

SCOTTSBLUFF PUBLIC SCHOOLS

SCOTTSBLUFF, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2020



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

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SCOTTSSLUFF, NEBRASKA
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SCOTTSBLUFF, 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 Financial Statements

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 error or fraud.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Scottsbluff Public Schools, Scottsbluff, Nebraska, as of August 31, 2020, and the respective changes in financial position - modified cash basis, thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

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 this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Scottsbluff Public Schools, Scottsbluff, Nebraska's basic financial statements. The accompanying supplementary information on pages 33 - 49 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards on pages 29 - 32 is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information on pages 33 - 48 and the schedule of expenditures of federal awards on pages 29 - 32 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 33 - 48 and the schedule of expenditures of federal awards on pages 29 - 32 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplementary information included on page 49, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2020, on our consideration of 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 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 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
October 30, 2020

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2020

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Disburse- ments	Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities
FUNCTIONS/PROGRAMS				
Governmental Activities				
Instruction	22,167,786	24,620	2,331,588	(19,811,578)
Support services	12,523,004			(12,523,004)
Operation of noninstructional programs	47,454			(47,454)
Private and state categorical programs	549,677			(549,677)
Federal programs	2,711,041		1,872,739	(838,302)
School Nutrition Fund	1,713,256	373,548	1,202,169	(137,539)
Capital outlay	438,146			(438,146)
Debt service	3,573,720			(3,573,720)
Other disbursements	370,367	336,479		(33,888)
Total governmental activities	44,094,451	734,647	5,406,496	(37,953,308)
General Receipts				
Taxes				20,981,046
Interest				256,256
Local receipts				289,502
County and ESU sources				220,056
State receipts				19,362,465
Nonrevenue receipts				68,937
Total general receipts				41,178,262
Change in net position resulting from receipts and disbursements				3,224,954
NET POSITION, beginning of year				25,613,859
NET POSITION, end of year				28,838,813

SCOTTSBLUFF PUBLIC SCHOOLS
 SCOTTSBLUFF, NEBRASKA
 STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
 FOR THE YEAR ENDED AUGUST 31, 2020

					Net (Disbursements) Receipts and Changes in Net Position
	Disburse- ments	Charges for Services	Operating Grants and Contributions	Program Receipts	Primary Governmental Total Governmental Activities
ASSETS					
Pooled cash in bank					7,495,197
Pooled cash investments					15,690,728
Cash at county treasurer					<u>5,652,888</u>
TOTAL ASSETS					<u><u>28,838,813</u></u>
NET POSITION					
Restricted for:					
Debt service					4,472,959
Capital projects					2,288,367
Unrestricted					<u>22,077,487</u>
TOTAL NET POSITION					<u><u>28,838,813</u></u>

See accompanying notes to financial statements.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, 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, 2020

	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	
RECEIPTS								
Taxes	16,900,051		159,850	751,493			3,169,652	20,981,046
Interest	191,586	5,812	26,159	14,533			18,166	256,256
Fines and licenses	19,385							19,385
Other local receipts	269,813						304	270,117
County and ESU sources	220,056							220,056
State receipts	21,325,823	10,020	12,590	69,621			286,019	21,704,073
Federal receipts	1,872,739	1,192,149						3,064,888
Program sales and charges	253,879	373,548			24,620	82,600		734,647
Nonrevenue receipts	68,937							68,937
Total receipts	<u>41,122,269</u>	<u>1,581,529</u>	<u>198,599</u>	<u>835,647</u>	<u>24,620</u>	<u>82,600</u>	<u>3,474,141</u>	<u>47,319,405</u>
DISBURSEMENTS								
Instructional services								
Regular instructional programs	17,274,355							17,274,355
Special education instructional programs	4,637,791							4,637,791
Summer school	255,640							255,640
Support services								
Student support	2,590,262							2,590,262
Instructional support	1,423,532							1,423,532
General administration	580,660							580,660
Office of the principal	2,694,144							2,694,144
Central services	685,704							685,704
Operation and maintenance of plant	3,779,955							3,779,955
Student transportation	573,701							573,701
Early retirement	195,046							195,046
Operation of noninstructional programs								
Community services	47,454							47,454
Private and state categorical programs								
Private grants	9,772							9,772
State categorical programs	539,905							539,905
Federal programs	2,711,041							2,711,041
School Nutrition Fund		1,713,256						1,713,256
Capital outlay	227,309		210,837					438,146
Debt service				655,111			2,918,609	3,573,720
Other disbursements	246,994				27,519	95,854		370,367
Total disbursements	<u>38,473,265</u>	<u>1,713,256</u>	<u>210,837</u>	<u>655,111</u>	<u>27,519</u>	<u>95,854</u>	<u>2,918,609</u>	<u>44,094,451</u>

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, 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, 2020

