

Stanley, Marganna - BOE, Superintendent

From: Bizzle, Chelsey (Finance SFCC) <Chelsey.Bizzle@ky.gov>
Sent: Thursday, January 2, 2020 9:44 AM
To: Stanley, Marganna - BOE, Superintendent
Subject: SFCC 2018 Offers of Assistance

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School Facilities Construction Commission

Finance and Administration Cabinet
700 Louisville Road - Carriage House
Frankfort, Kentucky 40601
(502) 564-5582
www.sfcc.ky.gov

January 6, 2020

Mrs. Marganna Stanley, Superintendent
Henderson County Schools
1805 Second Street
Henderson, KY 42420

Dear Mrs. Stanley:

Pursuant to KRS 157.622, the School Facilities Construction Commission (SFCC) is hereby making an official Offer of Assistance to the Henderson County Schools Board of Education. Acceptance of this Offer of Assistance commits the school district to adhere to the statutes and regulations governing this program. This Offer of Assistance is in the annual debt service amount of \$60,971 to be used towards proposed construction or major renovation of facilities outlined in your most current approved facility plan. House Bill 200 of the 2018 Regular Session of the General Assembly states:

"Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional \$58,000,000 in offers of assistance during the 2018-2020 biennium in anticipation of debt service availability during the 2020-2022 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2018-2020 biennium."

This means that while the Commission is making this offer now, no bonds may be sold prior to June 30, 2020, which assumes that funding is included in the 2020-2022 biennium. In order for your district to be eligible to accept this offer, it will be necessary for you to verify that your district has transferred to the **SFCC Escrow – Current Offer (Code 8738)** the fund balances remaining in both the **Building Fund** and **Capital Outlay Fund** as of June 30, 2019, plus interest accumulated on these funds.

In responding to this Offer of Assistance, you must provide this office with (1) an excerpt of your Board Minutes either accepting or rejecting the offer within **thirty (30) days** of receipt of this offer, (2) the page from your District's 2019 Audit verifying the remaining fund balances in both the Building Fund and the Capital Outlay Fund (3) a copy of a General Ledger entry showing the transfer of your fund balances into the Building Fund and Capital Outlay SFCC Escrow Current Accounts, as stated in the preceding paragraph. We look forward to working with you and trust this assistance will be an integral part of a quality educational program in your school district.

Sincerely,

Chelsey Bizzle

Chelsey Bizzle
Executive Director

Henderson County School District
Notes to the Basic Financial Statements
June 30, 2019

NOTE 5 – ACCRUED SICK LEAVE

In accordance with generally accepted governmental accounting principles, the District has recorded accrued sick leave as a liability in the District-wide statement of net position since the majority of these liabilities are not expected to be liquidated with expendable available financial resources. Accrued sick leave, which has no maximum accumulation, is payable upon retirement at 30% of the value of accumulated sick leave. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District's past experience of making termination payments. Compensated absences are generally liquidated by the General Fund.

A summary of the changes in accumulated sick leave benefits during the fiscal year ended June 30, 2019 is as follows:

	<u>Balance</u> <u>June 30, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2019</u>	<u>Due Within</u> <u>One Year</u>
Accrued Sick Leave	\$ 880,258		\$ (193,539)	\$ 686,719	\$ 97,001

NOTE 6 – FUND BALANCES

The following is a summary of fund balances as of June 30, 2019:

	<u>General</u> <u>Fund</u>	<u>Construction</u> <u>Fund</u>	<u>FSPK</u> <u>Fund</u>	<u>SEEK</u> <u>Capital Outlay</u> <u>Fund</u>	<u>District 21</u> <u>Activity</u> <u>Fund</u>	<u>Totals</u>
<u>RESTRICTED:</u>						
Construction	\$ -	\$ 2,765,907	\$ 52,135	\$ 132,616	\$ -	\$ 2,950,658
Student activities	-	-	-	-	9,998	9,998
Total Restricted	-	2,765,907	52,135	132,616	9,998	2,960,656
<u>COMMITTED:</u>						
Sick leave	589,719	-	-	-	-	589,719
<u>ASSIGNED:</u>						
State revenue shortfall	749,000	-	-	-	-	749,000
Future repairs	1,179,000	-	-	-	-	1,179,000
Future technology	429,000	-	-	-	-	429,000
Future bus purchases	643,000	-	-	-	-	643,000
Purchase obligations	20,092	-	-	-	-	20,092
Total Assigned	3,020,092	-	-	-	-	3,020,092
<u>UNASSIGNED:</u>	21,760,002	-	-	-	-	21,760,002
Total Fund Balances	\$ 25,369,813	\$ 2,765,907	\$ 52,135	\$ 132,616	\$ 9,998	\$ 28,330,469

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HENDERSON COUNTY BOARD OF EDUCATION
JOURNAL INQUIRY

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YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2020	00		13 SOY	07/01/2019	07/24/2019	SOY BAL	9251cclo	1	N	Hist	2020	

LN	ORG ACCOUNT	OBJECT	PROJ	REF1	REF2	REF3 ACCOUNT DESCRIPTION	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	31	8738					OPENING BALANCE ADJUSTMENT		130,221.64	
	310 -8738	-					RESTRICTED-SFCC ESCROW-CURRENT			
2	31	8734					OPENING BALANCE ADJUSTMENT		1,000.77	
	310 -8734	-					RESTRICTED-SFCC ESCROW-PRIOR			
3	31	8770					OPENING BALANCE ADJUSTMENT	131,222.41		
	310 -8770	-					UNASSIGNED FUND BALANCE			
** JOURNAL TOTAL								131,222.41	131,222.41	
** GRAND TOTAL								131,222.41	131,222.41	

1 Journals printed

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HENDERSON COUNTY BOARD OF EDUCATION
BALANCE SHEET FOR 2019 13

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FUND: 320 BUILDING FUND			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
	32	6101 CASH IN BANK	52,134.64	52,134.64
		TOTAL ASSETS	52,134.64	52,134.64
FUND BALANCE				
	32	6302 REVENUES CONTROL	5,356,181.61	.00
	32	7602 EXPENDITURES CONTROL	-5,408,316.25	.00
	32	8734 RESTRICTED-SFCC ESCROW-PRIOR	-28,112.17	-28,112.17
	32	8735 RESTRICTED-FUTURE CONSTR BG-1	-24,022.47	-24,022.47
	32	8737 RESTRICTED - OTHER	24,022.47	.00
	32	8738 RESTRICTED-SFCC ESCROW-CURRENT	28,112.17	.00
		TOTAL FUND BALANCE	-52,134.64	-52,134.64
		TOTAL LIABILITIES + FUND BALANCE	-52,134.64	-52,134.64

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HENDERSON COUNTY BOARD OF EDUCATION
BALANCE SHEET FOR 2019 13

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FUND: 310 CAPITAL OUTLAY FUND			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
31	6101	CASH IN BANK	-52,134.64	132,616.10
	TOTAL ASSETS		-52,134.64	132,616.10
FUND BALANCE				
31	6302	REVENUES CONTROL	646,866.96	.00
31	7602	EXPENDITURES CONTROL	-463,509.91	.00
31	8734	RESTRICTED-SFCC ESCROW-PRIOR	-1,000.77	-1,000.77
31	8735	RESTRICTED-FUTURE CONSTR BG-1	-392.92	-392.92
31	8737	RESTRICTED - OTHER	392.92	.00
31	8738	RESTRICTED-SFCC ESCROW-CURRENT	-130,221.64	-131,222.41
	TOTAL FUND BALANCE		52,134.64	-132,616.10
TOTAL LIABILITIES + FUND BALANCE			52,134.64	-132,616.10