

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10

ELKHORN PUBLIC SCHOOLS

ELKHORN, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2021



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
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**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Douglas County School District No. 10  
Elkhorn Public Schools  
Elkhorn, Nebraska

### **Report on the Financial Statements**

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of the Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, as of and for the year ended August 31, 2021, and the respective changes in financial position - cash basis for the year then ended in accordance with the cash basis of accounting as described in Note 1.

### ***Emphasis of Matter***

As disclosed in Note 1 to the financial statements, in fiscal year 2021 the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

### ***Basis of Accounting***

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

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's basic financial statements. The supplementary information on pages 38 - 55 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards on pages 35 - 37 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information on pages 35 - 55 and the schedule of expenditures of federal awards on pages 35 - 37 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 35 - 55 and the schedule of expenditures of federal awards on pages 35 - 37 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The management's discussion and analysis on pages 4 - 11 and the supplementary information included on pages 35 - 55, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2021, on our consideration of the Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over financial reporting and compliance.

Dana F Cole + Company, LLP

Lincoln, Nebraska  
November 4, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual report presents the District's discussion and analysis of the financial performance during the fiscal year ending August 31, 2021. Please read it in conjunction with the financial statements, which follow this section.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is presented in a format consistent with the requirements of GASB (Governmental Accounting Standards Board) Statement No. 34 – *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The accompanying basic financial statements have been prepared on the cash basis of accounting. Under the cash basis of accounting, revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed. 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 use of the cash basis of accounting is permissible under Title 92, Nebraska Administrative Code, Chapter 2 – Uniform System of Accounting for Nebraska Public School Districts.

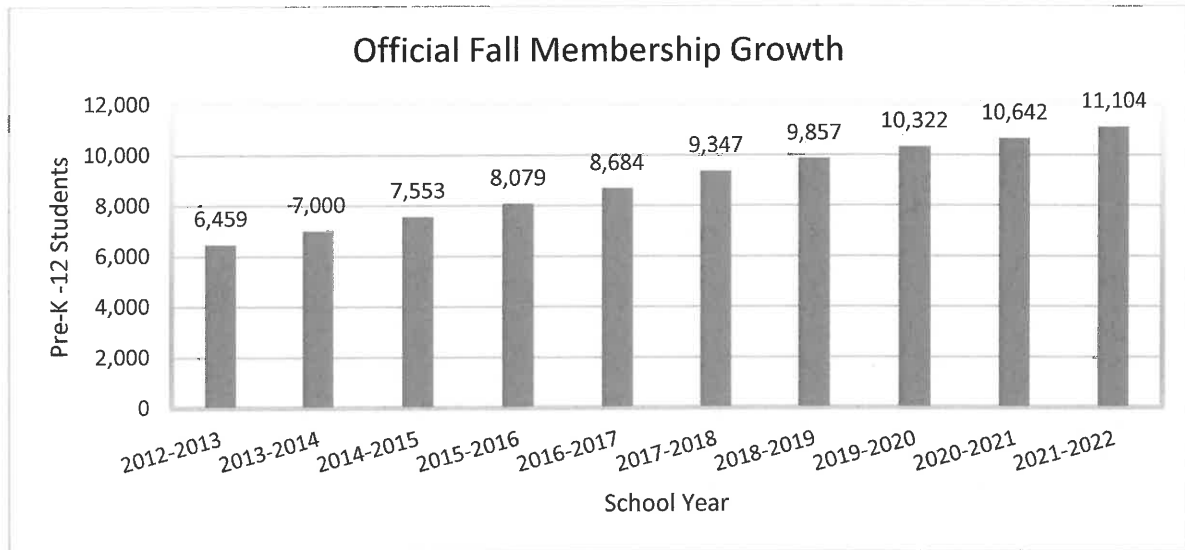
The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include: (1) charges to individuals who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general receipts.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. The governmental funds utilized by the District include: General Fund, Depreciation Fund, School Nutrition Fund, Bond Fund and Special Building Fund. Proprietary funds are used to account for business-type activities. The District has no funds classified as business-type activities. Fiduciary funds report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the District's own programs. The Activities Fund, Student Fee Fund and Employee Benefit Fund are fiduciary funds. Each of the funds maintained by the District is authorized through the Nebraska State Statutes or Department of Education accounting guidance for school districts.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data about the financial statements and commitments, contingencies, and long-term debt obligations that are not reported in the cash basis financial statements. The statements and notes are followed by a section of *Supplementary Information* that further explains and supports the information in the financial statements.

## FINANCIAL HIGHLIGHTS

- ❖ The District began the 20-21 school year with 320 (3.1%) more students in Pre-kindergarten through Grade 12. Growth continues at the start of the 21-22 school year with 462 (4.34%) more students in Pre-kindergarten through Grade 12. The following chart reflects final official enrollment as filed with the Nebraska Department of Education.



- ❖ Construction continued in Fiscal Year 2021 for the District's fifth middle school (Elkhorn North Ridge which opened for the fall of 2021).
- ❖ The taxable valuation growth continues. The valuation increased by 9.03% for 20-21. The actual dollar increase was slightly more than the year before. The average annual percentage increase of the most recent 5-years is 8.36% while the average annual percentage increase of the most recent 10-years is 7.04%.
- ❖ In March 2018, the voters approved a \$149.615 million bond issue. These funds are being used to: pay the costs of construction, acquisition and improvement of high school, middle school and elementary school facilities; additions, renovations and improvements to the District's existing buildings and facilities; providing necessary equipment and apparatus for such buildings and facilities; and acquiring sites for school facilities of the District. In April 2021 a fourth series of bonds (par of \$15.835 million) were sold at a premium.

The following table illustrates the combined assets, liabilities and net position for the governmental funds. (General, Depreciation, School Nutrition, Bond and Special Building Funds)

The total net position decreased from \$93,960,770 at August 31, 2020 to \$83,433,720 at August 31, 2021. The \$8.675 million in 2021 referenced as Assigned for Subsequent Year's Budget reflects the difference between the September 1, 2021 General Fund budgeted cash on hand and the August 31, 2022 General Fund budgeted cash reserves.



Statement of District's Net Position			Percentage Change
	2020	2021	
<b>Assets</b>			
Current Assets	\$ 93,960,770	\$ 83,433,720	-11.2%
Total Assets	<u>\$ 93,960,770</u>	<u>\$ 83,433,720</u>	
<b>Net Position</b>			
Restricted - Debt Service	\$ 15,889,922	\$ 17,654,803	11.1%
Restricted - Capital			
Projects & Outlays	\$ 32,528,050	\$ 11,403,646	-64.9%
Assigned for - Capital			
Projects & Outlays	\$ 6,729,585	\$ 9,469,264	40.7%
Assigned for - Lunch			
Fund	\$ 792,944	\$ 1,623,183	104.7%
Assigned for -			
Subsequent year's budget	\$ 6,275,000	\$ 8,675,000	38.2%
Unassigned	\$ 31,745,269	\$ 34,607,824	9.0%
Total Net Position	<u>\$ 93,960,770</u>	<u>\$ 83,433,720</u>	

The following table summarizes the changes in net position for each of the governmental funds:

Fund	Net Position 8/31/2020	Receipts & Transfers In*	Disbursements & Transfers Out*	Net Position 8/31/2021	Change in Net Position
General	\$38,020,269	\$113,139,401	\$107,876,846	\$43,282,824	\$5,262,555
Depreciation	\$4,522,894	\$1,103,502	\$624,309	\$5,002,087	\$479,193
School Nutrition	\$792,944	\$5,564,381	\$4,734,142	\$1,623,183	\$830,239
Bond	\$15,889,922	\$73,888,481	\$72,123,600	\$17,654,803	\$1,764,881
Building	\$34,734,741	\$20,502,350	\$39,366,268	\$15,870,823	(\$18,863,918)
<b>Total</b>	<b>\$93,960,770</b>	<b>\$214,198,115</b>	<b>\$224,725,165</b>	<b>\$83,433,720</b>	<b>(\$10,527,050)</b>

\*Receipts & Transfers In and Disbursements & Transfers Out include the impact to both funds of the \$1,102,627 "expenditure" from the General Fund for transfer to the Depreciation Fund.

