

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT AUDIT REPORT

OF

SHOALS COMMUNITY SCHOOL CORPORATION

MARTIN COUNTY, INDIANA

July 1, 2016 to June 30, 2018



FILED
05/30/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Lisa C. Elliott	01-01-16 to 12-31-19
Superintendent of Schools	Dr. Candace Roush	01-01-16 to 06-30-21
President of the School Board	Lorna A. Troutman Dianna Ragsdale Bill Bauer Drexel Turpin	01-01-16 to 12-31-16 01-01-17 to 12-31-18 01-01-19 to 02-13-19 02-14-19 to 12-31-19



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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SHOALS COMMUNITY SCHOOL
CORPORATION, MARTIN COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Shoals Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2016 to June 30, 2018, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation'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 statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018.


Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2016 to June 30, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

April 15, 2019

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

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SHOALS COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS,
OTHER FINANCING SOURCES (USES), AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2017 and 2018

Fund	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$ 2,017,807	\$ 4,123,073	4,076,459	\$ -	\$ 2,064,421	\$ 4,133,811	\$ 4,002,892	\$ -	\$ 2,195,340
Debt Service	301,745	324,088	449,000	-	176,833	349,002	345,000	(1,316)	179,519
Retirement/Severance Bond Debt Service	132,118	129,664	207,812	-	53,970	29,341	82,948	-	363
Capital Projects	286,106	522,143	482,365	287	326,171	590,165	607,037	(2,000)	307,299
School Transportation	509,333	692,283	528,264	(100,000)	573,352	770,172	537,191	-	806,333
School Bus Replacement	107,384	47,823	-	-	155,207	38,080	52,030	-	141,257
Rainy Day	701,203	-	-	100,000	801,203	-	-	-	801,203
Retirement/Severance Bond	7,497	-	3,331	-	4,166	-	-	-	4,166
School Lunch	51,898	265,328	254,273	-	62,953	257,187	237,079	-	83,061
Textbook Rental	120,852	61,884	42,382	-	140,354	49,938	72,453	1,316	119,155
Educational License Plates	3,356	75	-	-	3,431	19	-	-	3,450
IN Early Literacy Grant 16/17	-	2,928	2,928	-	-	-	-	-	-
IN Early Literacy Grant 17/18	-	-	-	-	-	2,483	2,481	-	2
Lilly Grant	-	30,000	10,086	-	19,914	-	19,914	-	-
Donations	6,169	21,564	16,158	-	11,575	4,457	7,072	-	8,960
Leo Harding Endowment Fund	4,022	773	-	-	4,795	1,148	-	-	5,943
Elem Phi Delta Kapa - CAPE	496	-	-	-	496	-	-	-	496
Baseball Donation	5,722	-	481	-	5,241	-	832	-	4,409
Formative Assessment	-	7,471	-	-	7,471	7,031	-	-	14,502
High Ability Grant 15/16	4,032	-	4,032	-	-	-	-	-	-
High Ability Grant 16/17	-	27,038	26,807	-	231	-	231	-	-
High Ability Grant 17/18	-	-	-	-	-	27,031	24,161	-	2,870
Secured Schools Safety Grant	(4,000)	4,000	2,000	-	(2,000)	-	-	2,000	-
School Technology	1,790	6,308	3,853	-	4,245	7,770	6,000	-	6,015
Career and Technical Performance Grant	-	471	-	-	471	767	-	-	1,238
Senator David Ford Technology	(11,171)	26,000	14,829	-	-	-	-	-	-
PBIS	33,900	13,900	13,691	-	34,109	5,700	10,231	-	29,578
Title I 15/16	(45,446)	72,170	26,724	-	-	-	-	-	-
Title I 16/17	-	70,808	104,563	-	(33,755)	51,418	17,663	-	-
Title I 17/18	-	-	-	-	-	97,140	109,214	-	(12,074)
Title IV 2018	-	-	-	-	-	-	15,257	-	(15,257)
Improving Teacher Quality, No Child Left, Title II, Part A	(236)	2,947	2,711	-	-	-	-	-	-
Title II, Part A 15/16	(4,349)	26,428	24,556	-	(2,477)	5,239	2,762	-	-
Title II, Part A 16/18	-	-	1,793	-	(1,793)	40,140	39,729	-	(1,382)
Title II, Part A 17/19	-	-	-	-	-	-	16,428	-	(16,428)
REAP 16/17	-	10,000	5,326	-	4,674	7,773	12,447	-	-
REAP 15/16	9,082	-	9,082	-	-	-	-	-	-
Small Rural Grant 17/18	-	-	-	-	-	52,044	32,098	-	19,946
Cafeteria Prepaid Receipts	2,111	4,284	5,250	-	1,145	4,451	3,005	-	2,591
Payroll Clearing	-	953,048	953,048	-	-	924,874	924,874	-	-
Totals	\$ 4,241,421	\$ 7,446,499	\$ 7,271,804	\$ 287	\$ 4,416,403	\$ 7,457,181	\$ 7,181,029	\$ -	\$ 4,692,555