	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	
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	2,649,004	(131,727)	(12,238)	180,536	(2,899)	(13,254)	555,532	3,224,954
FUND BALANCES, beginning of year	<u>18,810,716</u>	<u>666,985</u>	<u>2,300,605</u>	<u>1,381,198</u>	<u>27,026</u>	<u>71,636</u>	<u>2,355,693</u>	<u>25,613,859</u>
FUND BALANCES, end of year	<u>21,459,720</u>	<u>535,258</u>	<u>2,288,367</u>	<u>1,561,734</u>	<u>24,127</u>	<u>58,382</u>	<u>2,911,225</u>	<u>28,838,813</u>
ASSETS								
ASSETS								
Pooled cash in bank	5,440,514	171,625	721,181	431,290	24,127	58,382	648,078	7,495,197
Pooled cash investments	11,512,158	363,633	1,528,012	913,800			1,373,125	15,690,728
Cash at county treasurer	<u>4,507,048</u>		<u>39,174</u>	<u>216,644</u>			<u>890,022</u>	<u>5,652,888</u>
TOTAL ASSETS	<u>21,459,720</u>	<u>535,258</u>	<u>2,288,367</u>	<u>1,561,734</u>	<u>24,127</u>	<u>58,382</u>	<u>2,911,225</u>	<u>28,838,813</u>
FUND BALANCES								
FUND BALANCES								
Restricted for:								
Debt service				1,561,734			2,911,225	4,472,959
Capital projects			2,288,367					2,288,367
Assigned								
Asset acquisitions	3,838,278							3,838,278
Employee benefits	7,599							7,599
School Nutrition Program		535,258						535,258
Student activities					24,127			24,127
Cooperative activities						58,382		58,382
Unassigned	<u>17,613,843</u>							<u>17,613,843</u>
TOTAL FUND BALANCES	<u>21,459,720</u>	<u>535,258</u>	<u>2,288,367</u>	<u>1,561,734</u>	<u>24,127</u>	<u>58,382</u>	<u>2,911,225</u>	<u>28,838,813</u>

See accompanying notes to financial statements.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
AUGUST 31, 2020

	<u>Agency Fund</u> <u>Activities Fund</u>
ASSETS	
Pooled cash in bank	<u>465,939</u>
LIABILITIES	
Due to student groups and others	<u>465,939</u>
NET POSITION	<u><u>- 0 -</u></u>

See accompanying notes to financial statements.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, 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 No. 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 No. 34 of the Government Accounting Standards Board, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Statement No. 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

SCOTTSLUFF PUBLIC SCHOOLS
SCOTTSLUFF, 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 one hundred dollars of valuation, or a tax levy not to exceed \$0.175 per one hundred dollars 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 one hundred dollars 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.

Fiduciary Fund Types

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.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, 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.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, 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.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, 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. The District currently has no amounts classified in this category.

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 nine days per year. Employees may accumulate 75 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.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, 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, 2020, 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, 2020, 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 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, 2020, 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, 2020, the District had \$9,010,725 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, 2020, the date of the latest NLAF audit report, was 50 days. All of the NLAF's investments had a maturity of less than two years.

SCOTTSLUFF PUBLIC SCHOOLS
SCOTTSLUFF, 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, 2020, 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, 2020, 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, 2020.

<u>S&P Rating</u>	<u>Percent of Portfolio</u>
AA+*	22.87%
A-1+	24.48%
Exempt**	50.34%
Not Rated***	2.31%

**Represents investments in obligations of the U.S. government or its agencies or instrumentalities, which are rated Aaa and AAA by Moody's Investor Service and Fitch Ratings, Inc., respectively, which are the highest category of credit ratings by each of those statistical rating organizations.*

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

****Represents investments in certificates of deposit insured by the FDIC.*

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, 2020, 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.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk

The NLAf investment policy establishes certain restrictions on investments and limitations on portfolio composition. The investment portfolio at May 31, 2020, included the issuers shown in the table below, which individually represented greater than 5% of the total investment portfolio.

Issuer	Percent of Fund
Credit Agricole Corporate & Investment Bank (NY)	10.83%
Federal Farm Credit Banks	18.46%
Federal Home Loan Bank	23.49%
U.S. Treasury	37.56%

NOTE 3. RETIREMENT PLAN

Plan Description

The 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, 2019, there were 265 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 2%, 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

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN (Continued)

Plan Description (Continued)

to \$3.50 per year of service or (2) the average of the five 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 multiplied by a formula factor of 2%, 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, 2018 to June 30, 2019, (and from July 1, 2019 through August 31, 2020). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for its year ended August 31, 2020, was \$2,390,443.

