

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10

ELKHORN PUBLIC SCHOOLS

ELKHORN, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2022



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

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 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 Audited Financial Statements**

#### ***Opinions***

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, 2022, 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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position 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 August 31, 2022, and the respective changes in cash basis financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the cash basis of accounting as described in Note 1.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter - Basis of Accounting***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's ability to continue as a going concern for a reasonable period of time.

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

### ***Other Matters***

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's basic financial statements. The management's discussion and analysis on pages 4 - 12 and supplementary information on pages 36 - 56 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 36 - 38 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 39 - 41 and the schedule of expenditures of federal awards on pages 36 - 38 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 39 - 41, and schedule of expenditures of federal awards on pages 36 - 38 are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis on pages 4 - 12 and supplementary information on pages 42 - 56 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2022, on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn Public Schools, Elkhorn, Nebraska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering 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 1, 2022

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual report presents the District's discussion and analysis of the financial performance of the fiscal year ending August 31, 2022. 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.

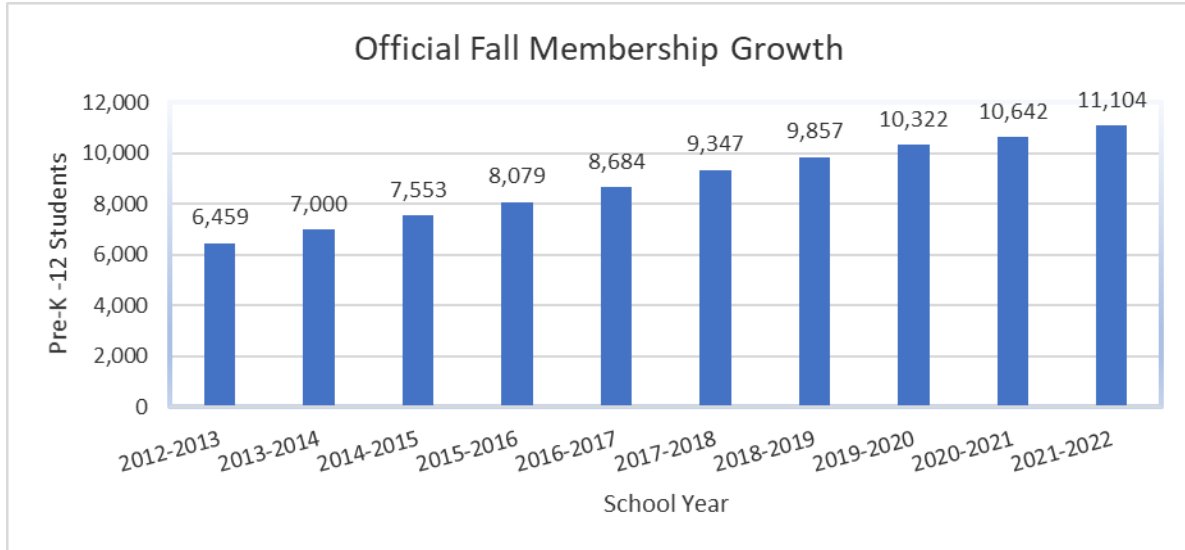
The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data about the financial statements and commitments, contingencies, and long-term debt obligations that are not reported in the cash basis financial statements. The 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 21-22 school year with 462 (4.34%) more students in Pre-kindergarten through Grade 12. Growth continued at the start of the 22-23 school year with 296 (2.67%) more students in Pre-kindergarten through Grade 12 in August. The following chart reflects final official enrollment as filed with the Nebraska Department of Education. This continued growth has been steady for more than 10 years.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Financial Highlights** (Continued)



- Construction wrapped up in Fiscal Year 2022 for the District's fifth middle school (Elkhorn North Ridge which opened for the fall of 2021). Land was purchased in Fiscal Year 2022 for two new elementary building sites on the North side of the District.
- The taxable valuation growth continues. The valuation increased by 7% for 21-22. The average annual percentage increase of the most recent 5-years is 8.06% while the average annual percentage increase of the most recent 10-years is 7.4%. The assessed property valuation for the 22-23 fiscal year has increased 9.52%.
- 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; finance additions, renovations and improvements to the District's existing buildings and facilities; provide necessary equipment and apparatus for such buildings and facilities; and acquire sites for school facilities of the District.

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 increased from \$83,433,720 at August 31, 2021 to \$88,286,144 at August 31, 2022. The \$6.982 million in 2022 referenced as Assigned for Subsequent Year's Budget reflects the difference between the September 1, 2022 General Fund budgeted cash on hand and the August 31, 2023 General Fund budgeted cash reserves.



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Financial Highlights (Continued)**

Statement of District's Net Position			
	2021	2022	Percentage Change
<b>Assets</b>			
Current Assets	\$ 83,433,720	\$ 88,286,144	5.8%
Total Assets	\$ 83,433,720	\$ 88,286,144	
<b>Net Position</b>			
Restricted - Debt Service	\$ 17,654,803	\$ 20,435,984	15.8%
Restricted - Capital			
Projects & Outlays	\$ 11,403,646	\$ 3,168,135	-72.2%
Assigned for - Capital			
Projects & Outlays	\$ 9,469,264	\$ 12,327,518	30.2%
Assigned for - Lunch			
Fund	\$ 1,623,183	\$ 3,198,516	97.1%
Assigned for - Next			
year's budget	\$ 8,675,000	\$ 6,982,089	-19.5%
Unassigned	\$ 34,607,824	\$ 42,173,902	21.9%
Total Net Position	\$ 83,433,720	\$ 88,286,144	

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

Fund	Net Position 8/31/2021	Receipts & Transfers In*	Disbursements & Transfers Out*	Net Position 8/31/2022	Change in Net Position
General	\$43,282,824	\$121,734,480	\$115,861,313	\$49,155,991	\$5,873,167
Depreciation	\$5,002,087	\$1,163,642	\$297,451	\$5,868,278	\$866,191
School Nutrition	\$1,623,183	\$8,027,344	\$6,452,011	\$3,198,516	\$1,575,333
Bond	\$17,654,803	\$29,706,800	\$26,925,619	\$20,435,984	\$2,781,181
Building	\$15,870,823	\$4,197,996	\$10,441,444	\$9,627,375	(\$6,243,448)
<b>Total</b>	\$83,433,720	\$164,830,262	\$159,977,838	\$88,286,144	\$4,852,424

\*Receipts & Transfers In and Disbursements & Transfers Out include the impact to both funds for the \$1,143,243 "expenditure" from the General Fund for transfer to the Depreciation Fund.

