

Regular Meeting of the Shelton Public Schools Board of Education
Monday, December 11, 2023
the Elementary Conference Room
7:30 PM

President Lewis called the Regular Meeting of the Shelton Public Schools Board of Education to order at 7:30 PM on Monday, December 11, 2023 in the Elementary Conference Room. The meeting was advertised in accordance to Policy 2008. An open meetings poster, agendas and procedures to address the Board of Education were available to visitors.

1. Call to order and roll call

Kay Johnson: Present, Chris Lewis: Present, Russ Muhlbach: Present, Emmy Power: Present, Lisa Stewart: Present, Dana Tompkin: Present. Present: 6.

Administrators Dr. Gannon, Mr. Kenton and Mrs. Meyer were present as well as 4 visitors.

2. Routine matters

2.a. Review and approve minutes

Motion made by Emmy Power seconded by Dana Tompkin to review and approve minutes from the November 13th, 2023 Regular Board Meeting. Vote: Passed
Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

2.b. Review and approve claims

Motion made by Lisa Stewart seconded by Russ Muhlbach to review and approve claims from 56237 to 56295 in the amount of \$235,500.02 plus regular payroll. Vote: Passed
Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

3. Request to address the Board of Education

No requests were made to address the board.

4. Reports

4.a. Financial Report

Dr. Gannon reported on the financial status of the district.

4.b. Board Report

Americanism committee met prior to board meeting tonight, the Americanism staff committee will meet this summer to make sure standards are aligned with curriculum.

4.c. Superintendent's Report

Calendar committee is working on the draft for the 24-25 school year and the Rule 10 safety audit is scheduled for February 2024.

4.d. Secondary Principal's Report

Mrs. Meyer reported a 7-12 enrollment of 111 students, high school winter athletics are going well. Friendsgiving was celebrated with all K-12 students and was well received.

4.e. Elementary Principal's Report

Mr. Kenton reported that elementary enrollment is 169 students. Continuous improvement process team is working on writing prompts and improvements for K-12 students.

5. New Business

5.a. Information regarding the school counseling program

Mrs. Flint presented the school counseling program and resources available for students. A school counseling website link is available on the Shelton Bulldogs Website.

5.b. Information regarding the NPAIT program for school finance.

Walker Zulkoski presented information from NPAIT, a money market fund for public entities.

5.c. Consideration to approve a repair cracks and an area that has heaved in the track.

Motion made by Chris Lewis seconded by Dana Tompkin to approve bid of \$4500.00 to fix damage to track and repair cracks. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa

Stewart: Yea, Dana Tompkin: Yea

Yea: 6, Nay: 0

5.d. Review and/or revise Policy 7034 Staff Dress and Appearance, Policy 7039 Non-School Certificated Staff Employment, Policy 2001 Role of the Board of Education, Policy 2002 Organization of the Board, Board Officers, Check Signing, and Committees

Motion made by Chris Lewis seconded by Kay Johnson to approve as amended Policy 7034 Staff Dress and Appearance, Policy 7039 Non-School Certificated Staff Employment and Policy 2002 Organization of the Board, Board Officers, Check Signing, and Committees and approve as presented Policy 2001 Role of the Board of Education. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa

Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

5.e. Information regarding the school audit for the 22-23 school year.

Information about the 2022-2023 school audit was presented.

5.f. Discussion and possible action regarding transferring money into depreciation funds.

Discussion about adding money to depreciation funds based on information from school audit and NDE.

5.g. Discussion regarding the change in the use of ESSER III funds to be used to purchase and install a security camera system instead of using the funds for HVAC work.

No further discussion on the use of ESSER III funds.

5.h. Discussion regarding nutrition fund for the 23-24 school year.

Board discussion regarding the nutrition fund.

6. Old Business

7. Adjournment

Motion made by Lisa Stewart seconded by Emmy Power to to adjourn at 10:00 pm.. Vote:
Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa
Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

Respectfully Submitted,
Lisa Stewart, Secretary

Regular Meeting of the Shelton Public Schools Board of Education
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7:30 PM

President Lewis called the Regular Meeting of the Shelton Public Schools Board of Education to order at 7:30 PM on Monday, November 13, 2023 in the Elementary Conference Room. The meeting was advertised in accordance to Policy 2003. An open meetings poster, agendas and procedures to address the Board of Education were available to visitors.

1. Call to order and roll call

Kay Johnson: Present, Chris Lewis: Present, Russ Muhlbach: Present, Emmy Power: Present, Lisa Stewart: Present, Dana Tompkin: Present. Present: 6.

Administrators Dr. Gannon, Mrs. Meyer and Mr. Kenton were present as well as 1 visitor.

2. Routine matters

2.a. Review and approve minutes

Motion made by Chris Lewis seconded by Emmy Power to review and approve minutes for the October 16, 2023 Regular Meeting of the Board of Education. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

2.b. Review and approve claims

Motion made by Lisa Stewart seconded by Dana Tompkin to review and approve claims 56173 to 56233 in the amount of \$230,284.62 plus regular payroll. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

3. Request to address the Board of Education

No requests were made to address the board.

4. Reports

4.a. Financial Report

Dr. Gannon reported on the financial status of the district.

4.b. Board Report

No committee updates at this time.

4.c. Superintendent's Report

Dr. Gannon reported on grants that had been submitted and possibilities for future grants and use of ESSER III funds.

4.d. Elementary Principal's Report

Mr. Kenton reported that elementary enrollment is 169 students. He also reported on the continuous improvement process used in the school as part of the Rule 10 requirement, as well as ongoing professional development for CKLA provided via Zoom through ESU 10.

4.e. Secondary Principal's Report

Mrs. Meyer reported that Juniors took the Pre-ACT November 7th and are awaiting their results to see focus areas they need to work on prior to ACT. Seniors had Apply to College Day October 16th and FFA had a successful showing at the livestock judging competition in Broken Bow. Veterans Day program was well attended and appreciated.

5. New Business

5.a. Review and/or revise Shelton Safe Return Plan

Motion made by Lisa Stewart seconded by Chris Lewis to approve the Shelton Safe Return Plan as amended. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

5.b. Discussion and possible action to approve the Negotiated Agreement for 2024-2025.

Motion made by Russ Muhlbach seconded by Emmy Power to approve the negotiated agreement for the 2024-2025 school year as presented. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

5.c. Review and/or revise policies 7035 Job References To Prospective Employers For Current and Former Employees,

Motion made by Chris Lewis seconded by Lisa Stewart to approve Policy 7035 Job References to Prospective Employers for Current and Former Employees as revised. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea
Yea: 6, Nay: 0

5.d. Superintendent's Evaluation

Board had group discussion regarding Dr. Gannon's Superintendent Evaluation.

5.e. Review and/or revise Policy 1001 General Policy Statement, Policy 1002 School District Legal Status, Policy 1003 The People And Their School, 1004 Philosophy of Education, 1005 Mission Statement

Motion made by Chris Lewis seconded by Kay Johnson to review and approve Policy 1001 General Policy Statement, Policy 1002 School District Legal Status and Policy 1003 The People And Their School as presented and combine and approve as amended Policy 1004 Philosophy of Education and Policy 1005 Mission Statement into Policy 1004 in Philosophy of Education, Mission and Vision Statement. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea

Yea: 6, Nay: 0

5.f. Strategy session related to collective bargaining

Strategy session was not needed for collective bargaining.

6. Old Business

7. Adjournment

Motion made by Emmy Power seconded by Kay Johnson to adjourn at 9:48 pm. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea

Yea: 6, Nay: 0

Respectfully Submitted,
Lisa Stewart, Secretary

Shelton Public Schools

Check Register Report by Check Number

Bank: [All]; Bank Account: [All]; Begin Check Number: 56237; End Check Number: 56295; Check Status: Paid; Created On: 12/8/2023 1:08:27 PM

Bank		Account Number			
Cornerstone Bank		031038968			
Paid Date	Check Number	Type	Vendor Name	Amount	Check Status
12/11/2023	56237	Payroll Liability	Aflac	\$2,043.12	Paid
12/11/2023	56238	Payroll Liability	Blue Cross Blue Shield	\$54,564.75	Paid
12/11/2023	56239	Payroll Liability	Companion Insurance Company	\$109.50	Paid
12/11/2023	56240	Payroll Liability	Credit Management Services, Inc.	\$214.53	Paid
12/11/2023	56241	Payroll Liability	Dist. 19 Payroll Acct.	\$7,330.30	Paid
12/11/2023	56242	Payroll Liability	District 19 Payroll Acct.	\$47,939.23	Paid
12/11/2023	56243	Payroll Liability	Horace Mann Life Insurance Co	\$200.00	Paid
12/11/2023	56244	Payroll Liability	Payroll Account - Dist 19	\$225.00	Paid
12/11/2023	56245	Payroll Liability	Principal Life Insurance Co	\$771.36	Paid
12/11/2023	56246	Payroll Liability	Shelton School Payroll Acct.	\$41,252.80	Paid
12/11/2023	56247	Payroll Liability	Vision Service Plan	\$488.72	Paid
12/11/2023	56248	Accounts Payable	Amazon Capital Services, Inc.	\$441.35	Paid
12/11/2023	56249	Accounts Payable	Amplify Education, Inc.	\$78.62	Paid
12/11/2023	56250	Accounts Payable	Ask Supply Co., LLC	\$632.26	Paid
12/11/2023	56251	Accounts Payable	Black Hills Energy	\$2,801.41	Paid
12/11/2023	56252	Accounts Payable	Builders How-to Warehouse	\$70.13	Paid
12/11/2023	56253	Accounts Payable	Cash-wa Distributing Co.	\$193.25	Paid
12/11/2023	56254	Accounts Payable	Central Nebraska Forensics League	\$125.00	Paid
12/11/2023	56255	Accounts Payable	Clipper Publishing Co., Inc.	\$629.96	Paid
12/11/2023	56256	Accounts Payable	Copper Penny Station, LLC	\$1,705.65	Paid
12/11/2023	56257	Accounts Payable	Cornerstone Bank	\$10.00	Paid
12/11/2023	56258	Accounts Payable	Culligan	\$47.00	Paid
12/11/2023	56259	Accounts Payable	Dana F. Cole & Company, LLP	\$4,850.00	Paid
12/11/2023	56260	Accounts Payable	DAS State Accounting - Central Finance	\$267.63	Paid
12/11/2023	56261	Accounts Payable	Diversified Drug Testing, LLC	\$109.00	Paid
12/11/2023	56262	Accounts Payable	Eakes Office Solutions	\$3,925.59	Paid
12/11/2023	56263	Accounts Payable	Educational Service Unit #10	\$41,854.95	Paid
12/11/2023	56264	Accounts Payable	Egan Supply Co.	\$2,782.84	Paid
12/11/2023	56265	Accounts Payable	Grones Outdoor Power	\$502.79	Paid
12/11/2023	56266	Accounts Payable	Harris School Solutions	\$4,533.87	Paid
12/11/2023	56267	Accounts Payable	Heartland Disposal, Inc.	\$400.00	Paid
12/11/2023	56268	Accounts Payable	Hilton Garden Inn Omaha Downtown/Old Market	\$928.40	Paid
12/11/2023	56269	Accounts Payable	Hilton Omaha	\$302.00	Paid
12/11/2023	56270	Accounts Payable	Hobby Lobby Stores, Inc	\$128.30	Paid
12/11/2023	56271	Accounts Payable	Hometown Leasing	\$653.27	Paid
12/11/2023	56272	Accounts Payable	HRdirect	\$94.94	Paid
12/11/2023	56273	Accounts Payable	Integrated Security Solutions	\$821.00	Paid
12/11/2023	56274	Accounts Payable	J.W. Pepper & Son, Inc.	\$37.97	Paid
12/11/2023	56275	Accounts Payable	Jack Lederman Company	\$53.20	Paid
12/11/2023	56276	Accounts Payable	Jostens, Inc.	\$160.60	Paid
12/11/2023	56277	Accounts Payable	KSB School Law PC LLO	\$1,570.00	Paid
12/11/2023	56278	Accounts Payable	Larry's Market	\$33.25	Paid
12/11/2023	56279	Accounts Payable	Matheson Tri-Gas, Inc.	\$223.94	Paid
12/11/2023	56280	Accounts Payable	Menards - Grand Island	\$236.29	Paid
12/11/2023	56281	Accounts Payable	Michael Todd Industrial Supply	\$793.61	Paid
12/11/2023	56282	Accounts Payable	National Art & School Supplies, Inc.	\$299.80	Paid
12/11/2023	56283	Accounts Payable	Nationwide	\$100.00	Paid
12/11/2023	56284	Accounts Payable	Nebr Assoc Of School Boards	\$426.00	Paid
12/11/2023	56285	Accounts Payable	Nebraska Central Telephone Co	\$268.88	Paid

