

## **Agenda**

1. Osceola Public Schools Board of Education Information
2. Opening Procedures
  - 2.1. Call the Meeting to Order
  - 2.2. Roll Call
  - 2.3. Excuse Board Members Who Are Absent
3. Recognition of Visitors/Communications from the Public
4. Mr. Kyle Overturf, CPA, from AMGL, PC, to review the audit of the 2023-2024 district finances
5. Reports
  - 5.1. Student Body President Report
  - 5.2. AD Report
  - 5.3. Principals Reports
    - 5.3.1. Elementary Report
    - 5.3.2. MS/HS Report
  - 5.4. Superintendent's Report
6. Action Items
  - 6.1. Consent Agenda
    - 6.1.1. Approval of the Previous Meeting's Minutes
    - 6.1.2. Treasurer's Report
    - 6.1.3. Payment of general fund claims in the amount of \$393,131.68
    - 6.1.4. Payment of bond fund claims of \$89,608.75
  - 6.2. Consider, discuss and take all necessary action on
    - 6.2.1. Consider, discuss, and take all necessary action on approving Debra Berry's retirement as Business Manager of Osceola Public Schools effective December 31, 2024
    - 6.2.2. Consider, discuss and take all necessary action to approve district audit for fiscal year 2023-2024
    - 6.2.3. Superintendent Evaluation
7. Next Meeting Dates and Times
  - 7.1. Regular meeting December 9, 2024, 6:00 PM at the Osceola Middle/High School Media Center.
8. Adjournment

## Jeffrey Elementary

November 11, 2024

Brett Webster

- The holiday concert will be on December 10th at 6:00 PM in the new gym
- Donuts with Grownups(formally donuts with dads) will be 12/6 starting at 7:40
- New Plaques are ready to go on the wall..
- Book Fair Profit this year
  - We sold \$2601.20 worth of books compared to \$2547.78 last year.
  - We received \$954.41 in free books.
  - We got 33 books off our teacher's wish list.
- Our Elementary School Store Fundraiser raised \$240.11 compared to last year's \$188.48 at this time.
- Gift cards are \$1,960 compared to last year at this time \$1495.
- MAP and Fastbridge Testing will take place in December.
- Books are Fun total donation was \$5,118.98
  - This purchase 375 books for our students
  - We got to use \$217 of a remaining balance for 17 books in the library and each teacher got to use their 100 dollar shopping spree.
- The AR party for the semester is going to be going to a movie, maybe in Central City.

**Board of Education Regular Meeting**  
Middle School/High School Media Center  
565 Kimmel Street  
Osceola, NE 68651  
October 14, 2024 @ 6:00 PM

1. Osceola Public Schools Board of Education Information

Notice of this meeting was posted at the Jeffrey Elementary School, Osceola Middle School/High School, Pinnacle Bank of Osceola, and the Osceola Post Office on October 10, 2024. This notice was also published in *The Polk County News* on the same date. A copy of the agenda items is tentative and may be changed by the Board if necessary.

2. Opening Procedures

2.1. Call the Meeting to Order

Due to the absences of President Michael Neujahr and Vice President Anthony Mest because of harvest, Treasurer Daisy Naber called the regular meeting to order at 6:00 PM and informed those in attendance that a current copy of the Open Meetings Act is posted in the meeting room, then directed the public to its location.

2.2. Roll Call

Jennifer Boruch:	Present	Michael Neujahr:	Absent
Anthony Mestl:	Absent	Jena Ockander:	Present
Daisy Naber:	Present	Eric Yungdahl:	Present

Also present were Superintendent Jason Lavaley, Principal Evan Feezell, Principal Brett Webster, Activities Director Jason Zelasney, Head of Maintenance Jesse Pliefke, and Debra Berry.

2.3. Excuse Board Members Who Are Absent

To excuse Michael Neujahr and Anthony Mestl from the meeting passed with a motion by Jena Ockander and a second by Eric Yungdahl.

Jennifer Boruch: Yea, Daisy Naber: Yea, Jena Ockander: Yea, Eric Yungdahl: Yea

3. Recognition of Visitors/Communications from the Public

One patron came to observe the board meeting.

4. Reports

4.1. Maintenance Report

Head of Maintenance Jesse Pliefke gave his written and oral report about: the ticket booth, weather permitting, will be removed this winter; the shot put area may get concrete this fall; possibly getting attachments, a snow bucket or a blade for the tractor/skid steer for snow removal; a wide area vacuum was purchased to cut down maintenance time in cleaning; a speed scrubber was purchased to help maintain the bleachers; exit lights are being replaced; a 14-passenger microbus was purchased which will need some repairs and inspections before going into service; and Dylan Kaup has started working on his CDL to drive bus.

## 4.2. AD Report

Activities Director Jason Zelasney gave his written and oral report about: Football has a 2-5 record for the season with the final regular season game on Friday, October 11th at NE Christian; Volleyball's record is 14-10, which puts the team at the 7 seed in the CRC Tournament; the Slammers ended their season with a record of 17-15; the Slammers set the school record for most homeruns in a season; the end of the softball season completes the careers of Savanna and Charissa Boden for the Slammers with Savanna being a four-year letter winner; One Act has started practice with their first competition on November 9th at Cross County; and MS Volleyball went undefeated in the conference regular season and will now play for the CRC JH Championship at 9:30 AM, October 19th at the York Auditorium.

## 4.3. Principals Reports

### 4.3.1. Elementary Report

Elementary Principal Brett Webster gave his oral and written report about: Fire Prevention Week was last week allowing the students to go to the Fire Hall and learn about fire safety; "Books Are Fun" is taking place this week; on October 2nd an assembly was held to recognize MAP testing incentives, HAL students, Students of the Month, PAW winners, and reading goals met by both individual and class; plaques will start going back up for the Academic Wall of Fame; Parent-Teacher Conferences will be held on October 16th and 17th; Mrs. Zelasney and Mrs. Proski are creating a HAL program in the Elementary; Red Ribbon Week is scheduled for next week; the Assessment Road Show presented by NDE was October 8th; and the Principal Cluster is scheduled for October 22nd at the ESU discussing testing.

### 4.3.2. MS/HS Report

Middle/High School Principal Evan Feezell gave his written and oral report about: MAPS and Fastbridge Testing is completed; SAEBERS is taking place currently; meeting about students' needs every in-service; weekly check-ins with students and teachers; implementing "Student of the Month" and "Teacher of the Month"; end of the 1st quarter is October 18th; and changing the process of leaving for lunch.

## 4.4. Superintendent's Report

Superintendent Jason Lavaley gave his written and oral report about: working on putting down the base layer of dirt for the discus/shot put area; speakers for the football and track fields are on backorder; the door for the Preschool will be replaced on October 18th; possibly looking into a digital option for the newsletter because of costs; the State Education Conference is scheduled for November 20th - 22nd; legislation updates; NASB updates; and the Superintendent's calendar.

## 4.5. Board Reports

There were no board reports.

## 5. Action Items

### 5.1. Consent Agenda

To approve the consent agenda passed with a motion by Jennifer Boruch and a second by Jena

Ockander.

Jennifer Boruch: Yea, Daisy Naber: Yea, Jena Ockander: Yea, Eric Yungdahl: Yea

5.1.1. Approval of the Previous Meeting's Minutes

5.1.2. Treasurer's Report

5.1.3. Payment of general fund claims in the amount of \$406,530.24

5.2. Consider, Discuss and Take All Necessary Action On

5.2.1. Consider, discuss, and take all necessary action to appoint Chelsey Tonniges as a signatory for documents and bank transactions necessitating a bookkeeper's signature.

To appoint Chelsey Tonniges as a signatory for documents and bank transactions necessitating a bookkeeper's signature passed with a motion by Jennifer Boruch and a second by Eric Yungdahl.  
Jennifer Boruch: Yea, Daisy Naber: Yea, Jena Ockander: Yea, Eric Yungdahl: Yea

5.2.2. Superintendent's evaluation next month.

Superintendent Jason Lavaley's evaluation will be next month.

6. Next Meeting Dates and Times

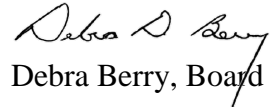
6.1. Regular meeting, November 11, 2024, 6:00 PM at the Osceola Middle/High School Media Center.

7. Adjournment

To adjourn meeting at 6:52 PM passed with a motion by Eric Yungdahl and a second by Jena Ockander.

