

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

August 31, 2015

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	3
MANAGEMENT'S DISCUSSION AND ANALYSIS	6
FINANCIAL STATEMENTS - MODIFIED CASH BASIS	
Government-wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet - Governmental Funds to the	
Statement of Net Position	16
Statement of Receipts, Disbursements, and Changes in Fund Balances -	
Governmental Funds	17
Reconciliation of the Statement of Receipts, Disbursements, and Changes	
in Fund Balances - Governmental Funds to the Statement of Activities	18
Statement of Net Position - Proprietary Fund	19
Statement of Receipts, Disbursements, and Changes in Net Position -	
Proprietary Fund	20
Statement of Net Position - Fiduciary Funds	21
Notes to Financial Statements	22
SUPPLEMENTARY AND OTHER INFORMATION	
Budgetary Comparison Schedules	
General Fund	42
Special Building Fund	43
Bond Fund	44
Combining Balance Sheet - Other Governmental Funds	45
Combining Statement of Receipts, Disbursements, and Changes	
in Fund Balances - Other Governmental Funds	46
Statement of Cash Receipts, Disbursements, and Net Position -	
Fiduciary Fund -	
Activity Fund	47
Student Fees Fund	49
Statements of Accounts with County Treasurers	50
Cash Disbursements for Operational Expenses - General Fund	54
Comparative Statistical Data From Annual Financial Reports	58
Additional Analytical Information	59

TABLE OF CONTENTS, Continued

	Page
SINGLE AUDIT REPORTS	
Schedule of Expenditures of Federal Awards	64
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 <i>Government Auditing Standards</i>	65
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	67
Schedule of Findings and Questioned Costs	69
Summary Schedule of Prior Audit Findings	70



INDEPENDENT AUDITORS' REPORT

Board of Education of School District #82
Northwest Public Schools
Grand Island, Nebraska

SHAREHOLDERS

Robert D. Almquist
Phillip D. Maltzahn
Terry T. Galloway
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of School District #82 as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the School District's 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 A; 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 fraud or error.

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express

no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
General Fund	Unmodified
Special Building Fund	Unmodified
Bond Fund	Unmodified
Lunch Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinion on Governmental Activities

GASB 68 requires information used in the defined benefit pension footnote to be data from within twelve months of the District's fiscal year end. The most current information available from the Nebraska Public Employees Retirement System (NPERS) is from June 30, 2014, which is 14 months prior to the District's August 31, 2015 year end. The effect on the defined benefit plan footnote due to this departure has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of the governmental activities of School District #82, as of August 31, 2015, and the changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of School District #82, as of August 31, 2015, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis of Accounting

We draw attention to Note A 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 opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise School District #82's financial statements. The management's discussion and analysis and supplementary and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The management's discussion and analysis, budgetary comparison schedules, combining nonmajor fund financial statements, fiduciary fund statements, general fund disbursement schedule, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 described in the first sentence of this paragraph and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The county treasurer statements of receipts and disbursements, comparative statistical data from Annual Financial Reports, and additional analytical information have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2015, on our consideration of School District #82'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 School District #82's internal control over financial reporting and compliance.

Amquist, Malthahn,
Galloway & Luth, PC.

Grand Island, Nebraska
October 6, 2015

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED August 31, 2015**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of School District #82's annual financial report presents management's discussion and analysis (MD&A) of the District's financial performance during the fiscal year ended August 31, 2015. Please read the MD&A in conjunction with the entire financial report, which immediately follows this section.

FINANCIAL HIGHLIGHTS

- General Fund revenues were \$16,339,127, \$290,515 more than expenses.
- General Fund operational costs were \$16,048,612, a 7.5 percent increase over the prior year, primarily due to expenditure increases in instruction, pupil and staff support services, building and grounds, and transfers to the Lunch Fund.
- School District #82's student enrollment decreased 32 students (2.2 percent) to 1,402.

OVERVIEW OF THE FINANCIAL STATEMENTS

This audited annual financial report consists of three sections: management's discussion and analysis (MD&A) [this section], the financial statements, and supplementary and other information. The financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status. The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the district-wide statements.
- The *governmental funds statements* show how basic services, such as regular and special education were financed in the *short-term*, as well as what remains for future spending.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the District operates *like a business*, such as Nutrition Services.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of supplementary and other information that further explains and supports the financial statements with a comparison of the District's budget for the year and various other supporting schedules and statements.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's combined net position was higher on August 31, 2015, than it was the year before, increasing \$743,529 (7.5 percent) to \$10,664,107 from \$9,920,578. The growth in the District's financial position came from its governmental activities, the net position of which increased \$748,471 to \$10,658,933 from \$9,910,462. The net position of the District's business-type activities decreased \$4,942 to \$5,174 from \$10,116.

Summary Statements of Net Position

	<u>2015</u>	<u>2014</u>
Current Assets	\$ 5,436,826	\$ 4,991,094
Capital Assets	<u>8,537,281</u>	<u>8,712,484</u>
Total Assets	13,974,107	13,703,578
Long-term Liabilities	2,485,000	3,289,000
Current Liabilities	<u>825,000</u>	<u>494,000</u>
Total Liabilities	<u>3,310,000</u>	<u>3,783,000</u>
Net Position		
Net investment in capital assets	5,227,281	4,929,484
Restricted	1,310,491	1,224,690
Unrestricted	<u>4,126,335</u>	<u>3,766,404</u>
Total Net Position	<u>\$ 10,664,107</u>	<u>\$ 9,920,578</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

Governmental Activities

A summary of the governmental receipts and expenses follows:

	Years Ended August 31,		Increase
	<u>2015</u>	<u>2014</u>	<u>(Decrease)</u>
Receipts:			
Charges for services	\$ 20,200	\$ 15,050	\$ 5,150
Operating grants	1,093,376	1,480,838	(387,462)
Capital grants	14,000	-	14,000
Taxes (property, motor vehicle, and other)	9,072,296	7,662,723	1,409,573
State aid	6,684,098	6,656,691	27,407
Interest income	7,522	6,741	781
Other revenue	283,386	260,011	23,375
Total receipts	<u>17,174,878</u>	<u>16,082,054</u>	<u>1,092,824</u>
Expenses:			
Instruction	9,518,738	9,665,284	(146,546)
Support services:			
Pupils	1,148,353	762,887	385,466
Staff	622,259	213,841	408,418
General administration	595,342	548,940	46,402
Office of the principal	1,052,176	961,311	90,865
Business	116,589	109,159	7,430
Building and grounds	1,377,350	1,408,024	(30,674)
Pupil transportation	397,205	466,320	(69,115)
State categorical programs	52,575	34,719	17,856
Summer school	21,495	24,378	(2,883)
Federal programs	510,690	575,738	(65,048)
Interest expense and bond fees	85,076	100,601	(15,525)
Depreciation - unallocated	859,559	747,031	112,528
Transfer to Lunch Fund	69,000	-	69,000
Total expenses	<u>16,426,407</u>	<u>15,618,233</u>	<u>808,174</u>
Increase in governmental net position	<u>\$ 748,471</u>	<u>\$ 463,821</u>	<u>\$ 284,650</u>

Total receipts increased \$1,092,824 (6.8 percent), due primarily to a \$1,409,573 (18.4 percent) increase in taxes.

Total expenses increased \$808,174 (5.2 percent), due primarily to a \$385,466 (50.5 percent) increase in pupil support services and a \$408,418 (191.0 percent) increase in staff support services.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

Business-type Activities

A summary of the business-type activities' receipts and expenses are as follows:

	<u>Years Ended August 31,</u>		<u>Increase</u>
	<u>2015</u>	<u>2014</u>	<u>(Decrease)</u>
Receipts:			
Charges for services	\$ 361,424	\$ 409,256	\$ (47,832)
Operating grants	284,436	278,088	6,348
Transfer from General Fund	69,000	-	69,000
Total receipts	<u>714,860</u>	<u>687,344</u>	<u>27,516</u>
Expenses:			
Nutrition Services	<u>719,802</u>	<u>688,637</u>	<u>31,165</u>
Decrease in net position	<u>\$ (4,942)</u>	<u>\$ (1,293)</u>	<u>\$ (3,649)</u>

In 2015, revenues of the District's business-type activities (lunch program) increased 4.0 percent to \$714,860, and expenses increased 4.5 percent to \$719,802.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported combined fund balances of \$5,431,652, \$450,674 more than last year's ending fund balances of \$4,980,978.

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2015:

	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts Over (Under) Disbursements</u>
General	\$ 16,339,127	\$ 16,048,612	\$ 290,515
Special Building	316,178	236,367	79,811
Bond	2,629,842	2,757,334	(127,492)
Other Governmental Funds	524,406	316,566	207,840
Eliminations	(510,000)	(510,000)	-
Totals	<u>\$ 19,299,553</u>	<u>\$ 18,848,879</u>	<u>\$ 450,674</u>

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2014:

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

	<u>Receipts</u>	<u>Disbursements</u>	Receipts Over (Under) <u>Disbursements</u>
General	\$ 15,172,867	\$ 14,930,059	\$ 242,808
Special Building	428,672	627,451	(198,779)
Bond	493,884	419,910	73,974
Other Governmental Funds	1,117,539	1,245,149	(127,610)
Eliminations	(157,500)	(157,500)	-
Totals	<u>\$ 17,055,462</u>	<u>\$ 17,065,069</u>	<u>\$ (9,607)</u>

In addition to the district-wide financial statements, food services are reported in greater detail in the proprietary fund statements.

BUDGET ANALYSIS

In 2015, General Fund disbursements were \$16,388 less than budgeted appropriations. Actual General Fund receipts were \$56,873 less than budget.

The Bond Fund budget was amended to increase budgeted disbursements \$2,140,000 for bond refinancing, increasing budgeted bond proceeds by the same amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2015, the District had invested \$17,943,734 in a broad range of capital assets, including land, construction in progress, buildings and improvements, vehicles, furniture and equipment, and computer equipment. The net book value after depreciation was \$8,537,281 at August 31, 2015.

The ending net value represents a net decrease of \$175,203 or 2.0 percent from last year. (More detailed information about capital assets can be found in note E to the financial statements). Total depreciation expense for the year was \$859,559, while building improvements and additions to vehicles, equipment, and furniture amounted to \$687,032.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

The most significant capital asset additions (greater than \$20,000 each) were:

- Final payment on HVAC project - \$81,260
- Construction in progress on Cedar Hollow roof project - \$25,200
- Roof replacement at St. Libory - \$237,254
- HVAC compressor at Chapman - \$21,808
- Senior class picture framing and display - \$28,825
- 800 Chromebook cases - \$22,400
- 28 MacBook Air computers - \$36,614
- 12 MacBook Pro computers – \$26,195
- 9 MacBook Pro and 3 MacBook Air computers - \$20,501

Long-term Debt

A summary of the District's debt follows:

	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>
General obligation bonds	\$ 2,136,000	\$ 2,470,000	\$ (334,000)
Limited tax obligation bonds	960,000	960,000	-
Capital lease obligations	<u>214,000</u>	<u>353,000</u>	<u>(139,000)</u>
Total long-term debt	<u>\$ 3,310,000</u>	<u>\$ 3,783,000</u>	<u>\$ (473,000)</u>

Long-term debt decreased \$473,000 (12.5 percent) as scheduled principal payments were made. The 2010A and 2010B bonds were refinanced with the issuance of \$1,883,000 of Series 2015A refunding bonds and the issuance of \$253,000 of Series 2015B bonds.

(More detailed information about the District's long-term liabilities is presented in note F to the financial statements).