The notes to the financial statement are an integral part of this statement.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Local sources. Amounts received from taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community service activities, and other revenue from local sources.

Intermediate sources. Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

State sources. Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources. Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Other receipts. Amounts received from various sources, including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Instruction. Amounts disbursed for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services. Amounts disbursed for support services related to students, instruction, general administration, school administration, outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services. Amounts disbursed for food service operations and community service operations.

Facilities acquisition and construction. Amounts disbursed for the acquisition, development, construction, and improvement of new and existing facilities.

Debt service. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the School Corporation, including: all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges. Amounts disbursed for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

F. Other Financing Sources and Uses

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

Sale of capital assets. Amounts received when land, buildings, or equipment owned by the School Corporation are sold.

Transfers in. Amounts received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Transfers out. Amounts paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the School Corporation to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

C. Additional Pension Plan

The School Corporation also contributes to an additional pension plan unique to the School Corporation. Information regarding this plan may be obtained from the School Corporation.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2017 and 2018.

SHOALS COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The School Corporation has entered into capital leases with the Shoals Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2017 and 2018 totaled \$449,000 and \$355,000, respectively.

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OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 2,017,807	\$ 301,745	\$ 132,118	\$ 286,106	\$ 509,333	\$ 107,384	\$ 701,203
Receipts:							
Local sources	35,748	324,088	129,664	522,143	692,283	47,823	-
Intermediate sources	163	-	-	-	-	-	-
State sources	4,055,712	-	-	-	-	-	-
Federal sources	31,450	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	4,123,073	324,088	129,664	522,143	692,283	47,823	-
Disbursements:							
Instruction	2,876,933	-	-	-	-	-	-
Support services	1,098,436	-	-	415,854	528,264	-	-
Noninstructional services	82,881	-	-	-	-	-	-
Facilities acquisition and construction	18,207	-	-	66,511	-	-	-
Debt service	-	449,000	207,812	-	-	-	-
Nonprogrammed charges	2	-	-	-	-	-	-
Total disbursements	4,076,459	449,000	207,812	482,365	528,264	-	-
Excess (deficiency) of receipts over disbursements	46,614	(124,912)	(78,148)	39,778	164,019	47,823	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	287	-	-	-
Transfers in	-	-	-	-	-	-	100,000
Transfers out	-	-	-	-	(100,000)	-	-
Total other financing sources (uses)	-	-	-	287	(100,000)	-	100,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	46,614	(124,912)	(78,148)	40,065	64,019	47,823	100,000
Cash and investments - ending	\$ 2,064,421	\$ 176,833	\$ 53,970	\$ 326,171	\$ 573,352	\$ 155,207	\$ 801,203

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Retirement/ Severance Bond	School Lunch	Textbook Rental	Educational License Plates	IN Early Literacy Grant 16/17	IN Early Literacy Grant 17/18	Lilly Grant
Cash and investments - beginning	\$ 7,497	\$ 51,898	\$ 120,852	\$ 3,356	\$ -	\$ -	\$ -
Receipts:							
Local sources	-	65,728	32,746	-	-	-	30,000
Intermediate sources	-	-	-	75	-	-	-
State sources	-	1,709	29,138	-	2,928	-	-
Federal sources	-	197,891	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	265,328	61,884	75	2,928	-	30,000
Disbursements:							
Instruction	3,331	-	-	-	2,928	-	-
Support services	-	3,208	42,382	-	-	-	10,086
Noninstructional services	-	244,055	-	-	-	-	-
Facilities acquisition and construction	-	7,010	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	3,331	254,273	42,382	-	2,928	-	10,086
Excess (deficiency) of receipts over disbursements	(3,331)	11,055	19,502	75	-	-	19,914
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,331)	11,055	19,502	75	-	-	19,914
Cash and investments - ending	\$ 4,166	\$ 62,953	\$ 140,354	\$ 3,431	\$ -	\$ -	\$ 19,914