Jennifer Boruch: Yea, Daisy Naber: Yea, Jena Ockander: Yea, Eric Yungdahl: Yea

Respectfully submitted,



Debra Berry, Board Secretary Appointed

**Board Report – Monthly  
GENERAL FUND**

Posted - During Check Cycle; Fund Number 01; Processing Month 11/2024

<u>Check #</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Check Total</u>
35731	BALOUN, DEREK	TABLES	400.00
35732	CITY OF OSCEOLA	WATER/SEWER/COMPACTOR	3,906.48
35733	CONTROL SERVICES, INC.	SERVICE CONTRACT	1,338.33
35734	EAKES OFFICE PLUS	SUPPLIES	998.96
35735	EDUCATIONAL SERVICE UNIT #6	PE/HEALTH NETWORK	75.00
35736	ELECTRONIC CONTRACTING COMPANY	SHOOTER DETECTION SERVICE	551.25
35737	ENGEL, RONNIE	COMPUTER PARTS REIMB.	307.12
35738	ESU #7	COMPUTER MAINTENANCE	492.19
35739	ESU #7 SPECIAL EDUCATION DEPT	SPED SERVICES	13,346.11
35740	FOLLETT CONTENT SOLUTIONS, LLC	LIBRARY BOOKS	18.69
35741	FRONTIER COOPERATIVE COMPANY	FUEL	2,376.99
35742	GARRATT CALLAHAN COMPANY	WATER TREATMENT SUPPLIES	750.00
35743	GARY'S PLUMBING, LLC	SUPPLIES/REPAIRS	1,200.07
35744	GO PHYSICAL THERAPY, LLC	OT/PT SERVICES	2,235.24
35745	GREAT MINDS	MATH TEXTBOOKS AND WORKBOOKS	350.40
35746	HAYS CONSTRUCTION	REPAIRS	362.31
35747	HOMETOWN LEASING	COPIER LEASE	413.97
35748	JACKSON SERVICES, INC.	RUG SERVICE	370.83
35749	JOHNSON CONTROLS FIRE PROTECTION LP	FIRE SYSTEM CONTRACT	2,690.00
35750	KANSAS CITY AUDIO-VISUAL, INC.	NEXT BAR	1,060.25
35751	KSB SCHOOL LAW	LEGAL SERVICES	50.00
35752	LASSEK ELECTRIC LLC	ELECTRICAL REPAIRS	325.00
35753	MATHESON TRI-GAS, INC.	SUPPLIES	96.81
35754	MIDLAND IRRIGATION	SPRINKLER SYSTEM	356.00
35755	NEBRASKA CENTRAL EQUIPMENT, INC.	PARTS	330.31
35756	NEBRASKA DOOR & WINDOW LLC	PRESCHOOL DOOR	5,266.00
35757	NEBRASKA FFA ASSOCIATION	PATHWAYS 2 CAREERS/AG ED SYMPOSIUM	40.00
35758	OPTUM	FLEX PLAN FUNDING	226.21
35759	OSCEOLA IMPLEMENT & SUPPLY, INC.	SUPPLIES	60.62
35760	OSCEOLA PUBLIC SCHOOLS	OCTOBER PRESCHOOL MILK	125.40
35761	OSCEOLA TIRE AND SERVICE, LLC	PARTS/LABOR/SUPPLIES	2,647.77
35762	OSTMEYER LAWN SERVICE	FERTILIZER	825.00
35763	PINNACLE BANK	GENERAL FUND CHECKS	465.65
35764	PINNACLE BANK	AMAZON PRIME	1,648.99
35765	PINNACLE BANK	SUPPLIES	663.43
35766	POLK COUNTY RPPD	ELECTRICITY	9,735.60
35767	RALLY AUTO PARTS	PARTS	574.60

**Board Report - Monthly**

Posted - During Check Cycle; Fund Number 01; Processing Month 11/2024

<u>Check #</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Check Total</u>
35768	SCHOLASTIC BOOK FAIRS	BOOK FAIR BOOKS	305.80
35769	SIEMENS INDUSTRY, INC.	REPAIRS	2,547.50
35770	SPARROW PUBLICATIONS, LLC	PRINTING	108.75
35771	STARFALL EDUCATION	SOFTWARE	195.00
35772	TEAMBUILDR	WEIGHTROOM SOFTWARE	<u>1,000.00</u>
<b>Checking Account Total:</b>			<b>60,762.42</b>

**Checking: 1**

673	ESTECH SYSTEMS, INC.	PHONE SERVICES	92.21
675	FARM BUREAU FINANCIAL SERVICES	TERM LIFE INSURANCE	13.81
676	MG TRUST COMPANY	TSA PAYABLE	535.00
677	OPTUM	FLEX PLAN FUNDING	226.21
674	QUADIEN T LEASING USA, INC.	POSTAGE METER LEASE	<u>323.73</u>
<b>Checking Account Total:</b>			<b>1,190.96</b>

**Checking: 4**

2305	POSTMASTER	OCT NEWSLETTERS	<u>208.68</u>
<b>Checking Account Total:</b>			<b><u>208.68</u></b>

<b>TOTAL CHECKS &amp; PREPAIDS</b>	<b>62,162.06</b>
<b>TOTAL EXTRA OCTOBER PAYROLL</b>	<b>1,826.93</b>
<b>TOTAL NOVEMBER PAYROLL</b>	<b><u>329,142.69</u></b>
<b>GRAND TOTAL</b>	<b><u><u>393,131.68</u></u></b>

**Board Report - Monthly**

**BOND FUND**

Automatic Payment; Fund Number 07; Processing Month 11/2024

<u>Check #</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Check Total</u>
15	BOK FINANCIAL, NA	INTEREST	89,593.75
16	PINNACLE BANK - OSCEOLA	WIRE FEE FOR 121524 INTEREST PAYMENT	<u>15.00</u>
<b>Checking Account Total:</b>			<b><u><u>89,608.75</u></u></b>

BERRY

PO BOX 173  
OSCEOLA, NE 68651  
(402)937-2284

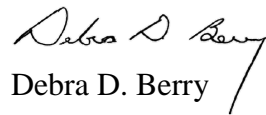
November 1, 2024

Board Members and Dr. Lavaley:

This letter is to communicate my resignation as Business Manager/Bookkeeper on December 31, 2024. My health is declining and I am hoping that relieving the stress will help to stabilize my conditions. When I am not at school, I feel guilty. However, I can't work when I have tremors or don't know what I am doing. I don't feel that I am doing the job that needs to be done for the district, school, or employees.

I have a lot of memories that will remain in my heart. I wish you all the best, and may God's blessings be bestowed upon all of you.

Sincerely,

  
Debra D. Berry



SHAREHOLDERS:

Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
Tracy A. Cannon  
Jamie L. Clemans  
Travis L. Arnold

To the Board of Education  
Osceola Public Schools – District #19  
Osceola, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Osceola Public Schools – District #19 for the year ended August 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 24, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Osceola Public Schools – District #19 are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended August 31, 2024. We noted no transactions entered into by the School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the allocation of expenses.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Thirteen audit adjustments increased the fund balance of the School District's governmental funds by \$911,739. Three audit adjustments increased the net position of the Nutrition Fund by \$1,186. The following material misstatements detected as a result of audit procedures were corrected by management:

- 1) The county treasurer cash balance and property taxes were increased \$810,522 on the General Fund, \$107,737 on the Bond Fund, and \$14,558 on the Building Fund to reflect August 31, 2024, balances held by the County.
- 2) Payroll liability accounts were adjusted in the General Fund, decreasing fund balance \$21,080.

### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 7, 2024.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In connection with our audit of the financial statements of Osceola Public Schools – District #19 as of August 31, 2024, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our audit procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations.

1. Bank reconciliations for February to August 2024 were not completed until October 31. We noted \$19,057.60 of debit balances in insurance liabilities that were not supported. We recommend implementing procedures to provide oversight to ensure reconciliations are being done timely, working on cross training staff in order to ensure functionality of the District in the event the current bookkeeper has medical issues and implementing processes to ensure a secondary review either by the superintendent or school board.
2. We noted \$293.57 of checks on the cash account dated in August that cleared the bank in September, that are not recorded in the District's software as of August 31, 2024. We recommend ensuring that all checks are posted in the correct periods in order to ensure accountability.
3. We noted seven checks totaling \$1,520.31 on the General checking, one check on the cash account for \$16.05, one check on the nutrition account for \$159.20 and eight checks on the activity account for \$1,734.68 that have been outstanding for more than one year.

Due to the numerous issues with bank reconciliations in the past two years we recommend ensuring that the balance is actually owed and another check was not issued prior to contacting and reissuing the checks or turning over to unclaimed property.

### Other Matters

We were engaged to report on the combining nonmajor fund financial statements and statement of cash receipts, disbursements and fund balance – Activity Fund, which accompany the financial statements but are not required supplementary information (RSI). With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the management's discussion and analysis, budgetary comparison schedules, and county treasurer statements of receipts and disbursements, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Education and administration of Osceola Public Schools – District #19 and is not intended to be and should not be used by anyone other than these specified parties.