FACTORS BEARING ON THE DISTRICT'S FUTURE

- Certified State Aid for the year ending August 31, 2016 will be \$6,235,600, a \$448,400 (6.7 percent) decrease from the prior year.
- District #82's total property tax asking for the year ending August 31, 2016 will be \$9,466,932, a \$714,238 (8.2 percent) increase over the prior year.
- At August 31, 2015, the District had a contractual commitment of \$58,800 for the Cedar Hollow roof project. A commitment of \$7,000 remained to be paid on a lawn mower.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2015**

- The District had a contractual commitment of \$50,835 for shop renovations. Also, the district had a commitment for \$39,770 on a new greenhouse. All projects are expected to be completed during Fall 2015.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This audited financial report is designed to provide the District's stakeholders (i.e., citizens, taxpayers, customers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional information, please feel free to contact the following school official:

Sharon Placke
Business Manager
School District #82
Northwest Public Schools
2710 N. North Road
Grand Island, NE 68803
(308) 385-6394

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

August 31, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments (note C)	\$ 2,062,840	\$ 5,174	\$ 2,068,014
Cash restricted for building projects (note C)	348,864	-	348,864
Cash restricted for debt service (note C)	548,629	-	548,629
Cash restricted for qualified capital purpose undertaking (note C)	170,301	-	170,301
Cash with county treasurers (note D)	2,301,018	-	2,301,018
Total current assets	<u>5,431,652</u>	<u>5,174</u>	<u>5,436,826</u>
Noncurrent assets:			
Capital assets (notes A5 and E):			
Land	60,076	-	60,076
Construction in progress	32,200	-	32,200
Buildings and improvements	14,670,092	-	14,670,092
Vehicles	244,588	-	244,588
Furniture and equipment	1,448,041	-	1,448,041
Computer equipment	1,488,737	-	1,488,737
Less: Accumulated depreciation	(9,406,453)	-	(9,406,453)
Net capital assets	<u>8,537,281</u>	<u>-</u>	<u>8,537,281</u>
Total assets	<u>13,968,933</u>	<u>5,174</u>	<u>13,974,107</u>
LIABILITIES			
Current liabilities (note F):			
Current portion of bonds payable	685,000	-	685,000
Current portion of capital leases	140,000	-	140,000
Total current liabilities	<u>825,000</u>	<u>-</u>	<u>825,000</u>
Long-term liabilities (note F):			
Bonds payable, net of current portion	2,411,000	-	2,411,000
Capital leases, net of current portion	74,000	-	74,000
Total long-term liabilities	<u>2,485,000</u>	<u>-</u>	<u>2,485,000</u>
Total liabilities	<u>3,310,000</u>	<u>-</u>	<u>3,310,000</u>
NET POSITION			
Net investment in capital assets	5,227,281	-	5,227,281
Restricted	1,310,491	-	1,310,491
Unrestricted	4,121,161	5,174	4,126,335
Total net position	<u>\$ 10,658,933</u>	<u>\$ 5,174</u>	<u>\$ 10,664,107</u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the year ended August 31, 2015

Functions/Programs	Expenses	Program Receipts	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
Instruction	\$ 9,518,738	\$ -	\$ 626,572
Support services:			
Pupils	1,148,353	-	-
Staff	622,259	-	-
General administration	595,342	-	-
Office of the principal	1,052,176	-	-
Business	116,589	-	-
Building and grounds	1,377,350	2,275	-
Pupil transportation	397,205	-	-
State categorical programs	52,575	-	63,030
Summer school	21,495	17,925	-
Federal programs	510,690	-	403,774
Interest expense and bond fees	85,076	-	-
Depreciation - unallocated	859,559	-	-
Total governmental activities	16,357,407	20,200	1,093,376
Business-type activities:			
Nutrition services	719,802	361,424	284,436
Total primary government	\$ 17,077,209	\$ 381,624	\$ 1,377,812

See notes to financial statements.

<u>Program Receipts</u>	<u>Net (Expenses) Receipts and Changes in Net Position</u>		
<u>Capital</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
<u>Grants and</u>	<u>Activities</u>	<u>Activities</u>	
<u>Contributions</u>			
\$ -	\$ (8,892,166)		\$ (8,892,166)
-	(1,148,353)		(1,148,353)
-	(622,259)		(622,259)
-	(595,342)		(595,342)
-	(1,052,176)		(1,052,176)
-	(116,589)		(116,589)
14,000	(1,361,075)		(1,361,075)
-	(397,205)		(397,205)
-	10,455		10,455
-	(3,570)		(3,570)
-	(106,916)		(106,916)
-	(85,076)		(85,076)
-	(859,559)		(859,559)
14,000	(15,229,831)	\$ -	(15,229,831)
-	-	(73,942)	(73,942)
<u>\$ 14,000</u>	<u>(15,229,831)</u>	<u>(73,942)</u>	<u>(15,303,773)</u>
General receipts:			
Taxes:			
Property	8,462,793	-	\$ 8,462,793
Motor vehicle	433,416	-	433,416
Other taxes	176,087	-	176,087
Fines and licenses	60,325	-	60,325
State aid	6,684,098	-	6,684,098
State apportionment	96,254	-	96,254
Annexation agreement	120,006	-	120,006
Gain on disposal of assets	275	-	275
Interest income	7,522	-	7,522
Interfund transfers	(69,000)	69,000	-
Other	6,526	-	6,526
Total general receipts	15,978,302	69,000	16,047,302
Change in net position	748,471	(4,942)	743,529
Net position - August 31, 2014	9,910,462	10,116	9,920,578
Net position - August 31, 2015	<u>\$ 10,658,933</u>	<u>\$ 5,174</u>	<u>\$ 10,664,107</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**BALANCE SHEET - GOVERNMENTAL FUNDS -
MODIFIED CASH BASIS**

August 31, 2015

	<u>General Fund</u>	<u>Special Building Fund</u>	<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments	\$ 1,904,393	\$ 348,864	\$ 548,629	\$ 328,748	\$ 3,130,634
Cash with county treasurers	<u>2,058,321</u>	<u>45,640</u>	<u>131,139</u>	<u>65,918</u>	<u>2,301,018</u>
Total assets	<u><u>\$ 3,962,714</u></u>	<u><u>\$ 394,504</u></u>	<u><u>\$ 679,768</u></u>	<u><u>\$ 394,666</u></u>	<u><u>\$ 5,431,652</u></u>
LIABILITIES					
	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES					
Restricted for:					
Debt service	-	-	679,768	-	679,768
Building additions/ improvements	-	394,504	-	-	394,504
Qualified capital purpose	-	-	-	236,219	236,219
Assigned for:					
Capital outlay	-	-	-	70,397	70,397
Employee benefits	-	-	-	88,050	88,050
Unassigned	<u>3,962,714</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,962,714</u>
Total fund balances	<u><u>3,962,714</u></u>	<u><u>394,504</u></u>	<u><u>679,768</u></u>	<u><u>394,666</u></u>	<u><u>5,431,652</u></u>
Total liabilities and fund balances	<u><u>\$ 3,962,714</u></u>	<u><u>\$ 394,504</u></u>	<u><u>\$ 679,768</u></u>	<u><u>\$ 394,666</u></u>	<u><u>\$ 5,431,652</u></u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

August 31, 2015

Total fund balances - governmental funds	\$ 5,431,652
---	---------------------

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$17,943,734, and the accumulated depreciation is \$9,406,453.	8,537,281
---	-----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Bonds payable	\$ (3,096,000)	
Capital lease obligations	<u>(214,000)</u>	<u>(3,310,000)</u>
Total net position - governmental activities		<u><u>\$ 10,658,933</u></u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS -
MODIFIED CASH BASIS**

For the year ended August 31, 2015

	General Fund	Special Building Fund
RECEIPTS		
Taxes:		
Property	\$ 7,253,241	\$ 184,113
Motor vehicle	433,416	-
Property tax credit	319,825	7,195
Homestead exemption	106,077	2,387
Prorate motor vehicle	18,939	1,845
Carline	26,495	596
Fines and licenses	60,325	-
Educational Service Unit receipts	3,599	-
State aid and grants	7,417,615	-
Federal grants	456,112	-
Summer school tuition	17,925	-
Interest income	7,405	36
Transfers from other funds	210,000	-
Bond proceeds	-	-
Sale of assets/insurance proceeds	2,951	-
Annexation agreement	-	120,006
Other	5,202	-
Total receipts	<u>16,339,127</u>	<u>316,178</u>
DISBURSEMENTS		
Instruction	8,195,349	-
Special education programs	1,427,676	-
Support services:		
Pupils	1,157,289	-
Staff	748,019	-
General administration	595,342	-
Office of the principal	1,052,176	-
Business	116,589	-
Building and grounds	1,615,207	4,534
Pupil transportation	397,205	-
Early retirement	90,000	-
State categorical programs	52,575	-
Summer school	21,495	-
Federal programs	510,690	-
Capital outlay	-	231,833
Transfer to Lunch Fund	69,000	-
Transfer to General Fund	-	-
Debt service:		
Principal	-	-
Interest	-	-
Bond fees	-	-
Total disbursements	<u>16,048,612</u>	<u>236,367</u>
Excess (deficiency) of receipts over disbursements	290,515	79,811
Fund balances - August 31, 2014	<u>3,672,199</u>	<u>314,693</u>
Fund balances - August 31, 2015	<u>\$ 3,962,714</u>	<u>\$ 394,504</u>

See notes to financial statements.

<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
\$ 459,492	\$ 209,217	\$ -	\$ 8,106,063
-	-	-	433,416
19,325	10,386	-	356,731
7,778	3,445	-	119,687
5,345	467	-	26,596
1,852	860	-	29,803
-	-	-	60,325
-	-	-	3,599
-	-	-	7,417,615
-	-	-	456,112
-	-	-	17,925
50	31	-	7,522
-	300,000	(510,000)	-
2,136,000	-	-	2,136,000
-	-	-	2,951
-	-	-	120,006
-	-	-	5,202
<u>2,629,842</u>	<u>524,406</u>	<u>(510,000)</u>	<u>19,299,553</u>
-	73,910	-	8,269,259
-	-	-	1,427,676
-	-	-	1,157,289
-	-	-	748,019
-	-	-	595,342
-	-	-	1,052,176
-	-	-	116,589
-	83,160	(210,000)	1,492,901
-	-	-	397,205
-	-	(90,000)	-
-	-	-	52,575
-	-	-	21,495
-	-	-	510,690
-	151,754	-	383,587
-	-	-	69,000
210,000	-	(210,000)	-
2,470,000	-	-	2,470,000
58,790	7,342	-	66,132
18,544	400	-	18,944
<u>2,757,334</u>	<u>316,566</u>	<u>(510,000)</u>	<u>18,848,879</u>
(127,492)	207,840	<u>\$ -</u>	450,674
<u>807,260</u>	<u>186,826</u>		<u>4,980,978</u>
<u>\$ 679,768</u>	<u>\$ 394,666</u>		<u>\$ 5,431,652</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**RECONCILIATION OF THE STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

For the year ended August 31, 2015

Total net change in fund balances - governmental funds	\$ 450,674
---	-------------------

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

Capital outlays are reported in governmental funds as disbursements.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capitalized capital outlay (\$687,032) was exceeded by depreciation expense (\$859,559) during the period.	(172,527)
--	-----------

Remaining basis on the disposal of capital assets does not impact the governmental funds, but is reported as a loss in the statement of net position.	(2,676)
---	---------

Bond proceeds are reported as revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.	(2,136,000)
---	-------------

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayments of principal were:

Bonds payable	\$ 2,470,000	
Capital lease obligations	<u>139,000</u>	<u>2,609,000</u>

Change in net position of governmental activities	<u>\$ 748,471</u>
--	--------------------------

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF NET POSITION - PROPRIETARY FUND -
MODIFIED CASH BASIS**

August 31, 2015

	<u>Lunch Fund</u>
ASSETS	
Cash	\$ 5,174
LIABILITIES	<u>-</u>
NET POSITION	
Unrestricted	<u><u>\$ 5,174</u></u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN NET POSITION - PROPRIETARY FUND -
MODIFIED CASH BASIS**

For the year ended August 31, 2015

	<u>Lunch Fund</u>
Operating receipts:	
Lunch sales	\$ 361,424
State sources	1,936
Federal sources	220,243
USDA commodities	62,257
Total operating receipts	<u>645,860</u>
Operating disbursements:	
Salaries and employee benefits	353,495
Food and food service supplies	366,088
Other	219
Total operating disbursements	<u>719,802</u>
 Total disbursements in excess of receipts	 (73,942)
Nonoperating receipts:	
Transfer from General Fund	<u>69,000</u>
 Decrease in net position	 (4,942)
 Net position - August 31, 2014	 <u>10,116</u>
 Net position - August 31, 2015	 <u><u>\$ 5,174</u></u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF NET POSITION - FIDUCIARY FUNDS -
MODIFIED CASH BASIS**

August 31, 2015

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 244,150
LIABILITIES	
For the obligations of student activities	244,150
For the obligations of student fees	-
Total liabilities	<u>244,150</u>
NET POSITION	<u><u>\$ -</u></u>

See notes to financial statements.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the District's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Reporting Entity

School District #82 is a tax-exempt political subdivision and a Class III school district of the State of Nebraska. The District has considered whether any other organizations should be included in the reporting entity based upon the significance of the operational or financial relationship with the District and has concluded that no other organization should be included. Therefore, the financial statements present the District as the primary government.

2. Basis of Presentation

The School District has adopted the provisions of Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." Effective September 1, 2010, the District adopted GASB Statement No. 54 regarding classification of governmental fund balances. Fund balances are classified as follows:

Nonspendable-Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted-Amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors or creditors.

Committed-Amounts that can be used only for specific purposes determined by a formal action by School Board resolution.

Assigned-Amounts that are designated by the Superintendent for a specific purpose but are not spendable until a budget ordinance is passed by the School Board.

Unassigned-All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 15). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the School Board or the Assignment has been changed by the Superintendent. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

The District's financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the nonfiduciary financial activities of the District. The effect of interfund activity has been eliminated from these statements. These statements report those activities of the District that are governmental (i.e., generally supported by taxes and intergovernmental revenues) and business-type (i.e., generally supported by fees for service). Fiduciary funds are not included in the government-wide financial statements.

The statement of net position presents the financial position of the District's governmental and business-type activities at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions (including related investment earnings) that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each function is self-financing or draws from the general revenues.

Fund Financial Statements – The District maintains fund accounting in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level.

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

Proprietary funds are used to account for the School District's business-type activities. Proprietary funds distinguish operating receipts and disbursements from nonoperating items.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements, continued –

Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. The Lunch Fund is considered a proprietary fund.

Fiduciary funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support the School District's own programs. The Activity Fund and Student Fees Fund are fiduciary funds.