For the District's year ended August 31, 2020, the District's total payroll for all employees was \$26,648,506. Total covered payroll was \$24,200,649. 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 for NPERS. That report may be obtained via the internet at http://www.auditors.nebraska.gov/APA_Reports.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT

Long-term debt at August 31, 2020, consisted of the following:

The District issued Series 2014 General Obligation Bonds for advance refunding Series 2009B General Obligation Bonds. Total proceeds of the bond issuance were \$5,965,000. Principal payments are made annually on December 15th of each year beginning in 2014. Interest accrues at 0.20% to 3.15% 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, 2020.

The District issued Series 2015 General Obligation Bonds for renovation of the high school building. Total proceeds of the bond issuance were \$20,000,000. Principal payments are made annually on December 1st of each year beginning in 2029. Interest accrues at 5.00% and is payable in semiannual installments due on December 1 and June 1 of each year. The outstanding principal balance of these bonds was \$20,000,000 as of August 31, 2020. This Bond issue was fully refunded on July 30, 2020, with the issuance of Series 2020 General Obligation Bonds.

The District issued Series 2016 General Obligation Bonds for renovation of the high school building. Total proceeds of the bond issuance were \$9,200,000. Principal payments are made annually on December 1st of each year beginning in 2016. Interest accrues at 2.00% to 3.00% and is payable in semiannual installments due on December 1 and June 1 of each year. The outstanding principal balance of these bonds was \$6,810,000 as of August 31, 2020.

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 \$6,415,000 as of August 31, 2020.

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 \$4,195,000 as of August 31, 2020.

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 \$3,062,000 as of August 31, 2020.

The District issued Series 2020 General Obligation Bonds for advance refunding Series 2015 General Obligation Bonds. Total proceeds of the bond issuance were \$25,470,000.

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

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 \$25,470,000 as of August 31, 2020.

Defeasance

On July 30, 2020 the District issued General Obligation Bonds in the principle amount of \$25,470,000 and total debt service requirements of \$31,975,340 for the purpose of advance refunding the 2015 General Obligation Bonds of in the principle amount of \$20,000,000 and total debt service requirements of \$35,615,500.

The following is a summary of the District's long-term debt transactions for the year ended August 31, 2020:

	Balance September 1, 2019	Addi- tions	Retire- ments	Balance August 31, 2020
Series 2015 - General Obligation Bonds	20,000,000		20,000,000	
Series 2016 - General Obligation Bonds	6,810,000		615,000	6,195,000
Series 2017 - General Obligation Bonds	6,415,000		870,000	5,545,000
Series 2019 - General Obligation Bonds	4,195,000		70,000	4,125,000
Series 2020 - General Obligation Bonds		25,470,000		25,470,000
Series 2014 - Limited Tax Obligation Bonds	3,062,000		593,000	2,469,000
	<u>40,482,000</u>	<u>25,470,000</u>	<u>22,148,000</u>	<u>43,804,000</u>

The following is a summary of the District's scheduled annual debt service requirements as of August 31, 2020:

Years Ended August 31,	2016 GO Bonds		2017 GO Bonds	
	Principal	Interest	Principal	Interest
2021	250,000	141,007	780,000	100,233
2022	255,000	135,958	885,000	85,795
2023	295,000	130,457	935,000	69,808
2024	310,000	124,408	955,000	50,908
2025	980,000	111,262	455,000	36,808
2026 - 2030	4,105,000	217,734	1,535,000	50,087
	<u>6,195,000</u>	<u>860,826</u>	<u>5,545,000</u>	<u>393,639</u>

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Years Ended August 31,	2019 GO Bonds		2020 GO Bonds	
	Principal	Interest	Principal	Interest
2021	545,000	104,890	625,000	372,824
2022	455,000	97,276	535,000	464,194
2023	405,000	87,675	535,000	461,760
2024	405,000	75,525	540,000	458,919
2025	580,000	60,750	540,000	455,420
2026 - 2030	1,735,000	78,825	3,945,000	2,180,418
2031 - 2035			9,525,000	1,591,286
2036 - 2040			9,225,000	520,519
	<u>4,125,000</u>	<u>504,941</u>	<u>25,470,000</u>	<u>6,505,340</u>

Years Ended August 31,	2014 LTO Bonds		Total	
	Principal	Interest	Principal	Interest
2021	598,000	55,672	2,798,000	774,626
2022	610,000	44,010	2,740,000	827,233
2023	623,000	30,590	2,793,000	780,290
2024	638,000	15,950	2,848,000	725,710
2025			2,555,000	664,240
2026 - 2030			11,320,000	2,527,064
2031 - 2035			9,525,000	1,591,286
2036 - 2040			9,225,000	520,519
	<u>2,469,000</u>	<u>146,222</u>	<u>43,804,000</u>	<u>8,410,968</u>

Components of debt service for the year ended August 31, 2020, are as follows:

Fund	Principal	Interest	Fees	Total
Qualified Capital Purpose Undertaking Fund	593,000	61,361	750	655,111
Bond Fund	<u>1,555,000</u>	<u>1,360,609</u>	<u>3,000</u>	<u>2,918,609</u>
Total	<u>2,148,000</u>	<u>1,421,970</u>	<u>3,750</u>	<u>3,573,720</u>

Direct Borrowing and Direct Placement Debt

The District had no direct borrowing or direct placement of long-term debt as of August 31, 2020.