12/11/2023	56286	Accounts Payable	Nebraska Pubilc Power Dist.	\$3,597.98	Paid
12/11/2023	56287	Accounts Payable	One Source The Background Check Company	\$34.00	Paid
12/11/2023	56288	Accounts Payable	Optum	\$150.00	Paid
12/11/2023	56289	Accounts Payable	Rasmussen Mechanical Services	\$542.28	Paid
12/11/2023	56290	Accounts Payable	Shelton School Petty Cash	\$1,028.41	Paid
12/11/2023	56291	Accounts Payable	Thober, Amanda K	\$25.02	Paid
12/11/2023	56292	Accounts Payable	Village Of Shelton	\$962.62	Paid
12/11/2023	56293	Accounts Payable	Kevin Willis	\$101.15	Paid
12/11/2023	56294	Accounts Payable	Woodward Disposal Service, Inc.	\$26.50	Paid
12/11/2023	56295	Accounts Payable	Yanda's Music	\$800.00	Paid
Sub Total				\$235,500.02	
Grand Total				\$235,500.02	

Shelton Public Schools

Check Listing Report

Accounting Cycle: FY23-24; Begin Date: 12/01/2023; End Date: 12/31/2023; Bank: [All]; Sort By Element: FUND; Account Expression: ([FUND] = "01"); Created On: 12/8/2023 1:04:07 PM

Check Date	Check Number	Payee	Type	Amount
12/11/2023	56248	Amazon Capital Services, Inc.	Accounts Payable	\$441.35
12/11/2023	56249	Amplify Education, Inc.	Accounts Payable	\$78.62
12/11/2023	56250	Ask Supply Co., LLC	Accounts Payable	\$632.26
12/11/2023	56251	Black Hills Energy	Accounts Payable	\$2,801.41
12/11/2023	56252	Builders How-to Warehouse	Accounts Payable	\$70.13
12/11/2023	56253	Cash-wa Distributing Co.	Accounts Payable	\$193.25
12/11/2023	56254	Central Nebraska Forensics League	Accounts Payable	\$125.00
12/11/2023	56255	Clipper Publishing Co., Inc.	Accounts Payable	\$629.96
12/11/2023	56256	Copper Penny Station, LLC	Accounts Payable	\$1,705.65
12/11/2023	56257	Cornerstone Bank	Accounts Payable	\$10.00
12/11/2023	56258	Culligan	Accounts Payable	\$47.00
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12/11/2023	56272	HRdirect	Accounts Payable	\$94.94
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12/11/2023	56276	Jostens, Inc.	Accounts Payable	\$160.60
12/11/2023	56277	KSB School Law PC LLO	Accounts Payable	\$1,570.00
12/11/2023	56278	Larry's Market	Accounts Payable	\$33.25
12/11/2023	56279	Matheson Tri-Gas, Inc.	Accounts Payable	\$223.94
12/11/2023	56280	Menards - Grand Island	Accounts Payable	\$236.29
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12/11/2023	56284	Nebr Assoc Of School Boards	Accounts Payable	\$426.00
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12/11/2023	56287	One Source The Background Check Company	Accounts Payable	\$34.00
12/11/2023	56288	Optum	Accounts Payable	\$150.00
12/11/2023	56289	Rasmussen Mechanical Services	Accounts Payable	\$542.28
12/11/2023	56290	Shelton School Petty Cash	Accounts Payable	\$1,028.41
12/11/2023	56291	Thober, Amanda K	Accounts Payable	\$25.02
12/11/2023	56292	Village Of Shelton	Accounts Payable	\$962.62
12/11/2023	56293	Willis Repair, LLC	Accounts Payable	\$101.15
12/11/2023	56294	Woodward Disposal Service, Inc.	Accounts Payable	\$26.50
12/11/2023	56295	Yanda's Music	Accounts Payable	\$800.00
Sub Total				\$80,360.71

DISTRICT 19 FINANCIAL STATUS AS OF November 31, 2023

CASH RESERVES:

GENERAL FUND CASH RESERVE	(11/30/2023 Interest + \$1185.12)	\$550,210.33
SPECIAL BUILDING CASH RESERVE	(11/30/2023 Interest + \$147.96)	\$87,581.23

TOTAL CASH RESERVE ACCOUNTS: \$637,791.56

SAVINGS:

GENERAL FUND CR SAVINGS 5882	\$296,242.19
\$296,242.19	

UNEMPLOYMENT SAVINGS #5891	\$25,556.94
VEH/BUS ACQ. Savings #9457	\$83,863.62
TECHNOLOGY ACQ SAVINGS # 5918	\$51,830.17
PARKING LOT DEPR. SAVINGS #5909	\$71,164.17
BAND UNIFORM SAVINGS #5900	\$0.10
HVAC Savings #9475	\$170,310.63

TOTAL DEPRECIATION SAVINGS: \$402,725.63

TOTAL SAVINGS: \$698,967.82

TOTAL OF DISTRICT FUNDS: \$1,336,759.38

<u>TAXES:</u>	<u>GENERAL</u>	<u>BUILDING</u>	<u>FUND TOTALS:</u>	
BUFFALO	\$17,634.68	\$105.70	GENERAL	\$846,452.52
HALL	\$489.00	\$0.00	DEPRECIATION	\$402,725.63
ADAMS	\$10.32	\$0.17	LUNCH	\$22,256.98
KEARNEY	\$0.00	\$0.00	SPECIAL BLDG	87,581.23
TOTAL TAXES	\$18,134.00	\$105.87		

Net Wages	\$ 172,406.33
Employee - Liabilities	\$ 93,893.05
General Fund Expenditures	\$ 80,360.71
Receipts for November 2023	\$ 90,240.90

SHELTON PUBLIC SCHOOLS: GENERAL FUND MONTHLY COMPARISON

	2022-23	2023-24		2022-23	2023-24
Sept. Expenditures Reported @ Board Mtg	\$94,052.00	\$93,109.00	Mar. Expenditures Reported @ Board Mtg	\$51,047.00	
Sept. Net Payroll	\$241,594.00	\$253,040.00	Mar. Net Payroll	\$252,300.00	
Sept. EOM Expenditures			Mar. EOM Expenditures		
Total Sept. Expenditures	335,646.00	346,149.00	Total Mar. Expenditures	\$303,347.00	\$0.00
Percent of Budget Spent	4.92%	5.08%	Accumulated Totals	\$2,250,396.00	\$1,027,326.00
Cash On Hand	\$1,539,367.00	\$1,813,436.00	Percent of Budget Spent	4.45%	0.00%
			Cash On Hand	\$1,042,928.00	
Oct. Expenditures Reported @ Board Mtg	\$84,336.00	\$77,028.00			
Oct. Net Payroll	\$240,976.00	\$257,895.00	April Expenditures Reported @ Board Mtg	\$65,530.00	
Oct. EOM Expenditures			April Net Payroll	\$242,787.00	
Total Oct. Expenditures	325,312.00	334,923.00	April EOM Expenditures		
Accumulated Totals	\$660,958.00	\$681,072.00	Total April Expenditures	\$308,317.00	\$0.00
Percent of Budget Spent	4.77%	4.91%	Accumulated Totals	\$2,558,713.00	\$1,027,326.00
Cash On Hand	\$1,356,701.00	\$1,651,848.00	Percent of Budget Spent	4.52%	0.00%
			Cash On Hand	\$1,056,228.00	
Nov. Expenditures Reported @ Board Mtg	\$68,926.00	\$80,361.00	May Expenditures Reported @ Board Mtg	\$71,765.00	
Nov. Total Payroll	\$245,884.00	\$265,893.00	May Net Payroll	\$243,409.00	
Nov. EOM Expenditures			May EOM Expenditures		
Total Nov. Expenditures	314,810.00	346,254.00	Total May Expenditures	\$315,174.00	\$0.00
Accumulated Totals	\$975,768.00	\$1,027,326.00	Accumulated Totals	\$2,873,887.00	\$1,027,326.00
Percent of Budget Spent	4.62%	5.08%	Percent of Budget Spent	4.62%	0.00%
Cash On Hand	\$1,097,486.00	\$1,336,760.00	Cash On Hand	\$1,788,144.00	
Dec. Expenditures Reported @ Board Mtg	\$88,189.00		June Expenditures Reported @ Board Mtg	\$90,172.00	
Dec. Total Payroll	\$243,477.00		June Net Payroll	\$235,878.00	
Dec. EOM Expenditures			June EOM Expenditures		
Total Dec. Expenditures	331,666.00	0.00	Total June Expenditures	\$326,050.00	\$0.00
Accumulated Totals	1,307,434.00	1,027,326.00	Accumulated Totals	\$3,199,937.00	\$1,027,326.00
Percent of Budget Spent	4.87%	0.00%	Percent of Budget Spent	4.78%	0.00%
Cash On Hand	\$972,329.00		Cash On Hand	\$1,888,548.00	
Jan. Expenditures Reported @ Board Mtg	\$72,612.00		July Expenditures Reported @ Board Mtg	\$29,600.00	
Jan. Net Payroll	\$245,094.00		July Net Payroll	\$234,445.00	
Jan. EOM Expenditures			July EOM Expenditures		
Total Jan. Expenditures	\$317,706.00	\$0.00	Total July Expenditures	\$264,045.00	\$0.00
Accumulated Totals	1,625,140.00	1,027,326.00	Accumulated Totals	\$3,463,982.00	\$1,027,326.00
Percent of Budget Spent	4.66%	0.00%	Percent of Budget Spent	3.87%	0.00%
Cash On Hand	\$1,162,754.00		Cash On Hand	\$1,568,869.00	
Feb. Expenditures Reported @ Board Mtg	\$73,729.00		August Expenditures Reported @ Board Mtg	\$187,330.00	
Feb. Net Payroll	\$248,180.00		August Net Payroll	\$267,007.00	
Feb. EOM Expenditures			August EOM Expenditures		
Total Feb. Expenditures	\$321,909.00	\$0.00	Total August Expenditures	\$454,337.00	\$0.00
Accumulated Totals	1,947,049.00	1,027,326.00	Accumulated Totals	\$3,918,319.00	\$1,027,326.00
Percent of Budget Spent	4.72%	0.00%	BUDGET	\$6,817,360.00	\$7,889,587.00
Cash On Hand	\$1,331,775.00		TOTAL % OF BUDGET SPENT =	0.5747560639	
			Cash On Hand	\$1,247,293.00	

Superintendent Report for December 2023

Calendar Committee

The calendar committee has been working through November and has a draft of the 24-25 calendar. They are now in the process of taking this to the staff for feedback and preferences. We hope to have a draft ready for the board by the January meeting.