*AMGL, P.C.*

Grand Island, Nebraska  
November 7, 2024

**OSCEOLA PUBLIC SCHOOLS – DISTRICT #19  
POLK COUNTY, NEBRASKA**

**SCHEDULE OF CLASSIFICATION OF  
PAYROLLS BY NCCI CODES AND  
PAYROLLS IN TOTAL**

**August 31, 2024**

## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of  
Osceola Public Schools – District #19  
Osceola, Nebraska

### Opinion

We have audited the accompanying schedule of classification of payrolls by NCCI Codes and payrolls in total for Osceola Public Schools – District #19 for the year ended August 31, 2024.

In our opinion, the schedule of classification of payrolls by NCCI codes and payrolls in total referred to above presents fairly, in all material respects the payroll base of Osceola Public Schools – District #19 for NASB ALICAP premiums for the year ended August 31, 2024, in accordance with the modified cash basis of accounting per the interlocal agreement with the NASB All Lines Interlocal Cooperative Aggregate Pool (ALICAP).

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Information section of our report. We are required to be independent of Osceola Public Schools – District #19 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of Matter – Basis of Accounting

The schedule of classification of payrolls by NCCI codes and payrolls in total was prepared by Osceola Public Schools – District #19 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, to comply with the provisions of the agreement referred to above. Our opinion is not modified with respect to that matter.

#### SHAREHOLDERS:

Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
Tracy A. Cannon  
Jamie L. Clemans  
Travis L. Arnold

1203 W 2nd Street  
P.O. Box 1407  
Grand Island, NE 68802  
P 308-381-1810  
F 308-381-4824  
EMAIL [cpa@gicpas.com](mailto:cpa@gicpas.com)

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

Management is responsible for the preparation and fair presentation of the schedule in accordance with the provisions of the interlocal agreement between the District and NASB All Lines Interlocal Cooperative Aggregate Pool (ALICAP) and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

In preparing the schedule, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Osceola Public Schools – District #19’s ability to continue as a going concern within one year after the date that the schedule is available to be issued.

## **Auditor’s Responsibilities for the Audit of the Financial Information**

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Osceola Public Schools – District #19’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Osceola Public Schools – District #19’s ability to continue as a going concern for a reasonable period of time.

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

### **Report on the Audit of the Financial Statements**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Osceola Public Schools – District #19 as of and for the year ended August 31, 2024, and our report thereon dated November 7, 2024, expressed as an unmodified opinion on those financial statements.

*AMGL, P.C.*

Grand Island, Nebraska  
November 7, 2024

**OSCEOLA PUBLIC SCHOOLS – DISTRICT #19  
POLK COUNTY, NEBRASKA**

**SCHEDULE OF CLASSIFICATION OF PAYROLLS  
BY NCCI CODES AND PAYROLLS IN TOTAL  
For the Year Ended August 31, 2024**

<u>Class Code</u>		<u>Total Payroll*</u>
8868	Professional Employees, Teachers, Administrators, Aides and Clerical	\$ 2,302,275
9101	Custodians, Cooks, and all other employees	242,118
7380	Bus Drivers	<u>40,455</u>
	Total Payroll	\$ <u>2,584,848</u>

\*Total gross payroll before deductions.

**OSCEOLA PUBLIC SCHOOLS – DISTRICT #19  
POLK COUNTY, NEBRASKA**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**August 31, 2024**

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## INDEPENDENT AUDITOR’S REPORT

To the Board of Education  
Osceola Public Schools - District #19  
Polk County, Nebraska

### Report on the Audit of the Financial Statements

#### Opinions

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 Osceola Public Schools – District #19 as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the School District’s financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Osceola Public Schools – District #19, as of August 31, 2024, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter – Basis of Accounting

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

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A, and for 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

#### SHAREHOLDERS:

Marcy J. Luth  
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Christine R. Shenk  
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A PROFESSIONAL  
CORPORATION

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Osceola Public Schools – District #19’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor’s Responsibilities for the Audit of the Financial Statements**

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

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

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

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Osceola Public Schools – District #19’s financial statements. The combining nonmajor fund financial statements and Activity Fund statement of cash receipts, disbursements, and fund balances 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 second sentence of this paragraph is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the financial statements. The other information comprises the management’s discussion and analysis and budgetary comparison schedules, but does not include the financial statements and our auditor’s report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2024, on our consideration of Osceola Public Schools – District #19’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 Osceola Public Schools – District #19’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Osceola Public Schools – District #19’s internal control over financial reporting and compliance.



Grand Island, Nebraska  
November 7, 2024

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For The Year Ended August 31, 2024**

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**MANAGEMENT’S DISCUSSION AND ANALYSIS**

This section of Osceola Public Schools - District #19’s annual financial report presents management’s discussion and analysis (MD&A) of the District’s financial performance during the fiscal year ended August 31, 2024. Please read the MD&A in conjunction with the entire financial report, which immediately follows this section.

**FINANCIAL HIGHLIGHTS**

- General Fund revenues were \$5,506,087, \$565,688 more than expenses.
- General Fund operational costs were \$4,940,399, a 6.4 percent increase from the prior year.
- Osceola Public Schools - District #19’s Average Daily Membership (ADM) of 220 for the year ended August 31, 2024 was the same as the year ended August 31, 2023.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2024**

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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 schedules and statements.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net Position**

The District's combined net position was higher on August 31, 2024 than it was the year before, increasing 15.7 percent to \$3,024,005. The increase in the District's financial position came from its governmental activities, the net position of which increased \$440,417 to \$2,908,697 in 2024. In 2024, the net position of the District's business-type activities decreased \$30,162 to \$115,308.

**Summary Statements of Net Position**

	August 31, <u>2024</u>	August 31, <u>2023</u>
Assets	\$ 3,024,005	\$ 2,613,750
Liabilities	-	-
Net Position:		
Restricted	1,336,243	1,431,078
Unrestricted	1,687,762	1,182,672
Total Net Position	\$ 3,024,005	\$ 2,613,750

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2024**

**Governmental Activities**

A summary of the governmental activities' receipts and expenses follows:

	Year Ended August 31, <u>2024</u>	Year Ended August 31, <u>2023</u>	Increase (Decrease)
<b>Receipts:</b>			
Charges for services	\$ 202,545	\$ 239,264	\$ (36,719)
Operating grants	659,986	392,006	267,980
Taxes (property, motor vehicle, and other)	5,007,685	4,739,342	268,343
State aid	372,250	36,498	335,752
Other revenue	123,927	117,817	6,110
Total receipts	<u>6,366,393</u>	<u>5,524,927</u>	<u>841,466</u>
<b>Expenses:</b>			
Instruction	2,799,774	2,684,571	115,203
Support services:			
Pupils	56,144	55,825	319
Special education	62,927	123,542	(60,615)
Staff	52,868	63,639	(10,771)
General administration	323,493	275,480	48,013
School administration	353,621	334,762	18,859
Business	315,983	116,532	199,451
Building and grounds	675,774	589,992	85,782
Pupil transportation	96,522	108,046	(11,524)
Other support services	277,654	295,081	(17,427)
State categorical programs	2,864	4,375	(1,511)
Facilities	252,205	3,940	248,265
Federal programs	145,429	214,821	(69,392)
Transfer to other funds	-	20,000	(20,000)
Debt service	510,718	511,218	(500)
Total expenses	<u>5,925,976</u>	<u>5,401,824</u>	<u>524,152</u>
Increase in net position - governmental funds	<u>\$ 440,417</u>	<u>\$ 123,103</u>	<u>\$ 317,314</u>

Total receipts increased \$841,466 (15.2 percent) due to increased property taxes, state aid and operating grants.

Total expenses increased \$524,152 (9.7 percent), primarily due to increases in instruction, business (two years of insurance) and facilities improvements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2024**

**Business-type Activities**

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

	Year Ended August 31, <u>2024</u>	Year Ended August 31, <u>2023</u>	Increase (Decrease)
Receipts:			
Charges for services	\$ 85,015	\$ 78,140	\$ 6,875
Operating grants	86,396	107,890	(21,494)
Other income	2,506	896	1,610
Transfer from other funds	-	20,000	(20,000)
Total receipts	<u>173,917</u>	<u>206,926</u>	<u>(33,009)</u>
Expenses:			
Nutrition Services	<u>204,079</u>	<u>189,175</u>	<u>14,904</u>
Increase (decrease) in net position	<u>\$ (30,162)</u>	<u>\$ 17,751</u>	<u>\$ (47,913)</u>

In 2024, revenues of the District's business-type activities (nutrition program) decreased 16.0 percent to \$173,917 primarily due to decreased operating grants and no General Fund transfer. The District's expenses increased 7.9 percent to \$204,079 due to increased food costs.

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

As the District completed the year, its governmental funds reported combined fund balances of \$2,908,697, \$440,417 more than last year's ending combined fund balances of \$2,468,280.

