

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

August 31, 2016

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INDEPENDENT AUDITOR'S REPORT

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

SHAREHOLDERS

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Phillip D. Maltzahn
Terry T. Galloway
Marcy J. Luth
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Joseph P. Stump

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of School District #82 as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the School District's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the fiduciary funds of School District #82, as of August 31, 2016, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis of Accounting

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise School District #82's financial statements. The management's discussion and analysis and supplementary and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2016, on our consideration of School District #82's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School District #82's internal control over financial reporting and compliance.

Amquist, Mathyalm,
Galloway & Luth, P.C.

Grand Island, Nebraska
October 5, 2016

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED August 31, 2016**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of School District #82's annual financial report presents management's discussion and analysis (MD&A) of the District's financial performance during the fiscal year ended August 31, 2016. Please read the MD&A in conjunction with the entire financial report, which immediately follows this section.

FINANCIAL HIGHLIGHTS

- General Fund revenues were \$17,022,113, \$265,701 more than expenses.
- General Fund operational costs were \$16,756,412, a 4.4 percent increase over the prior year, primarily due to expenditure increases in instruction and building and grounds.
- School District #82's student enrollment increased 3 students (0.2 percent) to 1,405.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

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

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's combined net position was higher on August 31, 2016, than it was the year before, increasing \$832,755 (7.8 percent) to \$11,496,862 from \$10,664,107. The growth in the District's financial position came from its governmental activities, the net position of which increased \$831,635 to \$11,490,568 from \$10,658,933. The net position of the District's business-type activities also increased \$1,120 to \$6,294 from \$5,174.

Summary Statements of Net Position

	2016	2015
Current Assets	\$ 5,663,380	\$ 5,436,826
Capital Assets	8,318,482	8,537,281
Total Assets	13,981,862	13,974,107
Long-term Liabilities	1,814,000	2,485,000
Current Liabilities	671,000	825,000
Total Liabilities	2,485,000	3,310,000
 Net Position		
Net investment in capital assets	5,833,482	5,227,281
Restricted	944,802	1,310,491
Unrestricted	4,718,578	4,126,335
Total Net Position	\$ 11,496,862	\$ 10,664,107

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

Governmental Activities

A summary of the governmental receipts and expenses follows:

	Years Ended August 31,		Increase (Decrease)
	<u>2016</u>	<u>2015</u>	
Receipts:			
Charges for services	\$ 14,280	\$ 20,200	\$ (5,920)
Operating grants	1,247,396	1,093,376	154,020
Capital grants	14,000	14,000	-
Taxes (property, motor vehicle, and other)	9,873,885	9,072,296	801,589
State aid	6,235,658	6,684,098	(448,440)
Interest income	10,279	7,522	2,757
Other revenue	334,717	283,386	51,331
Total receipts	<u>17,730,215</u>	<u>17,174,878</u>	<u>555,337</u>
Expenses:			
Instruction	9,588,259	9,518,738	69,521
Support services:			
Pupils	1,213,075	1,148,353	64,722
Staff	615,510	622,259	(6,749)
General administration	685,300	595,342	89,958
Office of the principal	1,152,629	1,052,176	100,453
Business	137,918	116,589	21,329
Building and grounds	1,557,293	1,377,350	179,943
Pupil transportation	415,650	397,205	18,445
State categorical programs	29,961	52,575	(22,614)
Summer school	20,650	21,495	(845)
Federal programs	479,277	510,690	(31,413)
Interest expense and bond fees	29,366	85,076	(55,710)
Depreciation - unallocated	873,692	859,559	14,133
Activity Fund support	40,000	-	40,000
Transfer to Nutrition Fund	60,000	69,000	(9,000)
Total expenses	<u>16,898,580</u>	<u>16,426,407</u>	<u>472,173</u>
Increase in governmental net position	<u>\$ 831,635</u>	<u>\$ 748,471</u>	<u>\$ 83,164</u>

Total receipts increased \$555,337 (3.2 percent), due primarily to a \$801,589 (8.8 percent) increase in taxes.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

Total expenses increased \$472,173 (2.9 percent), due primarily to a \$179,943 (13.1 percent) increase in building and grounds, as well as increases in general administration and office of the principal expenses.

Business-type Activities

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

	<u>Years Ended August 31,</u>		Increase
	<u>2016</u>	<u>2015</u>	<u>(Decrease)</u>
Receipts:			
Charges for services	\$ 367,512	\$ 361,424	\$ 6,088
Operating grants	241,200	284,436	(43,236)
Transfer from General Fund	60,000	69,000	(9,000)
Total receipts	<u>668,712</u>	<u>714,860</u>	<u>(46,148)</u>
Expenses:			
Nutrition Services	<u>667,592</u>	<u>719,802</u>	<u>(52,210)</u>
Increase (decrease) in net position	<u>\$ 1,120</u>	<u>\$ (4,942)</u>	<u>\$ 6,062</u>

In 2016, revenues of the District's business-type activities (nutrition program) decreased 6.5 percent to \$668,712, and expenses decreased 7.3 percent to \$667,592.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported combined fund balances of \$5,657,086, \$225,434 more than last year's ending fund balances of \$5,431,652.

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2016:

	<u>Receipts</u>	<u>Disbursements</u>	Receipts Over (Under) <u>Disbursements</u>
General	\$ 17,022,113	\$ 16,756,412	\$ 265,701
Special Building	329,171	353,499	(24,328)
Bond	333,228	460,919	(127,691)
Other Governmental Funds	521,702	409,950	111,752
Eliminations	(490,000)	(490,000)	-
Totals	<u>\$ 17,716,214</u>	<u>\$ 17,490,780</u>	<u>\$ 225,434</u>

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

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

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

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

BUDGET ANALYSIS

In 2016, General Fund disbursements were \$208,588 less than budgeted appropriations. Actual General Fund receipts were \$32,113 more than budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2016, the District had invested \$18,558,543 in a broad range of capital assets, including land, construction in progress, buildings and improvements, vehicles, furniture and equipment, and computer equipment. The net book value after depreciation was \$8,318,482 at August 31, 2016.

The ending net value represents a net decrease of \$218,799 or 2.6 percent from last year. (More detailed information about capital assets can be found in note E to the financial statements). Total depreciation expense for the year was \$873,692, while building improvements and additions to vehicles, equipment, and furniture amounted to \$654,893.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

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

- Final construction costs on Cedar Hollow roof project - \$58,800
- HVAC controller at Chapman - \$20,000
- Lots for construction class - \$69,727
- Greenhouse - \$83,914
- Industrial technology shop remodel - \$76,997
- 31 band uniforms - \$25,483
- 380 Chromebooks - \$64,790
- 49 business lab computers - \$24,451
- Construction in progress on the board room roof - \$54,500

Long-term Debt

A summary of the District's debt follows:

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>
General obligation bonds	\$ 1,689,000	\$ 2,136,000	\$ (447,000)
Limited tax obligation bonds	722,000	960,000	(238,000)
Capital lease obligations	74,000	214,000	(140,000)
Total long-term debt	\$ 2,485,000	\$ 3,310,000	\$ (825,000)

Long-term debt decreased \$825,000 (24.9 percent) as scheduled principal payments were made.

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

FACTORS BEARING ON THE DISTRICT'S FUTURE

- Certified State Aid for the year ending August 31, 2017 will be \$6,633,100, a \$397,500 (6.4 percent) increase from the prior year.
- District #82's total property tax asking for the year ending August 31, 2017 will be \$9,826,290, a \$359,358 (3.8 percent) increase over the prior year.
- At August 31, 2016, the District had a contractual commitment of \$54,500 for the board room roof project. This balance was paid in September 2016.

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
FOR THE YEAR ENDED August 31, 2016**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

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Business Manager
School District #82
Northwest Public Schools
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**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GRAND ISLAND, NEBRASKA**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

August 31, 2016

	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments (note C)	\$ 2,362,894	\$ 6,294	\$ 2,369,188
Cash restricted for building projects (note C)	319,159	-	319,159
Cash restricted for debt service (note C)	471,144	-	471,144
Cash restricted for qualified capital purpose undertaking (note C)	74,203	-	74,203
Cash with county treasurers (note D)	2,429,686	-	2,429,686
Total current assets	5,657,086	6,294	5,663,380
Noncurrent assets:			
Capital assets (notes A5 and E):			
Land	129,803	-	129,803
Construction in progress	54,500	-	54,500
Buildings and improvements	14,939,018	-	14,939,018
Vehicles	236,904	-	236,904
Furniture and equipment	1,544,193	-	1,544,193
Computer equipment	1,654,125	-	1,654,125
Less: Accumulated depreciation	(10,240,061)	-	(10,240,061)
Net capital assets	8,318,482	-	8,318,482
Total assets	13,975,568	6,294	13,981,862
LIABILITIES			
Current liabilities (note F):			
Current portion of bonds payable	657,000	-	657,000
Current portion of capital leases	14,000	-	14,000
Total current liabilities	671,000	-	671,000
Long-term liabilities (note F):			
Bonds payable, net of current portion	1,754,000	-	1,754,000
Capital leases, net of current portion	60,000	-	60,000
Total long-term liabilities	1,814,000	-	1,814,000
Total liabilities	2,485,000	-	2,485,000
NET POSITION			
Net investment in capital assets	5,833,482	-	5,833,482
Restricted	944,802	-	944,802
Unrestricted	4,712,284	6,294	4,718,578
Total net position	\$ 11,490,568	\$ 6,294	\$ 11,496,862

See notes to financial statements.

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

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the year ended August 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	Program Receipts	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
Instruction	\$ 9,588,259	\$ -	\$ 703,255
Support services:			
Pupils	1,213,075	-	-
Staff	615,510	-	-
General administration	685,300	-	-
Office of the principal	1,152,629	-	-
Business	137,918	-	-
Building and grounds	1,557,293	1,455	-
Pupil transportation	415,650	-	-
State categorical programs	29,961	-	25,792
Summer school	20,650	12,825	-
Federal programs	479,277	-	518,349
Activity Fund support	40,000	-	-
Interest expense and bond fees	29,366	-	-
Depreciation - unallocated	873,692	-	-
	16,838,580	14,280	1,247,396
Business-type activities:			
Nutrition services	667,592	367,512	241,200
	\$ 17,506,172	\$ 381,792	\$ 1,488,596
Total primary government	\$ 17,506,172	\$ 381,792	\$ 1,488,596

See notes to financial statements.