Safety Committee

Mrs. Thober has been working to get all of the evacuation and shelter signage up to date and posted in the appropriate locations around the building. In addition, she has ordered new signage for the AED and taped off an area of the floor so objects are not placed in front to block it.

The Rule 10 safety audit is scheduled for February 6, 2024.

Marque

I just wanted to follow up on this from last month. The Marque out front has some bulbs out. The reason Seth has not replaced them yet is he is asking Todd Sutton for an estimate on the cost of changing them out to LED lights. These bulbs last longer, are brighter, and conserve electricity. Once we have an estimate, I will update the board on how we plan to proceed.

Respectfully submitted,

Dr. Gannon

To: Board of Education
From: Jenette Meyer
Date: December 11, 2023
Re: Board Report

7-12 Enrollment: 111

- Friendsgiving K-12 Time of activities
 - Made a Turkey thankful bag then filled it with a snack
 - Made a Christmas tree ornament that is displayed in the new commons
 - DodgeBall / Duck Duck Goose
- High School Athletic Activities have began
 - Girl's Basketball - 10
 - Boy's Basketball - 16
 - Girl's Wrestling - 3
 - Boy's Wrestling - 11
- Pre-ACT Results
 - Juniors were given their Pre-ACT
 - results and saw the areas that they scored well in and the areas that they did well in.
 - Result told them things that they need to work on to do better on the ACT in April.
 - I went over the results with the class as a whole
- NEP Report
 - Middle School and High School both received the classified of "Good"
- February 7, 2024 KSB Assembly
 - 2 sessions 1 for grades 6-8 and 1 for grades 9-12
 - Addressing phone and social media safety

Respectfully submitted,
Jenette Meyer

To: Board of Education
From: Jeff Kenton
Date: December 11, 2023
Re: Board Report

- Current Enrollment: 169 Students
- Continuous Improvement Process (CIP)
 - As part of our CIP goal, last Tuesday Mrs. Kropp, Mrs. King, and Mrs. Glenn worked on developing some writing prompts for Kindergarten through 12th grade.
 - In January we will administer those writing prompts to collect some baseline data.
 - CIP Goal
 - All students will be able to effectively write informative/explanatory pieces in multiple curricular areas according to grade level expectations as assessed by district-created rubrics aligned to Nebraska State ELA Standards.
- UNK Partner School Principal Advisory Council Meeting Update
 - Discussed the incentives that school districts are offering college students when they come and student teach within their school district.
 - Discussed incentives that school districts are offering to employ teachers within their district.
 - Also discussed the UNK TE 499 Local Sub Course that UNK created to try and help local school districts out with the sub shortage.

Respectfully Submitted,

Jeff Kenton



Monday November 27, 2023

TO: Dr. Shanna Gannon

FROM: Jeff Simons-Pro Track and Tennis.

RE: Track repair where heaved

BASE BID #1: Cut out area of track that has heaved, patch asphalt and apply new track surface. Includes touching up lane lanes where disturbed.

TOTAL INVESTMENT: **\$4,500.00**

Four thousand, Five hundred dollars

Payment to be made as follows:

Payment is due the day the job is complete and accepted by the owner. Any applicable taxes will be added to the total cost.

Acceptance:

The above price, specifications and conditions found in this proposal are satisfactory and are hereby accepted. Pro Track and Tennis, Inc. is authorized to do the work as specified. Payment will be made as outlined.

_____	_____
Signature	Signature
_____	_____
Print	Print
Date	Date
Dr. Shanna Gannon – Shelton Public Schools	Pro Track and Tennis, Inc.

POLICY-7036-7034: STAFF DRESS AND APPEARANCE

The attire worn by staff members conveys an important image to students and the general public. The appearance of professional staff members shall be appropriate to their assigned duties and indicative of their professional standing in the school and community.

I. Staff Expectations in Dress and Appearance

A. General Expectations in Dress and Appearance

1. Certified staff, paraeducators, and office staff should generally dress in business casual attire that is clean and professional.
2. Custodial, maintenance, and transportation staff should dress in attire appropriate to the work they are performing.

B. Unacceptable Forms of Dress and Appearance

1. The following are examples of unprofessional attire which should not be worn by classroom staff during the traditional school day, when students or visitors are in attendance, or when the employee is supervising, directing, or coaching students when the public is in attendance:
 - For men: shirts without collars, unless the shirt can be deemed professional by other standards.
 - Athletic wear, including sweat, jogging and wind suits, except when teaching a physical education activity in the gymnasium, on a playing field, or at athletic or other activity practices.
 - Shorts, except when teaching physical education class or at athletic or other activity practices.
 - Blue jeans, except at athletic or other activity practices, or on days considered to be “dress down” days.
 - Hats, except when worn outside for sun coverage.
 - Rubber soled ‘flip flop’ thong sandals.
 - Any attire which is excessively wrinkled or torn, so that it is no longer neat and professional.
 - Any attire that is immodest or may distract other employees or students in the learning environment.

II. Enforcement

The superintendent or principal shall maintain the discretion to make determinations on staff dress and appearance. Administrators may temporarily suspend all or a portion of the dress code when other factors support a lower dress expectation for school employees (e.g., special “casual days” or field days). Any violation of school policy and rules may result in disciplinary action.

Adopted on: _____

Revised on: 07/10/17 _____

Reviewed on: _____

POLICY ~~7036~~-7039: NON-SCHOOL CERTIFICATED STAFF EMPLOYMENT

Employees shall not carry on, concurrent with their school district assignments, any private business or undertaking which affects the quality of their work or interferes with their ability to carry out their school responsibilities.

Adopted on:

Revised on: 5/11/09

Reviewed on: 7/17/23

POLICY 2001: ROLE OF THE BOARD OF EDUCATION

The Board of Education (board) is charged by the Legislature with the duty of providing public elementary and secondary education to the citizens of the district. The Legislature has also created the State Board of Education and the State Department of Education and has delegated certain regulatory and advisory functions to them. The board is responsible to these agencies as specified by law.

The board's primary duties are: (1) to establish the mission, goals, and policies; (2) to establish and maintain school facilities; (3) to select a superintendent; (4) to adopt a fiscally responsible budget; and (5) to evaluate programs.

1. Establishment of Mission, Goals, and Policies

The board shall concern itself with broad questions of mission, goals, and policy, rather than administrative details. The application of policies is an administrative task to be performed by the superintendent of schools and his or her administrative staff, who shall be held responsible for the effective administration and supervision of the entire school district.

2. Establishment and Maintenance of School Facilities and Other Resources

The board is the legal agency through which the community works to provide the physical facilities, curriculum, instructional supplies, and staff to enable the district's mission and objectives to be carried out. The board will establish and maintain school facilities necessary to educate the students of the district.

3. Selection of the Superintendent of Schools

The board will employ a superintendent of schools as the chief executive to whom it will delegate, through policy statements and procedures for accountability, the administration of the school program. As the chief administrator for the board, the superintendent will implement board policies and supervise the day-to-day operation of the school system. The superintendent will keep the board informed of the implementation of the plans and policies and will recommend changes to policies as necessary. The superintendent will furnish educational leadership to the board, the school staff, and the community.

4. Fiscally Responsible Budget

The board will annually adopt a fiscally responsible budget that will permit the district to accomplish its goals and objectives. The management of the financial program and the development of the proposed budget for the district are delegated to the superintendent.

The board will work for adequate and dependable financial support of the public schools, promotion of effective and efficient organization, and administration of the district.

5. Evaluation of Program

The board will evaluate, or cause to be evaluated, the progress and results of the educational program on a continuous basis. In making these evaluations, the board will seek and give appropriate weight to the superintendent's analysis and recommendations.

Adopted on: 12/8/08

Revised on:

Reviewed on: 1/15/21

**POLICY 2002: ORGANIZATION OF THE BOARD, BOARD OFFICERS,
CHECK SIGNING, AND COMMITTEES**

1. Membership, Term, and Election
 - a. The Board of Education shall be comprised of six members who will be elected at large.
 - b. Those who wish to serve on the board shall file, be elected, and serve terms of office on the board according to law.
2. Internal Organization and Officers
 - a. President
 - i. At the regular January meeting, the board shall elect from among its members a president who shall serve in that capacity for one year.
 - ii. The president shall preside at all board meetings and shall perform such other duties as may be prescribed by law or by action of the board.
 - b. Vice President
 - i. At the regular January meeting, the board shall elect from among its members a vice president who shall serve in that capacity for one year.
 - ii. The vice president shall preside in the absence of the president and shall perform such other duties as are assigned by the board.
 - c. Secretary
 - i. At the regular January meeting, the board shall elect a secretary who need not be a member of the board. The secretary shall serve in that capacity for one year. If the secretary is a member of the board, an assistant secretary may be named, and his or her duties and compensation set by the board.
 - ii. The secretary shall see that an accurate record of the proceedings of the board is kept, that a copy of the proceedings is provided to each board member and to the superintendent and that a concise summary of each month's meeting is published along with a list of all approved claims. The secretary shall perform such other duties as are prescribed by law and assigned by the board.

d. Treasurer

- i. At the regular January meeting, the board shall elect, employ, or appoint a treasurer who need not be a member of the board if permitted by law. The treasurer shall serve in that capacity for one year unless the board designates a longer term for the treasurer.
- ii. The treasurer may be designated to sign checks and certain other documents. The treasurer is the custodian of the monies of the district.
- iii. The treasurer shall give a bond or equivalent insurance coverage payable to the district as prescribed by law with the cost of the bond being paid by the district.
- iv. The treasurer shall issue no warrant or payment of claim against the district until such claim has been duly authorized by the board and has been duly countersigned by the president.
- v. The treasurer shall issue no warrant or payment of a claim against the district until such claim has been duly authorized.

3. Signing and Authorizing Checks, Warrants, and other Instruments.

- a. Unless otherwise delegated by the board, the president and secretary of the board shall sign checks, warrants, and other instruments of the district.
- b. The board may delegate another person to sign and validate any checks, warrants, and other instruments. Facsimile signatures of board members may be used.
- c. The board delegates that the vice president or treasurer may sign any warrant in the absence of either the president or the secretary.

4. Board Officer Voting and Tie Breakers

- a. The vote to elect board officers may be taken by secret ballot, but the total number of votes for each candidate shall be recorded in the minutes.
- b. In the event any officer cannot be elected by a majority after 10 votes; no votes occur after ten motions fall for lack of a "second"; or no member volunteers to serve as an officer for a particular position, the tie will be broken by the applicable method:
 - i. If the board is split between two members, the officer will be determined by a coin flip. The winning member will be the officer

for the upcoming year unless the position changes by action of the board.

