

**REFUNDING  
BOOK-ENTRY ONLY**

**BANK QUALIFIED  
RATING: MOODY'S "Aa3"**

*In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel also is of the opinion that, under existing laws of the State of Nebraska, such interest is exempt from Nebraska state income taxation. The Bonds are deemed designated as "qualified tax-exempt obligations" under Section 265(b)(3)(D)(ii) of the Internal Revenue Code of 1986, as amended. See "TAX MATTERS" herein.*

**\$7,585,000  
ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS)  
IN THE STATE OF NEBRASKA  
GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2021B**

**Dated: Date of Delivery**

**Due: As shown on the inside front cover**

Adams County School District 0090 (Adams Central Public Schools) in the State of Nebraska (the "District") is issuing the above-captioned bonds (the "Bonds") as fully registered bonds which, when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC is acting as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form only, in denominations of \$5,000 or whole multiples thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor acts as the securities depository for the Bonds.

BOKF, National Association, Lincoln, Nebraska, is the initial Registrar and Paying Agent (the "Registrar") for the Bonds. The Registrar will pay interest on June 15 and December 15 of each year, commencing December 15, 2021, until maturity or earlier redemption, and will pay principal on the dates and in the amounts set forth on the inside front cover. See "THE BONDS – Payment Provisions" herein. So long as DTC or its nominee is the registered owner of the Bonds, all payments of the principal of, the premium, if any, and the interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. For terms relating to DTC and the book-entry system, see "THE BONDS – Book-Entry System" herein.

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**MATURITY SCHEDULE — SEE INSIDE COVER**

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The Bonds are subject to redemption under the circumstances, on the dates, in the amounts and at the prices described herein. See "THE BONDS – Redemption Provisions" herein.

The District is using the proceeds of the Bonds to refund and redeem certain of its outstanding general obligation indebtedness and to pay certain costs of issuing the Bonds. See "THE BONDS – Purpose and Authority" herein.

The Bonds are direct, general obligations of the District, to which the full faith and credit and the taxing power of the District are pledged. The Bonds are payable from ad valorem taxes, unlimited as to rate or amount, to be levied against all taxable property located within the District, in addition to all other taxes to be collected, sufficient to pay the principal of, premium, if any and the interest on the Bonds when due. See "THE BONDS – Security" herein.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE BONDS. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds are offered in book-entry form when, as and if issued by the District, subject to the approval of legality by Kutak Rock LLP, Omaha, Nebraska, Bond Counsel, and certain other conditions. It is expected that the Bonds will be available for delivery through DTC in New York, New York, on or about July 14, 2021.

**PIPER | SANDLER**

Underwriter

 **First National  
Capital Markets**

Financial Advisor

The date of this Official Statement is June 9, 2021.

**\$7,585,000**  
**ADAMS COUNTY SCHOOL DISTRICT 0090**  
**(ADAMS CENTRAL PUBLIC SCHOOLS)**  
**IN THE STATE OF NEBRASKA**  
**GENERAL OBLIGATION REFUNDING BONDS**  
**SERIES 2021B**

**MATURITY SCHEDULE**

<b><u>Type</u></b>	<b><u>Maturity Date</u></b> <b><u>(June 15)</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>Price</u></b> <b><u>(% of Par)</u></b>	<b><u>CUSIP<sup>1</sup></u></b> <b><u>(006089)</u></b>
Serial	2022	\$480,000	2.000%	0.200%	101.652	EH5
Serial	2023	480,000	2.000	0.300	103.251	EJ1
Serial	2024	490,000	0.400	0.400	100.000	EK8
Serial	2025	490,000	2.000	0.550	105.614	EL6
Serial	2026	500,000	2.000	0.650	106.525	EM4
Serial	2027	510,000	2.000	0.770*	106.021	EN2
Serial	2028	520,000	2.000	0.880*	105.466	EP7
Serial	2029	530,000	2.000	1.000*	104.865	EQ5
Serial	2030	540,000	2.000	1.100*	104.366	ER3
Serial	2031	550,000	2.000	1.150*	104.118	ES1
Serial	2032	565,000	2.000	1.200*	103.871	ET9
Serial	2033	575,000	1.450	1.450	100.000	EU6
Serial	2034	585,000	2.000	1.400*	102.887	EV4
Serial	2035	595,000	2.000	1.450*	102.643	EW2
Serial	2036	175,000	1.700	1.700	100.000	EX0

<sup>1</sup> CUSIP data herein is provided by the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, as part of S&P Global Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The CUSIP numbers have been assigned by an organization not affiliated with the District and are included for the convenience of the holders of the Bonds. None of the District, the Underwriter, the Financial Advisor or the Registrar is responsible for the selection or use of the CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above.

\*Yields calculated to first permitted optional redemption date.

**ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS)  
IN THE STATE OF NEBRASKA**

**Board of Education**

Dave Johnson, President  
Chad Trausch, Vice President  
Tim O'Dey, Secretary  
Janice Niemeyer, Treasurer  
Greg Mucklow, Member  
Chris Wahlmeier, Member

**Administration**

Shawn Scott, Superintendent of Schools  
Scott Harrington, High School Principal  
Allyson Bohlen, Elementary School Principal  
Jennifer Pohlson, Special Education Director

**FINANCIAL ADVISOR**

First National Capital Markets, Inc.  
Omaha, Nebraska

**BOND COUNSEL**

Kutak Rock LLP  
Omaha, Nebraska

**REGISTRAR AND PAYING AGENT**

BOKF, National Association  
Lincoln, Nebraska

**INDEPENDENT AUDITORS**

AMGL, P.C.  
Grand Island, Nebraska

**UNDERWRITER**

Piper Sandler & Co.  
Omaha, Nebraska

## REGARDING USE OF THIS OFFICIAL STATEMENT

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This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. In making an investment decision, investors must rely upon their own examination of the District and the terms of the offering, including the merits and risks involved.

The information set forth herein has been obtained from the District and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the District since the date hereof. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. No dealer, broker, sales representative or other person has been authorized by the District or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement; and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The Bonds have not been registered with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon an exemption contained in the Securities Act. No federal or state securities commission or regulatory authority has recommended the Bonds. Moreover, none of the foregoing authorities has confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The Underwriter intends to offer the Bonds initially at the offering prices set forth on the inside cover page hereto, which may subsequently change without any requirement of prior notice. In connection with this offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds offered hereby at a level above that which might otherwise prevail in the open market. Stabilization, if commenced, may be discontinued at any time. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

For purposes of compliance with Rule 15c2-12(b)(1) of the Commission, this Official Statement has been deemed final by the District as of the date hereof.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "budget," "intend" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Neither the District nor any other party plans to issue any updates or revisions to those forward-looking statements if or when the expectations, or events, conditions or circumstances upon which such statements are based occur.

## **TABLE OF CONTENTS**

INTRODUCTION.....	1
THE BONDS .....	1
General .....	1
Payment Provisions .....	2
Redemption Provisions.....	2
Registration, Transfer and Exchange of Bonds .....	3
Purpose and Authority .....	3
Security .....	4
Book-Entry System .....	4
THE DISTRICT .....	5
BONDHOLDERS' RISKS.....	6
Absence of Credit Enhancement.....	6
Lack of Market for the Bonds.....	6
No Mortgage or Collateral.....	6
Limitation of Rights upon Insolvency.....	6
Redemption Prior to Maturity .....	7
Tax Treatment of the Bonds; Changes in Federal and State Law .....	7
Nebraska Developments Related to Budgets and Taxation.....	7
Fluctuations in State Revenues .....	7
Operational Disruption Risk; COVID-19.....	7
NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION.....	8
General .....	8
Budget and Levy Limitations.....	8
State Aid.....	9
Motor Vehicle Taxes .....	10
Additional Considerations .....	10
SOURCES AND USES OF FUNDS.....	10
DEBT SERVICE REQUIREMENTS.....	11
CONTINUING DISCLOSURE.....	11
TAX MATTERS .....	12
Federal Tax Matters.....	12
State Tax Matters.....	13
Changes in Federal and State Tax Law.....	13
LEGAL OPINION .....	13
LITIGATION.....	14
RATING .....	14
FINANCIAL STATEMENTS.....	14
UNDERWRITING.....	14
FINANCIAL ADVISOR.....	15
MISCELLANEOUS.....	15

APPENDIX A – GENERAL INFORMATION CONCERNING THE DISTRICT

APPENDIX B – INDEPENDENT AUDITOR’S REPORT AND FINANCIAL STATEMENTS

APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX D – BOOK-ENTRY SYSTEM

## OFFICIAL STATEMENT

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**\$7,585,000**

**ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS)  
IN THE STATE OF NEBRASKA  
GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2021B**

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### INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the appendices attached hereto, is to set forth information concerning Adams County School District 0090 (Adams Central Public Schools) in the State of Nebraska (the “**District**”) and the District’s General Obligation Refunding Bonds, Series 2021B, in the aggregate principal amount of \$7,585,000 (the “**Bonds**”), which are being offered for sale pursuant to this Official Statement. The District is issuing the Bonds for the purpose of refunding and redeeming certain outstanding bonds of the District (as more fully described herein, the “**Refunded Bonds**”) and paying certain costs of issuing the Bonds. See the caption “THE BONDS – Purpose and Authority” herein.

The Bonds are direct, general obligations of the District, to which the full faith and credit and the taxing power of the District are pledged. The Bonds are payable from ad valorem taxes, unlimited as to rate or amount, to be levied against all taxable property located within the District, in addition to all other taxes to be collected, sufficient to pay the principal of, premium, if any, and the interest on the Bonds when due. See the captions “THE BONDS – Security” and “NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION” herein.

The offering of the Bonds is made only by means of this entire Official Statement, including the appendices attached hereto. Descriptions of and references to the Bonds, the hereinafter-described Resolution, the related transaction documents and other matters do not purport to be comprehensive or definitive and are qualified in their entirety by reference to the complete texts thereof, copies of which are available for inspection at the office of Piper Sandler & Co. Omaha, Nebraska, as underwriter of the Bonds (the “**Underwriter**”). For more information regarding the District, see APPENDIX A attached hereto.

### THE BONDS

#### General

The Bonds are dated, bear interest at the rates and mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The District is issuing the Bonds as fully registered bonds which, when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“**DTC**”). DTC is acting as securities depository for the Bonds. Purchases of Bonds are being made in book-entry form only and in denominations of \$5,000 or whole multiples thereof (“**Authorized Denominations**”), through brokers and dealers who are, or who act through, DTC participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. See “THE BONDS – Book-Entry System” herein.

## Payment Provisions

BOKF, National Association, from its corporate trust office in Lincoln, Nebraska, is acting as the initial Registrar and Paying Agent with respect to the Bonds (the “**Registrar**”). The Registrar will pay interest on the Bonds on June 15 and December 15 of each year (each, an “**Interest Payment Date**”), commencing December 15, 2021, until maturity or earlier redemption. The Registrar will compute interest on the basis of a 360-day year consisting of twelve 30-day months, from their original issue date or the most recent Interest Payment Date, whichever is later. The Registrar will pay interest due on the Bonds by check or draft mailed to the registered owners at their registered addresses, both as shown on the registration books of the Registrar at the close of business on the fifteenth day (whether or not a business day) immediately preceding each Interest Payment Date (the “**Record Date**”). The Registrar will pay the principal of the Bonds at maturity or earlier date of redemption, together with all interest accrued to such date, upon presentation and surrender of the Bonds at the Registrar’s designated corporate trust office.

If payments of interest due on the Bonds on any Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners as of a special date of record for payment of such defaulted interest as shall be designated by the Registrar whenever moneys for the purpose of paying such defaulted interest become available.

The foregoing procedures and methods for payment will apply if the provisions for global book-entry bonds as described below cease to be in effect and will apply to the holding and transfer of Bonds by DTC subject to certain modifications provided for in a Letter of Representations between the District and DTC. **SO LONG AS DTC OR ITS NOMINEE IS THE REGISTERED OWNER OF THE BONDS, PAYMENT OF THE PRINCIPAL OR THE REDEMPTION PRICE THEREOF AND THE INTEREST THEREON WILL BE MADE DIRECTLY TO DTC.** See “THE BONDS — Book-Entry System” herein.

## Redemption Provisions

***Optional Redemption.*** Bonds maturing on or prior to June 15, 2026 are not subject to redemption prior to maturity. Bonds maturing on or after June 15, 2027 are subject to redemption prior to maturity at the option of the District at any time on July 14, 2026 or any date thereafter, in whole, or in part in such principal amounts and from such maturity or maturities as the District in its sole and absolute discretion shall determine, at a redemption price equal to the principal amount thereof, together with the interest accrued thereon to the date of redemption, with no premium. If less than all of the Bonds of any maturity are to be called for redemption, the Registrar shall select by lot the particular Bonds of such maturity to be redeemed in Authorized Denominations within a maturity.

***Redemption - Bonds Held by DTC.*** If the Bonds are being held by DTC under the book-entry system and less than all of such Bonds within a maturity are being redeemed, DTC’s current practice is to determine by lot the amount of the interest of each DTC participant in such maturity to be called for redemption, and each DTC participant is to then select by lot the ownership interest in such maturity to be redeemed.

***Notice of Redemption.*** Notice of the call for redemption, identifying the Bonds or portions thereof to be redeemed, shall be given by the Registrar to the registered owners of the Bonds to be redeemed at their registered addresses as shown on the registration books maintained by the Registrar, by first-class mail, postage prepaid, not less than 30 days prior to the date fixed for redemption (or such shorter period as may be acceptable to the then registered owner of the Bonds). Failure to give notice to any particular registered owner or any defect in the notice given to such owner shall not affect the validity of the proceedings calling the Bonds for redemption or the redemption of any Bonds for which proper notice has been given.

***Effect of Redemption.*** If notice of redemption has been properly given or waived and moneys for payment are available on the redemption date, the Bonds so called for redemption shall, on the redemption date, become due and payable and shall cease to bear interest and shall cease to be entitled to any lien, benefit or security under the hereinafter-described Resolution and the owners of the Bonds so called for redemption shall have no rights under the Resolution except to receive payment of the redemption price plus accrued interest to the date fixed for redemption from funds deposited with the Registrar by the District.

## **Registration, Transfer and Exchange of Bonds**

The District and the Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payment thereof and for all other purposes, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary, whether such Bond shall be overdue or not. All payments of or on account of interest to any registered owner of any Bond and all payments of or on account of principal to the registered owner of any Bond shall be valid and effectual and shall be a discharge of the District and the Registrar, in respect of the liability upon the Bonds or claim for interest, as the case may be, to the extent of the sum or sums paid.

Any Bond may be transferred pursuant to its provisions at the designated corporate trust office of the Registrar by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent. To the extent of the denominations authorized for the Bonds, one Bond may be transferred for several such Bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond shall be canceled and destroyed. The Registrar may impose a charge sufficient to defray all costs and expenses incident to registrations of transfer and exchanges. In each case the Registrar shall require the payment by the owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. The District and the Registrar shall not be required to transfer any Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days immediately preceding the date fixed for redemption.

## **Purpose and Authority**

***Purpose.*** The District is issuing the Bonds to (a) refund and redeem the Refunded Bonds, which consist of \$7,715,000 in aggregate principal amount of the District's outstanding General Obligation School Building Bonds, Series 2016, dated September 29, 2016, issued in the original aggregate principal amount of \$9,850,000 (the "**Series 2016 Bonds**"), maturing as serial bonds on June 15 in the years 2022 through and including 2036, and (b) pay the costs of issuing the Bonds. The District expects to redeem the Refunded Bonds on or about September 29, 2021 (the "**Redemption Date**").

***Authority.*** The District is issuing the Bonds pursuant to a resolution (the "**Resolution**") adopted on March 8, 2021 by the District's Board of Education (the "**Board**") in accordance with Sections 10-717 et seq., Reissue Revised Statutes of Nebraska, as amended, and Section 10-142, Reissue Revised Statutes of Nebraska, as amended (collectively, the "**Act**"). The District issued the Series 2016 Bonds pursuant to a resolution duly adopted by the Board and which were authorized by the required majority of the qualified voters of the District voting at an election held by the District on May 10, 2016, to finance (i) a portion of the costs of acquiring a site in Hastings, Nebraska and constructing thereon a new elementary school building and related site improvements, including parking, playgrounds and sidewalks, and acquiring and installing necessary equipment and apparatus for such school building and site (collectively, the "**Project**"), and (ii) certain costs of issuing the Series 2016 Bonds.



After the issuance of the Bonds, and excluding the Refunded Bonds, the District will also have outstanding \$7,525,000 in aggregate principal amount of its General Obligation Refunding Bonds, Taxable Series 2021, dated March 15, 2021 (the “**Outstanding Bonds**”), which are payable and secured on a parity with the Bonds.

## **Security**

The Bonds are direct, general obligations of the District, secured as to the payment of principal, premium, if any, and interest by an irrevocable pledge by the District of its full faith and credit and its taxing power. The District has covenanted in the Resolution that it shall cause to be levied and collected annually a special levy of taxes on all the taxable property in the District, in addition to all other taxes, sufficient in rate and amount to pay the principal of, premium, if any, and interest on the Bonds as and when the same become due. Pursuant to the Resolution, the District has pledged such tax levy and receipts to the payment of the debt service of the Bonds.

The Outstanding Bonds are general obligation bonds of the District payable on a parity with the Bonds and are equally and ratably secured by the pledge of its full faith and credit and its taxing power. The District has covenanted with respect to the Outstanding Bonds to levy and collect annually a special levy of taxes on all the taxable property in the District, in addition to all other taxes – including the levy relating to the Bonds – sufficient in rate and amount to pay the principal of, premium, if any, and interest on the Outstanding Bonds. See “NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION” herein.

