

**HALL COUNTY SCHOOL DISTRICT #2  
(GRAND ISLAND PUBLIC SCHOOLS)  
GRAND ISLAND, NEBRASKA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**August 31, 2019**

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**INDEPENDENT AUDITOR’S REPORT**

Board of Education  
 Hall County School District #2  
 Grand Island, Nebraska

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hall County School District #2 as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the financial statements of the School District’s primary government as listed in the table of contents.

**Management’s Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 modified cash basis financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hall County School District #2, as of August 31, 2019, and the respective changes in financial position, thereof for the year then ended in accordance with the basis of accounting described in Note A.

### **Basis of Accounting**

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

### **Emphasis of Matter**

As discussed in Note A, the financial statements referred to above include only the primary government of the Hall County School District #2, which consists of all funds, organizations institutions, agencies, departments, and offices that comprise the School District's legal entity. These primary government financial statements do not include financial data for the School District's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the School District's primary government. As a result, the primary government financial statements do not purport to and do not present fairly the financial position of the reporting entity of the Hall County School District #2, as of August 31, 2019, the changes in its financial position or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

We are currently auditing, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of the Grand Island Education Foundation Inc., as of and for the year ended August 31, 2019. Our report is expected to be issued during November 2019.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hall County School District #2'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, 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 statement of receipts and disbursements and the comparative statistical data and graphs 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 28, 2019, on our consideration of Hall County School District #2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Hall County School District #2's internal control over financial reporting and compliance.

AMGLI P.C.

Grand Island, Nebraska  
October 28, 2019

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For The Year Ended August 31, 2019**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of Grand Island Public Schools' annual financial report presents management's discussion and analysis (MD&A) of the District's financial performance during the fiscal year ended August 31, 2019. Please read the MD&A in combination with the entire financial report, which immediately follows this section. For information on the Grand Island Education Foundation, Inc. component unit excluded from these financial statements, please see the separate audit report for the Foundation.

**FINANCIAL HIGHLIGHTS**

- The District decreased its governmental funds cash reserves by \$11.8 million, with the Special Building Fund cash reserves making up \$8.2 million of the decrease, the General Fund making up \$0.9 million of the decrease, the Depreciation Fund making up \$1.3 million of the decrease, and the Qualified Capital Purpose Undertaking Fund making up \$1.6 million of the decrease.
- General Fund revenues were \$110.4 million, \$0.9 million less than expenses.
- General Fund operational costs were \$111.3 million, a 7.6 percent increase, primarily due to increased spending for building and grounds and facility improvements.
- Major capital improvement projects were completed to further ensure viable, clean, safe and secure facilities:
  - Install fire sprinkler system at Wyandotte Learning Center
  - Upgraded fire alarm system at Wasmer Elementary School, Early Learning Center, and Indra House
  - Invested \$400,000 in new kitchen equipment at various locations across the District as phase two of three.
  - Update ADA parking ramp at Newell Elementary School
  - Replace wood frame windows in office area of Howard Elementary School
  - Sanded and refinished east gym floor at Grand Island Senior High School
  - Improvements to Grand Island Senior High School campus due to College Street Closure reconfiguration

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

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- During the 2018-2019 school year construction on the seven projects included in the \$69.9 million September 9, 2014 bond issue were completed as follows:
  - Engleman Elementary School Addition – Completed prior to FY16-17
  - Shoemaker Elementary School — Additions and renovations – Completed prior to FY16-17
  - Starr Elementary School — All new construction – Completed prior to FY17-18
  - Barr Middle School — Additions and renovations – Completed prior to FY17-18
  - GISH 100 Wing Renovation — Completed Phase I, Phase II & III – Completed
  - Jeffersen Elementary — All new construction – Completed and opened on schedule for FY19-20 school year
  - Stolley Park Elementary — All new construction – Completed and opened on schedule for FY19-20 school year
  
- Major additional capital investment in both new and renovated spaces currently under design and development include but are not limited to:
  - Memorial Stadium replacement and renovation is construction in process
  - Career Pathways Institute addition and renovation completed and opened on schedule for the FY19-20 school year
  - Grand Island Senior High School (Academies of Grand Island Senior High School) renovation(s) completed and opened on schedule for the FY19-20 school year
  - Lease hold improvements for specific Academies of Grand Island Senior High School at other possible locations to be determined and ongoing
  
- Grand Island Public Schools student enrollment increased from the prior year. The official (October 1 Snapshot) pre-kindergarten through twelfth grade student count of 9,894, up from 9,695 in 2017, represents a 2.05 percent increase from the prior year with a three-year enrollment increase of 3.85 percent.

**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.



**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

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- 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.
- *Proprietary funds* 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 custodian 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, 2019 than it was the year before, increasing 7.2 percent to \$100.6 million. This improvement in the District's financial position came primarily from its governmental activities, the net position of which increased \$6.6 million to \$96.8 million. The net position of the District's business-type activities also increased \$0.2 million to \$3.8 million.

A summary of the District's assets, liabilities, and net position follows:

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

	August 31, <u>2019</u>	August 31, <u>2018</u>	Increase (Decrease)
<b>Assets:</b>			
Current assets	\$ 48,715,714	\$ 61,411,671	\$ (12,695,957)
Capital assets	<u>146,196,545</u>	<u>129,702,510</u>	<u>16,494,035</u>
Total assets	<u>194,912,259</u>	<u>191,114,181</u>	<u>3,798,078</u>
<b>Liabilities:</b>			
Current liabilities	3,502,288	3,259,224	243,064
Long-term liabilities	<u>90,821,613</u>	<u>94,017,901</u>	<u>(3,196,288)</u>
Total liabilities	<u>94,323,901</u>	<u>97,277,125</u>	<u>(2,953,224)</u>
<b>Net position:</b>			
Net investment in capital assets	51,872,644	32,425,385	19,447,259
<b>Restricted for:</b>			
Debt service	6,929,920	6,733,980	195,940
Building additions/ improvements	4,621,565	12,852,304	(8,230,739)
Qualified capital purposes	2,108,004	3,670,008	(1,562,004)
Capital outlay	-	409,000	(409,000)
Unrestricted	<u>35,056,225</u>	<u>37,746,379</u>	<u>(2,690,154)</u>
Total net position	<u>\$ 100,588,358</u>	<u>\$ 93,837,056</u>	<u>\$ 6,751,302</u>

**Governmental Activities**

Revenues for the District's governmental activities were \$139.8 million, while total expenses were \$133.3 million. The increase in net position for governmental activities was \$6.6 million in 2019.

The decrease in cash reserves for the year ended August 31, 2019 was due primarily to the Special Building Fund having capital outlay expenditures that exceeded current year receipts. Cash reserves for the Special Building Fund decreased \$8.2 million.

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

**Governmental Activities, continued**

Strong economic growth, as measured by investment in real estate and building, coupled with aggressive reassessment practices, led to a 4.5 percent increase in property valuation. This contributed in General Fund tax asking increasing \$1.4 million (4.5 percent).

The cost of all governmental activities this year was \$133.3 million. Federal and State governments subsidized certain programs with grants and contributions (\$17.1 million). Most of the District's costs (\$96.3 million), however, were financed by District and State taxpayers. This portion of governmental activities was financed with \$45.3 million in property taxes and \$55.4 million of unrestricted State Aid based on the Statewide Education Aid Formula.

A comparison of governmental activities' receipts and expenses follows:

	Years Ended August 31,		Increase (Decrease)
	2019	2018	
<b>Receipts:</b>			
Charges for services	\$ 14,252,211	\$ 14,506,104	\$ (253,893)
Operating grants	17,072,160	14,126,766	2,945,394
Capital grants	5,578,077	74,467	5,503,610
Property and other taxes	45,252,041	43,181,595	2,070,446
State aid	55,430,336	54,551,630	878,706
Investment income	561,675	446,841	114,834
Other	1,695,300	2,420,748	(725,448)
Total receipts	139,841,800	129,308,151	10,533,649
<b>Expenses:</b>			
Instruction	70,629,173	71,054,787	(425,614)
Support services:			
Pupils	2,350,870	2,782,258	(431,388)
Special education	3,044,085	-	3,044,085
Staff	3,708,119	2,761,572	946,547
General Administration	894,230	2,110,987	(1,216,757)
School Administration	4,854,765	4,311,881	542,884
Business	1,909,021	411,331	1,497,690
Building and grounds	9,667,338	8,734,585	932,753
Pupil transportation	630,976	705,137	(74,161)
State categorical programs	631,825	681,764	(49,939)
Federal programs	6,929,712	7,283,866	(354,154)
Activity Fund support	267,000	250,000	17,000
CNSSP program	16,327,424	16,497,828	(170,404)
Interest expense	4,020,951	4,220,228	(199,277)
Depreciation	7,400,815	4,311,988	3,088,827
Total expenses	133,266,304	126,118,212	7,148,092
Increase in net position	\$ 6,575,496	\$ 3,189,939	\$ 3,385,557

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

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**Business-type Activities**

Revenues of the District's business-type activities decreased 1.5 percent to \$6.0 million, and expenses increased 5.7 percent to \$5.9 million.

Food services revenues exceeded expenses by \$0.2 million.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds reported combined fund balances of \$47.6 million, \$11.8 million less than last year's ending fund balances of \$59.4 million.

The General Fund had \$0.9 million less revenues than expenditures for the year. The Special Building Fund had \$8.2 million more expenditures than revenues for the year, accounting for most of the decrease in governmental fund balances.

The business-type activities expenses exceeded revenue due primarily to \$1.6 million of capital outlay. In addition to the district-wide financial statements, food services are reported in greater detail in the proprietary funds statements.

**General Fund Budgetary Highlights**

The District's budget for the General Fund anticipated that expenditures would equal revenues. Actual expenditures exceeded revenue by \$0.9 million for the year. Actual revenues were \$15.7 million lower than expected. The actual expenditures were \$14.8 million below budget, due primarily to a \$14.0 million favorable variance in regular instructional services.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of 2019, the District had invested \$245.0 million in a broad range of capital assets, including land, buildings, athletic/sports facilities and computer and audio-visual equipment. The net book value after depreciation was \$146.2 million at August 31, 2019.

The amount represents a net increase of \$16.5 million or 12.7 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 \$7.5 million, while building improvements and additions to equipment and furniture amounted to \$24.7 million, and basis remaining on capital asset disposals was \$0.7 million.

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

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**Capital Assets, continued**

Construction in progress totaled \$7.4 million at August 31, 2019. This balance consists entirely of costs incurred on the Grand Island Senior High (GISH) stadium project.

**Long-term Debt**

At year end, the District had \$94.3 million (principal only) in General Obligation Bonds and other debt outstanding – a decrease of 3.0 percent from last year – as shown in the table below. (More detailed information about the District’s long-term liabilities is presented in Note F to the financial statements.)

<u>Fund</u>	Balance at <u>8/31/2019</u>	Balance at <u>8/31/2018</u>	\$ Change Increase <u>(Decrease)</u>	% Change Increase <u>(Decrease)</u>
General	\$ 197,901	\$ 298,125	\$ (100,224)	(33.6) %
Bond	86,300,000	88,685,000	(2,385,000)	(2.7)
Qualified	<u>7,165,000</u>	<u>7,885,000</u>	<u>(720,000)</u>	(9.1)
Total governmental	<u>\$ 93,662,901</u>	<u>\$ 96,868,125</u>	<u>\$ (3,205,224)</u>	(3.3)
Nutrition	<u>\$ 661,000</u>	<u>\$ 409,000</u>	<u>\$ 252,000</u>	61.6

**FACTORS BEARING ON THE DISTRICT’S FUTURE**

- The District will continue to pay for improvements to facilities through the use of the Special Building Fund, Qualified Capital Purpose Fund, and General Fund, along with the appropriate use of near-term and long-term debt instruments and/or lease purchase arrangements.
- The end of fiscal year 2019 marked the end of a one-year agreement with the District’s recognized local teachers union, the Grand Island Education Association (GIEA). A new negotiated agreement was reached during the 2018-2019 fiscal year for the 2019-2020 fiscal year.
- The City of Grand Island continues to annex land in response to economic growth within the community of Grand Island. In large measure, Grand Island Public Schools’ boundaries follow the City of Grand Island’s boundaries. However, the Grand Island Public Schools are mandated by State law to meet and negotiate in good faith over several specific factors with other Districts that are affected by the annexation process. When annexation occur, this process is ongoing with Hall County School District 40-0082-000

**HALL COUNTY SCHOOL DISTRICT #2 (Grand Island Public Schools)  
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2019**

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dba Northwest Public Schools, a Class III school district that lies, in part, within Grand Island Public Schools’ boundaries.

- The District realized increased revenue from state aid and a 4.5 percent valuation growth. However, that revenue growth along with other revenue increases were just enough to cover increased cost due to the impact of negotiated salaries, health care including PPACA, additional staffing needs due to enrollment growth and programming needs, and general inflationary trends.
- Tax Increment Financing (TIF) projects are becoming more frequent and larger within the Grand Island community (\$30+ million for a new hospital). The impact on the District is both positive and negative in the near and long term. Grand Island Public Schools will continue to seek understanding and express our concerns regarding the use of TIF for residential projects that place additional burden on the District’s resources.

**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:

Mr. Virgil D. Harden, MBA, SFO  
Chief Financial Officer

Grand Island Public Schools  
123 South Webb Road  
P.O. Box 4904  
Grand Island, NE 68802-4904

(308) 385-5900 x144  
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**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (notes A6 and C)	\$ 24,396,573	\$ 1,151,274	\$ 25,547,847
Cash restricted for building projects (note C)	4,533,498	-	4,533,498
Cash restricted for debt service (note C)	5,221,470	-	5,221,470
Cash restricted for qualified capital purpose undertakings (note C)	1,843,254	-	1,843,254
Cash with County Treasurers (note D)	11,569,645	-	11,569,645
Total current assets	47,564,440	1,151,274	48,715,714
Noncurrent assets:			
Capital assets (notes A5 and E):			
Land	3,255,200	-	3,255,200
Construction in progress	7,396,372	-	7,396,372
Buildings	208,573,340	3,223,304	211,796,644
Furniture and equipment	20,013,324	2,490,061	22,503,385
Less: Accumulated depreciation	(96,328,984)	(2,426,072)	(98,755,056)
Net capital assets	142,909,252	3,287,293	146,196,545
<b>Total assets</b>	190,473,692	4,438,567	194,912,259
<b>LIABILITIES</b>			
Current liabilities:			
Long-term debt due within one year (note F):			
Capital lease payable	102,288	-	102,288
Certificates of participation	-	100,000	100,000
Limited tax obligation bonds payable	730,000	-	730,000
General obligation bonds payable	2,570,000	-	2,570,000
Total current liabilities	3,402,288	100,000	3,502,288
Long-term liabilities, net of current portion (note F):			
Capital lease payable	95,613	-	95,613
Certificates of participation	-	561,000	561,000
Limited tax obligation bonds payable	6,435,000	-	6,435,000
General obligation bonds payable	83,730,000	-	83,730,000
Total long-term liabilities	90,260,613	561,000	90,821,613
<b>Total liabilities</b>	93,662,901	661,000	94,323,901
<b>NET POSITION</b>			
Net investment in capital assets	49,246,351	2,626,293	51,872,644
Restricted for:			
Debt service	6,929,920	-	6,929,920
Building additions/improvements	4,621,565	-	4,621,565
Qualified capital purposes	2,108,004	-	2,108,004
Unrestricted	33,904,951	1,151,274	35,056,225
<b>Total net position</b>	\$ 96,810,791	\$ 3,777,567	\$ 100,588,358

See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

**For the year ended August 31, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Receipts Operating Grants and Contributions</u>
<b>Primary government:</b>			
<b>Governmental activities:</b>			
Instruction	\$ 70,629,173	\$ -	\$ 6,122,216
Support services:			
Pupils	2,350,870	-	-
Special education	3,044,085	-	-
Staff	3,708,119	-	-
General administration	894,230	-	-
School administration	4,854,765	-	-
Business	1,909,021	-	-
Building and grounds	9,667,338	-	-
Pupil transportation	630,976	-	168,306
State categorical programs	631,825	-	644,671
Federal programs	6,929,712	-	8,240,364
Activity Fund support	267,000	-	-
CNSSP program	16,327,424	14,252,211	1,896,603
Interest on long-term debt	4,020,951	-	-
Depreciation - unallocated	7,400,815	-	-
	133,266,304	14,252,211	17,072,160
<b>Business-type activities:</b>			
Nutrition services	5,759,364	1,245,688	4,765,390
Depreciation	91,436	-	-
Total business-type activities	5,850,800	1,245,688	4,765,390
<b>Total primary government</b>	<b>\$ 139,117,104</b>	<b>\$ 15,497,899</b>	<b>\$ 21,837,550</b>

See notes to financial statements.



