

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

FINANCIAL STATEMENT AUDIT REPORT

OF

SCHOOL TOWN OF HIGHLAND

LAKE COUNTY, INDIANA

July 1, 2017 to June 30, 2019



FILED
02/18/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cynthia Adams	07-01-17 to 06-30-20
Superintendent of Schools	Brian Smith	07-01-17 to 06-30-20
President of the School Board	Robert Kuva Carol Green-Fraley Patrick Krull Luanne Jurczak	01-01-17 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19 01-01-20 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SCHOOL TOWN OF HIGHLAND, LAKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the School Town of Highland (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2017 to June 30, 2019, 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 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 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, 2017 to June 30, 2019.

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, 2017 to June 30, 2019, 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 6, 2020, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the School Corporation'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 the School Corporation's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

February 6, 2020

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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.

SCHOOL TOWN OF HIGHLAND
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Years Ended June 30, 2018 and 2019

Fund	Cash and Investments 07-01-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-19
General	\$ 4,891,375	\$ 21,162,296	\$ 20,807,377	\$ (250,000)	\$ 4,996,294	\$ 10,929,545	\$ 10,195,948	\$ (5,729,891)	\$ -
Education	-	-	-	-	-	10,688,264	9,521,671	3,684,183	4,850,776
Debt Service	1,501,029	2,936,578	2,955,874	(27,682)	1,454,051	2,212,769	3,187,784	(39,796)	439,240
Exempt Debt	2,623,225	4,153,344	4,603,500	-	2,173,069	4,431,450	4,528,250	-	2,076,269
Exempt Pension Debt	157,868	-	-	-	157,868	-	-	-	157,868
Operations	-	-	-	-	-	2,267,335	3,404,527	2,445,573	1,308,381
Capital Projects	1,836,670	3,502,598	2,840,811	(350,000)	2,148,457	1,017,841	3,028,123	(138,175)	-
School Transportation	1,268,135	1,764,224	1,759,582	(300,000)	972,777	536,197	1,306,895	(202,079)	-
School Bus Replacement	341,984	394,892	333,464	(50,000)	353,412	92,169	386,594	(58,987)	-
Local Rainy Day	-	-	-	950,000	950,000	-	-	-	950,000
Post-Retirement/Severance Future Benefits	102,786	-	88,584	-	14,202	-	14,202	-	-
General Obligation Bond 2015	9,253	-	9,253	-	-	-	-	-	-
First Mortgage Bond, Series 2016	9,084,764	51,617	6,008,514	-	3,127,867	13,454	2,270,585	-	870,736
General Obligation Bond 2016	2,043,556	-	1,008,668	-	1,034,888	-	903,435	-	131,453
School Lunch	767,397	1,467,146	1,745,191	-	489,352	1,468,194	1,476,036	-	481,510
Curricular Materials Rental	921,191	317,478	507,704	27,682	758,647	305,826	184,018	39,796	920,251
Self-Insurance	2,719,737	3,258,739	3,595,043	-	2,383,433	3,882,141	4,011,243	-	2,254,331
Levy Excess	1,394	-	-	-	1,394	-	-	-	1,394
Child Care Program	119,032	133,272	117,282	-	135,022	150,598	123,071	-	162,549
Pathfinders Alternative Ed 2016/2017	85,206	-	18,015	(67,191)	-	-	-	-	-
Pathfinders Alternative Ed 2017/2018	-	155,653	153,998	67,191	68,846	-	25,423	(43,423)	-
Pathfinders Alternative Ed 2018/2019	-	-	-	-	-	98,593	63,067	(35,526)	-
Early Intervention Grant 2017/2018	3,739	-	3,739	-	-	-	-	-	-
Early Intervention Grant 2018/2019	-	-	-	-	-	6,000	6,811	811	-
Scholarships and Awards	-	-	-	-	-	4,095	3,745	-	350
Local Adult, Alternative, and Continuing Education	-	-	-	-	-	100,000	100,936	78,948	78,012
Donation Fund	-	-	-	-	-	5,745	6,120	-	(375)
Lake County SAFE Grant 2016/2017	2,175	-	2,175	-	-	-	-	-	-
Lake County SAFE Grant 2017/2018	-	10,200	10,200	-	-	-	-	-	-
Lake County SAFE Grant 2018/2019	-	-	-	-	-	14,269	14,115	-	154
Project Lead the Way	-	7,500	3,755	-	3,745	23,900	25,145	-	2,500
Formative Assessment	12,994	37,934	50,928	-	-	37,187	37,187	-	-
High Ability Students 2016/2017SY	5,016	-	5,016	-	-	-	-	-	-
High Ability Students 2017/2018SY	-	37,219	37,219	-	-	-	-	-	-
High Ability Students 2018/2019SY	-	-	-	-	-	-	16,080	16,080	-