- The change in the General Fund balance reflects additional funds on hand with the County on August 31, 2021, as well as the year-to-year differences in actual receipts compared to budgeted receipts and actual expenditures compared to budgeted expenditures. Based on conservative budgeting, it is common for the District's actual receipts to exceed the budgeted receipts and actual expenditures to be less than budgeted expenditures. The last day of August 31, 2021 fell on a Tuesday, which may be a factor that increased our cash on hand with the County as of August 31 with an increase of \$12,733,175 from the prior year.
- General Fund money may be set aside in the Depreciation Fund to assist with future capital outlay purchases. During 2020-2021 General Funds dollars were transferred to the Depreciation Fund to facilitate future technology, classroom equipment, playground/athletic field, parking lot, mechanical system and vehicle replacement. During the year, Depreciation Funds were used for a vehicle, classroom equipment and various technology equipment items.
- The School Nutrition Fund balance at August 31, 2021 was approximately \$830,200 higher than August 31, 2020. With federal funding providing free meals to all students for FY 21 and FY 22

in response to the coronavirus pandemic, the School Nutrition Fund has received significantly more federal revenues, and less receipts from family deposits to student meal accounts.

- As noted above, in March of 2018 the voters approved additional site acquisition, construction and renovation through a \$149.615 million bond authorization. The bonds have been issued over a four-year period: \$30.275 million was issued in May 2018; \$69.96 million was issued in April 2019 and \$31.4 million was issued in July 2020, and \$15.835 million was issued in April 2021. The remaining authorized but unissued bond funding is \$2.145 million,
- The District continues to assure that the Bond Fund balance remains adequate to address the payment of bond principal and interest expenditures needed to support the continued student growth and resulting construction needs.
- Based on the status of the individual projects underway in each of the two fiscal years, the Building Fund balance was approximately \$18.9 million lower as of August 31, 2021 due to only one middle school nearing completion at that time, compared to a new high school and a new elementary nearing completion, plus a middle school in process at August 31, 2020.

The results of this year's operation as a whole are reported in the Statement of Activities and Net Position – Cash Basis immediately following the Management Discussion and Analysis. All disbursements are reported in the first column. Specific charges, grants, receipts and subsidies that directly relate to specific disbursement categories are represented to determine the final amount of the activities that are supported by general receipts. The largest receipts are property taxes, state aid and the sale of bonds.

The following table reflects the information from the Statement of Activities and Net Position, rearranged slightly, so that total receipts and disbursements may be compared for a two-year period. The transfer between the General Fund and Depreciation Fund was excluded. The data for 2020 has been updated to include the Activities and Student Fees funds for comparability with 2021.

Within the receipts area, the drop in Program Receipts - Charges for Service is due largely to free meals for *all* students for FY 21 through the end of the FY 22 School Year, funding shifted to federal operating grants and contributions for meals which created a drop of more than \$2 million in breakfast and lunch sales, and an increase in more than \$3.4 million in federal nutrition program funding. In FY 21 and FY 22, students only pay for ala carte items, or extra meals. Additionally, the District received \$135,297 in federal funding for COVID expense reimbursements under the ESSER Grants. The increase in Tax Revenues is consistent with the 9% increase in the levy valuation plus the increase in motor vehicle taxes which jumped by 11.8% from FY 2020.

The increase in State Receipts was driven primarily by the increase in State Aid of \$1.7 million.

Bond proceeds are impacted from year to year by new debt that is issued, refunding bonds that may be issued to replace prior debt and any premiums/discounts on the bond issues. A large refunding of bonds occurred in September of 2019; a smaller refunding occurred in October 2020. Bonds issued from the 2018 Election approved authorization were \$31.4 Million in FY 20 compared to \$15.835 Million in FY 21.

Receipts from other sources dropped from FY 20 due primarily to a decrease in earned interest. The interest earned in FY 21 was \$1.2 million less than FY 20. A significant portion of that decrease occurred in the building fund, as bond proceeds were spent on the new building construction, resulting in a lower fund balance throughout FY 21.

Condensed Statement of Activities & Net Position - Cash Basis				
	2020	2021	Change	Percentage Change
<b>Receipts</b>				
Program Receipts				
Charges for Services	\$ 4,580,232	\$ 2,560,679	\$ (2,019,553)	-44.1%
Operating Grants & Contributions	\$ 9,568,029	\$ 13,299,201	\$ (3,731,172)	39.0%
General Receipts				
Taxes (Property & Other)	\$ 97,166,239	\$ 107,066,914	\$ 9,900,675	10.2%
State Receipts	\$ 24,093,678	\$ 26,279,593	\$ 2,185,915	9.1%
Bond Proceeds	\$ 151,835,651	\$ 64,723,520	\$ (87,112,131)	-57.4%
Other (Fines & Licenses, Interest, etc)	\$ 2,188,613	\$ 781,951	\$ (1,406,662)	-64.3%
Total Receipts	\$ 289,432,442	\$ 214,711,858	\$ (74,720,584)	-25.8%
<b>Disbursements</b>				
Instruction & Support Services - Students & Staff – includes State & Federal Funded, Activity fund	\$ 79,676,880	\$ 86,985,978	\$ 7,309,098	9.2%
Administration (District & Building Level & Legal Services)	\$ 7,432,819	\$ 8,559,787	\$ 1,126,968	15.2%
Operation & Maint – includes Safety & Security	\$ 10,032,245	\$ 11,009,156	\$ 976,911	9.7%
Student Transportation	\$ 1,165,455	\$ 1,408,655	\$ 243,200	20.9%
Local Grants - Corp & Other	\$ 167,995	\$ 151,180	\$ (16,815)	-10.1%
Capital Outlay	\$ 76,239,836	\$ 39,990,577	\$ (36,249,259)	-47.6%
Nutrition Program	\$ 4,159,808	\$ 4,734,141	\$ 574,333	13.8%
Debt Service	\$ 144,989,606	\$ 72,123,600	\$ (72,866,066)	-50.3%
Total Governmental Activity	\$ 323,864,644	\$ 224,963,074	\$ (98,901,570)	-30.2%
Change in Net Position	\$ (34,432,202)	\$ (10,251,216)		
Beginning Net Position	\$ 129,920,940	\$ 95,488,738		-26.5%
Ending Net Position	\$ 95,488,738	\$ 85,237,522		-10.7%

Within the disbursement categories, most areas had increases in expenditures. Much of the increase can be attributed to a growing student body, two new school buildings opening in FY 21, and a third building nearing completion for opening in FY 22. The two areas with significant decreases (Capital Outlay & Debt Service) primarily resulted from a change in the status of construction activity during the two fiscal years, and bond activity. FY 20 reflects significant construction work at Elkhorn North High School and Woodbrook Elementary which opened in the fall of 2020, as well as early construction work for North Ridge Middle School, which was finished in the fall of 2021. Expenditures for Debt Service were much higher in FY 20 due to a large refunding in September of 2019.

## BUDGETARY HIGHLIGHTS

The District relies heavily on property taxes for funding. The table below lists the assessed valuation and property tax levies by fund for 2019-2020 compared to 2020-2021.

	2019-2020	2020-2021	Change	% Change
Assessed Valuation	\$6,692,087,795	\$7,296,409,920	\$604,322,125	9.03%
General Fund Levy – District	1.00513	1.02762	.02249	2.24%
Bond Fund Levy*	.36500	.37300	.00800	2.19%
Building Fund	.04487	.02238	(.02249)	(50.12%)
Total District Levies	1.41500	1.42300	.00800	0.57%

\*Note – A portion of the District did not pay the full bond levy in FY 20 and FY 21. The amount paid depended on when a former Class I district (elementary only school district) merged with Elkhorn Public Schools. Beginning with FY 22, all taxpayers in the District have the same levy rate.

## GENERAL FUND HIGHLIGHTS

As a result of student growth and increased day-to-day operational costs, the 2020-2021 official General Fund budget reflected expenditures of \$117.77 million, an increase of \$10.35 million (9.63%) over the prior year budget. The budget included expenditures for the opening of Elkhorn North High School and Woodbrook Elementary in the fall of 2020, along with expenditures for the construction of Elkhorn North Ridge Middle School which opened in the fall of 2021. The budget also provided for additional expenses related to addressing unique needs arising from the COVID-19 pandemic.

