

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
FINANCIAL STATEMENTS
AUGUST 31, 2022



**DANA F. COLE
& COMPANY** LLP
CERTIFIED PUBLIC ACCOUNTANTS

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SCOTTSSLUFF, NEBRASKA
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**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Scottsbluff Public Schools
Scottsbluff, Nebraska

Report on the Audited Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Scottsbluff Public Schools, Scottsbluff, Nebraska, as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Scottsbluff Public Schools, Scottsbluff, Nebraska, as of August 31, 2022, and the respective changes in modified cash basis financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash of accounting described in Note 1, and for determining that the modified cash of accounting is an acceptable basis for the preparation of the financial statements in

this circumstance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Scottsbluff Public Schools, Scottsbluff, Nebraska's basic financial statements. The supplementary information on pages 27 - 46 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards on pages 27 - 30 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award*, and is also not a required part of the basic financial statements.

The supplementary information on pages 31 - 46 and the schedule of expenditures of federal awards on pages 27 - 30 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 31 - 46, and schedule of expenditures of federal awards on pages 27 - 30 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the supplementary information on page 47 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2022, on our consideration of the Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control over financial reporting and compliance.

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
November 2, 2022

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2022

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities
FUNCTIONS/PROGRAMS				
Governmental activities				
Instruction	23,725,826	28,336	2,373,234	(21,324,256)
Support services	14,513,954	771,062		(13,742,892)
Operation of noninstructional programs	12,895			(12,895)
Private and state categorical programs	589,791			(589,791)
Federal programs	5,301,152		4,968,104	(333,048)
School Nutrition Fund	1,865,596	220,616	2,216,097	571,117
Capital outlay	2,477,576			(2,477,576)
Debt service	4,814,373			(4,814,373)
Other disbursements	448,390	432,280		(16,110)
Total governmental activities	<u>53,749,553</u>	<u>1,452,294</u>	<u>9,557,435</u>	<u>(42,739,824)</u>
General receipts				
Taxes				21,365,496
Interest				96,719
Local receipts				329,043
County and ESU sources				224,699
State receipts				19,667,513
Nonrevenue receipts				187,571
Total general receipts				<u>41,871,041</u>
Change in net position resulting from receipts and disbursements				(868,783)
NET POSITION, beginning of year				<u>32,907,830</u>
NET POSITION, end of year				<u>32,039,047</u>

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2022

				Net (Disbursements) Receipts and Changes in Net Position
	Disbursements	Charges for Services	Program Receipts Operating Grants and Contributions	Primary Government Total Governmental Activities
ASSETS				
Pooled cash in bank				9,518,647
Pooled cash investments				16,909,419
Cash at county treasurer				<u>5,610,981</u>
TOTAL ASSETS				<u><u>32,039,047</u></u>
NET POSITION				
Restricted for:				
Debt service				4,896,701
Capital projects				2,832,332
School Nutrition Program				1,445,453
Unrestricted				<u>22,864,561</u>
TOTAL NET POSITION				<u><u>32,039,047</u></u>

See accompanying notes to financial statements.

SCOTTSDLUFF PUBLIC SCHOOLS
SCOTTSDLUFF, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS AND
STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Major Funds								Total Governmental Funds
	General Fund	School Nutrition Fund	Special Building Fund	Qualified Capital Purpose Undertaking Fund	Student Fee Fund	Cooperative Fund	Bond Fund	Student Activity Fund	
RECEIPTS									
Taxes	17,000,699		345,630	786,731		3,232,436			21,365,496
Interest	79,637	2,531	5,061	3,796		5,694			96,719
Fines and licenses	20,111								20,111
Other local receipts	308,915					17			308,932
County and ESU sources	224,699								224,699
State receipts	21,640,334		33,289	71,866		295,258			22,040,747
Federal receipts	4,968,104	2,216,097							7,184,201
Program sales and charges	280,421	220,616			28,336	151,859		771,062	1,452,294
Nonrevenue receipts	187,571								187,571
Total receipts	<u>44,710,491</u>	<u>2,439,244</u>	<u>383,980</u>	<u>862,393</u>	<u>28,336</u>	<u>151,859</u>	<u>3,533,405</u>	<u>771,062</u>	<u>52,880,770</u>
DISBURSEMENTS									
Instructional services									
Regular instructional programs	18,044,229								18,044,229
Special education instructional programs	5,225,302								5,225,302
Summer school	456,295								456,295
Support services									
Student support	3,037,014						784,063		3,821,077
Instructional support	1,397,552								1,397,552
General administration	593,043								593,043
Office of the principal	2,809,951								2,809,951
Central services	821,178								821,178
Operation and maintenance of plant	4,130,737								4,130,737
Student transportation	714,686								714,686
Early retirement	225,730								225,730
Operation of noninstructional programs									
Community services	12,895								12,895
Private and state categorical programs									
Private grants	16,692								16,692
State categorical programs	573,099								573,099
Federal programs	5,301,152								5,301,152
School Nutrition Fund		1,865,596							1,865,596
Capital outlay	2,477,576								2,477,576
Debt service				1,921,709			2,892,664		4,814,373
Other disbursements	272,231				27,891	148,268			448,390
Total disbursements	<u>46,109,362</u>	<u>1,865,596</u>		<u>1,921,709</u>	<u>27,891</u>	<u>148,268</u>	<u>2,892,664</u>	<u>784,063</u>	<u>53,749,553</u>

SCOTTSDLUFF PUBLIC SCHOOLS
SCOTTSDLUFF, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS AND
STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Major Funds								Total Governmental Funds
	General Fund	School Nutrition Fund	Special Building Fund	Qualified Capital Purpose Undertaking Fund	Student Fee Fund	Cooperative Fund	Bond Fund	Student Activity Fund	
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(1,398,871)	573,648	383,980	(1,059,316)	445	3,591	640,741	(13,001)	(868,783)
FUND BALANCES, beginning of year, as restated	<u>23,697,212</u>	<u>871,805</u>	<u>2,448,352</u>	<u>1,764,752</u>	<u>14,280</u>	<u>50,574</u>	<u>3,550,524</u>	<u>510,331</u>	<u>32,907,830</u>
FUND BALANCES, end of year	<u>22,298,341</u>	<u>1,445,453</u>	<u>2,832,332</u>	<u>705,436</u>	<u>14,725</u>	<u>54,165</u>	<u>4,191,265</u>	<u>497,330</u>	<u>32,039,047</u>
ASSETS									
ASSETS									
Pooled cash in bank	6,460,701	521,061	984,738	176,352	14,725	54,165	1,190,625	116,280	9,518,647
Pooled cash investments	11,431,906	924,392	1,746,980	312,858			2,112,233	381,050	16,909,419
Cash at county treasurer	<u>4,405,734</u>		<u>100,614</u>	<u>216,226</u>			<u>888,407</u>		<u>5,610,981</u>
TOTAL ASSETS	<u>22,298,341</u>	<u>1,445,453</u>	<u>2,832,332</u>	<u>705,436</u>	<u>14,725</u>	<u>54,165</u>	<u>4,191,265</u>	<u>497,330</u>	<u>32,039,047</u>
FUND BALANCES									
FUND BALANCES									
Restricted for:									
Debt service				705,436			4,191,265		4,896,701
Capital projects			2,832,332						2,832,332
School Nutrition Program		1,445,453							1,445,453
Committed									
Student activities								497,330	497,330
Assigned									
Asset acquisitions	3,800,566								3,800,566
Employee benefits	16,758								16,758
Student activities					14,725				14,725
Cooperative activities						54,165			54,165
Unassigned	<u>18,481,017</u>								<u>18,481,017</u>
TOTAL FUND BALANCES	<u>22,298,341</u>	<u>1,445,453</u>	<u>2,832,332</u>	<u>705,436</u>	<u>14,725</u>	<u>54,165</u>	<u>4,191,265</u>	<u>497,330</u>	<u>32,039,047</u>

See accompanying notes to financial statements.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of Scottsbluff Public Schools, Scottsbluff, Nebraska (the District).

