the past nine years, there have been significant reductions in almost all areas of insurance coverage for the District. However, the District remains adequately covered for losses and no settlements have reached amounts in excess of the insurance coverage for the past fourteen years.

The Insurance and Risk Management Internal Service Fund insures all operational activities of the District by charging premiums to other funds of the District. Premiums charged are based on estimates of the amounts needed to pay actual and projected claims, to support self-insurance operational costs, and to establish a self-insured reserve for incurred losses. The estimates of the liability insurance claims payable of $8,759,228 and the worker's compensation claims payable of $14,003,383 at June 30, 2015, were determined by the District with the assistance of an independent actuarial study as of that date and are reflected in the financial statements of the Insurance and Risk Management Internal Service Fund as claims payable and long term claims payable.

The actuarial study, which is prepared annually, calculates the estimated future losses for the District. The amount reflected represents the current amount due in fiscal year 2015-2016.

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

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

	Fiscal 2015	Fiscal 2014
Beginning Balance - July 1, 2015 and 2014	$ 20,901,159	$ 20,155,709
Claims Incurred	8,041,054	7,990,650
Changes in Estimates for Claims of the Prior Periods	1,495,251	745,450
Claims Paid	(7,674,853)	(7,990,650)
Ending Balance - June 30, 2015 and 2014	$ 22,762,611	$ 20,901,159
Short term portion	10,827,000	9,595,000
Long term portion	11,935,611	11,306,159

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 14 - ENCUMBRANCES AND COMMITMENTS

In November 2014, the District renewed its interest-bearing time certificate of deposit used for the self-insured workers' compensation program as a security deposit with the Nevada Division of Insurance. The amount of the deposit, $7,738,000, is based on the total incurred cost of current and future claims as estimated by the office of the State Insurance Commissioner. See **Note 3**.

Construction Commitments and Encumbrances

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

Major Funds	Restricted Fund Balance	Assigned Fund Balance
General Fund	$ -	$ 2,330,169
Bond Fund	8,823,239	-
Nonmajor Funds		
Aggregate nonmajor funds	9,620,685	-
	$ 18,443,924	**$ 2,330,169**

Total encumbrances for general fund and capital projects as of June 30, 2015 were $20,774,093. In the General Fund, $1,199,508 of the total encumbrance balance of $2,330,169 was assigned to the purchase of new buses and the remaining $1,130,661 was assigned to the purchase of new computers and other transportation needs.

As of June 30, 2015, funds remain from the 1998 voter-approved bond program. The following schedule outlines the programmed construction commitments as of June 30, 2015. The total restricted amount of $91,162,084 is construction contracts from the 1998 voter-approved bond program which is shown as a restriction for capital projects in the Bond Fund.

APPROVED 1998 CAPITAL IMPROVEMENT PLAN PROJECTS		
School	**Capital Project**	**Total Programmed**
ELEMENTARY SCHOOLS		
Patricia Bendorf ES	HVAC Upgrade (Pending Close-Out Issues)	$ 14,831
Blue Diamond ES	Replace Cooling Tower	175,000
John Bonner ES	Replace Cooling Tower	325,000
Grant Bowler ES	HVAC Upgrade (Pending Close-Out Issues)	10,929
Joseph Bowler ES	LAN Upgrade, Expand ER/TR Rooms, Replace Security Camera System & Fire Alarm	402,873
Walter Bracken ES	LAN Upgrade, Expand ER/TR Rooms, Replace Security Camera System	1,553,559
Roger Bryan ES	Replace Cooling Tower	325,000
Manuel Cortez ES	Replace Cooling Tower	325,000
Crestwood ES	LAN Upgrade, Expand ER/TR Rooms, Replace Security Camera System & Clock/Intercom & Intrusion Alarm	315,611
Dorothy Eisenberg ES	LAN Upgrade	104,293
Wing & Lily Fong ES	HVAC Upgrade (Pending Close-Out Issues)	28,567
Daniel Goldfarb ES	Replace Cooling Tower	325,000
Doris Hancock ES	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Replace Intrusion Alarm System, Replace Clock/Intercom system, Replace Security Camera System	429,804

NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)

APPROVED 1998 CAPITAL IMPROVEMENT PLAN PROJECTS		
School	**Capital Project**	**Total Programmed**
ELEMENTARY SCHOOLS, CONT.		
Keith & Helen Hayes ES	Replace Cooling Tower	$ 325,000
Helen Herr ES	HVAC Upgrade (Pending Close-Out Issues)	30,344
Halle Hewetson ES	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Replace Security Camera System, Replace Intrusion Alarm System	2,240,000
Charlotte Hill ES	LAN Upgrade	15,249
Indian Springs ES	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms (CMAR Package awarded to Core Construction 01/09/2014)	1,106,024
Marc Kahre ES	HVAC Upgrade (Pending Close-Out Issues)	137,096
Edythe & Lloyd Katz ES	HVAC Upgrade (Pending Close-Out Issues)	30,605
Matt Kelly ES	Replace Fire Alarm, Replace Clock/Intercom System, LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Electrical Upgrades (Required for Technology Upgrade), Replace Intrusion Alarm System, Replace Security Camera System	906,467
Lorna Kesterson ES	Replace Cooling Tower	325,000
Frank Lamping ES	Replace Cooling Tower	325,000
Mary & Zel Lowman ES	HVAC Upgrade (Pending Close-Out Issues)	39,904
Robert Lunt ES	HVAC Upgrade (Pending Close-Out Issues)	55,678
Nate Mack ES	HVAC Upgrade (Pending Close-Out Issues)	63,592
Reynaldo Martinez ES	Replace Cooling Tower	325,000
Ernest May ES	HVAC Upgrade (Pending Close-Out Issues)	50,028
Quannah McCall ES	Replace Cooling Tower	140,000
Andrew Mitchell ES	HVAC Upgrade (Pending Close-Out Issues)	82,948
William Moore ES	Replace Cooling Tower	325,000
Ulis Newton ES	HVAC Upgrade (Pending Close-Out Issues)	49,717
Paradise ES	Replace Cooling Tower	325,000
Ute Perkins ES	HVAC Upgrade (Pending Close-Out Issues)	14,199
Bertha Ronzone ES	Construct Classroom Addition	4,973,364
Jim Thorpe ES	HVAC Upgrade (Pending Close-Out Issues)	58,761
J. M. Ullom ES	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Replace Fire Alarm, Replace Clock/Intercom System, Electrical Upgrades (Required for Technology Upgrade), Replace Intrusion Alarm System, Replace Security Camera System	462,207
Vegas Verdes ES	Major Modernization of School	10,822
Howard Wasden ES	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Replace Fire Alarm, Replace Clock/Intercom System, Replace Security Camera System, Install Security at School Entrance	752,846
West Prep ES	Construct West Prep K-5 Addition	19,930,913
Gwendolynn Woolley ES	HVAC Upgrade (Pending Close-Out Issues)	33,296
Elaine Wynn ES	LAN Upgrade	14,734
Elaine Wynn ES	Construct Classroom Addition	4,607,303
MIDDLE SCHOOLS		
J. Harold Brinley MS	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms	$ 1,720,509
J. Harold Brinley MS	Replace Cooling Tower	245,000
Kenny Guinn MS	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms (CMAR Package awarded to Core Construction 01/09/2014), Electrical Upgrades (Required for Technology Upgrade)	567,647
K. O. Knudson MS	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms, Replace Fire Alarm, Replace Colck/Intercom System, Electrical Upgrades (required for Technology Upgrade) Replace Intrusion Alarm System, Replace Securtiy Camera System	5,142,685
K. O. Knudson MS	Replace Cooling Tower	320,000
Dell Robison MS	Replace Cooling Tower	325,000
Sandy Valley M/HS	Replace Temporary Gymnasium With New Gymnasium	5,630,184
Grant Sawyer MS	Replace HVAC System, Replace Fire Alarm, Replace Boilers	9,670,000