<u>Program Receipts</u>	<u>Net (Expenses) Receipts</u> <u>and Changes in Net Position</u>		<u>Total</u>
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	
Capital Grants and Contributions			
\$ -	\$ (8,885,004)		\$ (8,885,004)
-	(1,213,075)		(1,213,075)
-	(615,510)		(615,510)
-	(685,300)		(685,300)
-	(1,152,629)		(1,152,629)
-	(137,918)		(137,918)
14,000	(1,541,838)		(1,541,838)
-	(415,650)		(415,650)
-	(4,169)		(4,169)
-	(7,825)		(7,825)
-	39,072		39,072
-	(40,000)		(40,000)
-	(29,366)		(29,366)
-	(873,692)		(873,692)
14,000	(15,562,904)	\$ -	(15,562,904)
-	-	(58,880)	(58,880)
<u>\$ 14,000</u>	<u>(15,562,904)</u>	<u>(58,880)</u>	<u>(15,621,784)</u>
General receipts:			
Taxes:			
Property	9,248,033	-	\$ 9,248,033
Motor vehicle	444,560	-	444,560
Other taxes	181,292	-	181,292
Fines and licenses	61,145	-	61,145
State aid	6,235,658	-	6,235,658
State apportionment	90,015	-	90,015
Annexation agreement	129,223	-	129,223
Gain on disposal of assets	38,500	-	38,500
Interest income	10,279	-	10,279
Interfund transfers	(60,000)	60,000	-
Other	15,834	-	15,834
Total general receipts	<u>16,394,539</u>	<u>60,000</u>	<u>16,454,539</u>
Change in net position	831,635	1,120	832,755
Net position - August 31, 2015	<u>10,658,933</u>	<u>5,174</u>	<u>10,664,107</u>
Net position - August 31, 2016	<u>\$ 11,490,568</u>	<u>\$ 6,294</u>	<u>\$ 11,496,862</u>

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

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

August 31, 2016

	<u>General Fund</u>	<u>Special Building Fund</u>	<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 1,879,025	\$ 319,159	\$ 471,144	\$ 558,072	\$ -	\$ 3,227,400
Cash with county treasurers	2,297,719	51,017	80,933	17	-	2,429,686
Due from other funds	51,671	-	-	-	(51,671)	-
	<u>4,228,415</u>	<u>370,176</u>	<u>552,077</u>	<u>558,089</u>	<u>(51,671)</u>	<u>5,657,086</u>
Total assets	<u>\$ 4,228,415</u>	<u>\$ 370,176</u>	<u>\$ 552,077</u>	<u>\$ 558,089</u>	<u>\$ (51,671)</u>	<u>\$ 5,657,086</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ 51,671	\$ (51,671)	\$ -
FUND BALANCES						
Restricted for:						
Debt service	-	-	552,077	-	-	552,077
Building additions/ improvements	-	370,176	-	-	-	370,176
Qualified capital purpose	-	-	-	22,549	-	22,549
Assigned for:						
Capital outlay	-	-	-	417,971	-	417,971
Employee benefits	-	-	-	65,898	-	65,898
Unassigned	4,228,415	-	-	-	-	4,228,415
	<u>4,228,415</u>	<u>370,176</u>	<u>552,077</u>	<u>506,418</u>	<u>-</u>	<u>5,657,086</u>
Total fund balances	<u>4,228,415</u>	<u>370,176</u>	<u>552,077</u>	<u>506,418</u>	<u>-</u>	<u>5,657,086</u>
Total liabilities and fund balances	<u>\$ 4,228,415</u>	<u>\$ 370,176</u>	<u>\$ 552,077</u>	<u>\$ 558,089</u>	<u>\$ (51,671)</u>	<u>\$ 5,657,086</u>

See notes to financial statements.

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

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

August 31, 2016

Total fund balances - governmental funds	\$ 5,657,086
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$18,558,543, and the accumulated depreciation is \$10,240,061.	8,318,482
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
Bonds payable	\$ (2,411,000)
Capital lease obligations	(74,000)
	<u>(2,485,000)</u>
Total net position - governmental activities	<u><u>\$ 11,490,568</u></u>

See notes to financial statements.

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

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

For the year ended August 31, 2016

	General <u>Fund</u>	Special Building <u>Fund</u>
RECEIPTS		
Taxes:		
Property	\$ 8,177,333	\$ 183,943
Motor vehicle	444,560	-
Property tax credit	513,649	11,549
Homestead exemption	116,785	2,626
Prorate motor vehicle	27,258	869
Carline	30,155	678
Fines and licenses	61,145	-
Educational Service Unit receipts	3,547	-
State aid and grants	7,027,903	-
Federal grants	545,166	-
Summer school tuition	12,825	-
Interest income	9,545	283
Transfers from other funds	-	-
Sale of assets/insurance proceeds	38,500	-
Annexation agreement	-	129,223
Other	13,742	-
Total receipts	<u>17,022,113</u>	<u>329,171</u>
DISBURSEMENTS		
Instruction	8,358,599	-
Special education programs	1,454,315	-
Support services:		
Pupils	1,213,075	-
Staff	660,037	-
General administration	685,300	-
Office of the principal	1,152,629	-
Business	137,918	-
Vehicle acquisition	13,700	-
Building and grounds	2,027,121	-
Pupil transportation	415,650	-
State categorical programs	29,961	-
Summer school	20,650	-
Federal programs	479,277	-
Capital outlay	-	353,499
Transfer to Nutrition Fund	60,000	-
Transfer to Activity Fund	40,000	-
Debt service:		
Principal	-	-
Interest	8,180	-
Bond fees	-	-
Total disbursements	<u>16,756,412</u>	<u>353,499</u>
Excess (deficiency) of receipts over disbursements	265,701	(24,328)
Fund balances - August 31, 2015	<u>3,962,714</u>	<u>394,504</u>
Fund balances - August 31, 2016	<u>\$ 4,228,415</u>	<u>\$ 370,176</u>

See notes to financial statements.

<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
\$ 312,789	\$ 30,836	\$ -	\$ 8,704,901
-	-	-	444,560
17,934	-	-	543,132
4,157	-	-	123,568
(2,959)	701	-	25,869
1,022	-	-	31,855
-	-	-	61,145
-	-	-	3,547
-	-	-	7,027,903
-	-	-	545,166
-	-	-	12,825
285	165	-	10,278
-	490,000	(490,000)	-
-	-	-	38,500
-	-	-	129,223
-	-	-	13,742
<u>333,228</u>	<u>521,702</u>	<u>(490,000)</u>	<u>17,716,214</u>
-	112,206	(90,000)	8,380,805
-	-	-	1,454,315
-	-	-	1,213,075
-	-	-	660,037
-	-	-	685,300
-	-	-	1,152,629
-	-	-	137,918
-	-	-	13,700
-	-	(400,000)	1,627,121
-	-	-	415,650
-	-	-	29,961
-	-	-	20,650
-	-	-	479,277
-	52,478	-	405,977
-	-	-	60,000
-	-	-	40,000
447,000	238,000	-	685,000
13,519	6,866	-	28,565
400	400	-	800
<u>460,919</u>	<u>409,950</u>	<u>(490,000)</u>	<u>17,490,780</u>
(127,691)	111,752	\$ -	225,434
<u>679,768</u>	<u>394,666</u>		<u>5,431,652</u>
<u>\$ 552,077</u>	<u>\$ 506,418</u>		<u>\$ 5,657,086</u>

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

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

For the year ended August 31, 2016

Total net change in fund balances - governmental funds	\$	225,434
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Amounts reported for *governmental activities* in the statement of activities are different because:

Capital outlays are reported in governmental funds as disbursements. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay (\$654,893) was exceeded by depreciation expense (\$873,692) during the period. (218,799)

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

Bonds payable	\$	685,000	
Capital lease obligations		140,000	825,000

Change in net position of governmental activities	\$	831,635
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See notes to financial statements.

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

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

August 31, 2016

	<u>Nutrition Fund</u>
ASSETS	
Cash	\$ 6,294
LIABILITIES	<u>-</u>
NET POSITION	
Unrestricted	<u><u>\$ 6,294</u></u>

See notes to financial statements.

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

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

For the year ended August 31, 2016

	<u>Nutrition Fund</u>
Operating receipts:	
Lunch sales	\$ 367,513
State sources	1,939
Federal sources	208,256
USDA commodities	31,004
Total operating receipts	608,712
 Operating disbursements:	
Salaries and employee benefits	375,966
Food and food service supplies	290,830
Other	796
Total operating disbursements	667,592
Total disbursements in excess of receipts	(58,880)
 Nonoperating receipts:	
Transfer from General Fund	60,000
Increase in net position	1,120
Net position - August 31, 2015	5,174
Net position - August 31, 2016	\$ 6,294

See notes to financial statements.

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

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

August 31, 2016

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 277,917
LIABILITIES	
For the obligations of student activities	277,917
For the obligations of student fees	-
Total liabilities	<u>277,917</u>
NET POSITION	<u><u>\$ -</u></u>

See notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

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

2. Basis of Presentation

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

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

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

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

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

Unassigned-All amounts not included in other spendable classifications.

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

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

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

2. Basis of Presentation, continued

Fund Financial Statements, continued –

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

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

3. Basis of Accounting/Measurement Focus

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

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

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

3. Basis of Accounting/Measurement Focus, continued

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

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

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

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

4. Fund Types

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Fund Types, continued

The other governmental funds are:

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

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

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

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

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

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

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

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

5. Capital Assets

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Capital Assets, continued

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

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

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

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

6. Net Position

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

7. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting used by the District requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B – BUDGET PROCESS AND PROPERTY TAXES

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

State Statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditure and/or tax levy limitations.

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

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE B – BUDGET PROCESS AND PROPERTY TAXES, continued

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

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

Actual disbursements in the Qualified Capital Purpose Undertaking Fund exceeded budgeted appropriations by \$50,266 for the year ended August 31, 2016.

The assessed value upon which the 2016 levy was based was \$939,423,803.

The tax levy per \$100 of assessed valuation of taxable property for the year ended August 31, 2016 was as follows:

General Fund	\$ 0.952563
Special Building Fund	0.021416
Bond Fund	<u>0.033759</u>
	<u>\$ 1.007738</u>

NOTE C – CASH AND INVESTMENTS

At August 31, 2016, the carrying value of the District's deposits was \$3,511,611 and the bank balances were \$3,670,317. For reporting purposes, the collateral on the School District bank deposits is classified in these categories:

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE C – CASH AND INVESTMENTS, continued

At August 31, 2016, the District’s bank deposits were fully insured or collateralized with FDIC coverage and pledged securities. All securities are held by the pledging financial institution, but not in the School District’s name.

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

Cash and investments for the School District at August 31, 2016 consisted of the following:

Cash on hand	\$ 2,613
Nebraska Liquid Asset Fund	1,485,603
Checking and money market	1,723,395
Certificates of deposit	<u>300,000</u>
Total cash	<u>\$ 3,511,611</u>

Summary of Carrying Values

The carrying values of cash and investments shown above are included in the fund financial statements at August 31, 2016, as follows:

Carrying value:	
Cash and investments	\$ <u>3,511,611</u>

Included in the following fund financial statements captions:

Statement of Net Position – Governmental Funds	
Cash and investments	\$ 2,362,894
Cash restricted for building projects	319,159
Cash restricted for debt service	471,144
Cash restricted for qualified capital purposes	74,203
Statement of Net Position – Proprietary Fund	
Cash	6,294
Statement of Net Position – Fiduciary Funds	
Activity Fund	
Cash	<u>277,917</u>
	<u>\$ 3,511,611</u>

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE D – FUNDS HELD BY COUNTY TREASURERS

The following receipts were held by county treasurers for the School District at August 31, 2016. The receipts were transferred subsequent to the fiscal year ended August 31, 2016.