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2024:

	<u>Receipts</u>	<u>Disbursements</u>	Receipts Over (Under) <u>Disbursements</u>
General	\$ 5,506,087	\$ 4,940,399	\$ 565,688
Depreciation	33,419	75,000	(41,581)
Special Building	91,879	252,205	(160,326)
Qualified Capital Purpose			
Undertaking	396	-	396
Employee Benefits	499	-	499
Bond	575,813	510,718	65,095
Activity	213,300	202,654	10,646
Eliminations	(55,000)	(55,000)	-
Totals	<u>\$ 6,366,393</u>	<u>\$ 5,925,976</u>	<u>\$ 440,417</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2024**

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The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2023:

	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts Over (Under) Disbursements</u>
General	\$ 4,612,694	\$ 4,642,073	\$ (29,379)
Depreciation	31,432	35,000	(3,568)
Special Building	137,844	3,940	133,904
Qualified Capital Purpose			
Undertaking	64	-	64
Employee Benefit	219	-	219
Bond	557,950	511,218	46,732
Activity	235,212	260,081	(24,869)
Eliminations	(50,488)	(50,488)	-
Totals	<u>\$ 5,524,927</u>	<u>\$ 5,401,824</u>	<u>\$ 123,103</u>

As mentioned, the business-type activities' expenses exceeded receipts for 2024. In addition to the district-wide financial statements, food services are reported in greater detail in the proprietary fund statements.

**BUDGET ANALYSIS**

In 2024, General Fund disbursements were \$440,175 less than budgeted appropriations. Actual General Fund receipts were \$293,709 less than budget.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

Significant additions (more than \$10,000 each) were:

- Track resurfacing - \$77,205
- Construction in process on football field lighting – \$171,000
- 2013 Blue Bird bus - \$15,000
- 35 MacBooks - \$30,765

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
MANAGEMENT’S DISCUSSION AND ANALYSIS, Continued  
For The Year Ended August 31, 2024**

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**Long-term Debt**

A summary of the District’s debt follows:

	<u>2024</u>	<u>2023</u>	<u>Increase (Decrease)</u>
Financing agreement	\$ 188,002	\$ 231,700	\$ (43,698)
General obligation building bonds	6,140,000	6,465,000	(325,000)
Total long-term debt	<u>\$ 6,328,002</u>	<u>\$ 6,696,700</u>	<u>\$ (368,698)</u>

Long-term debt decreased \$368,698 (5.5 percent) due to scheduled debt payments.

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

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

- The General Fund tax asking for the year ending August 31, 2025 of \$4,154,263 is \$1,358 (0.0 percent) higher than the tax asking for the prior year (\$4,152,905). The District’s Special Building Fund increased its tax asking \$24,242 (32.0 percent) to \$100,000, and the Bond Fund tax asking stayed the same at \$560,626.
- Certified state aid for next year is \$385,741 compared to \$372,250 for the prior year.

**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:

Jason Lavaley  
Superintendent

Osceola Public Schools  
PO Box 198  
565 S. Kimmel Street  
Osceola, NE 68651  
(402) 747-3121

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**August 31, 2024**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash (note C)	\$ 761,932	\$ 115,308	\$ 877,240
Cash restricted for building projects (note C)	684,728	-	684,728
Cash restricted for bond payments (note C)	509,208	-	509,208
Cash restricted for qualified capital purpose undertakings (note C)	20,012	-	20,012
Cash with County Treasurers (note D)	932,817	-	932,817
<b>Total assets</b>	<b>2,908,697</b>	<b>115,308</b>	<b>3,024,005</b>
<b>LIABILITIES</b>			
	-	-	-
<b>NET POSITION</b>			
Restricted	1,336,243	-	1,336,243
Unrestricted	1,572,454	115,308	1,687,762
<b>Total net position</b>	<b>\$ 2,908,697</b>	<b>\$ 115,308</b>	<b>\$ 3,024,005</b>

See notes to financial statements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

**For the year ended August 31, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Receipts</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary government:</b>			
<b>Governmental activities:</b>			
Instruction	\$ 2,799,774	\$ 13,845	\$ 437,328
Support services:			
Pupils	56,144	-	-
Special education	62,927	-	-
Staff	52,868	-	-
Other	277,654	188,300	-
General administration	323,493	-	-
School administration	353,621	-	-
Business	315,983	-	-
Building and grounds	675,774	400	-
Pupil transportation	96,522	-	7,991
State categorical programs	2,864	-	10,864
Facilities	252,205	-	-
Federal programs	145,429	-	203,803
Principal on long-term debt	325,000	-	-
Interest and fees on long-term debt	185,718	-	-
	5,925,976	202,545	659,986
<b>Business-type activities:</b>			
Nutrition services	204,079	85,015	86,396
	\$ 6,130,055	\$ 287,560	\$ 746,382
	<b>\$ 6,130,055</b>	<b>\$ 287,560</b>	<b>\$ 746,382</b>

See notes to financial statements.

<u>Program Receipts</u> Capital Grants and Contributions	Net (Expenses) Receipts and Changes in Net Position		Total
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	
\$ -	\$ (2,348,601)	\$ -	\$ (2,348,601)
-	(56,144)	-	(56,144)
-	(62,927)	-	(62,927)
-	(52,868)	-	(52,868)
-	(89,354)	-	(89,354)
-	(323,493)	-	(323,493)
-	(353,621)	-	(353,621)
-	(315,983)	-	(315,983)
-	(675,374)	-	(675,374)
-	(88,531)	-	(88,531)
-	8,000	-	8,000
-	(48,402)	-	(48,402)
-	(145,429)	-	(145,429)
-	(325,000)	-	(325,000)
-	(185,718)	-	(185,718)
-	(5,063,445)	\$ -	(5,063,445)
-	-	(32,668)	(32,668)
<u>\$ -</u>	<u>(5,063,445)</u>	<u>(32,668)</u>	<u>(5,096,113)</u>
General receipts:			
Taxes:			
Property	4,238,205	-	4,238,205
Motor vehicle	199,569	-	199,569
Other taxes	569,911	-	569,911
Fines and licenses	6,807	-	6,807
State aid	372,250	-	372,250
State apportionment	38,773	-	38,773
Interest income	48,003	679	48,682
Sale of property	22,072	-	22,072
Other	8,272	1,827	10,099
Total general receipts	<u>5,503,862</u>	<u>2,506</u>	<u>5,506,368</u>
Change in net position	440,417	(30,162)	410,255
Net position - August 31, 2023	<u>2,468,280</u>	<u>145,470</u>	<u>2,613,750</u>
Net position - August 31, 2024	<u>\$ 2,908,697</u>	<u>\$ 115,308</u>	<u>\$ 3,024,005</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**August 31, 2024**

	<u>General Fund</u>	<u>Depreciation Fund</u>	<u>Special Building Fund</u>	<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Eliminations</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash	\$ 355,933	\$ 250,761	\$ 684,728	\$ 509,208	\$ 175,250	\$ -	\$ 1,975,880
Cash with County Treasurers	810,522	-	14,558	107,737	-	-	932,817
	<u>1,166,455</u>	<u>250,761</u>	<u>699,286</u>	<u>616,945</u>	<u>175,250</u>	<u>-</u>	<u>2,908,697</u>
<b>Total assets</b>	<u>\$ 1,166,455</u>	<u>\$ 250,761</u>	<u>\$ 699,286</u>	<u>\$ 616,945</u>	<u>\$ 175,250</u>	<u>\$ -</u>	<u>\$ 2,908,697</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:							
Restricted for:							
Building additions	-	-	699,286	-	-	-	699,286
Bond payments	-	-	-	616,945	-	-	616,945
Qualified capital purpose	-	-	-	-	20,012	-	20,012
Assigned for:							
Capital outlay	-	250,761	-	-	-	-	250,761
Extracurricular activities	-	-	-	-	116,261	-	116,261
Employee benefits	-	-	-	-	38,977	-	38,977
Budgetary stabilization	312,218	-	-	-	-	-	312,218
Unassigned	854,237	-	-	-	-	-	854,237
Total fund balances	<u>1,166,455</u>	<u>250,761</u>	<u>699,286</u>	<u>616,945</u>	<u>175,250</u>	<u>-</u>	<u>2,908,697</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,166,455</u>	<u>\$ 250,761</u>	<u>\$ 699,286</u>	<u>\$ 616,945</u>	<u>\$ 175,250</u>	<u>\$ -</u>	<u>\$ 2,908,697</u>

See notes to financial statements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS -  
MODIFIED CASH BASIS**