- The change in the General Fund balance reflects a decrease in funds on hand with the County on August 31, 2022, 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.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Financial Highlights** (Continued)

- General Fund money may be set aside in the Depreciation Fund to assist with future capital outlay purchases. During 2021-2022, General Fund dollars were transferred to the Depreciation Fund to facilitate future technology, classroom equipment, playground/athletic fields, 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, 2022, was approximately \$1,575,000 higher than August 31, 2021. 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 that supported 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 \$6.2 million lower as of August 31, 2022, due to nearly all of the new construction costs being paid (retainage is still held for ENRMS) and the other capital projects planned for bond financing are expected to be wrapped up in the next year.
- The results of this year's operations 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 (\$110.87 million), state aid (\$20 million), motor vehicle taxes (\$8.35 million), federal nutrition reimbursement (\$6.56 million), and special education reimbursement (\$5.57 million).

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 and Depreciation Funds was excluded.

Program Receipts - Charges for Service was impacted primarily by the phase out of free meals for all students at the end of the 21-22 school year, generating an increase in student deposits for lunch accounts to begin the 22-23 school year. Non-reimbursable food sales (primarily a la carte) and student account deposits increased \$604,700. Another key factor was increased activities during the 21-22 school year as extra-curricular activities returned to normal following the pandemic pauses in

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Financial Highlights** (Continued)

20-21. Activity Fund receipts for admissions and other activities increased \$574,000. There was a decrease in Student Fees of \$56,500. Most of this decrease resulted from a drop in computer device protection fees paid in FY 22.

Operating Grants and Contributions - General Fund federal sourced receipts increased by \$1.6 million due to COVID-19 related Federal Disaster Relief reimbursements of \$551,500 and increased ESSER grant reimbursements of \$803,000. The largest increase came from school breakfast and lunch federal reimbursements which continued to provide free meals for all students through the 21-22 school year and increased \$1,860,500 over the prior year.

The increase in State Receipts for the 21-22 school year was driven primarily by increases in State Aid (\$654,000), Special Education reimbursements (\$237,500), and Property Tax Credit (\$318,000).

No bond issue or refunding proceeds were received in Fiscal Year 21-22. Bonds were refunded in October 2020, along with the issuance of voter approved bonds (2018) totaling \$15.835 million in FY 21.

Receipts from other sources increased as a result of the following: Interest Revenue increased \$73,800, and Other Non-Revenue Receipts in the Special Building Fund increased \$284,200 generated by OPPD rebates and MUD Water Main deposit returns from completed construction projects.

Condensed Statement of Activities & Net Position - Cash Basis				
	2021	2022	Change	Percentage Change
<b>Receipts</b>				
Program Receipts				
Charges for Services	\$ 2,560,679	\$ 3,714,557	\$ 1,153,878	45.1%
Operating Grants & Contributions	\$ 13,299,201	\$ 16,779,175	\$ 3,479,974	26.2%
General Receipts				
Taxes (Property & Other)	\$107,066,914	\$116,696,133	\$ 9,629,219	9.0%
State Receipts	\$ 26,279,593	\$ 27,510,334	\$ 1,230,741	4.7%
Bond Proceeds	\$ 64,723,520	\$ 0	\$ (64,723,520)	-100.0%
Other (Fines & Licenses, Interest, etc.)	\$ 781,951	\$ 1,121,383	\$ 339,432	43.4%
<b>Total Receipts</b>	<b>\$214,711,858</b>	<b>\$165,821,569</b>	<b>\$ (48,889,573)</b>	<b>-22.8%</b>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Disbursements**

Instruction & Support Services -

Students & Staff – includes State

& Federal Funded, Activity fund

	\$ 86,985,978	\$ 92,907,562	\$ 5,921,584	6.8%
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Administration (District & Building Level & Legal Services)

	\$ 8,559,787	\$ 9,384,651	\$ 824,864	9.6%
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Operation & Maint – includes

Safety & Security

	\$ 11,009,156	\$ 12,251,956	\$ 1,242,800	11.3%
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Student Transportation

	\$ 1,408,655	\$ 1,934,614	\$ 525,959	37.3%
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Local Grants - Corp & Other

	\$ 151,180	\$ 223,635	\$ 72,455	47.9%
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Capital Outlay

	\$ 39,990,577	\$ 10,729,111	\$ (29,261,466)	-73.2%
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Nutrition Program

	\$ 4,734,141	\$ 6,452,012	\$ 1,717,871	36.3%
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Debt Service

	\$ 72,123,600	\$ 26,925,620	\$ (45,197,980)	-62.7%
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Total Governmental Activity

	<u>\$224,963,074</u>	<u>\$160,678,980</u>	\$ (64,284,094)	-28.5%
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Change in Net Position

	\$(10,251,216)	\$ 5,012,408		
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Beginning Net Position

	<u>\$95,488,738</u>	<u>\$ 85,237,522</u>		-10.7%
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Ending Net Position

	<u><u>\$85,237,522</u></u>	<u><u>\$ 90,249,930</u></u>		5.9%
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Much of the increases in expense categories can be attributed to consistent student growth, second year operating costs for two new school buildings opened in FY 21, and expenses for a new building opened in FY 22. Nutrition Program expenses increased with the continued student growth, as well as free lunches for all students. The two areas with significant decreases (Capital Outlay & Debt Service) resulted from a change in the status of construction activity during the two fiscal years, and bond issue and refunding activity in FY 21 that did not occur in FY 22.

**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 2020-2021 compared to 2021-2022. The Certified Valuation for 2022-2023 has increased by 9.52% for setting levy rates for the 22-23 Fiscal Year.