Capital Grants and Contributions	Net (Expenses) Receipts and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (64,506,957)		\$ (64,506,957)
-	(2,350,870)		(2,350,870)
-	(3,044,085)		(3,044,085)
-	(3,708,119)		(3,708,119)
-	(894,230)		(894,230)
-	(4,854,765)		(4,854,765)
-	(1,909,021)		(1,909,021)
5,578,077	(4,089,261)		(4,089,261)
-	(462,670)		(462,670)
-	12,846		12,846
-	1,310,652		1,310,652
-	(267,000)		(267,000)
-	(178,610)		(178,610)
-	(4,020,951)		(4,020,951)
-	(7,400,815)		(7,400,815)
5,578,077	(96,363,856)		(96,363,856)
-	-	\$ 251,714	251,714
-	-	(91,436)	(91,436)
-	-	160,278	160,278
\$ 5,578,077	(96,363,856)	160,278	(96,203,578)
General receipts:			
Taxes:			
Property	39,656,638	-	39,656,638
Motor vehicle	3,895,838	-	3,895,838
Other taxes	1,699,565	-	1,699,565
Fines and licenses	719,078	-	719,078
State aid	55,430,336	-	55,430,336
State apportionment	1,322,389	-	1,322,389
Investment income	561,675	15,043	576,718
Loss on disposal of assets	(396,167)	-	(396,167)
Other	50,000	485	50,485
Total general receipts	102,939,352	15,528	102,954,880
Change in net position	6,575,496	175,806	6,751,302
Net position - August 31, 2018			
As previously reported	94,859,554	3,601,761	98,461,315
Restatement	(4,624,259)	-	(4,624,259)
As restated	90,235,295	3,601,761	93,837,056
Net position - August 31, 2019	\$ 96,810,791	\$ 3,777,567	\$ 100,588,358

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

	<u>General Fund</u>	<u>Depreciation Fund</u>	<u>Bond Fund</u>
<b>ASSETS</b>			
Cash and investments	\$ 17,027,489	\$ 2,450,148	\$ 5,221,470
Cash with County Treasurers	<u>9,508,378</u>	<u>-</u>	<u>1,708,450</u>
<b>Total assets</b>	<b><u><u>\$ 26,535,867</u></u></b>	<b><u><u>\$ 2,450,148</u></u></b>	<b><u><u>\$ 6,929,920</u></u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities	\$ -	\$ -	\$ -
Fund balances:			
Restricted for:			
Debt service	-	-	6,929,920
Building additions/improvements	-	-	-
Qualified capital purposes	-	-	-
Assigned for:			
Capital outlay	-	2,450,148	-
Employee benefits	-	-	-
Contingencies	-	-	-
CNSSP	-	-	-
Unassigned	<u>26,535,867</u>	<u>-</u>	<u>-</u>
Total fund balances	<u><u>26,535,867</u></u>	<u><u>2,450,148</u></u>	<u><u>6,929,920</u></u>
<b>Total liabilities and fund balances</b>	<b><u><u>\$ 26,535,867</u></u></b>	<b><u><u>\$ 2,450,148</u></u></b>	<b><u><u>\$ 6,929,920</u></u></b>

See notes to financial statements.

Special Building <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>	Cooperative <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
\$ 4,533,498	\$ 1,843,254	\$ 807,128	\$ 4,111,808	\$ 35,994,795
88,067	264,750	-	-	11,569,645
<u>\$ 4,621,565</u>	<u>\$ 2,108,004</u>	<u>\$ 807,128</u>	<u>\$ 4,111,808</u>	<u>\$ 47,564,440</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	6,929,920
4,621,565	-	-	-	4,621,565
-	2,108,004	-	-	2,108,004
-	-	-	-	2,450,148
-	-	-	3,063,636	3,063,636
-	-	-	1,048,172	1,048,172
-	-	807,128	-	807,128
-	-	-	-	26,535,867
<u>4,621,565</u>	<u>2,108,004</u>	<u>807,128</u>	<u>4,111,808</u>	<u>47,564,440</u>
<u>\$ 4,621,565</u>	<u>\$ 2,108,004</u>	<u>\$ 807,128</u>	<u>\$ 4,111,808</u>	<u>\$ 47,564,440</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

**Total fund balances - governmental funds** \$ 47,564,440

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$239,238,236, and the accumulated depreciation is \$96,328,984. 142,909,252

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:

Capital leases payable	\$ (197,901)	
Limited tax obligation bonds payable	(7,165,000)	
General obligation bonds payable	<u>(86,300,000)</u>	<u>(93,662,901)</u>

**Total net position - governmental activities** \$ 96,810,791

See notes to financial statements.

**GRAND ISLAND 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, 2019**

	<u>General Fund</u>	<u>Depreciation Fund</u>	<u>Bond Fund</u>
<b>RECEIPTS</b>			
Taxes:			
Property	\$ 30,985,385	\$ -	\$ 5,821,139
Motor vehicle	3,895,838	-	-
Homestead exemption	1,264,402	-	237,293
Pro-rate motor vehicle	98,879	-	18,947
Carline	22,084	-	4,151
Property tax credit	1,222,934	-	228,192
Personal property tax credit	120,251	-	22,443
Nameplate capacity tax	391	-	74
Fines and licenses	731,748	-	-
Tuition	-	-	-
State aid and grants	63,335,464	-	-
Federal grants	8,572,818	-	-
Investment income	77,773	25,843	94,805
Donations	72,000	-	-
Transfers from other funds	-	241,901	-
Other	50,000	-	-
Total receipts	<u>110,449,967</u>	<u>267,744</u>	<u>6,427,044</u>
<b>DISBURSEMENTS</b>			
Instruction	59,923,896	-	-
Special education	11,627,996	-	-
Support services:			
Pupils	2,361,370	-	-
Special education	3,033,586	-	-
Staff	3,713,861	-	-
General administration	894,230	-	-
School administration	4,854,765	-	-
Business	2,181,628	-	-
Building and grounds	13,109,018	-	-
Pupil transportation	630,976	-	-
State categorical programs	631,825	-	-
Federal programs	6,973,782	-	-
Transfer to other funds	267,000	-	-
Capital outlay	1,129,438	1,539,290	-
Debt service			
Principal	-	-	2,385,000
Interest	-	-	3,844,704
CNSSP expenditures	-	-	-
Other	-	-	1,400
Total disbursements	<u>111,333,371</u>	<u>1,539,290</u>	<u>6,231,104</u>
<b>Excess (deficiency) of receipts     over disbursements</b>	(883,404)	(1,271,546)	195,940
Fund balances - August 31, 2018	<u>27,419,271</u>	<u>3,721,694</u>	<u>6,733,980</u>
Fund balances - August 31, 2019	<u>\$ 26,535,867</u>	<u>\$ 2,450,148</u>	<u>\$ 6,929,920</u>

See notes to financial statements.

Special Building Fund	Qualified Capital Purpose Fund	Cooperative Fund	Other Governmental Funds	Eliminations	Total Governmental Funds
\$ 297,922	\$ 894,043	\$ -	\$ -	\$ -	\$ 37,998,489
-	-	-	-	-	3,895,838
12,158	36,517	-	-	-	1,550,370
951	2,852	-	-	-	121,629
212	637	-	-	-	27,084
11,759	35,277	-	-	-	1,498,162
1,156	3,469	-	-	-	147,319
4	11	-	-	-	480
-	-	-	-	-	731,748
-	-	14,252,211	-	-	14,252,211
-	-	-	-	-	63,335,464
-	-	1,896,603	-	(1,896,603)	8,572,818
216,584	50,814	-	95,857	-	561,676
5,211,120	-	-	-	-	5,283,120
-	-	-	-	(241,901)	-
-	-	-	-	-	50,000
<u>5,751,866</u>	<u>1,023,620</u>	<u>16,148,814</u>	<u>95,857</u>	<u>(2,138,504)</u>	<u>138,026,408</u>
-	-	-	6,516	(241,901)	59,688,511
-	-	-	-	-	11,627,996
-	-	-	-	-	2,361,370
-	-	-	-	-	3,033,586
-	-	-	-	-	3,713,861
-	-	-	-	-	894,230
-	-	-	-	-	4,854,765
-	-	-	-	-	2,181,628
-	-	-	-	-	13,109,018
-	-	-	-	-	630,976
-	-	-	-	-	631,825
-	-	-	-	(1,896,603)	5,077,179
-	-	-	-	-	267,000
13,982,605	1,690,776	-	-	-	18,342,109
-	720,000	-	-	-	3,105,000
-	174,048	-	-	-	4,018,752
-	-	16,327,424	-	-	16,327,424
-	800	-	-	-	2,200
<u>13,982,605</u>	<u>2,585,624</u>	<u>16,327,424</u>	<u>6,516</u>	<u>(2,138,504)</u>	<u>149,867,430</u>
(8,230,739)	(1,562,004)	(178,610)	89,341	\$ -	(11,841,022)
<u>12,852,304</u>	<u>3,670,008</u>	<u>985,738</u>	<u>4,022,467</u>		<u>59,405,462</u>
<u>\$ 4,621,565</u>	<u>\$ 2,108,004</u>	<u>\$ 807,128</u>	<u>\$ 4,111,808</u>		<u>\$ 47,564,440</u>

**GRAND ISLAND 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, 2019**

<b>Total net change in fund balances - governmental funds</b>	<b>\$ (11,841,022)</b>
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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 expenditures.

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 (\$23,347,278) exceeded depreciation expense (\$7,400,816) during the period.

15,946,462

Basis remaining on disposed capital assets does not impact the governmental fund financial statements. However, the basis remaining on disposed assets reduces sales proceeds on the statement of activities.

(735,168)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Principal payments consist of:

Capital leases	\$ 100,224	
Limited tax obligation bonds	720,000	
General obligation bonds	2,385,000	
	3,205,224	3,205,224

<b>Change in net position of governmental activities</b>	<b>\$ <u>6,575,496</u></b>
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See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

	<b><u>Nutrition Fund</u></b>
<b>ASSETS</b>	
Cash	\$ 1,151,274
<b>LIABILITIES</b>	<u>-</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 1,151,274</u></u>

See notes to financial statements.



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**RECONCILIATION OF THE STATEMENT OF NET POSITION - PROPRIETARY  
FUND TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

**August 31, 2019**

<b>Total net position - proprietary fund</b>	\$ 1,151,274
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Amounts reported for *business-type activities* in the statement of net position are different because:

Capital assets used in business-type activities are not financial resources and therefore are not reported as assets in proprietary funds. The cost of the assets is \$5,713,365, and the accumulated depreciation is \$2,426,072.	3,287,293
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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:

Certificates of participation	<u>(661,000)</u>
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<b>Total net position - business-type activities</b>	<u><u>\$ 3,777,567</u></u>
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See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**For the year ended August 31, 2019**

	<b><u>Nutrition Fund</u></b>
<b>Operating receipts:</b>	
Lunch sales	\$ 1,245,688
State sources	35,535
Federal sources	4,351,824
USDA commodities	378,032
Loan proceeds	327,000
Other	485
Total operating receipts	6,338,564
<b>Operating disbursements:</b>	
Salaries and employee benefits	2,534,063
Contracted services	132,126
Food and food service supplies	2,809,579
Capital outlay	1,584,643
Debt service	
Principal	75,000
Interest and fees	14,004
Other	59,127
Total operating disbursements	7,208,542
Operating disbursements in excess of receipts	(869,978)
<b>Nonoperating receipts:</b>	
Investment income	15,043
<b>Decrease in net position</b>	(854,935)
Net position - August 31, 2018	2,006,209
Net position - August 31, 2019	\$ 1,151,274

See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**RECONCILIATION OF THE STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**For the year ended August 31, 2019**

<b>Total increase in net position - proprietary fund</b>	\$ (854,935)
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Amounts reported for *business-type activities* in the statement of activities are different because:

Capital outlays are reported in proprietary fund as expenditures.

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 (\$1,374,177) exceeded depreciation expense (\$91,436) during the period.

1,282,741

Proceeds from the issuance of long-term debt are reported as revenue in the fund financial statements. However, issuance of long-term debt increases long-term liabilities in the statement of net position.

(327,000)

Repayment of long-term debt is an expenditure in the fund financial statements, but the repayment reduces long-term liabilities in the statement of net position. Principal payments consist of:

Certificates of participation

75,000

**Change in net position of business-type activities**

\$ 175,806

See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

	<b><u>Custodial Fund</u></b>
<b>ASSETS</b>	
Cash	\$ 1,797,111
<b>LIABILITIES</b>	
For the obligations of student activities	<u>1,797,111</u>
<b>NET POSITION</b>	<u><u>\$ -</u></u>

See notes to financial statements.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS**

**August 31, 2019**

**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

Grand Island Public Schools 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 the Grand Island Education Foundation, Inc. is a component unit.

The Grand Island Education Foundation, Inc. is a non-profit organization, which is engaged primarily in raising funds for extracurricular and academic purposes in the Grand Island area. Support is received primarily through contributions and fundraising programs. As a non-profit organization, the Grand Island Education Foundation, Inc. is exempt from income taxes in accordance with the Internal Revenue Code Section 501(c)(3). The Foundation exists exclusively for the benefit of the District. The component unit information has been excluded from these financial statements and may be obtained from separately audited financial statements, which are available by contacting the Grand Island Education Foundation, Inc.

2. Basis of Presentation

On September 1, 2002, the School District adopted the provisions of Statement No. 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.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

2. Basis of Presentation, continued

**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 16). 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.

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.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

2. Basis of Presentation, continued

**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. 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 custodial capacity for others and therefore cannot be used to support the School District's own programs. The Activity Fund is a fiduciary fund.

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*

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

3. Basis of Accounting/Measurement Focus, continued

*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 arise in the recording of capital assets, the recognition of depreciation, and the recording of long-term liabilities. Governmental fund financial statements therefore include 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.



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

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:** Accounts for taxes levied and other revenue specifically maintained for future building and equipment purchases.

**Depreciation Fund:** Set up for the replacement of capital assets.

**Bond Fund:** Accounts for the accumulation of resources for, and the payment of, principal, interest, and fiscal charges on general obligation long-term debt.

**Qualified Capital Purpose Fund:** Accounts for taxes levied and other revenue specifically maintained for hazard abatement and handicapped accessibility renovations.

**Cooperative Fund:** Accounts for the Central Nebraska Supportive Service Program, which provides special education services to Grand Island Public Schools and other participating school districts, and other cooperative agreements.