## **Book-Entry System**

**General.** The Bonds are being made available initially in book-entry form only in Authorized Denominations. DTC will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity, as set forth on the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as the nominee for DTC. Ownership interests in the Bonds will be available to purchasers only through the book-entry system maintained by DTC (the “**Book-Entry System**”). A description of DTC, the Book-Entry System and definitions of initially capitalized terms used under this heading are found in “APPENDIX D – BOOK-ENTRY SYSTEM” attached hereto.

**Risk Factors.** Beneficial Owners of the Bonds may experience some delay in their receipt of distributions of the principal or redemption price of and interest on the Bonds because such distributions will be forwarded by the Registrar to DTC, credited by DTC to the accounts of its Direct Participants, which will thereafter credit them to the accounts of the Beneficial Owners either directly or indirectly through Indirect Participants. No assurance can be given by the District or the Registrar that DTC will distribute to the Participants, or that the Participants will distribute to the Beneficial Owners, (i) payment of debt service on the Bonds paid to DTC, or its nominee, as the registered owner, or (ii) any redemption or other notices, or that DTC or the Participants will serve and act on a timely basis or in the manner described in this Official Statement.

Because transactions in the Bonds can be effected only through DTC, DTC Participants and certain banks, the ability of a Beneficial Owner to pledge a Bond to persons or entities that do not participate in the Book-Entry System or otherwise to take actions in respect of such Bonds may be limited due to the lack of physical certificates. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and its DTC Participants. For the rights of Beneficial Owners with respect to the District’s continuing disclosure obligation, see APPENDIX C hereto.

Notice of any proposed modification or amendment of the Resolution by means of a supplemental resolution or resolutions that are to be effective with the consent of the registered owners of the Bonds as well as all notices of redemption will be mailed to DTC, as the registered owner of the Bonds then outstanding.

**CUSIP Numbers.** It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Bonds.

### **THE DISTRICT**

The District is as a Class III school district maintaining education for grades Pre-K-12. The District's geographical make up includes the developing suburban areas surrounding the City of Hastings, the Village of Juniata, and the numerous acres of fertile agricultural land that comprise the remaining 330 square miles of the District. The District's includes portions of Adams, Clay, Kearney, Hall, and Webster Counties in Nebraska. The City of Hastings, Nebraska is approximately 25 miles south of Grand Island, Nebraska, 30 miles east of Kearney, Nebraska, and 95 miles west of Lincoln, Nebraska. Facilities include three elementary schools (Adams Central East, Juniata, and Wallace) and a junior/senior high school. Current student enrollment at the District is approximately 965 students. The District is accredited by the State Department of Education and AdvancED.

Below is selected financial and operating information for the District. For more detailed information regarding the District, including its finances and operations, see APPENDIX A and APPENDIX B attached hereto.

Taxable Valuation (2020-2021)	\$1,752,465,267
Direct Debt	
General Obligation Refunding Bonds, Series 2021B (this issue)	\$ 7,585,000
General Obligation Refunding Bonds, Taxable Series 2021	<u>7,975,000</u>
General Obligation School Building Bonds, Series 2016 (06/15/2021 maturity only)	<u>430,000</u>
Total Direct Debt	<u>\$15,990,000</u>
Percent of Direct Debt to Taxable Valuation	0.91%
Total Direct, Overlapping and Underlying Debt	\$20,825,160
Percent of Direct, Overlapping and Underlying Debt to Taxable Valuation	1.19%

#### District Levies

2020-21 General Fund Levy	\$0.6573
2020-21 Bond Fund Levy	0.0759
2020-21 Qualified Capital Purpose Fund	0.0000
2020-21 Special Building Fund Levy	<u>0.0527</u>
Total 2020-21 Levy	<u>\$0.7859</u>

### **BONDHOLDERS' RISKS**

As described above in “THE BONDS – Security”, the Bonds and other general obligation indebtedness of the District (including the Outstanding Bonds) are payable from general ad valorem taxes levied upon the taxable property in the District without limit as to rate or amount and other available moneys for the District. Prospective purchasers of the Bonds should be aware that investment in the Bonds may entail some degree of risk. Each prospective investor in the Bonds is encouraged to read this Official Statement in its entirety. Particular attention should be given to the factors described below which could affect the payment of debt service on the Bonds and could affect the market price of the Bonds to an extent that cannot be determined. This discussion of risk factors is not, and is not intended to be, exhaustive.

#### **Absence of Credit Enhancement**

No credit enhancement (such as bond insurance or a letter of credit) has been or will be obtained by the District in connection with the issuance of the Bonds. Prospective purchasers must look solely to the District and its levy of ad valorem taxes as described herein for repayment of the principal of the Bonds, any premium, and the interest thereon.

#### **Lack of Market for the Bonds**

The Bonds will not be listed on a securities exchange or inter-dealer quotation system. Although the Underwriter presently intends to make a market for the Bonds, the Underwriter is not obligated to purchase any of the Bonds in the future, and such market making may be discontinued at any time. There can be no assurance that there will be a secondary market for the Bonds, and the absence of such a market for the Bonds could result in investors not being able to resell their Bonds should they need or wish to do so.

#### **No Mortgage or Collateral**

The Bonds are not secured by a mortgage, deed of trust or security interest in any real or personal property of the District, including the Project being refinanced with the proceeds of the Bonds. Accordingly, the Bondholders will not have any right to exercise any remedies against the Project or other real or personal property of the District upon any event of a default with respect to the Bonds.

#### **Limitation of Rights upon Insolvency**

The United States Bankruptcy Code enables debtors, including municipalities, counties and school districts, which are insolvent to obtain relief through petition and plan which may result in the modification or delay of payments to creditors, including bondholders. Relief under Chapter 9 of the federal Bankruptcy Code is available only to those municipalities which are specifically authorized to be a debtor under such Chapter by state law or by a governmental officer or organization empowered by state law to authorize such entity to be a debtor under Chapter 9. The State of Nebraska (the “State”) has authorized its political subdivisions, including school districts such as the District, to seek relief under the United States Bankruptcy Code by statute. Upon any insolvency upon the part of the District, the holders of the Bonds likely would represent general unsecured obligations of the District. The extent to which the exception from limitations upon overall tax rates provided for in existing legislation, including the provisions of “Budget Limitations” and “Levy Limitations” (as such terms are defined and described below under the heading “NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION”), might entitle bondholders to be treated as a separate class or otherwise given

priority over other unsecured claimants is a matter that would be subject to future determinations of Nebraska state and federal courts interpreting and applying both State law and the United States Bankruptcy Code. Procedures under the United States Bankruptcy Code or other insolvency laws could result in delays in payment and modifications of payment rights.

### **Redemption Prior to Maturity**

In considering whether to make an investment in the Bonds, potential investors should consider the information included under the heading “THE BONDS—Redemption Provisions” herein. Upon any redemption of the Bonds, such called Bonds shall be redeemed at par and not with any premium. Investors purchasing Bonds at a discount or a premium should consult with their tax advisors regarding the effects of any such redemption at par.

### **Tax Treatment of the Bonds; Changes in Federal and State Law**

The Internal Revenue Code of 1986, as amended (the “Code”) establishes certain requirements that must be met subsequent to the issuance of the Bonds in order that interest thereon be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be includable in gross income retroactive to the date of original issuance of the Bonds. In addition, from time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax status of the Bonds or adversely affect their market value. The District cannot predict whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment.

### **Nebraska Developments Related to Budgets and Taxation**

From time to time the Nebraska Legislature has taken actions designed to reduce the reliance of local governmental units on property taxation. For a discussion of such changes, see “NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION” herein.

### **Fluctuations in State Revenues**

In recent years, the State, like many other states, has experienced decreased collections of revenues relating to general economic conditions as they impact enterprises throughout the State. Such decreased collections resulted in lower forecasts of revenues for the budgeting purposes of the State. In response to this change in revenue receipts and forecasts, the State Legislature increased certain taxes and has also enacted certain changes reducing State expenditures, including State contributions to certain political subdivisions. Further consideration of decreased aid to local governments, including school districts, may occur in regular legislative sessions and, possibly, in one or more special sessions. Although revenue receipts and forecasts, as publicly reported, have recently improved, there can be no assurance concerning levels of expenditure by the State affecting school districts.

### **Operational Disruption Risk; COVID-19**

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the operations and effectiveness of municipal governments, such as the District. One such external event is the recent global outbreak of COVID-19 (“COVID-19”), a respiratory disease declared to be a pandemic (the “Pandemic”) by the World Health Organization, which is affecting the national capital markets and which may negatively impact the State’s housing market and its overall economy. The threat from the Pandemic is being addressed on a national, federal, state and local levels in various forms, including executive orders and legislative actions.

On March 13, 2020, the President of the United States declared a national emergency with respect to the Pandemic. The United States Congress recently enacted several COVID-19-related bills, including the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed into law on March 27, 2020, which provides over \$2 trillion of direct financial aid to American families, payroll and operating expense support for small businesses, and loan assistance for distressed industries, as well as providing funds to and directing the Federal Reserve System to support the capital markets. On March 13, 2020, the Governor of Nebraska declared a State emergency with respect to the Pandemic. By executive orders, the Governor also announced Statewide social distancing restrictions, limited mass gatherings, ordered the closure of schools, restaurants, bars and other public accommodations, as well as other actions affecting state and local governments and Nebraska families. Each such order was subject to change and/or extension; some orders have expired and/or been rescinded; and additional orders are to be expected addressing matters that cannot be predicted at this time.

The District continues to assess the economic and social effects of the Pandemic and the impact it might have on the District's finances and operations. At present, the District has not experienced any materially adverse financial impacts from the Pandemic; however, there could be reductions in property tax receipts and other collections, including the corresponding disbursements thereof, as well as other disruptions for a period of time. For the 2021-22 school year, the District may offer a mixture of in-person and remote learning opportunities, subject to change as circumstances arise, dependent upon the status of the Pandemic at such time.

## **NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION**

### **General**

The District's principal sources of revenue for its general fund are local property taxes and State Aid. Local property taxes constitute the District's largest revenue sources, but are subject to certain limitations as discussed below. State Aid for each school district is determined annually based on student adjustment weightings and a variety of other factors including taxable valuations and per-student costs. The system of assessing and taxing personal property by the State for purposes of local ad valorem taxation for support of local political subdivisions, including the District, has from time to time been the object of controversy, legal challenges, constitutional initiative petitions and legislative action.

### **Budget and Levy Limitations**

The Nebraska Legislature has imposed budget limitations and property tax restrictions on Nebraska political subdivisions, including public school districts, intended to reduce the level of property taxation and expenditures within the State. Budget limitations relating to school districts (Section 79-1023 *et seq.*, Reissue Revised Statutes of Nebraska, as amended, and related sections, the "**Budget Limitations**") limit the growth in general fund expenditures for school districts. Tax levy limitations (Section 77-3442 *et seq.*, Reissue Revised Statutes of Nebraska, as amended, and related sections, the "**Levy Limitations**") provide for an overall limitation on tax rates levied by school districts. The Budget Limitations, because they apply only to general fund expenditures, do not limit the budgeting of expenditures for debt service on bonded indebtedness, nor do they limit building fund and certain other special fund expenditures. Similarly, the Levy Limitations expressly exclude property tax levies relating to bonded indebtedness (other than bonded indebtedness incurred by a school district pursuant to Section 44-4317, Reissue Revised Statutes of Nebraska, as amended), certain lease-purchase obligations approved prior to July 1, 1998 and building fund levies relating to projects established prior to April 1, 1996; provided, however, that any combined levy of a school district in excess of the greater of (a) \$1.20 per one hundred dollars (\$100) of taxable value or (b) the maximum levy authorized by a vote pursuant to Section 77-3444, Reissue Revised Statutes of Nebraska, as amended, except levies for bonded indebtedness approved by the voters of the school district and levies for the refinancing of such bonded indebtedness, is considered an unauthorized levy pursuant to

Section 77-1606, Reissue Revised Statutes of Nebraska, as amended. **As the Bonds are general obligations of the District payable from the special property tax levy authorized by law and approved by the voters of the District, neither the tax levy nor the corresponding expenditures to pay debt service on the Bonds are subject to the Levy Limitations or the Budget Limitations.**

Under the Budget Limitations, a school district may not increase its general fund expenditures by more than its budget authority established each year by the Nebraska Department of Education. A district's budget authority for general fund expenditures is calculated using the formula set forth in Section 79-1023, Reissue Revised Statutes of Nebraska. Such calculation is subject to modification from year to year by the Nebraska Legislature. The Budget Limitations are part of the system for determining aid from the State and are to be enforced through the office of the Auditor of Public Accounts of the State and the Nebraska Department of Education. State Aid may be withheld from governmental units which fail to comply. *Such budgetary limitations do not apply to, among other things, revenue pledged to retire bonded indebtedness, such as the Bonds.*

Under the Levy Limitations the rates for levying property taxes have been limited for each type of governmental unit in the State. The rate of levy for school districts, such as the District, may not exceed more than \$1.05 per one hundred dollars (\$100) of taxable value. The District's general fund levy for the 2020-21 fiscal year is set at \$0.6573 per one hundred dollars (\$100) of taxable valuation. The District's general fund levy includes certain exclusions permitted under the Levy Limitations, such as sums paid to certificated employees in exchange for voluntary termination of employment and special building funds and sinking funds established for construction, expansion or alteration projects commenced prior to April 1, 1996. In addition, property tax levies to pay bonded indebtedness (such as the Bonds) and lease-purchase contracts approved prior to July 1, 1998 are not included in such limitation (taxes to pay bonds issued by school districts pursuant to Section 44-4317, Reissue Revised Statutes of Nebraska, as amended, are included in such limitation, but the District has not issued any bonds pursuant to such statute). Any combined tax levy of a school district in excess of the greater of (a) \$1.20 per one hundred dollars (\$100) of taxable value or (b) the maximum levy authorized by a vote pursuant to Section 77-3444, Reissue Revised Statutes of Nebraska, as amended, except levies for bonded indebtedness approved by the voters of the school district (such as the Bonds), and levies for the refinancing of such bonded indebtedness is considered an unauthorized levy pursuant to Section 77-1606, Reissue Revised Statutes of Nebraska, as amended. *Any tax levied to pay the principal of and interest on the Bonds will not be subject to the Levy Limitations.*

Section 79-10,120, Reissue Revised Statutes of Nebraska, as amended, authorizes a building fund tax levy of not to exceed 14 cents on each one hundred dollars (\$100) of taxable valuation. Funds collected from this tax levy may be used solely to acquire, construct, erect, alter, equip and furnish school buildings and additions thereto for elementary and high school grades. The District's building fund levy for the 2020-21 fiscal year is set at \$0.0527 per one hundred dollars (\$100) of taxable valuation. Under current statutes such levying authority is subject to the Levy Limitations, but is not included within the budgeted expenditure limitations provided for in the Budget Limitations. Funds collected from the building fund levy are not expected to be used to pay the principal of and interest on the Bonds.

### **State Aid**

State Aid is funded through the collection of statewide sales and income taxes. Legislative enactments in recent years have both increased and decreased the amounts of funds available for State Aid to school districts, as well as established and revised procedures and formulae for the distribution of State Aid to school districts. The District received approximately \$1,096,229 in State Aid in fiscal year 2020-21 and expects to receive approximately \$876,787 in fiscal year 2021-22. State Aid amounts fluctuate from year to year based upon factors set in the related statutes, and the District's State Aid amount could increase or decrease in future years.

## Motor Vehicle Taxes

State law allocates to each school district 60% of the motor vehicle taxes and fees (less a 1% county treasurer collection fee) arising from motor vehicles within the school district. Motor vehicle valuations are not included in the District's property tax base, and the District, like other taxing subdivisions, receives distributions of such taxes collected by Adams, Clay, Hall, Webster and Kearney Counties. State law further requires school districts to deposit such distributions of taxes into their general funds, and such moneys are not available to repay bonded indebtedness, including the Bonds.

## Additional Considerations

Methods currently used to finance the needs of school districts and other local units may be altered depending upon future actions taken by voters of the State under initiative and referendum provisions of the State constitution, future actions of the Nebraska Legislature and future decisions of State and federal courts.

## SOURCES AND USES OF FUNDS

Set forth below are the estimated sources and uses of funds:

### Sources of Funds

Par Amount of Bonds:	\$7,585,000.00
Plus Original Issue Premium:	269,294.15
<b>Total:</b>	<u>\$7,854,294.15</u>

### Uses of Funds

Redemption of Refunded Bonds	\$7,763,185.04
Costs of Issuance (including underwriting discount)	91,109.11
<b>Total:</b>	<u>\$7,854,294.15</u>

## DEBT SERVICE REQUIREMENTS

The aggregate debt service requirements on the Bonds and the Outstanding Bonds (and excluding the Refunded Bonds) for each annual period ending June 15 are shown below, which amounts are to be paid from the collections of the special levy of ad valorem taxes described herein and other available funds of the District:

<b>Annual Period Ending 6/15</b>	<b>Debt Service on Outstanding</b>		<b>Series 2021B Bonds</b>		<b>Combined Total</b>
	<b><u>Bonds</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>	
2021	\$469,271.00	-	-	-	\$ 469,271.00
2022	691,229.00	\$480,000	\$128,880.83	\$608,880.83	1,300,109.83
2023	694,753.00	480,000	130,572.50	610,572.50	1,305,325.50
2024	692,645.00	490,000	120,972.50	610,972.50	1,303,617.50
2025	694,793.00	490,000	119,012.50	609,012.50	1,303,805.50
2026	695,855.50	500,000	109,212.50	609,212.50	1,305,068.00
2027	691,130.50	510,000	99,212.50	609,212.50	1,300,343.00
2028	699,830.50	520,000	89,012.50	609,012.50	1,308,843.00
2029	697,413.00	530,000	78,612.50	608,612.50	1,306,025.50
2030	698,833.00	540,000	68,012.50	608,012.50	1,306,845.50
2031	699,461.00	550,000	57,212.50	607,212.50	1,306,673.50
2032	694,277.00	565,000	46,212.50	611,212.50	1,305,489.50
2033	493,342.00	575,000	34,912.50	609,912.50	1,103,254.50
2034	-	585,000	26,575.00	611,575.00	611,575.00
2035	-	595,000	14,875.00	609,875.00	609,875.00
2036	-	175,000	2,975.00	177,975.00	177,975.00
Total	\$8,612,833.50	\$7,585,000	\$1,126,263.33	\$8,711,263.33	\$17,324,096.83

## CONTINUING DISCLOSURE

For the benefit of the holders and Beneficial Owners of the Bonds, the District has covenanted to provide or to cause to be provided certain financial information and operating data relating to the District (the “**Annual Report**”), by not later than nine (9) months following the end of the District's fiscal year (currently ending August 31), or such later date as when the Annual Report or portions thereof become available, commencing with the report for the fiscal year ended August 31, 2021 (which is due no later than May 31, 2022 or such later date as when the Annual Report or portions thereof become available), and to provide notices of the occurrence of certain enumerated events (the “**Listed Events**”). The specific nature of the information to be contained in the Annual Report and the notices of Listed Events is described in the Continuing Disclosure Agreement (the “**Disclosure Agreement**”), the form of which is attached hereto as APPENDIX C: “FORM OF CONTINUING DISCLOSURE AGREEMENT”. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (“**Rule 15c2-12**”).