The budgeted tax proceeds for the General Fund increased from \$66.59 million in 2019-2020 to \$74.23 million in 2020-2021. Actual 2020-2021 property tax receipts were below the budgeted amount, with over \$17.6 million held at the county on August 31 (an increase in the amount at the county of more than \$12.7 million from the prior year). Receipts within the General Fund that exceeded the budgeted amount include: motor vehicle taxes, state funds provided for special education & transportation reimbursement, and Medicaid reimbursements. The district's special education reimbursement is based on our district's expenditures as a percent of the statewide expenditures incurred in the prior year.

The actual General Fund expenditures and transfers were approximately \$9.9 million (8.4%) less than the official budget submitted to the State.

The following table illustrates changes in key receipt and disbursement areas within the General Fund.

<b>RECEIPTS</b>	<b>Yr Ended 8/31/20</b>	<b>% Of Total</b>	<b>Yr Ended 8/31/21</b>	<b>% Of Total</b>
Property Taxes – excluding any state funding in lieu of payments from property owner	\$63,205,892	61.43%	\$70,708,795	62.5%
State Aid (Tax Equity & Ed Opp Support Act)	\$17,657,770	17.16%	\$19,360,351	17.11%
Other Local, State, Federal Receipts	\$22,024,669	21.41%	\$23,070,257	20.39%
<b>Total Receipts</b>	<b>\$102,888,331</b>		<b>\$113,139,403</b>	
<b>DISBURSEMENTS &amp; TRANSFERS</b>	<b>Yr Ended 8/31/20</b>	<b>% Of Total</b>	<b>Yr Ended 8/31/21</b>	<b>% Of Total</b>
Instruction & Support (Including Summer School)	\$76,786,243	77.88%	\$82,444,101	76.42%
Administration & Central Services	\$7,432,819	7.54%	\$8,559,931	7.93%
Operation & Maintenance/Safety & Security	\$10,482,245	10.63%	\$12,004,180	11.13%
Transportation	\$1,315,455	1.33%	\$1,408,522	1.31%
Local, State & Federal Grants – funds are focused toward the classroom or birth to age 5 services	\$2,234,238	2.27%	\$3,108,041	2.88%
Transfers	\$341,553	0.35%	\$352,119	0.33%
<b>Total Disbursements &amp; Transfers</b>	<b>\$98,592,553</b>		<b>\$107,876,894</b>	

Fluctuation within categories from year to year reflect the impact of coronavirus during the 2<sup>nd</sup> half of FY 20 and all of FY 21, two new school buildings completed construction in FY 21, and a new middle school building was in the construction phase for most of FY 21. The increased Local, State and Federal Grants showed a significant increase in FY 21 that was directly related to the Covid ESSER Grant expenditures that totaled \$720,166 and focused primarily on providing chromebooks to elementary students (50% of spending), additional instruction and resources to address learning loss. Most of the reimbursement for those expenses will be received in FY 22.

## **DEBT ADMINISTRATION**

As of August 31, 2021, the bonded indebtedness was \$324,200,000 compared to \$317,480,000 as of August 31, 2020. The District issued \$15.835 million of new bonds during the fiscal year. In October 2020 the District refunded \$40,145,000 of bonds through the issuance of \$46,580,000 of refunding bonds. Throughout the year, the District also made principal payments totaling \$15.55 million.

In February 2021 the national rating firm of Standard and Poor's assigned to the new bonds to be issued in April 2021 a rating of AA-. (They also affirmed this rating in regard to existing general obligation bonds.) In Standard and Poor's opinion, "The district has benefitted from a growing local economy, anchored to the Omaha metropolitan statistical area (MSA). Along with this rapid economic and student enrollment growth, the rating reflects our view of the district's consecutive positive financial performance supported by what we consider very strong available reserves."

## **SIGNIFICANT FACTORS THAT MAY IMPACT FINANCIAL FUTURE**

As of the date of this report, the 2021-2022 budget has been approved and the necessary property taxes have been requested. The anticipated General Fund expenditures are budgeted to increase by \$8.55 million (a 7.26% increase) over the officially submitted 2020-2021 General Fund budget. The increase includes expenditures for the first operational year of Elkhorn North Ridge Middle School, additional expenditures for the second operational year of Elkhorn North High School and Woodbrook Elementary while still factoring in the unique needs of providing education in an ever-changing environment created by the coronavirus pandemic.

The taxable valuation for 2021-2022 increased by 7.03% (\$513,076,345) compared to an increase of 9.03% (\$604,322,125) in 2020-2021.

The District's State Aid for 2021-2022 reflects an increase of \$859,770 or 4.44% over 2020-2021. These funds will be utilized to educate a continually growing student population.

The 2021-2022 General Fund tax rate was decreased to \$1.05958 cents per \$100 of assessed valuation. This still allowed a \$0.044042 levy (generating just over \$3.4 million of revenue) in the Building Fund based on the combined levy maximum of \$1.05. The Building Fund levy proceeds will address necessary items as they occur (such as the need for portable classrooms and/or mechanical system upgrades, roofing and concrete repairs).

The Bond Fund levy for 2021-2022 decreased from \$0.373 to \$0.368 (- 0.005 cents) and will fund the principal and interest payments associated with existing bonds.

On October 15, 2020, taxable refunding bonds with a par amount total of \$46,580,000 were issued to refund \$40,145,000 of existing bonds. The refunding bonds were rated AA- by Standard & Poors, the same as other existing District bonded debt. The refunding bonds carried interest rates ranging from .265% to 2.168% and will produce approximately \$1.92 million of debt service savings over the life of the bonds.

The preliminary 2021-2022 fall membership of 11,104 includes an increase of 462 students (4.34 %) in prekindergarten through Grade 12.

District administration continues to monitor state and national activity regarding school finance and general business issues especially in the current environment that is impacted by the coronavirus. As is

typical in any year, the 2022 session of the Nebraska Legislature could include proposals that impact funding of Nebraska school districts.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, students, and bond-buyers with a general overview of the District's finances and to demonstrate the District's accountability for the money with which it is entrusted. If you have questions about this report or need additional information, contact the Elkhorn Public Schools District Office, 20650 Glenn Street, Elkhorn, NE 68022. Telephone: (402) 289-2579, Fax: (402) 289-2585, and Website: [www.elkhornweb.org](http://www.elkhornweb.org).

This Management's Discussion and Analysis is submitted this 1st day of November, 2021.

Bary Habrock - Superintendent

Heather Shepard – Chief Financial Officer .,

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS  
FOR THE YEAR ENDED AUGUST 31, 2021

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Disburse- ments	Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities
<b>FUNCTIONS/PROGRAMS</b>				
Governmental activities				
Instruction	73,699,906	86,601	8,016,608	(65,596,697)
Support services - students	8,790,114	1,615,612		(7,174,502)
Support services - instruction	4,495,958			(4,495,958)
General administration	741,170			(741,170)
School administration	5,624,410			(5,624,410)
Central services	2,194,207			(2,194,207)
Operation and maintenance of plant	11,009,156			(11,009,156)
Student transportation	1,408,655		168,250	(1,240,405)
Categorical grants from corporations and other private interests	151,180		206,431	55,251
Capital outlay and supplies	39,990,577		202,633	(39,787,944)
Nutrition program	4,734,141	858,466	4,705,279	829,604
Debt service	72,123,600			(72,123,600)
Total governmental activities	<u>224,963,074</u>	<u>2,560,679</u>	<u>13,299,201</u>	<u>(209,103,194)</u>
<b>General Receipts</b>				
Taxes				
Property taxes - general purpose				72,282,321
Property taxes - debt service				25,661,827
Carline tax				9,469
Public power district sales tax				787,014
Motor vehicle taxes				8,326,283
Other local receipts				58,067

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS  
FOR THE YEAR ENDED AUGUST 31, 2021

				Net (Disbursements) Receipts and Changes in Net Position
			Program Receipts	Primary Government
	Disburse- ments	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
General Receipts (Continued)				
County fines and license fees				248,221
State aid				19,360,351
Other state receipts				6,919,242
Interest				117,083
Sale of bonds				62,415,000
Premium on the sale of bonds				2,308,520
Other nonrevenue receipts				358,580
Total general receipts				<u>198,851,978</u>
Change in net position resulting from receipts and disbursements				(10,251,216)
NET POSITION, beginning of year (as restated)				<u>95,488,738</u>
NET POSITION, end of year				<u>85,237,522</u>
ASSETS				
Cash and cash equivalents				66,770,030
Cash at county treasurer				<u>18,467,492</u>
TOTAL ASSETS				<u>85,237,522</u>
NET POSITION				
Restricted for:				
Debt services				17,654,802
Capital projects and outlay				11,403,646
Unrestricted				<u>56,179,074</u>
TOTAL NET POSITION				<u>85,237,522</u>

See accompanying notes to financial statements.