- ii. If the board is split between more than two members who wish to serve as the officer, any member wanting to serve as the officer will put his/her name into a drawing. The name drawn out will be the officer for the upcoming year unless the position changes by the action of the board.
- iii. If no member is willing to serve as an officer for a position that is required to be a member of the board, all nonofficers' names will be put into a drawing. The name drawn out will be the officer for the upcoming year unless the position changes by the action of the board.

5. Committees

- a. The board shall authorize special committees as it deems necessary. The board president shall appoint members to the committee, and designate its function, tasks it is to perform, and a completion date for its work.
- b. On or before the beginning of each calendar year, the board shall appoint three members to form a Committee of American Civics**
 - i. Committee duties shall be those prescribed by Nebraska statutes, which include:
 - 1. Hold no fewer than two public meetings annually at least one when public testimony is accepted;
 - 2. Keep minutes of each meeting showing the time and place of the meeting, which members were present or absent, and the substance and details of all matters discussed;
 - 3. Examine and ensure that the social studies curriculum used in the district is aligned with the social studies standards adopted pursuant to section 79-760.01 and teaches foundational knowledge in civics, history, economics, financial literacy, and geography;
 - 4. Review and approve the social studies curriculum to ensure that it stresses the services of men and women who played a crucial role in the achievement of national independence, establishment of our constitutional government, and preservation of the union and includes the incorporation of multicultural education as set forth in section 79-719 to 79-723 in order to instill pride and respect for the nation's institutions and not be merely a recital of events and dates;

5. Ensure that the social studies curriculum in the district incorporates one or more of the following for each student:
 - a. Administration of a written test that is identical to the entire civics portion of the naturalization test used by the United States Citizenship and Immigration Services prior to the completion of with grade and again prior to the completion of twelfth grade with the individual score from each test for each student made available to a parent or guardian of such student; or
 - b. Attendance or participation between the commencement of eighth grade and completion of twelfth grade in a meeting of a public body as defined by section 84-1409 followed by the completion of a project or paper in which each student demonstrates or discusses the personal learning experience of such student related to such attendance or participation; or
 - c. Completion of a project or paper and a class presentation between the commencement of eighth grade and the completion of twelfth grade on a person or persons or an even commemorated by a holiday listed in section 79-724(6) or on a topic related to such person or persons or events;
6. Take all such other steps as will assure the carrying out of the provision of this section and provide a report to the school board regarding the committee's findings and recommendations.

6. Vacancies

- a. A vacancy on the board of education shall exist when any one of the following occurs:
 - i. A member submits his or her formal resignation from the board.
 - ii. A member removes himself or herself from the district or is absent from the district for a continuous period of sixty days.

- iii. A member misses more than two consecutive regular board meetings unless excused by a majority of the remaining members.
 - iv. Such other reasons are set forth in Nebraska statutes.
- b. The board shall make note of the vacancy in its minutes and shall give notice of the date the vacancy occurred, the office vacated, and the length of the unexpired term to (1) the election commissioner or county clerk, and (2) the public by published notice in a newspaper of general circulation in the district.
- c. Vacancies shall be filled in the manner set forth in Nebraska statutes.

Adopted on: 12/08/08

Revised on: 09/15/15, 7/13/20 1/15/21, 7/12/21

Reviewed on: 6/15/20

SHELTON PUBLIC SCHOOL DISTRICT #19

SHELTON, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2023



**DANA F. COLE
& COMPANY** LLP
CERTIFIED PUBLIC ACCOUNTANTS

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
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**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Shelton Public School District #19
Shelton, Nebraska

Report on the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shelton Public School District #19, Shelton, Nebraska, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise Shelton Public School District #19, Shelton, Nebraska's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Shelton Public School District #19, Shelton, Nebraska, as of and for the year ended August 31, 2023, and the respective changes in financial position modified cash basis thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Shelton Public School District #19, Shelton, Nebraska, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the 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 this matter.

Responsibilities of Management for the Financial Statements

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

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

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 Shelton Public School District #19, Shelton, Nebraska'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 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 Shelton Public School District #19, Shelton, Nebraska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about Shelton Public School District #19, Shelton, Nebraska's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelton Public School District #19, Shelton, Nebraska's basic financial statements. The supplementary information on pages 24 - 41 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information on pages 24 - 41 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 24 - 41 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Shelton Public School District #19, Shelton, Nebraska's basic financial statements for the year ended August 31, 2022, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelton Public School District #19, Shelton, Nebraska's basic financial statements as a whole. The supplementary information on pages 30 - 41 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 supplementary information on pages 30 - 41 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises of the supplementary information included on pages 42 - 43, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023, on our consideration of Shelton Public School District #19, Shelton, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Shelton Public School District #19, Shelton, Nebraska's internal control over financial reporting and compliance.

Dana F Cole + Company, LLP

Minden, Nebraska
November 2, 2023

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2023

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services		Operating Grants and Contributions
		Disbursements	Charges for Services	Operating Grants and Contributions
		Total Governmental Activities		
FUNCTIONS/PROGRAMS				
5	Governmental activities			
	Regular instruction	2,182,346		(2,182,346)
	Special education	453,001		(224,346)
	Support services			
	Students	466,767	155,039	(311,728)
	Instruction	137,096		(137,096)
	General administration	558,718		(558,718)
	Operation and maintenance of plant	493,110		(493,110)
	Central services	111,563		(111,563)
	Student transportation	109,104		(106,063)
	State categorical programs	2,068		50,469
	Federal programs	213,921		50,701
	Nutrition Program	193,657	52,688	(36,084)
	Debt service			
	Principal	240,000		(240,000)
	Interest	67,625		(67,625)
	Capital outlay	249,372		(249,372)
		<u>5,478,348</u>	<u>207,727</u>	<u>653,740</u>
	Total governmental activities			<u>(4,616,881)</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2023

	Disbursements	Charges for Services	Program Receipts Operating Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Position
				Primary Government
				Total Governmental Activities
General receipts				
Taxes				
Property taxes - general purpose				3,330,478
Property taxes - special building				52,342
Property taxes - debt service				287,375
Motor vehicle taxes				150,353
Interest				28,119
County sources				21,956
State funding				820,024
Public Power District sales tax				22,336
Other receipts				64,439
Total general receipts				<u>4,777,422</u>
 CHANGE IN NET POSITION				 160,541
 NET POSITION, beginning of year				 <u>2,492,825</u>
 NET POSITION, end of year				 <u><u>2,653,366</u></u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2023

	Disbursements	Charges for Services	Program Receipts Operating Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Position
				Primary Government
				Total Governmental Activities
ASSETS				
Cash and cash equivalents				1,622,356
Cash at county treasurer				<u>1,031,010</u>
TOTAL ASSETS				<u><u>2,653,366</u></u>
NET POSITION				
Restricted for				
Debt services				324,961
Capital projects				84,676
Nutrition Program				26,429
Unrestricted				<u>2,217,300</u>
TOTAL NET POSITION				<u><u>2,653,366</u></u>

See accompanying notes to financial statements.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

	<u>Major Fund</u>			Total
	General	Other		Governmental
	Fund	Governmental	Eliminations	Funds
		Funds		
RECEIPTS				
Local receipts				
Property taxes - general purpose	3,330,478			3,330,478
Property taxes - special building		52,342		52,342
Property taxes - debt service		203,871		287,375
Motor vehicle taxes	150,353			150,353
Public Power District sales tax	22,336			22,336
Interest	20,680	4,271		28,119
Other	12,136	2,621		15,660
Nutrition sales		52,688		52,688
Student activities		155,039		155,039
County sources	21,956			21,956
State receipts	1,073,445	23,534		1,104,257
Federal receipts	264,622	104,885		369,507
Nonrevenue receipts	39,385	9,394		48,779
Total receipts	<u>4,935,391</u>	<u>608,645</u>	<u> </u>	<u>5,638,889</u>
DISBURSEMENTS				
Regular instruction	2,182,346			2,182,346
Special education programs	453,001			453,001
Support services				
Students	242,669	224,098		466,767
Instruction	137,096			137,096
General administration	558,718			558,718
Central services	111,563			111,563
Operation and maintenance of plant	493,110			493,110
Student transportation	109,104			109,104

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

	Major Fund			Total
	General Fund	Other Governmental Funds	Eliminations	Governmental Funds
DISBURSEMENTS (Continued)				
State categorical programs	2,068			2,068
Federal programs	213,921			213,921
Nutrition services		193,657		193,657
Debt service				
Principal		155,000		240,000
Interest		62,240		67,625
Capital outlay		42,168		249,372
Total disbursements	4,503,596	677,163		5,478,348
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	431,795	(68,518)		160,541
OTHER FINANCING SOURCES (USES)				
Transfers in		92,741	(92,741)	
Transfers out	57,259		92,741	150,000
Total other financing sources (uses)	57,259	92,741		150,000
NET CHANGE IN FUND BALANCES	489,054	24,223		310,541
FUND BALANCES, beginning of year	1,773,088	415,154		2,492,825
FUND BALANCES, end of year	2,262,142	439,377		2,803,366

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

		<u>Major Fund</u>			Total
ASSETS		General	Other	Eliminations	Governmental
		Fund	Governmental		Funds
			Funds		
ASSETS					
	Cash and cash equivalents	1,172,997	449,359		1,622,356
	Due from (to) other funds	3,300	(3,300)		
	Cash at county treasurer	<u>935,845</u>	<u>95,165</u>	_____	<u>1,031,010</u>
OF	TOTAL ASSETS	<u><u>2,112,142</u></u>	<u><u>541,224</u></u>	<u>_____</u>	<u><u>2,653,366</u></u>
FUND BALANCES					
FUND BALANCES					
	Restricted for				
	Debt services		324,961		324,961
	Capital projects		84,676		84,676
	Nutrition Program		26,429		26,429
	Committed				
	Student activities		105,158		105,158
	Assigned				
	Capital projects	376,457			376,457
	Employee benefits	25,426			25,426
	Subsequent year's budget	1,072,599			1,072,599
	Unassigned	<u>637,660</u>			<u>637,660</u>
	Total fund balances	<u><u>2,112,142</u></u>	<u><u>541,224</u></u>	<u>_____</u>	<u><u>2,653,366</u></u>
	TOTAL FUND BALANCES	<u><u>2,112,142</u></u>	<u><u>541,224</u></u>	<u>_____</u>	<u><u>2,653,366</u></u>

See accompanying notes to financial statements.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Shelton Public School District #19, Shelton, Nebraska (the District).

Reporting Entity

Shelton Public School District #19, Shelton, Nebraska's Board of Education (the Board) is the basic level of government, which has financial accountability and control over all activities related to public school education in the District. The District receives funding from local, county, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since the District's board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units, as defined in Governmental Accounting Standards Board Statement 14, which are included in the District's reporting entity.

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

Basic Financial Statements - Government-Wide Statements

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

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

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements

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

The District reports the following major governmental funds:

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

The General Fund for financial reporting purpose also includes the following components, which are considered funds for budgetary purposes but do not meet the definition as special revenue funds as clarified in GASB Statement 54, or whose activities are insignificant and reporting as part of the General Fund is allowable.

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements (Continued)

Employee Benefit Fund - The Employee Benefit Fund is established by the District in order to specifically reserve General Fund money for the benefit of school district employees (unemployment compensation, early retirement, health insurance deductibles, etc.). To allocate monies from the General Fund, a school district will show the movement of monies as an expense from the General Fund, and the Employee Benefit Fund will show the revenue as a transfer from the General Fund. The District may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. This fund is restricted by statute as part of the Allowable Reserve limitation. The Employee Benefit Fund is considered a component of the General Fund.