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)

APPROVED 1998 CAPITAL IMPROVEMENT PLAN PROJECTS		
School	**Capital Project**	**Total Programmed**
HIGH SCHOOLS		
Boulder City HS	Demolition (Phase I), Asbestos Abatement, Utility Reroute, Phase II of Phased Replacement (Classrooms & Administration)	$ 14,844,646
Indian Springs MS/HS	Replace Security Camera System, Intercom/Clock System, Intrusion Alarm & Fire Alarm (CMAR Package awarded to Core Construction 01/09/2014)	555,516
Jeffrey Alternative Junior/Senior School	LAN Upgrade, Classroom Technology, Expand ER/TR Rooms	8,343
Las Vegas Academy of the Arts	LAN Upgrade, Expand ER/TR Rooms, Replace Intrusion Alarm, Intercom & Fire Alarm, Electrical Upgrades (Required for Technology Upgrade)	8,500,000
Rancho HS (Old Gym)	Replace Cooling Tower	285,000
Sunrise Mountain HS	Pending Close-out Issues	548,845
OTHER		
Contingency Funds	Centralized Contingency for Open Projects*	$ 51,609
Administrative		646,054
Land Acquisition		9,482
FUNDED PROJECTS IN PROGRESS TOTALS		**$ 91,162,084**

*** Contingency Funds are maintained at the Project Level for known pending items. Contingency funds are maintained at the centralized level for unknown items. As projects close-out, contingency funds not used at the project level will transfer to the centralized contingency balance for Open Projects.**

Legal Contingencies

The District is a defendant in various legal actions. The financial impact of these actions is not determinable; however, it is the opinion of District legal counsel and management that none of these actions would have a material impact on the District's financial condition.

NOTE 15 - CLASSIFICATIONS OF GENERAL FUND FUND BALANCE

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

Unassigned ending fund balance is that fund balance exclusive of non-spendable amounts such as inventories and amounts restricted, committed, or assigned for preexisting obligations. Portions of the larger fund balance at June 30, 2015, are being assigned to carry over into fiscal year 2016 to assist with various initiatives and categorical indirect costs. The following are explanations of the reported classifications of fund balance in the General Fund:

Restricted for:

- *Donations* – to restrict donations as required by donor for various purposes.
- *City of Henderson RDA* – to restrict funds for redevelopment projects.

Assigned to:

- *Instructional supply appropriations* – to classify funds to cover commitments related to unfilled contracts for goods and services including purchase orders.
- *School bus appropriations* – to classify funds to cover commitments related to unfilled contracts for new buses.

NOTE 15 - CLASSIFICATIONS OF GENERAL FUND FUND BALANCE (continued)

- *Potential revenue shortfall* – to classify funds to cover potential loss of revenue resulting from the changes in the State of Nevada per-pupil funding.

- *School carryover* – District schools are allowed to carry over into the next year an apportionment of their unspent budgets from the current fiscal/school year.

- *Categorical indirect costs* – to classify funds associated with indirect costs from federal programs.

- *Deferred maintenance initiative* – to classify funds for the cost of the District's repairs for routine maintenance that have been postponed to meet more pressing fiscal requirements.

- *Human capital management implementation* – to classify funds for the new human resources/payroll system which will integrate data from the current SAP financial module with human resources, payroll, workforce management and benefits administration.

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLAN

Plan Description. The District subsidizes eligible retirees' contributions to the Public Employees' Benefits Plan (PEBP), an agent multiple-employer defined benefit postemployment healthcare plan administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to current CCSD retirees, however, district employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the District as determined by their number of years of service. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV, 89701, by calling (775) 684-7000, or by accessing the website at www.pebp.state.nv.us/informed/financial.htm.

Funding Policy. NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired district employees. Plan members receiving benefits have their monthly contributions deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy. Retirees qualify for a subsidy of $116 at five years of service and $636 at 20 years of service with incremental increases for each year of service between. The contribution requirements of plan members and the District are established and amended by the PEBP board of trustees. As a participating employer, the District is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it.

For fiscal year 2015, the District contributed $9,767,074 to the plan for current premiums. The District did not prefund any future benefits.