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	47,198,186	39,094,289	8,103,897
Special Building Fund	2,412,273	210,837	2,201,436
School Nutrition Fund	2,414,864	1,713,256	701,608
Qualified Capital Purpose			
Undertaking Fund	1,915,139	655,111	1,260,028
Depreciation Fund	3,165,083	227,309	2,937,774
Student Fee Fund	50,000	27,519	22,481
Employee Benefit Fund	500,000	246,994	253,006
Cooperative Fund	480,000	95,854	384,146
Bond Fund	3,958,594	2,918,609	1,039,985
Activities Fund	1,800,000	852,924	947,076
	<u>63,894,139</u>	<u>46,042,702</u>	<u>17,851,437</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.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND TRANSFERS (Continued)

Operating transfers consists of the following:

Fund	Transfers In	Transfers Out
Depreciation Fund	1,095,327	
General Fund		1,095,327
	1,095,327	1,095,327

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, 2020, are as follows:

Total TIF valuation 2019	20,261,356
District's total levy	1.315269
District share of tax abatement	266,491

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

NOTE 10. RECENTLY ISSUED AND ADOPTED ACCOUNTING PRONOUNCEMENTS

In January 2017, GASB issued Statement 84, *Fiduciary Activities*. This statement is effective for fiscal years beginning after December 15, 2019. The District did not early implement this statement. GASB 84 establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Certain fiduciary activities meeting the new criteria will be reported as custodial funds and a statement of changes will be a required financial statement. Other activities not meeting this criteria will be reported as governmental funds. When adopted, GASB 84 may have a significant effect on the District's financial reporting for the Activities Fund currently reported as an agency fund.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 11. SUBSEQUENT EVENTS

The COVID-19 (Coronavirus) outbreak has prompted global concern. Consequently, the District may experience a loss in revenue sources due to the economic impacts of the virus, or may experience an increase in costs to provide services. An estimate of the effect of the COVID-19 pandemic cannot be made at this time.

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 30, 2020, 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, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA 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	201919N109943 202020N109943	170,046
National School Lunch Program	10.555	201919N109943 202020N109943	734,626
Summer Food Service Program for Children	10.559	202020N109943	<u>252,045</u>
Total Child Nutrition Cluster			<u>1,156,717</u>
Fresh Fruits and Vegetables	10.582	201919L160343 202020L160343	35,431
Passed through Nebraska Department of Health and Human Services			
Child Nutrition Cluster National School Lunch Program	10.555	79003200000	<u>148,763</u>
Total Child Nutrition Cluster			<u>148,763</u>
Total U.S. Department of Agriculture			<u>1,340,911</u>
<u>U.S. Department of Education</u>			
Direct Programs			
Native American Education - Grants to Local Educational Agencies	84.060A		<u>27,643</u>

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Pass- Through Identifier	Expendi- tures
<u>U.S. Department of Education</u> (Continued)			
Passed through Nebraska Department of Education			
Special Education Cluster (IDEA) Special Education - Grants to States	84.027	20-6408-00-13-079-0032 20-6412-00-13-079-0032	710,193
Special Education - Preschool Grants	84.173	20-6406-00-13-079-0032	<u>32,538</u>
Total Special Education Cluster (IDEA)			<u>742,731</u>
Title I Grants to Local Educational Agencies	84.010	20-6200-00-13-079-0032	1,091,556
Career and Technical Education - Basic Grants to States	84.048	20-6700-00-13-079-0032	43,225
Education for Homeless Children and Youth	84.196	20-6991-00-13-079-0032	19,206
Twenty-First Century Community Learning Centers	84.287	20-6968-A0-13-079-0032 20-6968-A1-13-079-0032 20-6968-A2-13-079-0033	176,075
Rural Education	84.358	RLIS FY 19 79-0032	43,384
Improving Teacher Quality State Grants	84.367	20-6310-00-13-079-0032	142,951
Student Support and Academic Enrichment Program	84.424	20-6969-00-13-079-0032	63,457
CARES Act	84.425	20-6996-00-13-079-0032	110,975