3. Basis of Accounting/Measurement Focus

The financial statements of the District have been prepared on the modified cash basis of accounting in that capital assets are capitalized and depreciated under the government-wide measurement focus and long-term liability proceeds and payments do not affect the statement of activities (but are instead carried on the statement of net position) under the government-wide measurement focus. This basis recognizes assets, liabilities, net position, revenues and expenses when they result from cash transactions with a provision for depreciation. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Accordingly, the financial statements and supplemental schedules are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

The measurement focus establishes the basis of accounting. The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Differences between the government-wide financial statements and the fund financial statements

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Basis of Accounting/Measurement Focus, continued

arise in the recording of capital assets, the recognition of depreciation, and the recording of long-term liabilities. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the governmental fund financial statements.

The government-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Proceeds from the issuance of long-term debt increase liabilities and payment of long-term debt reduces liabilities. Capital assets are capitalized and depreciation is recognized over the estimated lives of the related assets.

The governmental fund financial statements are prepared using a flow of current financial resources measurement focus and the modified cash basis of accounting. Proceeds from issuance of long-term debt are recognized when received and payment of long-term debt principal is reported as an expenditure when paid. Capital asset purchases are recorded as expenditures and depreciation is not recognized.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations.

4. Fund Types

Governmental Funds – Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they are to be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund: This fund is the operating fund of the District. It is used to account for all financing resources except those required to be accounted for in other funds.

Special Building Fund: The Special Building Fund accounts for taxes levied and other revenue specifically maintained for future building and equipment purchases.

Bond Fund: This fund is used to record tax receipts and the payment of bond principal and interest.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Fund Types, continued

The other governmental funds are:

Depreciation Fund: This fund was established to facilitate the eventual purchase of fixed assets by reserving monies from the General Fund.

Employee Benefit Fund: The Employee Benefit Fund was established in order to specifically reserve General Fund money for early retirement benefits of school district employees.

Qualified Capital Purpose Undertaking Fund: This fund (formerly the Hazardous Material Abatement Fund) was established for the purpose of collecting tax receipts to facilitate the removal of environmental hazards and the reduction or elimination of accessibility barriers in school district buildings.

Proprietary Funds – Proprietary funds include enterprise funds. Enterprise funds account for ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon the determination of change in net position. The District's only proprietary fund is the following fund:

Lunch Fund: Accounts for the operations of the District's lunch program.

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The District's fiduciary funds consist of the following:

Activity Fund: This fund is used to account for assets held by the District in a trustee/agency capacity for various school organizations and activities.

Student Fees Fund: This fund is used to account for the collection and disbursement of student fees for extracurricular activities and summer school.

5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statement of assets, liabilities, and fund balances - governmental funds.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Capital Assets, continued

The District has a \$5,000 capitalization threshold. Capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated fair value as of the date received. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

Capital assets not being depreciated include land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes, no salvage value is taken into consideration for depreciation purposes. Depreciation is computed using the straight-line method over the estimated useful life of the asset. The District has established estimated useful lives as follows:

<u>Description</u>	<u>Estimated Useful Lives in Years</u>
Buildings and Improvements	15–25
Vehicles	5
Furniture and Equipment	5-10
Computer Equipment	5

6. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

7. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B – BUDGET PROCESS AND PROPERTY TAXES

The District is required by state law to adopt annual budgets for all funds. The required supplementary information presents budgets for the General Fund, Special Building Fund, and Bond Fund (the major governmental funds). Each budget is presented on the cash basis of accounting, which is consistent with the requirements of the state budget act.

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 expenditure and/or tax levy limitations.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. As of August 1, or shortly thereafter, Administration of the District prepares a proposed operating budget for the fiscal year commencing the following September 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to the budget filing date, the budget is legally adopted by the Board of Education through passage of a resolution.
4. Total actual expenditures may not legally exceed the Total Budget of Expenditures. Appropriations for expenditures lapse at year end and any revisions require a public hearing and Board approval.
5. The county clerk certifies a preliminary property tax rate for each fund of the School District, which levied property taxes in the county the previous year. For school systems with multiple school districts, the county clerk certifies to each school district the combined valuation of the school system and the proportion of valuation of each district. The county clerk also certifies the preliminary levies based on the combined valuation and the amount

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE B – BUDGET PROCESS AND PROPERTY TAXES, continued

requested for the school system for the prior year. The preliminary levy shall be the final levy unless the School Board passes, by a majority vote, a resolution setting a levy at a different amount. For school systems with multiple school districts, the School Board of the Class III school district, or kindergarten through grade twelve district, shall have the authority to set the tax rate for the school system.

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

The assessed value upon which the 2015 levy was based was \$822,872,408.

The tax levy per \$100 of assessed valuation of taxable property for the year ended August 31, 2015 was as follows:

General Fund	\$ 0.952468
Special Building Fund	0.021428
Qualified Capital Purpose Undertaking Fund	0.030931
Bond Fund	<u>0.058849</u>
	<u>\$ 1.063676</u>

NOTE C – CASH AND INVESTMENTS

At August 31, 2015, the carrying value of the District's deposits was \$3,379,958 and the bank balances were \$3,545,859. For reporting purposes, the collateral on the School District bank deposits is classified in these categories:

1. Insured or collateralized with securities held by the School District or by its agent in the School District's name.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the School District's name.
3. Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the School District's name.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE C – CASH AND INVESTMENTS, continued

At August 31, 2015, the District's bank deposits were fully insured or collateralized with FDIC coverage and pledged securities. All securities are held by the pledging financial institution, but not in the School District's name.

The School District has invested in the Nebraska Liquid Asset Fund. All funds in the Nebraska Liquid Asset Fund are invested in accordance with Nebraska law. Each school district owns a pro-rata share of each investment or deposit, which is held in the name of the fund.

Cash and investments for the School District at August 31, 2015 consisted of the following:

Cash on hand	\$ 1,809
Nebraska Liquid Asset Fund	1,262,076
Checking and money market	1,816,073
Certificates of deposit	<u>300,000</u>
Total cash	\$ <u>3,379,958</u>

Summary of Carrying Values

The carrying values of cash and investments shown above are included in the fund financial statements at August 31, 2015, as follows:

Carrying value:	
Cash and investments	\$ <u>3,379,958</u>

Included in the following fund financial statements captions:

Statement of Net Position – Governmental Funds	
Cash and investments	\$ 2,062,840
Cash restricted for building projects	348,864
Cash restricted for debt service	548,629
Cash restricted for qualified capital purposes	170,301
Statement of Net Position – Proprietary Fund	
Cash	5,174
Statement of Net Position – Fiduciary Funds	
Activity Fund	
Cash	<u>244,150</u>
	\$ <u>3,379,958</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE D – FUNDS HELD BY COUNTY TREASURERS

The following receipts were held by county treasurers for the School District at August 31, 2015. The receipts were transferred subsequent to the fiscal year ended August 31, 2015.

General Fund	\$ 2,058,321
Special Building Fund	45,640
Bond Fund	131,139
Qualified Capital Purpose Undertaking Fund	<u>65,918</u>
Total cash with county treasurers at August 31, 2015	<u>\$ 2,301,018</u>

NOTE E – CAPITAL ASSETS

Capital asset balances and activity for the year ended August 31, 2015 were as follows:

	Balance August 31, 2014	Additions	Disposals	Reclass	Balance August 31, 2015
Capital assets not being depreciated:					
Land	\$ 60,076	\$ -	\$ -	\$ -	\$ 60,076
Construction in progress	1,635,032	32,200	-	(1,635,032)	32,200
Capital assets being depreciated:					
Buildings and improvements	12,597,283	446,082	(8,305)	1,635,032	14,670,092
Vehicles	244,588	-	-	-	244,588
Furniture and equipment	1,399,852	48,189	-	-	1,448,041
Computer equipment	<u>1,328,176</u>	<u>160,561</u>	<u>-</u>	<u>-</u>	<u>1,488,737</u>
Total capital assets	17,265,007	687,032	(8,305)	-	17,943,734
Less accumulated depreciation:					
Buildings and improvements	(6,509,854)	(611,312)	5,629	-	(7,115,537)
Vehicles	(193,986)	(21,928)	-	-	(215,914)
Furniture and equipment	(969,252)	(74,138)	-	-	(1,043,390)
Computer equipment	<u>(879,431)</u>	<u>(152,181)</u>	<u>-</u>	<u>-</u>	<u>(1,031,612)</u>
Total accumulated depreciation	<u>(8,552,523)</u>	<u>(859,559)</u>	<u>5,629</u>	<u>-</u>	<u>(9,406,453)</u>
Net capital assets	<u>\$ 8,712,484</u>	<u>\$ (172,527)</u>	<u>\$ (2,676)</u>	<u>\$ -</u>	<u>\$8,537,281</u>

Included in equipment at August 31, 2015 are copiers and computers leased under capital lease arrangements with total cost of \$520,616 and accumulated depreciation of \$238,665.

Included in construction in progress at August 31, 2015 is \$25,200 of costs incurred on the Cedar Hollow roof project and a \$7,000 downpayment on a lawn mower. See note M for additional information on commitments for these projects.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE F – LONG-TERM LIABILITIES

Long-term liability balances and activity in the governmental funds for the year ended August 31, 2015 were as follows:

	Balance August 31, <u>2014</u>	<u>Proceeds</u>	Principal <u>Payments</u>	Balance August 31, <u>2015</u>	Due Within <u>One Year</u>
General obligation bonds	\$ 2,470,000	\$ 2,136,000	\$ (2,470,000)	\$ 2,136,000	\$ 447,000
Limited tax obligation bonds	960,000	-	-	960,000	238,000
Capital lease obligations	353,000	-	(139,000)	214,000	140,000
Total	<u>\$ 3,783,000</u>	<u>\$ 2,136,000</u>	<u>\$ (2,609,000)</u>	<u>\$ 3,310,000</u>	<u>\$ 825,000</u>

Payments on the general obligation bonds payable are made by the Bond Fund. Payments on the limited tax obligation bonds are made by the Qualified Capital Purpose Undertaking Fund. The General Fund and Activity Fund will make the capital lease payments.

Bonds Payable:

On April 1, 2010, the District issued \$2,860,000 of General Obligation Refunding Bonds with interest rates of 0.75 - 3.9 percent to refund \$2,810,000 of outstanding 2005 Series bonds. The bonds mature December 15, 2022. These bonds were refinanced during the year ended August 31, 2015.

On April 1, 2010, the District issued \$945,000 of General Obligation Refunding Bonds with interest rates of 0.75 - 2.8 percent to refund \$925,000 of outstanding 2005 Series bonds on Chapman Public School District #9 (a merged Class I district). The bonds mature December 15, 2016. These bonds were refinanced during the year ended August 31, 2015.

On April 2, 2015, the District issued \$1,883,000 of Series 2015A General Obligation Refunding Bonds with interest rates of 0.40 - 1.45 percent to refund \$1,865,000 of outstanding 2010A Series bonds. The bonds mature December 15, 2020.

On April 2, 2015, the District issued \$253,000 of Series 2015B General Obligation Refunding Bonds with interest rates of 0.40 - 0.60 percent to refund \$250,000 of outstanding 2010B Series bonds. The bonds mature December 15, 2016.

On February 5, 2014, the District issued \$960,000 of Limited Tax Obligation Bonds with interest rates of 0.4 - 1.2 percent for an HVAC project. The bonds mature December 15, 2018.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE F – LONG-TERM LIABILITIES, continued

Capital Lease Obligations:

On June 9, 2014, the School entered into a \$251,000 capital lease obligation for 800 Acer Chromebooks and 110 iPads. The lease bears interest rates of 0.4 – 0.6 percent and matures July 15, 2016. The General Fund will make the principal and interest payments on this capital lease.

On July 14, 2014, the School entered into a \$102,000 capital lease obligation for a video display board for the gym. The lease bears interest rates of 0.4 – 2.15 percent and matures July 15, 2021. The Activity Fund will make the principal and interest payments on this capital lease.

Future long-term debt service requirements are:

<u>Year Ending August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 825,000	\$ 31,877	\$ 856,877
2017	671,000	23,617	694,617
2018	572,000	18,937	590,937
2019	567,000	13,149	580,149
2020	334,000	7,629	341,629
2021-2025	341,000	2,832	343,832
	<u>\$ 3,310,000</u>	<u>\$ 98,041</u>	<u>\$3,408,041</u>

NOTE G – PENSION PLAN

Plan Description

The School District #82 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, 2014, there were 270 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

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE G – PENSION PLAN, continued

Plan Description, continued

retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, Community Colleges), are members of the plan.

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

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

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

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

For school employees who became members on or after July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost of living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent.

For the District's year ended August 31, 2015, the District's total payroll for all employees was \$8,616,033. Total covered payroll was \$8,254,975. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

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

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE G – PENSION PLAN, continued

Contributions, continued

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, 2013, to June 30, 2014 (and from July 1, 2014 through August 31, 2015). 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, 2015, was \$815,411.

Pension Liabilities

At June 30, 2014 the District had a liability of \$3,739,923 for its proportionate share of the net pension liability. (This liability is not recorded in the accompanying modified cash basis financial statements.) The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NPERS School Plan was 90.65% funded as of June 30, 2014 based on actuarial calculations comparing total pension liability to the plan fiduciary net position. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2014, the District's proportion was 0.384666 percent. Its proportion measured as of June 30, 2013 was not available.

For the year ended June 30, 2014, the District's allocated pension expense was \$21,393.

Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price Inflation	3.25 percent
Wage Inflation	4.00 percent
Salary increases, including wage inflation	4.00-9.00 percent
Cost-of-Living Adjustment	Members hired before July 1, 2013: 2.50% with a floor benefit equal to 75% purchasing power of original benefit. Members hired on/after July 1, 2013: 1.00%
Long-term Rate of Return, net of investment expense, including price inflation	8.00 percent
Municipal Bond Index Rate	4.35 percent
Year FNP is Projected to be Depleted	N/A
Single Equivalent Int. Rate, net of investment expense, including price inflation	8.00 percent

*1% and no floor benefit for members joining on or after July 1, 2013.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE G – PENSION PLAN, continued

Actuarial Assumptions, continued

The School Plan's pre-retirement mortality rates were based on the 1994 Group Annuity Mortality Table, projected to 2015 using scale AA, set back one year (sex distinct with 55 percent of male rates for males and 40 percent of female rates for females).

The School Plan's post-retirement rates were based on the 1994 Group Annuity Mortality Table, projected to 2015 using Scale AA, set-back one year (sex distinct).

The School Plan's disability mortality rates were based on the 1983 Railroad Retirement Board Disabled Annuitants Morality (unisex).

The actuarial assumptions used in the July 1, 2014, valuations for the School plan is based on the results of the most recent actuarial experience study, which covered the five year period ending June 30, 2011. The experience study report is dated August 20, 2012.

The long-term expected real rate of return on pension plan investments was based upon the expected long-term investment returns provided by a consultant of the Nebraska Investment Council, who is responsible for investing the pension plan assets. The return assumptions were developed using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014, (see the discussion of the pension plan's investment policy) are summarized in the following table:

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE G – PENSION PLAN, continued

Actuarial Assumptions, continued

Asset Class	Target Allocation	Long-Term Expected
		Real Rate of Return*
Large Cap US Equity	26.10%	4.4%
Small Cap US Equity	2.90%	4.9%
Global Equity	15.00%	5.0%
International Developed Equity	11.14%	5.0%
Emerging Markets Equity	2.36%	6.2%
Fixed Income	25.00%	1.7%
Bank Loans	5.00%	2.0%
Real Estate	7.50%	4.7%
Private Equity	5.00%	6.5%
Total	100.00%	

*Geometric mean, net of investment expenses.

Discount Rate

The discount rate used to measure the Total Pension Liability at both June 30, 2013 and June 30, 2014, was 8 percent. The discount rate is reviewed as part of the actuarial experience study, which was last performed for the period July 1, 2006, through June 30, 2011. The actuarial experience study is reviewed by the NPERS Board, which must vote to change the discount rate.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and contributions from employers and nonemployers will be made at the contractually rates, actuarially determined. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projected future benefit payments for all current plan members were projected through 2113.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 8.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0 percent) or 1-percentage-point higher (9.0 percent) than the current rate:

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE G – PENSION PLAN, continued

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate, continued

	<u>Discount rate</u>	<u>District's proportionate Share of net pension liability</u>
1% decrease	7.0%	\$8,919,157
Current discount rate	8.0%	\$3,739,923
1% increase	9.0%	\$ (564,480)

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 by writing the NPERS, P.O. Box 94816, Lincoln, NE 68509-4816, by calling 1-800-245-5715 or via the internet at http://www.auditors.nebraska.gov/APA_Reports/2015/SA185-03112015-July_1_2013_through_June_30_2014_Audit_Report.pdf.

NOTE H – RISK MANAGEMENT

The School District is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School District maintains commercial insurance coverage covering each of the above risks of loss. Management believes that the coverage is adequate to preclude any significant uninsured risk of exposure to the School District.

Settled claims in the past three years have not exceeded the coverages.

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the School District's investments at August 31, 2015, are held in the name of the School District. The underlying securities consist of certificates of deposit and Nebraska Liquid Asset Fund.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE H – RISK MANAGEMENT, continued

Deposits and Investments, continued

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the School District's investment policy requires that market conditions and investment securities be analyzed to determine the maximum yield to be obtained and to minimize the impact of rising interest rates. The investment maturities are as follows:

<u>Maturities by Month</u>	<u>Amount</u>
January 2016	\$ 100,000
November 2016	200,000
	<u>\$ 300,000</u>

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The School District's investments consist of only certificates of deposit and Nebraska Liquid Asset Fund, minimizing credit risk associated with the School District's investment portfolio.

Concentration of Credit Risk. The School District's investment policy places no limit on the amount that may be invested in any one issuer. At August 31, 2015, the School District's deposits consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Nebraska Liquid Asset Fund	\$ 1,262,076
Five Points Bank	1,766,457
First National Bank	249,616
Pathway Bank	100,000
	<u>\$ 3,378,149</u>

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The School District's investments had no exposure to foreign currency risk and held no investments denominated in foreign currency at August 31, 2015.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE I – INTERFUND TRANSFERS AND BALANCES

During the year ended August 31, 2015, the General Fund transferred \$90,000 to the Employee Benefit Fund, and \$210,000 to the Depreciation Fund. Also, the Bond Fund transferred \$210,000 to the General Fund. These transfers were eliminated in the Total Governmental Funds column on page 17. Amounts transferred to the Employee Benefit Fund will be used for future early retirement incentive payments. Amounts transferred to the Depreciation Fund will be used for future equipment purchases. The amount transferred from the Bond Fund was the balance remaining after the Cedar Hollow bond was paid off.

The General Fund also transferred \$69,000 to the Lunch Fund during the year ended August 31, 2015, for operating support.

NOTE J – 125 CAFETERIA PLAN

The School District has set up a 125 Cafeteria Plan for the benefit of its employees. The checking account had a balance of \$13,538 at August 31, 2015. Funds are held at Five Points Bank.

NOTE K – RETIREMENT COMMITMENTS

As of August 31, 2015, the School District had retirement commitments to ten retired employees. Amounts due under the early retirement incentive program are as follows:

August 31, 2016	\$ 90,733
August 31, 2017	30,000
August 31, 2018	30,000
August 31, 2019	30,000
August 31, 2020	30,000
August 31, 2021	29,583
August 31, 2022	20,000
August 31, 2023	10,000
August 31, 2024	5,000
	<u>\$ 275,316</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2015

NOTE L – LEASE COMMITMENTS

The School District leases copier equipment under four operating leases with the following terms:

Copiers-all locations	5/16/15 – 5/16/20	\$ 1,180/month
Printers-all locations	7/10/15 – 7/10/20	242/month

Rent expense totaled \$25,884 for the year ended August 31, 2015.

The School District has the following lease commitments:

Years ending August 31, 2016	\$ 17,064
2017	17,064
2018	17,064
2019	17,064
2020	<u>11,860</u>
	<u>\$ 80,116</u>

NOTE M – COMMITMENTS

At August 31, 2015, the District had a \$84,000 contractual commitment to Heartland Roofing Consultants, Inc. for the Cedar Hollow roof project. A total of \$25,200 had been paid on this contract as of August 31, 2015, leaving \$58,800 to be paid under the contractual obligation. The District had a \$14,000 contractual commitment with Grones Outdoor Power on a lawn mower. They had paid \$7,000 on this contract as of August 31, 2015, leaving \$7,000 to be paid under the contractual obligation. At August 31, 2015, the District also had a contractual commitment of \$50,835 for shop renovations and a contractual commitment of \$39,770 on a new greenhouse. All of these projects are expected to be completed during Fall 2015.

NOTE N – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 6, 2015, the date on which the financial statements were available for issue.

SUPPLEMENTARY AND OTHER INFORMATION

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND**

Year ended August 31, 2015

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS			
Taxes:			
Property	\$ 7,760,000	\$ 7,253,241	\$ (506,759)
Motor vehicle	380,000	433,416	53,416
Property tax credit	-	319,825	319,825
Homestead exemption	-	106,077	106,077
Prorate motor vehicle	20,000	18,939	(1,061)
Carline	27,000	26,495	(505)
Fines and licenses	60,000	60,325	325
Other county receipts	3,000	3,599	599
State aid and grants	7,347,000	7,417,615	70,615
Federal grants	566,500	456,112	(110,388)
Summer school tuition	15,000	17,925	2,925
Interest	5,000	7,405	2,405
Transfer from Bond Fund	210,000	210,000	-
Sale of assets/insurance proceeds	-	2,951	2,951
Other	2,500	5,202	2,702
Total receipts	16,396,000	16,339,127	(56,873)
DISBURSEMENTS			
Instructional services	9,892,110	9,623,025	(269,085)
Support services:			
Pupils	1,105,130	1,157,289	52,159
Instructional staff	576,030	748,019	171,989
General administration	598,780	595,342	(3,438)
Office of the principal	1,073,860	1,052,176	(21,684)
Business	133,700	116,589	(17,111)
Vehicle acquisition	23,000	-	(23,000)
Building and grounds	1,527,740	1,615,207	87,467
Pupil transportation	485,900	397,205	(88,695)
Early retirement	90,000	90,000	-
State categorical programs	44,700	52,575	7,875
Summer school	26,450	21,495	(4,955)
Federal programs	223,600	510,690	287,090
Transfers	264,000	69,000	(195,000)
Total disbursements	16,065,000	16,048,612	(16,388)
RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 331,000	290,515	\$ (40,485)
Fund balance - August 31, 2014		3,672,199	
Fund balance - August 31, 2015		\$ 3,962,714	

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -
SPECIAL BUILDING FUND**

Year ended August 31, 2015

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS			
Local property taxes	\$ 174,578	\$ 184,113	\$ 9,535
Property tax credit	-	7,195	7,195
Carline taxes	1,300	596	(704)
Prorate motor vehicle	1,500	1,845	345
Homestead exemption	-	2,387	2,387
Interest earned	-	36	36
Annexation agreement	<u>120,000</u>	<u>120,006</u>	<u>6</u>
Total receipts	297,378	316,178	18,800
DISBURSEMENTS			
Building acquisition/improvements	<u>676,378</u>	<u>236,367</u>	<u>(440,011)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u><u>\$ (379,000)</u></u>	79,811	<u><u>\$ 458,811</u></u>
Fund balance - August 31, 2014		<u>314,693</u>	
Fund balance - August 31, 2015		<u><u>\$ 394,504</u></u>	

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -
BOND FUND**

Year ended August 31, 2015

	Budget (Original)	Budget (Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS				
Local property taxes	\$ 479,450	\$ 479,450	\$ 459,492	\$ (19,958)
Property tax credit	-	-	19,325	19,325
Carline taxes	2,000	2,000	1,852	(148)
Prorate motor vehicle	1,400	1,400	5,345	3,945
Homestead exemption	-	-	7,778	7,778
Interest earned	-	-	50	50
Bond proceeds	-	2,140,000	2,136,000	(4,000)
Total receipts	482,850	2,622,850	2,629,842	6,992
DISBURSEMENTS				
Transfer to General Fund	210,000	210,000	210,000	-
Principal	405,000	2,545,000	2,470,000	(75,000)
Interest	75,000	75,000	58,790	(16,210)
Other	800	800	18,544	17,744
Total disbursements	690,800	2,830,800	2,757,334	(73,466)
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (207,950)</u>	<u>\$ (207,950)</u>	(127,492)	<u>\$ 80,458</u>
Fund balance - August 31, 2014			<u>807,260</u>	
Fund balance - August 31, 2015			<u>\$ 679,768</u>	

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS
MODIFIED CASH BASIS**

August 31, 2015

	Employee Benefit <u>Fund</u>	Depreciation <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>	<u>Total</u>
ASSETS				
Cash	\$ 88,050	\$ 70,397	\$ 170,301	\$ 328,748
Cash with county treasurers	<u>-</u>	<u>-</u>	<u>65,918</u>	<u>65,918</u>
Total assets	<u>\$ 88,050</u>	<u>\$ 70,397</u>	<u>\$ 236,219</u>	<u>\$ 394,666</u>
FUND BALANCES				
Restricted for:				
Qualified capital purpose	\$ -	\$ -	\$ 236,219	\$ 236,219
Assigned for:				
Employee benefits	88,050	-	-	88,050
Capital outlay	<u>-</u>	<u>70,397</u>	<u>-</u>	<u>70,397</u>
Total fund balances	<u>\$ 88,050</u>	<u>\$ 70,397</u>	<u>\$ 236,219</u>	<u>\$ 394,666</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
MODIFIED CASH BASIS**

Year ended August 31, 2015

	Employee Benefit <u>Fund</u>	Depreciation <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>	<u>Total</u>
RECEIPTS				
Taxes:				
Property	\$ -	\$ -	\$ 209,217	\$ 209,217
Property tax credit	-	-	10,386	10,386
Homestead exemption	-	-	3,445	3,445
Prorate motor vehicle	-	-	467	467
Carline	-	-	860	860
Interest earned	9	13	9	31
Transfers from other funds	90,000	210,000	-	300,000
Total receipts	<u>90,009</u>	<u>210,013</u>	<u>224,384</u>	<u>524,406</u>
DISBURSEMENTS				
Retirement	73,910	-	-	73,910
Building and grounds	-	-	83,160	83,160
Capital outlay	-	151,754	-	151,754
Interest expense	-	-	7,342	7,342
Bond fees	-	-	400	400
Total disbursements	<u>73,910</u>	<u>151,754</u>	<u>90,902</u>	<u>316,566</u>
RECEIPTS OVER DISBURSEMENTS	16,099	58,259	133,482	207,840
Fund balances - August 31, 2014	<u>71,951</u>	<u>12,138</u>	<u>102,737</u>	<u>186,826</u>
Fund balances - August 31, 2015	<u><u>\$ 88,050</u></u>	<u><u>\$ 70,397</u></u>	<u><u>\$ 236,219</u></u>	<u><u>\$ 394,666</u></u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
NET POSITION - FIDUCIARY FUND - ACTIVITY FUND**