Annual OPEB Cost and Net OPEB Obligation. The District's annual other postemployment benefit (OPEB) cost (expense) for the plan is calculated based on the annual required contribution of the employer (ARC), an amount obtained from the actuarial report provided every two years. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

As of July 1, 2011, PEBP introduced significant plan design changes for retirees participating in their program. As a result of these changes, pre-Medicare and non-eligible Medicare retirees participate in a Consumer Driven Healthcare Plan (CDHP) in which PEBP provides $700 to a Health Reimbursement Account (HRA) per year for the retiree and $200 for each dependent (up to a maximum of $600). In fiscal year 2013, an additional $400 HRA contribution is provided to all retirees and $100 per dependent. Also, for those CDHP retirees with 20 or more years of service as of June 30, 2012 an additional $200 allocation is provided. Medicare retirees participate in a Medicare Exchange provided Extend Health with PEBP providing a service related contribution to a HRA equal to $11 per month per year of service (maximum of $220 per month).

The Unfunded Actuarial Accrued Liability (UAAL) decreased by about 2.3% or $ 4.0 million from the last valuation performed for fiscal year 2014, as expected, and there are no other sources of liability gains or losses that contributed to the change

CLARK COUNTY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLAN (continued)

in the UAAL from July 1, 2013 to July 1, 2014.

In fiscal year 2015, the District's annual OPEB cost (expense) was $12,123,991 for the PEBP. The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the preceeding two years is as follows:

Fiscal Year Ended	Annual OPEB Cost (Projected Unit Credit Cost Method)	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	$ 11,497,790	103%	$ 32,694,644
6/30/2014	$ 12,506,571	86%	$ 34,470,928
6/30/2015	$ 12,123,991	81%	$ 36,827,845

The following table shows the components of the District's annual OPEB cost for the past three years, the amount actually contributed to the plan, and changes in the district's net OPEB obligation to the PEBP:

	Fiscal 2015	Fiscal 2014	Fiscal 2013
Annual Required Contribution	$ 13,468,127	$ 13,781,443	$ 12,785,531
Interest on net OPEB obligation	1,378,837	1,307,786	1,320,985
Adjustment to annual required contribution	(2,722,973)	(2,582,658)	(2,608,726)
Annual OPEB cost (expense)	12,123,991	12,506,571	11,497,790
Contributions made	(9,767,074)	(10,730,287)	(11,827,782)
Increase/(Decrease) in net OPEB obligation	2,356,917	1,776,284	(329,992)
Net OPEB obligation - beginning of the year	34,470,928	32,694,644	33,024,636
Net OPEB obligation - end of the year	$ 36,827,845	$ 34,470,928	$ 32,694,644

Funded Status and Funding Progress. The District's most recent actuarial valuation was as of July 1, 2013 and, as of the end of the fiscal year, the District has not prefunded any portion of the plan. The actuarial accrued liability (AAL) for benefits was $170,497,027 and having not funded the obligation, the District currently has no associated assets to offset this liability. Because of this, the unfunded actuarial accrued liability (UAAL) is equal to the AAL. PEBP is closed to new District participants as of November 1, 2008; therefore, covered payroll is zero.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The liabilities incorporate a 4% investment rate of return. An annual healthcare cost trend rate of 8% is used initially, reduced by decrements to an

NOTE 16 - POST EMPLOYMENT HEALTHCARE PLAN (continued)

ultimate rate of 5% in 2022. The inflation rate assumed in this valuation is 2.5%, which is used to develop the impact of the excise tax. The HRA assumes a 0% trend rate.

Because of changes to state law, as of September 1, 2008, the plan was no longer available to those actively employed past this date. As a result, over time the District expects the liability to begin to decrease and eventually disappear over the life of the amortization period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The amortization period used is 18 years.

NOTE 17 - DONOR RESTRICTED ENDOWMENTS

In 2015, Vegas PBS received an additional $21,719 in donations to their term endowment bringing the total reserve balance to $1,716,350. The corpus (principal) of the endowment is restricted from use for a set period of time while the corresponding appreciation may be spent as Vegas PBS sees fit for their various programs. Currently, the District does not have a policy restricting the authorization and spending of endowment investment income. State statute, NRS 164, allows a local government to authorize expenditures of net appreciation as is prudent for the government. As of June 30, 2015, there was $718,883 of net appreciation recognized on these investments.

NOTE 18 - PRIOR PERIOD RESTATEMENT

As of July 1, 2014, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the cost and obligations associated with pensions in their financial statements, including additional note disclosures and required supplementary information. Beginning net position was restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date as follows:

	Governmental Activities	Business-type Activities	Total
Net position at June 30, 2014, as previously reported	$ 1,946,793,157	$ 64,981,041	$ 2,011,774,198
Net Pension Liability at June 30, 2014	(3,136,446,621)	(46,147,616)	(3,182,594,237)
Deferred outflows of resources related to contributions made during the year ended June 30, 2014	361,271,616	5,315,513	366,587,129
Net position at July 1, 2014, as restated	$ (828,381,848)	$ 24,148,938	$ (804,232,910)

NOTE 19 - SUBSEQUENT EVENTS

Bond Issuance

In July of 2015, the Debt Management Commission authorized $200,000,000 of Series 2015D General Obligation School Bonds (additionally secured by pledged revenues). Proceeds of the 2015D Bonds will be used to build new schools, repair existing schools in the District and pay the costs of issuing the 2015D Bonds. These bonds will be issued in November 2015.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE 2016B BOND RESOLUTION

The following is a brief summary of certain provisions of the 2016B Bond Resolution and is qualified in its entirety by the provisions of the 2016B Bond Resolution itself.

Definitions

As used in the 2016B Bond Resolution, the following terms shall, for all purposes, have the following meanings unless the context clearly requires otherwise. For purposes of this Appendix B, "the Bonds" refers to the 2016B Bonds.

(1) "annual principal and interest requirements" means the sum of the principal of and interest on the Outstanding Bonds and any other Outstanding designated securities payable from the Pledged Revenues having a lien thereon superior to or on a parity with the lien thereon of the Bonds, to be paid during any Bond Year, but excluding any reserve requirements to secure such payments unless otherwise expressly provided and excluding any amount payable from capitalized interest. In calculating this amount, the principal amount of bonds required to be redeemed prior to maturity pursuant to a mandatory redemption schedule contained in the 2016B Bond Resolution or other instrument authorizing the issuance of such bonds (*e.g.*, the schedule, if any, set forth in the Certificate of the District's Chief Financial Officer) shall be treated as maturing in the Bond Year in which such bonds are so required to be redeemed, rather than in the Bond Year in which the stated maturity of such bonds occurs.

