

Henderson County Schools

1805 Second Street, Henderson, Kentucky 42420
(270) 831-5000 Fax: (270) 831-5009
www.henderson.kyschools.us



To: Dr. Bob Lawson, Superintendent
And School Board Members

From: Cindy Cloutier
Director of Finance *Cloutier*

Date: January 18, 2021

Re: SFCC Offer of Assistance

Please see the attached letter from the School Facilities Construction Commission which makes an official Offer of Assistance to the Henderson County Board of Education in the amount of **\$52,147 annual debt service** on bonds to be sold for proposed construction or major renovation of facilities as outlined in our facility plan.

Board approval is required for acceptance of this offer along with proof that the required fund balance at year end was transferred to the proper MUNIS code (8738) in the building fund. The amount we were required to have in this accounts for this offer at year end was \$677,903.25. This is verified in both the audit report and the MUNIS general ledger report.

Cloutier, Cindy - BOE, Director of Finance

From: Couch, Chelsey L (SFCC) <chelsey.couch@ky.gov>
Sent: Tuesday, January 4, 2022 10:33 AM
To: Lawson, Bob - BOE, Superintendent; Cloutier, Cindy - BOE, Director of Finance
Subject: SFCC 2020 Offer of Assistance

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Dear Dr. Lawson:

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 \$52,147 to be used towards proposed construction or major renovation of facilities outlined in your most current approved facility plan. House Bill 192 of the 2021 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 2020-2022 biennium in anticipation of debt service availability during the 2022-2024 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2020-2022 biennium.”

This means that while the Commission is making this offer now, no bonds may be sold prior to June 30, 2022, which assumes that funding is included in the 2022-2024 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, 2021, 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 2021 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.

Chelsey Bizzle Couch, Executive Director
School Facilities Construction Commission
700 Louisville Road – Carriage House
Frankfort, KY 40601
(502) 564-5582

Henderson County School District
Notes to the Basic Financial Statements
June 30, 2021

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, 2021 is as follows:

	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
Accrued Sick Leave	\$ 790,313	\$ 8,323	\$ (26,781)	\$ 771,855	\$ 79,669

NOTE 6 – FUND BALANCES

The following is a summary of fund balances as of June 30, 2021:

	General Fund	Construction Fund	FSPK Fund	SEEK Capital Outlay Fund	Student Activity Fund	District 21 Activity Fund	Totals
<u>RESTRICTED:</u>							
Construction	\$ -	\$ 13,437,617	\$ 621,846	\$ 216,392	\$ -	\$ -	\$ 14,275,855
Student activities	-	-	-	-	991,876	10,430	1,002,306
Total Restricted	-	13,437,617	621,846	216,392	991,876	10,430	15,278,161
<u>COMMITTED:</u>							
Sick leave	692,187	-	-	-	-	-	692,187
<u>ASSIGNED:</u>							
State revenue shortfall	1,000,000	-	-	-	-	-	1,000,000
Future repairs	1,586,000	-	-	-	-	-	1,586,000
Future technology	678,000	-	-	-	-	-	678,000
Future bus purchases	800,000	-	-	-	-	-	800,000
Purchase obligations	1,594,811	-	-	-	-	-	1,594,811
Total Assigned	5,658,811	-	-	-	-	-	5,658,811
<u>UNASSIGNED:</u>	21,175,788	-	-	-	-	-	21,175,788
Total Fund Balances	\$ 27,526,786	\$ 13,437,617	\$ 621,846	\$ 216,392	\$ 991,876	\$ 10,430	\$ 42,804,947

\Downarrow

Current 593,733.99

Prior 28,112.17

621,846.16

Current 84,169.26

Prior 132,223.18

216,392.44

32

ASSETS	31	6101	CASH IN BANK	NET CHANGE FOR PERIOD	ACCOUNT BALANCE
				.00	216,392.44
			TOTAL ASSETS	.00	216,392.44
FUND BALANCE	31	6302	REVENUES CONTROL	645,931.42	.00
	31	7602	EXPENDITURES CONTROL	-1,204,400.00	.00
	31	8734	RESTRICTED-SFCC ESCROW-PRIOR	-131,222.41	-132,223.18
	31	8737	RESTRICTED - OTHER	642,637.84	.00
	31	8738	RESTRICTED-SFCC ESCROW-CURRENT	47,053.15	-84,169.26
			TOTAL FUND BALANCE	.00	-216,392.44
			TOTAL LIABILITIES + FUND BALANCE	.00	-216,392.44

HENDERSON COUNTY BOARD OF EDUCATION
JOURNAL INQUIRY

01/05/2022 11:32
9251cclo

YEAR PER	JOURNAL SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE		
2021 13	26 GEN	06/30/2021	07/22/2021	move fb	9251cclo	1	N	Hist	2021	N		
LN	ORG	ACCOUNT	OBJECT	PROJ	REF1	REF2	REF3	ACCOUNT DESCRIPTION	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	31	-8738	8738		CC			RESTRICTED-SFCC ESCROW-CURRENT	Move year end	131,222.41		
2	31	-8734	8734		CC			RESTRICTED-SFCC ESCROW-PRIOR	Move year end		131,222.41	
3	31	-8737	8737		CC			RESTRICTED - OTHER	Move year end	642,637.84		
4	31	-8770	8770		CC			UNASSIGNED FUND BALANCE	Move year end		642,637.84	
5	31	-8770	8770		CC			UNASSIGNED FUND BALANCE	Move year end	84,169.26		
6	31	-8738	8738		CC			RESTRICTED-SFCC ESCROW-CURRENT	Move year end		84,169.26	
	310	-8738	-					** JOURNAL TOTAL		858,029.51		858,029.51
										** GRAND TOTAL		858,029.51

1 Journals printed

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ASSETS				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
	32	6101	CASH IN BANK	.00	621,846.16
			TOTAL ASSETS	.00	621,846.16
FUND BALANCE	32	6302	REVENUES CONTROL	6,019,336.31	.00
	32	7602	EXPENDITURES CONTROL	-6,766,072.37	.00
	32	8734	RESTRICTED-SFCC ESCROW-PRIOR	-28,112.17	.00
	32	8737	RESTRICTED - OTHER	1,340,470.05	.00
	32	8738	RESTRICTED-SFCC ESCROW-CURRENT	-593,733.99	-593,733.99
			TOTAL FUND BALANCE	.00	-621,846.16
			TOTAL LIABILITIES + FUND BALANCE	.00	-621,846.16

YEAR PER JOURNAL SRC	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE		
2021 13	07/22/2021	move	9251cclo	1	N	Hist	2021	N		
LN	ORG ACCOUNT	OBJECT	PROJ	REF1	REF2	REF3 ACCOUNT	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	32	8737		cc			move year end	1,340,470.05		
	320	-8737					RESTRICTED - OTHER			
2	32	8770		cc			move year end		1,340,470.05	
	320	-8770					UNASSIGNED FUND BALANCE			
3	32	8770		cc			move year end	593,733.99		
	320	-8770					UNASSIGNED FUND BALANCE		593,733.99	
4	32	8738		cc			move year end			
	320	-8738					RESTRICTED-SFCC ESCROW-CURRENT			
							** JOURNAL TOTAL	1,934,204.04		1,934,204.04
							** GRAND TOTAL	1,934,204.04		1,934,204.04

1 Journals printed

** END OF REPORT - Generated by Cindy Cloutier **