The Annual Report and the notices of Listed Events will be filed by the District or its dissemination agent with the Municipal Securities Rulemaking Board (the “**MSRB**”) through the MSRB’s Electronic Municipal Market Access system (“**EMMA**”). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at [www.emma.msrb.org](http://www.emma.msrb.org). Nothing



contained on EMMA relating to the District or the Bonds is incorporated by reference in this Official Statement.

A failure by the District to comply with the Disclosure Agreement will not constitute a default under the Resolution, although Bondholders will have any available remedy at law or in equity. Any such failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

## **TAX MATTERS**

### **Federal Tax Matters**

***Tax Opinions.*** In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinions described in the preceding sentence assume the accuracy of certain representations and compliance by the District with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with such requirements.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend upon such owner's particular tax status and other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers otherwise entitled to claim the earned income credit, or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

***Original Issue Premium.*** Bonds sold at initial public offering prices that are greater than the respective stated amounts to be paid at maturity constitute "**Premium Bonds**". An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over the term of such Premium Bond using constant yield principles, based on the purchaser's yield to maturity (or, in the case of a Premium Bond callable prior to its maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of a Premium Bond should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

***Bank Qualified.*** The Bonds are deemed designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(D)(ii) of the Code. Accordingly, Bond Counsel is of the opinion that in the case of certain banks, thrift institutions or other financial institutions owning the Bonds, a deduction is allowed for 80% of that portion of such institutions' interest expense allocable to interest on the Bonds. Bond Counsel expresses no opinion with respect to any deduction for federal tax law purposes of interest

on indebtedness incurred or continued by a holder of the Bonds or a related person to purchase or carry the Bonds.

**Backup Withholding.** As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any Bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

**No Other Opinion.** Bond Counsel expresses no other opinion regarding the federal tax consequences arising with respect to the Bonds.

### **State Tax Matters**

In the opinion of Bond Counsel, under the existing laws of the State, the interest on the Bonds is exempt from Nebraska state income taxation so long as it is exempt for purposes of the federal income tax. Bond Counsel expresses no other opinion regarding the State or local tax consequences arising with respect to the Bonds.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

### **LEGAL OPINION**

The approving opinion of Kutak Rock LLP, Omaha, Nebraska (“**Bond Counsel**”), will affirm, among other things, that the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State, including the Act, that the Bonds constitute valid and legally binding obligations of the District, and that the District has power and is obligated to levy ad valorem taxes for the payment of the Bonds and the interest thereon upon all taxable property located in the District without limitation as to rate or amount. The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors.

By rendering its legal opinion, Bond Counsel does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or for the future performance of parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel has participated in the preparation of this Official Statement but

expresses no opinion as to the accuracy, completeness or sufficiency of the factual, operating and financial information appearing herein, which has been supplied and/or reviewed by certain officials of the District, excepting only matters relating to its opinion, including the matters appearing in the sections of this Official Statement captioned “LEGAL OPINION” and “TAX MATTERS” herein.

## LITIGATION

Upon delivery of the Bonds, the District will certify that there is no litigation, suit or other proceeding of any kind pending, or to its knowledge threatened, (a) seeking to restrain or enjoin the issuance or delivery of the Bonds, (b) contesting, disputing or affecting in any way (i) the legal organization of the District or its boundaries, (ii) the right or title of any of its officers to their respective offices, (iii) the legality of any of its official acts shown to have been done in the transcript relating to the Bonds, (iv) the constitutionality or validity of the Bonds or the indebtedness represented by the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, (v) the legality, validity or enforceability of the Resolution or any of the Bond documents, (vi) the power or authority of the District to levy and collect ad valorem taxes as set forth in the Resolution to pay the principal of, premium, if any, and interest on the Bonds, or (vii) the federal or State tax-exempt status of the interest on the Bonds, or (c) that could have a material adverse effect on the financial condition or operations of the District or its ability to make payments on the Bonds or to perform its agreements and obligations under the Resolution or the Bond documents.

## RATING

Moody’s Investor’s Service, Inc. (“**Moody’s**”), has assigned the Bonds a rating of “Aa3”. Any explanation of the significance of such rating should be obtained from Moody’s. The District furnished Moody’s with certain information and materials relating to the Bonds and the District which have not been included in this Official Statement. Generally, a rating agency bases its rating on the information and materials so furnished and on investigations, studies and assumptions made by such rating agency. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Except as set forth in APPENDIX C—FORM OF CONTINUING DISCLOSURE AGREEMENT, neither the District nor the Underwriter has undertaken any responsibility either to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such change in or withdrawal of such rating could have an adverse effect on the market price of the Bonds.

## FINANCIAL STATEMENTS

The financial statements of the District, as of and for the year ended August 31, 2020, included in APPENDIX B to this Official Statement, have been audited by AMGL, P.C., Grand Island, Nebraska, independent auditors (the “**Auditors**”) as stated in their report appearing herein. The Auditors have not been asked to review the information in this Official Statement, to express any opinion with respect thereto, to update or revise their report in light thereof or to provide their consent to the inclusion of the financial statements and report in this Official Statement.

## UNDERWRITING

Piper Sandler & Co. (the “**Underwriter**”) has agreed to purchase the Bonds from the District pursuant to a bond purchase agreement (the “**Purchase Agreement**”), subject to certain conditions described therein, at a price equal to \$7,832,297.65, (par, plus aggregate original issue premium of \$269,294.15 and less an underwriting discount of \$21,996.50, plus accrued interest, if any). The Purchase Agreement provides that the Underwriter shall purchase the Bonds in the aggregate principal amount thereof if any such Bonds are purchased, subject to certain conditions therein.

The Underwriter intends to offer the Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriter(s) in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices. In connection with this offering, the Underwriter may overallocate or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

While the Underwriter expects, insofar as possible, to maintain a secondary market for the Bonds, no assurance can be given concerning the future maintenance of such a market by the Underwriter or others, and prospective purchasers of the Bonds should therefore be prepared to hold their Bonds to their maturity.

The Underwriter is not acting as a financial advisor to the District in connection with the offer and sale of the Bonds.

### **FINANCIAL ADVISOR**

The District has retained First National Capital Markets, Inc. (the “**Financial Advisor**”) as financial advisor in connection with its financing plans and the authorization and issuance of the Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Financial Advisor did not participate in the underwriting of the Bonds. Fees payable to the Financial Advisor are contingent upon the issuance of the Bonds.

### **MISCELLANEOUS**

Any descriptions herein of the terms of the Bonds, the Resolution and related transactional documents do not purport to be complete, and any such descriptions and references thereto are qualified in their entirety by reference to each such document, copies of which may be obtained from the Financial Advisor.

Simultaneously with the delivery of the Bonds, the District will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The Official Statement, and its distribution and use by the Underwriter, have been approved by the District. Neither the District nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the District or the District’s ability to make payments required of it; and further, neither the District nor its officers, directors or employees assume any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the District by the Resolution.

**ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS) IN  
THE STATE OF NEBRASKA**

## APPENDIX A

### ADAMS COUNTY SCHOOL DISTRICT 0090 (ADAMS CENTRAL PUBLIC SCHOOLS) IN THE STATE OF NEBRASKA

#### GENERAL DISTRICT INFORMATION

##### General Information

Adams County School District 0090 (Adams Central Public Schools) is made up of the surrounding areas of the City of Hastings, in Adams County, Nebraska, on U.S. Highway 34, approximately 25 miles south of Grand Island, Nebraska, 30 miles east of Kearney, Nebraska, and 95 miles west of Lincoln, Nebraska. The District includes the developing suburban areas surrounding the City of Hastings, the Village of Juniata, and the numerous acres of fertile ag land that make up the rest of the 305 square miles of the District.

The District operates as a 305 square-mile, Class III District with a student enrollment of 965, and maintains education for Pre-Kindergarten through 12<sup>th</sup> Grade. The District contains a preschool, located in Juniata, a K-6 elementary school next to the high school that feed into the junior/senior high school. The District is accredited by the State Department of Education and AdvancED.

Higher education is provided at Hastings College, a private four-year undergraduate liberal arts college, and Central Community College, a tax-supported area community college with locations in Hastings, Columbus, and Grand Island that provides career and technical programs as well as academic transfer courses.

Medical services are provided by Mary Lanning Healthcare, a state-of-the-art health care center providing surgery, cardiac care, imaging center, and numerous in-patient and out-patient services to the surrounding area.

##### Government and Organization

The District is organized as a Class III school district under Sections 79-102 and 79-407, Reissue Revised Statutes of Nebraska, as amended. The District is governed by a six-member Board of Education (the “Board”). The members of the Board are elected by the voters of the District for four-year staggered terms. All Board members are elected at-large and serve without compensation. The Board is responsible for all policy decisions. The President of the Board is elected by the Board from among its members for a term on one year and has no regular administrative duties. The Secretary and Treasurer are appointed by the Board and may or may not be members of the Board.

The current members and officers of the Board of Education are:

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Dave Johnson	President	2022
Chad Trausch	Vice President	2024
Tim O’Dey	Secretary	2022
Janice Niemeyer	Treasurer	2024
Greg Mucklow	Member	2022
Chris Wahlmeier	Member	2024

The Board of Education appoints the Superintendent of Schools who is the chief administrative officer of the District responsible for carrying out the policies set by the Board. Additional members of the administrative staff are appointed by the Board of Education upon recommendation by the Superintendent.

The current Superintendent of Schools is Shawn Scott, who joined the District in 2007. The administrative staff of the District is as follows:

<u>Name</u>	<u>Title</u>
Shawn Scott	Superintendent
Scott Harrington	Jr.-Sr. High Principal
Allyson Bohlen	Elementary Principal
Shannon Nepple	Curriculum, Instruction
Alan Frank	Activities Director
Jennifer Pohlson	Special Services Director

## **Educational Facilities**

The District serves approximately 965 Pre-Kindergarten-12<sup>th</sup> Grade students in its Junior-Senior High School in Hastings, Nebraska and its and Elementary Schools located in the area in and around Hastings, Nebraska.

## **Enrollment History (PreK-12)**

<u>School Year</u>	<u>Enrollment</u>
2020-21	965
2019-20	971
2018-19	1005
2017-18	868
2016-17	873

## **Staffing**

<u>Year</u>	<u>Teachers</u>	<u>Administrators</u>	<u>Staff and Other</u>	<u>Total</u>
2020-21	81	6	55	142
2019-20	80	6	53	139
2018-19	80	6	51	137
2017-18	71	7	44	122
2016-17	71	7	45	123

## **Employee Relations**

The District believes it has a good working relationship with its employees. The District's teachers are represented by the ACEA. The current teacher negotiations contract was approved on February 10, 2020 for the 2020-21 school year and ends on August 31, 2021.

## **Accounting, Budgeting, and Auditing Procedures**

The District follows a cash system of accounting in conformity with the requirements of Nebraska law. Under this system, financial data is recorded on a cash basis with revenues and expenses being recognized only as cash is received or disbursed. Receivables, payables, and accrued expenses are not recorded. Cash transactions are recorded in the following funds which the District is required to maintain for the accounting of all school moneys:

- General Fund
- Bond Fund
- Special Building Fund
- Cooperative Fund

Student Fee Fund  
Activity Fund  
Other Governmental Fund

The Treasurer of the District is responsible for handling all moneys of the District and administering the above funds. All moneys received by the District from whatever source are credited to the appropriate fund. Moneys may be disbursed from such funds by the Treasurer only for the purpose for which they are levied, collected, or received and all checks must be signed by the President of the Board and the Secretary of the Board.

The Superintendent, with input from his staff, principals and interested community groups, prepares a recommended budget and submits it to the Board, which may modify it. The Board adopts a budget which is submitted along with the Annual Financial report to the State of Nebraska Department of Education. The budget is designated as the Official Budget and governs the general operations for the fiscal year unless amended by the Board. The budget process begins in January and is passed at the regular Board of Education meeting in September. Under applicable statutes limitations are imposed upon increases which may be made in the District's general fund budget from year to year. See the caption "NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION" herein. The District's fiscal year is September 1 through August 31. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes and includes a statement of the rate of levy per hundred dollars of assessed valuation required to raise each amount shown on the budget as coming from District taxes.

The District's principal sources of revenue for its general fund are local property taxes and state aid. State aid is allocated to school districts based upon statutory formulas which take into consideration taxable valuations, student population, per student costs and a variety of other factors. The District's current budget is governed by the provisions of the "Budget Limitations" (as described and defined below) which are discussed under the heading "NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION." The "Levy Limitations" (as described and defined below), also discussed under the heading "NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND TAXATION," will limit the tax levies for subsequent fiscal years thereafter. Such limitations do not affect the District's ability to levy and collect taxes sufficient to pay the principal of and interest on the Bonds.

The financial records of the District are audited annually by a firm of independent certified public accountants with financial statements prepared on the modified basis of accounting. In recent years, the annual audit has been performed by AMGL, P.C. of Grand Island, Nebraska. A copy of the annual audit for the fiscal year ended August 31, 2020, is included in this Official Statement at Appendix B. A summary of significant accounting policies of the District is contained in the Notes accompanying the financial statements in the Appendix B. Financial statements for earlier years are available for examination in the District's office.

### **General Fund Sources of Revenue**

The District finances its operations through the local property tax levy, state aid, federal grant programs and miscellaneous sources. Debt service is financed solely through local property taxes. For the fiscal year ended August 31, 2020 the District received its General Fund revenue from various sources as follows, and the District anticipates the sources of revenue will remain substantially same for the fiscal year ending August 31, 2021:

<u>Source</u>	<u>Amount (\$)</u>	<u>Amount (%)</u>
Local Sources	\$12,528,868	86%
County Sources	113,057	<1
State Sources	1,687,517	11
Federal Sources	239,579	2
Other Sources	<u>60,066</u>	<1
<b>Total Receipts</b>	<b>\$14,629,097</b>	

The local property taxes provide the only source of funds payable into the Bond Fund. Such taxes are levied and collected by the County as hereinafter described. See **“DISTRICT PROPERTY TAX INFORMATION”**.

### **Nebraska School Employees Retirement System<sup>†</sup>**

The Nebraska School Employees Retirement Act (Sections 79-901 to 79-977, Reissue Revised Statutes of Nebraska, as amended, the “Retirement Act”) establishes a retirement system for school employees in the State (the “System”), except employees of the Omaha Public Schools, which are governed by a separate set of statutes. The System became effective (under prior statutes) in 1945. The Retirement Act requires payments by the State of Nebraska to fund, based upon actuarial calculations, unfunded accrued liabilities of the System which are not funded by the required contributions of participating school employees and contributions of the school districts.

Section 79-958 of the Retirement Act requires school district employees to contribute 9.78% of pay. Section 79-958 currently requires school districts to contribute an amount equal to 101% of the contributions of their employees. The current State of Nebraska contribution rate is 2%. The Retirement Act, including the employee and state contribution rates, was amended in the 2013 legislative session when the Nebraska Legislature passed LB 553 over the Governor’s veto.

The unfunded accrued liability as of July 1, 2020 for all covered employees within the Nebraska School Employee Retirement System amounted to \$1,156,648,592. Actuarial Valuation Report as of July 1, 2020 by Cavanaugh Macdonald Consulting, LLC reports a positive contribution margin for the current plan year of 3.61%, resulting in no additional state funding required for that year.

### **Legal Debt Capacity**

The District has no legal debt limit.

### **Financial Statements**

The audited financial statements of the District for the fiscal year ended August 31, 2020 and the report by AMGL, P.C., Certified Public Accountants, with respect thereto, are included in **APPENDIX B** to this Official Statement. The audited financial statements for earlier years with reports by the Certified Public Accountants are available for examination in the District’s office.

## **DISTRICT PROPERTY TAX INFORMATION**

### **Current Assessed Valuation**

All taxable real and personal property within the District is assessed annually by the Adams County Assessor. The current total assessed valuation for 2020 of all taxable tangible property situated in the District is \$1,752,465,267, which represents a 1.62% decrease over the prior year.

---

<sup>†</sup> Source: School Retirement System of the State of Nebraska-Actuarial Valuation Report as of July 1, 2020, Sixty-Fifth Actuarial Report for State Fiscal Year ending August 31, 2020 and System Plan Year Beginning July 1, 2020.