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Donations	Leo Harding Endowment Fund	Elem Phi Delta Kapa - CAPE	Baseball Donation	Formative Assessment	High Ability Grant 15/16	High Ability Grant 16/17
Cash and investments - beginning	\$ 6,169	\$ 4,022	\$ 496	\$ 5,722	\$ -	\$ 4,032	\$ -
Receipts:							
Local sources	21,564	773	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	7,471	-	27,038
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	21,564	773	-	-	7,471	-	27,038
Disbursements:							
Instruction	6,158	-	-	-	-	3,199	17,539
Support services	-	-	-	-	-	833	9,268
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	10,000	-	-	481	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	16,158	-	-	481	-	4,032	26,807
Excess (deficiency) of receipts over disbursements	5,406	773	-	(481)	7,471	(4,032)	231
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,406	773	-	(481)	7,471	(4,032)	231
Cash and investments - ending	\$ 11,575	\$ 4,795	\$ 496	\$ 5,241	\$ 7,471	\$ -	\$ 231

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	High Ability Grant 17/18	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Senator David Ford Technology	PBIS	Title I 15/16
Cash and investments - beginning	\$ -	\$ (4,000)	\$ 1,790	\$ -	\$ (11,171)	\$ 33,900	\$ (45,446)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	4,000	6,308	471	26,000	13,900	-
Federal sources	-	-	-	-	-	-	72,170
Other receipts	-	-	-	-	-	-	-
Total receipts	-	4,000	6,308	471	26,000	13,900	72,170
Disbursements:							
Instruction	-	-	-	-	1,967	13,691	11,870
Support services	-	2,000	3,853	-	12,862	-	14,854
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	2,000	3,853	-	14,829	13,691	26,724
Excess (deficiency) of receipts over disbursements	-	2,000	2,455	471	11,171	209	45,446
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,000	2,455	471	11,171	209	45,446
Cash and investments - ending	\$ -	\$ (2,000)	\$ 4,245	\$ 471	\$ -	\$ 34,109	\$ -

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	Title I 16/17	Title I 17/18	Title IV 2018	Improving Teacher Quality, No Child Left, Title II, Part A	Title II, Part A 15/16	Title II, Part A 16/18	Title II, Part A 17/19
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (236)	\$ (4,349)	\$ -	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	70,808	-	-	2,947	26,428	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>70,808</u>	<u>-</u>	<u>-</u>	<u>2,947</u>	<u>26,428</u>	<u>-</u>	<u>-</u>
Disbursements:							
Instruction	77,322	-	-	2,711	22,556	1,766	-
Support services	26,791	-	-	-	2,000	27	-
Noninstructional services	450	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>104,563</u>	<u>-</u>	<u>-</u>	<u>2,711</u>	<u>24,556</u>	<u>1,793</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(33,755)</u>	<u>-</u>	<u>-</u>	<u>236</u>	<u>1,872</u>	<u>(1,793)</u>	<u>-</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(33,755)</u>	<u>-</u>	<u>-</u>	<u>236</u>	<u>1,872</u>	<u>(1,793)</u>	<u>-</u>
Cash and investments - ending	<u>\$ (33,755)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,477)</u>	<u>\$ (1,793)</u>	<u>\$ -</u>

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2017

	REAP 16/17	REAP 15/16	Small Rural Grant 17/18	Cafeteria Prepaid Receipts	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ 9,082	\$ -	\$ 2,111	\$ -	\$ 4,241,421
Receipts:						
Local sources	-	-	-	-	-	1,902,560
Intermediate sources	-	-	-	-	-	238
State sources	-	-	-	-	-	4,174,675
Federal sources	10,000	-	-	-	-	411,694
Other receipts	-	-	-	4,284	953,048	957,332
Total receipts	10,000	-	-	4,284	953,048	7,446,499
Disbursements:						
Instruction	2,882	6,831	-	-	-	3,051,684
Support services	2,444	2,251	-	-	-	2,175,413
Noninstructional services	-	-	-	-	-	327,386
Facilities acquisition and construction	-	-	-	-	-	102,209
Debt service	-	-	-	-	-	656,812
Nonprogrammed charges	-	-	-	5,250	953,048	958,300
Total disbursements	5,326	9,082	-	5,250	953,048	7,271,804
Excess (deficiency) of receipts over disbursements	4,674	(9,082)	-	(966)	-	174,695
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	287
Transfers in	-	-	-	-	-	100,000
Transfers out	-	-	-	-	-	(100,000)
Total other financing sources (uses)	-	-	-	-	-	287
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,674	(9,082)	-	(966)	-	174,982
Cash and investments - ending	\$ 4,674	\$ -	\$ -	\$ 1,145	\$ -	\$ 4,416,403