(2) "Board" means the Board of Trustees of the District, including any successor of the District.

(3) "Bond Act" means NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 as the Local Government Securities Law.

(4) "Bond Fund" or "2016B Bond Fund" means the special account designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, Pledged Revenues Interest and Principal Retirement Fund," created in Section 401A of the 2016B Bond Resolution.

(5) "Bond Requirements" means the principal of, any prior redemption premiums due in connection with, and the interest on the Bonds and any additional bonds or other additional securities payable from the Pledged Revenues and hereafter issued, or such part of such securities or such other securities as may be designated, as such principal, premiums and

interest become due at maturity or on a Redemption Date designated in a mandatory redemption schedule, in a notice of prior redemption, or otherwise.

(6) "<u>2016B Bond Resolution</u>" means the bond resolution authorizing the issuance of the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B."

(7) "<u>Bonds</u>" or "<u>2016B Bonds</u>" means the securities issued pursuant to the 2016B Bond Resolution and designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B."

(8) "<u>2015D Bonds</u>" means the securities issued pursuant to the 2015D Bond Resolution and designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) School Bonds (Additionally Secured by Pledged Revenues), Series 2015D."

(9) "<u>2014B Bonds</u>" means the securities designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2014B."

(10) "<u>2011B Bonds</u>" means the securities designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2011B."

(11) "<u>2007B Bonds</u>" means the securities designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) School Bonds (Additionally Secured by Pledged Revenues), Series 2007B."

(12) "<u>2006C Bonds</u>" means the securities designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) School Bonds (Additionally Secured by Pledged Revenues), Series 2006C."

(13) "<u>2005B Bonds</u>" means the securities designated as the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2005B."

(14) "<u>Bond Year</u>" means the 12 months commencing on June 16 of any calendar year and ending on June 15 of the next succeeding calendar year.

(15) "<u>Capital Projects Fund</u>" means the special account created by the Board pursuant to NRS 387.328 for the purposes set forth therein.

(16) "Chief Financial Officer" means the de jure or de facto Chief Financial Officer of the District and designated as such by the District.

(17) "combined maximum annual principal and interest requirements" means the greatest of the annual principal and interest requirements to be paid during any Bond Year for the period beginning with the Bond Year in which such computation is made and ending with the Bond Year in which any bond last becomes due at maturity or on a Redemption Date on which any bond thereafter maturing is called for prior redemption. If any outstanding bonds are subject to variable interest rates, for the purpose of such computation, such interest rates shall be determined by an Independent Accountant, an independent feasibility consultant or the District's Chief Financial Officer. Any such computation shall be adjusted as provided in Section 803C of the 2016B Bond Resolution, and shall be made by an Independent Accountant, an independent feasibility consultant or the District's Chief Financial Officer, if expressly so required.

(18) "Cost of the Project" means all or any part designated by the District of the cost of the Project, which cost, at the option of the District, except as limited by law, may include all or any part of the incidental costs relating to the Project, including, without limitation:

(a) Preliminary expenses advanced by the District from funds available for use therefor or from any other source, or advanced with the approval of the District from funds available therefor or from any other source by the State, the Federal Government, or by any other Person with the approval of the District (or any combination thereof);

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates of costs, and other preliminaries;

(c) The costs of premiums on builders' risk insurance and performance bonds, or a reasonably allocable share thereof,

(d) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of the Bonds and any other securities relating to the Project, and bank fees and expenses;

(e) The costs of contingencies;

(f) The costs of any discount on the bonds or other securities, and of any reserves for the payment of the principal of and interest on the Bonds or other securities, of any replacement expenses, and of any other cost of the issuance of the Bonds or other securities relating to the Project;

(g) The costs of amending any resolution or other instrument authorizing the issuance of or otherwise relating to the Outstanding Bonds or other securities relating to the Project;

(h) All other expenses necessary or desirable and relating to the Project, as estimated or otherwise ascertained by the District.

(19) "District" means the Clark County School District of Clark County in the State, and constituting a political subdivision thereof, or any successor municipal corporation.

(20) "Events of Default" means the events stated in Section 1103 of the 2016B Bond Resolution.

(21) "Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

(22) "Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; but if the Nevada legislature changes the statutory fiscal year relating to the District, the Fiscal Year shall conform to such modified statutory fiscal year from the time of each such modification, if any.

(23) "General Tax Interest Account" means the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, General Tax Interest Account," created in Section 501 of the 2016B Bond Resolution.

(24) "General Tax Principal Account" means the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, General Tax Principal Account," created in Section 501 of the 2016B Bond Resolution.

(25) “General Taxes” or “Taxes” means general (ad valorem) taxes levied by the District against all taxable property within the boundaries of the District (unless otherwise qualified).

(26) “Income Fund” means the special account designated as the “Clark County School District, Nevada, Pledged Revenues Income Fund” continued in Section 602 of the 2016B Bond Resolution.

(27) “Independent Accountant” means any certified public accountant, or any firm of certified public accountants, duly licensed to practice and practicing as such under the laws of the State, as from time to time appointed and compensated by the District:

(a) Who or which is, in fact, independent and not under the domination of the District;

(b) Who or which does not have any substantial interest, direct or indirect, with the District, and

(c) Who or which is not connected with the District as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the District.

(28) “Outstanding” when used with reference to the Bonds or any other designated securities and as of any particular date means all the Bonds or any such other securities payable from the Pledged Revenues, as the case may be, in any manner theretofore and thereupon being executed and delivered:

(a) Except any Bond or other security canceled by the District, by the Paying Agent or otherwise on the District’s behalf, at or before such date;

(b) Except any Bond or other security the payment of which is then due or past due and moneys fully sufficient to pay the same are on deposit with the Paying Agent;

(c) Except any Bond or other security for the payment or the redemption of which moneys at least equal to the District’s Bond Requirements to the date of maturity or to any Redemption Date, shall have heretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in Section 1001 of the 2016B Bond Resolution; and

(d) Except any Bond or other security in lieu of or in substitution for which another bond or other security shall have been executed and delivered pursuant to Sections 306 or 1209 of the 2016B Bond Resolution.