SCHOOL TOWN OF HIGHLAND
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Years Ended June 30, 2018 and 2019

Fund	Cash and Investments 07-01-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-19
Common School Fund A2928	(163,080)	314,457	151,377	-	-	-	-	-	-
Common School Fund A2966	-	115,399	315,800	-	(200,401)	200,401	-	-	-
Common School Fund B0025	-	-	171,910	-	(171,910)	315,800	143,890	-	-
Common School Fund B0050	-	-	-	-	-	324,200	324,200	-	-
Common School Fund Current	-	-	-	-	-	-	233,072	-	(233,072)
Secured Schools Safety Grant	(50,000)	50,000	-	-	-	-	-	-	-
IDHS Safety Grant 2017/2018	-	-	49,573	-	(49,573)	49,573	-	-	-
IDHS Safety Grant 2018/2019	-	-	-	-	-	-	49,980	-	(49,980)
Early Intervention Grant 2018/2019	-	-	-	-	-	6,331	5,196	(811)	324
Non-English Speaking Grant 2017/2018	-	18,750	18,750	-	-	-	-	-	-
Non-English Speaking Grant 2018/2019	-	-	-	-	-	26,100	26,100	-	-
School Technology	4,688	17,490	12,788	-	9,390	-	8,768	(622)	-
Career and Technical Performance Grant	-	18,560	11,523	-	7,037	24,532	14,042	-	17,527
Teacher Appreciation Grant 2017	-	96,634	96,634	-	-	-	-	-	-
Teacher Appreciation Grant 2018	-	-	-	-	-	97,006	97,006	-	-
High Ability Students	-	-	-	-	-	37,769	21,688	(16,081)	-
Senator David Ford Technology	-	-	74,153	-	(74,153)	75,000	847	-	-
Title I 2016/2017	(23,701)	65,663	41,962	-	-	-	-	-	-
Title I 2017/2018	-	268,543	287,673	-	(19,130)	52,570	33,440	-	-
Title I 2018/2019	-	-	-	-	-	254,869	272,445	-	(17,576)
Student Support, Title IV 2018/2020	-	-	-	-	-	659	783	-	(124)
Title II 2016/2018	(6,801)	48,927	43,759	-	(1,633)	2,835	1,202	-	-
Title II 2017/2019	-	41,335	54,439	-	(13,104)	30,143	17,039	-	-
Title II 2018/2020	-	-	-	-	-	47,651	52,170	-	(4,519)
Title III 2016/2018	(152)	1,455	1,303	-	-	-	-	-	-
Title III 2017/2019	-	13,460	13,460	-	-	-	-	-	-
Title III 2018/2020	-	-	-	-	-	12,477	12,940	-	(463)
Payroll Clearing Accounts	-	4,795,190	4,795,190	-	-	5,011,322	5,011,138	-	184
Prepaid School Lunch Clearing Fund	18,021	37,512	33,539	-	21,994	33,963	31,456	-	24,501
Totals	\$ 28,277,501	\$ 45,294,065	\$ 52,839,725	\$ -	\$ 20,731,841	\$ 44,888,773	\$ 51,198,413	\$ -	\$ 14,422,201

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

SCHOOL TOWN OF HIGHLAND
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.

SCHOOL TOWN OF HIGHLAND
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.

Temporary loans. Amounts received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

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:

SCHOOL TOWN OF HIGHLAND
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 December 31 of the year preceding the budget year or January 15 of the budget year if the School Corporation is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. 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.

SCHOOL TOWN OF HIGHLAND
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 Defined Benefit Plan (PERF DB) is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

Financial Report

INPRS 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:

SCHOOL TOWN OF HIGHLAND
NOTES TO FINANCIAL STATEMENT
(Continued)

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. TRF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.4) and administrative code (35 IAC 14), which govern most requirements of the system and give the School Corporation authority to contribute to the fund.

TRF is composed of two accounts: Teachers' Pre-1996 and Teachers' 1996. All legally qualified and regularly employed licensed teachers serving in State of Indiana public schools are eligible to participate in Teachers' 1996. Membership in Teachers' Pre-1996 is closed to new entrants. Generally, members hired before 1996 participate in this account and members hired after 1995 participate in Teachers' 1996. Both accounts have two components: the employer-funded defined benefit component and a defined contribution account.

Financial Report

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. (844) 464-6777

Contributions

The School Corporation contributes the employer's share to Teachers' 1996 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. These contributions are determined by INPRS Board based on actuarial valuation. 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 (Teachers' Pre-1996) is considered to be an obligation of, and is paid by, the State of Indiana.