General Fund	\$ 2,297,719
Special Building Fund	51,017
Bond Fund	80,933
Qualified Capital Purpose Undertaking Fund	<u>17</u>
Total cash with county treasurers at August 31, 2016	<u>\$ 2,429,686</u>

NOTE E – CAPITAL ASSETS

Capital asset balances and activity for the year ended August 31, 2016 were as follows:

	Balance August 31, <u>2015</u>	<u>Additions</u>	<u>Disposals</u>	<u>Reclass</u>	Balance August 31, <u>2016</u>
Capital assets not being depreciated:					
Land	\$ 60,076	\$ 69,727	\$ -	\$ -	\$ 129,803
Construction in progress	32,200	54,500	-	(32,200)	54,500
Capital assets being depreciated:					
Buildings and improvements	14,670,092	243,726	-	25,200	14,939,018
Vehicles	244,588	32,400	(40,084)	-	236,904
Furniture and equipment	1,448,041	89,152	-	7,000	1,544,193
Computer equipment	1,488,737	165,388	-	-	1,654,125
Total capital assets	<u>17,943,734</u>	<u>654,893</u>	<u>(40,084)</u>	<u>-</u>	<u>18,558,543</u>
Less accumulated depreciation:					
Buildings and improvements	(7,115,537)	(634,976)	-	-	(7,750,513)
Vehicles	(215,914)	(18,498)	40,084	-	(194,328)
Furniture and equipment	(1,043,390)	(70,351)	-	-	(1,113,741)
Computer equipment	(1,031,612)	(149,867)	-	-	(1,181,479)
Total accumulated depreciation	<u>(9,406,453)</u>	<u>(873,692)</u>	<u>40,084</u>	<u>-</u>	<u>(10,240,061)</u>
Net capital assets	<u>\$ 8,537,281</u>	<u>\$ (218,799)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,318,482</u>

Included in equipment at August 31, 2016 are copiers and computers leased under capital lease arrangements with total cost of \$520,616 and accumulated depreciation of \$298,409.

Included in construction in progress at August 31, 2016 is \$54,500 of costs incurred on the board room roof project. See note M for additional information on commitments for this project.

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE F – LONG-TERM LIABILITIES

Long-term liability balances and activity in the governmental funds for the year ended August 31, 2016 were as follows:

	Balance August 31, <u>2015</u>	<u>Proceeds</u>	Principal Payments	Balance August 31, <u>2016</u>	Due Within <u>One Year</u>
General obligation bonds	\$ 2,136,000	\$ -	\$ (447,000)	\$ 1,689,000	\$ 418,000
Limited tax obligation bonds	960,000	-	(238,000)	722,000	239,000
Capital lease obligations	214,000	-	(140,000)	74,000	14,000
Total	<u>\$ 3,310,000</u>	<u>\$ -</u>	<u>\$ (825,000)</u>	<u>\$ 2,485,000</u>	<u>\$ 671,000</u>

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

Bonds Payable:

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

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

On February 5, 2014, the District issued \$960,000 of Limited Tax Obligation Bonds with interest rates of 0.40 – 1.2 percent for an HVAC project. The bonds mature December 15, 2018.

Capital Lease Obligations:

On June 9, 2014, the School entered into a \$251,000 capital lease obligation for 800 Acer Chromebooks and 110 iPads. The lease bears interest rates of 0.40 – 0.60 percent and matures July 15, 2016. The General Fund will make the principal and interest payments on this capital lease.

On July 14, 2014, the School entered into a \$102,000 capital lease obligation for a video display board for the gym. The lease bears interest rates of 0.40 – 2.15 percent and matures July 15, 2021. The Activity Fund will make the principal and interest payments on this capital lease.

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE F – LONG-TERM LIABILITIES, continued

Future long-term debt service requirements are:

Year Ending <u>August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 671,000	\$ 23,617	\$ 694,617
2018	572,000	18,937	590,937
2019	567,000	13,149	580,149
2020	334,000	7,629	341,629
2021	341,000	2,832	343,832
	<u>\$ 2,485,000</u>	<u>\$ 66,164</u>	<u>\$ 2,551,164</u>

NOTE G – PENSION PLAN

Plan Description

The School District #82 contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions.

In 1945, the Nebraska Legislature enacted the law establishing a retirement plan for school employees of the State. During the NPERS fiscal year ended June 30, 2015, 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, Community Colleges), are members of the plan.

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE G – PENSION PLAN, continued

Plan Description, continued

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

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

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

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

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

For the District's year ended August 31, 2016, the District's total payroll for all employees was \$9,119,953. Total covered payroll was \$8,721,662. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Contributions

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE G – PENSION PLAN, continued

Contributions, continued

contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2014, to June 30, 2015 (and from July 1, 2015 through August 31, 2016). The school district (employer) contribution is 101 percent of the employee contribution. The District’s contribution to the Plan for its year ended August 31, 2016, was \$861,509.

Pension Liabilities

At June 30, 2015 the District had a liability of \$4,223,677 for its proportionate share of the net pension liability. (This liability is not recorded in the accompanying modified cash basis financial statements.) The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NPERS School Plan was 89.86% funded as of June 30, 2015 based on actuarial calculations comparing total pension liability to the plan fiduciary net position. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2015, the District’s proportion was 0.387815 percent, which was an increase of 0.003149 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2015, the District’s allocated pension expense was \$(57,381).

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price Inflation	3.25 percent
Wage Inflation	4.00 percent
Salary increases, including wage inflation	4.00-9.00 percent
Cost-of-Living Adjustment	Members hired before July 1, 2013: 2.50% with a floor benefit equal to 75% purchasing power of original benefit Members hired on/after July 1, 2013: 1.00% with no floor benefit
Long-term Rate of Return, net of investment expense, including price inflation	8.00 percent
Municipal Bond Index Rate	4.35 percent
Year FNP is Projected to be Depleted	N/A
Single Equivalent Int. Rate, net of investment expense, including price inflation	8.00 percent

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE G – PENSION PLAN, continued

Actuarial Assumptions, continued

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

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

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

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

The long-term expected real rate of return on pension plan investments was based upon the expected long-term investment returns provided by a consultant of the Nebraska Investment Council, who is responsible for investing the pension plan assets. The return assumptions were developed using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plans' target asset allocation as of first quarter 2016, (see the discussion of the pension plan's investment policy) are summarized in the following table:

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE G – PENSION PLAN, continued

Actuarial Assumptions, continued

Asset Class	Target Allocation	Long-Term Expected
		Real Rate of Return*
US Equity	29.0%	4.4%
Non-US Equity	13.5%	5.2%
Global Equity	15.0%	4.8%
Fixed Income	30.0%	2.1%
Private Equity	5.0%	6.7%
Real Estate	7.5%	4.4%
Total	100.0%	

*Geometric mean, net of investment expenses.

Discount Rate

The discount rate used to measure the Total Pension Liability at both June 30, 2014 and June 30, 2015, was 8 percent. The discount rate is reviewed as part of the actuarial experience study, which was last performed for the period July 1, 2006, through June 30, 2011. The actuarial experience study is reviewed by the NPERS Board, which must vote to change the discount rate.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and contributions from employers and nonemployers will be made at the contractually rates, actuarially determined. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projected future benefit payments for all current plan members were projected through 2114.

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

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

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE G – PENSION PLAN, continued

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

	<u>Discount rate</u>	<u>District's proportionate Share of net pension liability</u>
1% decrease	7.0%	\$9,590,114
Current discount rate	8.0%	\$4,223,677
1% increase	9.0%	\$ (238,909)

Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued Nebraska Public Employees Retirement Systems Plan financial report. NPERS issues a publicly available financial report that includes financial statements and required supplementary information for NPERS. That report may be obtained by writing the NPERS, P.O. Box 94816, Lincoln, NE 68509-4816, by calling 1-800-245-5715 or via the internet at http://www.auditors.nebraska.gov/APA_Reports.

NOTE H – RISK MANAGEMENT

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

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

Deposits and Investments

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the School District’s investments at August 31, 2016, are held in the name of the School District. The underlying securities consist of certificates of deposit and Nebraska Liquid Asset Fund.

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE H – RISK MANAGEMENT, continued

Deposits and Investments, continued

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

<u>Maturities by Month</u>	<u>Amount</u>
November 2016	\$ 200,000
January 2017	100,000
	<u>\$ 300,000</u>

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

Concentration of Credit Risk. The School District’s investment policy places no limit on the amount that may be invested in any one issuer. At August 31, 2016, the School District’s deposits consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Nebraska Liquid Asset Fund	\$ 1,485,603
Five Points Bank	1,639,697
First National Bank	283,698
Pathway Bank	100,000
	<u>\$ 3,508,998</u>

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The School District’s investments had no exposure to foreign currency risk and held no investments denominated in foreign currency at August 31, 2016.

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE I – INTERFUND TRANSFERS AND BALANCES

During the year ended August 31, 2016, the General Fund transferred \$90,000 to the Employee Benefit Fund, and \$400,000 to the Depreciation Fund. These transfers were eliminated in the Total Governmental Funds column on page 17. Amounts transferred to the Employee Benefit Fund will be used for future early retirement incentive payments. Amounts transferred to the Depreciation Fund will be used for future equipment purchases.

The General Fund also transferred \$60,000 to the Nutrition Fund during the year ended August 31, 2016, for operating support and transferred \$40,000 to the Activity Fund to support athletics.

During the year ended August 31, 2016, the General Fund loaned \$51,671 to the Qualified Capital Purpose Undertaking Fund. This loan is expected to be repaid during the year ending August 31, 2016.

NOTE J – 125 CAFETERIA PLAN

The School District has set up a 125 Cafeteria Plan for the benefit of its employees. The checking account had a balance of \$22,631 at August 31, 2016. Funds are held at Five Points Bank.

NOTE K – RETIREMENT COMMITMENTS

As of August 31, 2016, the School District had retirement commitments to ten retired employees. Amounts due under the early retirement incentive program are as follows:

August 31, 2017	\$ 39,680
August 31, 2018	35,000
August 31, 2019	35,000
August 31, 2020	35,000
August 31, 2021	34,583
August 31, 2022	25,000
August 31, 2023	15,000
August 31, 2024	10,000
August 31, 2025	5,000
August 31, 2026	1,200
	<u>\$ 235,463</u>

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

NOTES TO FINANCIAL STATEMENTS, Continued

August 31, 2016

NOTE L – LEASE COMMITMENTS

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

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

Rent expense totaled \$30,599 for the year ended August 31, 2016.

The School District has the following lease commitments:

Years ending August 31, 2017	\$ 17,064
2018	17,064
2019	17,064
2020	<u>11,860</u>
	\$ <u>63,052</u>

NOTE M – COMMITMENTS

At August 31, 2016, the District had a \$109,000 contractual commitment to Heartland Roofing Consultants, Inc. for the board room roof project. A total of \$54,500 had been paid on this contract as of August 31, 2016, leaving \$54,500 to be paid under the contractual obligation. This project was completed during September 2016.

NOTE N – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 5, 2016, the date on which the financial statements were available for issue.