Reporting Entity

The Scottsbluff Public Schools, Scottsbluff, Nebraska's Board of Education is the basic level of government, which has financial accountability and control over all activities related to public school education in the District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since the District's board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units, as defined in Governmental Accounting Standards Board Statement 14, which are included in the District's reporting entity.

All significant activities and organizations on which the District exercises oversight responsibility have been included in the District's financial statements.

Basic Financial Statements - Government-Wide Statements

The District utilizes the provisions of Statement 34 of the Government Accounting Standards Board, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Statement 34 established standards for external financial reporting for all state and local government entities, which includes government-wide financial statements, fund financial statements, and the classification of net position into the following components: restricted and unrestricted.

The statement of net position and statement of activities report information on the District as a whole. They include all funds of the District except for fiduciary funds. The effects of interfund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include (1) charges to customers or applicants who purchase, use, or directly benefit

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Statements (Continued)

from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

Basic Financial Statements - Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements as applicable.

The financial transactions of the District are reported in individual funds in the fund financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts, and disbursements.

Fund Types

The accounts of the District are organized on the basis of funds, which are grouped into the following fund types:

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the District and accounts for all receipts and disbursements of the District not encompassed within other funds. It may finance all facets of services rendered by the District, inclusive of operation and maintenance. General Fund receipts are classified according to source while its disbursements are classified according to specific functions. All property tax receipts and other receipts that are not allocated by law, budgetary requirement, or contractual agreement to some other fund are accounted for in this fund. General operating disbursements and the new replacement capital outlay costs that are not paid through other funds are paid from the General Fund. General Fund disbursements are limited by the Tax Equity and Educational Opportunities Support Act.

Depreciation Fund - The Depreciation Fund is established by the District in order to facilitate the eventual purchase of a costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, the District will show the movement of monies as a disbursement from the General Fund and the Depreciation

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Fund will show the receipt as a "transfer from the General Fund." The District may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The purpose of a depreciation fund is to spread replacement costs of capital outlay over a period of years to avoid a disproportionate tax effect in a single year to meet such an expense. This fund is restricted as part of the Allowable Reserve by the Tax Equity and Educational Opportunities Support Act. The Depreciation Fund is considered a component of the General Fund.

Employee Benefit Fund - The Employee Benefit Fund is established to specifically reserve General Fund money for the benefit of the District employees (unemployment compensation, early retirement, health insurance deductibles, etc.). The District accounts for the allocation of funds from the General Fund to this fund as a disbursement in the General Fund and in the Employee Benefit Fund the receipt as a "transfer from the General Fund." This fund may consist of more than one account for valid allocation purposes. The cash reserve of this fund is restricted as part of the Allowable Reserve by the Tax Equity and Educational Opportunities Support Act. The Employee Benefit Fund is considered a component of the General Fund.

School Nutrition Fund - The School Nutrition Fund is used to accommodate the financial activities of the Child Nutrition Programs. These include the School Lunch, School Breakfast, After School Snack, Special Milk, Child and Adult Care Food, and the Summer Food Service Programs. The fund accounts for all receipts and disbursements of all Child Nutrition Programs. Receipts in this fund include the federal and state program cost reimbursements received by the District and General Fund support of the lunch program. All food purchases and other supplies are accounted for as disbursements of the School Nutrition Fund; accordingly, no inventories are maintained in this fund.

Bond Fund - The Bond Fund is used to record tax receipts and disbursements for the payment of bond principal and interest, and other related costs (i.e. investment interest, trustee fees, etc.). Receipts from a levy to retire bonds in the District are retained in a separate fund by the county treasurer, the financial institution serving as a fiscal agent, or the District. Funds are disbursed upon appropriate demand. All records of the transaction are maintained in this fund. Proceeds from bond issuance are deposited and recorded as a receipt in the Special Building Fund to be disbursed on the actual building project. The General Fund is used to make interest and bond retirement payments if the Bond Fund balance is not sufficient to meet these requirements.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Special Building Fund - The Special Building Fund is established for acquiring or improving sites and buildings, including the construction, alteration, or improvement of buildings. The primary sources of receipts for the Special Building Fund include the sale of bonds, the sale of property, and tax receipts. Regardless of the source, all receipts for this purpose are accountable through this fund. General Fund disbursements for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those disbursements associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund activity is active at the same time, separate accounts for each project may be established within the single Special Building Fund. The tax levy for this fund is restricted. The Board of Education may approve a budget with a levy limitation of \$0.14 per \$100 of valuation, or a tax levy not to exceed \$0.175 per \$100 of valuation may be established for this fund by a vote of the people within the District for a term not to exceed ten years.

Qualified Capital Purpose Undertaking Fund - The Qualified Capital Purpose Undertaking Fund (QCPUF) is established for a specific abatement project to address an actual or potential environmental hazard, accessibility barrier, life safety code violation, life safety hazard, or mold which exists within one or more existing school buildings or the school grounds of existing school buildings controlled by the District. Such determination shall not include abatement projects related to the acquisition of new property, the construction of a new building, the expansion of an existing building, or the remodeling of an existing building for purposes other than the abatement of environmental hazards, accessibility barriers, life safety code violations, life safety hazards, or mold. The period of years for such levy shall not exceed ten years and the levy for such project when combined with all other levies pursuant to Sections 79-10, 110.02 and 79-10, 110 R.R.S. shall not exceed \$0.03 per \$100 of taxable valuation. General Fund disbursements for the purpose of these funds are not allowable.

For projects in place prior to April 19, 2016, the Qualified Capital Purpose Undertaking Fund maximum levy remains at \$0.052.

If taxable valuation is lower than the taxable valuation in the year when the District last issued QCPUF bonds and the \$0.03 maximum levy is insufficient to meet the combined annual principal and interest, the District can exceed the \$0.03 maximum levy for the difference to meet that year's principal and interest obligations.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Student Fee Fund - The Student Fee Fund is established to collect fees from students for participation in extracurricular activities, postsecondary education costs, and summer school or night school. The money is disbursed for the purposes for which it was collected from the students.

Cooperative Fund - The Cooperative Fund is used by the District acting as the fiscal agent for any cooperative activity between the District and one or more public agencies as defined in Section 13-803(2) R.R.S. All public agencies, including the District acting as the fiscal agent, shall show the payment for services to a cooperative in their General Fund.

Activities Fund - The Activities Fund is used to account for the financial operations of quasi-independent student organizations, interschool athletics, and other self-supporting or partially self-supporting school activities not part of another fund. The Activities Fund shall not be used to record general operation receipts or disbursements, nor shall the Activities Fund be used as a clearing account for the General Fund. The District may divide this fund into more than one account to allocate a portion of this fund for different purposes.