(29) "owner" or any similar term, when used in conjunction with any Bonds, or any other designated securities, means the registered owner of any Bonds or other security which is registrable for payment if it shall at the time be registered for payment otherwise than to bearer.

(30) "parity bonds" or "parity securities" means bonds or securities which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds authorized by the 2016B Bond Resolution.

(32) "Parity Lien Bonds" means the Outstanding 2005B Bonds, 2006C Bonds, 2007B Bonds, 2011B Bonds and 2014B Bonds.

(33) "Paying Agent" means The Bank of New York Mellon Trust Company, N.A. or any successor which may be appointed from time to time as paying agent for the Bonds.

(34) "Pledged Revenues" means all income and revenue derived by the District from the collection of the proceeds of taxes deposited in the Capital Projects Fund pursuant to NRS 244.3354, 268.0962 and 375.070. "Pledged Revenues" includes any additional income to be paid to the District from any supplemental or additional excise taxes received by the District, if the Board is authorized to include and elects to include the additional income in "Pledged Revenues" for the remaining term of the Bonds.

(35) "Project" means the refunding of the Refunded Bonds and the costs of issuance related thereto.

(36) "Project Act" means NRS 387.328, as amended.

(37) "Rebate Account" means the "Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, Rebate Account" created in Section 607 of the 2016B Bond Resolution.

(38) "Redemption Date" means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from any Pledged Revenues in any mandatory redemption schedules, or in any notice of prior redemption or otherwise fixed and designated by the District.

(39) "Redemption Price" means, when used with respect to a Bond or other designated security payable from any Pledged Revenues, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such Bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

(40) "Registrar" means The Bank of New York Mellon Trust Company, N.A. or any successor which may be appointed from time to time as registrar for the Bonds.

(41) "Regular Record Date" means the last day of the calendar month next preceding each interest payment date.

(42) "Special Record Date" means a special date fixed by the Paying Agent to determine the names and addresses of owners of the Bonds for the payment of any defaulted interest on any of the Bonds, as further provided in Section 302 of the 2016B Bond Resolution. At least 10 days' notice will be given by the Paying Agent by first-class regular mail to each owner of a Bond as stated on the Registrar's registration list at the close of business on a date fixed by the Paying Agent, stating the date of the Special Record Date and the due date fixed for the payment of such defaulted interest.

(43) "State" means the State of Nevada, in the United States.

(44) "subordinate bonds" or "subordinate securities" means bonds or securities which have a lien on the Pledged Revenues that is subordinate and junior to the lien thereon of the Bonds herein authorized.

(45) "superior bonds" or "superior securities" means special obligation bonds or securities which have a lien on the Pledged Revenues that is superior to the lien thereon of the Bonds.

(46) "Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

(47) "Taxes" means General Taxes.

Application of Proceeds

First, there shall be credited to the Bond Fund all moneys, if any, received as accrued interest on the Bonds from their sale by the District from the date of the Bonds to the date of their delivery to the initial purchaser of the Bonds, to apply to the payment of interest on the Bonds as the same becomes due after their delivery. Second, Bond proceeds, together with other available monies, in an amount sufficient to effect the refunding of the Refunded Bonds shall be deposited in the Escrow Account to be used solely for the purpose of paying the Bond Requirements of the Refunded Bonds. Third, the remaining proceeds shall be credited to the Clark County School District, Nevada 2016B Refunding Bonds Cost of Issuance Account (the "Cost of Issuance Account") to pay the costs of issuance relating to the Project. The unexpended proceeds derived from the sale of the Bonds and remaining in the Cost of Issuance Account shall be deposited into the Bond Fund.

Flow of Funds

So long as any of the Bonds shall be Outstanding, as to any Bond Requirements, the entire Pledged Revenues shall be set aside and credited immediately to the Income Fund.

So long as any of the Bonds shall be Outstanding, as to any Bond Requirements, the Income Fund shall be administered, and the moneys on deposit therein shall be applied in the following order of priority:

(a) First, from the Pledged Revenues, there will be credited to any bond fund created to pay the principal of, interest on and prior redemption premiums due on any superior bonds or superior securities issued in accordance with the provisions of the 2016B Bond Resolution:

(1) Monthly, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the superior bonds or superior securities.

(2) Monthly, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal of the superior bonds or superior securities coming due at maturity, and an amount sufficient to pay the principal of, interest on and any prior redemption premiums due on the outstanding superior bonds or superior securities.

(b) Second, the following transfers will be concurrently credited to the Bond Fund concurrently with the transfers to the bond funds for the Parity Lien Bonds and other parity securities hereafter issued, in accordance with the provisions of bond resolutions authorizing the issuance of any such parity securities:

(1) Monthly, commencing on the fifteenth of the month following the date of delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys available therefor, to pay the next maturing installment of interest on the Bonds, then Outstanding, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary together with any other

monies available therefor and on deposit therein, to pay the next maturing installment of interest on the Bonds then Outstanding.

(2) Monthly, commencing on the later of the fifteenth of the month following the date of delivery of the Bonds or 12 months prior to the first principal payment on the Bonds, an amount in equal monthly installments necessary, together with any other monies available therefor, to pay the next installment of principal of the Bonds, coming due at maturity, and monthly thereafter, commencing on each principal payment date, one-twelfth of the amount necessary, together with any other monies from time to time available therefor and on deposit therein, to pay the next installment of principal of the Bonds coming due at maturity, or pursuant to mandatory sinking fund requirements, if any.

No payment need be made into the Bond Fund, if the amounts in the Bond Fund, total a sum at least equal to the entire amount of the Bond Requirements of Outstanding Bonds, both accrued and not accrued, to their respective maturities, in which case moneys in that account in an amount at least equal to such Bond Requirements will be used solely to pay such Bond Requirements as the same become due; and any moneys in excess thereof in the Bond Fund, and any other moneys derived from the Pledged Revenues will be applied as provided in the 2016B Bond Resolution.