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 2,064,421	\$ 176,833	\$ 53,970	\$ 326,171	\$ 573,352	\$ 155,207	\$ 801,203
Receipts:							
Local sources	56,209	349,002	29,341	583,335	770,172	38,080	-
Intermediate sources	490	-	-	-	-	-	-
State sources	4,014,212	-	-	-	-	-	-
Federal sources	62,900	-	-	-	-	-	-
Other receipts	-	-	-	6,830	-	-	-
Total receipts	4,133,811	349,002	29,341	590,165	770,172	38,080	-
Disbursements:							
Instruction	2,772,806	-	-	-	-	-	-
Support services	1,149,144	-	-	399,713	537,191	52,030	-
Noninstructional services	80,942	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	207,324	-	-	-
Debt service	-	345,000	82,948	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	4,002,892	345,000	82,948	607,037	537,191	52,030	-
Excess (deficiency) of receipts over disbursements	130,919	4,002	(53,607)	(16,872)	232,981	(13,950)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(1,316)	-	(2,000)	-	-	-
Total other financing sources (uses)	-	(1,316)	-	(2,000)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	130,919	2,686	(53,607)	(18,872)	232,981	(13,950)	-
Cash and investments - ending	\$ 2,195,340	\$ 179,519	\$ 363	\$ 307,299	\$ 806,333	\$ 141,257	\$ 801,203

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Retirement/ Severance Bond	School Lunch	Textbook Rental	Educational License Plates	IN Early Literacy Grant 16/17	IN Early Literacy Grant 17/18	Lilly Grant
Cash and investments - beginning	\$ 4,166	\$ 62,953	\$ 140,354	\$ 3,431	\$ -	\$ -	\$ 19,914
Receipts:							
Local sources	-	58,133	20,900	-	-	-	-
Intermediate sources	-	-	-	19	-	-	-
State sources	-	1,436	29,038	-	-	2,483	-
Federal sources	-	197,618	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	257,187	49,938	19	-	2,483	-
Disbursements:							
Instruction	-	-	-	-	-	2,481	3,372
Support services	-	346	72,453	-	-	-	16,542
Noninstructional services	-	233,014	-	-	-	-	-
Facilities acquisition and construction	-	3,719	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	237,079	72,453	-	-	2,481	19,914
Excess (deficiency) of receipts over disbursements	-	20,108	(22,515)	19	-	2	(19,914)
Other financing sources (uses):							
Transfers in	-	-	1,316	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	1,316	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	20,108	(21,199)	19	-	2	(19,914)
Cash and investments - ending	\$ 4,166	\$ 83,061	\$ 119,155	\$ 3,450	\$ -	\$ 2	\$ -

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Donations	Leo Harding Endowment Fund	Elem Phi Delta Kapa - CAPE	Baseball Donation	Formative Assessment	High Ability Grant 15/16	High Ability Grant 16/17
Cash and investments - beginning	\$ 11,575	\$ 4,795	\$ 496	\$ 5,241	\$ 7,471	\$ -	\$ 231
Receipts:							
Local sources	4,457	1,148	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	7,031	-	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	4,457	1,148	-	-	7,031	-	-
Disbursements:							
Instruction	5,694	-	-	-	-	-	231
Support services	1,378	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	832	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	7,072	-	-	832	-	-	231
Excess (deficiency) of receipts over disbursements	(2,615)	1,148	-	(832)	7,031	-	(231)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,615)	1,148	-	(832)	7,031	-	(231)
Cash and investments - ending	\$ 8,960	\$ 5,943	\$ 496	\$ 4,409	\$ 14,502	\$ -	\$ -