**For the year ended August 31, 2024**

	General <u>Fund</u>	Depreciation <u>Fund</u>
<b>RECEIPTS</b>		
Taxes:		
Property	\$ 3,670,583	\$ -
Motor vehicle	199,569	-
Homestead exemption	56,527	-
Property tax credit	387,865	-
Pro-rate motor vehicle	7,965	-
Carline	1,161	-
Public power district tax	30,958	-
Nameplate capacity	5,348	-
Penalties and interest on taxes	4,237	-
Fines and licenses	6,807	-
ESU receipts	3,738	-
Tuition and driver's education fees	13,845	-
State aid and grants	858,848	-
Federal grants	203,803	-
Interest income	19,469	3,419
Transfer from other funds	-	30,000
Extracurricular receipts	-	-
Sale of property	22,072	-
Other	13,292	-
Total receipts	<u>5,506,087</u>	<u>33,419</u>
<b>DISBURSEMENTS</b>		
Instruction	2,321,765	-
Special education programs	475,743	-
Summer school	2,266	-
Support services:		
Pupils	56,144	-
Special education	62,927	-
Staff	52,868	-
Other	-	75,000
General administration	323,493	-
School administration	353,621	-
Business	315,983	-
Building and grounds	675,774	-
Pupil transportation	126,522	-
State categorical programs	2,864	-
Facilities	-	-
Federal programs	145,429	-
Transfer to other funds	25,000	-
Debt service:		
Principal	-	-
Interest	-	-
Bond fees	-	-
Total disbursements	<u>4,940,399</u>	<u>75,000</u>
<b>Excess (deficiency) of receipts over disbursements</b>	565,688	(41,581)
Fund balances - August 31, 2023	<u>600,767</u>	<u>292,342</u>
Fund balances - August 31, 2024	<u>\$ 1,166,455</u>	<u>\$ 250,761</u>

See notes to financial statements.

Special Building Fund	Bond Fund	Other Governmental Funds	Eliminations	Total Governmental Funds
\$ 71,276	\$ 496,346	\$ -	\$ -	\$ 4,238,205
-	-	-	-	199,569
1,031	7,631	-	-	65,189
7,075	52,360	-	-	447,300
195	1,086	-	-	9,246
21	157	-	-	1,339
565	4,179	-	-	35,702
98	722	-	-	6,168
141	589	-	-	4,967
-	-	-	-	6,807
-	-	-	-	3,738
-	-	-	-	13,845
-	-	-	-	858,848
-	-	-	-	203,803
11,477	12,743	895	-	48,003
-	-	25,000	(55,000)	-
-	-	188,300	-	188,300
-	-	-	-	22,072
-	-	-	-	13,292
<u>91,879</u>	<u>575,813</u>	<u>214,195</u>	<u>(55,000)</u>	<u>6,366,393</u>
-	-	-	-	2,321,765
-	-	-	-	475,743
-	-	-	-	2,266
-	-	-	-	56,144
-	-	-	-	62,927
-	-	-	-	52,868
-	-	202,654	-	277,654
-	-	-	-	323,493
-	-	-	-	353,621
-	-	-	-	315,983
-	-	-	-	675,774
-	-	-	(30,000)	96,522
-	-	-	-	2,864
252,205	-	-	-	252,205
-	-	-	-	145,429
-	-	-	(25,000)	-
-	325,000	-	-	325,000
-	185,288	-	-	185,288
-	430	-	-	430
<u>252,205</u>	<u>510,718</u>	<u>202,654</u>	<u>(55,000)</u>	<u>5,925,976</u>
(160,326)	65,095	11,541	\$ -	440,417
<u>859,612</u>	<u>551,850</u>	<u>163,709</u>		<u>2,468,280</u>
<u>\$ 699,286</u>	<u>\$ 616,945</u>	<u>\$ 175,250</u>		<u>\$ 2,908,697</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**August 31, 2024**

	<b><u>Nutrition Fund</u></b>
<b>ASSETS</b>	
Cash	\$ 115,308
<b>LIABILITIES</b>	
	<u>-</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 115,308</u></u>

See notes to financial statements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**For the year ended August 31, 2024**

	<b><u>Nutrition Fund</u></b>
<b>Operating receipts:</b>	
Lunch sales	\$ 85,015
State sources	1,244
Federal sources	69,701
USDA commodities	15,451
Other revenue	1,827
Total operating receipts	173,238
<b>Operating disbursements:</b>	
Salaries and employee benefits	93,411
Food and food service supplies	105,093
Other	5,575
Total operating disbursements	204,079
Operating disbursements in excess of receipts	(30,841)
<b>Nonoperating receipts:</b>	
Interest income	679
Decrease in net position	(30,162)
Net position - August 31, 2023	145,470
Net position - August 31, 2024	\$ 115,308

See notes to financial statements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS**

**August 31, 2024**

**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

Osceola Public Schools - District #19 is a tax-exempt political subdivision and a Class III school district of the State of Nebraska. The District has considered whether any other organizations should be included in the reporting entity based upon the significance of the operational or financial relationship with the District and has concluded that no organization should be included. Therefore, the financial statements present the District as the primary government.

2. Basis of Presentation

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

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

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

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

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

**Unassigned**—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 13). 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.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

2. Basis of Presentation, continued

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

**Government-wide Financial Statements** – The statement of net position and the statement of activities display information about the District as a whole. 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).

The statement of net position presents the financial position of the District’s governmental and business-type activities at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District’s governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions (including related investment earnings) that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each function is self-financing or draws from the general revenues.

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

Separate financial statements are provided for governmental funds and proprietary funds. 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.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

2. Basis of Presentation, continued

**Fund Financial Statements, continued**

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

3. Basis of Accounting/Measurement Focus

The financial statements of the District have been prepared on the modified cash basis of accounting in that county treasurer cash is recorded. This basis recognizes assets, liabilities, net position, revenues and expenses when they result from cash transactions. 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 capital assets) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, accrued expenses and liabilities and long-term debt) *are not recorded* in these financial statements. Accordingly, the financial statements and supplementary 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. There are no differences between the government-wide financial statements and the 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 financial statements. Proceeds from the issuance of long-term debt increase liabilities and payment of long-term debt reduces liabilities. Right of use assets and related lease liabilities, as defined by GASB 87 and 96, are not reflected in the accompanying modified cash basis financial statements.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

3. Basis of Accounting/Measurement Focus, continued

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 is reported as an expenditure when paid. Capital assets are recorded as expenditures and depreciation is not recognized.

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

4. Fund Types

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

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

**Depreciation Fund:** The Depreciation Fund was established to facilitate future purchases of capital assets by reserving money from the General Fund.

**Bond Fund:** The Bond Fund accounts for taxes levied and other revenues specifically earmarked for the retirement of bonded indebtedness.

**Special Building Fund:** Accounts for taxes levied and other revenue specifically maintained for acquiring and improving sites and buildings.

The other governmental funds are:

**Qualified Capital Purpose Undertaking Fund:** Accounts for taxes levied to facilitate the removal of the environmental hazards and the reduction or elimination of accessibility barriers in school district buildings.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

4. Fund Types, continued

**Employee Benefit Fund:** The Employee Benefit Fund was established in order to specifically reserve General Fund money for early retirement benefits and unemployment claims.

**Activity Fund:** This fund is used to account for assets held by the District for various school organizations and activities.

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

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

5. Net Position

Net position represents the difference between assets and liabilities. 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.

6. 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, and the

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

Special Building Fund (the major governmental funds). Each budget is presented on the cash basis of accounting, which is consistent with the requirements of the state budget act. State Statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditure and/or tax levy limitations.

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

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

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

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

Taxes are due as of that date. The first half of the real estate taxes due January 1 become delinquent after the following May 1, with the second half becoming delinquent after September 1.

The assessed value for Osceola Public Schools - District #19 at August 31, 2023, upon which the 2023 levy was based, was \$554,794,305.

The tax levy per \$100 of assessed valuation of taxable property for the year ended August 31, 2024, was as follows:

General Fund levy subject to levy limit	\$ 0.748549
Special Building Fund	0.013655
Bond Fund	<u>0.101051</u>
	<u>\$ 0.863255</u>

**NOTE C – CASH**

***Cash***

At August 31, 2024, the carrying value of the District's deposits was \$2,091,188 and the bank balance was \$2,352,309. 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.

The bank balances of the School District's deposits as of August 31, 2024 are entirely insured or collateralized. 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, 2024 consisted of the following:

Cash on hand	\$ 4,025
Demand deposits and money market accounts	<u>2,087,163</u>
Total cash	<u>\$ 2,091,188</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE C – CASH, continued**

***Summary of Carrying Values***

The carrying values of cash shown above are included in the fund financial statements at August 31, 2024, as follows:

Carrying value:	
Cash	<u>\$ 2,091,188</u>
Included in the following fund financial statements captions:	
Statement of Net Position – Governmental Funds –	
Cash	\$ 761,932
Cash restricted for building projects	684,728
Cash restricted for bond payments	509,208
Cash restricted for qualified capital purposes	20,012
Statement of Net Position – Proprietary Fund –	
Cash	115,308
	<u>\$ 2,091,188</u>

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

The following receipts were held by the County Treasurers for the School District at August 31, 2024. The receipts were transferred subsequent to the fiscal year ended August 31, 2024.