	2020-2021	2021-2022	Change	% Change
Assessed Valuation	\$7,296,409,920	\$7,809,486,265	\$513,076,345	7.03%
General Fund Levy – District	1.02762	1.00596	(.02166)	-2.11%
Bond Fund Levy*	.37300	.36800	(.00500)	-1.34%
Building Fund	.02238	.04404	.02166	96.79%
Total District Levies	1.42300	1.41800	(.00500)	-.35%

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**GENERAL FUND HIGHLIGHTS**

As a result of student growth and increased day-to-day operational costs, the 2021-2022 official General Fund budget reflected expenditures of \$126.32 million, an increase of \$8.55 million (7.26%) over the prior year budget. The budget included expenditures for the second operating year at Elkhorn North High School and Woodbrook Elementary, along with expenditures for the opening of Elkhorn North Ridge Middle School 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 \$74.23 million in 2020-2021 to \$77.77 million in 2021-2022. Actual 21-22 property tax receipts exceeded the budgeted amount, with the hefty \$12.75 million in General Fund property taxes held at the county on August 31, 2021, which inflated receipts for Fiscal Year 21-22 (since these funds were received in the first month of the new year). General Fund property taxes held at the county on August 31, 2022, were only \$7.1 million. Receipts within the General Fund that exceeded the budgeted amount include: Public Power District Sales Tax, motor vehicle taxes, state funds provided for special education & transportation reimbursement, IDEA ARP Grant funds, Presidential Disaster Aid relief funds, and Medicaid reimbursements. The significant increase in Public Power District Sales Tax (an increase of \$3.1 million for the General Fund over prior year) resulted from a change in the calculation to allocate these funds to taxing entities in Douglas County, and an increase in this revenue source is expected to continue.

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 8/31/21</b>	<b>% Of Total</b>	<b>Yr Ended 8/31/22</b>	<b>% Of Total</b>
Property Taxes – excluding any state funding in lieu of payments from property owner	\$70,708,795	62.5%	\$73,233,280	60.16%
State Aid (Tax Equity & Ed Opp Support Act)	\$19,360,351	17.11%	\$20,014,228	16.44%
Other Local, State, Federal Receipts	\$23,070,257	20.39%	\$28,486,972	23.40%
<b>Total Receipts</b>	\$113,139,403		\$121,734,480	
<b>DISBURSEMENTS &amp; TRANSFERS</b>	<b>Yr Ended 8/31/21</b>	<b>% Of Total</b>	<b>Yr Ended 8/31/22</b>	<b>% Of Total</b>
Instruction & Support (Including Summer School)	\$82,444,101	76.42%	\$88,819,007	76.67%
Administration & Central Services	\$8,559,931	7.93%	\$9,384,655	8.10%
Operation & Maintenance/Safety & Security	\$12,004,180	11.13%	\$12,242,183	10.57%
Transportation	\$1,408,522	1.31%	\$1,934,620	1.67%
Local, State & Federal Grants – funds are focused toward the classroom or birth to age 5 services	\$3,108,041	2.88%	\$3,041,126	2.62%
Transfers	\$352,119	0.33%	\$439,769	0.38%
<b>Total Disbursements &amp; Transfers</b>	\$107,876,894		\$115,861,360	

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ELKHORN, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**GENERAL FUND HIGHLIGHTS** (Continued)

Fluctuation within categories from year to year reflects the impact of the Coronavirus during FY 21, addressing learning loss from the pandemic in FY 22, a new middle school building opening in FY 22, and the continued impact of consistent student growth. Increased Federal receipts in FY 22 were directly related to federal reimbursement for COVID-19 Expenditures not covered by the ESSER Grants, as well as ESSER reimbursements for chromebooks, and additional instruction and resources to address pandemic learning loss. A small portion of ESSER III Grant monies remains available for use in FY 23.

Debt Administration

As of August 31, 2022, the bonded indebtedness was \$307,460,000 compared to \$324,200,000 as of August 31, 2021. Throughout the year, the District made principal payments totaling \$16.74 million.

Significant Factors that may impact Financial Future

As of the date of this report, the 2022-2023 budget has been approved and the necessary property taxes have been requested. The anticipated General Fund expenditures are budgeted to increase by \$6.7 million (a 5.3% increase) over the officially submitted 2021-2022 General Fund budget. The increase includes expenditures for the second operational year of Elkhorn North Ridge Middle School, and addressing staffing needs district wide created by consistent student growth in the overall district, but also in special needs areas such as Limited English Proficiency, and special education.

The taxable valuation for 2022-2023 increased by 9.52% (\$743,263,780) compared to an increase of 7.03% (\$513,076,345) in 2021-2022.

The District's State Aid for 2022-2023 reflects a decrease of \$2,742,774 or 13.7% from 2021-2022. Previous year's state aid included 2 year adjustments for opening three new schools, as well as enrollment growth adjustments. The State Aid for 22-23 includes a reduction adjustment for student growth projections exceeding actual growth in the 20-21 school year.

The 2022-2023 General Fund tax rate was increased to \$1.022626 cents per \$100 of assessed valuation to offset the increased staffing costs with new instructional positions added throughout the District to address the continued enrollment growth, as well as increased special needs of students. The change in the General Fund rate still allowed a \$0.027374 levy (generating just over \$2.3 million in 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 2022-2023 decreased from \$0.368 to \$0.333 (- 0.035 cents) and will fund the principal and interest payments associated with existing bonds.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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MANAGEMENT'S DISCUSSION AND ANALYSIS

**GENERAL FUND HIGHLIGHTS** (Continued)

The 2022-2023 October fall membership of 11,327 includes an increase of 223 students (2 %) in prekindergarten through Grade 12.

District administration continues to monitor state and national activity regarding school finance and general business issues. As is typical in any year, the 2023 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, 2022.