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Pass- Through Identifier	Expendi- tures
<u>U.S. Department of Education</u> (Continued)			
Passed through Nebraska Department of Education (Continued)			
Safe and Drug-Free Schools & Communities National Program	84.184G	S184G190061	227,269
Passed through Educational Service Unit 13			
English Language Acquisition Grants	84.365A	20-6925-00-13-079-0032	<u>21,854</u>
Total U.S. Department of Education			<u>2,710,326</u>
 <u>U.S. Department of Health and Human Services</u>			
Passed through Nebraska Department of Health and Human Services			
Medical Assistance Program	93.778	79-0032	<u>129,429</u>
 <u>Corporation for National and Community Service</u>			
Passed through Nebraska Department of Health and Human Services			
AmeriCorps	94.006	16-AC184443	<u>626</u>
TOTAL EXPENDITURE OF FEDERAL AWARDS			<u><u>4,181,292</u></u>

SCOTTSSLUFF PUBLIC SCHOOLS
SCOTTSSLUFF, NEBRASKA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2020

NOTE 1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards is prepared on the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, disbursements are recognized when cash is disbursed. This basis of accounting is consistent with the method utilized for the basic financial statements of the District.

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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

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.

Indirect Costs - For certain federal programs, the District may be allowed to utilize an indirect cost rate as determined by the federal program or a negotiated indirect cost rate. The District may otherwise utilize a de minimis indirect cost rate when allowed by the federal program. For these federal programs, federal disbursements included amount determined as indirect costs. The District did not utilize any indirect cost rate to determine indirect costs. As such, federal disbursements reported do not include any indirect costs.

NOTE 3. CONTINGENCIES

The District receives funds under various federal grant programs and such assistance is to be disbursed in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have any material financial impact.

NOTE 4. SUBRECIPIENTS

The District disbursed no awards to subrecipients during the year.

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, 2020

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total Governmental Funds
RECEIPTS					
Local receipts					
Taxes	16,900,051				16,900,051
Interest	156,706	34,880			191,586
Fines and licenses	19,385				19,385
Other local receipts	269,813				269,813
County and ESU sources	220,056				220,056
State receipts	21,325,823				21,325,823
Federal receipts	1,872,739				1,872,739
Nonrevenue receipts	68,937				68,937
Program sales and charges			253,879		253,879
Transfers in		<u>1,095,327</u>		<u>(1,095,327)</u>	
Total receipts	<u>40,833,510</u>	<u>1,130,207</u>	<u>253,879</u>	<u>(1,095,327)</u>	<u>41,122,269</u>
DISBURSEMENTS					
Instructional services					
Regular instructional programs	17,274,355				17,274,355
Special education instructional programs	4,637,791				4,637,791
Summer school	255,640				255,640
Support services					
Student support	2,590,262				2,590,262
Instructional support	1,423,532				1,423,532
General administration	580,660				580,660
Office of the principal	2,694,144				2,694,144
Central services	685,704				685,704
Operation and maintenance of plant	4,875,282			(1,095,327)	3,779,955
Student transportation	573,701				573,701
Early retirement	195,046				195,046
Operation of noninstructional programs					
Community services	47,454				47,454

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, 2020

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total Governmental Funds
DISBURSEMENTS (Continued)					
Private and state categorical programs					
Private grants	9,772				9,772
State categorical programs	539,905				539,905
Federal programs	2,711,041				2,711,041
Capital outlay		227,309			227,309
Other disbursements			246,994		246,994
Total disbursements	<u>39,094,289</u>	<u>227,309</u>	<u>246,994</u>	<u>(1,095,327)</u>	<u>38,473,265</u>
RECEIPTS OVER DISBURSEMENTS	1,739,221	902,898	6,885		2,649,004
FUND BALANCES, beginning of year	<u>15,874,622</u>	<u>2,935,380</u>	<u>714</u>		<u>18,810,716</u>
FUND BALANCES, end of year	<u>17,613,843</u>	<u>3,838,278</u>	<u>7,599</u>		<u>21,459,720</u>
ASSETS					
Pooled cash in bank	4,202,210	1,230,705	7,599		5,440,514
Pooled cash investments	8,904,585	2,607,573			11,512,158
Cash at county treasurer	4,507,048				4,507,048
TOTAL ASSETS	<u>17,613,843</u>	<u>3,838,278</u>	<u>7,599</u>		<u>21,459,720</u>
FUND BALANCE					
Assigned		3,838,278	7,599		3,845,877
Unassigned	<u>17,613,843</u>				<u>17,613,843</u>
TOTAL FUND BALANCE	<u>17,613,843</u>	<u>3,838,278</u>	<u>7,599</u>		<u>21,459,720</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, 2020