Year ended August 31, 2015

Account:	Balance (Deficit) <u>8/31/2014</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance (Deficit) <u>8/31/2015</u>
Athletics	\$ (75,493)	\$ 36,641	\$ 55,994	\$ (94,846)
Athletic Fundraiser	5,578	(5,578)	-	-
Football	-	20,727	20,727	-
Football Fundraising	26,265	48,720	45,194	29,791
Football Fundraising-Parents	4,062	683	3,469	1,276
Softball	-	9,124	9,124	-
Softball Fundraising	4,307	12,849	4,265	12,891
Volleyball	-	15,253	15,253	-
Volleyball Fundraising	13,612	15,201	11,454	17,359
Golf	-	7,360	7,360	-
Wrestling	-	5,948	5,948	-
Wrestling Fundraising	458	10,517	10,929	46
Boys Basketball	-	3,975	3,975	-
Boys Basketball Fundraising	3,953	7,094	5,571	5,476
Nuggets	783	2,201	1,938	1,046
Girls Basketball	-	4,446	4,446	-
Girls Basketball Fundraising	5,623	7,016	6,591	6,048
Girls Basketball Gold	1,402	2,475	2,292	1,585
Soccer	-	10,256	10,256	-
Boys Soccer Fundraising	1,413	4,152	3,470	2,095
Girls Soccer Fundraising	4,780	3,098	3,100	4,778
Track	-	9,839	9,839	-
Track Fundraising	1,120	8,190	6,714	2,596
Cross Country	-	556	556	-
Cross Country Fundraising	5,178	5,655	4,410	6,423
Athletic Trainers	24	470	482	12
Art Club	99	-	-	99
Band	(5,198)	19,085	11,789	2,098
Computer Lease Program	-	17,514	50	17,464
Class of 2015	668	2,675	3,343	-
Class of 2016	-	3,806	2,739	1,067
Concessions	942	47,694	44,805	3,831
Media	2,105	1,502	2,029	1,578
Drama	511	8,129	7,242	1,398
F.B.L.A.	1,154	1,828	1,425	1,557
F.C.A.	3	50	-	53
F.F.A.	31,175	41,906	42,331	30,750
Marketing Class	844	414	531	727
Greenhouse	4,600	1,910	3,253	3,257
Foreign Language Club	313	-	-	313
Letter Winners	252	-	-	252

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
NET POSITION - FIDUCIARY FUND - ACTIVITY FUND, Continued**

Year ended August 31, 2015

Account, continued:	Balance (Deficit) <u>8/31/2014</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance (Deficit) <u>8/31/2015</u>
Vocal Music	(18,334)	80,029	33,005	28,690
National Honor Society	498	1,330	1,120	708
Yearbook	(8,276)	35,512	23,412	3,824
Saga	80	3,855	2,633	1,302
Cheerleaders	(3,632)	20,687	10,868	6,187
Vikettes	2,698	26,902	26,746	2,854
Student Council	3,888	1,297	3,707	1,478
Honors	-	509	509	-
Donation - Stueven	-	21,340	1,499	19,841
Technology	21,889	19,902	10,937	30,854
General Activities	3,007	79,058	86,249	(4,184)
Memorials/Gifts	8,874	1,151	-	10,025
Community/Promotion	4,915	2,477	6,184	1,208
CCC Tuition	17,001	13,545	-	30,546
SPED Business	147	-	-	147
Speech	1,494	14,159	13,542	2,111
Lockwood	-	3,735	1,474	2,261
Trip - SA	3	(3)	-	-
Musical	-	89,731	89,731	-
Junior Football Program	1,293	-	-	1,293
Industrial Arts Student Projects	-	110	78	32
Skills USA	-	10,754	4,064	6,690
Weight Room	8,004	10,313	5,324	12,993
Scholarships	500	-	500	-
SAD	98	-	-	98
Cedar Hollow Activities	73	12,025	13,897	(1,799)
Cedar Hollow Athletics	1,951	-	895	1,056
Cedar Hollow Student Council	1,021	745	477	1,289
1R Activities	3,956	6,460	6,340	4,076
1R Athletics	1,358	-	206	1,152
Chapman Activities	2,517	17,503	14,334	5,686
Chapman Athletics	1,973	2,458	928	3,503
Chapman Bingo for Books	485	-	-	485
Chapman Drama	221	-	-	221
St. Libory Activities	(64)	3,786	3,160	562
St. Libory Athletics	1,641	-	-	1,641
Courtesy Fund	121	-	-	121
Video Display Sign	98,050	15,905	124,764	(10,809)
School Store	19,887	7,648	10,547	16,988
Totals	<u>\$ 217,870</u>	<u>\$ 896,304</u>	<u>\$ 870,024</u>	<u>\$ 244,150</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND NET POSITION - FIDUCIARY FUND - STUDENT FEES FUND**

Year ended August 31, 2015

	Balance <u>8/31/2014</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance <u>8/31/2015</u>
Account:				
Extracurricular Activity Fees	\$ -	\$ 28,833	\$ 28,833	\$ -
Summer School/Drivers Ed	-	17,925	17,925	-
	<u>\$ -</u>	<u>\$ 46,758</u>	<u>\$ 46,758</u>	<u>\$ -</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS
(UNAUDITED)**

Year ended August 31, 2015

	General Fund			
	Howard <u>County</u>	Merrick <u>County</u>	Hall <u>County</u>	<u>Total</u>
Fund Balance, August 31, 2014	\$ 212,940	\$ 416,537	\$ 1,086,208	\$ 1,715,685
RECEIPTS				
Local property taxes	1,105,029	1,733,600	4,462,116	7,300,745
Motor vehicle taxes	59,228	91,437	282,751	433,416
Carline	1,730	7,715	17,050	26,495
Prorate	3,196	1,076	14,668	18,940
Homestead exemption	15,836	28,950	61,291	106,077
Public power district-5% gross	-	9,553	-	9,553
Property tax credit	54,255	74,693	190,877	319,825
Interest	4,565	5,444	9,521	19,530
County fines and licenses	15,236	6,508	-	21,744
In-lieu-of tax	-	640	74	714
Total receipts	<u>1,259,075</u>	<u>1,959,616</u>	<u>5,038,348</u>	<u>8,257,039</u>
Total funds available	1,472,015	2,376,153	6,124,556	9,972,724
DISBURSEMENTS				
To School District	1,142,461	1,843,958	4,850,683	7,837,102
County treasurer fees	12,375	17,687	47,239	77,301
Total disbursements	<u>1,154,836</u>	<u>1,861,645</u>	<u>4,897,922</u>	<u>7,914,403</u>
Fund Balance, August 31, 2015	<u>\$ 317,179</u>	<u>\$ 514,508</u>	<u>\$ 1,226,634</u>	<u>\$ 2,058,321</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS, Continued
(UNAUDITED)**

Year ended August 31, 2015

	Special Building Fund			
	Howard <u>County</u>	Merrick <u>County</u>	Hall <u>County</u>	<u>Total</u>
Fund Balance, August 31, 2014	\$ 10,006	\$ 19,837	\$ 51,558	\$ 81,401
RECEIPTS				
Local property taxes	28,220	43,915	112,827	184,962
Carline	39	174	383	596
Prorate	81	199	1,566	1,846
Homestead exemption	356	651	1,379	2,386
Property tax credit	1,221	1,680	4,294	7,195
Interest	200	239	434	873
Public power district-5% gross	-	215	-	215
Total receipts	<u>30,117</u>	<u>47,073</u>	<u>120,883</u>	<u>198,073</u>
Total funds available	40,123	66,910	172,441	279,474
DISBURSEMENTS				
To School District	32,830	55,031	144,036	231,897
County treasurer fees	300	448	1,189	1,937
Total disbursements	<u>33,130</u>	<u>55,479</u>	<u>145,225</u>	<u>233,834</u>
Fund Balance, August 31, 2015	<u>\$ 6,993</u>	<u>\$ 11,431</u>	<u>\$ 27,216</u>	<u>\$ 45,640</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS, Continued
(UNAUDITED)**

Year ended August 31, 2015

	Bond Fund			
	Howard <u>County</u>	Merrick <u>County</u>	Hall <u>County</u>	<u>Total</u>
Fund Balance, August 31, 2014	\$ 8,403	\$ 74,129	\$ 46,988	\$ 129,520
RECEIPTS				
Local property taxes	38,170	256,533	166,306	461,009
Carline	58	1,219	575	1,852
Prorate	110	4,675	560	5,345
Homestead exemption	534	5,032	2,212	7,778
Property tax credit	1,830	10,659	6,836	19,325
Interest	181	937	420	1,538
Public power district-5% gross	-	1,735	-	1,735
Total receipts	<u>40,883</u>	<u>280,790</u>	<u>176,909</u>	<u>498,582</u>
Total funds available	49,286	354,919	223,897	628,102
DISBURSEMENTS				
To School District	38,394	275,680	178,098	492,172
County treasurer fees	<u>407</u>	<u>2,626</u>	<u>1,758</u>	<u>4,791</u>
Total disbursements	<u>38,801</u>	<u>278,306</u>	<u>179,856</u>	<u>496,963</u>
Fund Balance, August 31, 2015	<u>\$ 10,485</u>	<u>\$ 76,613</u>	<u>\$ 44,041</u>	<u>\$ 131,139</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS, Continued
(UNAUDITED)**

Year ended August 31, 2015

	Qualified Capital Purpose Undertaking Fund			
	Howard <u>County</u>	Merrick <u>County</u>	Hall <u>County</u>	<u>Total</u>
Fund Balance, August 31, 2014	\$ -	\$ -	\$ -	\$ -
RECEIPTS				
Local property taxes	31,658	50,120	129,265	211,043
Carline	56	250	554	860
Prorate	93	-	374	467
Homestead exemption	514	940	1,990	3,444
Property tax credit	1,762	2,426	6,199	10,387
Interest	24	30	34	88
Public power district-5% gross	-	310	-	310
Total receipts	<u>34,107</u>	<u>54,076</u>	<u>138,416</u>	<u>226,599</u>
Total funds available	34,107	54,076	138,416	226,599
DISBURSEMENTS				
To School District	23,674	37,065	97,718	158,457
County treasurer fees	<u>339</u>	<u>511</u>	<u>1,374</u>	<u>2,224</u>
Total disbursements	<u>24,013</u>	<u>37,576</u>	<u>99,092</u>	<u>160,681</u>
Fund Balance, August 31, 2015	<u>\$ 10,094</u>	<u>\$ 16,500</u>	<u>\$ 39,324</u>	<u>\$ 65,918</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES -
GENERAL FUND**

Year ended August 31, 2015

	<u>Actual</u>	Budget <u>"Unaudited"</u>	Variance- Favorable (Unfavorable)
REGULAR INSTRUCTION			
Regular salaries of teachers	\$ 4,730,534	\$ 4,736,100	\$ 5,566
Substitute salaries	144,696	159,200	14,504
Clerical and paraprofessional staff salaries	225,361	230,000	4,639
Payroll taxes	398,605	414,330	15,725
Employee benefits	1,902,165	1,976,980	74,815
Purchased services	5,101	5,300	199
Supplies and materials	778,418	604,900	(173,518)
Capital outlay	-	30,500	30,500
Other expenses	10,469	10,100	(369)
	<u>8,195,349</u>	<u>8,167,410</u>	<u>(27,939)</u>
SPECIAL EDUCATION PROGRAMS			
Regular salaries of teachers	209,829	215,000	5,171
Substitute salaries	5,663	3,000	(2,663)
Salaries - aides	131,367	148,400	17,033
Payroll taxes	26,111	28,100	1,989
Employee benefits	123,778	112,200	(11,578)
Tuition paid to other districts	898,063	1,190,000	291,937
Supplies and materials	32,435	28,000	(4,435)
Other expenses	430	-	(430)
	<u>1,427,676</u>	<u>1,724,700</u>	<u>297,024</u>
SUPPORT SERVICES - PUPILS			
Regular salaries	779,514	705,500	(74,014)
Clerical and paraprofessional salaries	99,921	104,000	4,079
Payroll taxes	66,844	62,680	(4,164)
Employee benefits	153,374	156,600	3,226
Purchased services	19,540	23,000	3,460
Supplies and materials	35,481	39,650	4,169
Capital outlay	-	10,000	10,000
Other expenses	2,615	3,700	1,085
	<u>1,157,289</u>	<u>1,105,130</u>	<u>(52,159)</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES -
GENERAL FUND, Continued**