## History of Property Valuations

The total assessed valuation of all taxable tangible property situated in the District in each of the following years, has been as follows:

<u>Year</u>	<u>Assessed Valuation</u>
2020-21	\$1,752,465,267
2019-20	1,781,312,302
2018-19	1,785,163,246
2017-18	1,783,774,546
2016-17	1,760,412,526
2015-16	1,732,450,374

## Property Tax Levies and Collections

Taxes are levied annually on or before November 1 of each year. Real Property taxes and personal property taxes are due December 31 of each year with the first half delinquent May 1 and the second half delinquent September 1.

## Historical Tax Rates

The following table shows the District's total tax levies including debt service (per \$100 of assessed valuation) for each of the last five fiscal years:

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
<b>General</b>	0.6132	0.6493	0.6546	0.6466	0.6573
<b>Building</b>	0.0316	0.0481	0.0512	0.0516	0.0527
<b><u>Bond</u></b>	<u>0.0746</u>	<u>0.0708</u>	<u>0.0740</u>	<u>0.0742</u>	<u>0.0759</u>
<b>Total</b>	<b>0.7194</b>	<b>0.7682</b>	<b>0.7798</b>	<b>0.7724</b>	<b>0.7859</b>

## Historical Tax Collections

The following table sets forth available tax collection information for the District for the last five years:

<u>Calendar Year</u>	<u>Taxes Levied</u>	<u>Amount Collected</u>	<u>% Collected</u>
2020	\$13,772,424	NA	NA
2019	13,758,586	\$13,749,557	99.9%
2018	13,921,715	13,603,997	97.8
2017	13,703,169	13,430,975	98.0
2016	12,665,362	11,059,997	87.3

## SELECTED DISTRICT FINANCIAL AND STATISTICAL INFORMATION

The following table summarizes certain financial information concerning the District. This information should be reviewed in conjunction with the information contained in this section and the excerpts of financial statements of the District contained in "APPENDIX B – FINANCIAL STATEMENTS."

2020 Assessed Valuation	\$ 1,752,465,267
District Population (approx.)	10,905
Acres in District (approx.)	195,200
Square Miles in District (approx.)	305

Direct Debt	
General Obligation Refunding Bonds, Series 2021B (this issue)	\$ 7,585,000
General Obligation Refunding Bonds, Taxable Series 2021	<u>7,975,000</u>
General Obligation School Building Bonds, Series 2016 (6/15/2021 maturity only)	<u>430,000</u>
Total Direct Debt	<u>\$15,990,000</u>
Ratio of Direct Debt to Taxable Valuation	0.91%
Direct Debt Per Capita	\$1,466.30
Direct Debt Per Acre	\$81.92
Overlapping and Underlying Debt Attributable to District	\$4,835,160
Total Direct, Overlapping, and Underlying Debt	\$20,825,160
Ratio of Direct, Overlapping and Underlying Debt to Taxable Valuation	1.19%
Direct, Overlapping and Underlying Debt Per Capita	\$1,909.69
Direct, Overlapping and Underlying Debt Per Acre	\$106.69

### **Direct General Obligation Debt**

The following table sets forth, as of the date of issuance of the Series 2021B Bonds, the entire outstanding general obligation indebtedness of the District (excluding the Refunded Bonds).

<b><u>Issue Name</u></b>	<b><u>Dated Date</u></b>	<b><u>Amount Issued</u></b>	<b><u>Amount Outstanding</u></b>
General Obligation Refunding Bonds, Series 2021B (this issue)	07/14/2021	\$7,585,000	\$7,585,000
General Obligation Refunding Bonds, Taxable Series 2021	03/15/2021	\$7,975,000	\$7,975,000
General Obligation School Building Bonds, Series 2016 (6/15/2021 maturity only)	09/29/2016	\$430,000	\$430,000
<b>TOTAL DIRECT G.O. DEBT:</b>			<u><b>\$15,990,000</b></u>

### **Overlapping and Underlying General Obligation Debt**

The following table sets forth the outstanding indebtedness of political subdivisions that envelop as well as fall within the boundaries of the District and the amount and percent of such indebtedness that is attributable (on the basis of assessed valuation) to the County:

<b><u>Taxing Jurisdiction</u></b>	<b><u>2020 Valuation<sup>†</sup></u></b>	<b><u>Outstanding General Obligation Debt</u></b>	<b><u>Percent Attributable to District</u></b>	<b><u>Amount Attributable to District</u></b>
<b><i>Counties:</i></b>				
Adams County	\$3,855,928,356	\$9,200,000	42.69%	\$3,927,480
Clay County	\$2,069,834,643	\$2,455,000	4.51%	\$110,721
Hall County	\$5,664,586,972	\$4,825,000	0.15%	\$7,089
Kearney County	\$1,820,461,931	\$12,450,000	0.20%	\$24,900
Webster County	\$962,676,361	\$1,980,000	0.11%	<u>\$2,178</u>
<b>Total Counties:</b>				<b>\$ 4,072,368</b>

<sup>†</sup> Includes only valuation.

**Other:**

Hall County Airport Authority	\$5,664,552,556	\$27,445,000	0.20%	\$27,342
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**Total Other:****\$27,342****Cities and Villages:**

Ayr	\$4,105,908	\$0	NA	\$0
Hastings	\$1,539,701,283	\$4,465,000	13.00%	\$580,450
Holstein	\$9,160,959	\$0	NA	\$0
Juniata	\$38,053,785	\$0	NA	\$0

**Total Cities and Villages:****\$ 580,450****Rural Fire Districts**

Juniata RFD	\$351,360,685	\$155,000	100.00%	\$155,000
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**Total Fire Districts:****\$ 155,000****TOTAL UNDERLYING/OVERLAPPING UNDERLYING G.O. DEBT****\$ 4,835,160****SELECTED AREA INFORMATION****Utilities**

Residents of the Hastings and Juniata receive electricity, natural gas, water, and sewer services from Hastings Utilities, a customer-owned utility system.

**Employment<sup>†</sup>**

Listed below are the major employers located in the Adams County area and the estimated number employed by each:

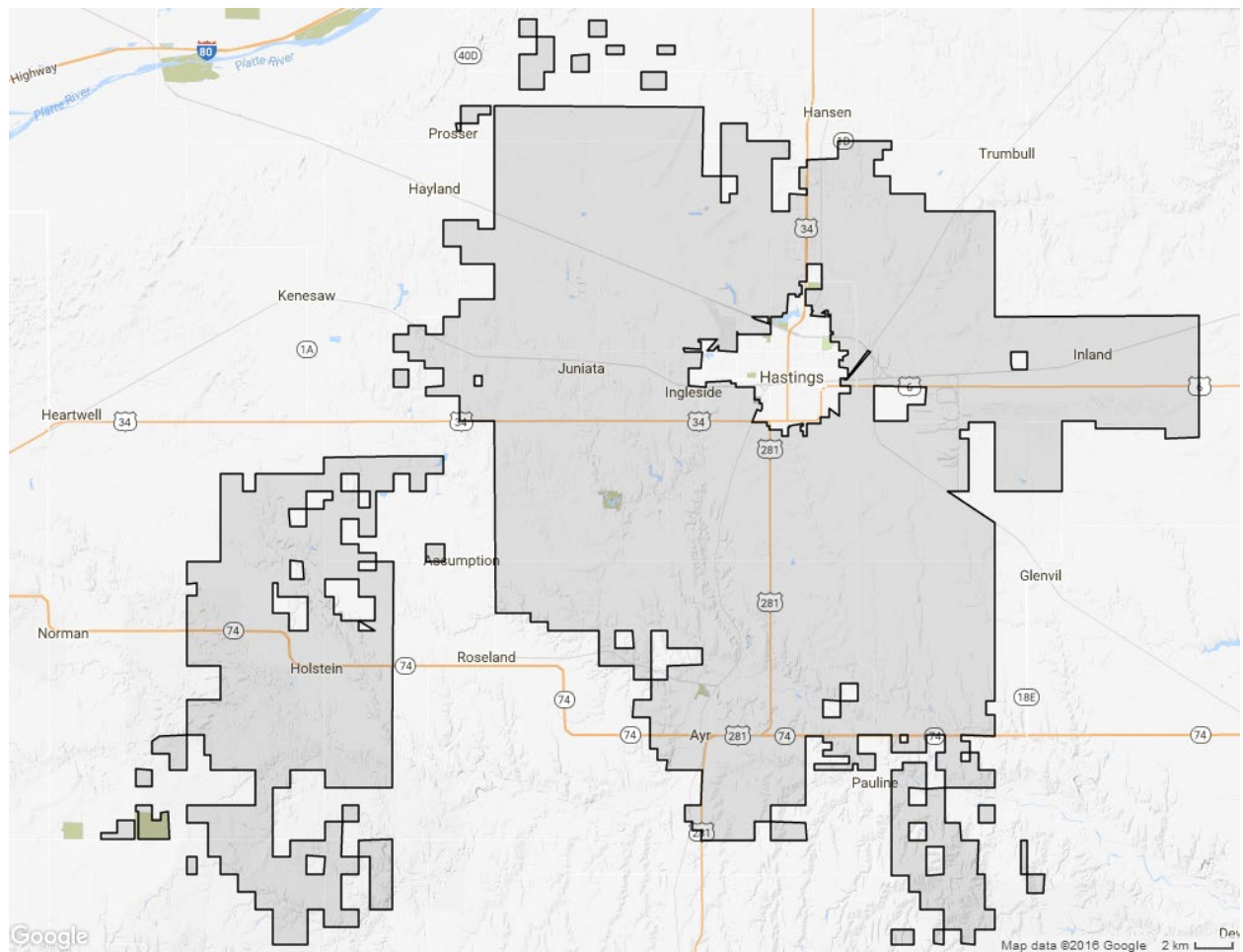
<u>Major Employers</u>	<u>Number of Employees</u>
1. Mary Lanning Memorial Hospital	1,000-4,999
2. Good Samaritan Society	250-499
3. W.R. Reserve	250-499
4. Walmart Supercenter	250-499
5. Dutton-Lainson Co	250-499
6. Thermo King	250-499
7. T-L Irrigation Co	100-249
8. Sewer Department Hastings Utilities	100-249
9. City of Hastings	100-249
10. Menards	100-249

<sup>†</sup> Source: Nebraska Department of Labor

## Major Property Taxpayers<sup>‡</sup>

<u>Owner</u>	<u>Assessed Valuation</u>
Ag Processing Inc.	\$20,750,135
Menard Inc.	\$11,531,303
Walmart Realty Co	\$11,460,536
Equalizer Midwest Inc.	\$9,139,095
Chief Ethanol Fuels Inc.	\$4,698,375
Equalizer Midwest Inc.	\$4,062,153
Eaton MDH Company	\$4,007,448
Winfield Solutions LLC	\$3,708,068
Highland Realty Inc.	\$3,529,668
Walter Estates LLC	\$3,053,068

## District Map



\*The shaded areas on the map indicate the geographical boundaries of the Adams Central School District.

<sup>‡</sup> Source: Adams County Assessor

**APPENDIX B**

**INDEPENDENT AUDITOR'S REPORT AND  
FINANCIAL STATEMENTS**

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**August 31, 2020**

## TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR’S REPORT	2
MANAGEMENT’S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS - MODIFIED CASH BASIS	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Statement of Receipts, Disbursements, and Changes in Fund Balances - Governmental Funds	14
Statement of Net Position - Proprietary Fund	15
Statement of Receipts, Disbursements, and Changes in Fund Net Position - Proprietary Fund	16
Statement of Net Position - Fiduciary Funds	17
Notes to Financial Statements	18
SUPPLEMENTARY AND OTHER INFORMATION	
Budgetary Comparison Schedules	
General Fund	37
Special Building Fund	38
Cooperative Fund	39
Combining Balance Sheet – Other Governmental Funds	40
Combining Statement of Receipts, Disbursements, and Changes in Fund Balances – Other Governmental Funds	41
Statement of Cash Receipts, Disbursements, and Net Position - Fiduciary Funds	
Activity Fund	42
Student Fee Fund	44
Statements of Accounts with County Treasurers	
General Fund	45
Building Fund	46
Bond Fund	47
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 <i>Government Auditing Standards</i>	48

**SHAREHOLDERS:**

Robert D. Almquist  
Phillip D. Maltzahn  
Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
Tracy A. Cannon

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Adams Central School District No. 90  
Adams County, Nebraska

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams Central School District No. 90 as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the School District's financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures

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that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams Central School District No. 90, as of August 31, 2020, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

## **Basis of Accounting**

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

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adams Central School District No. 90's financial statements. The management's discussion and analysis and supplementary and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The management's discussion and analysis, budgetary comparison schedules and county treasurer statements of receipts and disbursements, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2020, on our consideration of Adams Central School District No. 90's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Adams Central Public School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Adams Central School District No. 90's internal control over financial reporting and compliance.

AMGL, P.C.

Grand Island, Nebraska  
October 29, 2020

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For The Year Ended August 31, 2020**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of Adams Central School District No. 90's annual financial report presents management's discussion and analysis (MD&A) of the District's financial performance during the fiscal year ended August 31, 2020. Please read the MD&A in conjunction with the entire financial report, which immediately follows this section.

**FINANCIAL HIGHLIGHTS**

- The District's General Fund fund balance increased by \$602,410 (11.9 percent) compared to an increase of \$621,496 the prior fiscal year.
- General Fund revenues were \$14,629,087, \$602,410 more than expenses.
- General Fund operational costs were \$14,026,677, a 0.8 percent increase from the prior year.
- Adams Central School District No. 90's student average daily membership decreased by 6 students (0.7 percent) to an Average Daily Membership (ADM) of 894 for the year ended August 31, 2020.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2020**

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- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a trustee or custodian for the benefit of others.

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

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

**Net Position**

The District's combined net position was lower on August 31, 2020, than it was the year before, decreasing 7.0 percent to \$11,224,501. The majority of the decrease in the District's financial position came from its governmental activities, the net position of which decreased from \$11,721,680 to \$10,892,101 in 2020. The net position of the District's business-type activities decreased from \$343,184 to \$332,400 in 2020.

**Summary Statements of Net Position**

	August 31, <u>2020</u>	August 31, <u>2019</u>
Current Assets	\$ 11,224,501	\$ 12,064,864
Liabilities	<u>-</u>	<u>-</u>
Net Position:		
Restricted	3,091,803	4,366,540
Unrestricted	<u>8,132,698</u>	<u>7,698,324</u>
Total Net Position	<u><u>\$ 11,224,501</u></u>	<u><u>\$ 12,064,864</u></u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2020**

**Governmental Activities**

A summary of the governmental receipts and expenses follows:

	Year Ended August 31, <u>2020</u>	Year Ended August 31, <u>2019</u>	Increase (Decrease)
Receipts:			
Charges for services	\$ 1,168,774	\$ 1,407,409	\$ (238,635)
Operating grants	870,636	1,301,324	(430,688)
Taxes (property, motor vehicle, and other)	14,789,159	14,631,750	157,409
State aid	915,604	605,114	310,490
Other revenue	298,708	707,961	(409,253)
Total receipts	<u>18,042,881</u>	<u>18,653,558</u>	<u>(610,677)</u>
Expenses:			
Instruction	10,534,742	10,838,991	(304,249)
Support services:			
Pupils	705,853	704,493	1,360
Staff	195,153	412,491	(217,338)
General administration	408,053	374,834	33,219
School administration	707,740	663,208	44,532
Business	425,870	218,842	207,028
Building and grounds	1,478,365	1,123,465	354,900
Pupil transportation	121,716	155,433	(33,717)
State categorical programs	177,018	200,024	(23,006)
Federal programs	371,400	343,686	27,714
Transfer to Activity Fund	150,000	150,000	-
Principal paid	855,000	830,000	25,000
Interest and fees on long-term debt	457,850	478,625	(20,775)
Capital outlay	2,283,700	1,312,457	971,243
Total expenses	<u>18,872,460</u>	<u>17,806,549</u>	<u>1,065,911</u>
Increase (decrease) in net position - governmental funds	<u>\$ (829,579)</u>	<u>\$ 847,009</u>	<u>\$ (1,676,588)</u>

Total receipts decreased \$610,677 (3.3 percent). Operating grants decreased \$430,688 (33.1 percent) and other revenue decreased \$409,253 (57.8 percent).

Total expenses increased \$1,065,911 (6.0 percent), due primarily to an increase in capital outlay of \$971,243 (74 percent) and an increase of building and grounds expense of \$354,900 (31.6 percent).

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2020**

**Business-type Activities**

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

	Year Ended August 31, <u>2020</u>	Year Ended August 31, <u>2019</u>	Increase (Decrease)
Receipts:			
Charges for services	\$ 228,026	\$ 320,734	\$ (92,708)
Operating grants	134,086	167,662	(33,576)
Other income	350	278	72
Total receipts	<u>362,462</u>	<u>488,674</u>	<u>(126,212)</u>
Expenses:			
Nutrition services	<u>373,246</u>	<u>447,955</u>	<u>(74,709)</u>
Increase (decrease) in net position	<u>\$ (10,784)</u>	<u>\$ 40,719</u>	<u>\$ (51,503)</u>

Revenues of the District's business-type activities (Nutrition program) decreased \$126,212 to \$362,462. Expenses decreased \$74,709 to \$373,246.

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

As the District completed the year, its governmental funds reported combined fund balances of \$10,892,101, which were \$829,579 lower than last year's ending combined balances of \$11,721,680. The decrease in fund balance is due primarily to a decrease in the Special Building Fund of \$1,301,857 and an increase in the General Fund of \$602,410.