	Original and Final Budget	Actual	
FUND BALANCE, beginning of year		<u>15,874,622</u>	
RECEIPTS			
Local sources			
Taxes			
1110	Property taxes - general purpose	16,172,780	14,900,545
1115	Carline tax	25,000	18,406
1120	Public power district sales tax	500,000	537,043
1125	Motor vehicle taxes	1,250,000	1,444,057
1114	Interest	80,000	156,706
1911	Local license fees	20,000	19,385
1921	Police court fines	35,000	
1900	Other local receipts	<u>178,500</u>	<u>269,813</u>
	Total local sources	<u>18,261,280</u>	<u>17,345,955</u>
County and ESU sources			
2110	County fines and license fees	200,000	220,056
2210	ESU receipts	<u>3,500</u>	
	Total county and ESU sources	<u>203,500</u>	<u>220,056</u>
State sources			
3110	State aid	16,213,180	16,213,180
3120	Special education	2,100,000	2,331,588
3125	Special education - transportation	60,000	55,229
3130	Homestead exemption	500,000	536,580
3131	Property tax credit	250,000	804,169
3180	Pro-rate motor vehicle	50,000	54,368
3400	State apportionment	350,000	469,477
3500	State categorical programs	689,000	727,578
3990	Other state receipts	<u>45,000</u>	<u>133,654</u>
	Total state sources	<u>20,257,180</u>	<u>21,325,823</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, 2020

		Original and Final Budget	Actual
RECEIPTS (Continued)			
Federal sources			
4307	Native American Education	25,000	27,717
4310	REAP	55,000	58,906
4505	Title I, Part A: ESSA Improving Basic Programs	745,000	726,274
4509	Title II, Part A ESSA Supporting Effective Instruction	150,000	125,477
4512	IDEA Part B (611) base allocation	18,525	46,339
4516	IDEA preschool (619) base/IDEA enrollment poverty	210,000	3,556
4521	IDEA Part B proportionate share	551,475	446,805
4527	Title III, Part A ESSA English Language Acquisition		23,450
4525	Federal vocational and applied technology (Carl Perkins)	41,000	41,632
4531	Twenty-First Century Community Learning Centers	177,000	158,954
4530	AmeriCorps	55,000	3,869
4530	JFROTC	71,000	68,536
4709	Medical assistance program	50,000	129,429
4991	McKinney-Vento Homeless	13,000	11,795
	Total federal sources	<u>2,162,000</u>	<u>1,872,739</u>
Nonrevenue receipts			
5000	Other nonrevenue receipts	<u>25,000</u>	<u>68,937</u>
	Total receipts	<u>40,908,960</u>	<u>40,833,510</u>
TOTAL FUNDS AVAILABLE			<u>56,708,132</u>
DISBURSEMENTS			
Instructional services			
1100	Regular instructional programs	21,365,271	17,274,355
1200	Special education instructional programs	5,056,550	4,637,791
1300	Summer school		255,640
Support services			
2100	Student support	2,789,999	2,590,262
2200	Instructional support	1,784,301	1,423,532

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, 2020

		Original and Final Budget	Actual
DISBURSEMENTS (Continued)			
Support services (Continued)			
2300	General administration	725,843	580,660
2400	Office of the principal	2,755,453	2,694,144
2500	Central services	978,299	685,704
2600	Operation and maintenance of plant	6,044,291	4,875,282
2700	Student transportation	656,379	573,701
2900	Early retirement	228,397	195,046
Operation of noninstructional programs			
3300	Community service	103,459	47,454
Private and state categorical programs			
3400	Private grants	20,012	9,772
3500	State categorical programs	1,181,483	539,905
Federal programs			
6200	Title I, Part A ESSA Improving Basic Programs Operated by Local Educational Agencies	1,325,276	1,054,204
6230	Title I, Part D, Subpart 2 Prevention and Intervention Programs For Children and Youth Who Are Neglected, Delinquent, Or At-Risk	10,326	37,357
6310	Title II, Part A ESSA Supporting Effective Instruction	181,014	142,952
6330	Title VI, Part B REAP	75,984	43,384
6404	IDEA Part B (611) base allocation - birth through age four	727,081	451,366
6406	IDEA preschool (619) base allocation	32,377	32,539
6408	IDEA Part B (611) base and enrollment poverty allocation birth through age twenty-one	58,715	36,450
6409	IDEA enrollment/poverty (619)	296,217	183,889
6410	IDEA enrollment/poverty (611)	28,013	17,390
6412	IDEA Part B proportionate share	11,384	21,100
6700	Federal vocational and applied technology education (Carl Perkins)	49,882	43,224
6910	Indian education	36,723	27,642
6925	Title III, Part A ESEA/ESSA English Language Acquisition, Language Enhancement, & Academic Achievement	27,598	21,854

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, 2020

	Original and Final Budget	Actual
DISBURSEMENTS (Continued)		
Federal programs (Continued)		
6968 Title IV, Part B ESSA 21st Century Community Learning Centers	195,096	176,159
6969 Title IV, Part A ESEA/ESSA Student Support & Academic Enrichment (SSAE) Grant	65,270	63,456
6990 Other federal categorical programs	369,225	227,896
6991 McKinney-Vento Homeless	18,268	19,205
6996 CARES Act ESSER		110,974
Total disbursements	47,198,186	39,094,289
FUND BALANCE, end of year		17,613,843
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		4,202,210
Pooled cash investments		8,904,585
Cash at county treasurer		4,507,048
TOTAL FUND BALANCE		17,613,843