General Fund	\$ 810,522
Special Building Fund	14,558
Bond Fund	<u>107,737</u>
Total cash with County Treasurers at August 31, 2024	<u>\$ 932,817</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE E – LONG-TERM DEBT**

Following is a summary of changes in the District’s governmental activities’ long-term debt for the year ended August 31, 2024:

	Balance August 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance August 31, <u>2024</u>	Due Within <u>One Year</u>
Financing agreement	\$ 231,700	\$ -	\$ (43,698)	\$ 188,002	\$ 22,532
General obligation building bonds	<u>6,465,000</u>	<u>-</u>	<u>(325,000)</u>	<u>6,140,000</u>	<u>335,000</u>
	<u>\$ 6,696,700</u>	<u>\$ -</u>	<u>\$ (368,698)</u>	<u>\$ 6,328,002</u>	<u>\$ 357,532</u>

The principal and interest payments on the financing agreement will be paid by the Depreciation Fund and the general obligation bonds will be paid by the Bond Fund.

Financing agreement – On December 6, 2022, the District financed three buses for \$306,200 with Wells Fargo with an initial down payment of \$74,500. Payments of \$32,152 are due annually on January 6 with a final balloon payment of due on February 6, 2027. The District made a \$60,000 payment during the year ended August 31, 2024 to decrease the final balloon payment. The notes bears interest of 5.80 percent.

General Obligation School Building Bonds - On July 30, 2019, the District issued \$7,700,000 general obligation bonds. Interest is payable semi-annually on June 15 and December 15 of each year through maturity at rates ranging from 2.0 – 5.0 percent. Principal payments are due beginning December 15, 2019 through June 15, 2039.

Following is a summary of remaining annual debt service requirements to maturity on the District’s governmental activities long-term debt:

Year Ending August 31,	Direct Placement			Other Debt			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 22,532	\$ 9,620	\$ 32,152	\$ 335,000	\$ 178,787	\$ 513,787	\$ 357,532	\$ 188,407	\$ 545,939
2026	22,555	9,597	32,152	345,000	168,738	513,738	367,555	178,335	545,890
2027	142,915	8,289	151,204	355,000	158,388	513,388	497,915	166,677	664,592
2028	-	-	-	365,000	147,738	512,738	365,000	147,738	512,738
2029	-	-	-	370,000	139,890	509,890	370,000	139,890	509,890
2030-2034	-	-	-	2,025,000	535,140	2,560,140	2,025,000	535,140	2,560,140
2035-2039	-	-	-	2,345,000	215,250	2,560,250	2,345,000	215,250	2,560,250
Totals	<u>\$ 188,002</u>	<u>\$ 27,506</u>	<u>\$ 215,508</u>	<u>\$ 6,140,000</u>	<u>\$ 1,543,931</u>	<u>\$ 7,683,931</u>	<u>\$ 6,328,002</u>	<u>\$ 1,571,437</u>	<u>\$ 7,899,439</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN**

**Plan Description**

Osceola Public Schools – District #19 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, 2023, there were 263 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 monthly 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.

Employees' benefits are vested after five years of plan participation or when termination occurs at age 65 or later. Vested members are eligible to receive an unreduced retirement benefit at age 65.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN, continued**

**Plan Description, continued**

A member's age will determine eligibility to begin receiving a monthly benefit and if those benefits are reduced or unreduced. Benefit calculations vary with early retirement. At ages 55 to 64, members who are in tier one, two, or three may qualify to receive unreduced benefits under the "Rule of 85" if the member's attained age plus creditable service equals 85 or greater. At ages 60 to 64, members may qualify to receive unreduced benefits under the tier four "Rule of 85" if the member's attained age plus creditable service equals 85 or greater.

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

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

For the District's year ended August 31, 2024, the District's total payroll for all employees was \$2,584,848. Total covered payroll was \$2,481,590. 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, 2022 to June 30, 2023 (and from July 1, 2023 through August 31, 2024). 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, 2024, was \$245,126.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN, continued**

**Pension Liabilities/(Assets)**

At June 30, 2023 the District had a liability of \$369,438 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, 2023, 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 97.33% funded as of June 30, 2023 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, 2023, the District’s proportion was 0.089057 percent, which was an decrease of 0.018422 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District’s allocated pension expense was \$52,592.

**Actuarial Assumptions**

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.45 percent
Salary increases, including wage inflation	2.95-12.95 percent
Cost-of-Living Adjustment	Members hired before July 1, 2013: 2.05% 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	7.1 percent

The School Plan’s post-retirement mortality rates were based on the Pub-2010 General Members (Above Median) Retiree Mortality Table (100% of male rates, 95% of female rates), both male and female rates set back one year, projected generationally using MP-2019 modified to 75% of the ultimate rates.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN, continued**

**Actuarial Assumptions, continued**

The School Plan’s disability mortality rates were based on the Pub-2010 Non-Safety Disabled Mortality Table (static table).

The actuarial assumptions used in the July 1, 2023, 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, 2019. The experience study report is dated December 21, 2020.

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, 2023, (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*
US Equity	27.0%	4.5%
Non-US Equity	19.0%	5.3%
Global Equity	11.5%	5.8%
Fixed Income	30.0%	0.7%
Private Equity	5.0%	7.4%
Real Estate	7.5%	4.2%
Total	100.0%	

\*Arithmetic mean, net of investment expenses.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN, continued**

**Discount Rate**

The discount rate used to measure the Total Pension Liability/(Asset) at June 30, 2023 was 7.1 percent. The discount rate is reviewed as part of the actuarial experience study, which was last performed for the period July 1, 2015, through June 30, 2019. The actuarial experience study is reviewed by the NPERS Board, which must vote to change the discount rate.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and contributions from employers and nonemployers will be made at the contractually rates, actuarially determined. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projected future benefit payments for all current plan members were projected through 2122.

**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/(asset) calculated using the discount rate of 7.1 percent, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.1 percent) or 1-percentage-point higher (8.1 percent) than the current rate:

	<u>Discount rate</u>	<u>District's proportionate Share of net pension liability/(asset)</u>
1% decrease	6.1%	\$ 2,314,775
Current discount rate	7.1%	\$ 369,438
1% increase	8.1%	\$ (1,226,413)

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE F – PENSION PLAN, continued**

**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).

**NOTE G – 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. During the year, the District carried commercial insurance for general liability, public officials’ liability, property coverage, workers’ compensation coverage, commercial excess liability coverage and fidelity bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance in any of the past three fiscal years.

**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, 2024 are held in the name of the School District. The underlying securities consist of money market accounts.

***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 School District does not have any investments with maturity dates.

***Credit Risk.*** Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The School District’s investments consist of only money market accounts, minimizing credit risk associated with the School District’s investment portfolio.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE G – RISK MANAGEMENT, continued**

**Deposits and Investments, continued**

*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, 2024, the School District’s deposits consisted of the following:

<u>Financial Institution</u>	<u>Amount</u>
Pinnacle Bank	\$ 2,087,071
Nebraska Liquid Asset Fund	<u>92</u>
	<u>\$ 2,087,163</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, 2024.

**NOTE H – INTERFUND TRANSFERS AND BALANCES**

During the year ended August 31, 2024, the General Fund repaid the \$250,000 owed to the Special Building Fund at August 31, 2023.

During the year ended August 31, 2024, the General Fund transferred \$25,000 to the Activity Fund and \$30,000 to the Depreciation Fund. These transfers were eliminated on page 14.

**NOTE I – TAX ABATEMENT**

The District is subject to a tax abatement granted by the City of Osceola who has entered into tax increment financing (TIF) agreement with the local grain cooperative for an improvement project. This TIF program has the stated purpose of increasing business activity and employment in the community.

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2024**

**NOTE I – TAX ABATEMENT, continued**

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 City to finance the project for a period of up to 15 years.

Information relevant to the abatements impacting the District for the year ended August 31, 2024 is as follows:

<u>Tax Abatement Program</u>	<u>Amount Abated During the Year</u>
Tax Increment Financing	\$ <u>20,993</u>

**NOTE J – COMMITMENTS**

The District had the following construction commitments at August 31, 2024:

	<u>Contract</u>	<u>Paid as of 8/31/2024</u>	<u>Remaining Obligation</u>	<u>Expected Completion Date</u>
Ensley Electric - Stadium lights	\$ <u>252,980</u>	\$ <u>171,000</u>	\$ <u>81,980</u>	September 2024

On August 9, 2019, the District entered into an agreement with Office Net for use of copiers. The agreement requires monthly payments of \$105 until termination of the lease on October 9, 2024.