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, 2022

		<u>Program Receipts</u>		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	77,717,932	115,476	9,819,180	(67,783,276)
Support services - students	10,171,908	2,133,140		(8,038,768)
Support services - instruction	5,017,722			(5,017,722)
General administration	851,240			(851,240)
School administration	6,089,257			(6,089,257)
Central services	2,444,154			(2,444,154)
Operation and maintenance of plant	12,251,956			(12,251,956)
Student transportation	1,934,614		211,390	(1,723,224)
Categorical grants from corporations and other private interests	223,635		118,889	(104,746)
Capital outlay and supplies	10,729,111		70,405	(10,658,706)
Nutrition Program	6,452,012	1,465,928	6,559,311	1,573,227
Debt service	26,925,620			(26,925,620)
Total governmental activities	<u>160,809,161</u>	<u>3,714,544</u>	<u>16,779,175</u>	<u>(140,315,442)</u>
General receipts				
Taxes				
Property taxes - general purpose				76,411,375
Property taxes - debt service				26,784,176
Carline tax				7,424
Public Power District sales tax				5,152,523
Motor vehicle taxes				8,340,410
Other local receipts				71,247



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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ELKHORN, NEBRASKA  
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS  
FOR THE YEAR ENDED AUGUST 31, 2022

	Disburse- ments	Program Receipts		Total Governmental Activities	Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		Primary Government
General receipts (Continued)					
County fines and license fees					252,514
State aid					20,014,228
Other state receipts					7,496,106
Interest					191,705
Other nonrevenue receipts					606,142
Total general receipts					<u>145,327,850</u>
Change in net position resulting from receipts and disbursements					5,012,408
NET POSITION, beginning of year					<u>85,237,523</u>
NET POSITION, end of year					<u><u>90,249,931</u></u>
ASSETS					
Cash and cash equivalents					79,389,875
Cash at county treasurer					10,860,056
TOTAL ASSETS					<u><u>90,249,931</u></u>
NET POSITION					
Restricted for:					
Debt services					20,435,984
Capital projects and outlay					3,168,135
Unrestricted					<u>66,645,812</u>
TOTAL NET POSITION					<u><u>90,249,931</u></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, 2022

		Major Funds				
		General Fund	Bond Fund	Special Building Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>						
Taxes						
	Property taxes - general purpose	73,233,280		3,178,095		76,411,375
	Property taxes - debt service		26,784,176			26,784,176
	Carline tax	6,891	231	302		7,424
	Public Power District sales tax	3,655,305	1,337,185	160,033		5,152,523
	Motor vehicle taxes	8,340,410				8,340,410
	Tuition received from other districts	15,000				15,000
	Preschool tuition and fees	100,476				100,476
	Interest	146,784	27,379	14,029	3,513	191,705
	Local license fees and fines	66,635				66,635
	Categorical grants from corporations and other private interests	118,889				118,889
	Meal sales				1,465,928	1,465,928
	Student activities				2,133,140	2,133,140
	Other postsecondary receipts	4,612				4,612
	County fines and license fees	252,514				252,514
	State receipts	31,804,567	1,557,831	191,177		33,553,575
	Federal receipts	3,987,329		70,405	6,559,311	10,617,045
	Other nonrevenue receipts	22,187		583,955		606,142
	<b>Total receipts</b>	<u>121,754,879</u>	<u>29,706,802</u>	<u>4,197,996</u>	<u>10,161,892</u>	<u>165,821,569</u>
<b>DISBURSEMENTS</b>						
	Instruction	77,717,932				77,717,932
	Support services - students	7,757,575			2,414,333	10,171,908
	Support services - instruction	5,017,722				5,017,722
	General administration	851,240				851,240
	School administration	6,089,257				6,089,257
	Central services	2,444,154				2,444,154
	Operation and maintenance of plant	12,251,956				12,251,956
	Student transportation	1,934,614				1,934,614

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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 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, 2022

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Bond Fund	Special Building Fund		
DISBURSEMENTS (Continued)					
Categorical grants from corporations and other private interests	223,635				223,635
Other state categorical programs					
High ability learners					
Capital outlay and supplies	287,667		10,441,444		10,729,111
Nutrition Program				6,452,012	6,452,012
Debt service		26,925,620			26,925,620
Total disbursements	<u>114,575,752</u>	<u>26,925,620</u>	<u>10,441,444</u>	<u>8,866,345</u>	<u>160,809,161</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>7,179,127</u>	<u>2,781,182</u>	<u>(6,243,448)</u>	<u>1,295,547</u>	<u>5,012,408</u>
OTHER FINANCING SOURCES (USES)					
Transfers	(439,770)			439,770	
NET CHANGE IN FUND BALANCES	6,739,357	2,781,182	(6,243,448)	1,735,317	5,012,408
FUND BALANCES, beginning of year	<u>48,284,912</u>	<u>17,654,802</u>	<u>15,870,823</u>	<u>3,426,986</u>	<u>85,237,523</u>
FUND BALANCES, end of year	<u><u>55,024,269</u></u>	<u><u>20,435,984</u></u>	<u><u>9,627,375</u></u>	<u><u>5,162,303</u></u>	<u><u>90,249,931</u></u>

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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 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, 2022

	Major Funds				
	General Fund	Bond Fund	Special Building Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
ASSETS					
Cash and cash equivalents	47,086,305	17,826,255	9,315,012	5,162,303	79,389,875
County treasurer's balances	7,937,964	2,609,729	312,363		10,860,056
<b>TOTAL ASSETS</b>	<b>55,024,269</b>	<b>20,435,984</b>	<b>9,627,375</b>	<b>5,162,303</b>	<b>90,249,931</b>
LIABILITIES AND FUND BALANCES					
LIABILITIES	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
FUND BALANCES					
Restricted for:					
Debt services		20,435,984			20,435,984
Capital projects and outlay			3,168,135		3,168,135
Committed				1,963,787	1,963,787
Assigned for:					
Capital projects and outlay	5,868,278		6,459,240		12,327,518
School nutrition				3,198,516	3,198,516
Subsequent year's budget	6,275,000				6,275,000
Unassigned	42,880,991				42,880,991
Total fund balances	55,024,269	20,435,984	9,627,375	5,162,303	90,249,931
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>55,024,269</b>	<b>20,435,984</b>	<b>9,627,375</b>	<b>5,162,303</b>	<b>90,249,931</b>

See accompanying notes to financial statements.

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
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STATEMENT OF NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
AUGUST 31, 2022

	Flex Benefit Fund
ASSETS	
Cash and cash equivalents	<u>146,635</u>
 TOTAL ASSETS	 <u>146,635</u>
 LIABILITIES	
Due to others	<u>146,635</u>
 NET POSITION	 <u>- 0 -</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 GASB Statement 34, *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  
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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  
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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 \$0.140 per \$100 of valuation, or a tax levy not to exceed \$0.175 per \$100 of valuation may be established for this fund by a vote of the people within the District for a term not to exceed 10 years.



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
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NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements (Continued)

The District reports the following nonmajor 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  
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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  
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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  
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NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

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  
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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.

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.

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 2021 - 2022 school year the maximum that could have been paid under this program was \$36,408. The amount actually paid was \$36,408.