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2020:

	<u>Receipts</u>	<u>Disbursements</u>	Receipts Over (Under) <u>Disbursements</u>
General	\$ 14,629,087	\$ 14,026,677	\$ 602,410
Bond Fund	1,339,970	1,312,850	27,120
Special Building Fund	957,843	2,259,700	(1,301,857)
Cooperative Fund	1,110,751	1,249,233	(138,482)
Other Governmental Funds	5,230	24,000	(18,770)
Eliminations	-	-	-
Totals	<u>\$ 18,042,881</u>	<u>\$ 18,872,460</u>	<u>\$ (829,579)</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2020**

The following is a summary of receipts and disbursements for the governmental funds for the year ended August 31, 2019:

	<u>Receipts</u>	<u>Disbursements</u>	Receipts Over (Under) <u>Disbursements</u>
General	\$ 14,541,575	\$ 13,920,079	\$ 621,496
Bond Fund	1,309,236	333,625	975,611
Special Building Fund	1,386,811	2,236,657	(849,846)
Cooperative Fund	1,410,844	1,265,388	145,456
Other Governmental Funds	5,092	50,800	(45,708)
Eliminations	-	-	-
Totals	<u>\$ 18,653,558</u>	<u>\$ 17,806,549</u>	<u>\$ 847,009</u>

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

**BUDGET ANALYSIS**

General Fund disbursements were \$1,224,242 less than budgeted appropriations. Actual General Fund receipts were \$1,434,427 more than budget.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

Significant capital asset additions (more than \$15,000 each) were:

- John Deere gator - \$24,000
- Bus barn construction - \$118,429
- Front entrance construction - \$376,384
- Parking lot project - \$1,938,889
- Fortinet firewall - \$16,822
- 21 CAD computers - \$32,949
- Chromebooks - \$38,160
- MacBook Airs - \$23,580
- iPads - \$17,640
- Camera system - \$45,372
- Carpeting - \$33,229
- Cafeteria tables - \$30,307

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For The Year Ended August 31, 2020**

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**Long-term Debt**

A summary of the District's debt follows:

	<u>2020</u>	<u>2019</u>	Increase (Decrease)
General obligation bonds	<u>\$ 16,795,000</u>	<u>\$ 17,650,000</u>	<u>\$ (855,000)</u>

Long-term debt decreased \$855,000 due to payment on general obligation bonds.

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

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

- The General Fund property tax asking remained the same at \$11,518,384 for the year ending August 31, 2021, while budgeted General Fund expenditures increased by \$808,825 (5.3 percent).
- Certified state aid for next year will be \$1,096,229. This represents a \$180,625 (19.7 percent) increase.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

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

Shawn Scott  
Superintendent

Adams Central School District No. 90  
1090 S. Adams Central Road  
P.O. Box 1088  
Hastings, NE 68902-1088  
(402) 463-3285  
(402) 463-6344 – fax



**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

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

**August 31, 2020**

	Primary Government			Component
	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>	<u>Unit</u>
<b>ASSETS</b>				
Current assets:				
Cash (note C)	\$ 4,855,188	\$ 332,400	\$ 5,187,588	\$ 201,267
Cash restricted for building projects (note C)	1,212,196	-	1,212,196	-
Cash restricted for bond payments (note C)	1,322,109	-	1,322,109	-
Cash with County Treasurers (note D)	3,502,608	-	3,502,608	-
Investments	-	-	-	226,243
Total current assets	10,892,101	332,400	11,224,501	427,510
<b>LIABILITIES</b>	-	-	-	-
<b>NET POSITION</b>				
Restricted	3,091,803	-	3,091,803	59,134
Unrestricted	7,800,298	332,400	8,132,698	368,376
<b>Total net position</b>	<u>\$ 10,892,101</u>	<u>\$ 332,400</u>	<u>\$ 11,224,501</u>	<u>\$ 427,510</u>

See notes to financial statements.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

**For the year ended August 31, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Receipts</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary government:</b>			
<b>Governmental activities:</b>			
Instruction	\$ 10,534,742	\$ 1,168,774	\$ 625,463
Support services:			
Pupils	705,853	-	-
Staff	195,153	-	-
General administration	408,053	-	-
School administration	707,740	-	-
Business	425,870	-	-
Building and grounds	1,478,365	-	-
Pupil transportation	121,716	-	-
State categorical programs	177,018	-	5,594
Federal programs	371,400	-	239,579
Activities support	150,000	-	-
Principal paid	855,000	-	-
Interest and fees on long-term debt	457,850	-	-
Capital outlay	2,283,700	-	-
Total governmental activities	18,872,460	1,168,774	870,636
<b>Business-type activities:</b>			
Nutrition services	373,246	228,026	134,086
<b>Total primary government</b>	<u>\$ 19,245,706</u>	<u>\$ 1,396,800</u>	<u>\$ 1,004,722</u>
<b>Component Unit</b>			
Adams Central Public Schools Foundation	<u>\$ 58,875</u>	<u>\$ -</u>	<u>\$ 104,795</u>

See notes to financial statements.

<u>Program Receipts</u> Capital Grants and Contributions	Net (Expenses) Receipts and Changes in Net Position Primary Government			Component Unit
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
\$ -	\$ (8,740,505)		\$ (8,740,505)	
-	(705,853)		(705,853)	
-	(195,153)		(195,153)	
-	(408,053)		(408,053)	
-	(707,740)		(707,740)	
-	(425,870)		(425,870)	
-	(1,478,365)		(1,478,365)	
-	(121,716)		(121,716)	
-	(171,424)		(171,424)	
-	(131,821)		(131,821)	
-	(150,000)		(150,000)	
-	(855,000)		(855,000)	
-	(457,850)		(457,850)	
-	(2,283,700)		(2,283,700)	
-	(16,833,050)	\$ -	(16,833,050)	
-	-	(11,134)	(11,134)	
\$ -	(16,833,050)	(11,134)	(16,844,184)	
\$ -				\$ 45,920
General receipts:				
Taxes:				
Property	12,623,593	-	12,623,593	-
Motor vehicle	889,631	-	889,631	-
Other taxes	1,275,935	-	1,275,935	-
Fines and licenses	44,283	-	44,283	-
State aid	915,604	-	915,604	-
State apportionment	140,856	-	140,856	-
Interest and investment income	71,913	350	72,263	25,577
Sale of property	24,684	-	24,684	-
Other	16,972	-	16,972	-
Total general receipts	16,003,471	350	16,003,821	25,577
Change in net position	(829,579)	(10,784)	(840,363)	71,497
Net position - August 31, 2019	11,721,680	343,184	12,064,864	356,013
Net position - August 31, 2020	\$ 10,892,101	\$ 332,400	\$ 11,224,501	\$ 427,510

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

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

**August 31, 2020**

	General Fund	Bond Fund	Special Building Fund	Cooperative Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 2,716,890	\$ 1,322,109	\$ 1,212,196	\$ 1,578,620	\$ 559,678	\$ 7,389,493
Cash with County Treasurers	2,945,110	328,747	228,751	-	-	3,502,608
<b>Total assets</b>	<b>\$ 5,662,000</b>	<b>\$ 1,650,856</b>	<b>\$ 1,440,947</b>	<b>\$ 1,578,620</b>	<b>\$ 559,678</b>	<b>\$ 10,892,101</b>
<b>FUND BALANCES</b>						
Fund balances:						
Restricted for:						
Building improvements	\$ -	\$ -	\$ 1,440,947	\$ -	\$ -	\$ 1,440,947
Bond payments	-	1,650,856	-	-	-	1,650,856
Assigned for:						
Capital outlay	-	-	-	-	450,716	450,716
Employee benefits	-	-	-	-	108,962	108,962
Shared program costs	-	-	-	1,578,620	-	1,578,620
Budgetary stabilization	2,197,115	-	-	-	-	2,197,115
Unassigned	3,464,885	-	-	-	-	3,464,885
<b>Total fund balances</b>	<b>\$ 5,662,000</b>	<b>\$ 1,650,856</b>	<b>\$ 1,440,947</b>	<b>\$ 1,578,620</b>	<b>\$ 559,678</b>	<b>\$ 10,892,101</b>

See notes to financial statements.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS -**  
**MODIFIED CASH BASIS**

**For the year ended August 31, 2020**

	General Fund	Bond Fund	Special Building Fund
<b>RECEIPTS</b>			
Taxes:			
Property	\$ 10,571,608	\$ 1,210,770	\$ 841,215
Motor vehicle	889,631	-	-
Homestead exemption	75,296	8,635	6,009
Property tax credit	942,635	108,105	75,224
Pro-rate motor vehicle	32,317	3,694	2,567
Carline	16,560	1,899	1,321
Public power district tax	821	94	758
Fines and licenses	44,283	-	-
Tuition received	-	-	-
ESU receipts	68,774	-	-
State aid and grants	1,687,517	-	-
Federal grants	239,579	-	-
Interest income	33,945	6,748	15,239
Sale of property	9,174	-	15,510
Other	16,947	25	-
Total receipts	<u>14,629,087</u>	<u>1,339,970</u>	<u>957,843</u>
<b>DISBURSEMENTS</b>			
Instruction	7,767,940	-	-
Special education programs	1,517,569	-	-
Support services:			
Pupils	631,212	-	-
Staff	195,153	-	-
General administration	408,053	-	-
School administration	707,740	-	-
Business	425,870	-	-
Building and grounds	1,478,365	-	-
Pupil transportation	196,357	-	-
State categorical programs	177,018	-	-
Federal programs	371,400	-	-
Activities support	150,000	-	-
Capital outlay	-	-	2,259,700
Debt service:			
Principal	-	855,000	-
Interest	-	457,050	-
Bond fees	-	800	-
Total disbursements	<u>14,026,677</u>	<u>1,312,850</u>	<u>2,259,700</u>
<b>Excess (deficiency) of receipts         over disbursements</b>	602,410	27,120	(1,301,857)
Fund balances - August 31, 2019	<u>5,059,590</u>	<u>1,623,736</u>	<u>2,742,804</u>
Fund balances - August 31, 2020	<u><u>\$ 5,662,000</u></u>	<u><u>\$ 1,650,856</u></u>	<u><u>\$ 1,440,947</u></u>

See notes to financial statements.

Cooperative Fund	Other Governmental Funds	Eliminations	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 12,623,593
-	-	-	889,631
-	-	-	89,940
-	-	-	1,125,964
-	-	-	38,578
-	-	-	19,780
-	-	-	1,673
-	-	-	44,283
1,100,000	-	-	1,100,000
-	-	-	68,774
-	-	-	1,687,517
-	-	-	239,579
10,751	5,230	-	71,913
-	-	-	24,684
-	-	-	16,972
<u>1,110,751</u>	<u>5,230</u>	<u>-</u>	<u>18,042,881</u>
1,249,233	-	-	9,017,173
-	-	-	1,517,569
-	-	-	631,212
-	-	-	195,153
-	-	-	408,053
-	-	-	707,740
-	-	-	425,870
-	-	-	1,478,365
-	-	-	196,357
-	-	-	177,018
-	-	-	371,400
-	-	-	150,000
-	24,000	-	2,283,700
-	-	-	855,000
-	-	-	457,050
-	-	-	800
<u>1,249,233</u>	<u>24,000</u>	<u>-</u>	<u>18,872,460</u>
(138,482)	(18,770)	<u>\$ -</u>	(829,579)
<u>1,717,102</u>	<u>578,448</u>		<u>11,721,680</u>
<u>\$ 1,578,620</u>	<u>\$ 559,678</u>		<u>\$ 10,892,101</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

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

**August 31, 2020**

	<b>Nutrition <u>Fund</u></b>
<b>ASSETS</b>	
Cash	\$ 332,400
<b>LIABILITIES</b>	<u>-</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 332,400</u></u>

See notes to financial statements.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

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

**For the year ended August 31, 2020**

	<b><u>Nutrition Fund</u></b>
<b>Operating receipts:</b>	
Nutrition sales	\$ 228,026
State sources	1,897
Federal sources	104,904
USDA commodities	<u>27,285</u>
Total operating receipts	362,112
 <b>Operating disbursements:</b>	
Salaries and employee benefits	114,580
Food and food service supplies	253,363
Other	<u>5,303</u>
Total operating disbursements	<u>373,246</u>
 Operating disbursements in excess of receipts	(11,134)
 <b>Nonoperating receipts:</b>	
Interest income	<u>350</u>
 Disbursements in excess of receipts	(10,784)
 Net position - August 31, 2019	<u>343,184</u>
 Net position - August 31, 2020	<u><u>\$ 332,400</u></u>

See notes to financial statements.



**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

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

**August 31, 2020**

	<b><u>Custodial Funds</u></b>
<b>ASSETS</b>	
Cash	\$ 373,178
 <b>LIABILITIES</b>	
For the obligations of the Activity Fund	315,398
For the obligations of the Student Fee Fund	<u>57,780</u>
Total liabilities	<u>373,178</u>
 <b>NET POSITION</b>	 <u><u>\$ -</u></u>

See notes to financial statements.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS**

**August 31, 2020**

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

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

1. Reporting Entity

Adams Central School District No. 90 is a tax-exempt political subdivision and a Class III school district of the State of Nebraska. The District has considered whether any other organizations should be included in the reporting entity based upon the significance of the operational or financial relationship with the District and has concluded that Adams Central Public Schools Foundation is a component unit. The Foundation exists primarily for the benefit of the District and its constituents.

The Adams Central Public Schools Foundation is a non-profit organization, which is engaged primarily in raising funds for extracurricular, academic purposes and scholarships. Support is received mostly through contributions and fundraising programs. As a non-profit organization the Adams Central Public Schools Foundation is exempt from income taxes in accordance with Internal Revenue Code Section 501(c)(3).

2. Basis of Presentation

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

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

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

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

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

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

2. Basis of Presentation, continued

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 13). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the School Board or the Assignment has been changed by the Superintendent. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

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

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

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

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

2. Basis of Presentation, continued

**Fund Financial Statements, continued**

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

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

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

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

3. Basis of Accounting/Measurement Focus

The financial statements of the District have been prepared on the modified cash basis of accounting in that county treasurer cash and certificates of deposit are recorded. This basis recognizes assets, liabilities, net position, revenues and expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

3. Basis of Accounting/Measurement Focus, continued

The measurement focus establishes the basis of accounting. The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. There are no differences between the government-wide financial statements and the fund financial statements.

The government-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

The governmental fund financial statements are prepared using a flow of current financial resources measurement focus and the modified cash basis of accounting.

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

The Adams Central Public Schools Foundation, Inc. (component unit) uses the modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues and expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

4. Fund Types

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

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

**Bond Fund:** The Bond Fund is used to record tax receipts, investment interest, and the payment of bond principal, interest, and other related costs (i.e. trustee fees).

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

4. Fund Types, continued

**Cooperative Fund:** This fund may be used by the school district acting as the fiscal agent for any cooperative activity between two or more school districts.

The other governmental funds are:

**Depreciation Fund:** The Depreciation Fund was set up for the replacement of capital assets.

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

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

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

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

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

**Student Fees Fund:** This fund is used to account for student fees collected from students by the District in a trustee capacity for extracurricular activities, post-secondary education, and summer or night school.

5. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

6. Estimates

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

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

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

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

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

1. As of August 1, or shortly thereafter, Administration of the District prepares a proposed operating budget for the fiscal year commencing the following September 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to the budget filing date, the budget is legally adopted by the Board of Education through passage of a resolution.
4. Total actual expenditures may not legally exceed the Total Budget of Expenditures. Appropriations for expenditures lapse at year end and any revisions require a public hearing and Board approval.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

5. The county clerk certifies a preliminary property tax rate for each fund of the School District, which levied property taxes in the county the previous year. For school systems with multiple school districts, the county clerk certifies to each school district the combined valuation of the school system and the proportion of valuation of each district. The county clerk also certifies the preliminary levies based on the combined valuation and the amount requested for the school system for the prior year. The preliminary levy shall be the final levy unless the School Board passes, by a majority vote, a resolution setting a levy at a different amount. For school systems with multiple school districts, the School Board of the Class III school district, or kindergarten through grade twelve district, shall have the authority to set the tax rate for the school system.
6. The property tax requirement resulting from the budget process is utilized to establish the tax levy in accordance with the procedures discussed above, which attaches as an enforceable lien on property within the District as of January 1. Taxes are due as of that date. The first half of the real estate taxes due January 1 become delinquent after the following May 1, with the second half becoming delinquent after September 1.

The assessed value at August 31, 2019, upon which the 2020 levy was based was \$1,781,312,302.

The tax levy per \$100 of assessed valuation of taxable property for the year ended August 31, 2020 was as follows:

General Fund	\$ 0.646624
Special Building Fund	0.051602
Bond Fund	<u>0.074159</u>
	\$ <u>0.772385</u>

**NOTE C – CASH AND INVESTMENTS**

***Cash***

At August 31, 2020, the carrying value of the District's deposits was \$8,095,070 and the bank balance was \$8,229,400. For reporting purposes, the amounts of total School District bank deposits are classified in these categories as secured/insured:

1. Insured or collateralized with securities held by the School District or by its agent in the School District's name.



**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

***Cash, continued***

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

The bank balances of the School District's deposits as of August 31, 2020 were insured or collateralized by pledged securities. All securities are held by the pledging financial institution but not in the School District's name.