(c) Third, either concurrently with or subsequent to the payments required above, any moneys remaining in the Income Fund may be used by the District for the payment of Bond Requirements of additional bonds or other additional securities payable from the Pledged Revenues and hereafter authorized to be issued. The lien of such additional bonds or other additional securities on the Pledged Revenues and the pledge thereof for the payment of such additional securities will be superior to, on a parity with or subordinate to the lien and pledge of the Bonds. Payments for bond and reserve funds for any superior securities will be made concurrently with the payments for superior securities required above. Payments for bond and reserve funds for additional parity securities will be made concurrently with the payments for the Bonds required above, but payments for bond and reserve funds for additional subordinate securities will be made after the payments required above for superior or parity securities.

(d) Fourth, and subject to the above provisions but prior to the transfer of any Pledged Revenues to the payment of subordinate securities, there will be transferred into the Rebate Account such amounts as are required to be deposited therein to meet the District's obligations under "Tax Covenant" below with respect to the Bonds and any superior or parity securities issued in accordance with the provisions of the 2016B Bond Resolution, in accordance with Section 148(f) of the Tax Code. Amounts in the Rebate Account will be used for the purpose of making the payments to the United States required by such covenant and Section 148(f) of the Tax Code. Any amounts in the Rebate Account in excess of those required to be on deposit therein by such covenant and Section 148(f) of the Tax Code may be withdrawn therefrom and used for any lawful purpose.

(e) Fifth, any Pledged Revenues thereafter remaining in the Income Fund may be used at any time during any Fiscal Year whenever in the Fiscal Year there shall have been credited to Bond Fund, to the Rebate Account and to each other bond fund and reserve fund, if any, for the payment of any other securities payable from the Pledged Revenues, all amounts required to be deposited in those special accounts for such portion of the Fiscal Year, for any one or any combination of lawful purposes, or otherwise, as the District may from time to time determine.

Lien of the Bonds

The Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues on a parity with the Parity Lien Bonds and any parity securities hereafter issued, subject to and after any superior liens upon such Pledged Revenues of any superior bonds or superior securities hereafter issued.

The Bonds, the Parity Lien Bonds and any parity securities hereafter authorized to be issued and from time to time Outstanding are equally and ratably secured by a lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of the issuance of the Bonds, the Parity Lien Bonds and any other such securities, it being the intention of the District that there shall be no priority among the Bonds, the Parity Lien Bonds and any such parity securities, regardless of the fact that they may be actually issued and delivered at different times.

Superior or Parity Securities

The District may issue additional securities payable from the Pledged Revenues and constituting a lien thereon superior to or on a parity with, the lien thereon of the Bonds. The District may issue securities refunding all or a part of the Bonds (or funding or refunding any other then Outstanding securities payable from Pledged Revenues), as provided in "Refunding Securities" below; but before any such additional superior or parity securities are authorized or actually issued (excluding any superior or parity refunding securities other than any securities refunding subordinate bonds or other subordinate securities):

(a) At the time of the adoption of the supplemental instrument authorizing the issuance of the additional securities, the District shall not be in default in making any required payments described at subsections (a), (b), (c), or (d) of the section entitled "Flow of Funds" above, with respect to any superior or parity securities.

(b) Except as hereinafter otherwise provided: (1) the Pledged Revenues derived in the Fiscal Year immediately preceding the date of the issuance of the additional superior or parity securities shall have been at least sufficient to pay an amount equal to the combined maximum annual principal and interest requirements (to be paid during any one Bond Year, commencing with the Bond Year in which the additional superior or parity securities are issued and ending on the fifteenth day of June of the year in which any then Outstanding Bonds last mature) of the Outstanding Bonds, the Outstanding Parity Lien Bonds and any other Outstanding superior or parity securities of the District and the bonds or other securities proposed to be issued (excluding the reserves therefor); or, (2) the Pledged Revenues estimated by the Chief Financial Officer, an independent feasibility consultant or an Independent Accountant to be derived in each of the first five Fiscal Years immediately succeeding the issuance of the other additional superior or parity securities proposed to be issued, shall be at least equal to the combined maximum annual principal and interest requirements (the "Earnings Test").

(c) In the computation of the Earnings Test, the amount of the Pledged Revenues for the next preceding Fiscal Year must be decreased and may be increased by the amount of any loss or gain conservatively estimated by the Chief Financial Officer, independent feasibility consultant or Independent Accountant making the computation, which loss or gain results from any change in the rate of the taxes deposited in the Capital Projects Fund pursuant to NRS 244.3354, 268.0962 and 375.070 or otherwise constituting a part of the Pledged Revenues which change took effect during the next preceding Fiscal Year or thereafter prior to the issuance of such superior or parity securities, as if such modified rate shall have been in effect during the entire next preceding Fiscal Year, if such change shall have been made before the computation of the designated Earnings Test but made in the same Fiscal Year as the computation is made or in the next preceding Fiscal Year.

Additional superior securities may not be issued as general obligations of the District.

Subordinate Securities

Nothing in the 2016B Bond Resolution prevents the District from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

Refunding Securities

Refunding bonds or other refunding securities issued, unless issued as subordinate securities, will enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded, if there is any; and the owner or owners of the refunding securities will be subrogated to all of the rights and privileges enjoyed by the owner or owners of the unrefunded securities of the same issue partially refunded by the refunding securities.

If only a part of the Outstanding bonds and other Outstanding securities of any issue or issues payable from the Pledged Revenues is refunded, then such securities may not be refunded without the consent of the owner or owners of the unrefunded portion of such securities:

(a) Unless the refunding securities do not increase for any Bond Year the annual principal and interest requirements evidenced by the refunding securities and by the Outstanding securities not refunded on and before the last maturity date or last Redemption Date, if any, whichever is later, of the unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Pledged Revenues is not raised to a higher priority than the lien thereon of the bonds or other securities thereby refunded; or

(b) Unless the lien on any Pledged Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or

(c) Unless the refunding bonds or other refunding securities are issued in compliance with the requirements listed above under "Superior or Parity Securities".

Application of Pledged Revenues Covenant

The District covenants in the 2016B Bond Resolution to cause the taxes received by the District pursuant to the Project Act, NRS 244.3354, 268.0962 and 375.070 to be collected deposited and expended in the manner required by law and the 2016B Bond Resolution.