Major Funds

The District reports all governmental funds as major funds. The General Fund and its components are considered one fund for reporting purposes.

Basis of Accounting

The District prepares its financial statements on the modified cash basis, which is in conformity with the accounting practices prescribed or permitted by the State of Nebraska Department of Education.

The modified cash basis of accounting is a basis of accounting other than GAAP as established by GASB. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Only cash (and cash equivalents) and items that involve the receipt or disbursement of cash (or equivalents) during the period are recognized, except for the following modifications:

Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit) that arise from transactions and events involving cash or cash equivalents are recognized; and

Taxes and other revenues collected by the county treasurers are included in revenues of the District in the year collected by the counties and the District funds held by the county treasurers at year end are included as assets of the District. This is in accordance with the requirements of the State of Nebraska Department of Education.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets, such as property, equipment, and infrastructure, are not reported and long-term liabilities, such as debt and compensated absences, are not reported.

If the District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

Capital Assets

In accordance with the modified cash basis of accounting, capital assets are not recorded as assets on the government-wide or fund financial statements, and depreciation is not recognized. Purchases of capital assets are recorded as disbursements by function in the financial statements.

Long-Term Obligations

In accordance with the modified cash basis of accounting, long-term debt is not reported as a liability in the government-wide or fund financial statements. Proceeds from long-term debt are reported as receipts and payments of principal are reported as disbursements in both the government-wide and fund financial statements.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification

Government-Wide Statements

Equity is classified as net position and displayed in two components:

Restricted net position consists of net assets with constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or through constitutional provision or enabling legislation.

Unrestricted net position consists of net assets that do not meet the definition of restricted.

It is the District's policy to use restricted net assets first, prior to the use of unrestricted net assets, when a disbursement is paid for purposes in which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they either (a) are not in spendable form or (b) are legally or contractually required to be maintained intact. The District currently has no amounts classified in this category.

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned

This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board delegating this responsibility to the District administrator through the budgetary process.

Unassigned

This classification includes the residual fund balance for the General Fund.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Interfund Balances and Activities

In the process of aggregating the financial information of the government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Budget Process and Property Taxes

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The General Fund is also subject to a total non-special education disbursement limit. Appropriations for disbursements lapse

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget Process and Property Taxes (Continued)

at year end. Any revisions to the adopted budget of total disbursements to any fund require a public hearing. State statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various disbursements and/or tax levy limitations.

The property tax requirement resulting from the budget process is utilized to establish the tax levy in accordance with state statutes, which tax levy attaches as an enforceable lien on property within the District as of January 1. Taxes are due as of that date. One-half of the real estate taxes due January 1 become delinquent after the following May 1, with the second one-half becoming delinquent after September 1.

Compensated Absences

In accordance with the modified cash basis of accounting, vacation and sick leave benefits are reported as disbursements when paid. The District has entered into negotiated contracts for employment for its certified and noncertified personnel for specified periods. Those contracts specify, in addition to other items, the sick and vacation leave accrual and use of these benefits. Subsequent negotiated contracts may alter those benefit terms. The District's negotiated contract terms for sick and vacation leave benefits are as follows:

Certified Personnel

Vacation leave - There is no benefit provided for vacation leave.

Sick leave - For full-time employees, sick leave accrues on September 1 of each year at a rate of ten days per year. Employees may accumulate 100 days of sick leave. Unused sick leave may be converted to a cash benefit upon retirement at age 55 or above, or death, at a rate of \$40 per day for a maximum of 75 days.

Noncertified Personnel

Vacation leave - For full-time, full-year employees, vacation leave accrues on September 1 of each year at a rate of two weeks per year for employees with 10 years of service or less and three weeks for employees with more than 10 years of service to the District. Vacation leave is pro-rated for employees entering service to the District after September 1. All unused vacation is forfeited as of August 31 of the year following the year in which it is earned.

Sick leave - Sick leave will accrue at a rate of one day per month of service. Employees may accumulate 60 days of sick leave. Unused sick leave may be converted to a cash benefit, at a specified contractual rate, upon disability or retirement, upon 10 years of service or more.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

Administrators

Vacation leave - Administrators with 12-month contracts receive 25 days of vacation annually upon contract renewal (July 1).

Sick leave - Ten days of sick leave are provided each of the first two years of employment and six days each succeeding year of employment. Sick leave of up to 100 days will be paid at the rate of \$40 per day upon retirement or death of the administrator.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

NOTE 2. CASH AND INVESTMENTS

For the following disclosures, deposits - including checking accounts, savings accounts, money market accounts, and certificates of deposit - are all classified as cash or cash and cash equivalents on the financial statements.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2022, the District held bank deposits and also held funds in certificates of deposit with the Nebraska Liquid Asset Fund (NLAf).

The NLAf was formed in 1988 under the Interlocal Cooperation Act to provide a cash management program for school districts, educational service units and community colleges, public agencies, and other governmental subdivisions. The NLAf was established to assist public bodies throughout the state of Nebraska with the investment of their available cash reserves. Participation in the investment fund is voluntary for its members. The objective of the fund is to provide a means for investors to achieve a high rate of return while preserving principal and maintaining liquidity, while investing only in instruments permitted by applicable Nebraska statutes. NLAf seeks to achieve its investment objective through professionally managed investment funds governed by the investment policies and restrictions specified. The NLAf Board of Trustees is elected from representatives of various participants in the fund. The NLAf Board of Trustees has engaged PFM Asset Management, LLC, as administrator and investment advisor. For a copy of the most recent audit report for the NLAf, contact NLAf at 1-877-667-3523 or via the NLAf website at <https://www.nlafpool.org/>.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits (Continued)

Bank Deposits

As of August 31, 2022, all of the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized, and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of Federal Deposit Insurance Corporation (FDIC) limits.

NLAF Deposits

State law required collateralization of deposits with Federal depository insurance or with U.S. Treasury and U.S. Agency securities having an aggregate value at least equal to the balance of deposits. As of August 31, 2022, all of NLAF's deposits were insured and collateralized by securities held by the pledging financial institution in other than the NLAF's name.

Investments

The NLAF is a pooled cash account that invests primarily in U.S. government & agency obligations and repurchase agreements. The NLAF seeks to maintain a stable net asset value of \$1 per share, but it is possible to lose money investing in the NLAF. The NLAF is not insured or guaranteed by the Federal Depository Insurance Corporation or any other governmental agency.

At August 31, 2022, the District had \$9,055,478 in NLAF investments. These investments consisted of government agency securities and repurchase agreements that were collateralized by U.S. government securities.

The District is exposed to risks noted below in relation to its investments in the NLAF. The District does not have a policy for these risks. The following NLAF risk policies below were taken from footnotes in the NLAF audit report.

Interest Rate Risk

The NLAF investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that the portfolio maintain a dollar-weighted average maturity of not greater than 60 days. The weighted average maturity of the entire portfolio at May 31, 2022, the date of the latest NLAF audit report, was 20 days.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. According to the latest audit report on the NLAf, as of May 31, 2022, the NLAf limits the investments to certain fixed income instruments which school entities are permitted to invest in under Nebraska law. As of May 31, 2022, the investment portfolio was comprised of investments that were, in aggregate, rated by Standard & Poor's (S&P) as shown in the table below. The rates include the ratings of collateral underlying repurchase agreements in effect at May 31, 2022.