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH BASIS AND  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2021

	Major Funds				Total Governmental Funds
	General Fund	Bond Fund	Special Building Fund	Other Governmental Funds	
<b>RECEIPTS</b>					
Taxes					
Property taxes - general purpose	70,708,794		1,573,527		72,282,321
Property taxes - debt service		25,661,827			25,661,827
Carline tax	6,838	2,482	149		9,469
Public power district sales tax	568,343	206,294	12,377		787,014
Motor vehicle taxes	8,326,283				8,326,283
Preschool tuition and fees	86,601				86,601
Interest	92,607	3,022	20,060	1,394	117,083
Local license fees and fines	52,730				52,730
Categorical grants from corporations and other private interests	206,431				206,431
Meal sales				858,466	858,466
Student activities	5,337			1,615,612	1,615,612
Other postsecondary receipts	248,221				248,221
County fines and license fees					
State receipts	30,408,093	1,412,908	250,312	6,470	32,077,783
Federal receipts	2,393,138		202,633	4,698,809	7,294,580
Other nonrevenue receipts	36,861	21,947	299,772		358,580
Total receipts	113,140,277	27,308,480	2,358,830	7,180,751	149,988,338
<b>DISBURSEMENTS</b>					
Instruction	73,699,906				73,699,906
Support services - students	7,097,482			1,692,632	8,790,114
Support services - instruction	4,495,958				4,495,958
General administration	741,170				741,170
School administration	5,624,410				5,624,410
Central services	2,194,207				2,194,207
Operation and maintenance of plant	11,009,156				11,009,156
Student transportation	1,408,655				1,408,655

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH BASIS AND  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2021

	Major Funds				Total Governmental Funds
	General Fund	Bond Fund	Special Building Fund	Other Governmental Funds	
DISBURSEMENTS (Continued)					
Categorical grants from corporations and other private interests	151,180				151,180
Other state categorical programs	624,309		39,366,268	4,734,141	39,990,577
Capital outlay and supplies		72,123,600			4,734,141
Nutrition program		72,123,600			72,123,600
Debt service					
Total disbursements	1,07,046,433	72,123,600	39,366,268	6,426,773	224,963,074
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	6,093,844	(44,815,120)	(37,007,438)	753,978	(74,974,736)
OTHER FINANCING SOURCES (USES)					
Sale of bonds		46,580,000	15,835,000		62,415,000
Premium on the issuance of bonds			2,308,520		2,308,520
Transfers	(352,096)			352,096	
Total other financing sources (uses)	(352,096)	46,580,000	18,143,520	352,096	64,723,520
NET CHANGE IN FUND BALANCES	5,741,748	1,764,880	(18,863,918)	1,106,074	(10,251,216)
FUND BALANCES, beginning of year (as restated)	42,543,163	15,889,922	34,734,741	2,320,912	95,488,738
FUND BALANCES, end of year	48,284,911	17,654,802	15,870,823	3,426,986	85,237,522

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH BASIS AND  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2021

	Major Funds				Total Governmental Funds
	General Fund	Bond Fund	Special Building Fund	Other Governmental Funds	
<b>ASSETS</b>					
Cash and cash equivalents	34,721,475	13,028,372	15,593,197	3,426,986	66,770,030
County treasurer's balances	13,563,436	4,626,430	277,626		18,467,492
<b>TOTAL ASSETS</b>	<u>48,284,911</u>	<u>17,654,802</u>	<u>15,870,823</u>	<u>3,426,986</u>	<u>85,237,522</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
<b>FUND BALANCES</b>					
Restricted for:		17,654,802			17,654,802
Debt services					11,403,646
Capital projects and outlay			11,403,646	1,803,802	1,803,802
Committed					
Assigned for:					
Capital projects and outlay	5,002,087		4,467,177		9,469,264
School nutrition				1,623,184	1,623,184
Subsequent year's budget	6,275,000				6,275,000
Unassigned	37,007,824				37,007,824
Total fund balances	<u>48,284,911</u>	<u>17,654,802</u>	<u>15,870,823</u>	<u>3,426,986</u>	<u>85,237,522</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>48,284,911</u>	<u>17,654,802</u>	<u>15,870,823</u>	<u>3,426,986</u>	<u>85,237,522</u>

See accompanying notes to financial statements.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
STATEMENT OF NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
AUGUST 31, 2021

	Flex Benefit Fund
ASSETS	
Cash and cash equivalents	<u>167,320</u>
TOTAL ASSETS	<u>167,320</u>
LIABILITIES	
Due to others	<u>167,320</u>
NET POSITION	<u><u>- 0 -</u></u>

See accompanying notes to financial statements.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska (the District).

Reporting Entity

The Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's Board of Education is the basic level of government, which has financial accountability and control over all activities related to public school education in the District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since the District's board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units, as defined in Governmental Accounting Standards Board Statement 14, which are included in the District's reporting entity.

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

Basic Financial Statements - Government-Wide Statements

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Statements (Continued)

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

Basic Financial Statements - Fund Financial Statements

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

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

The fund financial statements of the reporting entity are organized into funds, each of which is considered a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts and expenditures. All of the District's funds are considered governmental funds. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District, meets specific mathematical criteria set forth by GASB or is identified as a major fund by the District's management. All remaining governmental funds by category are summarized into a single column as nonmajor governmental funds.

The District reports the following major governmental funds:

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements (Continued)

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements (Continued)

The District reports the following major governmental funds:

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

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

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

The District reports the following fiduciary funds:

Flex Benefit Fund - The Flex Benefit Fund is established to facilitate the funding and operation of the District's cafeteria plan which is an Internal Revenue Code Section 125 plan used by employees to fund medical and dependent care reimbursements on a pretax basis.

Basis of Accounting

The District prepares its financial statements on the cash basis, which is in conformity with the accounting practices prescribed or permitted by the State of Nebraska Department of Education; consequently, these statements represent a summary of the cash activity of the various funds of the District and do not include certain transactions that would be included if the District prepared its financial statements in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental units. Under the cash basis, receipts are recognized when collected rather than when earned



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

and disbursements are recognized when paid rather than when incurred. Consequently, these financial statements are not intended to present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America, as applicable to governmental units.

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

Capital Assets

Capital assets are not recorded as assets on the government-wide or fund financial statements, and depreciation is not recognized. Purchases of capital assets are recorded as disbursements by function in the financial statements.

Long-Term Obligations

Long-term debt is not reported as a liability in the government-wide or fund financial statements. Proceeds from long-term debt are reported as receipts and payments of principal are reported as disbursements in both the government-wide and fund financial statements.

Equity Classification

Government-Wide Statements

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

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

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

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements

Governmental fund equity is classified as fund balance.

Fund Balance Classification

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

Nonspendable

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

Restricted

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

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District currently has no amounts classified in this category.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements

Assigned

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

Unassigned

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

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

Interfund Balances and Activities

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

Budget Process and Property Taxes

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The General Fund is also subject to a total non-special education disbursement limit. Appropriations for disbursements lapse at year end. Any revisions to the adopted budget of total disbursements to any fund require a public hearing. State statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various disbursements and/or tax levy limitations.

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Vacation, personal leave, and sick leave are recorded when paid. The superintendent, administrators, certified staff and other staff members paid from the teacher salary schedule as well as support staff members who work less than 260 days per year are granted up to 3 days of personal leave per year and may accumulate up to 5 days.

Negotiations in the fall of 2021 resulted in changes to vacation leave based on years of continuous service for hourly maintenance staff members. Previously maintenance staff working 260 days per year were provided as follows: 0-5 years of service = 74 hours, 6-9 years of service = 104 hours and 10 or more years of service = 120 hours. Effective September 1, 2021 the vacation leave is as follows: 0-5 years of service = 80 hours, 6-9 years of service = 104 hours, 10-14 years of service = 120 hours, and 15 or more years of service = 136 hours.

A maximum vacation accrual of 160 hours is allowed for all support staff.