The other governmental funds include:

**Contingency Fund:** Set up to fund uninsured losses and legal fees incurred by the District for defense against possible losses.

**Employee Benefit Fund:** The Employee Benefit Fund is a reserve for unemployment claims.

**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:

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

4. Fund Types, continued

**Proprietary Funds, continued**

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

**Fiduciary Fund** – Fiduciary fund reporting focuses on net position and changes in net position. The District's fiduciary fund consists of the following:

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

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.

Proprietary fund capital assets result from expenditures in the Nutrition Fund. These assets are reported in the business-type activities column of the government-wide statement of net position, but are not reported in the fund financial statement of net position.

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.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

5. Capital Assets, continued

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	30
Furniture and Equipment (including vehicles and computer equipment)	5

6. Investments and Cash Pools

The District maintains an investment pool that is available for use by all funds. The pool consists of an interest-bearing sweep account and Wells Fargo money market funds. Each fund's equity in this pool is included in investments. The District also maintains a pooled checking account for the District's disbursements. Each fund's equity in this pool is included in cash. In addition, other cash and investments are separately held by the Bond Fund, Special Building Fund, Qualified Capital Purpose Undertaking Fund, Employee Benefit Fund, Contingency Fund, and Activity Fund.

Investments are carried at fair value. Fair value of the equity in the Nebraska School District Liquid Asset Fund Plus is the same as the value of the pool shares determined using the fair value of each pool's underlying investment portfolio.

Investment earnings include interest income and the net change for the year in the fair value of investments carried at fair value. Investment income earned in the pooled accounts is allocated to the participating funds in proportion to the average balances in each fund. Other investment income is assigned to the funds with which the related investment asset is associated.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

7. 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 are available.

8. 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 supplementary information presents budgets for the General Fund, Depreciation Fund, Bond Fund, Special Building Fund, Qualified Capital Purpose Undertaking Fund and Cooperative 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 expenditures 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.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE B – BUDGET PROCESS AND PROPERTY TAXES, continued**

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 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. One-half of the real estate taxes due January 1 become delinquent after the following May 1, with the second one-half becoming delinquent after September 1.

The assessed value at August 31, 2018, upon which the 2019 levy was based was \$3,243,539,584.

The tax levy per \$100 of assessed valuation of taxable property for the year ended August 31, 2019, was as follows:

General Fund	\$ 1.0400
Bond Fund	0.1940
Special Building Fund	0.0100
Qualified Capital Purpose Fund	<u>0.0300</u>
	<u>\$ 1.2740</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE C – CASH AND INVESTMENTS**

***Cash***

At August 31, 2019, the carrying value of the District's deposits was \$38,943,180 and the bank balance was \$41,327,971. 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.

As of August 31, 2019, all bank deposits were secured by FDIC coverage and pledged securities. All securities are held by the pledging financial institution, but not in the School District's name.

Cash for the School District at August 31, 2019 consisted of the following:

Cash on hand	\$ 13,096
Demand deposits	11,946,967
Wells Fargo interest-bearing sweep account	11,654,064
Total cash	<u><u>\$ 23,614,127</u></u>

***Investments***

For reporting purposes the School District's investments, which are carried at market value, consisted of the following at August 31, 2019:

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE C – CASH AND INVESTMENTS, continued**

*Investments, continued*

Nebraska Liquid Asset Fund:	
General Fund	\$ 4,443,166
Bond Fund	5,219,085
Contingency Fund	1,057,336
Employee Benefit Fund	3,116,424
Qualified Capital Purpose Undertaking Fund	1,492,181
Building Fund	861
Total investments	\$ 15,329,053

The Nebraska Liquid Asset Fund is similar in nature to an open-end mutual fund designed specifically for Nebraska school entities, investing only in those securities allowable for such entities under Nebraska Law; and, as such, is not considered a security for purposes of categorization of credit risk as provided in GASB Statement No. 3.

A portion of the Special Building Fund was invested in an NLAFF Managed Account during the year. The balance of the NLAFF Managed Account was \$0 at August 31, 2019. Investment income for the Special Building Fund consisted of the following for the year ended August 31, 2019:

Interest income	\$ 49,770
Managed account interest income	105,431
Realized loss on investments	(14,306)
Unrealized gain on investments	75,689
Total investment income	\$ 216,584

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE C – CASH AND INVESTMENTS, continued**

*Summary of Carrying Values*

The carrying values of cash and investments shown above are included in the fund financial statements at August 31, 2019, as follows:

Carrying value	
Cash	\$ 23,614,127
Investments	15,329,053
Cash and investments	<u>\$ 38,943,180</u>

Included in the following fund financial statements captions:

Statement of Net Position - Governmental Activities	
Cash and investments	\$ 24,396,573
Cash restricted for building projects	4,533,498
Cash restricted for debt service	5,221,470
Cash restricted for qualified capital purposes	1,843,254
Statement of Net Position - Business-type Activities	
Cash	1,151,274
Statement of Net Position - Fiduciary Funds	
Activity Fund - Cash	<u>1,797,111</u>
	<u>\$ 38,943,180</u>



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE D – FUNDS HELD BY COUNTY TREASURERS**

The following receipts were held by County Treasurers for the School District at August 31, 2019. The receipts were transferred subsequent to the fiscal year ended August 31, 2019.

General Fund	\$ 9,508,378
Bond Fund	1,708,450
Building Fund	88,067
Qualified Capital Purpose Fund	264,750
Total cash with County Treasurers at August 31, 2019	\$ 11,569,645

**NOTE E – CAPITAL ASSETS**

Capital asset balances and activity for the year ended August 31, 2019, were as follows:

	Balance August 31, <u>2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reclass</u>	Balance August 31, <u>2019</u>
<u>Governmental activities:</u>					
Capital assets not being depreciated:					
Land	\$ 3,190,462	\$ 64,738	\$ -	\$ -	\$ 3,255,200
Construction in progress	18,533,906	6,881,330	-	(18,018,864)	7,396,372
Capital assets being depreciated:					
Buildings	178,383,728	15,032,359	(2,861,611)	18,018,864	208,573,340
Furniture and equipment:					
Vehicles	3,146,656	-	-	-	3,146,656
Computer equipment	7,523,358	191,068	(159,388)	-	7,555,038
Equipment	8,783,098	1,177,783	(649,251)	-	9,311,630
Total furniture and equipment	19,453,112	1,368,851	(808,639)	-	20,013,324
Total capital assets	219,561,208	23,347,278	(3,670,250)	-	239,238,236
Less accumulated depreciation:					
Buildings	(75,953,316)	(5,962,202)	2,126,443	-	(79,789,075)
Furniture and equipment:					
Vehicles	(2,566,366)	(149,219)	-	-	(2,715,585)
Computer equipment	(5,585,142)	(714,857)	159,388	-	(6,140,611)
Equipment	(7,758,426)	(574,538)	649,251	-	(7,683,713)
Total furniture and equipment	(15,909,934)	(1,438,614)	808,639	-	(16,539,909)
Total accumulated depreciation	(91,863,250)	(7,400,816)	2,935,082	-	(96,328,984)
Net capital assets	\$ 127,697,958	\$ 15,946,462	\$ (735,168)	\$ -	\$ 142,909,252

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE E – CAPITAL ASSETS, continued**

Accumulated depreciation at August 31, 2018 was restated, increasing beginning of year accumulated depreciation \$4,624,259. See Note O for additional information on this restatement.

Included in governmental activities equipment are copiers under capital lease arrangements with a cost of \$501,329 and accumulated depreciation of \$350,931 at August 31, 2019.

Construction in progress at August 31, 2019, consists of \$7,396,372 on the GISH stadium project. Additional details on construction commitments are provided in Note M.

	Balance August 31, <u>2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance August 31, <u>2019</u>
<u>Business-type activities:</u>				
Capital assets being depreciated:				
Buildings	\$ 2,558,555	\$ 664,749	\$ -	\$ 3,223,304
Furniture and equipment:				
Vehicles	313,789	77,987	-	391,776
Computer equipment	97,244	-	-	97,244
Equipment	1,369,600	631,441	-	2,001,041
Total furniture and equipment	<u>1,780,633</u>	<u>709,428</u>	<u>-</u>	<u>2,490,061</u>
Total capital assets	4,339,188	1,374,177	-	5,713,365
Less accumulated depreciation:				
Buildings	(704,004)	(10,373)	-	(714,377)
Furniture and equipment:				
Vehicles	(313,789)	(7,799)	-	(321,588)
Computer equipment	(63,400)	-	-	(63,400)
Equipment	(1,253,443)	(73,264)	-	(1,326,707)
Total furniture and equipment	<u>(1,630,632)</u>	<u>(81,063)</u>	<u>-</u>	<u>(1,711,695)</u>
Total accumulated depreciation	<u>(2,334,636)</u>	<u>(91,436)</u>	<u>-</u>	<u>(2,426,072)</u>
Net capital assets	<u>\$ 2,004,552</u>	<u>\$ 1,282,741</u>	<u>\$ -</u>	<u>\$ 3,287,293</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES**

Long-term liability balances and activity for the year ended August 31, 2019, were as follows:

	Balance August 31, <u>2018</u>	<u>Proceeds</u>	<u>Principal Payments</u>	Balance August 31, <u>2019</u>	Due Within One <u>Year</u>
<u>Business-type activities:</u>					
Certificates of participation	\$ 409,000	\$ 327,000	\$ (75,000)	\$ 661,000	\$ 100,000
<u>Governmental activities:</u>					
Capital lease payable	\$ 298,125	\$ -	\$ (100,224)	\$ 197,901	\$ 102,288
Limited tax obligation bonds	7,885,000	-	(720,000)	7,165,000	730,000
General obligation bonds	88,685,000	-	(2,385,000)	86,300,000	2,570,000
Total governmental long-term liabilities	<u>\$ 96,868,125</u>	<u>\$ -</u>	<u>\$ (3,205,224)</u>	<u>\$ 93,662,901</u>	<u>\$ 3,402,288</u>

Payments on the capital lease payable are made by the General Fund. The general obligation bonds are paid by the Bond Fund. The limited tax obligation bonds are paid by the Qualified Capital Purpose Fund.

**Detail of the Nutrition Fund Certificates of Participation follows:**

Certificates of Participation – Series 2018:

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Central kitchen equipment

Amount: \$409,000

Dated: May 14, 2018

Interest Rate: 1.75 – 2.60%

Principal Due: December 15 and June 15, commencing December 15, 2018 through June 15, 2025.

Interest Due: December 15 and June 15, commencing December 15, 2018 through June 15, 2025.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the Nutrition Fund Certificates of Participation follows, continued:**

<u>Fiscal Year</u>	<u>Coupon Rate</u>	<u>-----December 15-----</u>		<u>-----June 15-----</u>		<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>		
							\$ 355,000
2019-2020	2.20%	\$ 28,000	\$ 4,331	\$ 28,000	\$ 4,023	\$ 64,354	299,000
2020-2021	2.20%	28,000	3,715	29,000	3,407	64,122	242,000
2021-2022	2.20-2.60%	29,000	3,088	29,000	2,769	63,857	184,000
2022-2023	2.60%	30,000	2,392	30,000	2,002	64,394	124,000
2023-2024	2.60%	30,000	1,612	31,000	1,222	63,834	63,000
2024-2025	2.60%	31,000	819	32,000	416	64,235	-
		<u>\$ 176,000</u>	<u>\$ 15,957</u>	<u>\$ 179,000</u>	<u>\$ 13,839</u>	<u>\$ 384,796</u>	

Certificates of Participation – Series 2018B:

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Central kitchen equipment

Amount: \$327,000

Dated: November 28, 2018

Interest Rate: 2.35 – 2.85%

Principal Due: December 15 and June 15, commencing June 15, 2019 through December 15, 2025.

Interest Due: December 15 and June 15, commencing June 15, 2019 through December 15, 2025.

<u>Fiscal Year</u>	<u>Coupon Rate</u>	<u>-----December 15-----</u>		<u>-----June 15-----</u>		<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>		
							\$ 306,000
2019-2020	2.35%	\$ 22,000	\$ 4,138	\$ 22,000	\$ 3,880	\$ 52,018	262,000
2020-2021	2.35%	22,000	3,621	23,000	3,362	51,983	217,000
2021-2022	2.85%	23,000	3,092	23,000	2,764	51,856	171,000
2022-2023	2.85%	23,000	2,437	24,000	2,109	51,546	124,000
2023-2024	2.85%	24,000	1,767	24,000	1,425	51,192	76,000
2024-2025	2.85%	25,000	1,083	25,000	727	51,810	26,000
2025-2026	2.85%	26,000	370	-	-	26,370	-
		<u>\$ 165,000</u>	<u>\$ 16,508</u>	<u>\$ 141,000</u>	<u>\$ 14,267</u>	<u>\$ 336,775</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the General Obligation Bonds follows:**

General Obligation Bonds – 2012

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Refunding the Series 2005 and 2008 bonds

Amount: \$21,340,000

Dated: March 15, 2012

Interest Rate: 2.0 - 4.0%

Principal Due: December 15 commencing 2012 to 2025

Interest Due: December 15 and June 15 commencing 2012 to 2025

Callable: December 15, 2021

A schedule of the remaining bond principal and interest attributable to the 2012 issue follows:

<u>Fiscal Year</u>	<u>Coupon Rate</u>	-----December 15-----		<u>June 15 Interest</u>	<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>			
						\$ 18,130,000
2019-2020	3.00%	\$ 2,485,000	\$ 316,213	\$ 278,937	\$ 3,080,150	15,645,000
2020-2021	3.00%	2,560,000	278,938	240,537	3,079,475	13,085,000
2021-2022	3.00%	2,635,000	240,538	201,012	3,076,550	10,450,000
2022-2023	3.40%	2,715,000	201,013	154,700	3,070,713	7,735,000
2023-2024	4.00%	2,820,000	154,700	98,300	3,073,000	4,915,000
2024-2025	4.00%	2,935,000	98,300	39,600	3,072,900	1,980,000
2025-2026	4.00%	1,980,000	39,600	-	2,019,600	-
		<u>\$ 18,130,000</u>	<u>\$ 1,329,302</u>	<u>\$ 1,013,086</u>	<u>\$ 20,472,388</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the General Obligation Bonds follows, continued:**

General Obligation Bonds – 2014

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Five year construction plan at seven schools

Amount: \$51,215,000

Dated: December 1, 2014

Interest Rate: 3.0 - 5.0%

Principal Due: December 15 commencing 2030 to 2039

Interest Due: December 15 and June 15 commencing 2015 to 2039

Callable: December 15, 2024

A schedule of the remaining bond principal and interest attributable to the 2014 issue follows:

<u>Fiscal Year</u>	<u>Coupon Rate</u>	-----December 15-----		<u>June 15 Interest</u>	<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>			
						\$ 50,460,000
2019-2020		\$ -	\$ 1,188,525	\$ 1,188,525	\$ 2,377,050	50,460,000
2020-2021		-	1,188,525	1,188,525	2,377,050	50,460,000
2021-2022		-	1,188,525	1,188,525	2,377,050	50,460,000
2022-2023		-	1,188,525	1,188,525	2,377,050	50,460,000
2023-2024		-	1,188,525	1,188,525	2,377,050	50,460,000
2024-2025		-	1,188,525	1,188,525	2,377,050	50,460,000
2025-2026		-	1,188,525	1,188,525	2,377,050	50,460,000
2026-2027		-	1,188,525	1,188,525	2,377,050	50,460,000
2027-2028		-	1,188,525	1,188,525	2,377,050	50,460,000
2028-2029		-	1,188,525	1,188,525	2,377,050	50,460,000
2029-2030		-	1,188,525	1,188,525	2,377,050	50,460,000
2030-2031	5.00%	2,920,000	1,188,525	1,115,525	5,224,050	47,540,000
2031-2032	4.00%	4,360,000	1,115,525	1,028,325	6,503,850	43,180,000
2032-2033	5.00%	4,565,000	1,028,325	914,200	6,507,525	38,615,000
2033-2034	5.00%	4,795,000	914,200	794,325	6,503,525	33,820,000
2034-2035	4.00%	5,015,000	794,325	694,025	6,503,350	28,805,000
2035-2036	4.00%	5,220,000	694,025	589,625	6,503,650	23,585,000
2036-2037	5.00%	5,460,000	589,625	453,125	6,502,750	18,125,000
2037-2038	5.00%	5,745,000	453,125	309,500	6,507,625	12,380,000
2038-2039	5.00%	6,035,000	309,500	158,625	6,503,125	6,345,000
2039-2040	5.00%	6,345,000	158,625	-	6,503,625	-
		<u>\$ 50,460,000</u>	<u>\$ 20,319,575</u>	<u>\$ 19,131,050</u>	<u>\$ 89,910,625</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the General Obligation Bonds follows, continued:**

General Obligation Bonds – 2017

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)  
 Purpose: Balance of bonds approved for five year construction plan at seven schools  
 Amount: \$18,685,000  
 Dated: April 7, 2017  
 Interest Rate: 1.0 - 5.0%  
 Principal Due: December 15 commencing 2018 to 2030  
 Interest Due: December 15 and June 15 commencing 2017 to 2030  
 Callable: December 15, 2027

A schedule of the remaining bond principal and interest attributable to the 2017 issue follows:

<u>Fiscal Year</u>	<u>Coupon Rate</u>	<u>-----December 15-----</u>		<u>June 15</u>	<u>Total</u>	<u>Principal</u>
		<u>Principal</u>	<u>Interest</u>	<u>Interest</u>	<u>Payments</u>	<u>Balance</u>
						\$ 17,710,000
2019-2020	3.00%	\$ 85,000	\$ 408,742	\$ 407,468	\$ 901,210	17,625,000
2020-2021	3.00%	85,000	407,467	406,193	898,660	17,540,000
2021-2022	3.00%	95,000	406,192	404,768	905,960	17,445,000
2022-2023	3.00%	105,000	404,767	403,193	912,960	17,340,000
2023-2024	2.20%	105,000	403,192	402,038	910,230	17,235,000
2024-2025	3.00%	105,000	402,037	400,463	907,500	17,130,000
2025-2026	5.00%	1,490,000	400,462	363,213	2,253,675	15,640,000
2026-2027	5.00%	3,375,000	363,212	278,838	4,017,050	12,265,000
2027-2028	5.00%	3,550,000	278,837	190,088	4,018,925	8,715,000
2028-2029	3.50%	3,705,000	190,087	125,250	4,020,337	5,010,000
2029-2030	5.00%	3,865,000	125,250	28,625	4,018,875	1,145,000
2030-2031	5.00%	1,145,000	28,625	-	1,173,625	-
		<u>\$ 17,710,000</u>	<u>\$ 3,818,870</u>	<u>\$ 3,410,137</u>	<u>\$ 24,939,007</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the Limited Tax Obligation Bonds follows:**

Limited Tax Obligation Bonds - 2015

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Refinancing the 2009 Build America Bonds

Amount: \$4,445,000

Dated: February 9, 2015

Interest Rate: 0.35 – 2.40%

Principal Due: December 15 commencing 2015 to 2024

Interest Due: December 15 and June 15 commencing 2015 to 2024

A schedule of the remaining bond principal and interest attributable to the 2015 issue follows:

<u>Fiscal Year</u>	<u>Coupon Rate</u>	-----December 15-----		<u>June 15 Interest</u>	<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>			
2019-2020	1.50%	\$ 435,000	\$ 27,709	\$ 24,446	\$ 487,155	\$ 2,745,000
2020-2021	1.75%	445,000	24,446	20,553	489,999	2,310,000
2021-2022	2.00%	450,000	20,553	16,052	486,605	1,865,000
2022-2023	2.15%	460,000	16,052	11,108	487,160	1,415,000
2023-2024	2.25%	470,000	11,108	5,820	486,928	955,000
2024-2025	2.40%	485,000	5,820	-	490,820	-
		<u>\$ 2,745,000</u>	<u>\$ 105,688</u>	<u>\$ 77,979</u>	<u>\$ 2,928,667</u>	



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the Limited Tax Obligation Bonds follows, continued:**

Limited Tax Obligation Bonds - 2016

Issuer: Hall County School District 002 (Grand Island, Nebraska, School District)

Purpose: Costs of qualified capital purpose undertaking projects

Amount: \$4,710,000

Dated: December 23, 2016

Interest Rate: 1.35 – 3.00%

Principal Due: December 15 commencing 2018 to 2027

Interest Due: December 15 and June 15 commencing 2017 to 2027

A schedule of the remaining bond principal and interest attributable to the 2016 issue follows:

<u>Fiscal Year</u>	<u>Coupon Rate</u>	-----December 15-----		<u>June 15 Interest</u>	<u>Total Payments</u>	<u>Principal Balance</u>
		<u>Principal</u>	<u>Interest</u>			
						\$ 4,420,000
2019-2020	1.60%	\$ 295,000	\$ 56,992	\$ 54,633	\$ 406,625	4,125,000
2020-2021	1.80%	300,000	54,632	51,933	406,565	3,825,000
2021-2022	2.00%	305,000	51,932	48,883	405,815	3,520,000
2022-2023	2.20%	310,000	48,882	45,473	404,355	3,210,000
2023-2024	2.35%	320,000	45,472	41,713	407,185	2,890,000
2024-2025	2.50%	325,000	41,712	37,650	404,362	2,565,000
2025-2026	2.87%	830,000	37,650	25,725	893,375	1,735,000
2026-2027	2.93%	855,000	25,725	13,200	893,925	880,000
2027-2028	3.00%	880,000	13,200	-	893,200	-
		<u>\$ 4,420,000</u>	<u>\$ 376,197</u>	<u>\$ 319,210</u>	<u>\$ 5,115,407</u>	

**Detail of the Capital Lease follows:**

Capital Lease

On August 11, 2016, the School District entered into a 60-month capital lease for district copiers and printers expiring in 2021. The principal balance due on this lease was \$492,548 at August 31, 2019, and it bears interest of 2.04 percent. Monthly principal and interest payments of \$8,781 are due commencing August 11, 2016 through July 11, 2021.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE F – LONG-TERM LIABILITIES, continued**

**Detail of the Capital Lease follows, continued:**

Remaining principal and interest due on the capital lease are:

<u>Fiscal Year</u>	<u>Capital Leases</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2019-2020	\$ 102,288	\$ 3,084	\$ 105,372
2020-2021	95,613	978	96,591
	<u>\$ 197,901</u>	<u>\$ 4,062</u>	<u>\$ 201,963</u>

Combined long-term debt service requirements at August 31, 2019, are:

<u>Year Ended</u> <u>August 31,</u>	<u>Governmental Activities - Direct Placement Debt</u>			<u>Governmental Activities - Other Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 102,288	\$ 3,084	\$ 105,372	\$ 3,300,000	\$ 3,952,190	\$ 7,252,190
2021	95,613	978	96,591	3,390,000	3,861,749	7,251,749
2022	-	-	-	3,485,000	3,766,980	7,251,980
2023	-	-	-	3,590,000	3,662,238	7,252,238
2024	-	-	-	3,715,000	3,539,393	7,254,393
2025-2029	-	-	-	20,515,000	15,255,919	35,770,919
2030-2034	-	-	-	21,650,000	10,658,500	32,308,500
2035-2039	-	-	-	27,475,000	5,045,500	32,520,500
2040-2044	-	-	-	6,345,000	158,625	6,503,625
	<u>\$ 197,901</u>	<u>\$ 4,062</u>	<u>\$ 201,963</u>	<u>\$93,465,000</u>	<u>\$49,901,094</u>	<u>\$ 143,366,094</u>

<u>Year Ended</u> <u>August 31,</u>	<u>Business-type Activities - Direct Placement Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 100,000	\$ 16,372	\$ 116,372
2021	102,000	14,105	116,105
2022	104,000	11,713	115,713
2023	107,000	8,940	115,940
2024	109,000	6,026	115,026
2025-2029	139,000	3,415	142,415
	<u>\$ 661,000</u>	<u>\$ 60,571</u>	<u>\$ 721,571</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE G – PENSION PLAN**

**Plan Description**

Hall County School District #2 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, 2018, there were 265 participating school districts. These were the districts that had contributions during the fiscal year. All regular public school employees in Nebraska, other than those who have their own retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, Community Colleges), are members of the plan.

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

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE G – PENSION PLAN, continued**

**Plan Description, continued**

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

For the District's year ended August 31, 2019, the District's total payroll for all employees was \$73,771,399. Total covered payroll was \$70,903,391. 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 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, 2017, to June 30, 2018 (and from July 1, 2018 through August 31, 2019). 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, 2019, was \$7,003,695.

**Pension Liabilities**

At June 30, 2018 the District had a liability of \$40,063,577 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, 2018, 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 89.50% funded as of June 30, 2018 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, 2018, the District's proportion was 2.945984 percent, which was a decrease of 0.026881 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2018, the District's allocated pension expense was \$3,850,925.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE G – PENSION PLAN, continued**

**Actuarial Assumptions**

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases, including wage inflation	3.5 - 8.5 percent
Cost-of-Living Adjustment	Members hired before July 1, 2013: 2.25% 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
Investment Rate of Return, net of investment expense, including inflation	7.5 percent

The School Plan’s pre-retirement mortality rates were based on the RP-2014 White Collar Table for Employees (100% of male rates for males, 55% of female rates for female), projected generationally MP-2015.

The School Plan’s post-retirement rates were based on the RP-2014 White Collar Table for Employees, set back two years, scaled (males: under 80, 1.008; over 80, 1.449; females: under 85, 0.924; over 85, 1.5855; geometrically blended), projected generationally with a Society of Actuaries projection scale tool using 0.5% ultimate rate in 2035.

The School Plan’s disability mortality rates were based on the RP-2014 Disabled Lives table (static table).

The actuarial assumptions used in the July 1, 2018, valuations for the School plan are based on the results of the most recent actuarial experience study, which covered the four year period ending June 30, 2015. The experience study report is dated November 17, 2016.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE G – PENSION PLAN, continued**

**Actuarial Assumptions, continued**

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 arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Large Cap US Equity	26.1%	5.83%
Small Cap US Equity	2.9%	7.56%
Global Equity	15.0%	6.51%
International Developed Equity	10.8%	6.80%
Emerging Markets	2.7%	10.55%
Core Bonds	20.0%	1.63%
High Yield	3.5%	5.22%
Bank Loans	5.0%	2.78%
International Bonds	1.5%	1.41%
Private Equity	5.0%	9.70%
Real Estate	7.5%	5.18%
Total	100.0%	

\*Arithmetic mean, net of investment expenses.

**Discount Rate**

The discount rate used to measure the Total Pension Liability at June 30, 2018, was 7.5 percent. The discount rate is reviewed as part of the actuarial experience study, which was last performed for the period July 1, 2011, through June 30, 2015. The actuarial experience study is reviewed by the NPERS Board, which must vote to change the discount rate.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE G – PENSION PLAN, continued**

**Discount Rate, continued**

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 2117.

**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 7.5 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	Discount rate	District's proportionate Share of net pension liability
1% decrease	6.5%	\$91,463,093
Current discount rate	7.5%	\$40,063,577
1% increase	8.5%	(\$2,409,579)

**Plan Fiduciary Net Position**

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

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE H – ANNEXATION**

As a result of the City of Grand Island annexation ordinances, the Grand Island School District acquired portions of School Districts #3, #30, and #38 as of August 15, 1985. With District #3, an arrangement was made to split tax receipts from the annexed area until the 1994-95 school year subject to a per pupil cost limitation. Students in the annexed area born before the date of annexation attended District #3; those born after the date of annexation could, until the 2004-2005 school year, attend the school of their choice. Subsequent to the 2004-2005 school year, all students in the annexed area attend Grand Island Public Schools unless they use enrollment options or enroll in private schools.

**NOTE I – 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, 2019 are held in the name of the School District. The underlying securities consist of a Wells Fargo interest-bearing sweep account, Wells Fargo Money Market Funds, and Nebraska Liquid Asset Funds.

***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 Nebraska Liquid Asset Fund certificate of deposit maturities and managed account investments are as follows:



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE I – RISK MANAGEMENT, continued**

**Deposits and Investments, continued**

*Interest Rate Risk, continued*

<u>Maturity Date by Month</u>	<u>Amount</u>
October 2019	\$ 490,000
December 2019	4,674,000
March 2020	980,000
June 2020	972,000
August 2020	<u>1,568,000</u>
	<u>\$ 8,684,000</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 certificates of deposit, a Wells Fargo interest-bearing sweep account, Wells Fargo Money Market Funds, and Nebraska Liquid Asset Funds, 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, 2019, the School District’s deposits consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Wells Fargo Bank	\$ 21,491,342
Nebraska Liquid Asset Fund	15,329,053
BOK Financial	321,578
Five Points Bank	<u>1,788,111</u>
	<u>\$ 38,930,084</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 the School District held no investments denominated in foreign currency at August 31, 2019.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE J – INTERFUND ACTIVITY**

The School District transferred \$267,000 from the General Fund to the Activity Fund during the year ended August 31, 2019, for annual activities support.

The following transfers were also made from the General Fund during the year ended August 31, 2019. These transfers between governmental funds were eliminated from the totals presented on page 18.

<u>Fund Receiving Transfer</u>	<u>Amount</u>	<u>Purpose</u>
Cooperative Fund	\$ 1,896,603	Federal grants
Depreciation Fund	<u>241,901</u>	Future purchases
	<u>\$ 2,138,504</u>	

**NOTE K – TAX ABATEMENT**

The School District is subject to tax abatements granted by Grand Island Community Redevelopment Authority, a component unit of the City of Grand Island, who has entered into tax increment financing (TIF) agreements with various redevelopers. This TIF program has the stated purpose of increasing business activity and employment in the community.

Under the TIF program, redevelopers can apply for TIF financing whereby the property tax they pay on the increased valuation of property under a TIF agreement is returned to the redeveloper by the CRA to finance the project for a period of up to 15 years.

Information relevant to the abatements impacting the School District for the year ended August 31, 2019 is as follows:

<u>Tax Abatement Program</u>	<u>Amount Abated During the Year</u>
Tax Increment Financing	\$ <u>1,325,062</u>

**NOTE L – SECTION 125 PLAN**

The District has a Section 125 Cafeteria Plan for the benefit of its employees. At August 31, 2019, the Section 125 checking account had a balance of \$115,151. The balance of unclaimed employee funds for the plan year as of August 31, 2019, was \$64,809. The \$50,342 remaining cash balance represents prior-year employee forfeitures.