<u>S&P Rating</u>	<u>Percent of Portfolio</u>
AA+	51.30%
A-1+	15.00%
Exempt*	33.70%

***Represents investments in U.S. Treasury securities, which are not considered to be subject to overall credit risk per GASB.*

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the NLAf will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The NLAf has no specific policy as to custodial credit risk. All of the underlying securities for the NLAf investments in repurchase agreements at May 31, 2022, the latest audit report date for the NLAf, were collateralized at 102% of the obligation's principal and interest value. In the event of default on the obligation to repurchase, the NLAf has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation.

Concentration of Credit Risk

The NLAf investment policy establishes certain restrictions on investments and limitations on portfolio composition. The investment portfolio at May 31, 2022, included the issuers shown in the table below, which individually represented greater than 5% of the total investment portfolio.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk (Continued)

Issuer	Percent of Fund
BNP Paribas (NY) *	15.64%
Credit Agricole Corporate & Investment Bank (NY)	12.25%
Federal Farm Credit Banks	22.45%
Federal Home Loan Bank	28.36%
U.S. Treasury	12.05%

**These issuers are also counterparties to repurchase agreements entered into by the Fund. These repurchase agreements are collateralized by U.S. government and agency obligations.*

NOTE 3. RETIREMENT PLAN

Plan Description

Scottsbluff Public Schools contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions.

In 1945, the Nebraska Legislature enacted the law establishing a retirement plan for school employees of the State. During the NPERS fiscal year ended June 30, 2021, there were 266 participating school districts. These were the districts that had contributions during the fiscal year. All regular public school employees in Nebraska, other than those who have their own retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, and Nebraska Community Colleges), are members of the plan.

Normal retirement is at age 65. For an employee who became a member before July 1, 2013, the monthly benefit is equal to the greater of the following: (1) the sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to \$3.50 per year of service; or (2) the average of the three 12-month periods of service as a school employee in which such compensation was the greatest, multiplied by total years of creditable service, multiplied by a formula factor of two percent, and an actuarial factor based on age.

For an employee who became a member on or after July 1, 2013, the monthly benefit is equal to the greater of the following: (1) the sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to \$3.50 per year of service; or (2) the average of the five 12-month periods of service as a

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN (Continued)

Plan Description (Continued)

school employee in which such compensation was the greatest, multiplied by total years of creditable service, multiplied by a formula factor of two percent, and an actuarial factor based on age.

Benefit calculations vary with early retirement. Employees' benefits are vested after five years of plan participation or when termination occurs at age 65 or later.

For school employees who became members prior to July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost-of-living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or two and one-half percent. The current benefit paid to a retired member or beneficiary is adjusted so that the purchasing power of the benefit being paid is not less than 75 percent of the purchasing power of the initial benefit.

For school employees who became members on or after July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost-of-living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent. There is no purchasing power floor for employees who fall under this tier.

Contributions

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2020 to June 30, 2021, (and from July 1, 2021 through August 31, 2022). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for the year ended August 31, 2022, was \$2,666,912.

For the District's year ended August 31, 2022, the District's total payroll for all employees was \$29,907,284. Total covered payroll was \$26,999,053. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Nebraska Public Employees Retirement Systems Plan financial report. NPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained via the internet at <http://www.auditors.nebraska.gov>.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT

Long-term debt at August 31, 2022, consisted of the following:

The District issued Series 2017 General Obligation Bonds for advance refunding Series 2012 General Obligation Bonds. Total proceeds of the bond issuance were \$6,925,000. Principal payments are made annually on December 15th of each year beginning in 2018. Interest accrues at 1.15% to 2.25% and is payable in annual installments due on December 15 of each year. The outstanding principal balance of these bonds was \$3,880,000 as of August 31, 2022.

The District issued Series 2019 General Obligation Bonds for advance refunding Series 2014 General Obligation Bonds. Total proceeds of the bond issuance were \$4,195,000. Principal payments are made annually on December 15th of each year beginning in 2019. Interest accrues at 1.45% to 3.00% and is payable in annual installments due on December 15 of each year. The outstanding principal balance of these bonds was \$3,125,000 as of August 31, 2022.

The District issued Series 2014 Limited Tax Obligation Bonds for advance refunding Series 2012 Limited Tax Obligation Bonds. Total proceeds of the bond issuance were \$5,930,000. Principal payments are made annually on December 15th of each year beginning in 2014. Interest accrues at 0.25% to 2.50% and is payable in semiannual installments due on December 15 and June 15 of each year. The outstanding principal balance of these bonds was \$- 0 - as of August 31, 2022.

The District issued Series 2020 General Obligation Bonds for advance refunding Series 2015 General Obligation Bonds. Total proceeds of the bond issuance were \$24,845,000. Principal payments are made annually on December 15th of each year beginning in 2020. Interest accrues at 1.45% to 3.00% and is payable in annual installments due on December 15 of each year. The outstanding principal balance of these bonds was \$24,310,000 as of August 31, 2022.

The District issued Series 2021 General Obligation Bonds for refunding Series 2016 General Obligation Bonds. Total proceeds of the bond issuance were \$6,071,412. Principal payments are made annually on December 1st of each year beginning in 2022. Interest accrues at 2.00% and is payable in semiannual installments due on June 1st and December 1st of each year. The outstanding principal balance of these bonds was \$5,455,000 as of August 31, 2021.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

The following is a summary of the District's long-term debt transactions for the year ended August 31, 2022:

	Balance September 1, 2021	Addi- tions	Retire- ments	Balance August 31, 2022
Series 2017 - General Obligation Bonds	4,765,000		885,000	3,880,000
Series 2019 - General Obligation Bonds	3,580,000		455,000	3,125,000
Series 2020 - General Obligation Bonds	24,845,000		535,000	24,310,000
Series 2021 - General Obligation Bonds	5,710,000		255,000	5,455,000
Series 2014 - Limited Tax Obligation Bonds	<u>1,871,000</u>		<u>1,871,000</u>	
	<u>40,771,000</u>		<u>4,001,000</u>	<u>36,770,000</u>

The following is a summary of the District's scheduled annual debt service requirements as of August 31, 2022:

Years Ended August 31,	2017 GO Bonds		2019 GO Bonds	
	Principal	Interest	Principal	Interest
2023	935,000	69,808	405,000	87,675
2024	955,000	50,908	405,000	75,525
2025	455,000	36,808	580,000	60,750
2026	500,000	27,258	570,000	43,500
2027	515,000	16,979	570,000	26,400
2028 - 2032	<u>520,000</u>	<u>5,850</u>	<u>595,000</u>	<u>5,925</u>
	<u>3,880,000</u>	<u>207,611</u>	<u>3,125,000</u>	<u>299,775</u>

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Years Ended August 31,	2020 GO Bonds		2021 GO Bonds	
	Principal	Interest	Principal	Interest
2023	535,000	461,760	295,000	106,150
2024	540,000	458,919	310,000	100,100
2025	540,000	455,420	940,000	87,600
2026	545,000	450,970	950,000	68,700
2027	550,000	445,547	980,000	49,400
2028 - 2032	6,555,000	2,025,002	1,980,000	39,400
2033 - 2037	9,905,000	1,208,607		
2038 - 2042	5,140,000	162,098		
	<u>24,310,000</u>	<u>5,668,323</u>	<u>5,455,000</u>	<u>451,350</u>