Administrators working 260 days per year are granted up to 20 days of vacation leave per year which may not accumulate beyond 20 days.

Compensated Absences

The superintendent is granted up to 35 days of vacation per contract year with a maximum accumulation of 35 days. The superintendent may receive payment for up to 15 vacation days at the end of each contract year based on the daily rate of the annual salary.

All staff members receive payment, based on their current pay rate, for unused vacation or personal leave when they leave District employment.

Certified staff and other staff members paid from the teacher salary schedule who have 15 or more continuous years of service may also receive payment for unused sick leave when they leave District employment. These individuals are granted 10 days of sick leave per year and may accumulate up to 60 days of sick leave. The most the District will pay under this program is an amount equal to the base teacher salary for the year. The individual payments to staff members are based on half the daily substitute teacher rate multiplied by the number of unused sick leave days and prorated as necessary to not exceed the District maximum. For the 2020 - 2021 school year the maximum that could have been paid under this program was \$35,515. The amount actually paid was \$35,515.

The liability for accumulated unpaid vacation and personal leave benefits as of August 31, 2021, was approximately \$623,806.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

NOTE 2. CASH AND INVESTMENTS

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

The District's cash and cash equivalents are reported as follows:

Governmental activities	66,770,030
Fiduciary funds	<u>167,320</u>
Total cash and cash equivalents	<u><u>66,937,350</u></u>

Investments

Nebraska statutes allow the District to make any investment allowed by the State Investment Officer. This includes bank certificates of deposit.

As defined by Governmental Accounting Standards Board Statement 3, the District had no investments as of August 31, 2021.

Listed below is a summary of the investment portfolio that comprises the cash and cash equivalents on the District's August 31, 2021, basic financial statements.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2021, the District held bank deposits and also held funds in certificates of deposit with the Nebraska Liquid Asset Fund (NLAF).

The NLAF was formed in 1988 under the Interlocal Cooperation Act to provide a cash management program for school districts, educational service units and community colleges, public agencies, and other governmental subdivisions. The NLAF was established to assist public bodies throughout the State of Nebraska with the investment of their available cash reserves. Participation in the investment fund is voluntary for its members. The objective

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits (Continued)

of the fund is to provide a means for investors to achieve a high rate of return while preserving principal and maintaining liquidity, while investing only in instruments permitted by applicable Nebraska statutes. NLAF seeks to achieve its investment objective through professionally managed investment funds governed by the investment policies and restrictions specified. The NLAF Board of Trustees is elected from representatives of various participants in the fund. The NLAF Board of Trustees has engaged PFM Asset Management, LLC, as administrator and investment advisor. For a copy of the most recent audit report for the NLAF, contact NLAF at 1-877-667-3523 or via the NLAF website at <https://www.nlafpool.org/>.

Bank Deposits

As of August 31, 2021, all of the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized, and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of FDIC limits.

NLAF Deposits

State law required collateralization of deposits with Federal depository insurance or with U.S. Treasury and U.S. Agency securities having an aggregate value at least equal to the balance of deposits. As of August 31, 2021, all of NLAF's deposits were insured and collateralized by securities held by the pledging financial institution in other than the NLAF's name.

Investments

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

As of August 31, 2021, the District had \$15,884,679 in NLAF investments. These investments consisted of government agency securities and repurchase agreements that were collateralized by U.S. government securities.

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk

The NLAF investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that the portfolio maintain a dollar-weighted average maturity of not greater than 60 days. The weighted average maturity of the entire portfolio at May 31, 2021, the date of the latest NLAF audit report, was 35 days.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. According to the latest audit report on the NLAF, as of May 31, 2021, the NLAF limits the investments to certain fixed income instruments which school entities are permitted to invest in under Nebraska law. As of May 31, 2021, the investment portfolio was comprised of investments that were, in aggregate, rated by Standard & Poor's (S&P) as shown in the table below. The rates include the ratings of collateral underlying repurchase agreements in effect at May 31, 2021.

<u>S&amp;P Rating</u>	<u>Percent of Portfolio</u>
AA+*	28.18%
A-1+	5.96%
A-1	4.18%
Exempt**	58.63%
Not Rated***	3.05%

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

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

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

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the NLAF will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The NLAF has no specific policy as to custodial credit risk. All of the underlying securities for the NLAF investments in repurchase agreements at May 31, 2021, the latest audit report date for the NLAF, were collateralized at 102% of the obligation's principal and interest value. In the event of default on the obligation to repurchase, the NLAF has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk

The NLAF investment policy establishes certain restrictions on investments and limitations on portfolio composition. The investment portfolio at May 31, 2021, included the issuers shown in the table below, which individually represented greater than 5% of the total investment portfolio.

Issuer	Percent of Fund
BNP Paribas (NY)) *	5.34%
Federal Farm Credit Banks	21.11%
Federal Home Loan Bank	8.09%
U.S. Treasury	53.29%

*\*This issuer is also counterparty to a repurchase agreement entered into by the Fund. This repurchase agreement is collateralized by U.S. Treasury Securities*

NOTE 3. RETIREMENT PLAN

Plan Description

The Douglas County School District No. 10, Elkhorn Public Schools contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions.

In 1945, the Nebraska Legislature enacted the law establishing a retirement plan for school employees of the State. During the NPERS fiscal year ended June 30, 2020, there were 265 participating school districts. These were the districts that had contributions during the fiscal year. All regular public school employees in Nebraska, other than those who have their own retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, and Nebraska Community Colleges), are members of the plan.

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



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN (Continued)

Plan Description (Continued)

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 2%, and an actuarial factor based on age.

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

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

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

Contributions

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2019 to June 30, 2020, (and from July 1, 2020 through August 31, 2021). 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, 2021, was \$6,422,600.

Plan Fiduciary Net Position

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 4. EARLY RETIREMENT INCENTIVE PLAN

The District has an early retirement incentive plan available to certified employees who have completed at least 15 years of service with the District and who meet specified criteria regarding placement on the District's salary schedule. For each individual, there is a specific "window" of eligibility in which he or she can elect to participate in the plan. As of 2011 - 2012, the funds provided to early retirees are deposited into a 403(b) account. The cost of the plan is accounted for on a pay-as-you-go basis. Approximately \$175,412 from the General Fund was spent for payments and benefits to 11 individuals during the year ended August 31, 2021. The estimated payment of payments and benefits is \$177,891 for the year ended August 31, 2021.

NOTE 5. LONG-TERM DEBT

Long-term debt at August 31, 2021, consisted of the following:

Issue Date	Original Issue	Balance 9/1/20	2020 - 2021		Balance 8/31/21
			Bond Proceeds	Bond Payments	
1/28/10	19,100,000	1,305,000		(1,305,000)	
11/18/11	18,235,000	2,735,000		(1,495,000)	1,240,000
4/13/12	55,155,000	10,955,000		(7,430,000)	3,525,000
9/13/13	16,565,000	370,000		(165,000)	205,000
1/30/15	25,000,000	13,145,000		(8,885,000)	4,260,000
1/6/16	25,000,000	22,455,000		(12,960,000)	9,495,000
12/20/16	18,505,000	14,300,000		(7,795,000)	6,505,000
3/15/17	8,860,000	8,860,000		(8,775,000)	85,000
5/10/18	30,275,000	29,260,000		(1,035,000)	28,225,000
4/1/19	69,960,000	69,960,000		(2,290,000)	67,670,000
9/25/19	10,540,000	10,540,000		(1,230,000)	9,310,000
9/25/19	102,850,000	102,195,000		(1,325,000)	100,870,000
7/1/20	31,400,000	31,400,000			31,400,000
10/15/20	46,580,000		46,580,000	(1,005,000)	45,575,000
4/6/21	15,835,000		15,835,000		15,835,000
		<u>317,480,000</u>	<u>62,415,000</u>	<u>(55,695,000)</u>	<u>324,200,000</u>

Assets of \$17,654,802 are available in the Bond Fund to service General Obligation Bonds. During the year ended August 31, 2021, principal and interest payments made out of the Bond Fund totaled \$71,675,537, of which interest was \$15,980,537.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

The principal and interest maturities are as follows:

Years Ending August 31,	Principal	Interest	Total
2022	16,740,000	10,178,795	26,918,795
2023	17,860,000	9,582,567	27,442,567
2024	18,000,000	9,092,024	27,092,024
2025	18,595,000	8,571,473	27,166,473
2026	19,385,000	7,933,002	27,318,002
2027 - 2031	104,195,000	30,606,096	134,801,096
2032 - 2036	84,305,000	14,503,102	98,808,102
2037 - 2041	44,060,000	3,588,142	47,648,142
2042 - 2046	1,060,000	15,900	1,075,900
	<u>324,200,000</u>	<u>94,071,101</u>	<u>418,271,101</u>

Interest rates on the outstanding General Obligation Bonds are as follows:

Issue Date	Interest Rates
1/28/10	4.70% to 6.21%
11/18/11	3.00% to 5.00%
4/13/12	3.00% to 5.00%
9/13/13	3.00% to 4.75%
1/30/15	1.75% to 5.00%
1/6/16	0.88% to 5.00%
12/20/16	2.00% to 5.00%
3/15/17	2.00% to 3.00%
5/10/18	1.80% to 5.00%
4/1/19	1.65% to 5.00%
9/25/19A	2.00% to 5.00%
9/25/19B	2.00% to 2.91%
7/1/20	3.00% to 4.00%
10/15/20	0.265% to 2.168%
4/6/21	3.00% to 4.00%

The American Recovery and Reinvestment Act of 2009 provided authority for the issuance of Build America Bonds (BABs), which were issued as taxable bonds in calendar years 2009 and 2010 and limited to new money capital disbursements. The BABs also permitted the issuer (or the bondholder) to receive a subsidy payment equal to 35% of the bond's interest directly from the United States Department of the Treasury. However, the interest subsidy is reduced due to government sequestration. The true interest cost for this issue, which has maturities that extend from 2018 to 2030, was 3.67% to 4.03%. During the year ended August 31, 2021, the District received \$21,949 of U.S. interest subsidy. As of June 2021, the District had defeased all 2020 - 2021 Build America Bonds.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. RESTATEMENT - GASB 84

As disclosed in Note 1, the District implemented GASB 84 during the year ended August 31, 2021. The effect of this implementation resulted in a beginning balance adjustment to the governmental activities net position of \$1,527,968 and the nonmajor governmental funds fund balance of \$1,527,968. This reflected the change from reporting the Activities Fund from a fiduciary fund to a nonmajor governmental fund.

NOTE 7. FEDERAL AWARD PROGRAMS

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

NOTE 8. RISK MANAGEMENT

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

NOTE 9. INTERFUND ACTIVITY

Interfund transfers for the year consisted of the following:

General Fund to the Activities Fund for support	<u>352,096</u>
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NOTE 10. COMMITMENTS

As of August 31, 2021, the District had outstanding commitments totaling \$3,340,646 (including \$1,518,721 for retainage) for various contracts as related to the construction.

NOTE 11. TAX ABATEMENTS

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 11. TAX ABATEMENTS (Continued)

Information relevant to the tax abatements impacting the District for the year ending August 31, 2021, is as follows:

Total TIF valuation 2020	103.369.600
District's total levy (per \$100 valuation)	1.02762
District share of tax abatement	1.062.247

NOTE 12. RECENTLY ISSUED AND ADOPTED ACCOUNTING PRONOUNCEMENTS

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

In June 2017, GASB issued Statement 87, *Leases*. This statement is effective for fiscal years beginning after June 15, 2021. The District did not early implement this statement. When adopted, GASB 87 will require disclosure of the timing significance, and purpose of a government's leasing arrangements. When adopted, GASB 87 will not have a material effect on the financial statements other than possible disclosures in the notes.

NOTE 13. SUBSEQUENT EVENTS

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

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 4, 2021, the date the financial statements were available to be issued.

## SUPPLEMENTARY INFORMATION

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	CFDA Number	Expendi- tures
<u>U.S. Department of Health and Human Services</u>			
Medicaid Cluster Passed through Omaha Public Schools			
Medicaid in Administration		93.778	69,380
Passed through Nebraska Department of Health and Human Services			
Medicaid in Administration		93.778	<u>150,745</u>
Total U.S. Department of Health and Human Services/Medicaid Cluster			<u>220,125</u>
<u>U.S. Department of Education</u>			
Elementary and Secondary School Emergency Relief - ESSER I	21-6996-00-03-028-0010	84.425	120,438
Elementary and Secondary School Emergency Relief - ESSER II	21-6997-00-03-028-0010	84.425	351,726
Elementary and Secondary School Emergency Relief - ESSER III	21-6998-00-03-028-0010	84.425	248,000
Special Education Cluster (IDEA)			
IDEA Preschool (619) Base Allocation	21-6406-00-03-028-0010	84.173	19,629
IDEA Part B Proportionate Share	21-6412-00-03-028-0010	84.027	35,364
IDEA Part B PEAK Projects	21-28-0010-4415-P-127	84.027	70,103
IDEA Enrollment/Poverty	21-6408-00-03-028-0010	84.027	<u>1,495,911</u>
Total Special Education Cluster (IDEA)			<u>1,621,007</u>
Title I, Part A	21-6200-00-03-028-0010	84.010	126,019
Title II, Part A	21-6310-00-03-028-0010	84.367	101,043
Carl Perkins	21-6700-00-03-028-0010	84.048	30,773
SPED Planning Region Team (PRT)	21-6416-00-03-028-0010	84.181	<u>12,338</u>
Total U.S. Department of Education			<u>2,611,344</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	CFDA Number	Expendi- tures
<u>U.S. Department of Agriculture</u>			
Child Nutrition Cluster			
Passed through Nebraska Department of Education			
Summer Food Program		10.559	4,698,809
Passed through Nebraska Department of Social Services			
Food Distribution Program	47600263500	10.555	<u>342,939</u>
Total U.S. Department of Agriculture/ Child Nutrition Cluster			<u>5,041,748</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>7,873,217</u></u>



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, under programs of the federal government for the year ended August 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting.

NOTE 3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, provided no federal awards to subrecipients.

NOTE 4. INDIRECT COST RATE

Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 5. FOOD DISTRIBUTION

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

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
GENERAL FUND COMPONENTS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCE - CASH BASIS  
YEAR ENDED AUGUST 31, 2021

	General Fund	Depreciation Fund	Reclassifi- cations	Total
<b>RECEIPTS</b>				
Local sources				
Taxes				
Property taxes - general purpose	70,708,794			70,708,794
Carline tax	6,838			6,838
Public power district sales tax	568,343			568,343
Motor vehicle taxes	8,326,283			8,326,283
Preschool tuition and fees	86,601			86,601
Interest	91,732	875		92,607
Local license fees and fines	52,730			52,730
Categorical grants from corporations and other private interests	206,431			206,431
Other postsecondary receipts	5,337			5,337
County fines and license fees	248,221			248,221
State receipts	30,408,093			30,408,093
Federal receipts	2,393,138			2,393,138
Other nonrevenue receipts	36,861			36,861
Transfers from other funds		1,102,627	(1,102,627)	
Total receipts	<u>113,139,402</u>	<u>1,103,502</u>	<u>(1,102,627)</u>	<u>113,140,277</u>
<b>DISBURSEMENTS</b>				
Instruction	70,850,658		2,849,248	73,699,906
Support services - students	7,097,482			7,097,482
Support services - instruction	4,495,958			4,495,958
General administration	741,170			741,170
School administration	5,624,410			5,624,410
Central services	2,194,207			2,194,207
Operation and maintenance of plant	12,004,175		(995,019)	11,009,156
Student transportation	1,408,655			1,408,655

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
GENERAL FUND COMPONENTS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCE - CASH BASIS  
YEAR ENDED AUGUST 31, 2021

	General Fund	Depreciation Fund	Reclassifi- cations	Total
DISBURSEMENTS (Continued)				
Categorical grants from corporations and other private interests	151,180			151,180
Other state categorical programs	124,123		(124,123)	
High ability learners	68,613		(68,613)	
Federal programs	2,764,120		(2,764,120)	
Transfers to other funds	352,096			352,096
Capital outlay		624,309		624,309
Total disbursements	<u>107,876,847</u>	<u>624,309</u>	<u>(1,102,627)</u>	<u>107,398,529</u>
RECEIPTS OVER DISBURSEMENTS	5,262,555	479,193		5,741,748
FUND BALANCE, beginning of year	<u>38,020,269</u>	<u>4,522,894</u>		<u>42,543,163</u>
FUND BALANCE, end of year	<u>43,282,824</u>	<u>5,002,087</u>		<u>48,284,911</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NONMAJOR FUNDS  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND BALANCE - CASH BASIS  
YEAR ENDED AUGUST 31, 2021