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE M – CONSTRUCTION COMMITMENTS**

At August 31, 2019, the District had the following commitments on construction projects:

<u>Description</u>	<u>Contractual Commitments</u>	<u>Amount Paid on Contracts as of 8/31/19</u>	<u>Remaining Commitment</u>	<u>Expected Completion Date</u>
Academy of medical science construction	\$ 139,440	\$ 38,921	\$ 100,519	August 2021
GISH stadium architectural fees	763,659	676,385	87,274	September 2020
GISH stadium engineering fees	234,365	187,492	46,873	September 2020
GISH stadium consulting	26,198	13,099	13,099	September 2020
GISH stadium construction	14,017,003	5,956,178	8,060,825	September 2020
Jefferson architectural fees	610,274	608,942	1,332	April 2020
Jefferson building construction	12,472,214	11,578,313	893,901	April 2020
Stolley Park engineering fees	238,400	233,632	4,768	April 2020
Stolley Park architectural fees	617,696	616,880	816	April 2020
Stolley Park building construction	12,183,343	11,743,876	439,467	April 2020
CPI addition architectural fees	216,453	207,863	8,590	December 2019
CPI addition construction	2,997,000	2,482,220	514,780	December 2019
GISH flooring	204,457	193,287	11,170	December 2019
	<u>\$ 44,720,502</u>	<u>\$ 34,537,088</u>	<u>\$ 10,183,414</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2019**

**NOTE N – CONTINGENCIES**

The District is involved in pending lawsuits and claims on matters containing allegations relating to discrimination, personal injury, negligence and treatment of students. No provision has been made in the financial statements for any loss that might arise in the event of an unfavorable outcome of these matters. District management estimates that such litigation and claims will ultimately be resolved without material financial liability to the District in excess of applicable insurance coverage. However, events could occur in the near term that would change this estimate materially.

**NOTE O – RESTATEMENT OF NET POSITION**

Net position for the governmental activities as of August 31, 2018 was decreased \$4,624,259 with an offsetting increase to accumulated depreciation. This restatement was made due to recalculation of prior year depreciation when depreciation software was updated. The changes specifically related to how depreciation was calculated on assets in their year of acquisition.

**NOTE P – MEMORIAL STADIUM PROJECT**

During the year ended August 31, 2019, the Grand Island Education Foundation, Inc. (Foundation) transferred donations totaling \$5,211,120 to the Special Building Fund to be used on the Memorial Stadium project. The remaining cost of the project is expected to be covered with future transfers from the Foundation to the District.

**NOTE Q – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 28, 2019, the date on which the financial statements were available for issue.

On September 4, 2019, the District issued \$50,575,000 of Series 2019 General Obligation Refunding Bonds. The refunding bonds will be used toward the payment and redemption of called Series 2012 and 2014 General Obligation Bonds. The Series 2019 GO Refunding Bonds bear interest ranging from 2.32 to 3.53 percent and are due in annual principal payments and semi-annual interest payments through December 15, 2039.

**SUPPLEMENTARY AND OTHER INFORMATION**

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND**

**Year ended August 31, 2019**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>			
Local receipts:			
1100	\$ 33,395,500	\$ 30,985,385	\$ (2,410,115)
1115	30,000	22,084	(7,916)
1125	4,000,000	3,895,838	(104,162)
1510	-	77,773	77,773
1911	-	115,280	115,280
1921	-	12,670	12,670
1925	150,000	72,000	(78,000)
1990	34,500	50,000	15,500
	<u>37,610,000</u>	<u>35,231,030</u>	<u>(2,378,970)</u>
County receipts:			
2110	1,000,000	603,798	(396,202)
2130	6,800,000	-	(6,800,000)
2210	8,632,242	-	(8,632,242)
	<u>16,432,242</u>	<u>603,798</u>	<u>(15,828,444)</u>
State receipts			
3110	55,430,336	55,430,336	-
3120	6,000,000	5,789,762	(210,238)
3125	175,000	168,306	(6,694)
3130	-	1,264,402	1,264,402
3131	-	1,222,934	1,222,934
3132	-	120,251	120,251
3133	-	391	391
3180	100,000	98,879	(1,121)
3400	1,500,000	1,322,389	(177,611)
3512	-	2,875	2,875
3535	75,000	33,548	(41,452)
3540	-	331,554	331,554
3541	-	192,248	192,248
3570	-	16,642	16,642
3575	-	3,745	3,745
3990	390,000	44,059	(345,941)
	<u>63,670,336</u>	<u>66,042,321</u>	<u>2,371,985</u>
4000	<u>8,440,000</u>	<u>8,572,818</u>	<u>132,818</u>
	<u>126,152,578</u>	<u>110,449,967</u>	<u>(15,702,611)</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND, Continued**

**Year ended August 31, 2019**

Function Code		Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>EXPENDITURES</b>				
1100	Instructional services	73,922,978	59,923,896	(13,999,082)
1200	Special education	15,900,000	11,627,996	(4,272,004)
	Support services:			
2100	Pupil	2,400,000	2,361,370	(38,630)
2141-2183	Special education	-	3,033,586	3,033,586
2200	Instructional staff	4,000,000	3,713,861	(286,139)
2300	General administration	1,075,600	894,230	(181,370)
2400	School administration	5,070,000	4,854,765	(215,235)
2500	Business	2,042,000	2,181,628	139,628
2600	Building and grounds	10,900,000	13,109,018	2,209,018
2700	Pupil transportation	680,000	630,976	(49,024)
3000	State categorical grants	900,000	631,825	(268,175)
4600	Facilities construction - site improvements	-	1,129,438	1,129,438
6000	Federal programs	9,000,000	6,973,782	(2,026,218)
8000	Transfer to other funds	262,000	267,000	5,000
		<u>126,152,578</u>	<u>111,333,371</u>	<u>(14,819,207)</u>
	<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>(883,404)</u>	<u>\$ (883,404)</u>
	Fund balances - August 31, 2018		<u>27,419,271</u>	
	Fund balances - August 31, 2019		<u>\$ 26,535,867</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
SPECIAL BUILDING FUND**

**Year ended August 31, 2019**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget	
<b>RECEIPTS</b>				
Local receipts:				
1100	Local property taxes	\$ 321,126	\$ 297,922	\$ (23,204)
1115	Carline	500	212	(288)
1510	Investment income	-	216,584	216,584
1920	Donations	-	5,211,120	5,211,120
	Total local receipts	<u>321,626</u>	<u>5,725,838</u>	<u>5,404,212</u>
State receipts:				
3130	Homestead exemption	-	12,158	12,158
3131	Property tax credit	-	11,759	11,759
3132	Personal property tax credit	-	1,156	1,156
3133	Nameplate capacity tax	-	4	4
3180	Pro-rate motor vehicle	374	951	577
	Total state receipts	<u>374</u>	<u>26,028</u>	<u>25,654</u>
	Total receipts	322,000	5,751,866	5,429,866
<b>EXPENDITURES</b>				
2515	Building acquisition and improvements	<u>20,000,000</u>	<u>13,982,605</u>	<u>(6,017,395)</u>
	<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ (19,678,000)</u>	(8,230,739)	<u>\$ 11,447,261</u>
	Fund balances - August 31, 2018		<u>12,852,304</u>	
	Fund balances - August 31, 2019		<u>\$ 4,621,565</u>	



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
DEPRECIATION FUND**

**Year ended August 31, 2019**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>			
Local receipts:			
1510	\$ 65,644	\$ 25,843	\$ (39,801)
Non-revenue receipts:			
5200	2,120,000	241,901	(1,878,099)
	2,185,644	267,744	(1,917,900)
<b>EXPENDITURES</b>			
2900	5,538,144	1,539,290	(3,998,854)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>			
	<u>\$ (3,352,500)</u>	(1,271,546)	<u>\$ 2,080,954</u>
Fund balances - August 31, 2018		<u>3,721,694</u>	
Fund balances - August 31, 2019		<u>\$ 2,450,148</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
QUALIFIED CAPITAL PURPOSE FUND**

**Year ended August 31, 2019**

Function Code		Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>				
Local receipts:				
1100	Local property taxes	\$ 963,347	\$ 894,043	\$ (69,304)
1115	Carline	1,000	637	(363)
1510	Interest	9,000	50,814	41,814
	Total local receipts	973,347	945,494	(27,853)
State receipts:				
3130	Homestead exemption	-	36,517	36,517
3131	Property tax credit	-	35,277	35,277
3132	Personal property tax credit	-	3,469	3,469
3133	Nameplate capacity tax	-	11	11
3180	Pro-rate motor vehicle	4,653	2,852	(1,801)
	Total state receipts	4,653	78,126	73,473
4000	Federal receipts	22,000	-	(22,000)
	Total receipts	1,000,000	1,023,620	23,620
<b>EXPENDITURES</b>				
2515	Capital outlay	3,304,000	1,690,776	(1,613,224)
Debt service:				
5000	Principal	720,000	720,000	-
5000	Interest	174,048	174,048	-
5000	Other fees	1,952	800	(1,152)
	Total expenditures	4,200,000	2,585,624	(1,614,376)
<b>RECEIPTS OVER (UNDER)</b>				
<b>EXPENDITURES</b>		<b>\$ (3,200,000)</b>	<b>(1,562,004)</b>	<b>\$ 1,637,996</b>
Fund balances - August 31, 2018			3,670,008	
Fund balances - August 31, 2019			\$ 2,108,004	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
COOPERATIVE FUND**

**Year ended August 31, 2019**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget	
<b>RECEIPTS</b>				
	Local receipts:			
1323	Tuition received from other districts	\$ 16,500,000	\$ 14,252,211	\$ (2,247,789)
	Federal receipts:			
4516	IDEA preschool (619) base	<u>2,250,000</u>	<u>1,896,603</u>	<u>(353,397)</u>
	Total receipts	18,750,000	16,148,814	(2,601,186)
<b>EXPENDITURES</b>				
1200	CNSSP Instruction	16,500,000	16,327,424	(172,576)
6404	Federal programs	<u>2,500,000</u>	<u>-</u>	<u>(2,500,000)</u>
	Total expenditures	<u>19,000,000</u>	<u>16,327,424</u>	<u>(2,672,576)</u>
	<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ (250,000)</u>	(178,610)	<u>\$ 71,390</u>
	Fund balances - August 31, 2018		<u>985,738</u>	
	Fund balances - August 31, 2019		<u>\$ 807,128</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
BOND FUND**

**Year ended August 31, 2019**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>			
Local receipts:			
1110	\$ 6,447,317	\$ 5,821,139	\$ (626,178)
1115	3,500	4,151	651
1410	17,500	94,807	77,307
	<u>6,468,317</u>	<u>5,920,097</u>	<u>(548,220)</u>
State receipts:			
3130	-	237,293	237,293
3131	-	228,192	228,192
3132	-	22,443	22,443
3180	13,000	18,947	5,947
	<u>13,000</u>	<u>506,875</u>	<u>493,875</u>
	6,481,317	6,426,972	(54,345)
<b>EXPENDITURES</b>			
Debt service:			
5000	2,410,000	2,385,000	(25,000)
5000	4,037,317	3,844,704	(192,613)
5000	4,000	1,399	(2,601)
	<u>6,451,317</u>	<u>6,231,103</u>	<u>(220,214)</u>
	<u>\$ 30,000</u>	195,869	<u>\$ 165,869</u>
Fund balances - August 31, 2018		<u>6,733,980</u>	
Fund balances - August 31, 2019		<u>\$ 6,929,849</u>	

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**August 31, 2019**

	<u>Contingency Fund</u>	<u>Employee Benefit Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	<u>\$ 1,048,172</u>	<u>\$ 3,063,636</u>	<u>\$ 4,111,808</u>
<b>FUND BALANCES</b>			
Assigned for:			
Employee benefits	\$ -	\$ 3,063,636	\$ 3,063,636
Contingencies	<u>1,048,172</u>	<u>-</u>	<u>1,048,172</u>
Total fund balances	<u>\$ 1,048,172</u>	<u>\$ 3,063,636</u>	<u>\$ 4,111,808</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

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

**For the year ended August 31, 2019**

	<u>Contingency Fund</u>	<u>Employee Benefit Fund</u>	<u>Total</u>
<b>RECEIPTS</b>			
Interest on investments	\$ 21,502	\$ 74,355	\$ 95,857
<b>DISBURSEMENTS</b>			
Unemployment benefits	-	6,516	6,516
<b>RECEIPTS OVER DISBURSEMENTS</b>	21,502	67,839	89,341
Fund balances - August 31, 2018	1,026,670	2,995,797	4,022,467
Fund balances - August 31, 2019	<u>\$ 1,048,172</u>	<u>\$ 3,063,636</u>	<u>\$ 4,111,808</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND**

**Year ended August 31, 2019**

	Beginning <u>Balance</u>	Receipts and <u>Transfers In</u>	Disbursements and <u>Transfers Out</u>	Ending <u>Balance</u>
<u>000 Districtwide:</u>				
Superintendent:				
General	\$ -	\$ 14,065	\$ 14,062	\$ 3
Associate Superintendent:				
CCC - AP Courses	155,700	47,021	54,271	148,450
Circle of Friends	1,288	-	-	1,288
General	16,279	1,068	-	17,347
Chief of Innovation and Engagement:				
Quilted Conscience Grant	-	3,254	3,203	51
Director of Special Education:				
Baasch Trust	16,615	-	-	16,615
Patty Lundeen Galraith Fund	66	-	-	66
Transitional living program	1,630	-	-	1,630
Courtesy	593	-	357	236
5K Run/Walk	2,900	9,231	12,131	-
ILP - Special Education Senior	432	3,940	4,372	-
Special projects	9,112	-	-	9,112
Suicide Prevention Project	3,191	-	1,648	1,543
Grant - Sertoma Club	731	2,270	650	2,351
Executive Director of Information Technology:				
Courtesy	740	-	-	740
General	23,527	-	536	22,991
Sale and Purchase of Computers	259,996	58,039	110,346	207,689
iPad Service Contracts and Repairs	5,174	56,428	61,588	14
Coordinator of District Music Program:				
District K-8 Music	-	575	574	1
Chief Financial Officer:				
Classroom Mini Grants	159	9,948	9,948	159
General	431,324	154,414	44,294	541,444
Developmental League	10,000	-	-	10,000
<b>Total CNSSP</b>	<b>\$ 939,457</b>	<b>\$ 360,253</b>	<b>\$ 317,980</b>	<b>\$ 981,730</b>
<u>022 Early Learning Center:</u>				
Building Principal:				
Courtesy	\$ 120	\$ 216	\$ 325	\$ 11
General	3,131	1,939	2,140	2,930
Grant - NDE	288	104	104	288
<b>Total Early Learning Center</b>	<b>\$ 3,539</b>	<b>\$ 2,259</b>	<b>\$ 2,569</b>	<b>\$ 3,229</b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	Beginning <u>Balance</u>	Receipts and <u>Transfers In</u>	Disbursements and <u>Transfers Out</u>	Ending <u>Balance</u>
<b>003 Newell Elementary:</b>				
Building Principal:				
Courtesy	\$ 764	\$ 490	\$ 918	\$ 336
General	4,322	8,598	6,884	6,036
PTA or PTO	31	5,042	5,073	-
Student Council	639	-	178	461
<b>Total Newell Elementary</b>	<b><u>\$ 5,756</u></b>	<b><u>\$ 14,130</u></b>	<b><u>\$ 13,053</u></b>	<b><u>\$ 6,833</u></b>
<b>005 Gates Elementary:</b>				
Building Principal:				
Courtesy	\$ 1,344	\$ -	\$ 212	\$ 1,132
General	3,654	5,663	9,020	297
Student Council	1,362	1,544	642	2,264
<b>Total Gates Elementary</b>	<b><u>\$ 6,360</u></b>	<b><u>\$ 7,207</u></b>	<b><u>\$ 9,874</u></b>	<b><u>\$ 3,693</u></b>
<b>006 Dodge Elementary:</b>				
Building Principal:				
Courtesy	\$ 90	\$ -	\$ -	\$ 90
Facility rental	25	-	-	25
General	6,562	1,196	6,796	962
MCREL ELA project	2,176	-	-	2,176
PTA or PTO	8,901	5,618	8,194	6,325
Student Council	393	422	-	815
<b>Total Dodge Elementary</b>	<b><u>\$ 18,147</u></b>	<b><u>\$ 7,236</u></b>	<b><u>\$ 14,990</u></b>	<b><u>\$ 10,393</u></b>
<b>012 Starr Elementary:</b>				
Building Principal:				
Character Education	\$ 3,079	\$ 2,549	\$ 1,473	\$ 4,155
Courtesy	132	730	436	426
General	1,981	89,852	91,832	1
PTA	670	8,848	1,810	7,708
<b>Total Starr Elementary</b>	<b><u>\$ 5,862</u></b>	<b><u>\$ 101,979</u></b>	<b><u>\$ 95,551</u></b>	<b><u>\$ 12,290</u></b>
<b>007 Howard Elementary:</b>				
Building Principal:				
Action for Healthy Kids	\$ 4,185	\$ 2,853	\$ 3,083	\$ 3,955
Grade 4	317	-	-	317
Courtesy	883	-	-	883
Facility rental	2,652	-	-	2,652
General	8,759	2,053	4,997	5,815
Grade 5	-	50	-	50
Lounge	89	-	-	89
PTA or PTO	4,220	-	277	3,943
Popcorn sales	59	-	-	59
Student Council	1,366	102	-	1,468
Dollar General Literacy Foundation Grant	3,417	-	-	3,417
<b>Total Howard Elementary</b>	<b><u>\$ 25,947</u></b>	<b><u>\$ 5,058</u></b>	<b><u>\$ 8,357</u></b>	<b><u>\$ 22,648</u></b>