Year ended August 31, 2015

	<u>Actual</u>	<u>Budget "Unaudited"</u>	Variance- Favorable (Unfavorable)
SUPPORT SERVICES - INSTRUCTIONAL STAFF			
Regular salaries	316,675	321,800	5,125
Payroll taxes	23,596	24,900	1,304
Employee benefits	100,724	113,330	12,606
Purchased services	-	1,000	1,000
Supplies and materials	288,203	101,000	(187,203)
Library books	7,369	9,000	1,631
Periodicals	271	-	(271)
Software	2,131	-	(2,131)
Other expenses	9,050	5,000	(4,050)
	<u>748,019</u>	<u>576,030</u>	<u>(171,989)</u>
SUPPORT SERVICES - GENERAL ADMIN			
BOARD OF EDUCATION			
Purchased services	17,240	25,800	8,560
Accounting and auditing services	7,000	8,000	1,000
Legal services	6,279	20,000	13,721
Fidelity bond premiums	750	750	-
In-service/workshop	50,266	29,500	(20,766)
	<u>81,535</u>	<u>84,050</u>	<u>2,515</u>
EXECUTIVE ADMINISTRATION SERVICES			
Regular salaries	240,352	244,000	3,648
Clerical salaries	50,741	48,000	(2,741)
Payroll taxes	20,376	22,500	2,124
Employee benefits	142,852	143,230	378
Supplies and materials	43,269	40,000	(3,269)
Dues and fees	7,273	12,000	4,727
Other expenses	8,944	5,000	(3,944)
	<u>513,807</u>	<u>514,730</u>	<u>923</u>
SUPPORT SERVICES - SCHOOL ADMIN			
OFFICE OF THE PRINCIPAL SERVICES			
Regular salaries	547,326	540,000	(7,326)
Clerical salaries	205,468	220,000	14,532
Payroll taxes	56,996	58,900	1,904
Employee benefits	211,088	215,460	4,372
Supplies and materials	18,649	23,000	4,351
Dues and fees	2,774	12,000	9,226
Other expenses	9,875	4,500	(5,375)
	<u>1,052,176</u>	<u>1,073,860</u>	<u>21,684</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES -
GENERAL FUND, Continued**

Year ended August 31, 2015

	<u>Actual</u>	Budget <u>"Unaudited"</u>	Variance- Favorable <u>(Unfavorable)</u>
SUPPORT SERVICES - GENERAL ADMIN			
BUSINESS SERVICES			
Regular salaries	21,339	40,000	18,661
Payroll taxes	1,632	3,000	1,368
Employee benefits	230	1,000	770
Purchased services	83,908	89,700	5,792
Supplies	9,480	-	(9,480)
	<u>116,589</u>	<u>133,700</u>	<u>17,111</u>
VEHICLE ACQUISITION AND MAINTENANCE			
Vehicle acquisition	-	23,000	23,000
SUPPORT SERVICES - MAINTENANCE AND OPERATION OF BUILDINGS			
Regular salaries	443,677	476,200	32,523
Payroll taxes	32,640	36,840	4,200
Employee benefits	159,936	167,600	7,664
Contract custodial	26,625	27,000	375
Fuel	54,059	75,000	20,941
Electricity	246,972	247,000	28
Garbage	18,643	19,200	557
Water and sewer	19,709	18,000	(1,709)
Supplies and materials	42,530	58,000	15,470
Contracted services - repairmen	2,350	-	(2,350)
Property insurance	62,581	60,000	(2,581)
Plant furniture and equipment	27,711	31,000	3,289
Upkeep - buildings and grounds	476,780	305,000	(171,780)
Other	994	6,900	5,906
	<u>1,615,207</u>	<u>1,527,740</u>	<u>(87,467)</u>
SUPPORT SERVICES - PUPIL TRANSPORTATION			
Mileage to parents	22,252	43,000	20,748
Purchased services	300,259	386,000	85,741
Gas and oil	43,272	30,400	(12,872)
Bus repair and maintenance	12,577	12,000	(577)
Supplies	10	-	(10)
Other	5,093	4,000	(1,093)
	<u>383,463</u>	<u>475,400</u>	<u>91,937</u>
SUPPORT SERVICES - SPECIAL EDUCATION			
PUPIL TRANSPORTATION			
Regular salaries	8,769	6,000	(2,769)
Payroll taxes	672	500	(172)
Employee benefits	559	-	(559)
Mileage to parents	1,874	2,000	126
Gas and oil	1,868	2,000	132
	<u>13,742</u>	<u>10,500</u>	<u>(3,242)</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES -
GENERAL FUND, Continued**

Year ended August 31, 2015

	<u>Actual</u>	<u>Budget "Unaudited"</u>	Variance- Favorable (Unfavorable)
EARLY RETIREMENT			
Early retirement incentive	90,000	90,000	-
STATE CATEGORICAL PROGRAM			
Regular salaries	31,539	26,400	(5,139)
Payroll taxes	2,419	-	(2,419)
Employee benefits	7,150	-	(7,150)
Supplies	10,170	16,000	5,830
Other	1,297	2,300	1,003
	<u>52,575</u>	<u>44,700</u>	<u>(7,875)</u>
SUMMER SCHOOL			
Regular salaries	12,200	20,000	7,800
Payroll taxes	933	1,500	567
Employee benefits	808	1,650	842
Supplies and materials	7,554	3,300	(4,254)
	<u>21,495</u>	<u>26,450</u>	<u>4,955</u>
FEDERAL PROGRAMS			
Title I	196,468	187,000	(9,468)
Title II A	37,840	36,600	(1,240)
IDEA	276,382	-	(276,382)
	<u>510,690</u>	<u>223,600</u>	<u>(287,090)</u>
TRANSFERS			
Transfer to Lunch Fund	69,000	34,000	(35,000)
Transfer to Activity Fund	-	20,000	20,000
Other transfers	-	210,000	210,000
	<u>69,000</u>	<u>264,000</u>	<u>195,000</u>
Total Disbursements	<u><u>\$ 16,048,612</u></u>	<u><u>\$ 16,065,000</u></u>	<u><u>\$ 16,388</u></u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

**COMPARATIVE STATISTICAL DATA FROM ANNUAL FINANCIAL REPORTS
(Unaudited)**

	Actual <u>2014-15</u>	Actual <u>2013-14</u>	Actual <u>2012-13</u>	Actual <u>2011-12</u>
Assessed value of School District	\$ 822,872,408	\$ 680,356,934	\$ 605,042,993	\$ 570,571,969
Current property tax and property tax credit	7,573,066	6,301,195	5,952,794	5,763,634
Average daily attendance (ADA)	1,356	1,384	1,364	1,340
Average daily membership (ADM)	1,402	1,434	1,418	1,385
 Total adjusted current expense	 14,443,971	 13,103,592	 12,604,103	 11,554,087
 Total value of plant and contents	 41,852,000	 40,390,550	 38,680,000	 37,551,000
 Annual depreciation of plant and contents (3% of value)	 1,255,560	 1,211,717	 1,160,400	 1,126,530
 Total annual cost	 15,699,531	 14,315,309	 13,764,503	 12,680,617
 Annual cost per pupil - ADA	 <u>\$ 11,579</u>	 <u>\$ 10,343</u>	 <u>\$ 10,088</u>	 <u>\$ 9,460</u>
Annual cost per pupil - ADM	<u>\$ 11,198</u>	<u>\$ 9,984</u>	<u>\$ 9,709</u>	<u>\$ 9,153</u>

MISCELLANEOUS DATA - At Annual Cost Per Pupil (ADM)

RECEIPTS

Local	\$ 5,735	\$ 4,701	\$ 4,513	\$ 4,477
County	46	45	46	57
State	612	556	611	632
State aid	4,768	4,642	4,084	4,020
Federal (categorical)	325	624	372	523
Transfers from Class I districts	-	-	-	-
Other receipts	168	13	14	22
Total receipts for year	<u>11,654</u>	<u>10,581</u>	<u>9,640</u>	<u>9,731</u>

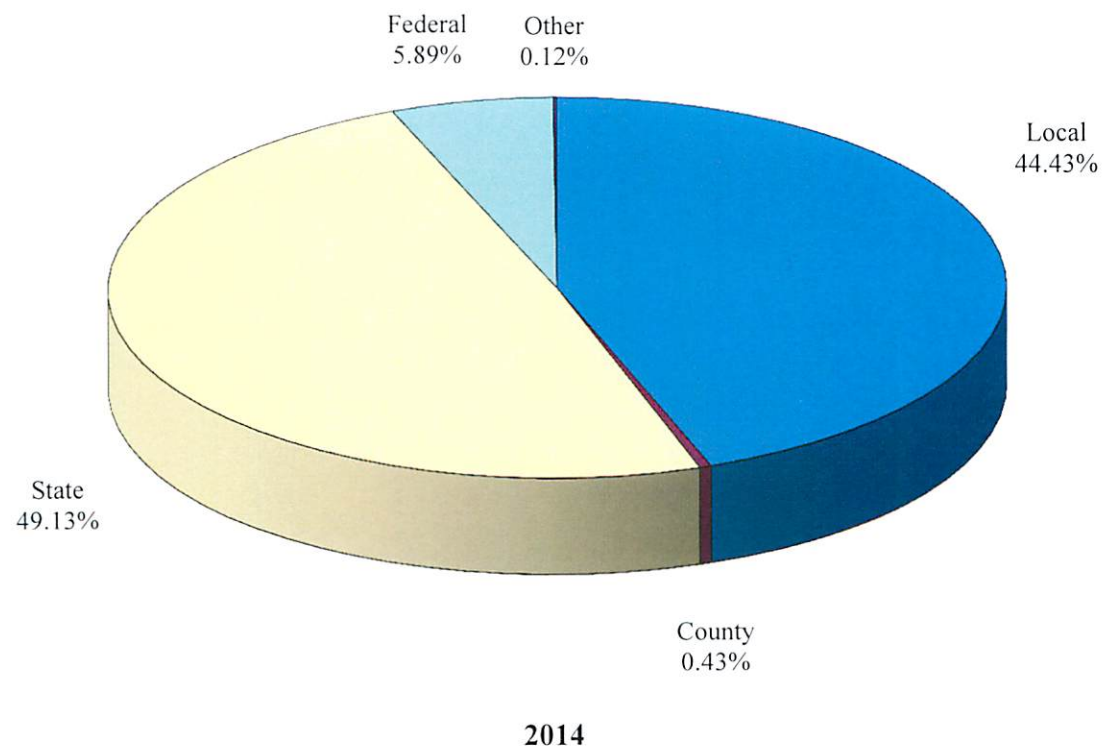
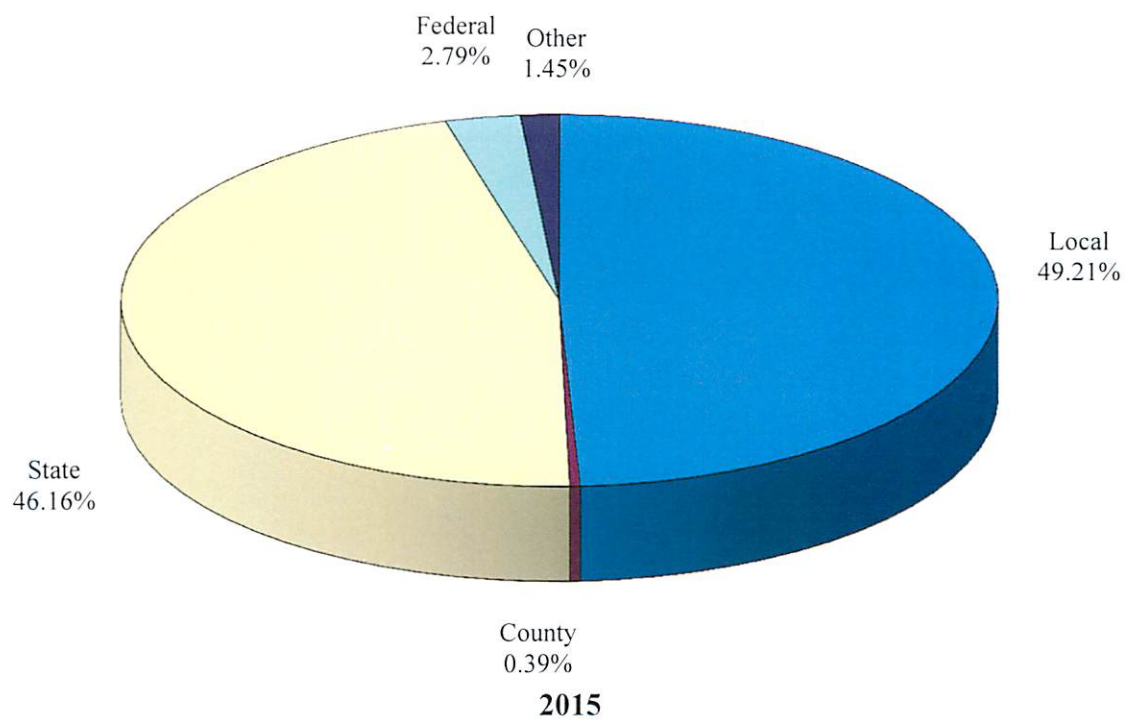
DISBURSEMENTS

Instruction	6,864	6,803	6,734	6,556
Support services	1,359	681	504	496
Administration	1,258	1,145	1,117	1,060
Operation and maintenance of plant	1,152	1,015	909	883
Pupil transportation	283	325	303	270
Other disbursements	531	443	369	512
Total disbursements for year	<u>11,447</u>	<u>10,412</u>	<u>9,936</u>	<u>9,777</u>