Years Ended August 31,	Total	
	Principal	Interest
2023	2,170,000	725,393
2024	2,210,000	685,452
2025	2,515,000	640,578
2026	2,565,000	590,428
2027	2,615,000	538,326
2028 - 2032	9,650,000	2,076,177
2033 - 2037	9,905,000	1,208,607
2038 - 2042	5,140,000	162,098
	<u>36,770,000</u>	<u>6,627,059</u>

Components of debt service for the year ended August 31, 2022, are as follows:

Fund	Principal	Interest	Total
Qualified Capital Purpose			
Undertaking Fund	1,871,000	50,709	1,921,709
Bond Fund	<u>2,130,000</u>	<u>762,665</u>	<u>2,892,665</u>
Total	<u>4,001,000</u>	<u>813,374</u>	<u>4,814,374</u>

Direct Borrowing and Direct Placement Debt

The District had no direct borrowing or direct placement of long-term debt as of August 31, 2022.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 5. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance to offset these certain risks. Settled claims have not significantly exceeded this commercial coverage in any of the past three fiscal years.

NOTE 6. COMMITMENTS AND CONTINGENCIES

The District participates in numerous federal and state assisted grant programs which are governed by various rules and regulations of the grantor agencies. These programs are subject to financial and compliance audits by the granting agencies. To the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

NOTE 7. BUDGET COMPLIANCE

Following is a summary of the actual and budget amounts by fund:

	Budget	Actual	Variance Favorable (Unfavorable)
General Fund	62,160,496	44,945,025	17,215,471
Special Building Fund	2,662,085		2,662,085
School Nutrition Fund	2,526,825	1,865,596	661,229
Qualified Capital Purpose			
Undertaking Fund	2,248,857	1,921,709	327,148
Depreciation Fund	4,411,525	2,477,576	1,933,949
Student Fee Fund	50,000	27,891	22,109
Employee Benefit Fund	500,000	272,231	227,769
Cooperative Fund	480,000	148,268	331,732
Bond Fund	4,725,703	2,892,664	1,833,039
Activities Fund	1,800,000	784,063	1,015,937
	<u>81,565,491</u>	<u>55,335,023</u>	<u>26,230,468</u>

NOTE 8. INTERFUND TRANSFERS

Transfers are used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them and to move unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND TRANSFERS (Continued)

Operating transfers consists of the following:

Fund	Transfers In	Transfers Out
Depreciation Fund	1,585,470	
General Fund		<u>1,585,470</u>
	<u>1,585,470</u>	<u>1,585,470</u>

NOTE 9. TAX ABATEMENTS

The District is subject to property tax abatements granted by the City of Scottsbluff, Nebraska, through Tax Incremental Financing (TIF) agreements with various developers. The incremental increase in valuation from the development is not included in the District's available valuation base until the TIF agreement has expired, which is generally 15 years. The incremental taxes, including the District's share is returned to the developer, effectively rebating the taxes on the increased valuation.

Information relevant to the tax abatements impacting the District for the year ending August 31, 2022, are as follows:

Total TIF valuation 2022	25,278,903
District's total levy	1.315269
District share of tax abatement	332,486

The District's total levy was not at the statutory limit. As such, the District received all tax revenue requested.

NOTE 10. SUBSEQUENT EVENT

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 2, 2022, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass- Through Identifier	Expendi- tures
<u>U.S. Department of Agriculture</u>			
Passed through Nebraska Department of Education			
National School Breakfast Program	10.553	202021N109943 202122N109943	342,335
National School Lunch Program	10.555	202021N109943 202122N109943	1,619,130
Supply Chain Assistance	10.555	22-4210-01-13-079-0032	18,475
Health Meals	10.555	21-4210-00-13-079-0032	48,227
Special Milk Program for Children	10.556	202021N109943 202122N109943	4,774
Summer Food Service Program for Children	10.559	202122N109943	<u>118,224</u>
Total Child Nutrition Cluster			<u>2,151,165</u>
Fresh Fruits and Vegetables	10.582	202021L160343 202122L160343	21,551
Passed through Nebraska Department of Health and Human Services			
Child Nutrition Cluster National School Lunch Program	10.555	79-0032-000	<u>127,193</u>
Total Child Nutrition Cluster			<u>127,193</u>
Total U.S. Department of Agriculture			<u>2,299,909</u>

SCOTTSSLUFF PUBLIC SCHOOLS
 SCOTTSSLUFF, NEBRASKA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED AUGUST 31, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass- Through Identifier	Expendi- tures
<u>U.S. Department of Education</u>			
Direct Programs			
Native American Education - Grants to Local Educational Agencies	84.060A	S060A210305	<u>22,978</u>
Passed through Nebraska Department of Education			
Special Education Cluster (IDEA) Special Education - Grants to States	84.027	22-6408-00-13-079-0032 22-6412-00-13-079-0032	920,357
Special Education - Preschool Grants	84.173	22-6406-00-13-079-0032	<u>33,128</u>
Total Special Education Cluster (IDEA)			<u>953,485</u>
Title I Grants to Local Educational Agencies	84.010A	22-6200-00-13-079-0032	849,018
Career and Technical Education - Basic Grants to States	84.048	22-6700-00-13-079-0032	63,556
Education for Homeless Children and Youth	84.196	22-6991-00-13-079-0032	17,000
School Safety National Activities	84.287	22-6968-A0-13-079-0032 22-6968-A1-13-079-0032 22-6968-A2-13-079-0032	168,415
Rural Education	84.358B	RLIS FY 20 79-0032	50,297

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass- Through Identifier	Expendi- tures
<u>U.S. Department of Education</u> (Continued)			
Passed through Nebraska Department of Education (Continued)			
Improving Teacher Quality State Grants	84.367A	22-6310-00-13-079-0032	136,139
Student Support and Academic Enrichment Program	84.424A	22-6969-00-13-079-0032	67,922
CARES Act ESSER	84.425	20-6996-00-13-079-0032	10,867
CRRSA Act ESSER II	84.425D	21-6997-00-13-079-0032	629,897
ARP Act ESSER III	84.425U	21-6998-00-13-079-0032	1,659,139
ARP Homeless Children & Youth	84.425W	22-00-13-079-0032 22-6993-00-13-079-0032	21,183
School Safety National Activities	84.184G	S184G190061	485,357
Passed through Educational Service Unit 13			
English Language Acquisition Grants	84.365A	22-6925-00-13-079-0032	<u>31,161</u>
Total U.S. Department of Education			<u>5,166,414</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Nebraska Department of Health and Human Services			
Child Care and Development Block Grant	93.575		99,225
Medical Assistance Program	93.778	79-0032	<u>150,647</u>
Total U.S. Department of Health and Human Services			<u>249,872</u>
TOTAL EXPENDITURE OF FEDERAL AWARDS			<u><u>7,716,195</u></u>

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule), includes the federal award activity of Scottsbluff Public Schools District, Scottsbluff, Nebraska, under programs of the federal government for the year ended August 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Scottsbluff Public Schools District, Scottsbluff, Nebraska, it is not intended to and does not present the financial position, changes in net position, or cash flows of Scottsbluff Public Schools District, Scottsbluff, Nebraska.