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	High Ability Grant 17/18	Secured Schools Safety Grant	School Technology	Career and Technical Performance Grant	Senator David Ford Technology	PBIS	Title I 15/16
Cash and investments - beginning	\$ -	\$ (2,000)	\$ 4,245	\$ 471	\$ -	\$ 34,109	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	27,031	-	7,770	767	-	5,700	-
Federal sources	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	27,031	-	7,770	767	-	5,700	-
Disbursements:							
Instruction	14,709	-	-	-	-	10,231	-
Support services	9,452	-	6,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	24,161	-	6,000	-	-	10,231	-
Excess (deficiency) of receipts over disbursements	2,870	-	1,770	767	-	(4,531)	-
Other financing sources (uses):							
Transfers in	-	2,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	2,000	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,870	2,000	1,770	767	-	(4,531)	-
Cash and investments - ending	\$ 2,870	\$ -	\$ 6,015	\$ 1,238	\$ -	\$ 29,578	\$ -

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Title I 16/17	Title I 17/18	Title IV 2018	Improving Teacher Quality, No Child Left, Title II, Part A	Title II, Part A 15/16	Title II, Part A 16/18	Title II, Part A 17/19
Cash and investments - beginning	\$ (33,755)	\$ -	\$ -	\$ -	\$ (2,477)	\$ (1,793)	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	51,418	97,140	-	-	5,239	40,140	-
Other receipts	-	-	-	-	-	-	-
Total receipts	51,418	97,140	-	-	5,239	40,140	-
Disbursements:							
Instruction	5,783	77,198	15,257	-	2,762	38,256	16,428
Support services	11,400	32,016	-	-	-	1,473	-
Noninstructional services	480	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	17,663	109,214	15,257	-	2,762	39,729	16,428
Excess (deficiency) of receipts over disbursements	33,755	(12,074)	(15,257)	-	2,477	411	(16,428)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	33,755	(12,074)	(15,257)	-	2,477	411	(16,428)
Cash and investments - ending	\$ -	\$ (12,074)	\$ (15,257)	\$ -	\$ -	\$ (1,382)	\$ (16,428)

SHOALS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENT
 OTHER FINANCING SOURCES (USES), AND CASH
 AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	REAP 16/17	REAP 15/16	Small Rural Grant 17/18	Cafeteria Prepaid Receipts	Payroll Clearing	Totals
Cash and investments - beginning	\$ 4,674	\$ -	\$ -	\$ 1,145	\$ -	\$ 4,416,403
Receipts:						
Local sources	-	-	-	-	-	1,910,777
Intermediate sources	-	-	-	-	-	509
State sources	-	-	-	-	-	4,095,468
Federal sources	7,773	-	52,044	-	-	514,272
Other receipts	-	-	-	4,451	924,874	936,155
Total receipts	7,773	-	52,044	4,451	924,874	7,457,181
Disbursements:						
Instruction	6,527	-	2,362	-	-	2,974,097
Support services	5,920	-	29,736	-	-	2,324,794
Noninstructional services	-	-	-	-	-	314,436
Facilities acquisition and construction	-	-	-	-	-	211,875
Debt service	-	-	-	-	-	427,948
Nonprogrammed charges	-	-	-	3,005	924,874	927,879
Total disbursements	12,447	-	32,098	3,005	924,874	7,181,029
Excess (deficiency) of receipts over disbursements	(4,674)	-	19,946	1,446	-	276,152
Other financing sources (uses):						
Transfers in	-	-	-	-	-	3,316
Transfers out	-	-	-	-	-	(3,316)
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,674)	-	19,946	1,446	-	276,152
Cash and investments - ending	\$ -	\$ -	\$ 19,946	\$ 2,591	\$ -	\$ 4,692,555

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SHOALS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 91,047</u>	<u>\$ 45,141</u>

SHOALS COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Hewlett-Packard Financial Services	Technology Equipment	\$ 45,674	6/30/2016	6/30/2020
Shoals Community School Building Corporation	School Renovation and addition of walkway	<u>345,000</u>	1/15/2006	1/15/2026
Total governmental activities		<u>390,674</u>		
Total of annual lease payments		<u><u>\$ 390,674</u></u>		

SHOALS COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2018

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 90,948
Infrastructure	356,217
Buildings	5,914,877
Improvements other than buildings	2,043,221
Machinery, equipment, and vehicles	<u>1,060,501</u>
Total governmental activities	<u>9,465,764</u>
Total capital assets	<u><u>\$ 9,465,764</u></u>

OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.