SUPPLEMENTARY AND OTHER INFORMATION

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

**BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND**

Year ended August 31, 2016

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS			
Taxes:			
Property	\$ 8,860,000	\$ 8,177,333	\$ (682,667)
Motor vehicle	425,000	444,560	19,560
Property tax credit	-	513,649	513,649
Homestead exemption	-	116,785	116,785
Prorate motor vehicle	18,000	27,258	9,258
Carline	25,000	30,155	5,155
Fines and licenses	60,000	61,145	1,145
Other county receipts	3,400	3,547	147
State aid and grants	7,048,600	7,027,903	(20,697)
Federal grants	528,000	545,166	17,166
Summer school tuition	13,000	12,825	(175)
Interest	6,000	9,545	3,545
Sale of assets/insurance proceeds	-	38,500	38,500
Other	3,000	13,742	10,742
	16,990,000	17,022,113	32,113
DISBURSEMENTS			
Instructional services	10,072,930	9,812,914	(260,016)
Support services:			
Pupils	1,256,140	1,213,075	(43,065)
Instructional staff	672,640	660,037	(12,603)
General administration	605,840	685,300	79,460
Office of the principal	1,161,850	1,152,629	(9,221)
Business	184,210	137,918	(46,292)
Vehicle acquisition	50,000	13,700	(36,300)
Building and grounds	1,599,020	2,027,121	428,101
Pupil transportation	413,400	415,650	2,250
State categorical programs	47,300	29,961	(17,339)
Summer school	25,630	20,650	(4,980)
Federal programs	579,040	479,277	(99,763)
Debt service	207,000	8,180	(198,820)
Transfers	90,000	100,000	10,000
	16,965,000	16,756,412	(208,588)
RECEIPTS OVER DISBURSEMENTS	\$ 25,000	265,701	\$ 240,701
Fund balance - August 31, 2015		3,962,714	
Fund balance - August 31, 2016		\$ 4,228,415	

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

**BUDGETARY COMPARISON SCHEDULE -
SPECIAL BUILDING FUND**

Year ended August 31, 2016

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS			
Local property taxes	\$ 199,200	\$ 183,943	\$ (15,257)
Property tax credit	-	11,549	11,549
Carline taxes	-	678	678
Prorate motor vehicle	1,500	869	(631)
Homestead exemption	-	2,626	2,626
Interest earned	-	283	283
Annexation agreement	<u>120,000</u>	<u>129,223</u>	<u>9,223</u>
Total receipts	320,700	329,171	8,471
DISBURSEMENTS			
Building acquisition/improvements	<u>740,885</u>	<u>353,499</u>	<u>(387,386)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (420,185)</u>	(24,328)	<u>\$ 395,857</u>
Fund balance - August 31, 2015		<u>394,504</u>	
Fund balance - August 31, 2016		<u>\$ 370,176</u>	

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

**BUDGETARY COMPARISON SCHEDULE -
BOND FUND**

Year ended August 31, 2016

	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS			
Local property taxes	\$ 314,000	\$ 312,789	\$ (1,211)
Property tax credit	-	17,934	17,934
Carline taxes	2,000	1,022	(978)
Prorate motor vehicle	2,000	(2,959)	(4,959)
Homestead exemption	-	4,157	4,157
Interest earned	40	285	245
	<hr/>	<hr/>	<hr/>
Total receipts	318,040	333,228	15,188
DISBURSEMENTS			
Principal	447,000	447,000	-
Interest	14,000	13,519	(481)
Other	2,000	400	(1,600)
	<hr/>	<hr/>	<hr/>
Total disbursements	463,000	460,919	(2,081)
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (144,960)</u>	(127,691)	<u>\$ 17,269</u>
Fund balance - August 31, 2015		<hr/> 679,768	
Fund balance - August 31, 2016		<u>\$ 552,077</u>	

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

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

August 31, 2016

	Employee Benefit <u>Fund</u>	Depreciation <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>	<u>Total</u>
ASSETS				
Cash	\$ 65,898	\$ 417,971	\$ 74,203	\$ 558,072
Cash with county treasurers	-	-	17	17
Total assets	<u>\$ 65,898</u>	<u>\$ 417,971</u>	<u>\$ 74,220</u>	<u>\$ 558,089</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 51,671	\$ 51,671
FUND BALANCES				
Restricted for:				
Qualified capital purpose	-	-	22,549	22,549
Assigned for:				
Employee benefits	65,898	-	-	65,898
Capital outlay	-	417,971	-	417,971
Total fund balances	65,898	417,971	22,549	506,418
Total liabilities and fund balances	<u>\$ 65,898</u>	<u>\$ 417,971</u>	<u>\$ 74,220</u>	<u>\$ 558,089</u>

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

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

Year ended August 31, 2016

	Employee Benefit <u>Fund</u>	Depreciation <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>	<u>Total</u>
RECEIPTS				
Taxes:				
Property	\$ -	\$ -	\$ 30,836	\$ 30,836
Prorate motor vehicle	-	-	701	701
Interest earned	54	52	59	165
Transfers from other funds	90,000	400,000	-	490,000
Total receipts	<u>90,054</u>	<u>400,052</u>	<u>31,596</u>	<u>521,702</u>
DISBURSEMENTS				
Retirement	112,206	-	-	112,206
Capital outlay	-	52,478	-	52,478
Principal payments	-	-	238,000	238,000
Interest expense	-	-	6,866	6,866
Bond fees	-	-	400	400
Total disbursements	<u>112,206</u>	<u>52,478</u>	<u>245,266</u>	<u>409,950</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS				
	(22,152)	347,574	(213,670)	111,752
Fund balances - August 31, 2015	<u>88,050</u>	<u>70,397</u>	<u>236,219</u>	<u>394,666</u>
Fund balances - August 31, 2016	<u><u>\$ 65,898</u></u>	<u><u>\$ 417,971</u></u>	<u><u>\$ 22,549</u></u>	<u><u>\$ 506,418</u></u>

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

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

Year ended August 31, 2016

Account:	Balance (Deficit) <u>8/31/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance (Deficit) <u>8/31/2016</u>
Athletics	\$ (94,846)	\$ 91,670	\$ 57,475	\$ (60,651)
Football	-	33,245	33,245	-
Football Fundraising	29,791	55,663	52,004	33,450
Football Fundraising-Parents	1,276	850	687	1,439
Softball	-	11,828	11,828	-
Softball Fundraising	12,891	11,580	18,827	5,644
Volleyball	-	18,464	18,464	-
Volleyball Fundraising	17,359	12,894	9,892	20,361
Golf	-	7,175	7,175	-
Wrestling	-	8,245	8,245	-
Wrestling Fundraising	46	10,735	9,573	1,208
Boys Basketball	-	4,335	4,335	-
Boys Basketball Fundraising	5,476	5,362	3,890	6,948
Nuggets	1,046	637	710	973
Girls Basketball	-	4,247	4,247	-
Girls Basketball Fundraising	6,048	6,878	9,427	3,499
Girls Basketball Gold	1,585	248	-	1,833
Soccer	-	12,274	12,274	-
Boys Soccer Fundraising	2,095	4,017	3,847	2,265
Girls Soccer Fundraising	4,778	3,529	4,359	3,948
Track	-	11,431	11,431	-
Track Fundraising	2,596	6,398	7,409	1,585
Cross Country	-	620	620	-
Cross Country Fundraising	6,423	5,088	1,215	10,296
Athletic Trainers	12	1,120	1,081	51
Art Club	99	-	-	99
Band	2,550	22,751	21,618	3,683
Computer Lease Program	17,464	37,973	40,692	14,745
Class of 2016	1,067	2,772	3,839	-
Class of 2017	-	4,006	1,307	2,699
Class of 2018	-	1,815	-	1,815
Concessions	3,379	59,352	61,572	1,159
Media	1,578	522	1,322	778
Drama	1,398	6,209	6,930	677
FBLA	1,557	2,674	2,261	1,970
FCA	53	2,729	1,140	1,642
FFA	30,750	47,516	50,097	28,169
FCCLA	-	3,491	3,491	-
Marketing Class	727	350	599	478
Greenhouse	3,257	88,736	91,773	220
Foreign Language Club	313	-	-	313
Letter Winners	252	-	-	252

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

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

Year ended August 31, 2016

Account, continued:	Balance (Deficit) <u>8/31/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance (Deficit) <u>8/31/2016</u>
Vocal Music	28,690	29,446	44,790	13,346
National Honor Society	708	270	485	493
Yearbook	3,824	17,490	15,169	6,145
Saga	1,302	3,700	2,793	2,209
Cheerleaders	6,187	19,615	19,183	6,619
Vikettes	2,854	29,305	24,429	7,730
Student Council	1,478	10,376	9,017	2,837
Construction House	-	2,500	1,441	1,059
Donation - Stueven	19,841	-	19,841	-
Technology	30,854	24,024	21,655	33,223
General Activities	(4,184)	166,134	157,270	4,680
Memorials/Gifts	10,025	2,517	500	12,042
Community/Promotion	1,208	1,856	3,064	-
CCC Tuition	30,546	-	-	30,546
SPED Business	147	-	-	147
Speech	2,111	9,736	9,612	2,235
Lockwood	2,261	2,565	1,721	3,105
Trap Team	-	5,973	5,973	-
Musical	-	100,237	100,237	-
Band Trip	-	26,291	22,715	3,576
Vocal Music Trip	-	38,100	38,100	-
Junior Football Program	1,293	-	-	1,293
Industrial Arts Student Projects	32	20	37	15
Skills USA	6,690	6,953	12,310	1,333
Weight Room	12,993	9,169	7,396	14,766
Scholarships	-	100	-	100
SAD	98	-	-	98
Cedar Hollow Activities	(1,799)	8,972	6,369	804
Cedar Hollow Athletics	1,056	200	1,245	11
Cedar Hollow Student Council	1,289	869	601	1,557
1R Activities	4,076	6,548	8,549	2,075
1R Athletics	1,152	-	-	1,152
Chapman Activities	5,686	6,942	8,230	4,398
Chapman Athletics	3,503	1,721	120	5,104
Chapman Bingo for Books	485	-	-	485
Chapman Drama	221	131	-	352
St. Libory Activities	562	5,547	3,531	2,578
St. Libory Athletics	1,641	-	45	1,596
Courtesy Fund	121	775	-	896
Video Display Sign	(10,809)	29,869	17,816	1,244
School Store	16,988	6,904	7,372	16,520
Totals	<u>\$ 244,150</u>	<u>\$ 1,184,284</u>	<u>\$ 1,150,517</u>	<u>\$ 277,917</u>

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

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

Year ended August 31, 2016

	<u>Balance</u> <u>8/31/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>8/31/2016</u>
Account:				
Extracurricular Activity Fees	\$ -	\$ 36,620	\$ 36,620	\$ -
Summer School/Drivers Ed	-	13,425	13,425	-
	<u>\$ -</u>	<u>\$ 50,045</u>	<u>\$ 50,045</u>	<u>\$ -</u>

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

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

Year ended August 31, 2016

	General Fund			<u>Total</u>
	<u>Howard County</u>	<u>Merrick County</u>	<u>Hall County</u>	
Fund Balance, August 31, 2015	\$ 317,179	\$ 514,508	\$ 1,226,634	\$ 2,058,321
RECEIPTS				
Local property taxes	1,229,524	1,892,193	5,109,712	8,231,429
Motor vehicle taxes	56,962	92,934	294,664	444,560
Carline	2,031	8,930	19,194	30,155
Prorate	3,544	7,995	15,719	27,258
Homestead exemption	22,364	27,947	66,474	116,785
Public power district-5% gross	-	10,410	-	10,410
Property tax credit	92,539	127,362	293,748	513,649
Interest	4,175	5,264	13,687	23,126
County fines and licenses	11,894	10,143	-	22,037
In-lieu-of tax	-	640	74	714
Total receipts	<u>1,423,033</u>	<u>2,183,818</u>	<u>5,813,272</u>	<u>9,420,123</u>
Total funds available	1,740,212	2,698,326	7,039,906	11,478,444
DISBURSEMENTS				
To School District	1,372,768	2,134,358	5,585,253	9,092,379
County treasurer fees	14,108	19,401	54,837	88,346
Total disbursements	<u>1,386,876</u>	<u>2,153,759</u>	<u>5,640,090</u>	<u>9,180,725</u>
Fund Balance, August 31, 2016	<u>\$ 353,336</u>	<u>\$ 544,567</u>	<u>\$ 1,399,816</u>	<u>\$ 2,297,719</u>