The District reports the following nonmajor governmental funds:

Qualified Capital Purpose Undertaking Fund - The Qualified Capital Purpose Undertaking Fund (QCPUF) is established for a specific abatement project to address an actual or potential environmental hazard, accessibility barrier, life safety code violation, life safety hazard, or mold which exists within one or more existing school buildings or the school grounds of existing school buildings controlled by the District. Such determination shall not include abatement projects related to the acquisition of new property, the construction of a new building, the expansion of an existing building, or the remodeling of an existing building for purposes other than the abatement of environmental hazards, accessibility barriers, life safety code violations, life safety hazards, or mold. The period of years for such levy shall not exceed ten years and the levy for such project when combined with all other levies pursuant to Sections 79-10, 110.02 and 79-10, 110 R.R.S. shall not exceed \$0.03 per \$100 of taxable valuation. General Fund expenditures for the purpose of these funds are not allowable.

For projects in place prior to April 19, 2016, the Qualified Capital Purpose Undertaking Fund maximum levy remains at \$0.052.

If taxable valuation is lower than the taxable valuation in the year when the District last issued QCPUF bonds and the \$0.03 maximum levy is insufficient to meet the combined annual principal and interest, the District can exceed the \$0.03 maximum levy for the difference to meet that year's principal and interest obligations.

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements (Continued)

Special Building Fund - The Special Building Fund is established for acquiring or improving sites and buildings, including the construction, alteration, or improvement of buildings. The primary sources of receipts for the Special Building Fund include the sale of bonds, the sale of property, and tax receipts. Regardless of the source, all receipts for this purpose are accountable through this fund. General Fund disbursements for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those expenditures associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund activity is active at the same time, separate accounts for each project may be established within the single Special Building Fund. The tax levy for this fund is restricted. The Board of Education may approve a budget with a levy limitation of \$0.140 per \$100 of valuation, or a tax levy not to exceed \$0.175 per \$100 of valuation may be established for this fund by a vote of the people within the District for a term not to exceed 10 years.

Bond Fund - The Bond Fund is used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs. If the fund balance is not sufficient to meet interest or bond payments from the Bond Fund, the General Fund shall be used for these payments. Revenue from a levy to retire bonds in the District is retained in a separate fund by the county treasurers and the District. The tax levy for this fund is restricted for debt service expenditures.

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

Basis of Accounting

The District prepares its financial statements on the modified cash basis, which is in conformity with the accounting practices prescribed or permitted by the State of Nebraska Department of Education.

The modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by GASB. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Only cash (and cash equivalents) and items that involve the receipt or disbursement of cash (or equivalents) during the period are recognized, except for the following modifications:

Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit) that arise from transactions and events involving cash or cash equivalents are recognized; and taxes and other revenues collected by the county treasurers are included in revenues of the District in the year collected by the counties and the District funds held by the county treasurers at year end are included as assets of the District. This is in accordance with the requirements of the State of Nebraska Department of Education.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets, such as property, equipment, and infrastructure, are not reported and long-term liabilities, such as debt and compensated absences, are not reported.

If the District utilized GAAP, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

Under the modified cash basis, receipts are recognized when collected rather than when earned and disbursements are recognized when paid rather than when incurred. Consequently, these financial statements are not intended to present financial position or results of operations in conformity with GAAP, as applicable to governmental units.

Capital Assets

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

Long-Term Obligations

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification

Government-Wide Statements

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

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

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

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

Fund Financial Statements

Governmental fund equity is classified as fund balance.

Fund Balance Classification

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

Nonspendable

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

Restricted

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned

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

Unassigned

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

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

Interfund Balances and Activities

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

Budget Process and Property Taxes

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget Process and Property Taxes (Continued)

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

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

Compensated Absences

Vacation and sick leave are recorded when paid. The District has entered into negotiated agreements with certified and noncertified personnel. In those agreements, they have agreed to benefits for vacation and sick leave.

Use of 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 certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Leases

Since the District reports on the modified cash basis of accounting, right-to-use assets are not recorded as assets on the government-wide or fund financial statements, and amortization is not recognized. Likewise, the related liabilities for these leases are not recognized in the financial statements. Payment on all leases are recorded as disbursements by function in the financial statements. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Leases that transfer ownership (formerly disclosed as capital leases) are now disclosed in the footnote for long-term debt and other leases are disclosed in a separate footnote. Disclosure of terms and lease obligations are disclosed to maturity for significant leases with the exception of those leases meeting the criteria of short-term leases. Short-term leases are those with maximum possible terms at inception of 12 months or less. No disclosures are required for these leases. The standard does not apply to intangible assets including subscription-based technology arrangements.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements

GASB Statement 96, *Subscription-based Information Technology Arrangements*, was implemented in the current year. The standard provides guidance related to accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The standard generally requires the recording of a right-to-use subscription asset (intangible asset) and a corresponding liability. There is an exception for short-term SBITAs defined as those with maximum possible terms of 12 months or less including options to extend, regardless of their probability of being exercised. Since the District is on the modified cash basis of accounting, there was no effect on the financial statements other than expanded disclosures regarding these agreements. For those meeting the statement's criteria, the arrangements including commitments to maturity are disclosed. The District currently has no material commitments under these types of arrangements.

NOTE 2. CASH AND INVESTMENTS

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

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

Governmental-type activities	<u>1,622,356</u>
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The carrying value (fair value) of the cash and investments consisted of the following:

Checking and savings accounts	<u>1,622,356</u>
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Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2023, all of the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized, and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of Federal Deposit Insurance Corporation (FDIC) limits.

Investments

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

As defined by Governmental Accounting Standards Board Statement 3, the District had no investments as of August 31, 2023.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN

Plan Description

Shelton Public School District #19, Shelton, Nebraska, contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions.

In 1945, the Nebraska Legislature enacted the law establishing a retirement plan for school employees of the State. During the NPERS fiscal year ended June 30, 2022, 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, and Nebraska Community Colleges), are members of the plan.

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

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

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

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

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

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN (Continued)

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, 2021 to June 30, 2022 (and from July 1, 2022 through August 31, 2023). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for the year ended August 31, 2023 was \$243,369.

For the District's year ended August 31, 2023, the District's total payroll for all employees was \$2,567,987. Total covered payroll was \$2,463,795. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Plan Fiduciary Net Position

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

NOTE 4. RISK MANAGEMENT

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

NOTE 5. LONG-TERM DEBT

On February 11, 2019, the District issued \$2,645,000 General Obligation Bonds, with interest rates ranging from 1.70% to 3.00%, due annually beginning on December 15, 2020, with semi-annual interest payments each December 15 and June 15 through December 15, 2034. The principal and interest payments are being paid by the Bond Fund.

On August 15, 2021, the District issued \$690,000 Limited Obligation Bonds, with interest rates ranging from 0.40% to 1.15%, due annually beginning on August 15, 2023, with semi-annual interest payments each February 15 and August 15 through August 15, 2030. The principal and interest payments are being paid by the Qualified Capital Purpose Undertaking Fund.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (Continued)

Changes to long-term debt for the year ending August 31, 2023, are as follows:

	Balance Beginning of Year	Issuances and (Repayments)	Balance End of Year	Due Within One Year
Series 2019 Bonds	2,350,000	(155,000)	2,195,000	160,000
Series 2021 Bonds	<u>690,000</u>	<u>(85,000)</u>	<u>605,000</u>	<u>85,000</u>
	<u>3,040,000</u>	<u>(240,000)</u>	<u>2,800,000</u>	<u>245,000</u>

Annual requirements to amortize all long-term debt and interest due as of August 31, 2023, are as follows:

Years Ending August 31,	Principal	Interest	Total
2024	245,000	62,560	307,560
2025	245,000	57,420	302,420
2026	250,000	51,993	301,993
2027	255,000	47,095	302,095
2028	260,000	42,448	302,448
2029 - 2033	1,130,000	132,230	1,262,230
2034 - 2035	<u>415,000</u>	<u>12,525</u>	<u>427,525</u>
Total	<u>2,800,000</u>	<u>406,270</u>	<u>3,206,270</u>

The District does not have direct borrowings of long-term debt.

NOTE 6. LEASE AGREEMENTS

The District has direct borrowing related to lease agreements as described below:

On August 15, 2021, the District entered into a lease agreement with Eakes Office Solutions, for use of office equipment. The lease requires monthly payments of \$641 until termination of the lease after 60 months. This lease is being paid from the General Fund. Lease expense for the year ended August 31, 2023, was \$7,692.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASE AGREEMENTS (Continued)

The following is a schedule for the remaining years of future minimum rental payments required under the lease as of August 31, 2023:

Years Ending August 31,	Total
2024	7,692
2025	7,692
2026	7,692
Total	<u>23,076</u>

NOTE 7. TRANSFERS

Transfers as of August 31, 2023, consisted of the following:

	Transfers In	Transfers Out
Activities Fund	69,023	
School Nutrition Fund	23,718	
Depreciation Fund	150,000	
General Fund		242,741

The principal purpose for the operating transfer from the General Fund was for support of activities in the Activities Fund and the support of providing services in the School Nutrition Fund. The Depreciation Fund support from the General Fund consists of capital outlay expenditures.

NOTE 8. FEDERAL AWARD PROGRAMS

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

NOTE 9. SUBSEQUENT EVENT

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 2, 2023, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2023

	General	Depreciation	Employee	Reclassifications	Total
	Fund	Fund	Benefit Fund		
RECEIPTS					
Local sources					
Taxes					
Property taxes - general purpose	3,330,478				3,330,478
Carline tax	11,614				11,614
Public Power District sales tax	22,336				22,336
Motor vehicle taxes	150,353				150,353
Penalty and interest on delinquent taxes	5,129				5,129
Tuition					
Interest	11,168	4,211	172		15,551
Local license fees and fines	522				522
Total local sources	<u>3,531,600</u>	<u>4,211</u>	<u>172</u>	<u> </u>	<u>3,535,983</u>
County sources					
County fines and license fees	21,806				21,806
ESU receipts	150				150
Total county sources	<u>21,956</u>	<u> </u>	<u> </u>	<u> </u>	<u>21,956</u>
State sources					
State aid	501,350				501,350
Special education - school age	228,655				228,655
Special education - transportation	3,041				3,041
Homestead exemption	48,318				48,318
Property tax credit	229,326				229,326
Pro-rate motor vehicle	10,218				10,218
State apportionment	44,716				44,716
Distance education incentive	1,723				1,723
High ability learners	3,988				3,988
Other state receipts	2,110				2,110
Total state sources	<u>1,073,445</u>	<u> </u>	<u> </u>	<u> </u>	<u>1,073,445</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2023