Cash for the School District at August 31, 2020 consisted of the following:

Certificates of deposit	\$ 2,050,024
Demand deposits	<u>6,045,046</u>
Total cash	<u>\$ 8,095,070</u>

***Summary of Carrying Values***

The carrying values of cash shown above are included in the fund financial statements at August 31, 2020, as follows:

Carrying value:	
Cash	<u>\$ 8,095,070</u>

Included in the following fund financial statements captions:

Statement of Net Position – Governmental Funds:	
Cash	\$ 4,855,188
Cash restricted for building projects	1,212,196
Cash restricted for bond payments	1,322,109
Statement of Net Position – Proprietary Fund:	
Cash	332,400
Statement of Net Position – Fiduciary Funds:	
Student Fee Cash	57,780
Activity Fund – Cash	<u>315,397</u>
	<u>\$ 8,095,070</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

**Component Unit**

The carrying values of cash and investments for the Adams Central Public Schools Foundation is made of the following at August 31, 2020:

Carrying value:	
Cash	\$ 65,593
Certificates of deposit	135,674
Investments	<u>226,242</u>
	<u>\$ 427,509</u>

***Investments***

Investments are stated at fair value at August 31, 2020, and consist of the following cash, exchange traded funds, and mutual funds.

	<u>Market Value</u>	<u>Cost Basis</u>	<u>Unrealized Gain (Loss)</u>
Cash:			
Schwab Bank	\$ 2,276	\$ 2,276	\$ -
Exchange traded funds:			
Invesco S & P 500 Equal	26,513	24,138	2,375
JP Morgan Ultra Short	7,731	7,624	107
SPDR Portfolio Developed Wld ex-US	16,011	16,005	6
Vaneck Vectors	14,353	11,439	2,914
Total exchange traded funds	<u>64,608</u>	<u>59,206</u>	<u>5,402</u>
Equity funds:			
Akre Focus Fd Inst	16,746	11,834	4,912
Americanc Century Equity	12,509	12,520	(11)
Fidelity Intl Small Cap Instl	10,065	9,851	214
Fidelity Adv Int Cap Apprec Instl	18,267	15,691	2,576
JP Morgan Emerging Markets Instl	7,582	6,159	1,423
Loomis Sayles Global	17,677	14,181	3,496
Vanguard Dividend Appreciation	12,275	10,514	1,761
PIMCO Income Fund Instl	8,192	8,330	(138)
Schwab US Mid Cap	8,551	8,088	463
T Rowe Price Blue Chip Growth I	15,699	11,227	4,472

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

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

	<u>Market Value</u>	<u>Cost Basis</u>	<u>Unrealized Gain (Loss)</u>
T Rowe Price QM US Small	13,983	11,966	2,017
	<u>141,546</u>	<u>120,361</u>	<u>21,185</u>
Mutual funds:			
Guggenheim Total Return	17,812	15,907	1,905
Total	<u>\$ 226,242</u>	<u>\$ 197,750</u>	<u>\$ 28,492</u>

Fair values of assets are measured based on the level of evidence available to support the fair value. FASB Standards Codification identifies three levels of fair value measurements:

- Level 1 – Based on quoted prices in active markets for identical assets
- Level 2 – Based on significant other observable inputs
- Level 3 – Based on significant unobservable inputs

All investments for the years ended August 31, 2020 are presented at fair value using Level 1 evidence.

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

The following receipts were held by the County Treasurers for the School District at August 31, 2020. The receipts were transferred subsequent to the fiscal year ended August 31, 2020.

General Fund	\$ 2,945,110
Special Building Fund	228,751
Bond Fund	<u>328,747</u>
Total cash with County Treasurers at August 31, 2020	\$ <u>3,502,608</u>

**NOTE E – 125 CAFETERIA PLAN**

The School District has set up a 125 Cafeteria Plan for the benefit of its employees. The checking account had a balance of \$11,578 at August 31, 2020, with \$9,913 remaining to be claimed by employees. Funds are held at Adams County Bank in checking account #900373.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE F – LONG-TERM LIABILITIES**

Long-term liabilities and activity in the governmental funds for the year ended August 31, 2020 were as follows:

	Balance August 31, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance August 31, <u>2020</u>	Due Within <u>One Year</u>
General obligation bonds	<u>\$ 17,650,000</u>	<u>\$ -</u>	<u>\$ (855,000)</u>	<u>\$ 16,795,000</u>	<u>\$ 880,000</u>

Payments on the bond are made by the Bond Fund.

General obligation bond, Series 2016, totaling \$9,850,000 were issued September 29, 2016 to build the elementary school. Bond principal payments are due in annual installments with semi-annual interest payments from 2.0 – 2.5 percent and mature June 15, 2036.

General obligation bond, Series 2017, totaling \$9,820,000 were issued March 8, 2017 to build the elementary school. Bond principal payments are due in annual installments with semi-annual interest payments from 2.0 – 3.75 percent and mature June 15, 2036.

Long-term debt service requirements at August 31, 2020 are:

Year Ending <u>August 31,</u>	<u>Other Debt Issues</u>		<u>Total Annual Requirements</u>
	<u>Principal Payments</u>	<u>Interest Payments</u>	
2021	\$ 880,000	\$ 435,650	\$ 1,315,650
2022	900,000	409,250	1,309,250
2023	920,000	391,250	1,311,250
2024	935,000	372,850	1,307,850
2025	955,000	353,680	1,308,680
2026-2030	5,115,000	1,429,113	6,544,113
2031-2035	5,820,000	728,254	6,548,254
2036-2040	1,270,000	40,188	1,310,188
Totals	<u>\$ 16,795,000</u>	<u>\$ 4,160,235</u>	<u>\$ 20,955,235</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE G – PENSION PLAN**

**Plan Description**

The Adams Central School District No. 90 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, 2019, there were 265 participating school districts. These were the districts that had contributions during the fiscal year. All regular public school employees in Nebraska, other than those who have their own retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, Community Colleges), are members of the plan.

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

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

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

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE G – PENSION PLAN, Continued**

**Plan Description, continued**

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

For the District's year ended August 31, 2020, the District's total payroll for all employees was \$7,466,887. Total covered payroll was \$7,327,615. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

**Contributions**

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2018, to June 30, 2019 (and from July 1, 2019 through August 31, 2020). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for its year ended August 31, 2020, was \$694,640.

**Pension Liabilities**

At June 30, 2019 the District had a liability of \$3,559,120 for its proportionate share of the net pension liability. (This liability is not recorded in the accompanying modified cash basis financial statements.) The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NPERS School Plan was 90.91% funded as of June 30, 2019 based on actuarial calculations comparing total pension liability to the plan fiduciary net position. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the District's proportion was 0.292688 percent, which was an increase of 0.019345 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the District's allocated pension expense was \$900,946.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE G – PENSION PLAN, continued**

**Actuarial Assumptions**

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	2.75 percent
Salary increases, including wage inflation	3.50-8.50 percent
Cost-of-Living Adjustment	Members hired before July 1, 2013: 2.25% with a floor benefit equal to 75% purchasing power of original benefit. Members hired on/after July 1, 2013: 1.00% with no floor benefit
Investment Rate Return, net of investment expense, including inflation	7.50 percent

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

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

The School Plan's disability mortality rates were based on the RP-2017 Disabled Lives table (static table).

The actuarial assumptions used in the July 1, 2019, valuations for the School plan are based on the results of the most recent actuarial experience study, which covered the four year period ending June 30, 2015. The experience study report is dated November 17, 2016.

The long-term expected real rate of return on pension plan investments was based upon the expected long-term investment returns provided by a consultant of the Nebraska Investment Council, who is responsible for investing the pension plan assets. The return assumptions were developed using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE G – PENSION PLAN, continued**

**Actuarial Assumptions, continued**

allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2019, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Large Cap US Equity	26.1%	5.83%
Small Cap US Equity	2.9%	7.56%
Global Equity	15.0%	6.51%
International Developed Equity	10.8%	6.80%
Emerging Markets	2.7%	10.55%
Core Bonds	20.0%	1.63%
High Yield	3.5%	5.22%
Bank Loans	5.0%	2.78%
International Bonds	1.5%	1.41%
Private Equity	5.0%	9.70%
Real Estate	7.5%	5.18%
Total	100.00%	

\*Arithmetic mean, net of investment expenses.

**Discount Rate**

The discount rate used to measure the Total Pension Liability at June 30, 2019, was 7.5 percent. The discount rate is reviewed as part of the actuarial experience study, which was last performed for the period July 1, 2011, through June 30, 2015. The actuarial experience study is reviewed by the NPERS Board, which must vote to change the discount rate.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and contributions from employers and nonemployers will be made at the contractually rates, actuarially determined. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projected future benefit payments for all current plan members were projected through 2118.



**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE G – PENSION PLAN, continued**

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>Discount rate</u>	<u>District's proportionate Share of net pension liability</u>
1% decrease	6.5%	\$ 8,977,440
Current discount rate	7.5%	\$ 3,559,120
1% increase	8.5%	\$ (913,715)

**Plan Fiduciary Net Position**

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

**NOTE H – RISK MANAGEMENT**

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

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

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE H – RISK MANAGEMENT, continued**

**Deposits and Investments**

***Custodial Credit Risk.*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the School District's investments at August 31, 2020 are held in the name of the School District. The underlying securities consist of certificates of deposit.

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

<u>Maturities by Month</u>	<u>Amount</u>
September 2020	\$ 159,856
November 2020	135,674
December 2020	158,635
February 2021	311,049
March 2021	411,492
May 2021	42,056
July 2021	377,951
August 2021	484,086
September 2021	<u>104,899</u>
	<u>\$ 2,185,698</u>

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

***Concentration of Credit Risk.*** The School District's investment policy places no limit on the amount that may be invested in any one issuer. At August 31, 2020, the School District's certificates of deposit consisted of the following:

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE H – RISK MANAGEMENT, continued**

**Deposits and Investments, continued**

<u>Financial Institution</u>	<u>Amount</u>
Adams County Bank	\$ 1,577,320
Five Points Bank	<u>608,378</u>
	<u>\$ 2,185,698</u>

***Foreign Currency Risk.*** This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The School District's investments had no exposure to foreign currency risk and held no investments denominated in foreign currency at August 31, 2020.

**NOTE I – INTERFUND BALANCES AND TRANSFERS**

During the year ended August 31, 2020, the General Fund transferred \$150,000 to the Activity Fund to support various organizations.

**NOTE J – LEASE COMMITMENTS**

On June 25, 2017 the District entered into a lease agreement with Eakes Office Solutions for the use of copiers. This lease qualifies as an operating lease for accounting purposes. The lease agreement requires monthly payments of \$1,399 until termination of the lease on May 25, 2021, at which time the district may opt to purchase the copiers at fair market value.

On August 15, 2018 the District entered into a lease agreement with Eakes Office Solutions for the use of copiers. This lease qualifies as an operating lease for accounting purposes. The lease agreement requires monthly payments of \$263 until termination of the lease on August 15, 2022, at which time the district may opt to purchase the copiers at fair market value.

Rent expense totaled \$17,146 for the year ended August 31, 2020.

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**August 31, 2020**

**NOTE J – LEASE COMMITMENTS, Continued**

The School District has the following lease commitments:

Years ending August 31:	
2021	\$ 17,146
2022	<u>3,156</u>
	\$ <u>20,302</u>

**NOTE K – TAX ABATEMENTS**

The District is subject to tax abatements granted by the Village of Juniata, who has entered into tax increment financing (TIF) agreements with various redevelopers. This TIF program has the stated purpose of increasing business activity and employment in the community.

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

Information relevant to the abatements impacting Adams Central School District No. 90 for the year ended August 31, 2020 is as follows:

<u>Tax Abatement Program</u>	<u>Amount Abated During the Year</u>
Tax Increment Financing	\$15,359

**NOTE L – CONTINGENCIES**

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen worldwide. While the disruption this pandemic is causing is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, the financial impact to the District that could occur as result of this issue is unknown and cannot be reasonably estimated at this time.

**NOTE M – SUBSEQUENT EVENTS**

On September 8, the school approved the purchase of \$66,395 to refurbish the track surface.

On September 15, the school approved the purchase of \$93,222 for a greenhouse.

Management has evaluated subsequent events through October 29, 2020, the date on which the financial statements were available for issue.

## **SUPPLEMENTARY AND OTHER INFORMATION**

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**

**ADAMS COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND**

**Year ended August 31, 2020**

Function Code		Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>				
	Local receipts:			
1110	Property	\$ 11,403,200	\$ 10,550,467	\$ (852,733)
1115	Carline	-	16,560	16,560
1120	Public power district tax	-	821	821
1125	Motor vehicle	735,000	889,631	154,631
1140	Penalties and interest on taxes	-	21,141	21,141
1510	Interest	-	33,945	33,945
	Total local receipts	12,138,200	11,512,565	(625,635)
	County receipts:			
2110	Fines and licenses	-	44,283	44,283
2210	ESU receipts	-	68,774	68,774
	Total county receipts:	-	113,057	113,057
	State receipts:			
3110	State aid and grants	915,604	915,604	-
3120	Special education program	-	607,596	607,596
3125	Special education transportation	-	17,867	17,867
3130	Homestead exemption	-	75,296	75,296
3131	Property tax credit	-	897,273	897,273
3132	Personal property tax credit	-	45,362	45,362
3135	Payments for high ability	-	5,594	5,594
3180	Pro-rate motor vehicle	-	32,317	32,317
3400	State apportionment	-	140,856	-
	Total state receipts:	915,604	2,737,765	1,681,305
4000	Federal grants	-	239,579	239,579
	Non-revenue receipts:			
5300	Sale of property	-	9,174	9,174
5690	Other non-revenue receipts	-	16,947	16,947
	Total other receipts	-	26,121	26,121
	Total receipts	13,053,804	14,629,087	1,434,427
<b>DISBURSEMENTS</b>				
1100	Instructional services	8,131,192	7,767,940	(363,252)
1200	Special education	1,832,500	1,517,569	(314,931)
	Support services:			
2100	Pupil	1,027,972	631,212	(396,760)
2200	Instructional staff	433,111	195,153	(237,958)
2300	General administration	405,742	408,053	2,311
2400	School administration	693,260	707,740	14,480
2500	Business	220,827	425,870	205,043
2600	Building and grounds	1,356,978	1,478,365	121,387
2700	Pupil transportation	165,500	196,357	30,857
3500	State categorical programs	170,400	177,018	6,618
6000	Federal programs	313,437	371,400	57,963
8000	Transfer to Activity Fund	500,000	150,000	(350,000)
	Total disbursements	15,250,919	14,026,677	(1,224,242)
	<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>\$ (2,197,115)</u>	<u>602,410</u>	<u>\$ 2,658,669</u>
	Fund balances - August 31, 2019		5,059,590	
	Fund balances - August 31, 2020		<u>\$ 5,662,000</u>	
	Composition of fund balance:		8/31/19	8/31/20
	Cash		\$ 2,231,799	\$ 2,716,890
	County treasurer cash		2,827,791	2,945,110
	Total fund balance		<u>\$ 5,059,590</u>	<u>\$ 5,662,000</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
SPECIAL BUILDING FUND**

**Year ended August 31, 2020**

Function Code		Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
RECEIPTS				
	Local receipts:			
1110	Property	\$ 910,000	\$ 839,555	\$ (70,445)
1115	Carline	300	1,321	1,021
1120	Public Power District	-	758	758
1140	Penalties and interest on taxes	-	1,660	1,660
1510	Interest	2,000	15,239	13,239
	Total local receipts:	912,300	858,533	(53,767)
	State receipts:			
3130	Homestead exemption	-	6,009	6,009
3131	Property tax credit	-	71,635	71,635
3132	Personal property tax credit	-	3,589	3,589
3180	Pro-rate motor vehicle	200	2,567	2,367
	Total state receipts:	200	83,800	83,600
	Non-revenue receipts:			
5300	Sale of property	-	15,510	15,510
	Total receipts	912,500	957,843	45,343
DISBURSEMENTS				
2515	Building improvements	3,625,356	2,259,700	(1,365,656)
RECEIPTS OVER (UNDER) DISBURSEMENTS		\$ (2,712,856)	(1,301,857)	\$ 1,410,999
Fund balances - August 31, 2019			2,742,804	
Fund balances - August 31, 2020			\$ 1,440,947	
Composition of fund balance:			8/31/19	8/31/20
Cash			\$ 2,527,364	\$ 1,212,196
County treasurer cash			215,440	228,751
Total fund balance			\$ 2,742,804	\$ 1,440,947

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

**BUDGETARY COMPARISON SCHEDULE -  
COOPERATIVE FUND**

**Year ended August 31, 2020**

Function Code	Budget (Original and Final)	Actual	Variances - Actual Over (Under) Final Budget
<b>RECEIPTS</b>			
Local receipts:			
1510 Interest income	\$ 8,000	\$ 10,751	\$ 2,751
Non-revenue receipts:			
5690 Other non-revenue receipts	<u>800,000</u>	<u>1,100,000</u>	<u>300,000</u>
Total receipts	808,000	1,110,751	302,751
<b>DISBURSEMENTS</b>			
1100 Instructional services	<u>2,623,502</u>	<u>1,249,233</u>	<u>(1,374,269)</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u><u>\$ (1,815,502)</u></u>	<u>(138,482)</u>	<u><u>\$ 1,677,020</u></u>
Fund balances - August 31, 2019		<u>1,717,102</u>	
Fund balances - August 31, 2020		<u><u>\$ 1,578,620</u></u>	
Composition of fund balance:		<u>8/31/2019</u>	<u>8/31/20</u>
Cash		<u><u>\$ 1,717,102</u></u>	<u><u>\$ 1,578,620</u></u>



**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

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

**August 31, 2020**

	Depreciation <u>Fund</u>	Employee Benefits <u>Fund</u>	Total Other Governmental <u>Funds</u>
<b>ASSETS</b>			
Cash	<u>\$ 450,716</u>	<u>\$ 108,962</u>	<u>\$ 559,678</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities	\$ -	\$ -	\$ -
Fund balances:			
Assigned for:			
Capital outlay	450,716	-	450,716
Employee benefits	<u>-</u>	<u>108,962</u>	<u>108,962</u>
Total fund balances	<u>450,716</u>	<u>108,962</u>	<u>559,678</u>
<b>Total liabilities and fund balances</b>	<u>\$ 450,716</u>	<u>\$ 108,962</u>	<u>\$ 559,678</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90  
ADAMS COUNTY, NEBRASKA**