The liability for accumulated unpaid vacation and personal leave benefits as of August 31, 2022 was approximately \$ 527,305.

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.

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

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	79,389,875
Fiduciary funds	146,635
Total cash and cash equivalents	79,536,510

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, 2022.

Listed below is a summary of the investment portfolio that comprises the cash and cash equivalents on the District's August 31, 2022, 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, 2022, the District held bank deposits and also held funds in certificates of deposit with the Nebraska Liquid Asset Fund (NLAF).

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

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

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)

Bank Deposits

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

NLAF Deposits

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

Investments

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

As of August 31, 2022, the District had \$8,406,803 in NLAF investments. These investments consisted of government agency securities and repurchase agreements that were collateralized by U.S. government securities.

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

Interest Rate Risk

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

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

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit Risk

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

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

*\*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.*

Custodial Credit Risk

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



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, 2022, 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)*	15.64%
Credit Agricole Corporate & Investment Bank (NY)*	12.25%
Federal Farm Credit Banks	22.45%
Federal Home Loan Bank	28.36%
U.S. Treasury	12.05%

*\*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

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

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

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

NOTE 3. RETIREMENT PLAN (Continued)

Plan Description (Continued)

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

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

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

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

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

Contributions

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2020 to June 30, 2021, (and from July 1, 2021 through August 31, 2022). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for the year ended August 31, 2022, was \$6,911,385.

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

NOTE 3. RETIREMENT PLAN (Continued)

Contributions (Continued)

For the District's year ended August 31, 2022, the District's total payroll for all employees was \$73,539,561. Total covered payroll was \$69,968,919. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Plan Fiduciary Net Position

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

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 \$177,897 from the General Fund was spent for payments and benefits to 11 individuals during the year ended August 31, 2022. The estimated payment of payments and benefits is \$242,891 for the year ended August 31, 2023.

NOTE 5. LONG-TERM DEBT

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

Issue Date	Original Issue	Balance 9/1/21	2021 - 2022		Balance 8/31/22
			Bond Proceeds	Bond Payments	
11/18/11	18,235,000	1,240,000		(1,240,000)	
4/13/12	55,155,000	3,525,000		(3,525,000)	
9/13/13	16,565,000	205,000		(70,000)	135,000
1/30/15	25,000,000	4,260,000		(990,000)	3,270,000
1/6/16	25,000,000	9,495,000		(955,000)	8,540,000
12/20/16	18,505,000	6,505,000		(745,000)	5,760,000
3/15/17	8,860,000	85,000		(85,000)	

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

NOTE 5. LONG-TERM DEBT (Continued)

Issue Date	Original Issue	Balance 9/1/21	2021 - 2022		Balance 8/31/22
			Bond Proceeds	Bond Payments	
5/10/18	30,275,000	28,225,000		(1,065,000)	27,160,000
4/1/19	69,960,000	67,670,000		(2,335,000)	65,335,000
9/25/19	10,540,000	9,310,000		(2,510,000)	6,800,000
9/25/19	102,850,000	100,870,000		(1,355,000)	99,515,000
7/1/20	31,400,000	31,400,000		(1,070,000)	30,330,000
10/15/20	46,580,000	45,575,000		(795,000)	44,780,000
4/6/21	15,835,000	15,835,000			15,835,000
		<u>324,200,000</u>		<u>(16,740,000)</u>	<u>307,460,000</u>

Assets of \$20,435,984 are available in the Bond Fund to service General Obligation Bonds. During the year ended August 31, 2022, principal and interest payments made out of the Bond Fund totaled \$26,918,795, of which interest was \$10,178,795.

The principal and interest maturities are as follows:

Years Ending August 31,	Principal	Interest	Total
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	19,915,000	7,355,380	27,270,380
2028 - 2032	106,880,000	27,368,886	134,248,886
2033 - 2037	73,635,000	11,846,985	85,481,985
2038 - 2042	33,190,000	2,141,989	35,331,989
	<u>307,460,000</u>	<u>83,892,306</u>	<u>391,352,306</u>

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

Issue Date	Interest Rates
11/18/11	3.00% - 5.00%
4/13/12	3.00% - 5.00%
9/13/13	3.00% - 4.75%
1/30/15	1.75% - 5.00%
1/6/16	0.88% - 5.00%

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

NOTE 5. LONG-TERM DEBT (Continued)

Issue Date	Interest Rates
12/20/16	2.00% - 5.00%
3/15/17	2.00% - 3.00%
5/10/18	1.80% - 5.00%
4/1/19	1.65% - 5.00%
9/25/19A	2.00% - 5.00%
9/25/19B	2.00% - 2.91%
7/1/20	3.00% - 4.00%
10/15/20	0.265% - 2.168%
4/6/21	3.00% - 4.00%

NOTE 6. 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 7. 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 8. INTERFUND ACTIVITY

Interfund transfers for the year consisted of the following:

General Fund to the Activities Fund for support	<u>439,770</u>
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NOTE 9. COMMITMENTS

As of August 31, 2022, the District had outstanding commitments totaling \$250,000 (including \$250,000 for retainage) for a contract as related to the construction.

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

NOTE 10. 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.

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

Total TIF valuation 2021	127,770,400
District's total levy (per \$100 valuation)	1.00596
District share of tax abatement	1,285,319

NOTE 11. SUBSEQUENT EVENTS

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

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 1, 2022, 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, 2022

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	59,011
Passed through Nebraska Department of Health and Human Services			
Medicaid in Administration		93.778	<u>129,438</u>
Total U.S. Department of Health and Human Services/Medicaid Cluster			<u>188,449</u>
<u>U.S. Department of Education</u>			
Elementary and Secondary School Emergency Relief - ESSER II	22-6997-00-03-028-0010	84.425	47,829
Elementary and Secondary School Emergency Relief - ESSER III	22-6998-00-03-028-0010	84.425	326,032
Passed through Nebraska Department of Education			
Special Education Cluster (IDEA)			
IDEA Preschool (619) Base Allocation	22-6406-00-03-028-0010	84.173	56,581
IDEA Part B Proportionate Share	22-6412-00-03-028-0010	84.027	65,809
IDEA Part B PEAK Projects	22-28-0010-4415-P-127	84.027	70,103
IDEA Enrollment/Poverty	22-6408-00-03-028-0010	84.027	<u>1,742,020</u>
Total Special Education Cluster (IDEA)			<u>1,934,513</u>
Title II, Part A	22-6310-00-03-028-0010	84.367	81,185
Title III, Part A ESEA/ESSA	22-6925-00-03-028-0010	84.365	8,575
Carl Perkins	22-6700-00-03-028-0010	84.048	32,141
SPED Planning Region Team (PRT)	22-6416-00-03-028-0010	84.181	<u>4,636</u>
Total U.S. Department of Education			<u>2,434,911</u>



DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
 ELKHORN PUBLIC SCHOOLS  
 ELKHORN, NEBRASKA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED AUGUST 31, 2022

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			
School Breakfast Program		10.553	725,453
National School Lunch Program		10.555	5,804,312
Summer Food Program		10.559	29,545
Passed through Nebraska Department of Social Services			
Food Distribution Program	47600263500	10.555	<u>398,233</u>
Total U.S. Department of Agriculture/ Child Nutrition Cluster			<u>6,957,543</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>9,580,903</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, 2022

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, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 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, 2022

	General Fund	Depreciation Fund	Reclassifi- cations	Total
<b>RECEIPTS</b>				
Local sources				
Taxes				
Property taxes - general purpose	73,233,280			73,233,280
Carline tax	6,891			6,891
Public Power District sales tax	3,655,305			3,655,305
Motor vehicle taxes	8,340,410			8,340,410
Tuition received from other districts	15,000			15,000
Preschool tuition and fees	100,476			100,476
Interest	126,385	20,399		146,784
Local license fees and fines	66,635			66,635
Categorical grants from corporations and other private interests	118,889			118,889
Other postsecondary receipts	4,612			4,612
County fines and license fees	252,514			252,514
State receipts	31,804,567			31,804,567
Federal receipts	3,987,329			3,987,329
Other nonrevenue receipts	22,187			22,187
Transfers from other funds		1,143,243	(1,143,243)	
Total receipts	<u>121,734,480</u>	<u>1,163,642</u>	<u>(1,143,243)</u>	<u>121,754,879</u>
<b>DISBURSEMENTS</b>				
Instruction	76,043,686		1,674,246	77,717,932
Support services - students	7,757,575			7,757,575
Support services - instruction	5,017,722			5,017,722
General administration	851,240			851,240
School administration	6,089,257			6,089,257
Central services	2,444,154			2,444,154
Operation and maintenance of plant	12,242,172	9,784		12,251,956
Student transportation	1,934,614			1,934,614

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, 2022

	General Fund	Depreciation Fund	Reclassifi- cations	Total
DISBURSEMENTS (Continued)				
Categorical grants from corporations and other private interests	223,635			223,635
Other state categorical programs	141,195		(141,195)	
High ability learners	72,966		(72,966)	
Federal programs	2,603,328		(2,603,328)	
Transfers to other funds	439,770			439,770
Capital outlay		287,667		287,667
Total disbursements	<u>115,861,314</u>	<u>297,451</u>	<u>(1,143,243)</u>	<u>115,015,522</u>
RECEIPTS OVER DISBURSEMENTS	5,873,166	866,191		6,739,357
FUND BALANCE, beginning of year	<u>43,282,825</u>	<u>5,002,087</u>	<u>          </u>	<u>48,284,912</u>
FUND BALANCE, end of year	<u><u>49,155,991</u></u>	<u><u>5,868,278</u></u>	<u><u>          </u></u>	<u><u>55,024,269</u></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, 2022

	Activities Fund	School Nutrition Fund	Student Fee Fund	Total
<b>RECEIPTS</b>				
Local receipts				
Interest	1,138	2,105	270	3,513
Meal sales		1,465,928		1,465,928
Student activities	1,901,850		231,290	2,133,140
Federal receipts		6,559,311		6,559,311
Transfers from other funds	439,770			439,770
Total receipts	<u>2,342,758</u>	<u>8,027,344</u>	<u>231,560</u>	<u>10,601,662</u>
<b>DISBURSEMENTS</b>				
Support services - students	2,089,570		324,763	2,414,333
Nutrition Program		6,452,012		6,452,012
Total disbursements	<u>2,089,570</u>	<u>6,452,012</u>	<u>324,763</u>	<u>8,866,345</u>
RECEIPTS OVER DISBURSEMENTS	253,188	1,575,332	(93,203)	1,735,317
FUND BALANCE, beginning of year	<u>1,385,239</u>	<u>1,623,184</u>	<u>418,563</u>	<u>3,426,986</u>
FUND BALANCE, end of year	<u>1,638,427</u>	<u>3,198,516</u>	<u>325,360</u>	<u>5,162,303</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>43,282,825</u>
RECEIPTS		
Local sources		
Taxes		
1100    Property taxes - general purpose	77,774,538	73,233,280
1115    Carline tax	6,375	6,891
1120    Public Power District sales tax	570,000	3,655,305
1125    Motor vehicle taxes	8,200,000	8,340,410
1323    Tuition received from other districts	15,000	15,000
1370    Preschool tuition and fees	85,000	100,476
1510    Interest	77,500	126,385
1921    Local license fees and fines	60,000	66,635
1925    Categorical grants from corporations and other private interests	170,193	118,889
1955    Other postsecondary receipts		4,612
Total local sources	<u>86,958,606</u>	<u>85,667,883</u>
County sources		
2110    County fines and license fees	<u>245,000</u>	<u>252,514</u>
State sources		
3110    State aid	20,014,228	20,014,228
3120    Special education	5,400,000	5,572,924
3125    Special education transportation	170,000	211,390
3130    Homestead exemption		883,286
3131    Property tax credit		3,300,163
3155    Textbook loan	28,000	38,595
3166    Flex funding - school age support services	132,775	70,049
3180    Pro-rate motor vehicle	160,000	212,696
3400    State apportionment	1,275,000	1,280,904
3535    High ability learners	69,000	72,966
3599    State categorical programs	130,319	147,366
Total state sources	<u>27,379,322</u>	<u>31,804,567</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, 2022