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	Beginning <u>Balance</u>	Receipts and <u>Transfers In</u>	Disbursements and <u>Transfers Out</u>	Ending <u>Balance</u>
<b>008 Jefferson Elementary:</b>				
Building Principal:				
All-Star Gentleman Group	\$ 2,579	\$ 370	\$ 1,870	\$ 1,079
Books	2,652	134	-	2,786
Facility rental	116	1	-	117
General	5,144	67,195	72,045	294
Grade 4	1,507	-	-	1,507
Lounge	35	-	-	35
PTA or PTO	17,630	1,316	-	18,946
Student Council	58	-	12	46
<b>Total Jefferson Elementary</b>	<b><u>\$ 29,721</u></b>	<b><u>\$ 69,016</u></b>	<b><u>\$ 73,927</u></b>	<b><u>\$ 24,810</u></b>
<b>013 Knickrehm Elementary:</b>				
Building Principal:				
Courtesy	\$ 414	\$ 203	\$ 132	\$ 485
Garden Club	161	-	-	161
General	6,920	3,757	4,657	6,020
PTA or PTO	55	-	-	55
Student Council	840	650	384	1,106
<b>Total Knickrehm Elementary</b>	<b><u>\$ 8,390</u></b>	<b><u>\$ 4,610</u></b>	<b><u>\$ 5,173</u></b>	<b><u>\$ 7,827</u></b>
<b>009 Lincoln Elementary:</b>				
Building Principal:				
Class pictures	\$ 809	\$ -	\$ 809	\$ -
Courtesy	217	60	50	227
Field trips	352	114	466	-
General	11,549	2,209	7,363	6,395
Student Council	1,208	-	349	859
<b>Total Lincoln Elementary</b>	<b><u>\$ 14,135</u></b>	<b><u>\$ 2,383</u></b>	<b><u>\$ 9,037</u></b>	<b><u>\$ 7,481</u></b>
<b>015 Seedling Mile Elementary:</b>				
Building Principal:				
Courtesy	\$ 13	\$ -	\$ -	\$ 13
Facility rental	417	-	-	417
General	9,291	555	2,899	6,947
PTA or PTO	12,484	7,004	11,313	8,175
<b>Total Seedling Mile Elementary</b>	<b><u>\$ 22,205</u></b>	<b><u>\$ 7,559</u></b>	<b><u>\$ 14,212</u></b>	<b><u>\$ 15,552</u></b>
<b>016 Stolley Park Elementary:</b>				
Building Principal:				
Character Education	\$ 452	\$ -	\$ -	\$ 452
Facility rental	1,134	-	-	1,134
General	7,566	20,010	-	27,576
Library/media	14	4,561	-	4,575
<b>Total Stolley Park Elementary</b>	<b><u>\$ 9,166</u></b>	<b><u>\$ 24,571</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 33,737</u></b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>010 Wasmer Elementary:</u>				
Building Principal:				
Courtesy	\$ 562	\$ -	\$ 104	\$ 458
General	22,128	11,418	10,658	22,888
MCREL ELA project	4,262	-	-	4,262
<b>Total Wasmer Elementary</b>	<b><u>\$ 26,952</u></b>	<b><u>\$ 11,418</u></b>	<b><u>\$ 10,762</u></b>	<b><u>\$ 27,608</u></b>
<u>011 West Lawn Elementary:</u>				
Building Principal:				
Adopt-A-School	\$ 950	\$ 923	\$ -	\$ 1,873
Character education	552	-	128	424
Courtesy	317	350	50	617
General	19,647	1,551	4,797	16,401
Museum Madness	177	-	-	177
PTA/PTO/PAB	10,989	10,389	17,627	3,751
HAL playground project	3,649	31,561	-	35,210
Popcorn sales	1,141	-	130	1,011
Grant - AAA	4	300	-	304
<b>Total West Lawn Elementary</b>	<b><u>\$ 37,426</u></b>	<b><u>\$ 45,074</u></b>	<b><u>\$ 22,732</u></b>	<b><u>\$ 59,768</u></b>
<u>017 Shoemaker Elementary:</u>				
Building Principal:				
Grade 4	\$ 39	\$ 2	\$ 41	\$ -
Grade 5	98	-	41	57
Courtesy	267	-	74	193
Facility rental	4,520	-	-	4,520
General	8,382	10,237	9,081	9,538
PTA or PTO	4,829	29,696	29,891	4,634
Student ambassadors	-	288	-	288
<b>Total Shoemaker Elementary</b>	<b><u>\$ 18,135</u></b>	<b><u>\$ 40,223</u></b>	<b><u>\$ 39,128</u></b>	<b><u>\$ 19,230</u></b>
<u>018 Engleman Elementary:</u>				
Building Principal:				
Character Education	\$ 161	\$ 441	\$ 601	\$ 1
Courtesy	111	-	-	111
General	6,097	5,038	11,134	1
<b>Total Engleman Elementary</b>	<b><u>\$ 6,369</u></b>	<b><u>\$ 5,479</u></b>	<b><u>\$ 11,735</u></b>	<b><u>\$ 113</u></b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>001 Senior High:</u>				
Building Principal:				
Educators Rising Chapter	\$ -	\$ 500	\$ -	500
Facility rental	1,357	25,242	26,542	57
Fellowship of Christian Athletes	300	-	-	300
Fines	2,167	16,373	15,014	3,526
Friends of Rachel	517	-	-	517
General	978	70,040	38,559	32,459
Groundwater Festival	219	183	170	232
Hulagan's	2	-	-	2
Mariachi Band	-	15,000	-	15,000
Pop	2,597	53	-	2,650
GISH Staff Project	2,857	-	-	2,857
Grant - \$50 to Fail	964	1,055	2,014	5
Gay-Straight Alliance	359	-	-	359
Total Building Principal	<u>12,317</u>	<u>128,446</u>	<u>82,299</u>	<u>58,464</u>
Activities Director:				
Art Department - Fees	985	2,495	3,479	1
Astronomy Club	129	-	-	129
Graphic Arts Design	-	269	-	269
Band	1	13,560	13,211	350
Cheerleaders	4	72,500	48,769	23,735
Cheerleaders - clinic	29	22,450	16,501	5,978
Class of Seniors	4	34,992	34,996	-
Concessions	-	1,180	1,180	-
Counseling Dept.	2,993	220	-	3,213
Debate	1	200	200	1
Drama	1,324	7,913	9,237	-

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>001 Senior High, continued:</u>				
Activities Director, continued:				
Ind. Tech Lab	1,502	-	-	1,502
Islander	7,920	10,825	5,790	12,955
Islander Wrestling	-	2,038	2,038	-
JROTC - Clinic	6,558	6,976	6,374	7,160
Key Club	2	94	95	1
Library/media	3,988	-	-	3,988
European Explorers	3,382	550	500	3,432
Memory Book	16,418	4,663	11,081	10,000
Multicultural Club	204	-	-	204
National Honor Society	2,050	472	1,360	1,162
NSAA	33,949	25,120	58,584	485
One-act plays	6,000	1,500	1,508	5,992
Orchestra	182	4,034	4,216	-
Physical education	4	6,625	6,629	-
Robotics	3	981	984	-
SADD	2,095	158	670	1,583
Speech	5,268	11,157	8,345	8,080
Spirit Set	7,895	21,458	26,358	2,995
Spring musical	2	37,957	30,500	7,459
Student Council	13,255	9,406	4,378	18,283
Testing	1,496	919	192	2,223
Theater tickets	-	29,892	29,892	-
Vocal music	525	4,316	3,009	1,832
Vocal - Show Choir	1	29,103	29,103	1
Gay-Straight Alliance	4,126	-	-	4,126
Athletics	110,001	163,644	259,163	14,482
West Gym Scoreboards	399	-	-	399

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>001 Senior High, continued:</u>				
Activities Director, continued:				
Summer clinic - boys BB	8	9,080	7,392	1,696
Summer clinic - girls BB	2	26,748	15,409	11,341
Summer clinic - volleyball	3,312	28,378	22,478	9,212
Summer clinic - football	23,844	68,552	66,518	25,878
Summer clinic - girls soccer	-	46,674	40,889	5,785
Softball clinic	85	13,149	9,743	3,491
Summer clinic - track	1,892	2,251	1,593	2,550
Summer clinic - swimming	4	5,092	5,096	-
Summer clinic - tennis	3	2,705	2,708	-
Summer clinic - boys soccer	2	4,503	4,505	-
Cross country	-	6,625	6,339	286
Cross country clinic	2,747	1,467	2,798	1,416
Youth football	22,289	18,455	19,158	21,586
Football	4	39,806	26,679	13,131
Baseball	3	54,995	54,997	1
Baseball clinic	69	14,379	9,376	5,072
Golf clinic - boys & girls	3	1,093	331	765
Golf - girls	5	7,106	7,111	-
Softball	2	21,184	21,185	1
Tennis - boys	215	3,750	2,999	966
Volleyball	7,987	14,631	22,618	-
Wrestling	1	53,787	53,788	-
Basketball - boys	2,602	18,806	21,408	-
Basketball - girls	15,946	15,823	21,896	9,873
Basketball - intramural - boys	3,636	1,000	432	4,204
Swimming	4	14,779	12,545	2,238
Track	2	29,990	29,991	1
Golf - boys	3	7,952	7,954	1
Tennis	357	4,450	4,191	616
Unified sports	1,050	1,201	757	1,494
Soccer	1	27,463	27,463	1
Total Activities Director	<u>318,773</u>	<u>1,093,541</u>	<u>1,148,689</u>	<u>263,625</u>
<b>Total Senior High</b>	<b><u>\$ 331,090</u></b>	<b><u>\$ 1,221,987</u></b>	<b><u>\$ 1,230,988</u></b>	<b><u>\$ 322,089</u></b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>002 Barr Middle School:</u>				
Building Principal:				
Art	\$ 236	\$ -	\$ -	\$ 236
Band	1,122	79	200	1,001
6th Grade	9,831	-	-	9,831
7th Grade	322	655	625	352
8th Grade	5,750	10,569	14,006	2,313
Concessions	3	8,942	8,937	8
Exploratory - Purple	302	2,117	1,713	706
Drama	1,697	-	-	1,697
Equipment and Facility Rental	481	-	-	481
Fundraiser	342	-	-	342
General	9,674	23,595	28,385	4,884
Hulas - Student Store	102	-	-	102
Library/media	1,827	4,116	3,743	2,200
Physical education	71	40	-	111
Student Council	2	2,943	779	2,166
Vocal Music	6,492	9,206	8,601	7,097
Washington D.C. trip	888	1,011	942	957
Athletics	2,003	58,062	60,065	-
Soccer - Boys & Girls	4	2,900	2,873	31
<b>Total Barr Middle School</b>	<b><u>\$ 41,149</u></b>	<b><u>\$ 124,235</u></b>	<b><u>\$ 130,869</u></b>	<b><u>\$ 34,515</u></b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	<u>Beginning Balance</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Ending Balance</u>
<u>004 Walnut Middle School:</u>				
Building Principal:				
Art	\$ 6,507	\$ 751	\$ 62	\$ 7,196
Band	2,422	99	311	2,210
Character Education	4	592	595	1
Team 6A	5,114	3,830	2,910	6,034
Team 6B	307	-	-	307
Team 6C	26	373	22	377
Team 7A	1,913	2,486	2,031	2,368
Team 7B	639	-	69	570
Team 8A	2	780	659	123
Concessions	15,447	14,829	7,364	22,912
Courtesy	100	625	674	51
Facility rental	863	-	-	863
Future Fisherman Grant	653	-	148	505
Fundraiser	7,845	857	2,500	6,202
General	46,984	27,444	41,169	33,259
Home Economics	6,289	-	329	5,960
Library/media	1,095	1,398	1,372	1,121
Memory	2,414	3,236	4,164	1,486
Newcomers	2,237	535	812	1,960
Orchestra	5,500	1,934	1,459	5,975
PTA/PTO/PAB	639	400	1,038	1
Physical education	17,633	2,299	1,012	18,920
Financial literacy	2,192	-	452	1,740
Southard Grant	1,933	1,983	2,324	1,592
Staff inservice	565	-	-	565
Student Council	515	1,330	1,844	1
Vocal music	6,282	419	315	6,386
Washington D.C. trip	17,758	44,525	43,652	18,631
Grant - Wells Fargo	1,411	-	-	1,411
Athletics	2,004	53,313	55,317	-
Soccer - Boys & Girls	2	2,975	2,974	3
<b>Total Walnut Middle School</b>	<b><u>\$ 157,295</u></b>	<b><u>\$ 167,013</u></b>	<b><u>\$ 175,578</u></b>	<b><u>\$ 148,730</u></b>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND FUND BALANCE -  
FIDUCIARY FUNDS - ACTIVITY FUND, Continued**

**Year ended August 31, 2019**

	Beginning <u>Balance</u>	Receipts and <u>Transfers In</u>	Disbursements and <u>Transfers Out</u>	Ending <u>Balance</u>
<u>019 Westridge Middle School:</u>				
Building Principal:				
Character education	\$ 204	\$ -	\$ 2	\$ 202
Concessions	15,193	10,958	23,464	2,687
Courtesy	466	200	175	491
Facility rental	2,837	1,677	4,512	2
General	5,263	20,477	20,902	4,838
Grade 6	1,043	1,653	1,922	774
Grade 7	3,015	3,608	2,653	3,970
Grade 8	618	1,263	1,137	744
Hula's - Student Store	281	-	-	281
Memory Book	17,932	8,221	5,222	20,931
Music	3,883	5,942	1,545	8,280
Skills academy	-	500	-	500
Washington D.C. trip	4	-	-	4
Athletics	2,005	61,540	63,544	1
Soccer - Boys & Girls	3	1,550	1,546	7
<b>Total Westridge Middle School</b>	<b><u>\$ 52,747</u></b>	<b><u>\$ 117,589</u></b>	<b><u>\$ 126,624</u></b>	<b><u>\$ 43,712</u></b>
<u>025 - Career Pathways Institute:</u>				
Building Principal:				
Construction Project	\$ 256,547	\$ 70,102	\$ 326,410	\$ 239
FBLA	1	10,074	10,075	-
General	11,655	9,434	20,909	180
Family & Consumer Science	4,973	-	-	4,973
Medical Pathways - HOSA	5	13,702	13,706	1
Skills U.S.A.	2	17,121	17,121	2
Automotive	4,063	3,298	5,555	1,806
Manufacturing	2,480	284	122	2,642
Construction	1,897	2,507	4,404	-
<b>Total Career Pathways Institute</b>	<b><u>\$ 281,623</u></b>	<b><u>\$ 126,522</u></b>	<b><u>\$ 398,302</u></b>	<b><u>\$ 9,843</u></b>
<u>023 - Success Academy:</u>				
Building Principal:				
General	<u>\$ 5,362</u>	<u>\$ 2</u>	<u>\$ 4,084</u>	<u>\$ 1,280</u>
<b>TOTAL ACTIVITY FUND</b>	<b><u>\$ 2,046,833</u></b>	<b><u>\$ 2,465,803</u></b>	<b><u>\$ 2,715,525</u></b>	<b><u>\$ 1,797,111</u></b>