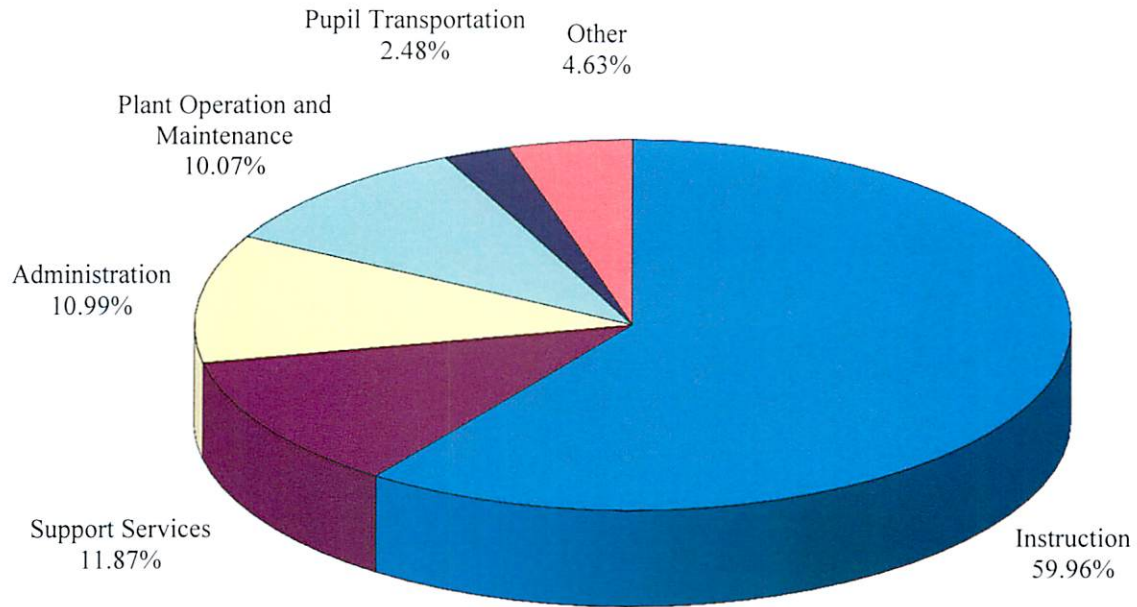
Excess (deficit) of receipts over disbursements	<u>\$ 207</u>	<u>\$ 169</u>	<u>\$ (296)</u>	<u>\$ (46)</u>
--	---------------	---------------	-----------------	----------------

<u>Actual 2010-11</u>	<u>Actual 2009-10</u>	<u>Actual 2008-09</u>	<u>Actual 2007-08</u>	<u>Actual 2006-07</u>	<u>Actual 2005-06</u>
\$ 542,744,765	\$ 497,860,565	\$ 456,706,947	\$ 438,772,283	\$ 430,071,075	\$ 421,099,626
5,089,734	4,910,492	4,555,150	4,354,485	4,439,511	1,371,971
1,274	1,345	1,335	1,346	1,333	667
1,315	1,395	1,391	1,392	1,380	702
10,975,027	11,784,165	11,341,614	10,865,310	10,216,016	5,504,749
26,404,100	25,635,045	24,382,100	23,882,100	23,186,500	11,335,000
792,123	769,051	731,463	716,463	695,595	340,050
11,767,150	12,553,216	12,073,077	11,581,773	10,911,611	5,844,799
<u>\$ 9,233</u>	<u>\$ 9,330</u>	<u>\$ 9,041</u>	<u>\$ 8,608</u>	<u>\$ 8,188</u>	<u>\$ 8,763</u>
<u>\$ 8,946</u>	<u>\$ 9,000</u>	<u>\$ 8,680</u>	<u>\$ 8,320</u>	<u>\$ 7,909</u>	<u>\$ 8,322</u>
\$ 4,505	\$ 4,171	\$ 3,918	\$ 3,817	\$ 3,800	\$ 2,258
51	50	50	51	46	52
727	588	667	609	663	447
4,361	4,296	3,727	3,847	3,671	5,047
1,450	721	449	499	555	400
-	-	-	-	1,151	-
50	35	28	29	34	12
<u>11,144</u>	<u>9,861</u>	<u>8,839</u>	<u>8,852</u>	<u>9,920</u>	<u>8,216</u>
6,122	6,479	6,208	6,071	5,952	5,356
363	364	391	405	388	561
1,113	1,134	1,134	1,092	999	1,202
1,032	1,042	988	967	842	1,024
191	185	172	149	120	88
1,635	504	301	253	240	267
<u>10,456</u>	<u>9,708</u>	<u>9,194</u>	<u>8,937</u>	<u>8,541</u>	<u>8,498</u>
<u>\$ 688</u>	<u>\$ 153</u>	<u>\$ (355)</u>	<u>\$ (85)</u>	<u>\$ 1,379</u>	<u>\$ (282)</u>

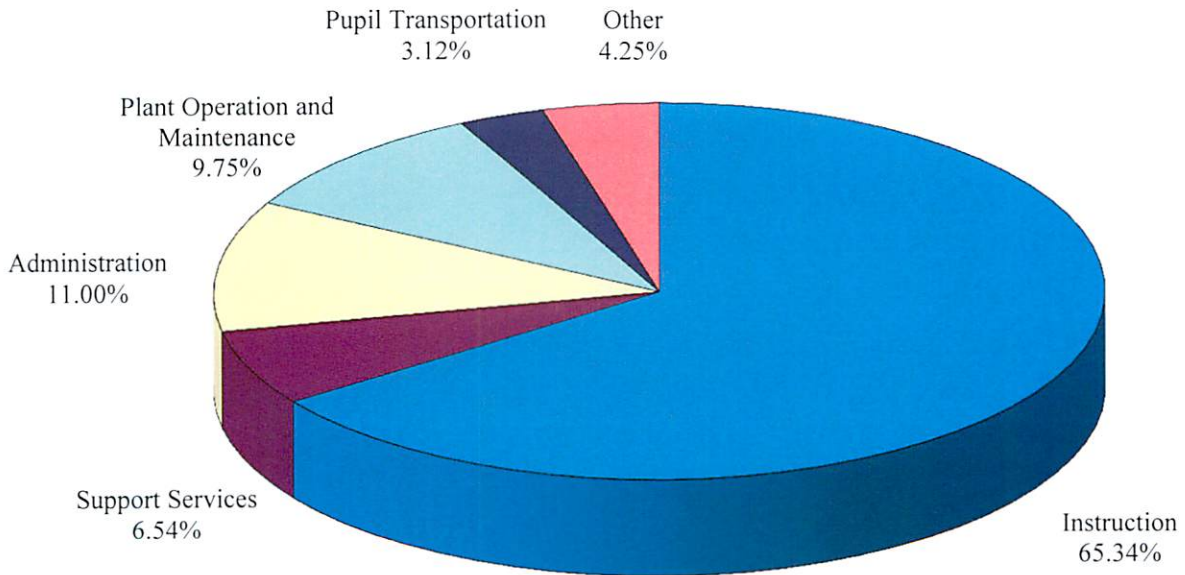
SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GENERAL FUND RECEIPTS
Years Ended August 31,



**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GENERAL FUND DISBURSEMENTS
Years Ended August 31,**



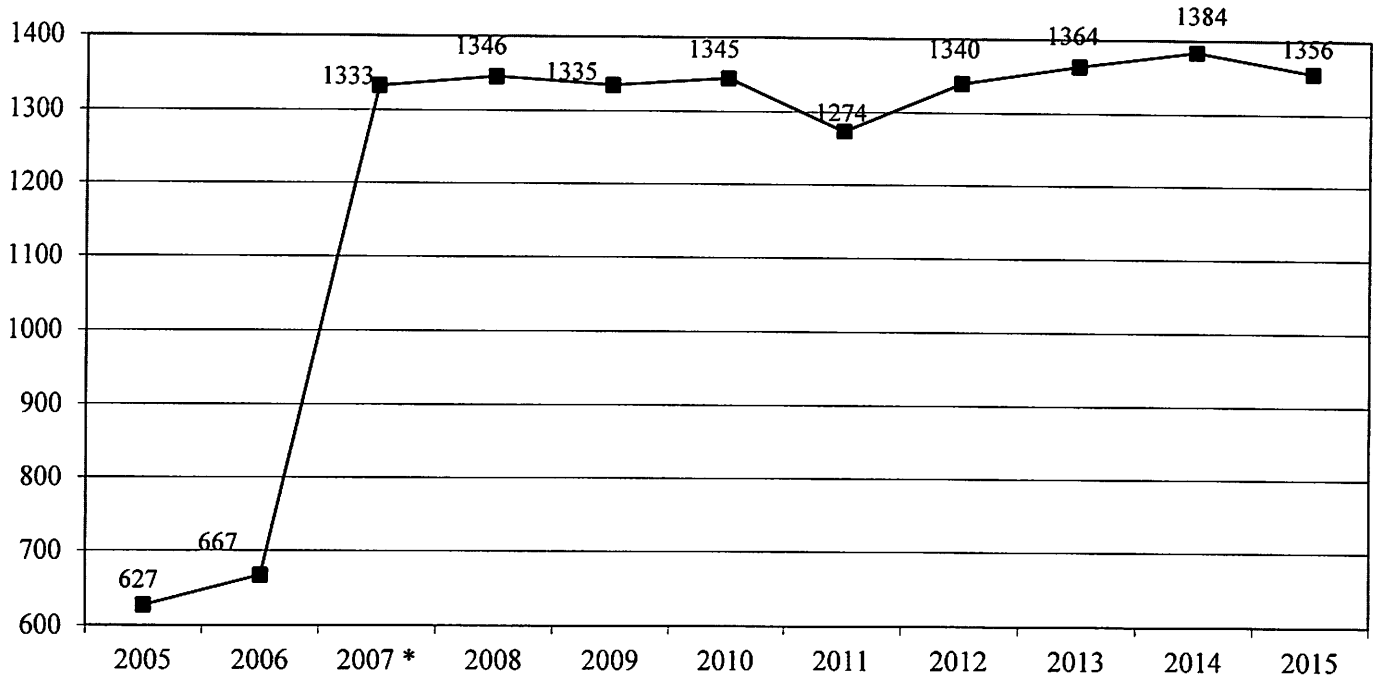
2015



2014

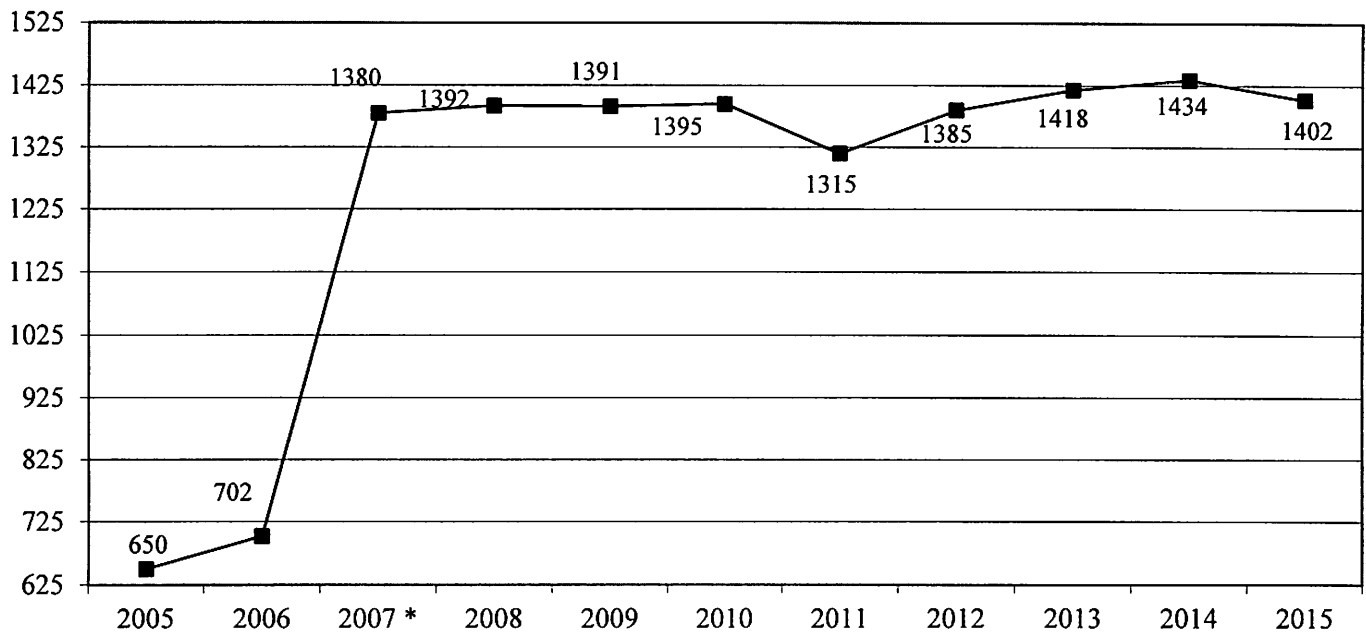
SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
 Years Ended August 31, 2005 through 2015