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifications	Total
RECEIPTS (Continued)					
Federal sources					
REAP	30,171				30,171
Title I, Part A accountability ESSA improving basic programs accountability	67,483				67,483
Title II, Part A ESSA Supporting Effective Instruction	8,125				
IDEA preschool (619) base/IDEA enrollments/poverty (619) allocation	1,980				1,980
IDEA Part B (611) base and enrollment poverty allocation	75,868				75,868
Medicaid In Public Schools (MIPS)	2,792				2,792
Medicaid Administrative Activities (MAAPS)	4,876				4,876
Federal vocational and applied technology education	100				100
Title III, Part A ESSA education	1,400				1,400
Title IV, Part A	16,677				16,677
Elementary and Secondary School Emergency Relief (ESSER)	55,150				55,150
Total federal sources	<u>264,622</u>				<u>264,622</u>
Nonrevenue receipts					
Nonrevenue receipts	39,385				39,385
Total receipts	<u>4,931,008</u>	<u>4,211</u>	<u>172</u>		<u>4,935,391</u>
DISBURSEMENTS					
Regular instruction	2,182,346				2,182,346
Special education programs	453,001				453,001
Support services					
Students	242,669				242,669
Instruction	137,096				137,096
General administration	558,718				558,718
Central services	111,563				111,563
Operation and maintenance of plant	591,796			(100,000)	491,796
Other			1,314		1,314

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2023

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifications	Total
DISBURSEMENTS (Continued)					
Student transportation	159,104			(50,000)	109,104
State categorical programs	2,068				2,068
Capital outlay					
Federal programs	<u>213,921</u>				<u>213,921</u>
Total disbursements	<u>4,652,282</u>		<u>1,314</u>	<u>(150,000)</u>	<u>4,503,596</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	278,726	4,211	(1,142)	150,000	281,795
OTHER FINANCING USES					
Transfers - net	<u>(92,741)</u>	<u>150,000</u>		<u>(150,000)</u>	<u>57,259</u>
NET CHANGE IN FUND BALANCE	185,985	154,211	(1,142)		339,054
FUND BALANCE, beginning of year	<u>1,524,274</u>	<u>222,246</u>	<u>26,568</u>		<u>1,773,088</u>
FUND BALANCE, end of year	<u><u>1,710,259</u></u>	<u><u>376,457</u></u>	<u><u>25,426</u></u>		<u><u>2,112,142</u></u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCE
MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2023

	General Fund	Depreciation Fund	Employee Benefit Fund	Total
ASSETS				
ASSETS				
Cash and cash equivalents	771,114	376,457	25,426	1,172,997
Due from other funds	3,300			3,300
County treasurer's balance	<u>935,845</u>	<u> </u>	<u> </u>	<u>935,845</u>
 TOTAL ASSETS	 <u>1,710,259</u>	 <u>376,457</u>	 <u>25,426</u>	 <u>2,112,142</u>
FUND BALANCES				
FUND BALANCE				
Assigned	1,072,599	376,457	25,426	1,474,482
Unassigned	<u>637,660</u>	<u> </u>	<u> </u>	<u>637,660</u>
Total fund balance	<u>1,710,259</u>	<u>376,457</u>	<u>25,426</u>	<u>2,112,142</u>
 TOTAL FUND BALANCE	 <u>1,710,259</u>	 <u>376,457</u>	 <u>25,426</u>	 <u>2,112,142</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NONMAJOR FUNDS COMBINING SCHEDULE OF RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
AND SCHEDULE OF ASSETS AND FUND BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2023

	School Nutrition Fund	Special Building Fund	Bond Fund	Qualified Capital Purpose Undertaking Fund	Activities Fund	Total
RECEIPTS						
Local receipts						
Property taxes - special building		52,342				52,342
Property taxes - debt service			203,871	83,504		287,375
Penalties and interest on delinquent taxes		9	333			342
Interest	679	1,243	2,007	3,168		7,097
Other local receipts		568	2,053	903		3,524
Nutrition Program receipts	52,688					52,688
Student activities					155,039	155,039
State receipts	938	4,840	17,756	7,278		30,812
Nonrevenue receipts	9,394					9,394
Federal receipts	<u>104,885</u>					<u>104,885</u>
Total receipts	<u>168,584</u>	<u>59,002</u>	<u>226,020</u>	<u>94,853</u>	<u>155,039</u>	<u>703,498</u>
DISBURSEMENTS						
Student support services					224,098	224,098
Building improvements		42,168		207,204		249,372
Debt service - principal			155,000	85,000		240,000
Debt service - interest			62,240	5,385		67,625
Nutrition Program	<u>193,657</u>					<u>193,657</u>
Total disbursements	<u>193,657</u>	<u>42,168</u>	<u>217,240</u>	<u>297,589</u>	<u>224,098</u>	<u>974,752</u>
RECEIPTS OVER (UNDER)						
DISBURSEMENTS	<u>(25,073)</u>	<u>16,834</u>	<u>8,780</u>	<u>(202,736)</u>	<u>(69,059)</u>	<u>(271,254)</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	<u>23,718</u>				<u>69,023</u>	<u>92,741</u>
NET CHANGE IN FUND BALANCE	(1,355)	16,834	8,780	(202,736)	(36)	(178,513)
FUND BALANCE, beginning of year	<u>27,784</u>	<u>67,842</u>	<u>214,334</u>	<u>304,583</u>	<u>105,194</u>	<u>719,737</u>
FUND BALANCE, end of year	<u>26,429</u>	<u>84,676</u>	<u>223,114</u>	<u>101,847</u>	<u>105,158</u>	<u>541,224</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NONMAJOR FUNDS COMBINING SCHEDULE OF RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
AND SCHEDULE OF ASSETS AND FUND BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2023

	School Nutrition Fund	Special Building Fund	Bond Fund	Qualified Capital Purpose Undertaking Fund	Activities Fund	Total
ASSETS						
Checking account	26,429	61	166,804	78,555	108,458	380,307
Savings		69,052				69,052
County treasurers		15,563	56,310	23,292		95,165
Due from (to) other funds					(3,300)	(3,300)
	<u>26,429</u>	<u>84,676</u>	<u>223,114</u>	<u>101,847</u>	<u>105,158</u>	<u>541,224</u>
TOTAL ASSETS	<u>26,429</u>	<u>84,676</u>	<u>223,114</u>	<u>101,847</u>	<u>105,158</u>	<u>541,224</u>
FUND BALANCE						
Restricted						
Debt service			223,114	101,847		324,961
Capital outlay		84,676				84,676
Nutrition Program	26,429					26,429
Committed						
Student activities					105,158	105,158
	<u>26,429</u>	<u>84,676</u>	<u>223,114</u>	<u>101,847</u>	<u>105,158</u>	<u>541,224</u>
TOTAL FUND BALANCE	<u>26,429</u>	<u>84,676</u>	<u>223,114</u>	<u>101,847</u>	<u>105,158</u>	<u>541,224</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

		Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year			<u>1,524,274</u>	<u>1,235,394</u>
RECEIPTS				
Local sources				
Taxes				
1100	Property taxes - general purpose	3,646,465	3,330,478	3,295,704
1115	Carline tax	7,000	11,614	13,046
1120	Public Power District sales tax		22,336	22,195
1125	Motor vehicle taxes	130,000	150,353	147,427
1140	Penalty and interest on delinquent taxes		5,129	8,540
1370	Tuition			1,330
1510	Interest		11,168	8,137
1800	Community service activities	8,000		
1911	Local license fees	200	522	1,246
1920	Contributions and donations from private sources			25,000
	Total local sources	<u>3,791,665</u>	<u>3,531,600</u>	<u>3,522,625</u>
County sources				
2110	County fines and license fees	15,000	21,806	18,679
2130	Other county sources	22,000		5,585
2210	ESU receipts		150	
	Total county sources	<u>37,000</u>	<u>21,956</u>	<u>24,264</u>
State sources				
3110	State aid	501,350	501,350	450,974
3120	Special education - school age	235,000	228,655	230,595
3125	Special education - transportation		3,041	3,485
3130	Homestead exemption		48,318	48,754
3131	Property tax credit		229,326	229,320
3180	Pro-rate motor vehicle	5,000	10,218	10,416
3200	State apportionment	30,000	44,716	33,481
3512	Distance education incentive payments		1,723	
3535	High ability learners	2,000	3,988	4,055
3990	Other state receipts	401,097	2,110	
	Total state sources	<u>1,174,447</u>	<u>1,073,445</u>	<u>1,011,080</u>

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

		Original and Final Budget	2023 Actual	2022 Actual
RECEIPTS (Continued)				
Federal sources				
4310	REAP	20,000	30,171	20,099
4506	Title I, Part A accountability ESSA improving basic programs accountability	33,000	67,483	
4509	Title II, Part A ESSA supporting effective instruction		8,125	10,850
4516	IDEA preschool (619) base/IDEA enrollments/poverty (619) allocation		1,980	1,556
4518	IDEA Part B (611) base & enrollment poverty allocation	65,000	75,868	66,666
4525	Federal vocational and applied technology (Carl Perkins)	2,000	100	300
4527	Title III Part A ESSA education		1,400	250
4530	Other federal receipts			38,760
4708	Medicaid in Public Schools (MIPS)	1,500	2,792	2,998
4709	Medicaid Administrative Activities in Public Schools (MAAPS)	5,000	4,876	5,829
4969	Title IV Part A	10,000	16,677	4,715
4996	Elementary and Secondary School Emergency Relief		55,150	
4997	Elementary and Secondary School Emergency Relief			104,293
	Total federal sources	<u>136,500</u>	<u>264,622</u>	<u>256,316</u>
Nonrevenue receipts				
5690	Nonrevenue receipts		39,385	4,856
	Total receipts	<u>5,139,612</u>	<u>4,931,008</u>	<u>4,819,141</u>
TOTAL FUNDS AVAILABLE			<u>6,455,282</u>	<u>6,054,535</u>
DISBURSEMENTS				
Instruction				
1100	Regular instruction	2,077,700	1,834,171	1,960,779
1150	Limited English proficiency programs	100,000	98,047	78,941
1160	Poverty programs	172,800	162,074	157,951
1190	Early childhood educational programs	94,100	88,054	84,124

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

		Original and Final Budget	2023 Actual	2022 Actual
DISBURSEMENTS				
Instruction (Continued)				
1200	Special education programs	480,750	453,001	419,041
1291	Special education programs - ages 3 - 5	500		
1292	Special education programs - ages 0 - 2	500		
Support services - students				
2110	Attendance and social work services	8,000	5,939	6,480
2120	Guidance services	69,900	52,970	48,391
2141	Psychological services - SPED school age	32,000	22,980	27,445
2151	Speech pathology - SPED	115,000	120,246	107,820
2153	Speech pathology - ages 0 - 2		224	
2161	Occupational therapy - SPED	17,000	16,481	14,965
2171	Physical therapy - SPED	10,000	9,171	8,613
2181	Visually impaired - SPED school age		2,292	
2190	Activities transportation	33,400	12,366	23,279
Support services - instruction				
2220	Library/media services	86,600	60,283	58,441
2230	Instruction - related technology	79,600	76,813	112,126
Support services - general administration				
2310	Board of Education	34,250	24,382	31,834
2320	Executive administrative services	224,200	211,718	172,820
2330	District legal services	30,000	5,758	4,487
2410	Office of the Principal	339,500	316,860	261,010
Support services - central services				
2510	Fiscal services	105,900	103,919	105,231
2530	Printing, publishing & duplicating services	5,000	2,716	
2560	Public information services	2,500	4,084	
2570	Personnel services	2,500	844	
Support services - operation and maintenance of plant				
2610	Operation of buildings	456,500	467,236	428,126
2620	Maintenance of buildings	45,000	119,838	16,977
2630	Care and upkeep of grounds	2,500	1,698	
2640	Care and upkeep of equipment		130	2,266
2650	Vehicle acquisition and maintenance other than pupil transportation		2,894	219