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**STATEMENT OF ACCOUNTS WITH COUNTY TREASURERS -  
HALL AND MERRICK COUNTY TREASURERS**

**Year ended August 31, 2019  
(Unaudited)**

	General <u>Fund</u>	Bond <u>Fund</u>	Building <u>Fund</u>	Qualified Capital Purpose <u>Fund</u>
Balance - August 31, 2018	\$ 8,722,605	\$ 1,685,268	\$ 80,245	\$ 241,381
Receipts:				
Property taxes	31,238,705	5,868,012	300,362	901,372
Motor vehicle tax	3,895,838	-	-	-
Homestead allocation	1,264,402	237,293	12,158	36,517
Pro-rate motor vehicle	98,879	18,947	951	2,852
In-lieu-of tax	16,767	3,066	157	471
Interest	68,615	13,664	654	1,973
Carline	22,084	4,151	212	637
Property tax credit	1,222,934	228,192	11,759	35,277
Personal property tax credit	91,981	17,130	884	2,653
Personal property tax credit - public service co & railroad	28,270	5,313	272	815
Nameplate capacity tax	391	74	4	11
	<u>37,948,866</u>	<u>6,395,842</u>	<u>327,413</u>	<u>982,578</u>
Total receipts				
Total to be accounted for	46,671,471	8,081,110	407,658	1,223,959
Disbursements:				
To School District	36,824,392	6,309,057	316,339	949,437
Treasurers' fees	338,701	63,603	3,252	9,772
	<u>37,163,093</u>	<u>6,372,660</u>	<u>319,591</u>	<u>959,209</u>
Total disbursements				
Balance - August 31, 2019	<u>\$ 9,508,378</u>	<u>\$ 1,708,450</u>	<u>\$ 88,067</u>	<u>\$ 264,750</u>

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**COMPARATIVE STATISTICAL DATA FROM ANNUAL FINANCIAL REPORTS**

**For the years ended August 31, 2019 - 2010  
(Unaudited)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed Value of School District Current Property Tax	\$ 3,243,539,584	\$ 3,104,882,584	\$ 3,050,120,816	\$ 2,938,020,328
Budgeted - General Fund	\$ 33,732,828	\$ 32,290,794	\$ 31,721,271	\$ 30,555,426
Average Daily Attendance (ADA)	8,755	8,688	8,733	8,644
Average Daily Membership (ADM)	9,362	9,251	9,266	9,129
Total Value of Plant and Contents	\$ 395,945,937	\$ 401,000,000	\$ 371,500,000	\$ 350,000,000
Annual Depreciation of Plant and Contents (3% of Value)	\$ 11,878,378	\$ 12,030,000	\$ 11,145,000	\$ 10,500,000
Total Adjusted Current Expense	<u>99,175,670</u>	<u>91,785,554</u>	<u>92,505,591</u>	<u>88,016,770</u>
Total Annual Cost	\$ 111,054,048	\$ 103,815,554	\$ 103,650,591	\$ 98,516,770
Annual Cost Per Pupil - ADA	\$ 12,685	\$ 11,950	\$ 11,869	\$ 11,398
Annual Cost Per Pupil - ADM	\$ 11,862	\$ 11,222	\$ 11,187	\$ 10,791

**MISCELLANEOUS DATA - At Annual Cost Per Pupil (ADM)**

**RECEIPTS**

Local	\$ 3,755	\$ 3,583	\$ 3,676	\$ 3,456
County	65	79	99	108
State	7,054	7,039	6,658	6,258
Federal	916	622	632	620
Other	<u>8</u>	<u>3</u>	<u>1</u>	<u>-</u>
Total Receipts for Year	11,798	11,326	11,066	10,442

**EXPENDITURES**

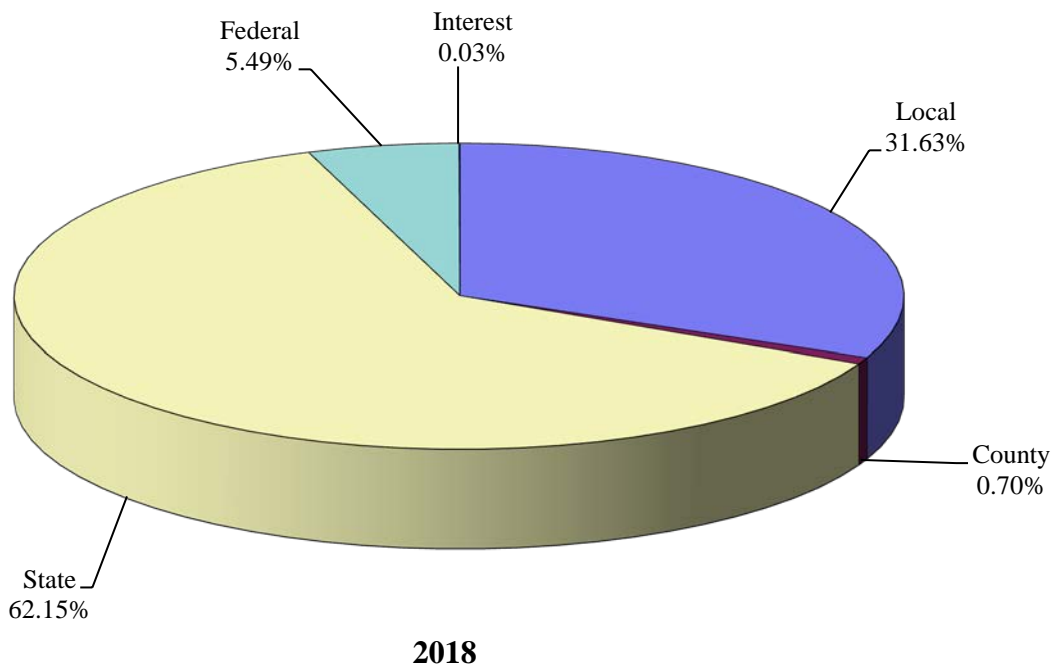
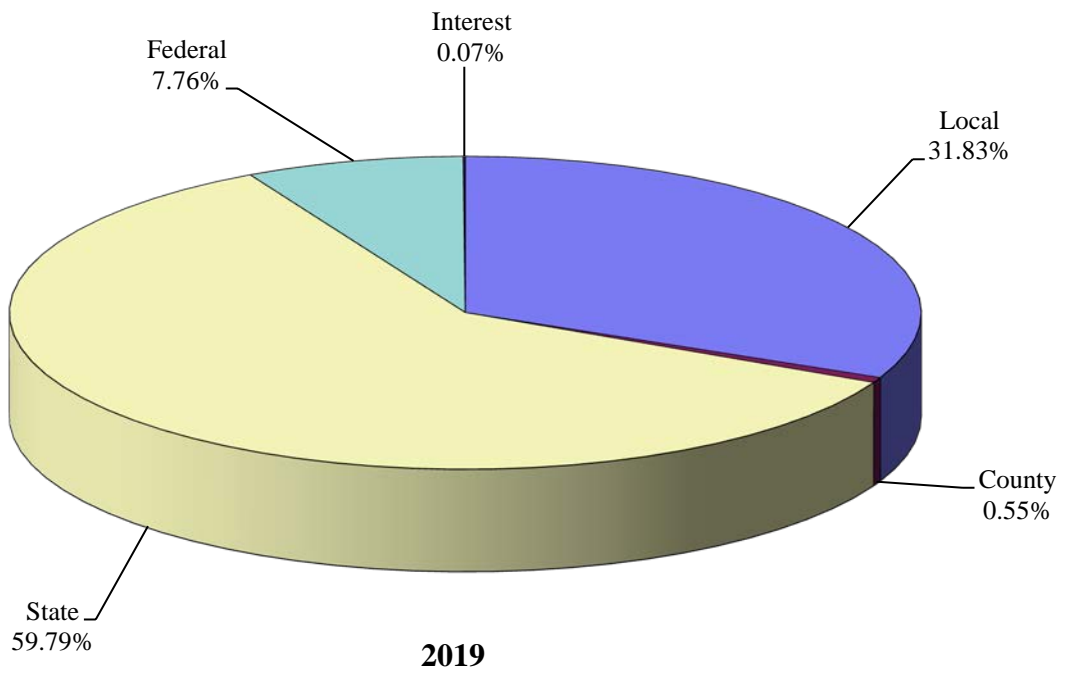
Instruction	7,643	7,866	7,772	7,368
Support Services	973	599	604	705
Administration	847	748	775	700
Operation and Maintenance of Plant	1,521	989	940	855
Pupil Transportation	67	76	59	57
State/Federal/Other	<u>841</u>	<u>910</u>	<u>843</u>	<u>698</u>
Total Expenditures for Year	<u>11,892</u>	<u>11,188</u>	<u>10,993</u>	<u>10,383</u>

**RECEIPTS OVER (UNDER)  
EXPENDITURES PAID**

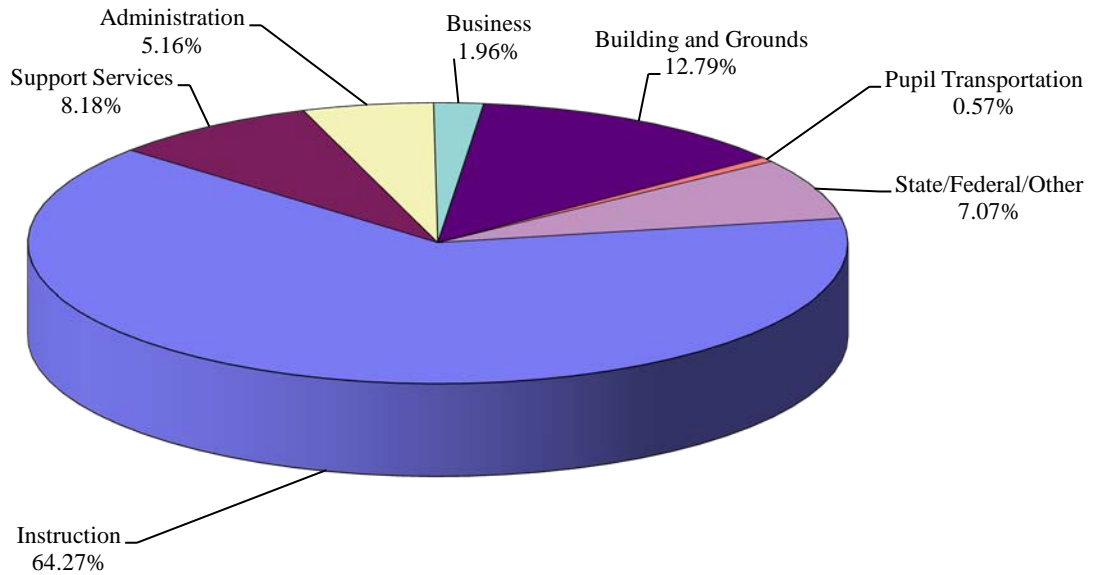
\$ (94)	\$ 138	\$ 73	\$ 59
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<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 2,763,011,452	\$ 2,669,698,545	\$ 2,609,831,071	\$ 2,550,512,664	\$ 2,486,056,518	\$ 2,440,165,438
\$ 28,735,319	\$ 27,764,878	\$ 27,142,256	\$ 26,525,344	\$ 24,860,565	\$ 24,401,650
8,457	8,325	8,229	8,139	8,014	7,962
8,959	8,783	8,613	8,489	8,407	8,368
\$ 338,000,000	\$ 331,400,000	\$ 320,000,000	\$ 300,000,000	\$ 290,600,000	\$ 280,000,000
\$ 10,140,000	\$ 9,942,000	\$ 9,600,000	\$ 9,000,000	\$ 8,718,000	\$ 8,400,000
83,011,060	82,668,629	78,091,496	75,716,339	66,545,710	67,998,067
<u>\$ 93,151,060</u>	<u>\$ 92,610,629</u>	<u>\$ 87,691,496</u>	<u>\$ 84,716,339</u>	<u>\$ 75,263,710</u>	<u>\$ 76,398,067</u>
\$ 11,015	\$ 11,124	\$ 10,656	\$ 10,409	\$ 9,391	\$ 9,595
\$ 10,398	\$ 10,545	\$ 10,181	\$ 9,979	\$ 8,953	\$ 9,130
\$ 3,346	\$ 3,246	\$ 3,477	\$ 3,373	\$ 3,143	\$ 3,253
99	98	93	125	94	89
5,963	5,969	6,140	6,018	5,840	5,467
527	577	850	1,129	1,817	1,427
-	-	-	-	-	2
<u>9,935</u>	<u>9,890</u>	<u>10,560</u>	<u>10,645</u>	<u>10,894</u>	<u>10,238</u>
6,829	6,936	6,631	6,833	5,660	5,945
768	751	756	705	711	682
695	676	663	689	750	720
959	1,246	1,369	1,273	885	870
55	57	58	54	47	46
<u>700</u>	<u>740</u>	<u>849</u>	<u>883</u>	<u>2,417</u>	<u>1,869</u>
<u>10,006</u>	<u>10,406</u>	<u>10,326</u>	<u>10,437</u>	<u>10,470</u>	<u>10,132</u>
<u>\$ (71)</u>	<u>\$ (516)</u>	<u>\$ 234</u>	<u>\$ 208</u>	<u>\$ 424</u>	<u>\$ 106</u>

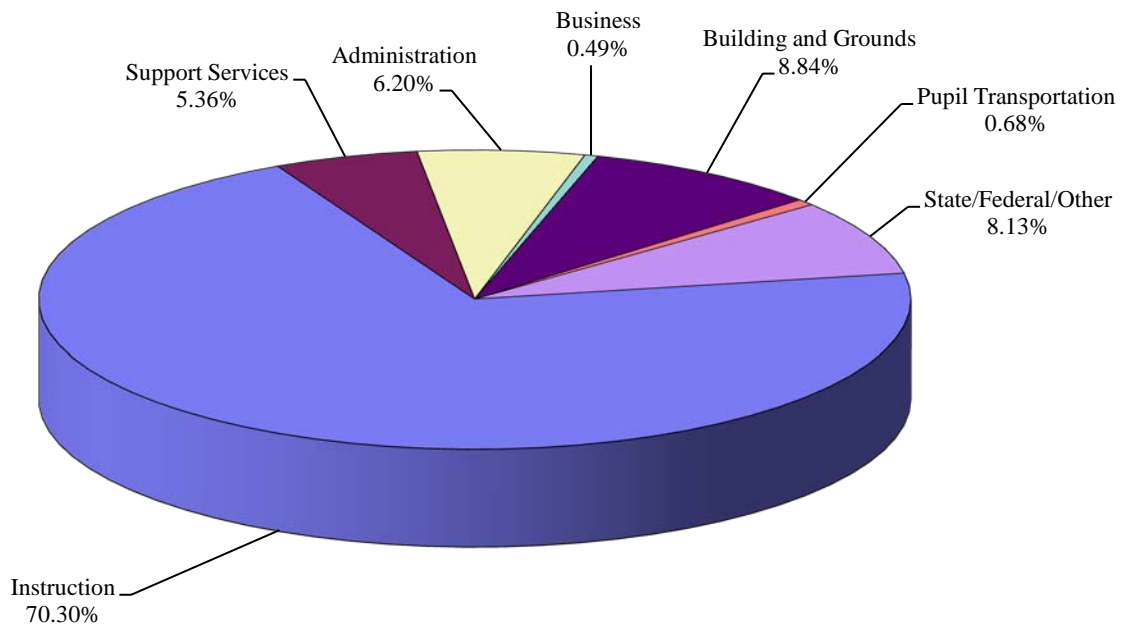
**GRAND ISLAND PUBLIC SCHOOLS  
GENERAL FUND RECEIPTS  
Years Ended August 31,**