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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>2,935,380</u>
RECEIPTS		
Local sources		
Interest received	30,000	34,880
Transfers in	<u>480,000</u>	<u>1,095,327</u>
Total local receipts	<u>510,000</u>	<u>1,130,207</u>
 TOTAL FUNDS AVAILABLE		 <u>4,065,587</u>
 DISBURSEMENTS		
Capital outlay	<u>3,165,083</u>	<u>227,309</u>
 FUND BALANCE, end of year		 <u>3,838,278</u>
 ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		1,230,705
Pooled cash investments		<u>2,607,573</u>
		<u>3,838,278</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>714</u>
RECEIPTS		
Local sources		
Contributions received	<u>496,514</u>	<u>253,879</u>
TOTAL FUNDS AVAILABLE		<u>254,593</u>
DISBURSEMENTS		
Employee benefits paid	<u>500,000</u>	<u>246,994</u>
FUND BALANCE, end of year		<u>7,599</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>7,599</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
SCHOOL NUTRITION FUND
YEAR ENDED AUGUST 31, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>666,985</u>
RECEIPTS		
Local sources		
Interest received	5,000	5,812
Lunch sales	395,000	373,548
State sources		
State reimbursement	10,000	10,020
Federal sources		
Federal reimbursements - National School Lunch	1,265,000	904,673
Federal reimbursements - Summer Food Service	250,000	252,045
Federal reimbursements - Fresh Fruits and Vegetables	<u>35,000</u>	<u>35,431</u>
Transfers in		
Total receipts	<u>1,960,000</u>	<u>1,581,529</u>
TOTAL FUNDS AVAILABLE		<u>2,248,514</u>
DISBURSEMENTS		
Salaries and wages	30,000	6,341
Employee benefits		826
Purchased services	1,100,000	909,078
Supplies and materials	1,100,000	790,911
Capital outlay	175,000	4,132
Other expenses	<u>9,864</u>	<u>1,968</u>
Total disbursements	<u>2,414,864</u>	<u>1,713,256</u>
FUND BALANCE, end of year		<u>535,258</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		171,625
Pooled cash investments		<u>363,633</u>
		<u>535,258</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>2,300,605</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	145,900	134,715
Carline tax		166
Public power district sales tax		24,860
Motor vehicle tax		109
Interest received	1,400	26,159
State sources		
Homestead exemption		4,842
Property tax credit		7,255
Pro-rate motor vehicle		493
Total receipts	<u>147,300</u>	<u>198,599</u>
TOTAL FUNDS AVAILABLE		<u>2,499,204</u>
DISBURSEMENTS		
Capital outlay	<u>2,412,273</u>	<u>210,837</u>
FUND BALANCE, end of year		<u>2,288,367</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		721,181
Pooled cash investments		1,528,012
Cash at county treasurer		<u>39,174</u>
TOTAL FUND BALANCE		<u>2,288,367</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>1,381,198</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	807,000	743,178
Carline tax		919
Public power district sales tax		6,795
Motor vehicle tax		601
Interest received	13,600	14,533
State sources		
Homestead exemption		26,777
Pro-rate motor vehicle		2,713
Property tax credit		40,131
Total receipts	<u>820,600</u>	<u>835,647</u>
TOTAL FUNDS AVAILABLE		<u>2,216,845</u>
DISBURSEMENTS		
Debt service	<u>1,915,139</u>	<u>655,111</u>
FUND BALANCE, end of year		<u>1,561,734</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		431,290
Pooled cash investments		913,800
Cash at county treasurer		<u>216,644</u>
TOTAL FUND BALANCE		<u>1,561,734</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>27,026</u>
RECEIPTS		
Local sources		
Summer or night school fees	<u>28,017</u>	<u>24,620</u>
TOTAL FUNDS AVAILABLE		<u>51,646</u>
DISBURSEMENTS		
Supplies and materials	<u>50,000</u>	<u>27,519</u>
FUND BALANCE, end of year		<u>24,127</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>24,127</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
 COOPERATIVE FUND
 YEAR ENDED AUGUST 31, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>71,636</u>
RECEIPTS		
Local sources		
Participant contributions	<u>411,635</u>	<u>82,600</u>
Total receipts		
TOTAL FUNDS AVAILABLE		<u>154,236</u>
DISBURSEMENTS		
Payments to service providers	<u>480,000</u>	<u>95,854</u>
FUND BALANCE, end of year		<u>58,382</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		<u>58,382</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>2,355,693</u>
RECEIPTS		
Local sources		
Taxes		
Property taxes - general purpose	3,315,700	3,053,305
Carline tax		3,774
Public power district sales tax		110,104
Motor vehicle taxes		2,469
Interest received	23,500	18,166
Other income		304
State sources		
Homestead exemption		110,006
Property tax credit		164,866
Pro-rate motor vehicle		11,147
Total receipts	<u>3,339,200</u>	<u>3,474,141</u>
TOTAL FUNDS AVAILABLE		<u>5,829,834</u>
DISBURSEMENTS		
Debt service	<u>3,958,594</u>	<u>2,918,609</u>
FUND BALANCE, end of year		<u>2,911,225</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		648,078
Pooled cash investments		1,373,125
Cash at county treasurer		<u>890,022</u>
TOTAL FUND BALANCE		<u>2,911,225</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, 2020