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual	
DISBURSEMENTS (Continued)				
Student transportation				
2710	Vehicle operation and purchasing	85,100	109,162	56,696
2712	Vehicle operation and purchasing - SPED	9,900	5,740	6,435
2730	Vehicle servicing and maintenance	18,000	43,168	13,634
2732	Vehicle servicing and maintenance - SPED	500	278	286
2790	Other student transportation services		756	
State categorical programs				
3535	High ability learners	5,200	1,494	2,219
3540	State early childhood		574	
Federal programs				
6200	Title I, Part A	40,152	46,261	39,898
6406	IDEA preschool	2,000	1,114	1,078
6408	IDEA Part B (611) base and enrollment poverty allocation birth through age twenty-one	66,981	66,981	64,763
6421	IDEA Part B (611) ARP			11,105
6422	IDEA Part B (611) ARP preschool			902
6700	Carl Perkins grant		176	
6925	Title III, Part A ESSA		80	
6926	Title III - ESSA			20
6969	Title IV A	3,500	12,138	15,999
6992	REAP	33,181	40,699	33,648
6997	ESSER II		14,425	23,907
6998	ESSER III		32,047	13,305
8000	Transfers	75,000	92,741	115,000
	Total disbursements	<u>4,965,214</u>	<u>4,745,023</u>	<u>4,530,261</u>
FUND BALANCE, end of year			<u>1,710,259</u>	<u>(4,530,011)</u>
ANALYSIS OF FUND BALANCE				
Cash in bank				
	Due from activities fund		3,300	3,300
	Checking and savings accounts		771,114	620,691
	County treasurers		<u>935,845</u>	<u>900,283</u>
TOTAL FUND BALANCE			<u>1,710,259</u>	<u>1,524,274</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
DEPRECIATION FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		222,246	301,471
RECEIPTS			
Interest		4,211	2,142
Interfund transfers		<u>150,000</u>	
Total receipts		<u><u>154,211</u></u>	<u>2,142</u>
TOTAL FUNDS AVAILABLE		<u><u>376,457</u></u>	<u><u>303,613</u></u>
DISBURSEMENTS			
Supplies			32,209
Capital outlay	<u>291,471</u>		<u>49,158</u>
Total disbursements	<u><u>291,471</u></u>		<u><u>81,367</u></u>
FUND BALANCE, end of year		<u><u>376,457</u></u>	<u><u>222,246</u></u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking account		9	9
Savings accounts		<u>376,448</u>	<u>222,237</u>
		<u><u>376,457</u></u>	<u><u>222,246</u></u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
EMPLOYEE BENEFIT FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>26,568</u>	<u>26,555</u>
RECEIPTS			
Interest	<u> </u>	<u>172</u>	<u>13</u>
TOTAL FUNDS AVAILABLE		26,740	26,568
DISBURSEMENTS			
Miscellaneous	<u>26,238</u>	<u>1,314</u>	<u> </u>
FUND BALANCE, end of year		<u>25,426</u>	<u>26,568</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Savings		<u>25,426</u>	<u>26,568</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SCHOOL NUTRITION FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>27,784</u>	<u>3,589</u>
RECEIPTS			
Local			
Interest	316	679	397
Nutrition services	73,246	52,688	9,274
Special functions			1,196
State	67,722	938	
Federal		104,885	173,974
Other nonrevenue receipts		9,394	236
Transfers from the General Fund	<u>42,811</u>	<u>23,718</u>	<u>42,000</u>
Total receipts	<u>184,095</u>	<u>192,302</u>	<u>227,077</u>
TOTAL FUNDS AVAILABLE		220,086	230,666
DISBURSEMENTS			
Nutrition services	<u>185,000</u>	<u>193,657</u>	<u>202,882</u>
FUND BALANCE, end of year		<u>26,429</u>	<u>27,784</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking and savings accounts		<u>26,429</u>	<u>27,784</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL BUILDING FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>67,842</u>	<u>90,540</u>
RECEIPTS			
Local			
Property taxes - special building	61,419	52,342	6,108
Penalty and interest on delinquent taxes		9	142
Interest		1,243	998
Carline tax		196	
Public Power District sales tax		372	
Other non-revenue receipts			6,555
State			
Homestead exemption		812	
Property tax credit		3,863	
Pro-rate motor vehicle		129	87
Game and parks		36	
Total receipts	<u>61,419</u>	<u>59,002</u>	<u>13,890</u>
TOTAL FUNDS AVAILABLE		126,844	<u>104,430</u>
DISBURSEMENTS			
Building improvements	<u>115,000</u>	<u>42,168</u>	
FUND BALANCE, end of year		<u>84,676</u>	<u>104,430</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking account		61	133
Savings		69,052	67,709
County treasurers		<u>15,563</u>	
TOTAL FUND BALANCE		<u>84,676</u>	<u>67,842</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
BOND FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>214,334</u>	<u>191,323</u>
RECEIPTS			
Local			
Property taxes - debt service	222,222	203,871	215,475
Penalty and interest on delinquent taxes		333	450
Interest		2,007	1,768
Carline tax		708	852
Public Power District sales tax		1,345	1,432
State			
Homestead exemption		2,954	3,183
Property tax credit		14,041	14,908
Pro-rate motor vehicle		634	684
Other state receipts		127	136
Total receipts	<u>222,222</u>	<u>226,020</u>	<u>238,888</u>
TOTAL FUNDS AVAILABLE		<u>440,354</u>	<u>430,211</u>
DISBURSEMENTS			
Principal	357,585	155,000	150,000
Interest		62,240	65,877
Total disbursements	<u>357,585</u>	<u>217,240</u>	<u>215,877</u>
FUND BALANCE, end of year		<u>223,114</u>	<u>214,334</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking account		166,804	78,112
County treasurers		56,310	57,948
Due from Qualified Capital Purpose Undertaking Fund		<u> </u>	<u>78,274</u>
TOTAL FUND BALANCE		<u>223,114</u>	<u>214,334</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>304,583</u>	<u>330,918</u>
RECEIPTS			
Local			
Property taxes - debt service	91,919	83,504	76,631
Penalty and interest on delinquent taxes		120	155
Interest		3,048	4,761
Carline tax		293	304
Public Power District sales tax		610	511
State			
Homestead exemption		1,221	1,136
Property tax credit		5,804	5,321
Pro-rate motor vehicle		253	240
Total receipts	<u>91,919</u>	<u>94,853</u>	<u>89,059</u>
TOTAL FUNDS AVAILABLE		<u>399,436</u>	<u>419,977</u>
DISBURSEMENTS			
Debt service principal		85,000	75,000
Debt service interest		5,385	7,236
Building acquisition and improvement	<u>270,268</u>	<u>207,204</u>	<u>33,158</u>
Total disbursements	<u>270,268</u>	<u>297,589</u>	<u>115,394</u>
FUND BALANCE, end of year		<u>101,847</u>	<u>304,583</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking account		78,555	362,174
County treasurers		23,292	20,683
Due to Bond Fund		<u> </u>	<u>(78,274)</u>
TOTAL FUND BALANCE		<u>101,847</u>	<u>304,583</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - BUDGET AND ACTUAL
ACTIVITIES FUND
YEAR ENDED AUGUST 31, 2023
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2022)

	Original and Final Budget	2023 Actual	2022 Actual
FUND BALANCE, beginning of year		<u>105,194</u>	<u>80,795</u>
RECEIPTS			
Student activities	100,000	155,039	174,257
Transfers in	69,205	69,023	73,000
Total receipts	<u>169,205</u>	<u>224,062</u>	<u>247,257</u>
TOTAL FUNDS AVAILABLE		329,256	328,052
DISBURSEMENTS	<u>200,000</u>	<u>224,098</u>	<u>222,858</u>
FUND BALANCE, end of year		<u>105,158</u>	<u>105,194</u>
ANALYSIS OF FUND BALANCE			
Cash in bank			
Checking account		108,458	108,494
Due to general fund		<u>(3,300)</u>	<u>(3,300)</u>
TOTAL FUND BALANCE		<u>105,158</u>	<u>105,194</u>

See accompanying notes to budgetary schedules.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
NOTES TO BUDGETARY SCHEDULES

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

Basis of Accounting

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

Budget Law

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

For budgetary purposes, transfers to the Depreciation Fund are reflected as capital outlay disbursements in the General Fund when the transfer is made.

The School Nutrition Fund actual disbursements of \$193,657 exceeded budgeted amounts of \$185,000, the Qualified Capital Purpose Undertaking Fund actual disbursements of \$297,589 exceeded budgeted amounts of \$270,268 and the Activity Fund actual disbursements of \$224,098 exceeded budgeted amounts of \$200,000.

Reconciliation

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

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

Receipts over disbursements - financial reporting basis	
General Fund	<u>339,054</u>
Receipts over (under) disbursements - budgetary basis	
General Fund	185,985
Depreciation Fund	154,211
Employee Benefits Fund	(1,142)
	<u>339,054</u>

OTHER INFORMATION

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN CASH BALANCES
(UNAUDITED)
YEAR ENDED AUGUST 31, 2023

	Balance 9/1/22	Receipts	Disbursements	Transfers	Balance 8/31/23
Pep club	71				71
Class of 2020	489				489
Class of 2021	2,571				2,571
Class of 2022	2,895				2,895
Class of 2023	5,083	4,461	9,008		536
Class of 2024	2,154	3,870	2,166		3,858
Class of 2025	1,936	918	74		2,780
Class of 2026	2,674	687	587		2,774
Class of 2027	1,797	322	111		2,008
Class of 2028	425	546			971
Class of 2029		75			75
Quiz bowl	471	317			788
Thespian society	1				1
Music		1,960	1,667	1,018	1,311
Band	3,118	1,221	2,772		1,567
Student council	900	1,417	879		1,438
Yearbook	30	1,485	6,875	5,610	250
District	27,584	5,263	5,594		27,253
Elementary district		1,866	2,775		(909)
Foreign language club	3,046	535	1,999		1,582
Walking club			313	313	
Library club	5,392	1,421	1,335		5,478
FFA	520	20,933	17,924		3,529
NHS	300	862	1,665	503	
Construction technology	257				257
Shop	42				42
All school play	2,904	130	1,313		1,721
Boys' basketball fundraising	1,470	3,295	2,693		2,072
Girls' basketball fundraising	1,498	3,366	3,069		1,795
Volleyball fundraising	2,005	3,038	855		4,188
Wrestling fundraising	2,479	1,126			3,605
Football fundraising	3,499	8,008	8,001		3,506
JH sports fundraising	913				913
Track fundraising	2,711	4,739	2,431		5,019
Cross country fundraising	3,881	3,971	5,089		2,763

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN CASH BALANCES
(UNAUDITED)
YEAR ENDED AUGUST 31, 2023

	Balance				Balance
	9/1/22	Receipts	Disbursements	Transfers	8/31/23
Weights	5,686	815	1,030		5,471
Concession stand	2,545	22,216	23,658		1,103
Athletics	10,087	43,172	110,901	61,527	3,885
FBLA	65				65
Art honor society	1,078	1,970	3,100	52	
Spanish travel fundraising	551	1,030	1,195		386
Spanish honor society		200	177		23
Birdies for bulldogs		4,320	179		4,141
Flag team	823				823
Cheerleaders	<u>1,243</u>	<u>5,484</u>	<u>4,663</u>	<u> </u>	<u>2,064</u>
 TOTAL ACTIVITIES FUND	 <u>105,194</u>	 <u>155,039</u>	 <u>224,098</u>	 <u>69,023</u>	 <u>105,158</u>
 BUDGET		 <u>100,000</u>	 <u>200,000</u>	 <u>69,205</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
Shelton Public School District #19
Shelton, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shelton Public School District #19, Shelton, Nebraska, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise Shelton Public School District #19, Shelton, Nebraska's basic financial statements, and have issued our report thereon dated November 2, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Shelton Public School District #19, Shelton, Nebraska's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shelton Public School District #19, Shelton, Nebraska's internal control. Accordingly, we do not express an opinion on the effectiveness of Shelton Public School District #19, Shelton, Nebraska'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 described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 deficiencies described in the accompanying schedule of findings and responses to be material weaknesses as items 2023-001 and 2023-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Shelton Public School District #19, Shelton, Nebraska's financial statements are free from material misstatement, we performed tests of its

compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and responses as item 2023-003.