	Activities Fund	School Nutrition Fund	Student Fee Fund	Total
RECEIPTS				
Local receipts				
Interest	594	636	164	1,394
Meal sales		858,466		858,466
Student activities	1,327,822		287,790	1,615,612
State receipts		6,470		6,470
Federal receipts		4,698,809		4,698,809
Transfers from other funds	352,096			352,096
Total receipts	<u>1,680,512</u>	<u>5,564,381</u>	<u>287,954</u>	<u>7,532,847</u>
DISBURSEMENTS				
Support services - students	1,540,291		152,341	1,692,632
Nutrition program		4,734,141		4,734,141
Total disbursements	<u>1,540,291</u>	<u>4,734,141</u>	<u>152,341</u>	<u>6,426,773</u>
RECEIPTS OVER DISBURSEMENTS	140,221	830,240	135,613	1,106,074
FUND BALANCE, beginning of year	<u>1,245,018</u>	<u>792,944</u>	<u>282,950</u>	<u>2,320,912</u>
FUND BALANCE, end of year	<u>1,385,239</u>	<u>1,623,184</u>	<u>418,563</u>	<u>3,426,986</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

		Original and Final Budget	Actual
FUND BALANCE, beginning of year			<u>38,020,269</u>
RECEIPTS			
Local sources			
Taxes			
1100	Property taxes - general purpose	74,229,571	70,708,794
1115	Carline tax	5,590	6,838
1120	Public power district sales tax	605,000	568,343
1125	Motor vehicle taxes	7,250,000	8,326,283
1323	Tuition received from other districts	30,000	
1370	Preschool tuition and fees	85,000	86,601
1510	Interest	100,500	91,732
1921	Local license fees and fines	60,000	52,730
1925	Categorical grants from corporations and other private interests	168,324	206,431
1955	Other postsecondary receipts		5,337
	Total local sources	<u>82,533,985</u>	<u>80,053,089</u>
County sources			
2110	County fines and license fees	290,000	248,221
	Total county sources	<u>290,000</u>	<u>248,221</u>
State sources			
3110	State aid	19,360,351	19,360,351
3120	Special education	5,300,000	5,378,582
3125	Special education transportation	180,000	168,250
3130	Homestead exemption		746,178
3131	Property tax credit		2,982,447
3134	Personal property tax credit - railroad taxes/public service entities		5,540
3155	Textbook loan	21,500	27,930
3166	Flex funding - school age support services	150,000	82,380
3180	Pro-rate motor vehicle	150,000	159,931
3400	State apportionment	120,000	1,279,546

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

		Original and Final Budget	Actual
RECEIPTS (Continued)			
State sources (Continued)			
3535	High ability learners	64,034	68,613
3599	State categorical programs	100,570	148,345
	Total state sources	<u>25,446,455</u>	<u>30,408,093</u>
Federal sources			
4416	IDEA Part C, planning region team (PRT)	22,500	9,386
4418	IDEA Part B, PEAK projects	70,103	62,672
4505	Title I, Part A: ESSA Improving Basic Programs Operated by Local Educational Agencies	152,574	128,990
4509	Title II, Part A: ESSA Supporting Effective Instruction	75,000	72,137
4516	IDEA base preschool	19,233	20,319
4519	IDEA enrollment/poverty	1,429,069	1,467,198
4521	IDEA Part B proportionate share		35,922
4525	Federal vocational and applied technology education (Carl Perkins)	29,939	60,708
4530	Other federal categorical receipts	145,424	215,371
4708	Medicaid in public schools (MIPS)	30,000	113,295
4709	Medicaid administrative activities (MAAPS)	40,000	69,380
4969	Title IV, Part A: Student Support and Academic Enrichment		2,463
4996	Elementary & Secondary School Emergency Relief (ESSER - CARES)	126,636	122,220
4997	Elementary & Secondary School Emergency Relief (ESSER II - CRRSA)		13,077
	Total federal sources	<u>2,140,478</u>	<u>2,393,138</u>
5300	Proceeds from the disposal of real or personal property		24,451
5301	Insurance adjustments		12,410
	Total other nonrevenue receipts		<u>36,861</u>
	Total receipts	<u>110,410,918</u>	<u>113,139,402</u>
TOTAL FUNDS AVAILABLE			<u>151,159,671</u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

		Original and Final Budget	Actual
<b>DISBURSEMENTS</b>			
	Instruction		
1100	Regular instruction	65,692,873	58,517,408
1125	Regular instruction - flex-spending	237,832	154,815
1150	Limited English proficiency	467,379	417,263
1160	Poverty programs	291,872	235,370
1190	Early childhood	81,112	108,853
1200	Special education instruction	11,723,961	10,248,394
1291	Early childhood special education - ages 3 - 5	945,710	765,990
1292	Early childhood special education - ages 0 - 2	155,240	114,381
1295	Special education instruction - unified sports	4,919	7,832
1300	Summer school	301,961	280,352
	Support services - students		
2110	Attendance and social work services	448,851	418,783
2120	Guidance services	2,878,599	2,585,261
2130	Health services	272,874	289,643
2131	Health services - SPED school age	319,000	158,594
2141	Psychological services - SPED school age	999,902	1,038,615
2142	Psychological services - ages 3 - 5	144,188	53,865
2143	Psychological services - ages 0 - 2	63,707	72,016
2151	Speech pathology and audiology services - SPED school age	1,247,465	1,211,978
2152	Speech pathology and audiology services - ages 3 - 5	285,875	307,129
2153	Speech pathology and audiology services - ages 0 - 2	21,000	17,520
2161	Occupational therapy - related services - SPED school age	240,676	239,838
2162	Occupational therapy - related services - ages 3 - 5	71,552	59,745
2163	Occupational therapy - related services - ages 0 - 2	68,637	49,067
2171	Physical therapy - related services - SPED school age	171,060	152,885
2172	Physical therapy - related services - ages 3 - 5	78,541	47,393
2173	Physical therapy - related services - ages 0 - 2	46,047	57,860
2181	Visually impaired/vision - related services - school age	69,000	62,208
2182	Visually impaired/vision - related services - ages 3 -5	3,000	2,809
2183	Visually impaired/vision - related services - ages 0 - 2	500	1,412
2190	Support services - student - other disbursements	346,702	270,861

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

		Original and Final Budget	Actual
DISBURSEMENTS (Continued)			
	Support services - instruction		
2211	School improvement	26,180	2,137
2212	Instruction and curriculum	140,790	118,469
2213	Instructional staff training	1,006,927	517,076
2214	Implementation of standards	206,027	111,154
2219	Other instruction services	98,113	58,993
2220	Library/media services	1,950,953	1,896,231
2223	Audio/visual services	16,200	3,980
2230	Technology services	1,622,922	1,577,909
2240	Academic student assessment	287,164	200,731
2290	Instruction - other	52,592	9,278
	General administration		
2310	Board of education	188,576	124,401
2320	Executive administration	560,022	586,616
2330	District legal services	120,000	30,153
	School administration		
2410	Office of the principal	5,802,736	5,624,410
	Central Services		
2510	Business services - fiscal	1,477,617	1,472,850
2560	Business services - public information	162,993	129,914
2570	Business services - personnel	640,399	591,443
	Operation and maintenance of plant		
2610	Operations of buildings	7,336,144	7,831,075
2620	Maintenance of buildings	2,129,442	2,175,381
2630	Care and upkeep of grounds	347,916	483,799
2640	Care and upkeep of equipment	635,000	867,717
2650	Vehicle operation and maintenance	95,000	179,505
2660	Security of buildings	365,601	324,278
2670	Safety of buildings	137,000	142,420
	Student transportation		
2710	Regular pupil transportation	1,172,535	682,336
2712	Special education pupil transportation	361,155	346,970
2713	Below age 5 pupil transportation	382,267	379,210
2900	Other support services		139