Average Daily Attendance



* Class I districts merged

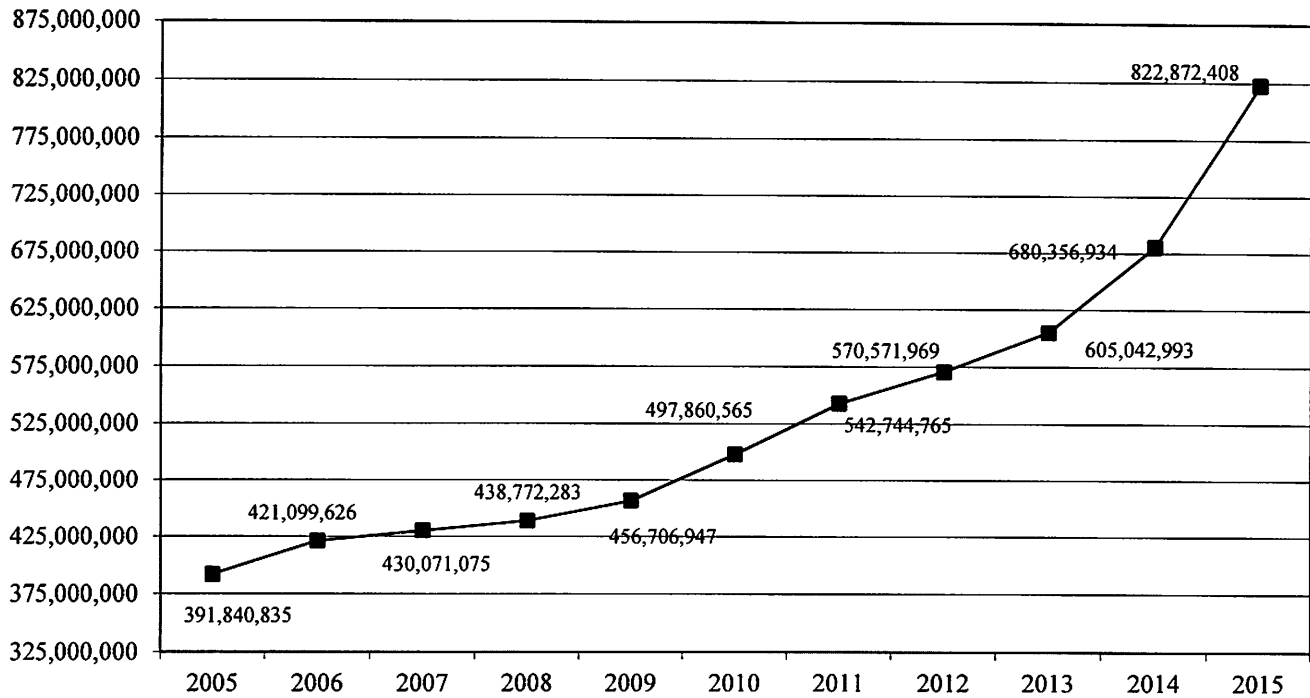
Average Daily Membership



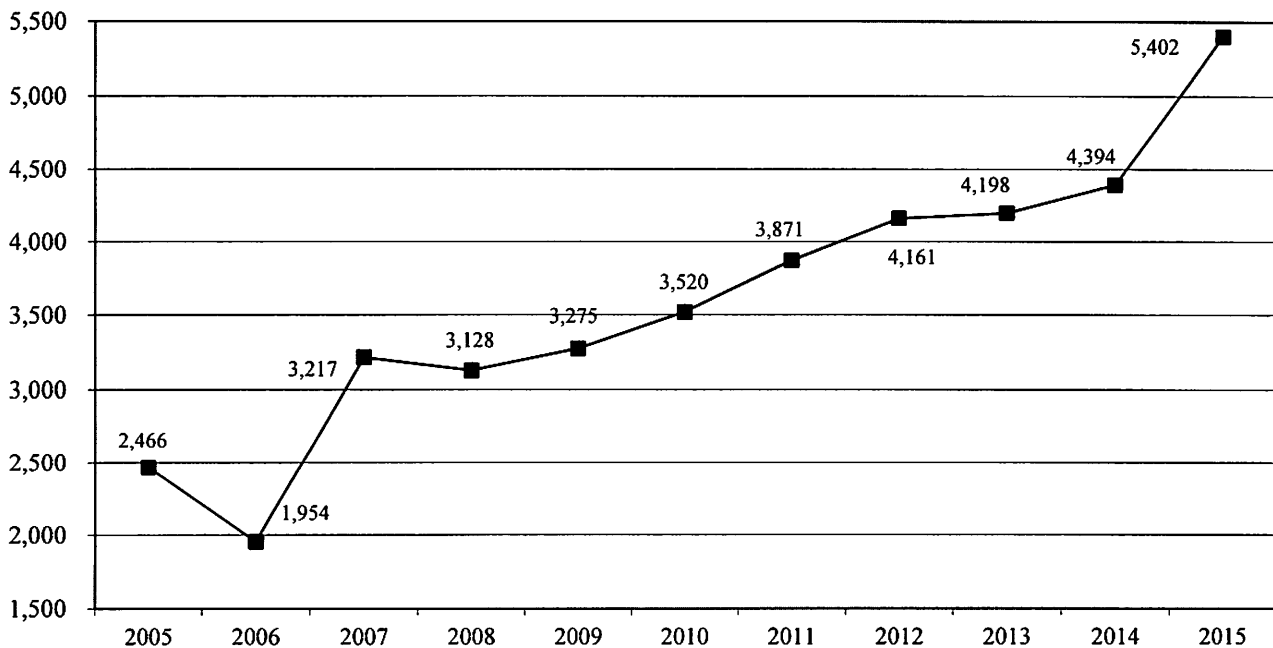
* Class I districts merged

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
Years Ended August 31, 2005 through 2015**

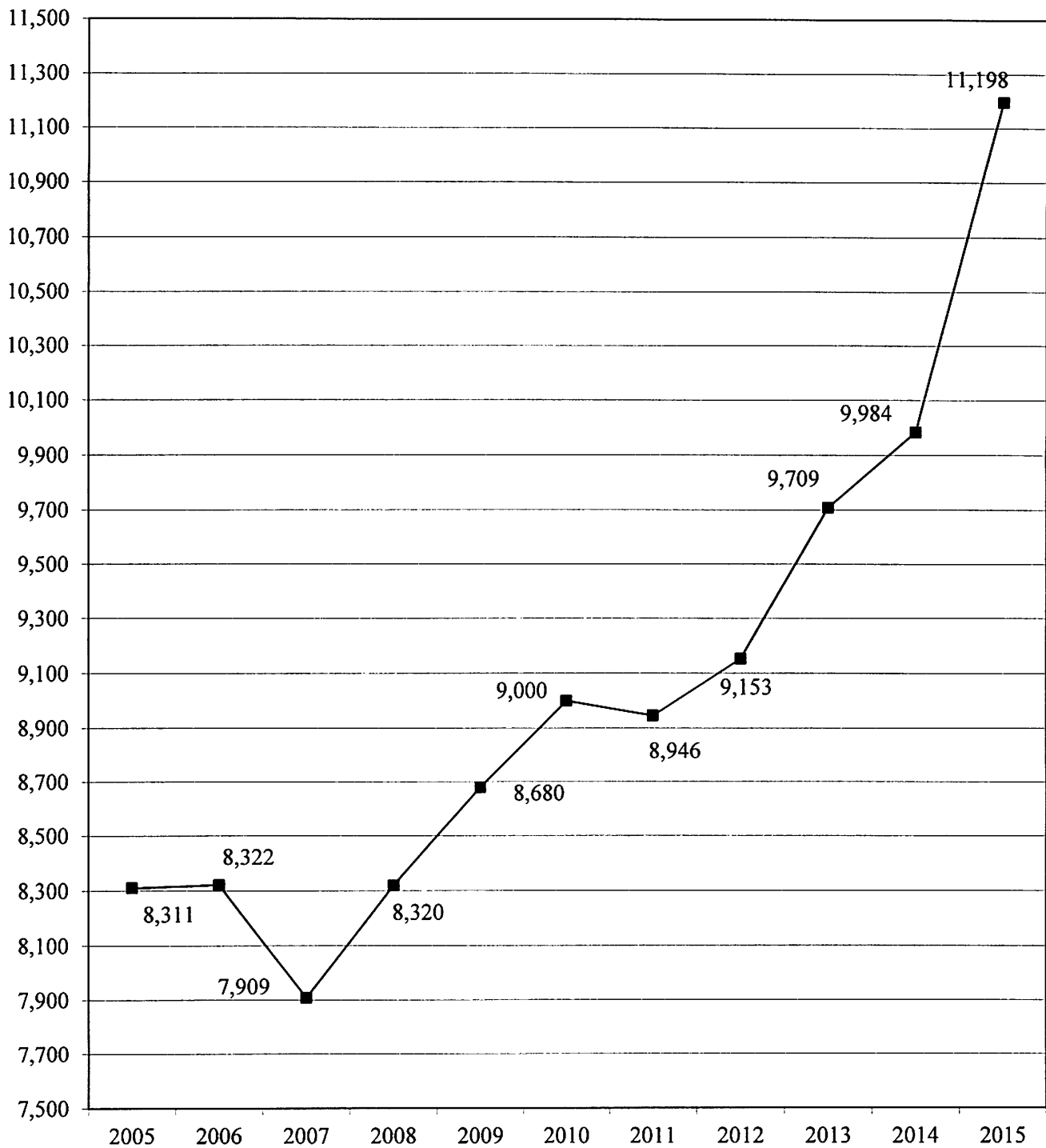
Assessed Value



Property Tax Per Student



**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
ANNUAL COST PER STUDENT
Years Ended August 31, 2005 through 2015**



SINGLE AUDIT REPORTS

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended August 31, 2015**

<u>Federal Grantor and Program Title</u>	<u>Pass-Through Identifying Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>Department of Education</u>			
Passed Through Nebraska Department of Education:			
Special Education/IDEA Cluster:			
Special Education - Below Age Five (IDEA, Part B)	40-0082-000	84.027	\$ 272,009 *
IDEA Base Preschool	40-0082-000	84.173	4,373 *
Total Special Education/IDEA Cluster			276,382
Title IIA	40-0082-000	84.367	37,840
Title I	40-0082-000	84.010	196,468
Total Department of Education			510,690
<u>Department of Agriculture</u>			
Passed Through State Department of Education:			
National School Lunch Program	40-0082-000	10.555	213,593
Fresh Fruit and Vegetable Program	40-0082-000	10.582	6,651
Total Passed Through Nebraska Department of Education			220,244
Passed Through State Department of Health and Human Services:			
Food Donation Program (note B)	47-0481635	10.555	62,257
Total Department of Agriculture			282,501
<u>Department of Health and Human Services</u>			
Passed Through State Department of Health and Human Services:			
Medical Assistance Program	47-0481635	93.778	44,296
Total Expenditures of Federal Awards			\$ 837,487

*Major Program

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of School District No. 82 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

NOTE B - FOOD DONATION PROGRAM

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.



**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**

SHAREHOLDERS

Robert D. Almquist
Phillip D. Maltzahn
Terry T. Galloway
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump

To the Board of Education
School District #82
Northwest Public Schools
Grand Island, 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 modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the fiduciary funds of School District #82 as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the School District's financial statements, and have issued our report thereon dated October 6, 2015. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the School District prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of Nebraska, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our report also expressed a qualified opinion on the governmental activities because of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered School District #82'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of School District #82'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

1203 W 2nd Street
PO Box 1407
Grand Island, NE 68802
Ph. 308-381-1810
Fax 308-381-4824
Email: cpa@gicpas.com

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 over financial reporting 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, and therefore material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2015-001 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether School District #82's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

School District #82's Response to Findings

School District #82's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

*Amquist, Malthahn,
Goldway & Luth, P.C.*

Grand Island, Nebraska
October 6, 2015



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Education
School District #82
Northwest Public Schools
Grand Island, Nebraska

SHAREHOLDERS

Robert D. Almquist
Phillip D. Maltzahn
Terry T. Galloway
Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump

Report on Compliance for Each Major Federal Program

We have audited School District #82's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2015. School District #82'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of School District #82'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 the District'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 School District #82's compliance.

Opinion on Each Major Federal Program

In our opinion, School District #82 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, 2015.

Report on Internal Control over Compliance

Management of School District #82 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 the District'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 OMB Circular A-133, 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 the District'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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A. M. Maltzman,
Galloway & Luth, P.C.

Grand Island, Nebraska
October 6, 2015

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2015

1. A summary of auditor's results:

- (i) A qualified opinion was issued on the governmental activities and unmodified opinions were issued on all other opinion units of School District #82 as of August 31, 2015.
- (ii) One significant deficiency disclosed during the audit of the financial statements is reported in the "Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." The condition is not reported as a material weakness.
- (iii) The audit did not disclose any noncompliance which is material to the financial statements of School District #82.
- (iv) The audit did not disclose any significant deficiencies in the internal control over major programs for School District #82.
- (v) An unmodified opinion was issued on compliance for major programs.
- (vi) The audit did not disclose any audit findings which we are required to report under §__.510(a).
- (vii) Major Program: #84.027 – Special Education-Below Age 5 and #84.173 – IDEA Base Preschool.
- (viii) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (ix) School District #82 did qualify as a low-risk auditee under §__.530.

2. Findings relating to the financial statements which are required to be reported in accordance with GAGAS:

2015-001 Due to a limited number of personnel, there is not adequate segregation of duties to ensure internal control over cash receipts, disbursements, and recording of transactions.

Management's Response – It is impractical to further segregate duties due to the limited number of accounting personnel.

3. Findings and questioned costs for Federal awards which shall include audit findings as defined in §__.510(a).

None

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended August 31, 2015

Program

Findings for the year ended August 31, 2014

There were no prior audit findings.