	Original and Final Budget	Actual
RECEIPTS (Continued)		
Federal sources		
4416	25,500	8,309
4418	70,103	78,541
4421		169,010
4422		32,630
4423		1,418
4505		20,790
		Operated by Local Educational Agencies
4509	70,880	79,913
4516	20,517	20,692
4519	1,533,626	1,552,203
4521	60,299	61,213
4525		32,141
	32,140	32,141
4527		9,630
4530	192,300	224,983
4708	100,000	129,438
4709	60,000	59,011
4969		17,537
		Academic Enrichment
4995		551,526
4997		386,477
		Elementary & Secondary School Emergency Relief (ESSER II - CRRSA)
4998		551,867
	897,341	551,867
	3,062,706	3,987,329
		Total federal sources
Other nonrevenue receipts		
5300		3,547
		Proceeds from the disposal of real or personal property
5301		8,693
		Insurance adjustments
6400		9,947
		Extraordinary items
		22,187
		Total other nonrevenue receipts
	117,645,634	121,734,480
		Total receipts
TOTAL FUNDS AVAILABLE		165,017,305

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, 2022

		Original and Final Budget	Actual
<b>DISBURSEMENTS</b>			
Instruction			
1100	Regular instruction	70,580,718	62,269,337
1125	Regular instruction - flex-spending	204,177	179,398
1150	Limited English proficiency	531,741	538,711
1160	Poverty programs	300,527	225,603
1190	Early childhood	166,023	127,583
1200	Special education instruction	11,999,962	11,324,507
1291	Early childhood special education - ages 3 - 5	1,249,004	932,655
1292	Early childhood special education - ages 0 - 2	89,730	90,044
1295	Special education instruction - unified sports	11,646	7,503
1300	Summer school	378,009	348,345
Support services - students			
2110	Attendance and social work services	426,457	369,602
2120	Guidance services	3,278,244	2,984,903
2130	Health services	290,877	285,777
2131	Health services - SPED school age	319,900	265,432
2132	Health services - ages 3 - 5		19,552
2141	Psychological services - SPED school age	1,254,594	1,124,020
2142	Psychological services - ages 3 - 5	59,736	2,125
2143	Psychological services - ages 0 - 2	65,516	71,977
2151	Speech pathology and audiology services - SPED school age	1,366,191	1,389,560
2152	Speech pathology and audiology services - ages 3 - 5	358,352	231,817
2153	Speech pathology and audiology services - ages 0 - 2	19,500	15,300
2161	Occupational therapy - related services - SPED school age	256,787	216,507
2162	Occupational therapy - related services - ages 3 - 5	60,577	46,044
2163	Occupational therapy - related services - ages 0 - 2	33,961	53,171
2171	Physical therapy - related services - SPED school age	180,457	194,168
2172	Physical therapy - related services - ages 3 - 5	62,070	45,057
2173	Physical therapy - related services - ages 0 - 2	61,996	45,411
2181	Visually impaired/vision - related services - school age	74,000	48,958
2182	Visually impaired/vision - related services - ages 3 - 5	3,000	8,117
2183	Visually impaired/vision - related services - ages 0 - 2	3,000	3,983
2190	Support services - student - other disbursements	365,845	336,094



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, 2022

		Original and Final Budget	Actual
DISBURSEMENTS (Continued)			
Support services - instruction			
2211	School improvement	26,180	7,363
2212	Instruction and curriculum	148,417	128,214
2213	Instructional staff training	1,050,862	714,015
2214	Implementation of standards	209,991	115,471
2219	Other instruction services	54,309	41,376
2220	Library/media services	1,998,744	2,012,775
2223	Audio/visual services	14,800	1,141
2230	Technology services	1,723,962	1,746,029
2240	Academic student assessment	300,147	246,209
2290	Instruction - other	56,092	5,129
General administration			
2310	Board of education	164,000	141,003
2320	Executive administration	619,864	643,390
2330	District legal services	50,000	66,847
School administration			
2410	Office of the principal	6,004,879	6,089,257
Central Services			
2510	Business services - fiscal	1,493,861	1,602,986
2560	Business services - public information	169,948	153,233
2570	Business services - personnel	673,097	687,935
Operation and maintenance of plant			
2610	Operations of buildings	8,151,985	7,799,648
2620	Maintenance of buildings	2,004,215	2,333,521
2630	Care and upkeep of grounds	379,520	716,974
2640	Care and upkeep of equipment	850,000	719,676
2650	Vehicle operation and maintenance	147,880	142,744
2660	Security of buildings	417,978	402,629
2670	Safety of buildings	132,500	126,980
Student transportation			
2710	Regular pupil transportation	1,026,659	971,553
2712	Special education pupil transportation	445,741	626,525
2713	Below age 5 pupil transportation	432,261	336,536