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

**Year ended August 31, 2020**

	Depreciation <u>Fund</u>	Employee Benefits <u>Fund</u>	Total Other Governmental <u>Funds</u>
<b>RECEIPTS</b>			
Interest income	\$ 4,775	\$ 455	\$ 5,230
<b>DISBURSEMENTS</b>			
Capital outlay	<u>24,000</u>	<u>-</u>	<u>24,000</u>
<b>Receipts over (under) disbursements</b>	(19,225)	455	(18,770)
Fund balances - August 31, 2019	<u>469,941</u>	<u>108,507</u>	<u>578,448</u>
Fund balances - August 31, 2020	<u><u>\$ 450,716</u></u>	<u><u>\$ 108,962</u></u>	<u><u>\$ 559,678</u></u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND NET POSITION -**  
**FIDUCIARY FUND - ACTIVITY FUND**  
**Year ended August 31, 2020**

	Balance August 31, <u>2019</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance August 31, <u>2020</u>
Athletics	\$ 34,764	\$ 171,279	\$ (63,355)	\$ 142,688
Football	5,936	25,270	(27,854)	3,352
Volleyball	5,000	10,687	(11,703)	3,984
Girls basketball	35,842	30,526	(41,591)	24,777
Wrestling	4,000	6,769	(8,538)	2,231
Boys track	2,000	140	(1,013)	1,128
Baseball	2,040	605	(17,014)	(14,369)
Golf	3,000	4,676	(10,306)	(2,630)
Tennis	1,000	2,500	(2,326)	1,174
Cross country	4,000	391	(2,053)	2,338
Softball	4,000	4,225	(16,110)	(7,885)
Swimming	22	-	-	22
Band fund	3,718	303	(6,999)	(2,978)
Band trip	3,801	19,382	(9,560)	13,623
Cheerleaders	2,541	12,435	(2,877)	12,099
Choir	6,000	10,400	(22,817)	(6,417)
Close up	2,953	10,224	(228)	12,949
Concessions	(1,683)	33,369	(29,464)	2,222
Drill team	1,464	8,092	(8,076)	1,480
FBLA	7,178	10,500	(8,738)	8,940
Junior high student council	928	775	(851)	852
Honor society	1,021	8,848	(7,708)	2,161
Library fines	3,100	-	-	3,100
Student council	17,564	8,863	(6,583)	19,844
Rachel's challenge	618	-	-	618
Yearbook	18,000	6,120	(21,347)	2,773
Theater arts/speech	715	1,958	(3,456)	(783)
Spanish club	2,993	1,960	-	4,953
ACA DECA	-	-	(5,262)	(5,262)
Skills USA	3,330	7,073	(5,262)	5,141
FFA	7,351	22,956	(16,991)	13,316
Art honor society	3,742	2,948	(2,437)	4,253
Industrial arts-wood	4,365	1,506	(2,290)	3,581
Industrial arts-metals	-	2,490	(4,336)	(1,846)
Miscellaneous sales	603	-	-	603
DVDs, pictures, etc.	2,025	-	-	2,025
Scholarships	81	-	-	81
Custodial scholarships	1,417	-	-	1,417
Elementary schools	1,896	315	-	2,211
Tech research	19,931	3,672	-	23,603
Lou Platte conference	-	500	(500)	-
Tech insurance-1-to-world	105	5,288	(5,393)	-

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND NET POSITION -**  
**FIDUCIARY FUND - ACTIVITY FUND, Continued**  
**Year ended August 31, 2020**

	Balance August 31, <u>2019</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance August 31, <u>2020</u>
Employee pop machine	1,304	96	(321)	1,079
Insurance	2,479	1,834	(3,509)	804
Senior class	8,903	-	-	8,903
Holding/transfer acct	-	6,000	-	6,000
11th grade class	2,478	3,567	(611)	5,434
12th grade class	3,591	4,716	(5,305)	3,002
Investments	7,476	1,332	-	8,808
	<u>\$ 243,592</u>	<u>\$ 454,590</u>	<u>\$ (382,784)</u>	<u>\$ 315,398</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

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

**Year ended August 31, 2020**

	Student Fee <u>Fund</u>
<b>RECEIPTS</b>	
Summer school fees	\$ 1,500
Extracurricular activity fees	4,774
Interest income	176
Total receipts	<u>6,450</u>
<b>DISBURSEMENTS</b>	<u>-</u>
<b>RECEIPTS OVER DISBURSEMENTS</b>	6,450
Net position - August 31, 2019	<u>51,330</u>
Net position - August 31, 2020	<u><u>\$ 57,780</u></u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS -**  
**GENERAL FUND**

**Year ended August 31, 2020**  
**(Unaudited)**

	<b>General Fund</b>					
	<u>Adams County</u>	<u>Hall County</u>	<u>Clay County</u>	<u>Kearney County</u>	<u>Webster County</u>	<u>Total</u>
Fund Balance - August 31, 2019	\$ 2,649,830	\$ 4,257	\$ 168,219	\$ 2,933	\$ 2,552	\$ 2,827,791
Receipts:						
Local property taxes	9,977,301	62,995	575,906	24,123	7,329	10,647,654
Motor vehicle taxes	860,493	784	28,354	-	-	889,631
Carline	15,420	-	1,140	-	-	16,560
Pro-rate motor vehicle	30,965	177	1,109	52	13	32,316
Homestead exemption	74,101	-	1,195	-	-	75,296
Property tax credit	837,434	4,642	51,678	2,863	655	897,272
Personal property tax credit	41,047	556	3,532	195	31	45,361
5% gross	821	-	-	-	-	821
Interest	20,315	355	472	-	-	21,142
Payments in lieu of taxes	8,682	-	115	-	-	8,797
Fines and licenses	43,673	-	-	-	-	43,673
Interfund Transfer-Trailblazer Pipeline	-	-	703	-	-	703
Total receipts	<u>11,910,252</u>	<u>69,509</u>	<u>664,204</u>	<u>27,233</u>	<u>8,028</u>	<u>12,679,226</u>
Total funds available	14,560,082	73,766	832,423	30,166	10,580	15,507,017
Disbursements:						
To School District	11,696,493	63,458	660,007	27,881	7,381	12,455,220
Treasurers' fees	99,976	633	5,764	241	73	106,687
Total disbursements	<u>11,796,469</u>	<u>64,091</u>	<u>665,771</u>	<u>28,122</u>	<u>7,454</u>	<u>12,561,907</u>
Fund Balance - August 31, 2020	<u>\$ 2,763,613</u>	<u>\$ 9,675</u>	<u>\$ 166,652</u>	<u>\$ 2,044</u>	<u>\$ 3,126</u>	<u>\$ 2,945,110</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS -**  
**BUILDING FUND**

**Year ended August 31, 2020**  
**(Unaudited)**

	<b>Building Fund</b>					
	<u>Adams</u> <u>County</u>	<u>Hall</u> <u>County</u>	<u>Clay</u> <u>County</u>	<u>Kearney</u> <u>County</u>	<u>Webster</u> <u>County</u>	<u>Total</u>
Fund Balance - August 31, 2019	\$ 201,524	\$ 333	\$ 13,065	\$ 229	\$ 289	\$ 215,440
Receipts:						
Local property taxes	794,715	5,012	45,907	1,925	494	848,053
Carline	1,231	-	90	-	-	1,321
Pro-rate motor vehicle	2,460	14	88	4	1	2,567
Homestead exemption	5,913	-	96	-	-	6,009
Property tax credit	66,829	370	4,124	229	52	71,604
Personal property tax credit	3,276	44	281	16	3	3,620
5% gross	65	-	-	-	-	65
Interest	1,594	28	38	-	-	1,660
Payments in lieu of taxes	693	-	-	-	-	693
Total receipts	<u>876,776</u>	<u>5,468</u>	<u>50,624</u>	<u>2,174</u>	<u>550</u>	<u>935,592</u>
Total funds available	1,078,300	5,801	63,689	2,403	839	1,151,032
Disbursements:						
To School District	855,915	4,998	50,067	2,221	583	913,784
Treasurers' fees	7,963	50	459	19	6	8,497
Total disbursements	<u>863,878</u>	<u>5,048</u>	<u>50,526</u>	<u>2,240</u>	<u>589</u>	<u>922,281</u>
Fund Balance - August 31, 2020	<u>\$ 214,422</u>	<u>\$ 753</u>	<u>\$ 13,163</u>	<u>\$ 163</u>	<u>\$ 250</u>	<u>\$ 228,751</u>

**ADAMS CENTRAL SCHOOL DISTRICT NO. 90**  
**ADAMS COUNTY, NEBRASKA**

**STATEMENTS OF ACCOUNTS WITH COUNTY TREASURERS -**  
**BOND FUND**

**Year ended August 31, 2020**  
**(Unaudited)**

	<b>Bond Fund</b>					
	<u>Adams</u> <u>County</u>	<u>Hall</u> <u>County</u>	<u>Clay</u> <u>County</u>	<u>Kearney</u> <u>County</u>	<u>Webster</u> <u>County</u>	<u>Total</u>
Fund Balance - August 31, 2019	\$ 291,210	\$ 481	\$ 18,879	\$ 332	\$ 200	\$ 311,102
Receipts:						
Local property taxes	1,142,700	7,208	65,994	2,767	928	1,219,597
Carline	1,768	-	131	-	-	1,899
Pro-rate motor vehicle	3,539	20	127	6	2	3,694
Homestead exemption	8,498	-	137	-	-	8,635
Property tax credit	96,040	532	5,927	328	75	102,902
Personal property tax credit	4,708	64	405	22	3	5,202
5% gross	94	-	-	-	-	94
Interest on taxes	2,302	40	54	-	-	2,396
Payments in lieu of taxes	998	-	-	-	-	998
Total receipts	<u>1,260,647</u>	<u>7,864</u>	<u>72,775</u>	<u>3,123</u>	<u>1,008</u>	<u>1,345,417</u>
Total funds available	1,551,857	8,345	91,654	3,455	1,208	1,656,519
Disbursements:						
To School District	1,232,252	7,191	72,077	3,193	841	1,315,554
Treasurers' fees	11,450	72	660	28	8	12,218
Total disbursements	<u>1,243,702</u>	<u>7,263</u>	<u>72,737</u>	<u>3,221</u>	<u>849</u>	<u>1,327,772</u>
Fund Balance - August 31, 2020	<u>\$ 308,155</u>	<u>\$ 1,082</u>	<u>\$ 18,917</u>	<u>\$ 234</u>	<u>\$ 359</u>	<u>\$ 328,747</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  
Adams Central School District No. 90  
Adams County, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Adams Central School District No. 90 as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the School District's financial statements, and have issued our report thereon dated October 29, 2020. Our report on the financial statements disclosed that, as described in Note A to the financial statements, the School District prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of Nebraska, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Adams Central School District No. 90'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 Adams Central School District No. 90's internal control. Accordingly, we do not express an opinion on the effectiveness of Adams Central School District No. 90's internal control.

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

**SHAREHOLDERS:**

Robert D. Almquist  
Phillip D. Maltzahn  
Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
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**A PROFESSIONAL  
CORPORATION**

timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Adams Central School District No. 90's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

### **Adams Central School District No. 90's Response to Findings**

Adams Central School District No. 90's response to the findings identified above is that it is impractical to further segregate duties due to the limited number of personnel. Adams Central School District No. 90's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

AMBL, P.C.  
Grand Island, Nebraska  
October 29, 2020



October 29, 2020

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

RE: Adams Central Public Schools (#02-2001-000)

During the performance of our audit fieldwork for the year ended August 31, 2020, we performed the following procedures regarding Adams Central Public Schools' student membership and attendance reporting:

- 1) We documented the District's policies and procedures for collecting student membership and attendance data.
- 2) We determined that the District was following its policies and procedures for collecting student census data.
- 3) We determined attendance at the District is collected at least daily and calculated to the nearest hundredth of a day.
- 4) We determined the District maintains a cumulative attendance and membership record for each student.
- 5) We determined the cumulative attendance and membership records contain the date of enrollment, number of days or partial days in attendance and absent during each school year enrolled, and the date of withdrawal or graduation.
- 6) We traced student attendance reported in the Nebraska Department of Education's approved ADVISER data collection system to the District's student information system for the 2019-2020 school year. The ADVISER report had 20 more total days than the District's information system. The variance consisted of 359.50 more days present and 339.5 fewer days absent.
- 7) We sampled 15 students from the ADVISER report for the year ended August 31, 2020 and traced the days enrolled, present, and absent to the District's information system. Variances were noted on 2 of the students sampled. Total days enrolled matched on 15 of the students sampled. Other variances noted in the sample were 2 more days present and 2 fewer days absent were reported on the ADVISER report compared to the District's information system.

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- 8) Using the same sample of 15 students, we traced the students to their student enrollment files to verify that the student was documented as an enrolled student of the District for the dates claimed in the attendance record.

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

Sincerely,

**AMGL, P.C.**

A handwritten signature in black ink, appearing to read 'J. Stump', written in a cursive style.

Joseph P. Stump, CPA

jps/dkk/01084





To the Board of Education  
Adams Central School District No. 90  
Hastings, Nebraska

In planning and performing our audit of the financial statements of Adams Central School District No. 90 as of and for the year ended August 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the School District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the School District's internal control to be a significant deficiency:

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

**SHAREHOLDERS:**

Robert D. Almquist  
Phillip D. Maltzahn  
Marcy J. Luth  
Heidi A. Ashby  
Christine R. Shenk  
Michael E. Hoback  
Joseph P. Stump  
Kyle R. Overturf  
Tracy A. Cannon

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

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

AMGL P.C.

Grand Island, Nebraska  
October 29, 2020

## APPENDIX C

### FORM OF CONTINUING DISCLOSURE AGREEMENT

**THIS CONTINUING DISCLOSURE AGREEMENT**, dated July 14, 2021 (this “**Disclosure Agreement**”), is executed and delivered by Adams County School District 0090 (Adams Central Public Schools) in the State of Nebraska (the “**Issuer**”) and BOKF, National Association, Lincoln, Nebraska, as Dissemination Agent (the “**Dissemination Agent**”), in connection with the issuance by the Issuer of \$7,585,000 in aggregate principal amount of its General Obligation Refunding Bonds, Series 2021B (the “**Bonds**”).

#### WITNESSETH:

**WHEREAS**, in connection with the issuance of the Bonds, the Issuer has agreed to enter into this Disclosure Agreement in accordance with section (b)(5) of the Rule (as hereinafter defined) to provide certain financial and operating information, as well as notice of the occurrence of certain events, during the life of the Bonds; and

**WHEREAS**, the Issuer desires to appoint BOKF, National Association as Dissemination Agent to assist the Issuer with carrying out its obligations under this Disclosure Agreement, and BOKF, National Association is willing to accept such appointment in accordance with the terms hereof.

**NOW, THEREFORE, IN CONSIDERATION OF THE COVENANTS AND PROMISES HEREIN CONTAINED**, the Issuer and the Dissemination Agent agree as follows:

**Section 1. Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Beneficial Owners of the Bonds and to assist the Participating Underwriter (as defined herein) in complying with the Rule. The Issuer represents that it is the only Obligated Person (as defined in the Rule) with respect to the Bonds and that no other person is expected to become an Obligated Person at any time after the issuance of the Bonds.

**Section 2. Definitions.** In addition to the definitions set forth in the Authorizing Instrument (as defined herein), which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“**Annual Financial Information**” means the financial information and operating data of the Issuer described in Section 4 and in Exhibit A hereto.

“**Annual Report**” means the Annual Financial Information and the Audited Financial Statements for any Fiscal Year, as more fully described in Section 4 hereof.

“**Annual Report Certificate**” means the certificate of the Issuer with respect to its Annual Report, the form of which is attached hereto as Exhibit B.

“**Annual Report Date**” means, for each Fiscal Year during the term hereof, that date that is nine (9) months after the end of the Issuer’s Fiscal Year or such later date as when the Annual Report or portions thereof become available; provided, that if the last day of the Issuer’s Fiscal Year changes, the Annual Report Date shall thereafter be nine (9) months after the last day of the Issuer’s Fiscal Year. The first Annual Report Date shall be May 31, 2022 (being nine (9) months following the Fiscal Year ending August 31, 2021 or such later date as when the Annual Report or portions thereof become available). If the Annual Report, or portions thereof, is not available by an Annual Report Date, the Issuer will notify the

Dissemination Agent that such Annual Report is currently unavailable and the Dissemination agent shall file a notice regarding the current unavailability of such Annual Report, the form of which is attached hereto as Exhibit D.

**“Annual Report Disclosure”** means the dissemination of the Annual Report as set forth in Section 4 hereof.

**“Audited Financial Statements”** means the audited financial statements of the Issuer, prepared pursuant to the standards and as described in Section 4 hereof.

**“Authorizing Instrument”** means a resolution duly adopted by the governing body of the Issuer on March 8, 2021 as may be amended and supplemented pursuant to the terms thereof.

**“Beneficial Owner”** means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, the Bonds (including persons holding such Bonds through nominees, depositories or other such intermediaries).

**“Bonds”** means the Issuer’s General Obligation Refunding Bonds, Series 2021B, authorized under and secured by the Authorizing Instrument.

**“Business Day”** means any day other than a Saturday, Sunday, legal holiday or a day on which the Dissemination Agent or banking institutions in Lincoln, Nebraska are authorized or required by law to close.

**“Commission”** means the Securities and Exchange Commission.

**“Disclosure Agreement”** means this Continuing Disclosure Agreement, as may from time to time be amended or supplemented pursuant to terms hereof.