The accompanying schedule of expenditures of federal awards is prepared on the basis of modified cash receipts and disbursements. Accordingly, receipts are recognized when cash is received and disbursements are recognized when cash is disbursed. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2. BASIS FOR EXPENDITURES REPORTED

Cash Disbursements - For certain federal programs, the District makes cash disbursements under the federal program specifically identified as federal program costs. For these federal programs, the District reports federal disbursements in the amount of cash disbursed and indirect costs claimed under the federal program.

Cash Receipts - For certain federal programs, the District receives payment at specified rates per unit of service rendered or product distributed. For these federal programs, the District reports federal disbursements in the amount of cash received under the federal program.

Value of Goods - For certain federal programs, the District receives goods for use. For these federal programs, the District reports disbursements at the value of goods received.

NOTE 3. INDIRECT COSTS

The District utilized indirect cost of 15.2073% rate to determine indirect costs under the School Safety National Activities Program 84.184G.

NOTE 4. SUBRECIPIENTS

The District disbursed no awards to subrecipients during the year.

SCOTTSDLUFF PUBLIC SCHOOLS
SCOTTSDLUFF, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE - MODIFIED
CASH BASIS AND COMBINING SCHEDULE OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2022

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total Governmental Funds
RECEIPTS					
Local receipts					
Taxes	17,000,699				17,000,699
Interest	72,045	7,592			79,637
Fines and licenses	20,111				20,111
Other local receipts	308,915				308,915
County and ESU sources	224,699				224,699
State receipts	21,640,334				21,640,334
Federal receipts	4,968,104				4,968,104
Nonrevenue receipts	187,571				187,571
Program sales and charges			280,421		280,421
Transfers in		1,585,470		(1,585,470)	
Total receipts	<u>44,422,478</u>	<u>1,593,062</u>	<u>280,421</u>	<u>(1,585,470)</u>	<u>44,710,491</u>
DISBURSEMENTS					
Instructional services					
Regular instructional programs	18,044,229				18,044,229
Special education instructional programs	5,225,302				5,225,302
Summer school	456,295				456,295
Support services					
Student support	3,037,014				3,037,014
Instructional support	1,397,552				1,397,552
General administration	593,043				593,043
Office of the principal	2,809,951				2,809,951
Central services	821,178				821,178
Operation and maintenance of plant	5,716,207			(1,585,470)	4,130,737
Student transportation	714,686				714,686
Early retirement	225,730				225,730
Operation of noninstructional programs					
Community services	12,895				12,895
Private and state categorical programs					
Private grants	16,692				16,692
State categorical programs	573,099				573,099

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
GENERAL FUND COMPONENTS

COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE - MODIFIED
CASH BASIS AND COMBINING SCHEDULE OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2022

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total Governmental Funds
DISBURSEMENTS (Continued)					
Federal programs	5,301,152				5,301,152
Capital outlay		2,477,576			2,477,576
Other disbursements			272,231		272,231
Total disbursements	<u>44,945,025</u>	<u>2,477,576</u>	<u>272,231</u>	<u>(1,585,470)</u>	<u>46,109,362</u>
RECEIPTS OVER					
DISBURSEMENTS	(522,547)	(884,514)	8,190		(1,398,871)
FUND BALANCES,					
beginning of year	<u>19,003,564</u>	<u>4,685,080</u>	<u>8,568</u>		<u>23,697,212</u>
FUND BALANCES, end of year	<u>18,481,017</u>	<u>3,800,566</u>	<u>16,758</u>		<u>22,298,341</u>
ASSETS					
Pooled cash in bank	5,073,903	1,370,040	16,758		6,460,701
Pooled cash investments	9,001,380	2,430,526			11,431,906
Cash at county treasurer	<u>4,405,734</u>				<u>4,405,734</u>
TOTAL ASSETS	<u>18,481,017</u>	<u>3,800,566</u>	<u>16,758</u>		<u>22,298,341</u>
FUND BALANCE					
Assigned		3,800,566	16,758		3,817,324
Unassigned	<u>18,481,017</u>				<u>18,481,017</u>
TOTAL FUND BALANCE	<u>18,481,017</u>	<u>3,800,566</u>	<u>16,758</u>		<u>22,298,341</u>

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2022

		Original and Final Budget	Actual
FUND BALANCE, beginning of year			<u>19,003,564</u>
RECEIPTS			
Local sources			
Taxes			
1110	Property taxes - general purpose	16,474,990	15,176,685
1115	Carline tax	25,000	15,205
1120	Public Power District sales tax	500,000	481,646
1125	Motor vehicle taxes	1,600,000	1,327,163
1510	Interest	100,000	72,045
1911	Local license fees	25,000	20,111
1900	Other local receipts	505,055	308,915
	Total local sources	<u>19,230,045</u>	<u>17,401,770</u>
County and ESU sources			
2110	County fines and license fees	<u>300,000</u>	<u>224,699</u>
State sources			
3110	State aid	18,000,000	16,778,827
3120	Special education	3,000,000	2,373,234
3125	Special education - transportation	75,000	51,980
3130	Homestead exemption	750,000	583,353
3131	Property tax credit	1,000,000	776,255
3180	Pro-rate motor vehicle	75,000	60,256
3400	State apportionment	400,000	386,304
3500	State categorical programs	925,000	630,045
3990	Other state receipts		80
	Total state sources	<u>24,225,000</u>	<u>21,640,334</u>
Federal sources			
4307	Native American Education	30,000	22,903
4421	IDEA Part-B (611) ARP - Base & Enrollment Poverty Allocation - Birth through age 21	150,000	126,307

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2022

		Original and Final Budget	Actual
RECEIPTS (Continued)			
4422	IDEA Preschool (619) ARP - Base/Enrollment Poverty (619) Allocation	25,000	13,177
4505	Title I, Part A ESSA Improving Basic Programs Operated by Local Educational Agencies	1,000,000	901,638
4509	Title II, Part A, ESSA Supporting Effective Instruction	150,000	139,025
4510	Title IV, Part A ESSA Student Support and Academic Enrichment Grants	1,000,000	684,976
4511	Title V, Part B REAP: Rural Low Income Schools Grants	50,000	38,139
4516	IDEA Preschool (619) Base/IDEA Enrollment Poverty (619) Allocation	650,000	453,873
4521	IDEA Part B Proportionate Share: Part B	50,000	27,677
4525	Federal Vocational & Applied Technology Education (Carl Perkins)	50,000	37,860
4527	Title III Part A ESSA - ELA, Language Enhancement, and Academic Achievement	50,000	23,231
4530	Other Federal Categorical Receipts	300,000	227,706
4531	Title IV, Part B ESSA: 21st Century Community Learning Centers	200,000	142,745
4708	MEDICAID IN PUBLIC SCHOOLS	300,000	313,309
4709	MEDICAID ADMINISTRATIVE ACTIVITIES (MAAPS)	150,000	150,647
4991	McKinney Vento		17,189
4993	American Rescue Plan Homeless Children and Youth (ARP HCY I)	20,000	10,292
4994	American Rescue Plan Homeless Children and Youth (ARP HCY II)	20,000	8,533
4996	Elementary & Secondary School Emergency Relief (CARES ESSER I)	2,000,000	798,117
4997	Elementary & Secondary School Emergency Relief (CRRSA ESSER II)	2,000,000	830,760
	Total federal sources	<u>8,195,000</u>	<u>4,968,104</u>