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>496,113</u>
RECEIPTS		
General activity receipts	<u>1,607,653</u>	<u>822,750</u>
TOTAL FUNDS AVAILABLE		<u>1,318,863</u>
DISBURSEMENTS		
General activity disbursements	<u>1,800,000</u>	<u>852,924</u>
FUND BALANCE, end of year		<u>465,939</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Pooled cash in bank		149,399
Pooled cash investments		<u>316,540</u>
		<u>465,939</u>

See accompanying notes to budgetary schedules.

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN MODIFIED CASH BALANCES - BUDGET AND ACTUAL
(UNAUDITED)
YEAR ENDED AUGUST 31, 2020

	Balance September 1, 2019	Receipts	Disburse- ments	Balance August 31, 2020
ELEMENTARY ACTIVITIES				
Academic Club	1,361	3,895	702	4,554
Booster Club	23,779	53,196	48,045	28,930
Class Activities	4,497			4,497
Other Activities	9,473	5,021	5,128	9,366
General District	29,599	15,588	17,945	27,242
Total elementary activities	<u>69,351</u>	<u>77,700</u>	<u>71,820</u>	<u>74,589</u>
JUNIOR HIGH ACTIVITIES				
Academic Club	11,445	15,957	9,695	17,707
Service Club	3,947	820	1,798	2,969
Class Activities	17,452	21,398	15,286	23,564
Other Activities	537	100	117	520
General District	18,904	44,999	47,821	16,082
Total junior high activities	<u>67,777</u>	<u>83,274</u>	<u>74,717</u>	<u>60,842</u>
HIGH SCHOOL ACTIVITIES				
Academic Club	99,259	176,011	190,302	84,968
Athletic Club	86,114	105,348	121,571	69,891
Service Club	69,215	40,123	35,568	73,770
Class Activities	1,162	3,169	1,544	2,787
Scholarship Activities	18,520	428	3,025	15,923
Other Activities	902	1,318	1,398	822
General District	99,947	335,379	352,979	82,347
Total high school activities	<u>358,985</u>	<u>661,776</u>	<u>706,387</u>	<u>330,508</u>
TOTAL ACTIVITIES FUND	<u>496,113</u>	<u>822,750</u>	<u>852,924</u>	<u>465,939</u>
BUDGET		<u>1,607,653</u>	<u>1,800,000</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, 2020, 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 October 30, 2020.

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.

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
October 30, 2020



**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

We have audited Scottsbluff Public Schools, Scottsbluff, Nebraska's compliance with the types of compliance requirements described 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, 2020. Scottsbluff Public Schools, Scottsbluff, Nebraska's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Scottsbluff Public Schools, Scottsbluff, Nebraska's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Scottsbluff Public Schools, Scottsbluff, Nebraska's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Scottsbluff Public Schools, Scottsbluff, Nebraska's compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control Over Compliance

Management of Scottsbluff Public Schools, Scottsbluff, Nebraska, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Scottsbluff Public Schools, Scottsbluff, Nebraska's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Scottsbluff Public Schools, Scottsbluff, Nebraska's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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
October 30, 2020

SCOTTSSLUFF PUBLIC SCHOOLS
 SCOTTSSLUFF, NEBRASKA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED AUGUST 31, 2020

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified: ___Yes XNo

Significant deficiencies identified that are not considered to be material weaknesses: ___Yes XNo

Noncompliance matter to the financial statements disclosed: ___Yes XNo

Federal Awards

Internal control over major programs:

Material weakness identified: ___Yes XNo

Significant deficiencies identified that are not considered to be material weaknesses: ___Yes XNo

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 XNo

Identification of major programs:

Child Nutrition Cluster 10.553, 10.555, 10.559
 Title I Grants to Local Educational Agencies 84.010

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee: ___Yes XNo

SCOTTSBLUFF PUBLIC SCHOOLS
SCOTTSBLUFF, NEBRASKA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2020

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, 2020

There were no findings reported for the year ended August 31, 2019.