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

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

Year ended August 31, 2016

	Special Building Fund			<u>Total</u>
	<u>Howard County</u>	<u>Merrick County</u>	<u>Hall County</u>	
Fund Balance, August 31, 2015	\$ 6,993	\$ 11,431	\$ 27,216	\$ 45,640
RECEIPTS				
Local property taxes	27,648	42,568	114,925	185,141
Carline	46	200	432	678
Prorate	80	31	758	869
Homestead exemption	503	628	1,495	2,626
Property tax credit	2,081	2,864	6,604	11,549
Interest	102	124	310	536
Public power district-5% gross	-	234	-	234
Total receipts	30,460	46,649	124,524	201,633
Total funds available	37,453	58,080	151,740	247,273
DISBURSEMENTS				
To School District	29,327	45,554	119,406	194,287
County treasurer fees	303	433	1,233	1,969
Total disbursements	29,630	45,987	120,639	196,256
Fund Balance, August 31, 2016	\$ 7,823	\$ 12,093	\$ 31,101	\$ 51,017

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

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

Year ended August 31, 2016

	Bond Fund			
	Howard County	Merrick County	Hall County	Total
Fund Balance, August 31, 2015	\$ 10,485	\$ 76,613	\$ 44,041	\$ 131,139
RECEIPTS				
Local property taxes	41,643	85,833	186,895	314,371
Carline	69	302	650	1,021
Prorate	120	(3,665)	586	(2,959)
Homestead exemption	758	947	2,453	4,158
Property tax credit	3,097	4,315	10,522	17,934
Interest	156	738	506	1,400
Public power district-5% gross	-	353	-	353
Total receipts	45,843	88,823	201,612	336,278
Total funds available	56,328	165,436	245,653	467,417
DISBURSEMENTS				
To School District	44,085	145,838	193,227	383,150
County treasurer fees	456	875	2,003	3,334
Total disbursements	44,541	146,713	195,230	386,484
Fund Balance, August 31, 2016	\$ 11,787	\$ 18,723	\$ 50,423	\$ 80,933

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

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

Year ended August 31, 2016

	Qualified Capital Purpose Undertaking Fund			
	Howard County	Merrick County	Hall County	Total
Fund Balance, August 31, 2015	\$ 10,094	\$ 16,500	\$ 39,324	\$ 65,918
RECEIPTS				
Local property taxes	3,456	5,818	21,217	30,491
Prorate	14	162	525	701
Interest	120	146	391	657
Total receipts	3,590	6,126	22,133	31,849
Total funds available	13,684	22,626	61,457	97,767
DISBURSEMENTS				
To School District	13,648	22,554	61,236	97,438
County treasurer fees	36	60	216	312
Total disbursements	13,684	22,614	61,452	97,750
Fund Balance, August 31, 2016	\$ -	\$ 12	\$ 5	\$ 17

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

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

Year ended August 31, 2016

	<u>Actual</u>	<u>Budget</u> <u>"Unaudited"</u>	Variance- Favorable <u>(Unfavorable)</u>
REGULAR INSTRUCTION			
Regular salaries of teachers	\$ 4,941,900	\$ 4,912,500	\$ (29,400)
Substitute salaries	164,217	180,900	16,683
Clerical and paraprofessional staff salaries	192,538	197,500	4,962
Payroll taxes	419,387	404,510	(14,877)
Employee benefits	2,063,608	2,009,570	(54,038)
Purchased services	3,182	4,000	818
Supplies and materials	560,116	735,330	175,214
Capital outlay	738	10,000	9,262
Other expenses	<u>12,913</u>	<u>16,600</u>	<u>3,687</u>
	8,358,599	8,470,910	112,311
SPECIAL EDUCATION PROGRAMS			
Regular salaries of teachers	291,942	268,300	(23,642)
Substitute salaries	5,950	6,000	50
Salaries - aides	175,797	184,600	8,803
Payroll taxes	36,092	35,120	(972)
Employee benefits	161,438	166,500	5,062
Purchased services	2,235	-	(2,235)
Tuition paid to other districts	706,444	915,000	208,556
Supplies and materials	67,791	25,500	(42,291)
Other expenses	<u>6,626</u>	<u>1,000</u>	<u>(5,626)</u>
	1,454,315	1,602,020	147,705
SUPPORT SERVICES - PUPILS			
Regular salaries	793,985	769,950	(24,035)
Clerical and paraprofessional salaries	105,479	106,700	1,221
Payroll taxes	68,488	67,060	(1,428)
Employee benefits	195,761	214,280	18,519
Purchased services	22,580	24,000	1,420
Supplies and materials	21,058	58,000	36,942
Capital outlay	3,120	10,000	6,880
Other expenses	<u>2,604</u>	<u>6,150</u>	<u>3,546</u>
	1,213,075	1,256,140	43,065

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

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

Year ended August 31, 2016

	<u>Actual</u>	<u>Budget "Unaudited"</u>	Variance- Favorable (Unfavorable)
SUPPORT SERVICES - INSTRUCTIONAL STAFF			
Regular salaries	329,357	330,720	1,363
Payroll taxes	24,743	25,330	587
Employee benefits	95,385	98,790	3,405
Supplies and materials	173,718	195,000	21,282
Library books	6,520	8,000	1,480
Periodicals	546	700	154
Software	438	2,500	2,062
Capital outlay	19,175	-	(19,175)
Other expenses	10,155	11,600	1,445
	<u>660,037</u>	<u>672,640</u>	<u>12,603</u>
SUPPORT SERVICES - GENERAL ADMIN			
BOARD OF EDUCATION			
Purchased services	19,400	21,400	2,000
Accounting and auditing services	7,200	8,000	800
Legal services	7,279	15,000	7,721
Fidelity bond premiums	750	800	50
In-service/workshop	34,482	30,100	(4,382)
	<u>69,111</u>	<u>75,300</u>	<u>6,189</u>
EXECUTIVE ADMINISTRATION SERVICES			
Regular salaries	249,572	249,100	(472)
Clerical salaries	57,463	55,000	(2,463)
Payroll taxes	21,437	23,260	1,823
Employee benefits	193,951	142,180	(51,771)
Supplies and materials	74,454	40,000	(34,454)
Dues and fees	9,590	10,000	410
Other expenses	9,722	11,000	1,278
	<u>616,189</u>	<u>530,540</u>	<u>(85,649)</u>
SUPPORT SERVICES - SCHOOL ADMIN			
OFFICE OF THE PRINCIPAL SERVICES			
Regular salaries	632,338	632,300	(38)
Clerical salaries	183,325	188,500	5,175
Payroll taxes	61,147	62,790	1,643
Employee benefits	234,708	231,260	(3,448)
Supplies and materials	29,427	23,000	(6,427)
Dues and fees	4,510	7,000	2,490
Other expenses	7,174	17,000	9,826
	<u>1,152,629</u>	<u>1,161,850</u>	<u>9,221</u>

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

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

Year ended August 31, 2016

	<u>Actual</u>	<u>Budget "Unaudited"</u>	Variance- Favorable (Unfavorable)
SUPPORT SERVICES - GENERAL ADMIN			
BUSINESS SERVICES			
Regular salaries	20,861	25,000	4,139
Payroll taxes	1,596	1,910	314
Employee benefits	-	1,000	1,000
Purchased services	111,949	145,800	33,851
Supplies	3,502	10,500	6,998
Other expenses	10	-	(10)
	<u>137,918</u>	<u>184,210</u>	<u>46,292</u>
VEHICLE ACQUISITION AND MAINTENANCE			
Insurance	-	10,000	10,000
Vehicle acquisition	13,700	40,000	26,300
	<u>13,700</u>	<u>50,000</u>	<u>36,300</u>
SUPPORT SERVICES - MAINTENANCE AND OPERATION OF BUILDINGS			
Regular salaries	458,173	483,300	25,127
Payroll taxes	33,562	36,980	3,418
Employee benefits	158,087	162,850	4,763
Contract custodial	27,690	27,690	-
Fuel	39,028	68,000	28,972
Electricity	230,611	252,500	21,889
Garbage	15,663	20,200	4,537
Water and sewer	24,818	21,000	(3,818)
Supplies and materials	84,623	64,500	(20,123)
Contracted services - repairmen	1,407	1,000	(407)
Property insurance	125,630	65,000	(60,630)
Plant furniture and equipment	15,204	55,000	39,796
Upkeep - buildings and grounds	811,071	335,000	(476,071)
Other	1,554	6,000	4,446
	<u>2,027,121</u>	<u>1,599,020</u>	<u>(428,101)</u>
SUPPORT SERVICES - PUPIL TRANSPORTATION			
Mileage to parents	17,424	21,300	3,876
Purchased services	365,403	321,000	(44,403)
Gas and oil	15,545	32,200	16,655
Bus repair and maintenance	7,265	15,500	8,235
Supplies	10	-	(10)
Other	2,934	6,000	3,066
	<u>408,581</u>	<u>396,000</u>	<u>(12,581)</u>
SUPPORT SERVICES - SPECIAL EDUCATION			
PUPIL TRANSPORTATION			
Regular salaries	5,350	11,000	5,650
Payroll taxes	412	840	428
Employee benefits	576	1,160	584
Mileage to parents	-	2,200	2,200
Gas and oil	731	2,200	1,469
	<u>7,069</u>	<u>17,400</u>	<u>10,331</u>

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

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

Year ended August 31, 2016

	<u>Actual</u>	<u>Budget "Unaudited"</u>	<u>Variance- Favorable (Unfavorable)</u>
STATE CATEGORICAL PROGRAM			
Regular salaries	22,014	26,000	3,986
Clerical and paraprofessional staff salaries	40	-	(40)
Payroll taxes	317	2,000	1,683
Employee benefits	410	6,700	6,290
Supplies	5,398	12,600	7,202
Other	1,782	-	(1,782)
	<u>29,961</u>	<u>47,300</u>	<u>17,339</u>
SUMMER SCHOOL			
Regular salaries	11,920	15,000	3,080
Payroll taxes	912	1,150	238
Employee benefits	1,020	1,480	460
Supplies and materials	6,798	8,000	1,202
	<u>20,650</u>	<u>25,630</u>	<u>4,980</u>
FEDERAL PROGRAMS			
Title I	172,033	262,640	90,607
Title II A	37,119	30,000	(7,119)
IDEA	261,697	286,400	24,703
Carl Perkins	8,428	-	(8,428)
	<u>479,277</u>	<u>579,040</u>	<u>99,763</u>
DEBT SERVICE			
Principal	-	200,000	200,000
Interest	8,180	7,000	(1,180)
	<u>8,180</u>	<u>207,000</u>	<u>198,820</u>
TRANSFERS			
Transfer to Nutrition Fund	60,000	50,000	(10,000)
Transfer to Activity Fund	40,000	40,000	-
	<u>100,000</u>	<u>90,000</u>	<u>(10,000)</u>
 Total Disbursements	 <u>\$ 16,756,412</u>	 <u>\$ 16,965,000</u>	 <u>\$ 208,588</u>