On August 7, 2019, the District entered into an agreement with Mail Finance for the use of a postage machine. The agreement requires monthly payments of \$92 until termination of the lease on November 3, 2024.

**NOTE K – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 7, 2024, the date on which the financial statements were available for issue.

**SUPPLEMENTARY AND OTHER INFORMATION**

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND**

**Year ended August 31, 2024**

Function Code		Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>				
Local receipts:				
1110	Property	\$ 4,111,376	\$ 3,670,583	\$ (440,793)
1115	Carline	1,000	1,161	161
1120	Public power district tax	500	30,958	30,458
1125	Motor vehicle	175,000	199,569	24,569
1140	Penalties and interest on taxes	-	4,237	4,237
1311	Tuition and driver's education fees	8,000	7,100	(900)
1370	Preschool tuition and fees	-	6,705	6,705
1510	Interest	5,000	19,469	14,469
1740	Fees	-	40	40
1910	Rentals of facilities	400	400	-
1911	Other local license fees	-	1,330	1,330
1920	Contributions and donations	500	500	-
1925	Other categorical grants	-	4,120	4,120
1990	Other local receipts	-	745	745
	Total local receipts	<u>4,301,776</u>	<u>3,946,917</u>	<u>(354,859)</u>
County and ESU receipts:				
2110	Fines and licenses	7,500	5,477	(2,023)
2210	ESU receipts	900	3,738	2,838
	Total county and ESU receipts	<u>8,400</u>	<u>9,215</u>	<u>815</u>
State receipts:				
3110	State aid	372,250	372,250	-
3120	Special education programs	400,000	429,470	29,470
3125	Special education transportation	-	7,991	7,991
3130	Homestead exemption	-	56,527	56,527
3131	Property tax credit	-	387,865	387,865
3133	Nameplate capacity	5,000	5,348	348
3180	Pro-rate motor vehicle	5,000	7,965	2,965
3400	State apportionment	25,000	38,773	13,773
3512	Distance education incentive payment	3,000	-	(3,000)
3535	Payments for High Ability Learners	3,000	2,864	(136)
3551	Career education	-	7,500	7,500
	Total state receipts	<u>813,250</u>	<u>1,316,553</u>	<u>503,303</u>
4000	Federal grants	676,370	203,803	(472,567)
Non-revenue receipts:				
5300	Sale of property	-	3,511	3,511
5301	Insurance adjustments	-	18,561	18,561
5690	Other non-revenue receipts	-	7,527	7,527
	Total non-revenue receipts	<u>-</u>	<u>29,599</u>	<u>29,599</u>
	Total receipts	<u>5,799,796</u>	<u>5,506,087</u>	<u>(293,709)</u>
<b>DISBURSEMENTS</b>				
1100	Instructional services	2,271,425	2,321,765	50,340
1200	Special education programs	467,760	475,743	7,983
1300	Summer school	2,500	2,266	(234)
Support services:				
2100	Pupil	59,960	56,144	(3,816)
2141-2183	Special education	121,500	62,927	(58,573)
2200	Instructional staff	59,685	52,868	(6,817)
2300	General administration	363,200	323,493	(39,707)
2400	School administration	370,750	353,621	(17,129)
2500	Business	323,350	315,983	(7,367)
2600	Building and grounds	703,080	675,774	(27,306)
2700	Pupil transportation	102,720	126,522	23,802
3500	State categorical programs	2,913	2,864	(49)
6000	Federal programs	227,375	145,429	(81,946)
8000	Transfer to other funds	304,356	25,000	(279,356)
	Total disbursements	<u>5,380,574</u>	<u>4,940,399</u>	<u>(440,175)</u>
<b>RECEIPTS OVER DISBURSEMENTS</b>				
		<u>\$ 419,222</u>	<u>565,688</u>	<u>\$ 146,466</u>
Fund balances - August 31, 2023			<u>600,767</u>	
Fund balances - August 31, 2024			<u>\$ 1,166,455</u>	
Composition of fund balance:			<u>8/31/2023</u>	<u>8/31/2024</u>
Cash			\$ 96,046	\$ 355,933
County treasurer cash			754,721	810,522
Due to other funds			(250,000)	-
Total fund balance			<u>\$ 600,767</u>	<u>\$ 1,166,455</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
DEPRECIATION FUND**

**Year ended August 31, 2024**

Function Code	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) <u>Final Budget</u>
<b>RECEIPTS</b>			
Local receipts:			
1510	Interest income	\$ -	\$ 3,419
			\$ 3,419
Non-revenue receipts:			
5200	Transfer from General Fund	-	30,000
	Total receipts	<u>-</u>	<u>33,419</u>
<b>DISBURSEMENTS</b>			
2900	Other support services	<u>260,910</u>	<u>75,000</u>
			<u>(185,910)</u>
	<b>RECEIPTS UNDER DISBURSEMENTS</b>	<u>\$ (260,910)</u>	<u>(41,581)</u>
			<u>\$ 219,329</u>
	Fund balances - August 31, 2023	<u>292,342</u>	
	Fund balances - August 31, 2024	<u>\$ 250,761</u>	
	Composition of fund balance:	<u>8/31/2023</u>	<u>8/31/2024</u>
	Cash	<u>\$ 292,342</u>	<u>\$ 250,761</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
SPECIAL BUILDING FUND**

**Year ended August 31, 2024**

Function Code	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) <u>Final Budget</u>	
<b>RECEIPTS</b>				
Local receipts:				
1110	Property	\$ 75,000	\$ 71,276	\$ (3,724)
1115	Carline	-	21	21
1120	Public power district sales tax	-	565	565
1140	Penalties and interest on taxes	-	141	141
1510	Interest income	-	11,477	11,477
	Total local receipts	<u>75,000</u>	<u>83,480</u>	<u>8,480</u>
State receipts:				
3130	Homestead exemption	-	1,031	1,031
3131	Property tax credit	-	7,075	7,075
3133	Nameplate capacity	-	98	98
3180	Pro-rate motor vehicle	-	195	195
	Total state receipts	<u>-</u>	<u>8,399</u>	<u>8,399</u>
	Total receipts	75,000	91,879	16,879
<b>DISBURSEMENTS</b>				
4500	Facilities	<u>653,933</u>	<u>252,205</u>	<u>(401,728)</u>
	<b>RECEIPTS UNDER DISBURSEMENTS</b>	<u>\$ (578,933)</u>	(160,326)	<u>\$ 418,607</u>
	Fund balances - August 31, 2023		<u>859,612</u>	
	Fund balances - August 31, 2024		<u>\$ 699,286</u>	
Composition of fund balance:			<u>8/31/2023</u>	<u>8/31/2024</u>
	Cash		\$ 582,328	\$ 684,728
	County treasurer cash		27,284	14,558
	Due from other funds		<u>250,000</u>	<u>-</u>
	Total fund balance		<u>\$ 859,612</u>	<u>\$ 699,286</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
BOND FUND**

**Year ended August 31, 2024**

Function Code	Budget (Original and <u>Final</u> )	<u>Actual</u>	Variances - Actual Over (Under) <u>Final Budget</u>	
<b>RECEIPTS</b>				
Local receipts:				
1110	Property	\$ 555,020	\$ 496,346	\$ (58,674)
1115	Carline	115	157	42
1120	Public power district sales tax	500	4,179	3,679
1140	Penalties and interest on taxes	-	589	589
1510	Interest income	50	12,743	12,693
	Total local receipts	<u>555,685</u>	<u>514,014</u>	<u>(41,671)</u>
State receipts:				
3130	Homestead exemption	-	7,631	7,631
3131	Property tax credit	-	52,360	52,360
3133	Nameplate capacity tax	-	722	722
3180	Pro-rate motor vehicle	-	1,086	1,086
	Total state receipts	<u>-</u>	<u>61,799</u>	<u>61,799</u>
	Total receipts	555,685	575,813	20,128
<b>DISBURSEMENTS</b>				
Debt service:				
5000	Principal	325,000	325,000	-
5000	Interest	185,288	185,288	-
5000	Bond fees	98,591	430	(98,161)
	Total disbursements	<u>608,879</u>	<u>510,718</u>	<u>(98,161)</u>
	<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (53,194)</u>	65,095	<u>\$ 118,289</u>
	Fund balances - August 31, 2023		<u>551,850</u>	
	Fund balances - August 31, 2024		<u>\$ 616,945</u>	
	Composition of fund balance:		<u>8/31/2023</u>	<u>8/31/2024</u>
	Cash		\$ 448,382	\$ 509,208
	County treasurer cash		103,468	107,737
	Total fund balance		<u>\$ 551,850</u>	<u>\$ 616,945</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**August 31, 2024**