Bondowner's Remedies

Each owner of any Bond shall be entitled to all of the privileges, rights and remedies provided or permitted in the Bond Act, and as otherwise provided or permitted by law or in equity or by other statutes, except as provided in Sections 207 through 210 of the 2016B Bond Resolution, through but subject to the provisions in the 2016B Bond Resolution concerning the pledge of and the covenants and the other contractual provisions concerning the Pledged Revenues and the proceeds of the Bonds.

Events of Default

Each of the following events is an "event of default" under the 2016B Bond Resolution:

(a) Payment of the principal of any of the Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, at maturity, on any mandatory redemption dates, or by proceedings for optional prior redemption, or otherwise;

(b) Payment of any installment of interest on the Bonds is not made when the same becomes due and payable;

(c) The District fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Pledged Revenues, or otherwise, including, without limitation, the 2016B Bond Resolution, and such failure continues for 60 days after receipt of notice from the owners of a majority in principal amount of the Bonds then Outstanding;

(d) An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the District appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or if an order or decree having been entered without the consent or acquiescence of the District and a request to vacate or discharge such order is not made within 60 days or is not vacated or discharged or stayed on appeal within 60 days after entry; and

(e) The District makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in the 2016B Bond Resolution on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the District by the owners of a majority in principal amount of the Bonds then Outstanding.

Remedies for Default

Upon the happening and continuance of any of the events of default described in (a) through (e) above, then and in every case the owner or owners or not less than a majority in principal amount of the Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the District and its agents, officers and employees to protect and to enforce the rights of any owner of Bonds under the 2016B Bond Resolution by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained in the 2016B Bond Resolution or in an award of execution of any power granted in the 2016B Bond Resolution for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the District to act as it if were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds and any parity securities then Outstanding.

Amendment of the 2016B Bond Resolution

The 2016B Bond Resolution may be amended or supplemented by instruments adopted by the District in accordance with the laws of the State, without receipt by the District of any additional consideration and without the written consent of the insurer of the Bonds, if any, or the owners of the Bonds, if the amendment does not adversely and materially affect the interests of the owners of the Bonds, and otherwise with the written consent of the insurer of the Bonds, if any, or the owners of a majority in aggregate principal amount of the Bonds authorized by the 2016B Bond Resolution and Outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding any Bonds which may then be held or owned for the account of the District, but including such refunding securities as may be issued for the purpose of refunding any of the Bonds if the refunding securities are not owned by the District. No such instrument shall permit without the written consent of the insurer of the Bonds, if any, and all owners of the Bonds adversely and materially affected thereby:

(a) A change in the maturity or in the terms of redemption of the principal of any Outstanding Bond or any installment of interest thereon; or

(b) A reduction in the principal amount of any Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith; or

(c) A reduction of the percentages or otherwise affecting the description of Bonds the consent of the owners of which is required for any modification or amendment; or

(d) The establishment of priorities as between Bonds issued and Outstanding under the provisions of the 2016B Bond Resolution; or

(e) The modifications of or otherwise materially and prejudicially affecting the rights or privileges of the owners of less than all of the Bonds then Outstanding.

Whenever the District proposes to amend or modify the 2016B Bond Resolution, it will cause notice of the proposed amendment to be given not later than 30 days prior to the date of the proposed enactment of the amendment by mailing to each of the insurer of the Bonds, if any, the Paying Agent, the Registrar, and the owner of each of the Bonds Outstanding. The notice will briefly set forth the nature of the proposed amendment and will state that a copy of the proposed amendatory instrument is on file in the office of the Clerk for public inspection.

Whenever at any time within one year from the date of such notice, there shall be filed in the office of the Clerk an instrument or instruments executed by the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument; thereupon, but not otherwise, the District may adopt the amendatory instrument and the instrument shall become effective.

If the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds Outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners shall have consented to and approved the adoption thereof as herein provided, no owner of any Bond, whether or not the owner shall have consented to or shall have revoked any consent as provided in the 2016B Bond Resolution, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the District from taking any action pursuant to the provisions thereof.

Any consent to an amendment to the 2016B Bond Resolution given by the owner of a Bond shall be irrevocable for a period of 6 months from the date of the notice as described above, and shall be conclusive and binding upon all future owners of the same Bond during that period. The consent may be revoked at any time after 6 months from the date of the above-described notice by the owner who gave the consent or by a successor in title by filing notice of the revocation with the Clerk, but the revocation shall not be effective if the owners of a majority in aggregate principal amount of the Bonds Outstanding, before the attempted revocation, consented to and approved the amendatory instrument referred to in the revocation.

If the insurer of the Bonds, if any, or the owners of all the then Outstanding Bonds consent, the terms and the provisions of the 2016B Bond Resolution or of any instrument amendatory thereof or supplemental thereto and the rights and the obligations of the District and of the owners of the Bonds thereunder may be modified or amended in any respect upon the adoption by the District and upon the filing with the Clerk of an instrument to that effect, and no notice to the insurer of the Bonds, if any, or the owners of Bonds shall be required, nor shall the time of consent be limited except as may be provided in the consent.

Tax Covenant

The District covenants in the 2016B Bond Resolution for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the District or any project refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant will remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code have been met.

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APPENDIX C

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each series and maturity of the 2016 Bonds, each in the aggregate principal amount of such series and maturity, and will be deposited with DTC.

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

Purchases of 2016 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2016 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2016 Bonds, except in the event that use of the book-entry system for the 2016 Bonds is discontinued.

To facilitate subsequent transfers, all 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2016 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2016 Bond documents. For example, Beneficial Owners of 2016 Bonds may wish to ascertain that the nominee holding the 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2016 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the 2016 Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2016 Bonds at any time by giving reasonable notice to the District or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2016 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2016 Bond certificates will be printed and delivered to DTC.