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

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

	Actual <u>2015-16</u>	Actual <u>2014-15</u>	Actual <u>2013-14</u>	Actual <u>2012-13</u>
Assessed value of School District	\$ 939,423,803	\$ 822,872,408	\$ 680,356,934	\$ 605,042,993
Current property tax and property tax credit	8,690,982	7,573,066	6,301,195	5,952,794
Average daily attendance (ADA)	1,361	1,356	1,384	1,364
Average daily membership (ADM)	1,405	1,402	1,434	1,418
 Total adjusted current expense	 15,345,861	 14,443,971	 13,103,592	 12,604,103
 Total value of plant and contents	 41,969,600	 41,852,000	 40,390,550	 38,680,000
 Annual depreciation of plant and contents (3% of value)	 1,259,088	 1,255,560	 1,211,717	 1,160,400
 Total annual cost	 16,604,949	 15,699,531	 14,315,309	 13,764,503
 Annual cost per pupil - ADA	 <u>\$ 12,200</u>	 <u>\$ 11,579</u>	 <u>\$ 10,343</u>	 <u>\$ 10,088</u>
 Annual cost per pupil - ADM	 <u>\$ 11,822</u>	 <u>\$ 11,198</u>	 <u>\$ 9,984</u>	 <u>\$ 9,709</u>

MISCELLANEOUS DATA - At Annual Cost Per Pupil (ADM)

RECEIPTS

Local	\$ 6,531	\$ 5,735	\$ 4,701	\$ 4,513
County	46	46	45	46
State	666	612	556	611
State aid	4,438	4,768	4,642	4,084
Federal (categorical)	388	325	624	372
Transfers from Class I districts	-	-	-	-
Other receipts	46	168	13	14
Total receipts for year	<u>12,115</u>	<u>11,654</u>	<u>10,581</u>	<u>9,640</u>

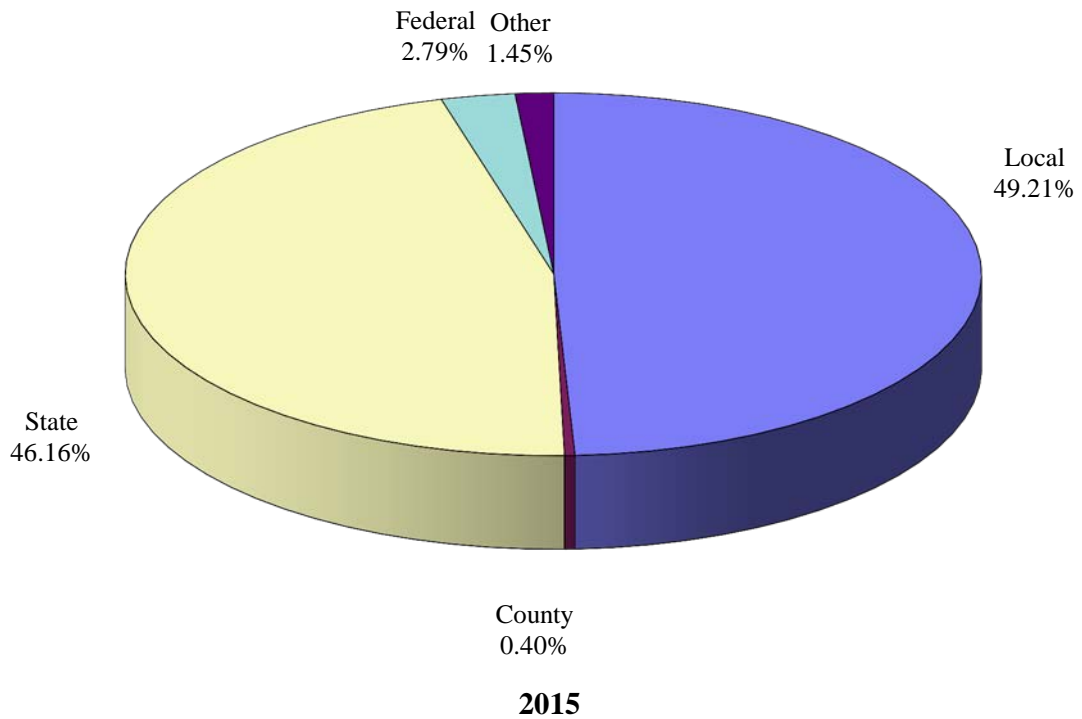
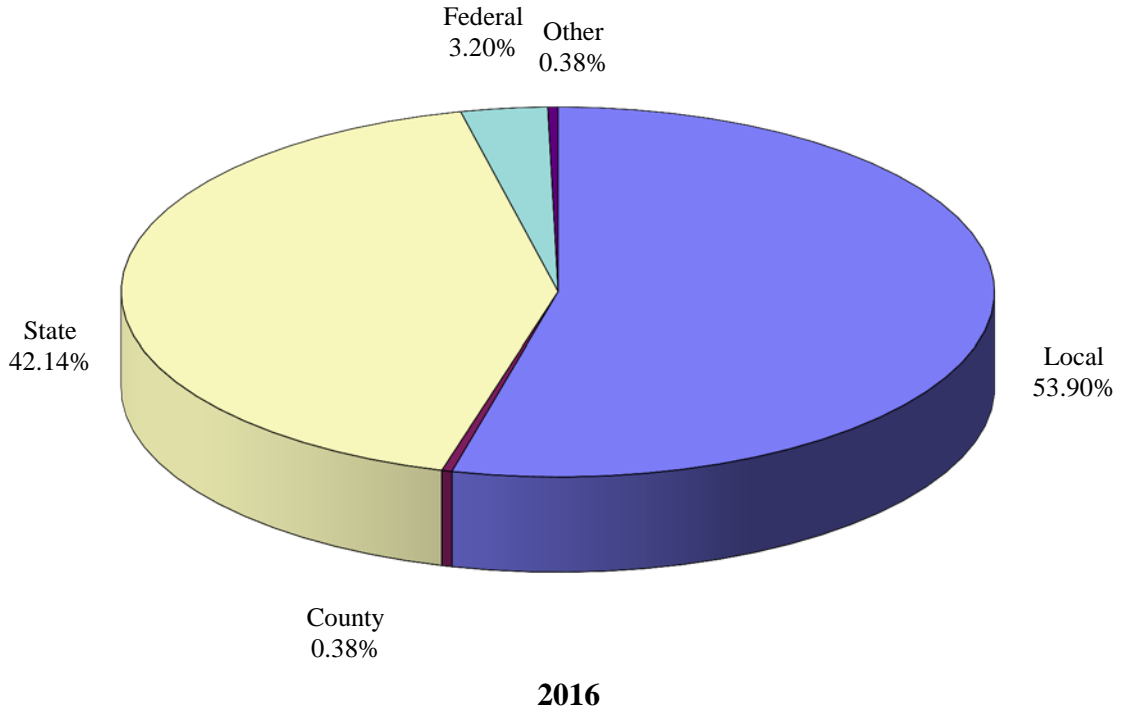
DISBURSEMENTS

Instruction	6,984	6,864	6,803	6,734
Support services	1,333	1,359	681	504
Administration	1,416	1,258	1,145	1,117
Operation and maintenance of plant	1,443	1,152	1,015	909
Pupil transportation	296	283	325	303
Other disbursements	454	531	443	369
Total disbursements for year	<u>11,926</u>	<u>11,447</u>	<u>10,412</u>	<u>9,936</u>

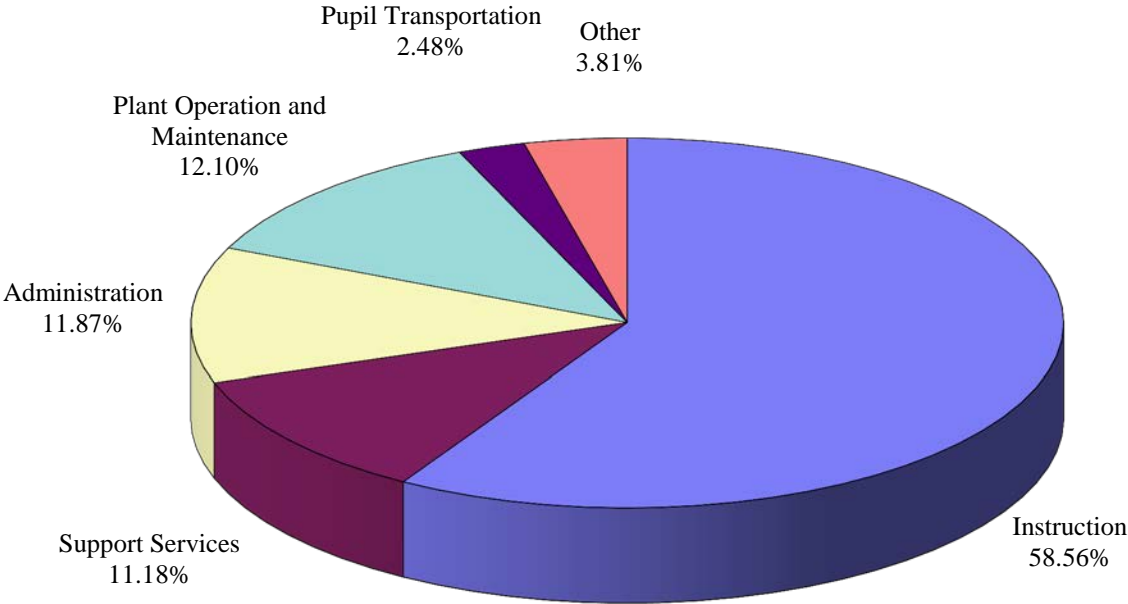
Excess (deficit) of receipts over disbursements	<u>\$ 189</u>	<u>\$ 207</u>	<u>\$ 169</u>	<u>\$ (296)</u>
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Actual <u>2011-12</u>	Actual <u>2010-11</u>	Actual <u>2009-10</u>	Actual <u>2008-09</u>	Actual <u>2007-08</u>	Actual <u>2006-07</u>
\$ 570,571,969	\$ 542,744,765	\$ 497,860,565	\$ 456,706,947	\$ 438,772,283	\$ 430,071,075
5,763,634	5,089,734	4,910,492	4,555,150	4,354,485	4,439,511
1,340	1,274	1,345	1,335	1,346	1,333
1,385	1,315	1,395	1,391	1,392	1,380
11,554,087	10,975,027	11,784,165	11,341,614	10,865,310	10,216,016
37,551,000	26,404,100	25,635,045	24,382,100	23,882,100	23,186,500
1,126,530	792,123	769,051	731,463	716,463	695,595
12,680,617	11,767,150	12,553,216	12,073,077	11,581,773	10,911,611
<u>\$ 9,460</u>	<u>\$ 9,233</u>	<u>\$ 9,330</u>	<u>\$ 9,041</u>	<u>\$ 8,608</u>	<u>\$ 8,188</u>
<u>\$ 9,153</u>	<u>\$ 8,946</u>	<u>\$ 9,000</u>	<u>\$ 8,680</u>	<u>\$ 8,320</u>	<u>\$ 7,909</u>
\$ 4,477	\$ 4,505	\$ 4,171	\$ 3,918	\$ 3,817	\$ 3,800
57	51	50	50	51	46
632	727	588	667	609	663
4,020	4,361	4,296	3,727	3,847	3,671
523	1,450	721	449	499	555
-	-	-	-	-	1,151
22	50	35	28	29	34
<u>9,731</u>	<u>11,144</u>	<u>9,861</u>	<u>8,839</u>	<u>8,852</u>	<u>9,920</u>
6,556	6,122	6,479	6,208	6,071	5,952
496	363	364	391	405	388
1,060	1,113	1,134	1,134	1,092	999
883	1,032	1,042	988	967	842
270	191	185	172	149	120
512	1,635	504	301	253	240
<u>9,777</u>	<u>10,456</u>	<u>9,708</u>	<u>9,194</u>	<u>8,937</u>	<u>8,541</u>
<u>\$ (46)</u>	<u>\$ 688</u>	<u>\$ 153</u>	<u>\$ (355)</u>	<u>\$ (85)</u>	<u>\$ 1,379</u>