	Employee Benefit <u>Fund</u>	Qualified Capital Purpose Undertaking <u>Fund</u>	Activity <u>Fund</u>	Total Other Governmental <u>Funds</u>
<b>ASSETS</b>				
Cash	<u>\$ 38,977</u>	<u>\$ 20,012</u>	<u>\$ 116,261</u>	<u>\$ 175,250</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted for:				
Qualified capital purpose	-	20,012	-	20,012
Assigned for:				
Extracurricular activities	-	-	116,261	116,261
Employee benefits	<u>38,977</u>	<u>-</u>	<u>-</u>	<u>38,977</u>
Total fund balances	<u>38,977</u>	<u>20,012</u>	<u>116,261</u>	<u>175,250</u>
<b>Total liabilities and fund balances</b>	<u>\$ 38,977</u>	<u>\$ 20,012</u>	<u>\$ 116,261</u>	<u>\$ 175,250</u>

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**Year ended August 31, 2024**

	Employee Benefit <u>Fund</u>	Qualified Capital Purpose Undertaking <u>Fund</u>	Activity <u>Fund</u>	Total Other Governmental <u>Funds</u>
<b>RECEIPTS</b>				
Taxes:				
Extracurricular receipts	\$ -	\$ -	\$ 188,300	\$ 188,300
Interest income	499	396	-	895
Transfer from other funds	-	-	25,000	25,000
Total receipts	499	396	213,300	214,195
<b>DISBURSEMENTS</b>				
Other support services	-	-	202,654	202,654
<b>Receipts over (under) disbursements</b>	499	396	10,646	11,541
Fund balances - August 31, 2023	38,478	19,616	105,615	163,709
Fund balances - August 31, 2024	\$ 38,977	\$ 20,012	\$ 116,261	\$ 175,250

**OSCEOLA PUBLIC SCHOOLS - DISTRICT #19  
POLK COUNTY, NEBRASKA**

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

**Year ended August 31, 2024**

	Balance August 31, <u>2023</u>	Receipts and <u>Transfers</u>	<u>Disbursements</u>	Balance August 31, <u>2024</u>
<u>District-wide</u>				
Adult education	\$ 1,420	\$ -	\$ -	\$ 1,420
Annual	3,403	1,315	1,987	2,731
Athletics	4,316	103,458	79,534	28,240
Book club	2,412	935	2,862	485
Boys basketball	2,900	11,497	13,837	560
Business	1,703	-	-	1,703
Class of 2017	365	-	-	365
Class of 2018	43	-	-	43
Class of 2019	260	-	-	260
Class of 2020	790	-	-	790
Class of 2021	1,370	-	-	1,370
Class of 2022	1,304	-	-	1,304
Class of 2023	1,768	-	-	1,768
Class of 2024	2,854	-	2,948	(94)
Class of 2025	2,386	2,654	2,043	2,997
Class of 2026	-	2,816	-	2,816
Class of 2028	-	89	-	89
Concession stand	-	16,328	15,720	608
College access	81	-	-	81
Crossroads conference	700	100	150	650
Dazzlers	217	18,189	21,365	(2,959)
Drama	1,803	6,122	6,616	1,309
Elementary	2,031	3,445	3,017	2,459
Elementary principal	469	-	541	(72)
Embroidery	9,444	518	227	9,735
Entrepreneurship	2,625	4,323	1,765	5,183
Engineering	188	-	-	188
Ethan Gustafson	1,189	(804)	28	357
FBLA	1,990	-	-	1,990
FFA	3,671	19,149	19,843	2,977
Football	5,476	2,174	5,882	1,768
General	6,302	10,150	8,889	7,563
Girls basketball	3,200	5,084	5,146	3,138
HS/MS principal account	340	-	487	(147)
Miscellaneous	816	-	-	816
MS book club	683	125	134	674
MS student council	2,355	888	1,125	2,118
Music	8,907	-	-	8,907
National Honor Society	1,499	446	531	1,414
Quiz bowl	3,135	1,512	550	4,097
Shop	832	-	-	832
Spanish club	213	-	-	213
Spelling bee	7,315	800	659	7,456
Striv TV	500	-	-	500
Student council	3,234	834	467	3,601
SWAG	3,488	-	42	3,446
Volleyball	5,497	1,070	6,259	308
Weight room fund	121	83	-	204
Total	<u>\$ 105,615</u>	<u>\$ 213,300</u>	<u>\$ 202,654</u>	<u>\$ 116,261</u>



**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  
Osceola Public Schools - District #19  
Polk County, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Osceola Public Schools – District #19 as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the School District's financial statements, and have issued our report thereon dated November 7, 2024. 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.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Osceola Public Schools – District #19's internal control over financial reporting (internal control) as a basis for designing 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 Osceola Public Schools – District #19's internal control.

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

SHAREHOLDERS:

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Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
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A PROFESSIONAL  
CORPORATION

We did identify certain deficiencies in internal control, described below to be a material weakness.

- The School District failed to have proper procedures in place to ensure that bank reconciliations are completed timely to ensure proper oversight and timely reporting. This resulted in numerous erroneous and unrecorded transactions during the fiscal year ended August 31, 2024. This failure created an opportunity for staff to commit fraud and misstate certain transactions and classes of assets, since activity was not reconciled timely in the District's accounting software.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described below that we consider to be a significant deficiency.

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Osceola Public Schools – District #19'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*.

### **Osceola Public Schools – District #19's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on Osceola Public Schools – District #19's response to the findings identified during our audit. Osceola Public Schools – District #19's response to the findings identified above is that it is impractical to further segregate duties due to the small size of the District. The District will work on implementing processes in order to ensure that bank reconciliations are done timely. Osceola Public Schools – District #19's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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  
November 7, 2024

To the Board of Education  
Osceola Public Schools – District #19  
Osceola, Nebraska

In planning and performing our audit of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Osceola Public Schools – District #19 as of and for the year ended August 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the School District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in internal control to be a material weaknesses.

The School District failed to properly review and oversee the financial reporting of bank transactions. This resulted in numerous erroneous and unrecorded transactions during the fiscal year ended August 31, 2024. This failure created an opportunity for staff to commit fraud and misstate certain transactions and classes of assets, since activity was not recorded correctly or at all in the District's accounting software.

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. We consider the following deficiency in the School District's internal control to be a significant deficiency:

**SHAREHOLDERS:**

Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
Tracy A. Cannon  
Jamie L. Clemans  
Travis L. Arnold

1203 W 2nd Street  
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The size of the School District's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This lack of segregation of duties creates an opportunity for employees to commit fraud that may go undetected. This situation suggests that the Board of Education remain involved in the financial affairs of the School District to provide oversight and independent review functions.

This communication is intended solely for the information and use of management, the Board of Education, and others within the School District, and is not intended to be and should not be used by anyone other than these specified parties.

AMGL, PC .

Grand Island, Nebraska  
November 7, 2024

November 7, 2024

Nebraska Department of Education  
PO Box 94987  
Lincoln, NE 68509-4987

RE: Osceola Public Schools (#72-0019-000)

During the performance of our audit fieldwork for the year ended August 31, 2024, we performed the following procedures regarding Osceola Public Schools' student membership and attendance reporting:

- 1) We documented the District's policies and procedures for collecting student membership and attendance data.
- 2) We determined that the District was following its policies and procedures for collecting student census data.
- 3) We determined attendance at the District is collected at least daily and calculated to the nearest hundredth of a day.
- 4) We determined the District maintains a cumulative attendance and membership record for each student.
- 5) We determined the cumulative attendance and membership records contain the date of enrollment, number of days or partial days in attendance and absent during each school year enrolled, and the date of withdrawal or graduation.
- 6) We traced student attendance reported in the Nebraska Department of Education's approved ADVISER data collection system to the District's student information system for the 2023-2024 school year. The ADVISER report had the same days enrolled compared to the District's information system in total days; however, ADVISER reported 114.18 more days present and 114.18 fewer days absent than the District's information system.
- 7) We sampled 15 students from the ADVISER report for the year ended August 31, 2024 and traced the days enrolled, present, and absent to the District's census report. The ADVISER report had .22 more days present, and .22 less days absent and the same amount of days enrolled. There were variances on one of the 15 students sampled.

**SHAREHOLDERS:**

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- 8) Using the same sample of 15 students, we traced the students to their student enrollment files to verify that the students were documented as enrolled students of the District for the dates claimed in the attendance record.
- 9) We sampled 25 General Fund disbursements, noting the District's allocation to the school district/building level. The District's allocation for 25 items sampled was appropriate. We noted no items in our sample that were not allocated appropriately.

If you need additional information please call me at (308) 381-1810 or email me at [koverturf@gicpas.com](mailto:koverturf@gicpas.com).

Sincerely,

**AMGL, P.C.**



Kyle R. Overturf, CPA

gh/dkk/15773