**“Disclosure Representative”** means the Superintendent of the Issuer, or such other officer or employee as the Issuer shall designate in writing to the Dissemination Agent from time to time.

**“Dissemination Agent”** means BOKF, National Association, Lincoln, Nebraska, acting in its capacity as Dissemination Agent hereunder, or any additional or successor Dissemination Agent designated in writing by the Issuer and which has filed with the Dissemination Agent a written acceptance of such designation, and such agent’s successors and assigns.

**“EMMA”** means the Electronic Municipal Market Access system for municipal securities disclosure of the MSRB.

**“Exchange Act”** means the Securities Exchange Act of 1934, as amended.

**“Financial Obligation”** means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**“Fiscal Year”** means the 12-month period beginning the first day of September and ending on the last day of the following August, or such other annual period as determined by the Issuer, for which the Issuer shall promptly notify the MSRB in Prescribed Form.

**“Listed Events”** means any of the events with respect to the Bonds described in Section 5 hereof.



**“Listed Events Disclosure”** means dissemination of a notice of the occurrence of a Listed Event as set forth in Section 5 hereof.

**“Material”** with respect to information, means information as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the offering document related to the Bonds, information disclosed hereunder, or information generally available to the public. Notwithstanding the foregoing, “Material” information includes information that would be deemed “material” for purposes of the purchase or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the information.

**“MSRB”** means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Commission, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

**“Participating Underwriter”** means Piper Sandler & Co. and each other broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Bonds.

**“Prescribed Form”** means, with regard to the filing of the Annual Report, each notice of the occurrence of a Listed Event and other notices described herein with the MSRB, such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

**“Rule”** means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

**“State”** means the State of Nebraska.

**Section 3. CUSIP Number/Final Official Statement.** The CUSIP Number of the final maturity of the Bonds is 006089 EX0. The final Official Statement relating to the Bonds is dated June 9, 2021 (the **“Final Official Statement”**).

#### **Section 4. Annual Report Disclosure.**

(a) ***Provision of Annual Report.***

(i) On or before each Annual Report Date, the Issuer shall provide, or shall cause the Dissemination Agent to provide, to the MSRB an Annual Report which is consistent with the requirements of this Section 4. The Annual Report shall be submitted in Prescribed Form, and it may cross-reference other information as provided in Section 4(b) below. The Annual Report shall identify the Bonds by name and CUSIP number.

(ii) Not later than forty-five (45) days prior to each Annual Report Date, the Dissemination Agent shall submit to the Issuer the form of Annual Report Certificate attached hereto as Exhibit B and shall request that the Issuer return the completed certificate along with its Annual Report prior to the date set forth in subsection 4(a)(iii) below.

(iii) Not later than fifteen (15) days prior to the Annual Report Date, the Issuer shall provide the Annual Report and the completed Annual Report Certificate to the

Dissemination Agent. Promptly upon its receipt of the Annual Report, but no later than the Annual Report Date, the Dissemination Agent shall send the Annual Report to the MSRB in Prescribed Form. The Dissemination Agent shall notify the Issuer in writing of the date the Dissemination Agent provided the Annual Report to the MSRB.

(iv) If the Dissemination Agent has not received a copy of the Annual Report by the date set forth in subsection (a)(iii) above, the Dissemination Agent shall contact the Issuer to determine if the Issuer has submitted its Annual Report as required by subsection (a)(i) above. If the Dissemination Agent is unable to verify that the Annual Report has been provided to the MSRB by the Annual Report Date, the Dissemination Agent shall send a notice to the MSRB and the Issuer in substantially the form attached as Exhibit C.

(b) ***Contents of Annual Report.***

(i) The Annual Report for each Fiscal Year shall contain (or incorporate by reference as described below) the following:

(A) The Issuer's Audited Financial Statements for the previous Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to the Issuer; provided that if the Issuer's Audited Financial Statements are not available prior to the Annual Report Date, then (I) the Annual Report shall contain unaudited financial statements, if prepared and if in a format similar to the financial statements contained in the Final Official Statement, (II) the Issuer shall give, or shall cause the Dissemination Agent to give, notice in the same manner as for a Listed Event under subsection 5(f), which notice shall provide the estimated date of when the Issuer's Audited Financial Statements shall be available and (III) the Audited Financial Statements shall be provided to the MSRB when they become available; and

(B) The Issuer's Annual Financial Information specified on Exhibit A hereto for the previous Fiscal Year; provided, however, that to the extent all or portions of the Annual Financial Information are included in the Issuer's Audited Financial Statements, such information need not be separately provided, but the Issuer shall file, or shall cause the Dissemination Agent to file, a notice to such effect to accompany the Audited Financial Statements.

(ii) Any or all of the items listed above may be included by specific reference to other documents, including official statements or prospectuses of debt issues of the Issuer or related public entities, which have been previously provided to the MSRB or the Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify in the Annual Report each such other document so included by reference.

(iii) If any part of the Annual Report can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will include a statement to such effect as part of its Annual Report for the year in which such event first occurs and will provide notice of the same to the MSRB in Prescribed Form.

## **Section 5. Disclosure of Listed Events.**

(a) Upon the occurrence of any of the following Listed Events with respect to the Bonds, the Issuer (or the Dissemination Agent on behalf of the Issuer) shall give notice of the occurrence of such event to the MSRB in accordance with this Section 5:

- (i) principal and interest payment delinquencies;
- (ii) non payment related defaults, if Material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if Material;
- (viii) Bond calls, if Material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if Material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer\*;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive

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\* For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

agreement relating to any such actions, other than pursuant to its terms, if Material;

- (xiv) appointment of a successor or additional Trustee/Paying Agent or the change of name of a Trustee/Paying Agent, if Material;
- (xv) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

Notwithstanding the foregoing: notice of the occurrence of the Listed Event described in (viii) above need not be given under this Section 5 any earlier than when notice (if any) of the underlying event is given to the registered owners of the affected Bonds pursuant to the Authorizing Instrument; and notice of any scheduled sinking fund redemption in accordance with the schedule set forth in the Authorizing Instrument or the Final Official Statement need not be given under this Disclosure Agreement.

(b) Within one (1) Business Day of obtaining actual knowledge of the occurrence of a Listed Event, the Dissemination Agent shall contact the Disclosure Representative, inform such person of the occurrence of such event, and request that the Issuer promptly notify the Dissemination Agent in writing whether to report the occurrence of the Listed Event pursuant to subsection 5(f).

(c) When the Issuer obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Dissemination Agent pursuant to subsection 5(b) or otherwise, the Issuer shall promptly determine whether notice of such occurrence is required to be disclosed pursuant to the Rule.

(d) If the Issuer determines that the occurrence of a Listed Event is required to be disclosed pursuant to the Rule, the Issuer shall promptly instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection 5(f).

(e) If in response to a request from the Dissemination Agent pursuant to subsection 5(b), the Issuer determines that the occurrence of a Listed Event is not required to be disclosed pursuant to the Rule, the Issuer shall promptly direct the Dissemination Agent in writing not to report the occurrence pursuant to subsection 5(f).

(f) If the Issuer has instructed the Dissemination Agent to report the occurrence of a Listed Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in Prescribed Form not later than ten (10) Business Days after the occurrence of the Listed Event.

(g) If the Issuer provides the Dissemination Agent with additional information in accordance with Section 9 hereof and directs the Dissemination Agent to deliver such information to the MSRB, the Dissemination Agent shall deliver such information in a timely manner to the MSRB in Prescribed Form.

**Section 6. Termination of Reporting Obligation.** The Issuer's obligations under this Disclosure Agreement shall terminate when the Issuer shall have no legal liability for any obligation on or relating to the repayment of the Bonds, including a legal defeasance of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under subsection 5(f).

**Section 7. Dissemination Agent.** The Issuer has appointed BOKF, National Association as Dissemination Agent to assist the Issuer with carrying out its obligations under this Disclosure Agreement, and BOKF, National Association has accepted its appointment as Dissemination Agent. The Issuer may discharge the Dissemination Agent upon 30 days' written notice to the Dissemination Agent, with or without appointing a successor. The Issuer may appoint additional Dissemination Agents without the consent of any existing Dissemination Agent. The Dissemination Agent may resign hereunder upon 30 days' written notice to the Issuer. If at any time during the term of this Disclosure Agreement the Issuer has not appointed a Dissemination Agent, then the Issuer shall be deemed to be the Dissemination Agent and shall be solely responsible for all obligations hereunder.

The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. The Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

**Section 8. Amendment or Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and, to the extent that any such amendment does not materially change or increase its obligations hereunder, the Dissemination Agent shall agree to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, if (a) permitted by the Rule or (b):

(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer or the type of business conducted;

(ii) This Disclosure Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) The amendment or waiver either (A) is approved by the Bondholders in the same manner as provided in the Authorizing Instrument for amendments thereto with the consent of Bondholders, or (B) does not, in the opinion of the Dissemination Agent or nationally recognized bond counsel, materially impair the interests of the Bondholders.

Following any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall give notice in the same manner as for the occurrence of a Listed Event under subsection 5(f) and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer.

**Section 9. Dissemination of Additional Information.** The Issuer may disseminate, or may cause the Dissemination Agent to disseminate, additional information in any Annual Report, notice of the occurrence of an event other than a Listed Event, or any other information in addition to that which is required by this Disclosure Agreement by means of dissemination set forth in this Disclosure Agreement or any other means of communication. Such information shall be provided in Prescribed Form. The Issuer shall have no obligation under this Disclosure Agreement or the Rule to update such additional information, to include it in any future Annual Report or to provide notice of any future occurrence of such event.

**Section 10. Default.** If the Issuer or the Dissemination Agent fails to comply with any provision of this Disclosure Agreement, any Bondholder may seek specific performance by court order to cause the Issuer or the Dissemination Agent, as applicable, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Authorizing Instrument, and the sole remedy under this Disclosure Agreement upon any failure of the Issuer or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

**Section 11. Transmission of Information and Notices.** Notwithstanding anything in this Disclosure Agreement to the contrary, unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in Prescribed Form. The Dissemination Agent shall determine each year prior to the Annual Report Date whether a change has occurred in the MSRB's email address or filing procedures and requirements under the Rule or with respect to EMMA.

**Section 12. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, each Participating Underwriter and the Beneficial Owners of the Bonds, and shall create no rights in any other person or entity.

**Section 13. Recordkeeping.** The Issuer and the Dissemination Agent shall maintain records of all Annual Report Disclosures and Listed Event Disclosures, including the content of such disclosures, the names of the entities with whom such disclosure was filed and the date of filing such disclosure. Such records shall be kept for at least 10 years after the respective dates of such filings.

**Section 14. Assignment.** The Issuer shall not transfer its obligations under this Disclosure Agreement unless the transferee agrees to assume all obligations of the Issuer under this Disclosure Agreement or to execute a continuing disclosure undertaking under the Rule. Any corporation or association (a) into which the Dissemination Agent is merged or with which it is consolidated, (b) resulting from any merger or consolidation to which the Dissemination Agent is a party, or (c) succeeding to all or substantially all of the corporate trust business of the Dissemination Agent shall be the successor Dissemination Agent without the execution or filing of any document or the taking of any further action.

**Section 15. Notices and Additional Information.** All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Disclosure Agreement and addressed as set forth below or telecopied to the telecopier number of the recipient, with confirmation of transmission, indicated below:

If to the Issuer, at:

Adams County School District 0090  
1090 South Adams Central Avenue  
Hastings, NE 68901  
Attention: Superintendent of Schools  
Phone: (402) 463-3285  
Fax: (402) 463-6344  
Email: shawn.scott@adams-central.org

If to Dissemination Agent, at:

BOKF, National Association  
1248 "O" Street, Suite 764  
Lincoln, NE 68508  
Attention: Corporate Trust  
Phone: (402) 458-1310  
Fax: (402) 458-1315  
Email: cshirk@bokf.com

**Section 16. Governing Law.** The provisions of this Disclosure Agreement shall be governed by the laws of the State.

**Section 17. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages to follow]

**EXECUTED AND DATED** on behalf of the Issuer and the Dissemination Agent by their duly authorized representatives as of the date first written above.

**ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS) IN  
THE STATE OF NEBRASKA**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**BOKEF, NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

*Signature Page to Continuing Disclosure Agreement*



## **EXHIBIT A**

### **CONTENTS OF ANNUAL FINANCIAL INFORMATION**

*“Annual Financial Information”* of the Issuer means annual updates of the following captions, headings and subheadings set forth in APPENDIX A to the Final Official Statement:

#### **GENERAL DISTRICT INFORMATION**

- Enrollment History
- Employee Relations
- Staffing
- General Fund Sources of Revenue

#### **DISTRICT PROPERTY TAX INFORMATION**

- Current Assessed Valuation
- History of Property Valuations
- Historical Tax Rates
- Historical Tax Collections

To the extent all or portions of the Annual Financial Information are included in the Issuer’s Audited Financial Statements, such information need not be separately provided, but the Issuer shall file, or shall cause the Dissemination Agent to file, a notice to such effect to accompany the Audited Financial Statements.

## EXHIBIT B

### FORM OF ANNUAL REPORT CERTIFICATE

**DATE:** \_\_\_\_\_

BOKF, National Association  
1248 "O" Street, Suite 764  
Lincoln, NE 68508

Attention: Corporate Trust

Re: Adams County School District 0090 (Adams Central Public Schools) General Obligation  
Refunding Bonds, Series 2021B

Pursuant to the Continuing Disclosure Agreement, dated July 14, 2021 (the "Disclosure Agreement"), between Adams County School District 0090 (Adams Central Public Schools) in the State of Nebraska (the "Issuer") and BOKF, National Association (the "Dissemination Agent"), the Issuer has agreed to provide its annual Audited Financial Statements and updates to specific financial information and operating data originally provided in the Official Statement relating to the above-referenced Bonds.

Attached hereto are the Audited Financial Statements of the Issuer for the fiscal year ended August 31, 20\_\_.

The Issuer has provided or hereby provides the Dissemination Agent with the information contained in the Official Statement within the captions, headings and/or subheadings checked below, and such information either is included in the Audited Financial Statements of the Issuer or is provided in a separate report or document attached to this Certificate.

Attached	Included in Audit	
		<b>GENERAL DISTRICT INFORMATION</b>
		Enrollment History
_____	_____	Employee Relations
		Staffing
_____	_____	General Fund Sources of Revenue
		<b>DISTRICT PROPERTY TAX INFORMATION</b>
_____	_____	Current Assessed Valuation

<u>          </u>	<u>          </u>	History of Property Valuations
<u>          </u>	<u>          </u>	Historical Tax Rates
<u>          </u>	<u>          </u>	Historical Tax Collections

The information checked above is presented in a manner consistent with the Official Statement.

**ADAMS COUNTY SCHOOL DISTRICT 0090  
(ADAMS CENTRAL PUBLIC SCHOOLS) IN  
THE STATE OF NEBRASKA**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**EXHIBIT C**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Adams County School District 0090 (Adams  
Central Public Schools) in the State of Nebraska

Name of Bond Issue: General Obligation Refunding Bonds,  
Series 2021B

Date of Issuance: July 14, 2021

BASE CUSIP: 006089

NOTICE IS HEREBY GIVEN that the Issuer has not provided [the Annual Report] [a portion of the Annual Report, such as the Issuer's Audited Financial Statements] with respect to the above-named Bonds as required by the Continuing Disclosure Agreement relating to such Bonds, between the Issuer and the Dissemination Agent, and Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended. The Issuer anticipates that [the remainder of] the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

**BOKF, NATIONAL ASSOCIATION,**  
on behalf of the Issuer

By: \_\_\_\_\_  
Its: \_\_\_\_\_

cc: Adams County School District 0090  
(Adams Central Public Schools) in the State of Nebraska

## EXHIBIT D

### UPDATE ON ANNUAL REPORT AVAILABILITY

Name of Issuer: Adams County School District 0090 (Adams Central Public Schools) in the State of Nebraska

Name of Bond Issue: General Obligation Refunding Bonds, Series 2021B

Date of Issuance: July 14, 2021

BASE CUSIP: 006089

NOTICE IS HEREBY GIVEN that [a portion of] the Issuer's Annual Report, namely [[a portion] [all] of its Annual Financial Information]] [its Audited Financial Statements], is not yet available. The definition of "Annual Report Date" in the Continuing Disclosure Agreement obligates the Issuer to provide the Annual Report on or before that date that is nine (9) months after the end of the Issuer's Fiscal Year or such later date as when the Annual Report or portions thereof become available. If the Annual Report, or portions thereof, is not available by an Annual Report Date, the Issuer is further obligated to file or cause to be filed a notice regarding the current unavailability of such Annual Report. The unavailability of the Annual Report does not constitute a default under the Continuing Disclosure Agreement, and this notice does not constitute a notice of any such default. The Issuer expects that its [missing Annual Financial Information] [Audited Financial Statements] will be available and filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

**BOKE, NATIONAL ASSOCIATION,**  
on behalf of the Issuer

By: \_\_\_\_\_  
Its: \_\_\_\_\_

cc: Adams County School District 0090  
(Adams Central Public Schools) in the State of Nebraska

## APPENDIX D

### BOOK-ENTRY SYSTEM

The Depository Trust Company (“**DTC**”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a rating of AA+ from S&P Global Ratings, a Standard & Poor’s Financial Services LLC business. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be

governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District, or the Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the District or the Registrar, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

***The information in this APPENDIX D concerning DTC and DTC's book-entry system has been obtained from DTC, and neither the District nor the Underwriter takes responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.***

***Neither the District nor the Underwriter will have any responsibility or obligation to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (a) the accuracy of***

*any records maintained by DTC or any such Direct Participant or Indirect Participant; (b) the payment by any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (c) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to registered owners of the Bonds; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (e) any consent given or other action taken by DTC as the registered owner of the Bonds.*