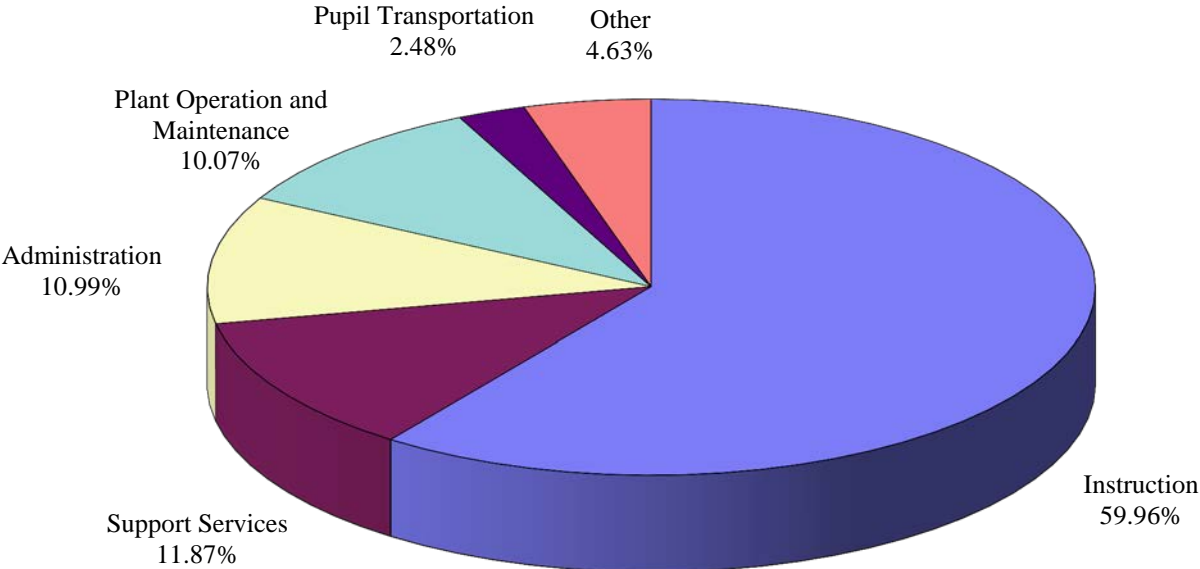
**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
GENERAL FUND RECEIPTS
Years Ended August 31,**



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



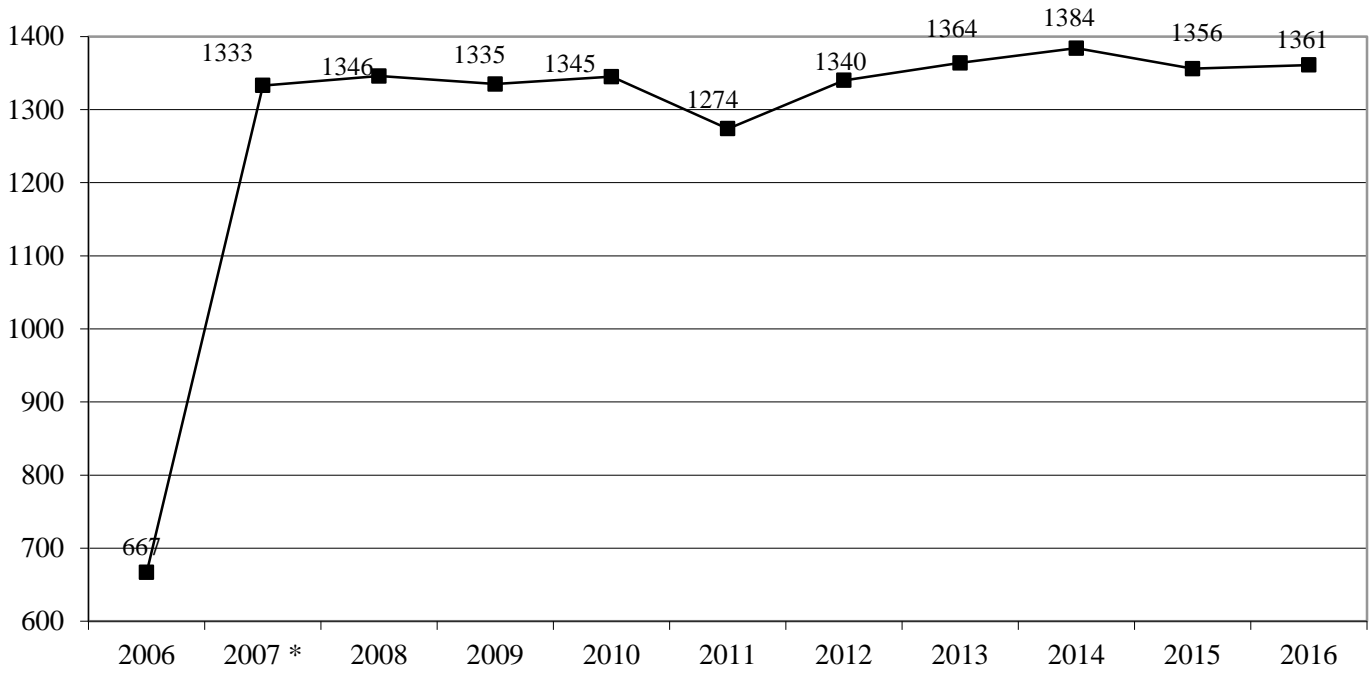
2016



2015

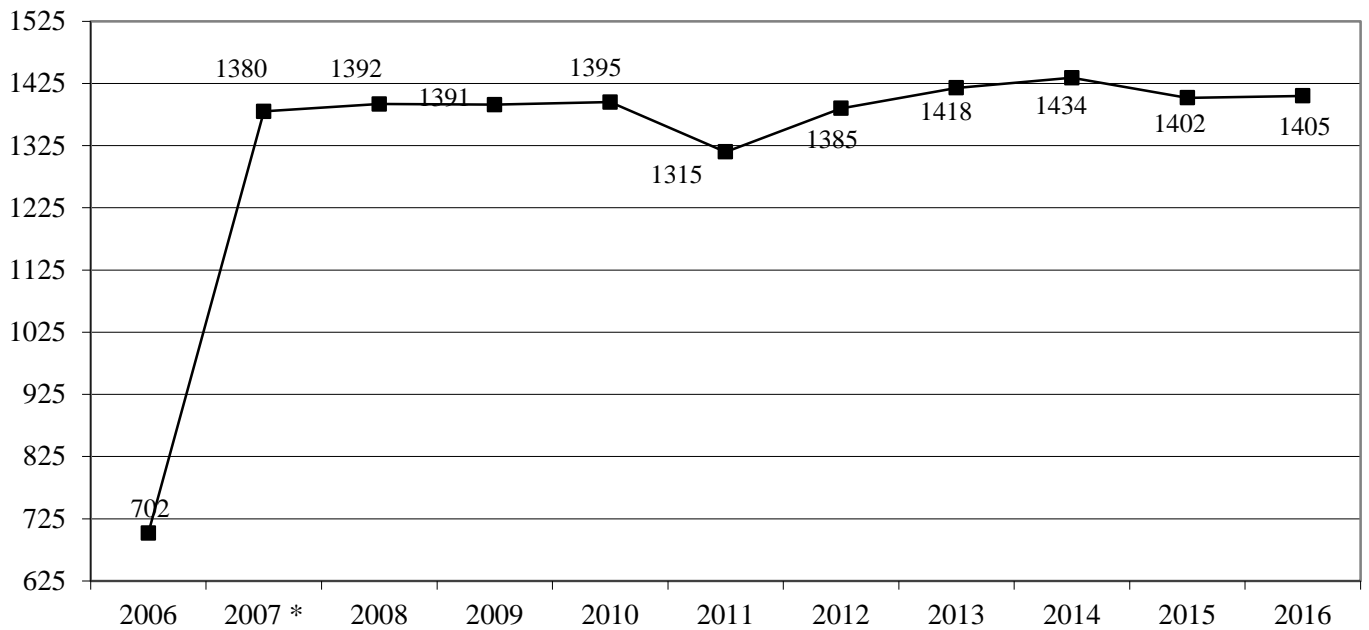
**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
Years Ended August 31, 2006 through 2016**