Shelton Public School District #19, Shelton, Nebraska's Response to Findings

Government Auditing Standards requires the auditor to preform limited procedures on Shelton Public School District #19, Shelton, Nebraska's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. Shelton Public School District #19, Shelton, Nebraska's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

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 Shelton Public School District #19, Shelton, Nebraska's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Shelton Public School District #19, Shelton, Nebraska's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dana F Cole + Company, LLP

Minden, Nebraska
November 2, 2023

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED AUGUST 31, 2023

2023-001 SEGREGATION OF DUTIES

Criteria

To help ensure accurate financial reporting and the safeguarding of assets, adequate internal controls should be in place including the segregation of duties.

Condition

Due to the size of the District, there is limited segregation of duties over accounting functions. The same individual routinely reconciles the bank statements, makes journal entries, and manages the general ledger functions. There is a lack of segregation of duties within the cash receipts and cash disbursements functions. Administrative personnel have access to cash receipts, preparing checks, recording the transactions, and making deposits. During our audit, we conducted the fieldwork with only two people who had knowledge of the District's accounting records used for the financial statement preparation.

Cause

The District is limited with its disbursement budget to hire additional staff to further segregate accounting and financial reporting duties.

Potential Effect

Inadequate segregation of duties could lead to the misappropriation of assets and/or improper reporting.

Recommendations

We recommend that the District continue to monitor and evaluate its internal controls with the use of limited personnel and to provide as much segregation of duties as determined to be feasible within its operations. At a minimum, we recommend that a review be conducted for the data contained in reports and all material records and accounts of the District be reconciled.

District's Response

The District, within the constraints of existing time and cost considerations, will continue to review the situation and make improvements as deemed appropriate. At a minimum, the District will review and reconcile all material accounts and reports as necessary.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED AUGUST 31, 2023

2023-002 FINANCIAL REPORTING PROCESSES

Criteria

As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements, in conformity with the modified cash basis of accounting.

Condition

Management should possess the ability to prepare financial statements and note disclosures in accordance with the modified cash basis of accounting. The preparation of financial statements and note disclosures under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, record needed adjustments to the accounts in accordance with the chart of accounts prescribed by the Nebraska Department of Education, and prepare the financial statements and related disclosures without the assistance from the auditors.

Cause

District personnel do not obtain the expertise necessary to draft the year end financial statements, supplementary information, and notes to the financial statements, which includes necessary year-end adjusting entries.

Potential Effect

The potential exists that misappropriation of assets and/or a material misstatement of the financial statements could occur and not be prevented or detected by the District's internal control.

Recommendations

Management should carefully review financial statements including disclosures and understand the relationship to the underlying data. All proposed adjustments should be understood and approved.

District's Response

The District relies on the auditor to propose the adjustments necessary to prepare the financial statements, including the related disclosures. The District reviews such financial statements. We will continue to refer to the chart of accounts and fund uses when questions arise when recording certain transactions.

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED AUGUST 31, 2023

2023-003 BUDGET COMPLIANCE

Criteria

The District is required by state law to hold public hearings and adopt an annual budget for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements.

Condition

The District had disbursements in the School Nutrition Fund that exceeded budgeted amounts by \$8,657, had disbursements in the Qualified Capital Purpose Undertaking Fund that exceeded budgeted amounts by \$27,321, and had disbursements in the Activity Fund that exceeded budgeted amounts by 24,098.

Cause

District records were not compared to budgeted amounts.

Potential Effect

The potential exists that disbursements are made without the proper authority provided to the District.

Recommendations

Management should carefully review financial records and compare to budgeted amounts. Budgets should be amended when necessary disbursements will exceed the originally adopted budget.

District's Response

The District will review financial records, including a comparison to budgeted amounts and will amend the budget when deemed necessary

SHELTON PUBLIC SCHOOL DISTRICT #19
SHELTON, NEBRASKA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2023

2022-001 SEGREGATION OF DUTIES

The District does not have adequate personnel to assign responsibilities in such a way that different employees handle different portions of a transaction. Auditors recommended that the Board take an active part in internal controls and closely monitor all accounting functions, while seeking ways to continue to strengthen compensating controls. This is a similar continuing finding as noted in the schedule of findings and responses as item 2023-001 for the year ended August 31, 2023.

2022-002 FINANCIAL REPORTING PROCESSES

The District has limited controls over the period-end financial reporting processes, including controls over procedures used to initiate, authorize, record, and process journal entries to the unadjusted modified cash basis information necessary to prepare the financial statements. In addition, the District has limited controls over the selection of accounting procedures due to the lack of expertise over the selection and application of accounting principles. The District utilizes the expertise of the auditor to propose adjustments and disclosures and to draft the financial statements. We recommend that management should carefully review financial statements including disclosures and understand the relationship to the underlying data. All proposed adjustments should be understood and approved. Management should also review the prescribed chart of accounts and uses for funds as prescribed by the Nebraska Department of Education. This is a continuing finding as noted in the schedule of finds and responses as item 2023-002 for the year ended August 31, 2023.

2022-003 BUDGET COMPLIANCE

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The District had disbursements in the School Nutrition Fund that exceeded budgeted amounts by \$21,050, and had disbursements in the Qualified Capital Purpose Undertaking Fund that exceeded budgeted amounts by \$30,466. As part of our audit procedures, we compared actual disbursements to budgeted disbursements for each fund. Management of the District does not compare the actual disbursements with the budgeted disbursements to determine if an amended budget is necessary. The District is in violation of state law. This is a continuing finding as noted in the schedule of finds and responses as item 2023-003 for the year ended August 31, 2023.



**DANA F. COLE
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CERTIFIED PUBLIC ACCOUNTANTS

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November 2, 2023

To the Board of Education
Shelton Public School District No. 19
P.O. Box 610
Shelton, NE 68876

Dear Members of the Board:

Our audit for the year ended August 31, 2023, included tests of compliance necessary to conform to current Auditing Standards Generally Accepted in the United States of America and *Government Auditing Standards*. The audit also included tests for compliance with the calculation of Average Daily Membership reported on the Annual Statistical Summary Report as specified in 92 NAC 2, requirements of the Nebraska Budget Act (commencing with Section 13-501 R.R.S.), and the Tax Equity and Educational Opportunities Support Act (commencing with Section 79-1001 R.R.S.).

Our audit included testing of membership and attendance documentation that we determined necessary to conduct our audit in accordance with GAS, GAAS, and NDE Rule 1 requirements. In addition, we considered the District's controls over such reporting to determine appropriate audit procedures. Providing an opinion on compliance with the requirements related to the above reporting or on internal controls over such reporting were not objectives of our audit and, accordingly, we do not express any such opinions.

As a result of the above tests of compliance over Shelton Public School District No. 19, Shelton, Nebraska's student membership and attendance reporting we state the following:

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 that attendance at the District is collected at least daily and calculated to the nearest hundredth of a day.
4. We determined that the District maintains a cumulative attendance and membership record for each student.
5. We determined that 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.

Shelton Public School District No. 19
November 2, 2023
Page two

6. We selected a sample of students from the District's attendance records for the year ended August 31, 2023, and traced the students to students' enrollment files to verify that the sample of students were enrolled as students of the District for the dates claimed in the attendance records.
7. We traced the totals reported by the District on its annual Student Summary Attendance report to the District's census recordkeeping system for the fiscal year ended August 31, 2023.

Our audit also included testing a sample of General Fund disbursements for appropriate allocation to the school building level. All items tested were allocated on a reasonable basis.

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

Yours truly,

Dana F. Cole & Company, LLP

DANA F. COLE & COMPANY, LLP



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November 2, 2023

To the Board of Education
Shelton Public School District No. 19
P.O. Box 610
Shelton, NE 68876

RE: AU-C 260

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shelton Public School District No. 19, Shelton, Nebraska, for the year ended August 31, 2023. 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 27, 2023. 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 Shelton Public School District No. 19, Shelton, Nebraska, are described in Note 1 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, 2023. We noted no transactions entered into by the Shelton Public School District No. 19, Shelton, Nebraska, 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.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Long-Term Debt in Note 5 to the financial statements. The disclosure consists of the terms and balances of debt agreements owed by the district.

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 clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 2, 2023.

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 Shelton Public School District No. 19, Shelton, Nebraska'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 Shelton Public School District No. 19, Shelton, Nebraska's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to report on pages 23 - 40, which accompanies the financial statements but is not 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.

Shelton Public School District No. 19
November 2, 2023
Page three

We were not engaged to report on pages 41 - 42, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Education and management of Shelton Public School District No. 19, Shelton, Nebraska, and is not intended to be, and should not be, used by anyone other than these specified parties.

Yours truly,



KIM K. PEARSON
For the Firm

e-mail: kpearson@danacole.com

KKP:kmc

Strategies the district has implemented to help with the nutrition fund budget:

- Accurate lunch counts have helped to ensure we are only preparing the amount of food necessary for each meal. This eliminates extra food and waste.
- Improved meal prep and planning. For example, if there is a partial box of tater tots and french fries in the freezer, the cooks will plan to feed one age group the tater tots and another age group the french fries rather than ordering a full box.
- Lunch accounts are up-to-date and lunch bills are getting paid
- Applied for round 4 of the supply chain assistance grant. Shelton will receive \$10,191 in mid-February.

Challenges:

- The kitchen staff has increased portion sizes which drives up the cost of food.
- Students are purchasing fewer A la carte items. When asked if they want to buy seconds or A la carte, students say they are too full. We see this as a positive because we prefer students fill up on lunch, but this has resulted in a decrease in income to the nutrition fund.
- Food costs are still high.
- Sometimes state reimbursements are late.

Considerations moving forward:

- Reduce portion sizes a bit to try and reduce the cost of food.
- Increase the price we charge for grab-and-go breakfast items and A la carte items.
- Allocate some general fund money to go to the nutrition fund.

Monthly Balance Sheet

	Receipts	Expenditures	Transfer from Gen Fund
August	\$5,566.93	\$16,921.86	\$0.00
September	\$13,572.68	\$33,278.32	\$5,000
October	\$16,115.04	\$28,575.53	\$2,550.00
November	\$15,624.57	\$27,349.36	\$6,632.41
December	?	\$23,010.19	\$2,985 ** estimate based on state reimbursement