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
DISBURSEMENTS (Continued)		
3400 Categorical grants from corporations and other private interests	168,324	151,180
State programs		
3535 High ability learners	64,032	68,613
3599 Other state categorical programs	122,105	124,123
Federal programs		
6200 Title I, Accountability ESSA Improving Basic Programs Accountability	158,565	126,019
6310 Title II, Part A ESSA Supporting Effective Instruction	120,000	101,043
6406 IDEA preschool (619) base allocation	26,241	19,629
6408 IDEA Part B (611) base	1,482,008	1,495,911
6412 IDEA Part B proportionate share	62,915	35,364
6416 IDEA Part C planning regional team (PRT)	25,500	12,338
6418 IDEA Part B PEaK projects	71,010	70,103
6700 Federal vocational and applied technology education (Carl Perkins)	29,852	30,773
6925 Title III, Part A ESEA/ESSA		2,031
6990 Other federal categorical programs	145,424	150,745
6996 Elementary & Secondary School Emergency Relief (ESSER - CARES)	126,636	120,438
6997 Elementary & Secondary School Emergency Relief (ESSER II - CRRSA)		351,726
6998 Elementary & Secondary School Emergency Relief (ESSER III - ARP)		248,000
8000 Transfers	164,000	352,096
Total disbursements	<u>117,768,918</u>	<u>107,876,847</u>
FUND BALANCE, end of year		<u>43,282,824</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>29,719,388</u>
County treasurers		<u>13,563,436</u>
TOTAL FUND BALANCE		<u>43,282,824</u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
DEPRECIATION FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>4,522,894</u>
RECEIPTS		
Transfer - General Fund (as disbursed from the General Fund)		1,102,627
Interest received		875
Total receipts	<u>                    </u>	<u>1,103,502</u>
TOTAL FUNDS AVAILABLE		<u>5,626,396</u>
DISBURSEMENTS		
Capital outlay	<u>4,500,000</u>	<u>624,309</u>
FUND BALANCE, end of year		<u>5,002,087</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>5,002,087</u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 FLEX BENEFIT FUND  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>141,343</u>
RECEIPTS		
Transfer - General Fund (as disbursed from the General Fund)		595,325
Interest		566
Total receipts	<u>800,000</u>	<u>595,891</u>
TOTAL FUNDS AVAILABLE		<u>737,234</u>
DISBURSEMENTS		
Employee claims	<u>950,000</u>	<u>569,914</u>
FUND BALANCE, end of year		<u><u>167,320</u></u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u><u>167,320</u></u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
ACTIVITIES FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>1,245,018</u>
RECEIPTS		
Interest		594
Admissions		227,620
Activities receipts		1,100,202
Transfers from the General Fund		352,096
Total receipts	<u>2,250,000</u>	<u>1,680,512</u>
TOTAL FUNDS AVAILABLE		<u>2,925,530</u>
DISBURSEMENTS		
Activities expenses	<u>2,500,000</u>	<u>1,540,291</u>
FUND BALANCE, end of year		<u>1,385,239</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>1,385,239</u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
SCHOOL NUTRITION FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>792,944</u>
RECEIPTS		
Meal sales		858,466
State reimbursement		6,470
Federal reimbursement		4,698,809
Interest		636
Total receipts	<u>6,225,000</u>	<u>5,564,381</u>
TOTAL FUNDS AVAILABLE		<u>6,357,325</u>
DISBURSEMENTS		
Food service operations		<u>4,734,141</u>
Total disbursements	<u>6,500,000</u>	<u>4,734,141</u>
FUND BALANCE, end of year		<u>1,623,184</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>1,623,184</u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
CASH BASIS - BUDGET AND ACTUAL  
BOND FUND  
(UNAUDITED)  
YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>15,889,922</u>
RECEIPTS		
Taxes		
Property taxes - debt service	26,939,817	25,661,827
Carline tax		2,482
Public power district sales tax		206,294
Homestead exemption		285,103
Property tax credit		1,081,787
Personal property tax credit - railroad taxes/public service entities		2,011
Pro-rate motor vehicle		44,007
Interest		3,022
Sale of bonds		46,580,000
Other nonrevenue receipts	<u>60,355,180</u>	<u>21,947</u>
Total receipts	<u>87,294,997</u>	<u>73,888,480</u>
TOTAL FUNDS AVAILABLE		<u>89,778,402</u>
DISBURSEMENTS		
Debt service		
Principal		55,695,000
Interest		15,980,537
Other		448,063
Total debt service		<u>72,123,600</u>
Total disbursements	<u>88,114,997</u>	<u>72,123,600</u>
FUND BALANCE, end of year		<u><u>17,654,802</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 BOND FUND  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>13,028,372</u>
County treasurers		<u>4,626,430</u>
TOTAL FUND BALANCE		<u><u>17,654,802</u></u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 SPECIAL BUILDING FUND  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>34,734,741</u>
RECEIPTS		
Taxes		
Property taxes - general purpose	1,616,600	1,573,527
Carline tax		149
Public power district sales tax		12,377
Homestead exemption		16,328
Property tax credit		64,835
Personal property tax credit - railroad taxes/public service entities		121
Pro-rate motor vehicle		4,713
Interest		20,060
Other state receipts		164,315
Other federal categorical receipts		202,633
Sale of bonds		15,835,000
Premium on the issuance of bonds		2,308,520
Other nonrevenue receipts	<u>18,508,400</u>	<u>299,772</u>
Total receipts	<u>20,125,000</u>	<u>20,502,350</u>
TOTAL FUNDS AVAILABLE		<u>55,237,091</u>
DISBURSEMENTS		
Buildings and sites	<u>58,675,000</u>	<u>39,366,268</u>
FUND BALANCE, end of year		<u>15,870,823</u>



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 SPECIAL BUILDING FUND  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>15,593,197</u>
County treasurers		<u>277,626</u>
TOTAL FUND BALANCE		<u><u>15,870,823</u></u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 STUDENT FEE FUND  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2021

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>282,950</u>
RECEIPTS		
Activities receipts		287,790
Interest		164
Total receipts	<u>195,000</u>	<u>287,954</u>
TOTAL FUNDS AVAILABLE		<u>570,904</u>
DISBURSEMENTS		
Activities expenses	<u>250,000</u>	<u>152,341</u>
FUND BALANCE, end of year		<u>418,563</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>418,563</u>

See accompanying notes to budgetary schedules.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
NOTES TO BUDGETARY SCHEDULES

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

Basis of Accounting

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

Budget Law

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

Reconciliation

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

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

Net change in fund balance - financial reporting basis:

General Fund	<u>5,741,748</u>
Receipts - budgetary basis	
General Fund	113,139,402
Depreciation Fund	1,103,502
Disbursements - budgetary basis	
General Fund	(107,876,847)
Depreciation Fund	<u>(624,309)</u>
Receipts over disbursements - budgetary basis	<u>5,741,748</u>



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education  
Douglas County School District No. 10  
Elkhorn Public Schools  
Elkhorn, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's basic financial statements, and have issued our report thereon dated November 4, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, 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.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

Dana F Cole + Company, LLP

Lincoln, Nebraska  
November 4, 2021



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education  
Douglas County School District No. 10  
Elkhorn Public Schools  
Elkhorn, Nebraska

**Report on Compliance for Each Major Federal Program**

We have audited Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's major federal programs for the year ended August 31, 2021. Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's compliance.

### *Opinion on Each Major Federal Program*

In our opinion, Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

### **Report on Internal Control Over Compliance**

Management of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over compliance.

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

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

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

*Dana F Cole + Company, LLP*

Lincoln, Nebraska  
November 4, 2021

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2021

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified: \_\_\_\_Yes X No

Significant deficiencies identified  
that are not considered to be  
material weaknesses: \_\_\_\_Yes X None reported

Noncompliance matter to the financial  
statements disclosed: \_\_\_\_Yes X No

Federal Awards

Internal control over major programs:

Material weakness identified: \_\_\_\_Yes X No

Significant deficiencies identified  
that are not considered to be  
material weaknesses: \_\_\_\_Yes X None reported

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

Any audit findings disclosed that are  
required to be reported in accor-  
dance with 2 CFR Section 200.516(a): \_\_\_\_Yes X No

Identification of major programs:

Child Nutrition Cluster 10.553/10.555/10.559

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

Auditee qualified as a low-risk auditee: \_\_\_\_Yes X No



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2021

SECTION II. FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED AUGUST 31, 2021

There were no findings in the year ended August 31, 2020.