Average Daily Attendance



* Class I districts merged

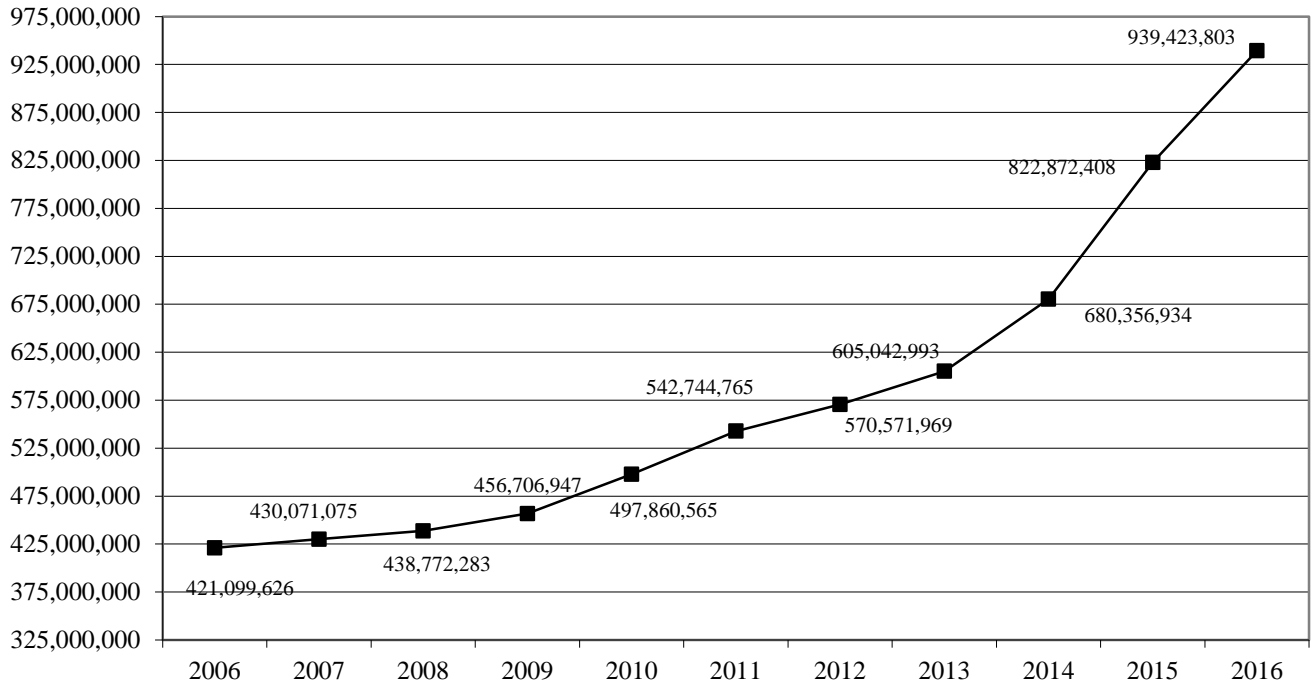
Average Daily Membership



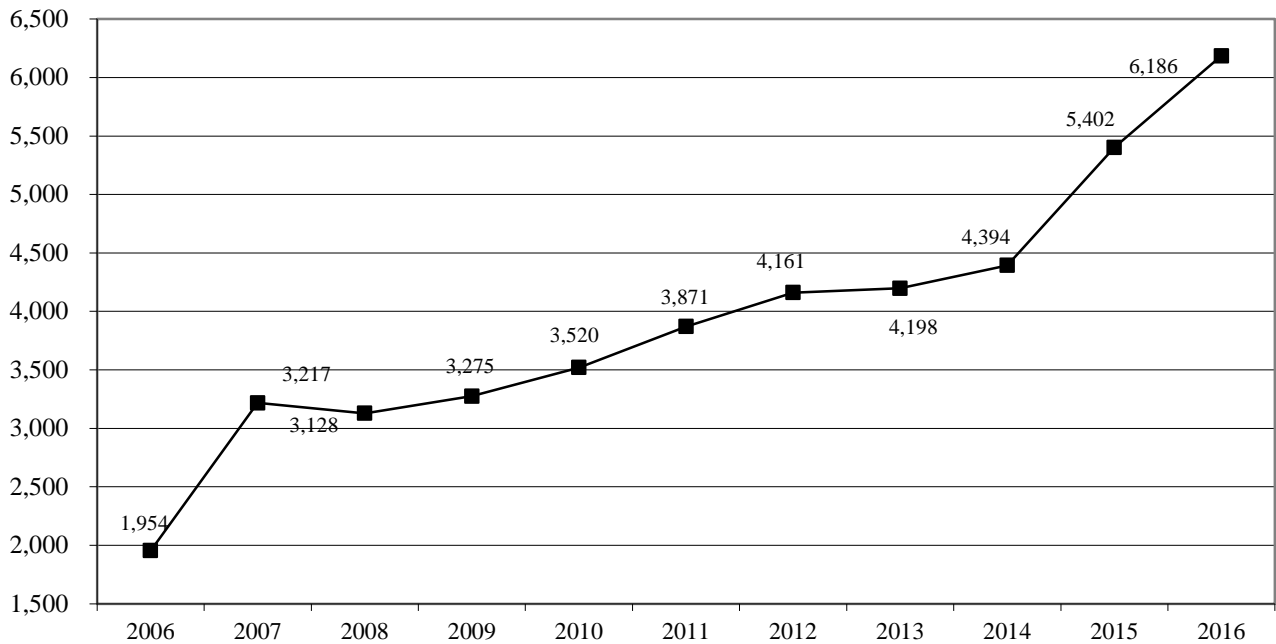
* Class I districts merged

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
Years Ended August 31, 2006 through 2016**

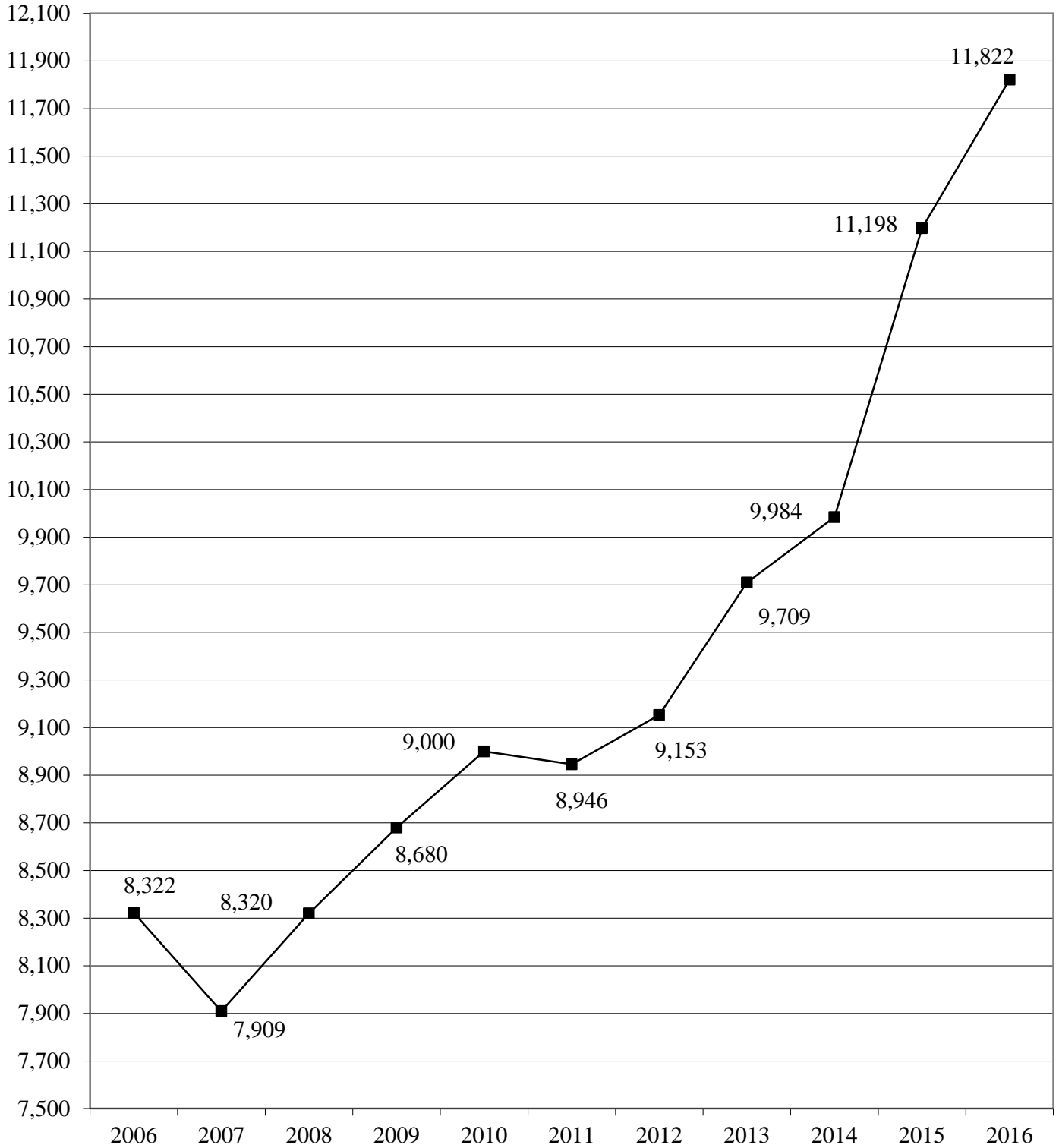
Assessed Value



Property Tax Per Student



**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
ANNUAL COST PER STUDENT
Years Ended August 31, 2006 through 2016**



SINGLE AUDIT REPORTS

**SCHOOL DISTRICT #82
NORTHWEST PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended August 31, 2016

<u>Federal Grantor and Program Title</u>	<u>Pass-Through Identifying Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>Department of Education</u>			
Passed Through Nebraska Department of Education:			
Special Education/IDEA Cluster:			
Special Education - Below Age Five (IDEA, Part B)	40-0082-000	84.027	\$ 257,324
IDEA Base Preschool	40-0082-000	84.173	4,373
Total Special Education/IDEA Cluster			261,697
Title IIA	40-0082-000	84.367	37,119
Carl Perkins Grant	40-0082-000	84.048	5,000
Title I	40-0082-000	84.010	172,033 *
Total Passed Through Nebraska Department of Education			475,849
Passed through Educational Service Unit #10:			
Carl Perkins Grant	40-0082-000	84.048	3,427
Total Department of Education			479,276
<u>Department of Agriculture</u>			
Passed Through State Department of Education:			
National School Lunch Program	40-0082-000	10.555	203,156
Passed Through State Department of Health and Human Services:			
Food Donation Program (note B)	47-0481635	10.555	31,004
Total CFDA Number 10.555			234,160 *
Passed Through State Department of Education:			
Fresh Fruit and Vegetable Program	40-0082-000	10.582	5,100
Total Department of Agriculture			239,260
<u>Department of Health and Human Services</u>			
Passed Through State Department of Health and Human Services:			
Medical Assistance Program	47-0481635	93.778	44,945
Total Expenditures of Federal Awards			\$ 763,481

*Major Program

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of School District No. 82 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

The School District did not elect to use the 10% de minimis indirect cost rate.

NOTE B - FOOD DONATION PROGRAM

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



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

SHAREHOLDERS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the fiduciary funds of School District #82 as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the School District's financial statements, and have issued our report thereon dated October 5, 2016. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the School District prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of Nebraska, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered School District #82's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of School District #82's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the

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entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2016-001 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether School District #82's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2016-002.

School District #82's Response to Findings

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

Purpose of this Report

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

Armquist, Malthalm,
Galloway & Luth, P.C.

Grand Island, Nebraska
October 5, 2016



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

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

SHAREHOLDERS

Robert D. Almquist
Phillip D. Maltzahn
Terry T. Galloway
Marcy J. Luth
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Joseph P. Stump

Report on Compliance for Each Major Federal Program

We have audited School District #82's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2016. School District #82's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of School District #82's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of School District #82's compliance.

Opinion on Each Major Federal Program

In our opinion, School District #82 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2016.

Report on Internal Control over Compliance

Management of School District #82 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Amquist, Malthalm,
Galloway & Luth, PC

Grand Island, Nebraska
October 5, 2016

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended August 31, 2016

1. A summary of auditor's results:
 - (i) Unmodified opinions were issued on all opinion units of School District #82 as of August 31, 2016 and for the year then ended.
 - (ii) One significant deficiency disclosed during the audit of the financial statements is reported in the "Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." The condition is not reported as a material weakness.
 - (iii) The audit disclosed one instance of noncompliance which is material to the financial statements of School District #82.
 - (iv) The audit did not disclose any significant deficiencies in the internal control over major programs for School District #82.
 - (v) An unmodified opinion was issued on compliance for major programs.
 - (vi) The audit did not disclose any audit findings which we are required to report under 2 CFR section 200.516(a).
 - (vii) Major Programs: #84.010 – Title I and #10.555 – National School Lunch Program.
 - (viii) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
 - (ix) School District #82 did not qualify as a low-risk auditee.
2. Findings relating to the financial statements which are required to be reported in accordance with GAGAS:
 - 2016-001 Due to a limited number of personnel, there is not adequate segregation of duties to ensure internal control over cash receipts, disbursements, and recording of transactions.
Management's Response – It is impractical to further segregate duties due to the limited number of accounting personnel.
 - 2016-002 Actual disbursements for the year ended August 31, 2016, exceeded budgeted appropriations by \$50,266 in the Qualified Capital Purpose Undertaking Fund.
Management's Response – Expenditures will be monitored in the future and the District's budget will be amended if needed.
3. Findings and questioned costs for Federal awards which shall include audit findings as defined in 2 CFR section 200.516(a).

None

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended August 31, 2016

Program

Findings for the year ended August 31, 2015

There were no prior audit findings.