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2022

		Original and Final Budget	Actual
Nonrevenue receipts			
5000	Other nonrevenue receipts	<u>275,000</u>	<u>187,571</u>
Total receipts		<u>52,225,045</u>	<u>44,422,478</u>
TOTAL FUNDS AVAILABLE			<u>63,426,042</u>
DISBURSEMENTS			
Instructional services			
1100	Regular instructional programs	21,744,432	18,044,229
1200	Special education instructional programs	6,500,000	5,225,302
1300	Summer school	485,342	456,295
Support services			
2100	Student support	4,000,000	3,037,014
2200	Instructional support	2,000,000	1,397,552
2300	General administration	775,000	593,043
2400	Office of the principal	3,100,000	2,809,951
2500	Central services	1,500,000	821,178
2600	Operation and maintenance of plant	5,750,000	5,716,207
2700	Student transportation	933,249	714,686
2900	Other student support	226,751	225,730
Operation of noninstructional programs			
3300	Community service	171,432	12,895
Private and state categorical programs			
3400	Private grants	12,470	16,692
3500	State categorical programs	916,098	573,099
Federal programs			
6200	Title I, Part A ESSA Improving Basic Programs Operated by Local Educational Agencies	1,038,369	849,018
6310	Title II, Part A ESSA Supporting Effective Instruction	175,269	136,138
6330	Title VI, Part B	100,662	50,298
6402	IDEA base allocation transportation	202,351	152,174
6404	IDEA Part B (611) base allocation - birth through age four	495,053	438,261
6406	IDEA preschool (619) base allocation	21,399	19,952
6408	IDEA Part B (611) base and enrollment poverty allocation birth through age twenty-one	17,264	16,059

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2022

		Original and Final Budget	Actual
DISBURSEMENTS			
Federal programs (Continued)			
6409	IDEA enrollment/poverty (619)	178,383	135,967
6410	IDEA enrollment/poverty (611)		672
6412	IDEA Part B proportionate share	32,298	23,583
6421	IDEA enrollment/poverty (611) ARP base/enrollment poverty		148,288
6422	IDEA preschool (619) ARP base/enrollment poverty		13,178
6423	IDEA Part B ARP proportionate share		5,353
6700	Federal vocational and applied technology education (Carl Perkins)	44,484	63,556
6910	Native American Education	30,980	22,978
6925	Title III, Part A ESEA/ESSA English Language Acquisition, Language Enhancement, & Academic Achievement	26,035	31,161
6968	Title IV, Part B ESSA 21st Century Community Learning Centers	257,959	168,418
6969	Title IV, Part A ESEA/ESSA Student Support & Academic Enrichment (SSAE) Grant	70,773	67,922
6989	American Rescue Plan - Expanded learning		17,725
6990	Other federal categorical programs	684,898	602,365
6991	McKinney-Vento Homeless	25,817	17,000
6993	American Rescue Plan - Homeless children and youth		11,228
6994	American Rescue Plan - Homeless children and youth		9,955
6996	Elementary and Secondary School Emergency Relief ESSERS I		10,868
6997	Elementary and Secondary School Emergency Relief ESSERS II	2,787,915	629,893
6998	Elementary and Secondary School Emergency Relief ESSERS III	7,855,813	1,659,142
	Total disbursements	<u>62,160,496</u>	<u>44,945,025</u>
FUND BALANCE, end of year			<u>18,481,017</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
	Pooled cash in bank		5,073,903
	Pooled cash investments		9,001,380
	Cash at county treasurer		<u>4,405,734</u>
TOTAL FUND BALANCE			<u>18,481,017</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL
 DEPRECIATION FUND
 YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>4,685,080</u>
RECEIPTS		
Local sources		
Interest received		7,592
Transfers in	500,000	1,585,470
Total local receipts	<u>500,000</u>	<u>1,593,062</u>
TOTAL FUNDS AVAILABLE		<u>6,278,142</u>
DISBURSEMENTS		
Capital outlay	<u>4,411,525</u>	<u>2,477,576</u>
FUND BALANCE, end of year		<u>3,800,566</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		1,370,040
Pooled cash investments		<u>2,430,526</u>
		<u>3,800,566</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
EMPLOYEE BENEFIT FUND
YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>8,568</u>
RECEIPTS		
Local sources		
Contributions received	<u>497,401</u>	<u>280,421</u>
TOTAL FUNDS AVAILABLE		<u>288,989</u>
DISBURSEMENTS		
Employee benefits paid	<u>500,000</u>	<u>272,231</u>
FUND BALANCE, end of year		<u>16,758</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>16,758</u>
TOTAL FUND BALANCE		<u>16,758</u>

See accompanying notes to budgetary schedules.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SCHOOL NUTRITION FUND
YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>871,805</u>
RECEIPTS		
Local sources		
Interest received		2,531
Lunch sales	1,910,000	220,616
Federal sources		
Federal reimbursements - National School Lunch		2,076,322
Federal reimbursements - Summer Food Service		118,224
Federal reimbursements - Fresh Fruits and Vegetables		<u>21,551</u>
Total receipts	<u>1,910,000</u>	<u>2,439,244</u>
TOTAL FUNDS AVAILABLE		<u>3,311,049</u>
DISBURSEMENTS		
Purchased services	<u>2,526,825</u>	<u>1,865,596</u>
FUND BALANCE, end of year		<u><u>1,445,453</u></u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		521,061
Pooled cash investments		<u>924,392</u>
		<u><u>1,445,453</u></u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL BUILDING FUND
YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>2,448,352</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	388,090	334,095
Carline tax	10,400	358
Public Power District sales tax		11,163
Motor vehicle tax		14
Interest received		5,061
State sources		
Homestead exemption		13,704
Property tax credit		18,286
Pro-rate motor vehicle		1,299
Total receipts	<u>398,490</u>	<u>383,980</u>
TOTAL FUNDS AVAILABLE		<u>2,832,332</u>
DISBURSEMENTS		
Capital outlay	<u>2,662,085</u>	<u>- 0 -</u>
FUND BALANCE, end of year		<u>2,832,332</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		984,738
Pooled cash investments		1,746,980
Cash at county treasurer		<u>100,614</u>
TOTAL FUND BALANCE		<u>2,832,332</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND
YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>1,764,752</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	833,920	761,945
Carline tax		770
Public Power District sales tax		23,986
Motor vehicle tax		30
Interest received	6,300	3,796
State sources		
Homestead exemption		29,526
Pro-rate motor vehicle		3,074
Property tax credit		39,266
Total receipts	<u>840,220</u>	<u>862,393</u>
TOTAL FUNDS AVAILABLE		<u>2,627,145</u>
DISBURSEMENTS		
Debt service	<u>2,248,857</u>	<u>1,921,709</u>
FUND BALANCE, end of year		<u>705,436</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		176,352
Pooled cash investments		312,858
Cash at county treasurer		<u>216,226</u>
TOTAL FUND BALANCE		<u>705,436</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL
 STUDENT FEE FUND
 YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>14,280</u>
RECEIPTS		
Local sources		
Summer or night school fees	<u>29,787</u>	<u>28,336</u>
TOTAL FUNDS AVAILABLE		<u>42,616</u>
DISBURSEMENTS		
Supplies and materials	<u>50,000</u>	<u>27,891</u>
FUND BALANCE, end of year		<u>14,725</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>14,725</u>
TOTAL FUND BALANCE		<u>14,725</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL
 COOPERATIVE FUND
 YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>50,574</u>
RECEIPTS		
Local sources		
Participant contributions	<u>449,968</u>	<u>151,859</u>
Total receipts		
TOTAL FUNDS AVAILABLE		<u>202,433</u>
DISBURSEMENTS		
Payments to service providers	<u>480,000</u>	<u>148,268</u>
FUND BALANCE, end of year		<u>54,165</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>54,165</u>
TOTAL FUND BALANCE		<u>54,165</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
BOND FUND
YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>3,550,524</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	3,426,320	3,130,602
Carline tax	18,500	3,162
Public Power District sales tax		98,550
Motor vehicle taxes		122
Interest received		5,694
Other income		17
State sources		
Homestead exemption		121,313
Property tax credit		161,438
Pro-rate motor vehicle		12,507
Total receipts	<u>3,444,820</u>	<u>3,533,405</u>
TOTAL FUNDS AVAILABLE		<u>7,083,929</u>
DISBURSEMENTS		
Debt service	<u>4,725,703</u>	<u>2,892,664</u>
FUND BALANCE, end of year		<u>4,191,265</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		1,190,625
Pooled cash investments		2,112,233
Cash at county treasurer		<u>888,407</u>
TOTAL FUND BALANCE		<u>4,191,265</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL
 ACTIVITIES FUND
 YEAR ENDED AUGUST 31, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>510,331</u>
RECEIPTS		
General activity receipts	<u>1,643,106</u>	<u>771,062</u>
TOTAL FUNDS AVAILABLE		<u>1,281,393</u>
DISBURSEMENTS		
General activity disbursements	<u>1,800,000</u>	<u>784,063</u>
FUND BALANCE, end of year		<u><u>497,330</u></u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		116,280
Pooled cash investments		<u>381,050</u>
		<u><u>497,330</u></u>