**GRAND ISLAND PUBLIC SCHOOLS  
GENERAL FUND EXPENDITURES  
Years Ended August 31,**

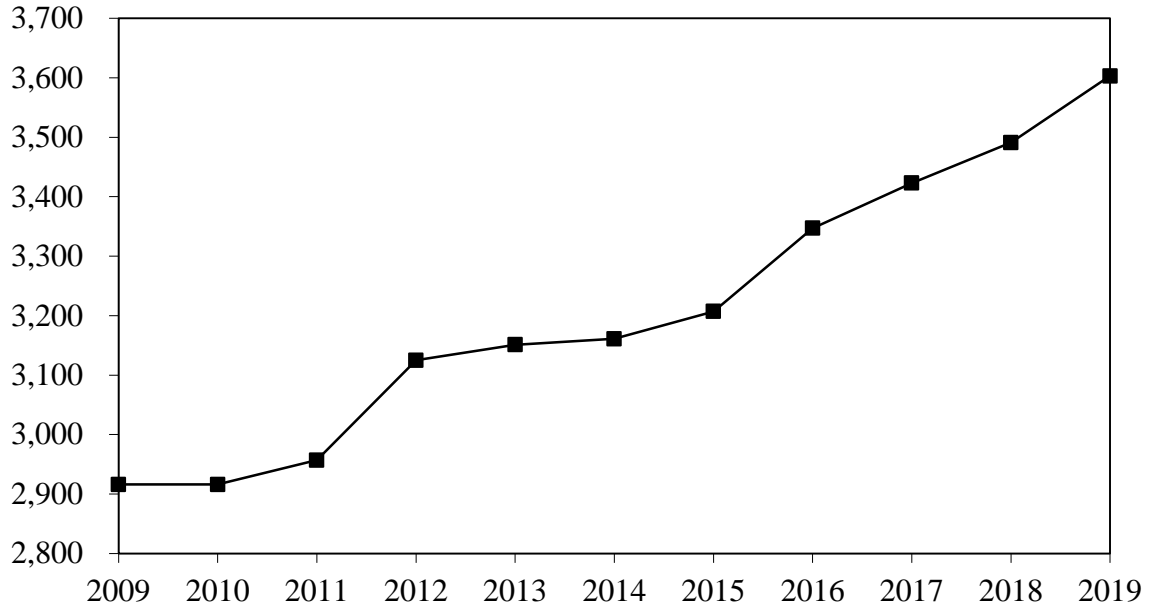


**2019**

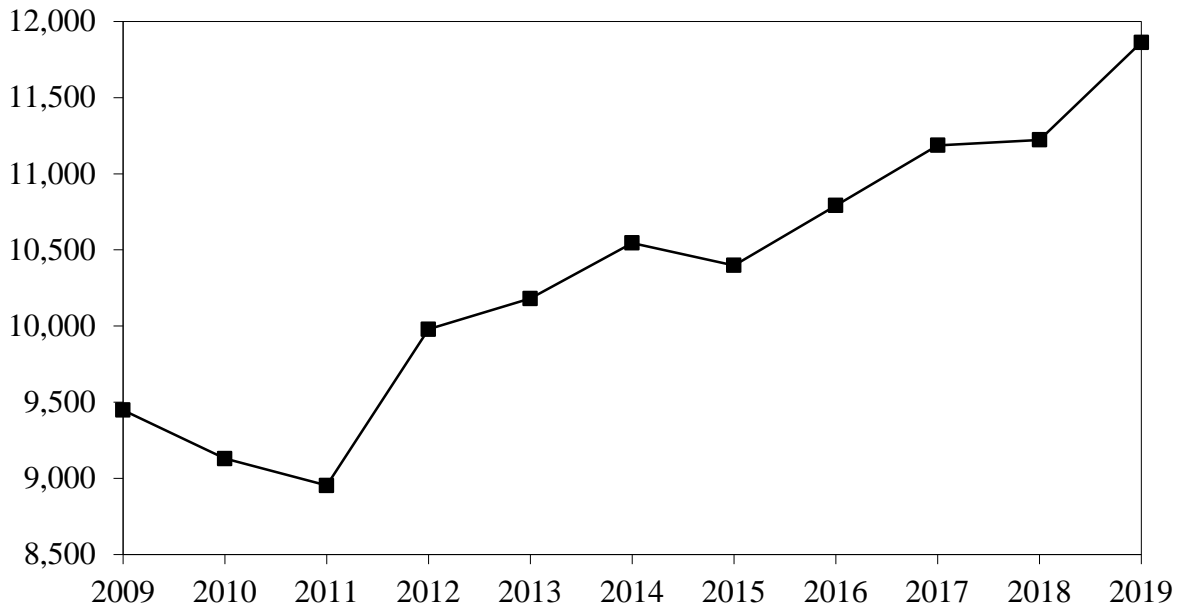


**2018**

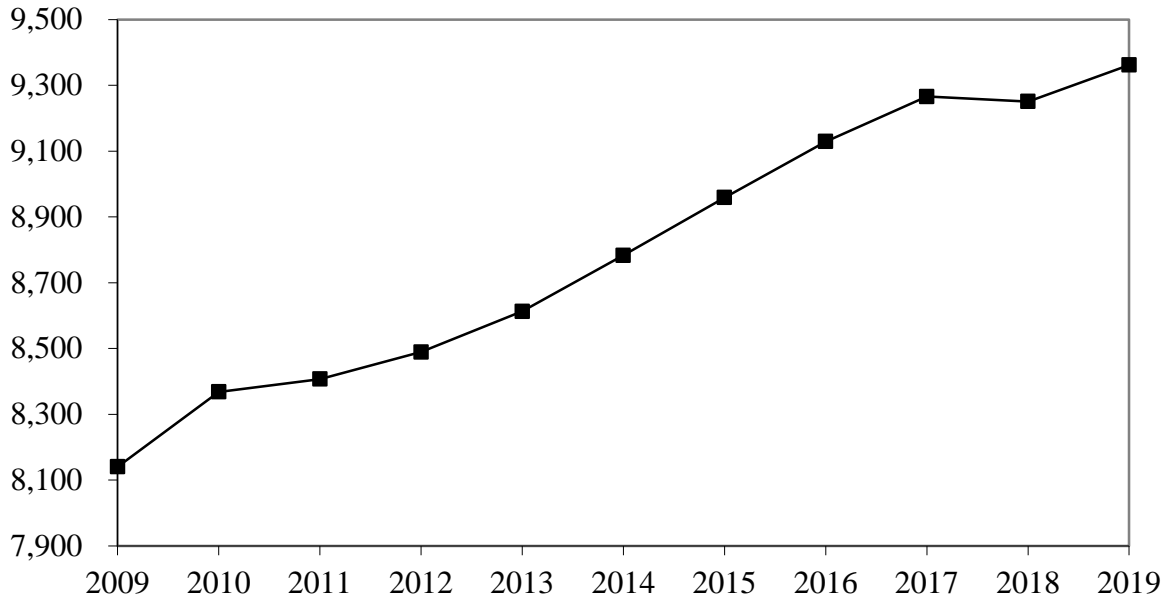
**GRAND ISLAND PUBLIC SCHOOLS  
BUDGETED PROPERTY TAX PER STUDENT - GENERAL FUND  
Years Ended August 31, 2009 through 2019**



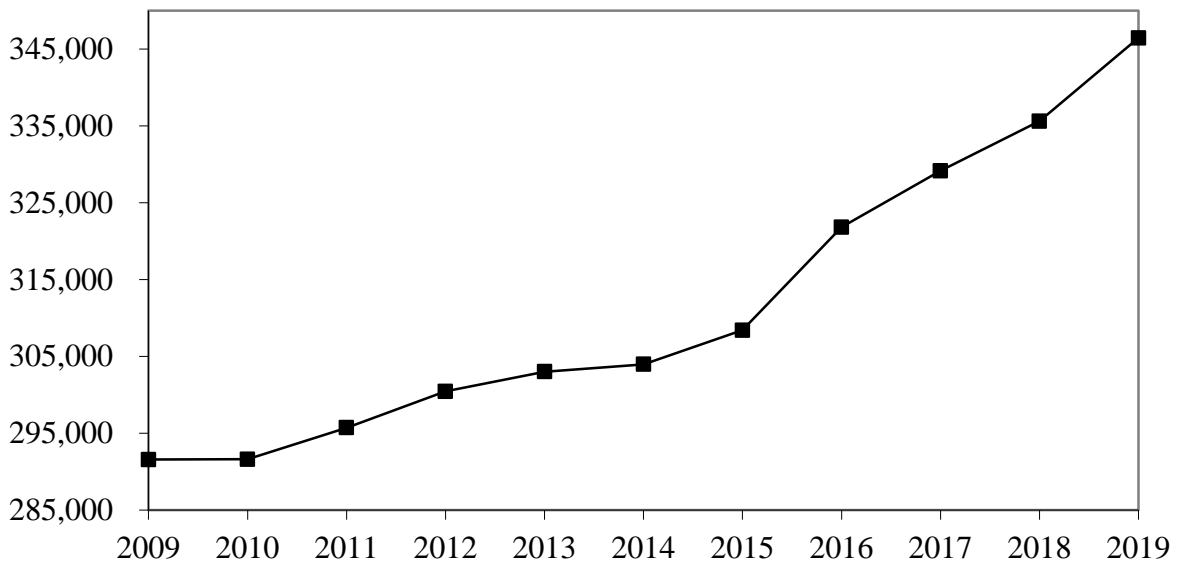
**ANNUAL COST PER STUDENT  
Years Ended August 31, 2009 through 2019**



**GRAND ISLAND PUBLIC SCHOOLS  
AVERAGE DAILY MEMBERSHIP  
Years Ended August 31, 2009 through 2019**



**ASSESSED VALUE PER STUDENT  
Years Ended August 31, 2009 through 2019**



**SINGLE AUDIT REPORTS**



**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year ended August 31, 2019**

<u>Federal Grantor and Program Title</u>	<u>Federal CFDA Number</u>	<u>Subrecipient Grant Number</u>	<u>Expenditures</u>
<b><u>Department of Education</u></b>			
Direct Award:			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	n/a	\$ 478,770 *
Passed Through Nebraska Department of Education:			
Special Education (IDEA) Cluster:			
Special Education - Grants to States	84.173	40-0002-000	30,360
Special Education - Preschool Grants	84.027	40-0002-000	<u>2,824,916</u>
Total Special Education (IDEA) Cluster			<u>2,855,276</u>
Title I Grants to Local Educational Agencies	84.010	40-0002-000	2,366,018 *
Migrant Education - State Grant Program	84.011	40-0002-000	260,452
Special Education - Grants for Infants and Families	84.181	40-0002-000	34,009
Career and Technical Education - Basic Grants to States	84.048	40-0002-000	95,816
Education for Homeless Children and Youth	84.196	40-0002-000	31,437
Student Support and Academic Enrichment Program	84.424	40-0002-000	109,219
Improving Teacher Quality State Grants	84.367	40-0002-000	389,897
English Language Acquisition State Grants	84.365	40-0002-000	<u>239,114</u>
Total Passed Through Nebraska Department of Education			<u>6,381,238</u>
Passed Through National Center for Families Learning:			
State Family Engagement Centers	84.310	47-6003169	<u>1,136</u>
Total Department of Education			6,861,144
<b><u>Department of Agriculture</u></b>			
Child Nutrition Cluster:			
Passed Through Nebraska Department of Education:			
School Breakfast Program	10.553	40-0002-000	1,522,789 *
National School Lunch Program	10.555	40-0002-000	2,522,884 *
Summer Food Service Program for Children	10.559	40-0002-000	<u>164,151 *</u>
Total Child Nutrition Cluster Passed Through Nebraska Department of Education			4,209,824
Passed Through Nebraska Department of Health and Human Services:			
National School Lunch Program	10.555	47-6003169	<u>378,032 *</u>
Total Child Nutrition Cluster			4,587,856
Passed Through Nebraska Department of Education:			
Fresh Fruit and Vegetable Program	10.582	40-0002-000	<u>142,000</u>
Total Department of Agriculture			4,729,856
<b><u>Department of Health and Human Services</u></b>			
Passed Through Nebraska Department of Health and Human Services:			
Medicaid Cluster:			
Medical Assistance Program	93.778	47-6003169	<u>137,350</u>
Total Expenditures of Federal Awards			<u>\$ 11,728,350</u>

\*Major Programs

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued**

**Year ended August 31, 2019**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal award includes the federal grant activity of Grand Island Public Schools 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.

Grand Island Public Schools 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**

To the Board of Education  
Grand Island 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hall County School District #2 as of and for the year ended August 31, 2019, 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 28, 2019. 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 Hall County School District #2'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 Hall County School District #2'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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Hall County School District #2's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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.

AMGL, PC.

Grand Island, Nebraska  
October 28, 2019



**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  
Grand Island Public Schools  
Grand Island, Nebraska

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

We have audited Hall County School District #2'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, 2019. Hall County School District #2'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Hall County School District #2's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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 Hall County School District #2's compliance.

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**A PROFESSIONAL  
CORPORATION**

## Opinion on Each Major Federal Program

In our opinion, Hall County School District #2 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, 2019.

## Report on Internal Control over Compliance

Management of Hall County School District #2 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.

AMGL, PC

Grand Island, Nebraska  
October 28, 2019

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year ended August 31, 2019**

1. A summary of auditor's results:
  - (i) Unmodified opinions were issued on all opinion units of Grand Island Public Schools as of August 31, 2019 and for the year then ended.
  - (ii) The audit did not disclose any significant deficiencies in the internal control of Grand Island Public Schools.
  - (iii) The audit did not disclose any instances of noncompliance which are material to the financial statements of Grand Island Public Schools.
  - (iv) The audit did not disclose any significant deficiencies in the internal control over major programs for Grand Island Public Schools.
  - (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: Child Nutrition Cluster - CFDA #10.555 (National School Lunch Program), CFDA #10.553 (School Breakfast Program), and CFDA #10.559 (Summer Food Service Program for Children); CFDA #84.010 (Title I Grant to Local Educational Agencies); and CFDA #84.334 (Gaining Early Awareness and Readiness for Undergraduate Programs).
  - (viii) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
  - (ix) Grand Island Public Schools 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.

None
3. Findings and questioned costs for Federal awards which shall include audit findings as defined in 2 CFR section 200.516(a).

None

**GRAND ISLAND PUBLIC SCHOOLS  
GRAND ISLAND, NEBRASKA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Year ended August 31, 2019**

Findings for the year ended August 31, 2018

Program

There were no prior audit findings.