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, 2022

	Original and Final Budget	Actual
DISBURSEMENTS (Continued)		
3400 Categorical grants from corporations and other private interests	170,189	223,635
State programs		
3535 High ability learners	68,998	72,966
3599 Other state categorical programs	158,319	141,195
Federal programs		
6310 Title II, Part A ESSA Supporting Effective Instruction	70,880	81,185
6406 IDEA preschool (619) base allocation	21,569	21,410
6408 IDEA Part B (611) base	1,541,277	1,563,105
6412 IDEA Part B proportionate share	61,769	63,882
6416 IDEA Part C planning regional team (PRT)	25,500	4,636
6418 IDEA Part B PEAK projects	79,863	70,103
6421 IDEA Part B (611) ARP - Base/Enrollment Poverty		178,915
6422 IDEA Preschool (619) ARP - Base/Enrollment Poverty		35,171
6423 IDEA Part B ARP Proportionate Share		1,927
6700 Federal vocational and applied technology education (Carl Perkins)	32,140	32,141
6925 Title III, Part A ESEA/ESSA		8,575
6990 Other federal categorical programs	192,300	168,417
6997 Elementary & Secondary School Emergency Relief (ESSER II - CRRSA)		47,829
6998 Elementary & Secondary School Emergency Relief (ESSER III - ARP)	897,341	326,032
8000 Transfers	200,000	439,770
Total disbursements	<u>126,320,634</u>	<u>115,861,314</u>
FUND BALANCE, end of year		<u>49,155,991</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>41,218,027</u>
County treasurers		<u>7,937,964</u>
TOTAL FUND BALANCE		<u>49,155,991</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>5,002,087</u>
<b>RECEIPTS</b>		
Transfer - General Fund (as disbursed from the General Fund)		1,143,243
Interest received		20,399
Total receipts		<u>1,163,642</u>
<b>TOTAL FUNDS AVAILABLE</b>		<u>6,165,729</u>
<b>DISBURSEMENTS</b>		
Supplies		9,784
Capital outlay		287,667
Total disbursements		<u>5,000,000</u> <u>297,451</u>
FUND BALANCE, end of year		<u>5,868,278</u>
<b>ANALYSIS OF FUND BALANCE</b>		
Cash in bank		
Checking and savings accounts		<u>5,868,278</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>167,320</u>
<b>RECEIPTS</b>		
Transfer - General Fund (as disbursed from the General Fund)		548,633
Interest		702
Total receipts	<u>812,000</u>	<u>549,335</u>
<b>TOTAL FUNDS AVAILABLE</b>		<u>716,655</u>
<b>DISBURSEMENTS</b>		
Employee claims	<u>950,000</u>	<u>570,020</u>
FUND BALANCE, end of year		<u>146,635</u>
<b>ANALYSIS OF FUND BALANCE</b>		
Cash in bank		
Checking and savings accounts		<u>146,635</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>1,385,239</u>
RECEIPTS		
Interest		1,138
Admissions		306,766
Activities receipts		1,595,084
Transfers from the General Fund		439,770
Total receipts	<u>3,200,000</u>	<u>2,342,758</u>
TOTAL FUNDS AVAILABLE		<u>3,727,997</u>
DISBURSEMENTS		
Activities expenses	<u>3,750,000</u>	<u>2,089,570</u>
FUND BALANCE, end of year		<u>1,638,427</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>1,638,427</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>1,623,184</u>
RECEIPTS		
Meal sales		1,465,928
Federal reimbursement		6,559,311
Interest		2,105
Total receipts	<u>6,999,900</u>	<u>8,027,344</u>
TOTAL FUNDS AVAILABLE		<u>9,650,528</u>
DISBURSEMENTS		
Food service operations	<u>7,000,000</u>	<u>6,452,012</u>
FUND BALANCE, end of year		<u>3,198,516</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>3,198,516</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>17,654,802</u>
RECEIPTS		
Taxes		
Property taxes - debt service	28,451,520	26,784,176
Carline tax		231
Public Power District sales tax		1,337,185
Homestead exemption		323,123
Property tax credit		1,207,285
Pro-rate motor vehicle		27,423
Interest		27,379
Other nonrevenue receipts	50,258,350	
Total receipts	<u>78,709,870</u>	<u>29,706,802</u>
TOTAL FUNDS AVAILABLE		<u>47,361,604</u>
DISBURSEMENTS		
Debt service		
Principal		16,740,000
Interest		10,178,795
Other		6,825
Total debt service		<u>26,925,620</u>
Total disbursements	<u>76,925,870</u>	<u>26,925,620</u>
FUND BALANCE, end of year		<u>20,435,984</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, 2022

	Original and Final Budget	Actual
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>17,826,255</u>
County treasurers		<u>2,609,729</u>
TOTAL FUND BALANCE		<u>20,435,984</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>15,870,823</u>
RECEIPTS		
Taxes		
Property taxes - general purpose	3,405,075	3,178,095
Carline tax		302
Public Power District sales tax		160,033
Homestead exemption		38,670
Property tax credit		144,551
Pro-rate motor vehicle		7,956
Interest		14,029
Other federal categorical receipts		70,405
Other nonrevenue receipts	<u>34,925</u>	<u>583,955</u>
Total receipts	<u>3,440,000</u>	<u>4,197,996</u>
TOTAL FUNDS AVAILABLE		<u>20,068,819</u>
DISBURSEMENTS		
Buildings and sites	<u>19,390,000</u>	<u>10,441,444</u>
FUND BALANCE, end of year		<u>9,627,375</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, 2022

	Original and Final Budget	Actual
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>9,315,012</u>
County treasurers		<u>312,363</u>
TOTAL FUND BALANCE		<u><u>9,627,375</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, 2022

	Original and Final Budget	Actual
FUND BALANCE, beginning of year		<u>418,563</u>
RECEIPTS		
Activities receipts		231,290
Interest		270
Total receipts	<u>203,182</u>	<u>231,560</u>
TOTAL FUNDS AVAILABLE		<u>650,123</u>
DISBURSEMENTS		
Activities expenses	<u>400,000</u>	<u>324,763</u>
FUND BALANCE, end of year		<u>325,360</u>
ANALYSIS OF FUND BALANCE		
Cash in bank		
Checking and savings accounts		<u>325,360</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>6,739,357</u>
Receipts - budgetary basis	
General Fund	121,734,480
Depreciation Fund	1,163,642
Disbursements - budgetary basis	
General Fund	(115,861,314)
Depreciation Fund	<u>(297,451)</u>
Receipts over disbursements - budgetary basis	<u>6,739,357</u>



**DANA F. COLE  
& COMPANY<sub>LLP</sub>**  
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, 2022, 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 1, 2022.

**Report on 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.

## Report on 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 statements. 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 1, 2022



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 Program**

***Opinion on Each Major Federal Program***

We have audited Douglas County School District No. 10, 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, Nebraska's major federal programs for the year ended August 31, 2022. Douglas County School District No. 10, Elkhorn, Nebraska's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Douglas County School District No. 10, 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, 2022.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Douglas County School District No. 10, Elkhorn, Nebraska, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination Douglas County School District No. 10, Elkhorn, Nebraska's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the re-

quirements of laws, statutes, regulations, rules, and provisions of contracts and grant agreements applicable to Douglas County School District No. 10, Elkhorn, Nebraska's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Douglas County School District No. 10, Elkhorn, Nebraska's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Douglas County School District No. 10, Elkhorn, Nebraska's compliance with the requirements for each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Douglas County School District No. 10, Elkhorn, Nebraska's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Douglas County School District No. 10, Elkhorn, Nebraska's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Douglas County School District No. 10, Elkhorn, Nebraska's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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



deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Dana F Cole + Company, LLP

Lincoln, Nebraska  
November 1, 2022

DOUGLAS COUNTY SCHOOL DISTRICT NO. 10  
ELKHORN PUBLIC SCHOOLS  
ELKHORN, NEBRASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2022

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Significant deficiencies identified that are not considered to be material weaknesses: \_\_\_Yes X 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 accordance 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, 2022

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, 2022

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