See accompanying notes to budgetary schedules.

SCOTTSSLUFF PUBLIC SCHOOLS
 SCOTTSSLUFF, NEBRASKA
 NOTES TO BUDGETARY SCHEDULES

NOTE 1. SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL

Basis of Accounting

The accompanying schedules of receipts, disbursements, and changes in fund balance - modified cash basis - budget and actual are presented on the modified cash basis of accounting. This basis is consistent with the basis of accounting used in preparing the basic financial statements. All undisbursed appropriations lapse at the end of the budget year.

Budget Law

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The General Fund is also subject to a total non-special education disbursement limit. Appropriations for disbursements lapse at year end. Any revisions to the adopted budget of total disbursements to any fund require a public hearing.

Reconciliation

The Nebraska Department of Education required separate budgets for those funds considered as General Fund components for budget purposes.

A reconciliation of the General Fund financial reporting basis to the budgetary basis is as follows:

Receipts over disbursements - financial reporting basis	
General Fund	<u>(1,398,871)</u>
Receipts over disbursements - budgetary basis	
General Fund	(522,547)
Depreciation Fund	(884,514)
Employee Benefit Fund	8,190
	<u>(1,398,871)</u>

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN MODIFIED CASH BALANCES - BUDGET AND ACTUAL
(UNAUDITED)
YEAR ENDED AUGUST 31, 2022

	Balance September 1, 2021	Receipts	Disburse- ments	Balance August 31, 2022
ELEMENTARY ACTIVITIES				
Academic Club	957		900	57
Booster Club	24,679	37,056	34,476	27,259
Class Activities	4,497			4,497
Other Activities	7,400	4,000	3,611	7,789
General District	<u>30,261</u>	<u>21,703</u>	<u>21,180</u>	<u>30,784</u>
Total elementary activities	<u>67,794</u>	<u>62,759</u>	<u>60,167</u>	<u>70,386</u>
JUNIOR HIGH ACTIVITIES				
Academic Club	20,500	17,147	19,992	17,655
Service Club	723	1,545	1,188	1,080
Class Activities	14,475	6,873	9,059	12,289
Other Activities	520	660	555	625
General District	<u>13,482</u>	<u>4,993</u>	<u>5,068</u>	<u>13,407</u>
Total junior high activities	<u>49,700</u>	<u>31,218</u>	<u>35,862</u>	<u>45,056</u>
HIGH SCHOOL ACTIVITIES				
Academic Club	106,300	167,332	158,196	115,436
Athletic Club	90,060	114,586	113,698	90,948
Service Club	75,522	60,361	49,645	86,238
Class Activities	1,552		1,552	
Scholarship Activities	13,228	474		13,702
Other Activities	442	10,087	10,442	87
General District	<u>105,733</u>	<u>324,245</u>	<u>354,501</u>	<u>75,477</u>
Total high school activities	<u>392,837</u>	<u>677,085</u>	<u>688,034</u>	<u>381,888</u>
TOTAL ACTIVITIES FUND	<u><u>510,331</u></u>	<u><u>771,062</u></u>	<u><u>784,063</u></u>	<u><u>497,330</u></u>
BUDGET		<u><u>1,643,106</u></u>	<u><u>1,800,000</u></u>	



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education
Scottsbluff Public Schools
Scottsbluff, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Scottsbluff Public Schools, Scottsbluff, Nebraska, as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise Scottsbluff Public Schools, Scottsbluff, Nebraska's basic financial statements, and have issued our report thereon dated November 2, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control. Accordingly, we do not express an opinion on the effectiveness of Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
November 2, 2022



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Education
Scottsbluff Public Schools
Scottsbluff, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Scottsbluff Public Schools, Scottsbluff, Nebraska's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Scottsbluff Public Schools, Scottsbluff, Nebraska's major federal programs for the year ended August 31, 2022. Scottsbluff Public Schools, Scottsbluff, Nebraska's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Scottsbluff Public Schools, Scottsbluff, Nebraska, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Scottsbluff Public Schools, Scottsbluff, Nebraska's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance*

is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Dana F Cole + Company, LLP

Scottsbluff, Nebraska
November 2, 2022

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED AUGUST 31, 2022

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified: ___Yes X No

Significant deficiencies identified that are not considered to be material weaknesses: ___Yes X No

Noncompliance matter to the financial statements disclosed: ___Yes X No

Federal Awards

Internal control over major programs:

Material weakness identified: ___Yes X No

Significant deficiencies identified that are not considered to be material weaknesses: ___Yes X No

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a): ___Yes X No

Identification of major programs:

Child Nutrition Cluster	10.553, 10.555, 10,556, 10.559
Education Stabilization Fund (ESF) Cares Act ESSER I, CRRSA Act ESSER II, ARP Act ESSER III ARP Homeless Children and Youth	84.425, 84.425D, 84.425U 84.425W
Dollar threshold used to distinguish between type A and type B programs:	\$750,000

Auditee qualified as a low-risk auditee: ___Yes X No

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2022

SECTION II. FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED AUGUST 31, 2022

There were no findings reported for the year ended August 31, 2021.