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

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Clark County School District, Nevada (the "Issuer") in connection with the issuance of the Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds, Series 2016A, in the aggregate principal amount of $186,035,000, the Clark County School District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, in the aggregate principal amount of $90,775,000, and the Clark County School District, Nevada, General Obligation (Limited Tax) Medium-Term Bonds, Series 2016C, in the aggregate principal amount of $33,470,000 (collectively, the "Bonds"). The Bonds are being issued pursuant to the bond resolutions of the Issuer adopted on May 12, 2016 (the "Resolutions"). The Issuer covenants and agrees as follows:

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

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

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

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

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

"MSRB" shall mean the Municipal Securities Rulemaking Board. The MSRB's required method of filing will be electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org.

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

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

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 270 days following the end of the Issuer's fiscal year of each year, commencing 270 days following the end of the Issuer's fiscal year ending 2016, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

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

(c) The Dissemination Agent shall:

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

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

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

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

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

(b) An update of the type of information identified in Exhibit "B" hereto, which is contained in the tables in the Official Statement with respect to the Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

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

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) Modifications to rights of bondholders;

(h) Bond calls, if material, and tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the obligated person;[1] annual financial information and operating data is included in the final official statement;

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

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

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

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the

Resolutions, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATE: June 16, 2016.

CLARK COUNTY SCHOOL DISTRICT, NEVADA

____

Chief Financial Officer

EXHIBIT "A"

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Clark County School District, Nevada
Name of Bond Issue:	General Obligation (Limited Tax) Refunding Bonds, Series 2016A, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, and Clark County School District, Nevada, General Obligation (Limited Tax) Medium-Term Bonds, Series 2016C.
Date of Issuance:	June 16, 2016

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Bond Resolutions adopted on May 12, 2016 and the Continuing Disclosure Certificate executed on June 16, 2016 by the Issuer. The Issuer anticipates that the Annual Report will be filed by ______________________.

Dated: ______________________

CLARK COUNTY SCHOOL DISTRICT, NEVADA

By:__________________________________

Its:_________________________________

EXHIBIT “B”

SEE INDEX OF TABLES TO BE UPDATED FROM OFFICIAL STATEMENT

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APPENDIX E

FORMS OF BOND COUNSEL OPINIONS

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FORMS OF APPROVING OPINIONS OF BOND COUNSEL

Clark County School District, Nevada
5100 West Sahara Avenue
Las Vegas, Nevada 89146

$186,035,000
Clark County School District, Nevada
General Obligation (Limited Tax)
Refunding Bonds
Series 2016A

Ladies and Gentlemen:

We have acted as bond counsel to the Clark County School District (the "District"), Nevada (the "State"), in connection with the issuance of its General Obligation (Limited Tax) Refunding Bonds, Series 2016A, in the aggregate principal amount of $186,035,000 (the "Bonds") pursuant to an authorizing resolution of the Board of Trustees of the District adopted and approved on May12, 2016 (the "Bond Resolution"). In such capacity, we have examined the District's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

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

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

1. The Bonds constitute valid and binding limited tax general obligations of the District.

2. All of the taxable property in the District is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

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

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

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

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

The obligations of the District pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including, without limitation, bankruptcy powers.

In expressing the opinions above, we are relying, in part, on a report of independent certified public accountants verifying (i) the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds; and (ii) the mathematical calculations of the yield of the Bonds and the yield of certain investments made with the proceeds of the Bonds and other moneys deposited in the Escrow Account.

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

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

Respectfully submitted,

Clark County School District, Nevada
5100 West Sahara Avenue
Las Vegas, Nevada 89146

$90,775,000
Clark County School District, Nevada
General Obligation (Limited Tax) Refunding Bonds
(Additionally Secured by Pledged Revenues)
Series 2016B

Ladies and Gentlemen:

We have acted as bond counsel to the Clark County School District (the "District"), Nevada (the "State"), in connection with the issuance of its General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B, in the aggregate principal amount of $90,775,000 (the "Bonds") pursuant to an authorizing resolution of the Board of Trustees of the District adopted and approved on May 12, 2016 (the "Bond Resolution"). In such capacity, we have examined the District's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Resolution.

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

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

1. The Bonds constitute valid and binding limited tax general obligations of the District.

2. All of the taxable property in the District is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

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

4. The Bonds are additionally secured by and payable from the Pledged Revenues. The Bond Resolution creates a valid lien on the Pledged Revenues and on the Bond Fund pledged therein for the security of the Bonds on a parity with any parity bonds or parity securities outstanding and hereafter issued which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds, and subordinate to any superior bonds or superior securities hereafter issued which have a lien on the Pledged Revenues that is superior to the lien thereon of the Bonds. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the Pledged Revenues or on the Bond Fund created by the Bond Resolution.

5. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

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

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

The obligations of the District pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including, without limitation, bankruptcy powers.

In expressing the opinions above, we are relying, in part, on a report of independent certified public accountants verifying (i) the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds; and (ii) the mathematical calculations of the yield of the Bonds and the yield of certain investments made with the proceeds of the Bonds and other moneys deposited in the Escrow Account.

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

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

Respectfully submitted,

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Clark County School District, Nevada
5100 West Sahara Avenue
Las Vegas, Nevada 89146

$33,470,000
Clark County School District, Nevada
General Obligation (Limited Tax) Medium-Term Bonds
Series 2016C

Ladies and Gentlemen:

We have acted as bond counsel to the Clark County School District, Nevada (respectively, the "District" and the “State”), in connection with the issuance of its General Obligation (Limited Tax) Medium-Term Bonds, Series 2016C, in the aggregate principal amount of $33,470,000 (the “Bonds”), pursuant to an authorizing resolution adopted and approved by the District’s Board of Trustees on May 12, 2016 (the "Bond Resolution"). In such capacity, we have examined the District's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Bond Resolution.

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

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

1. The Bonds constitute valid and binding limited tax general obligations of the District.

2. The principal of and interest on the Bonds are payable from any moneys of the District legally available for the purpose of making such payment and the District has irrevocably pledged its full faith and credit for the purpose of making such payment on the Bonds.

3. Any ad valorem taxes which are levied for the purpose of paying the principal of and interest on the Bonds are subject to the limitations contained in the Constitution and laws of the State.

4. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of

computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

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

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

The obligations of the District pursuant to the Bonds and the Bond Resolution are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including, without limitation, bankruptcy powers.

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

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

Respectfully submitted,