SCHOOL TOWN OF HIGHLAND
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. *Establishment of the Education Fund and Operations Fund*

State statute (IC 20-40-2-2) required the establishment of an Education fund to be used to pay expenses allocated to student instruction and learning. The balance in the School Corporation's General fund as of December 31, 2018, was required to be transferred to the Education fund on January 1, 2019 (IC 20-40-2-7).

In addition, an Operations fund was required to be established under state statute (IC 20-40-18-1). The fund may be used to carry out capital project plans; pay transportation costs attributable to the transportation of school children; carry out a school bus replacement plan; pay expenses that are allocated to overhead and operational expenditures; provide funds to an art association or a historical society; and establish, maintain, and equip a public playground. The Indiana Codes establishing the Capital Projects fund (IC 20-40-8-6); School Transportation (IC 20-40-6-4); School Bus Replacement (IC 20-40-7-5); Historical fund; Playground fund; and Art fund were repealed effective January 1, 2019. Guidance was provided by the Indiana Department of Education to transfer the balances remaining in these funds as of December 31, 2018, to the Operations fund.

The Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, issued by the Indiana State Board of Accounts, includes the chart of accounts used by school corporations which coincides with the State Board of Education's determined categories in accordance with state statute (IC 20-42.5-3-7).

Note 8. *Cash Balance Deficits*

The financial statement contains some funds with deficits in cash. This is a result of grants being funded on a reimbursement basis.

Note 9. *Holding Corporation*

The School Corporation has entered into capital leases with the Highland 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 2018 and 2019 totaled \$5,527,500 and \$5,902,500, respectively.

Note 10. *Other Postemployment Benefits*

The School Corporation provides to eligible retirees and their spouses the following benefits: health, dental, vision, and life insurance for administrators and classified staff members until the age of Medicare eligibility at the cost of a single plan at the time of retirement. The retiree is responsible for any future increases in premiums. Teachers with ten years of service prior to 2002 were provided a VEBA account to pay these postretirement benefits. Those with less than ten years of service and any teachers hired since 2002 receive 1 percent of the beginning teacher's salary with zero years of experience, annually while employed and receive no post-retirement benefits. Life insurance is available for early retirees with decreases in value of 25 percent each at age 66, age 67, and age 68. The benefit terminates at age 70. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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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.

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

	General	Education	Debt Service	Exempt Debt	Exempt Pension Debt	Operations	Capital Projects	School Transportation	School Bus Replacement	Local Rainy Day
Cash and investments - beginning	\$ 4,891,375	\$ -	\$ 1,501,029	\$ 2,623,225	\$ 157,868	\$ -	\$ 1,836,670	\$ 1,268,135	\$ 341,984	\$ -
Receipts:										
Local sources	256,755	-	2,086,578	4,153,344	-	-	2,087,598	1,112,224	194,892	-
Intermediate sources	311,645	-	-	-	-	-	-	-	-	-
State sources	20,592,913	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	850,000	-	-	-	1,415,000	652,000	200,000	-
Other receipts	983	-	-	-	-	-	-	-	-	-
Total receipts	21,162,296	-	2,936,578	4,153,344	-	-	3,502,598	1,764,224	394,892	-
Disbursements:										
Instruction	13,166,035	-	-	-	-	-	-	-	-	-
Support services	7,301,293	-	-	-	-	-	790,003	1,293,582	198,464	-
Noninstructional services	340,049	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	778,808	-	-	-
Debt service	-	-	2,955,874	4,603,500	-	-	1,272,000	466,000	135,000	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	20,807,377	-	2,955,874	4,603,500	-	-	2,840,811	1,759,582	333,464	-
Excess (deficiency) of receipts over disbursements	354,919	-	(19,296)	(450,156)	-	-	661,787	4,642	61,428	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	950,000
Transfers out	(250,000)	-	(27,682)	-	-	-	(350,000)	(300,000)	(50,000)	-
Total other financing sources (uses)	(250,000)	-	(27,682)	-	-	-	(350,000)	(300,000)	(50,000)	950,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	104,919	-	(46,978)	(450,156)	-	-	311,787	(295,358)	11,428	950,000
Cash and investments - ending	\$ 4,996,294	\$ -	\$ 1,454,051	\$ 2,173,069	\$ 157,868	\$ -	\$ 2,148,457	\$ 972,777	\$ 353,412	\$ 950,000

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

	Post- Retirement/ Severance Future Benefits	General Obligation Bond 2015	First Mortgage Bond, Series 2016	General Obligation Bond 2016	School Lunch	Curricular Materials Rental	Self- Insurance	Levy Excess	Child Care Program	Pathfinders Alternative Ed 2016/2017
Cash and investments - beginning	\$ 102,786	\$ 9,253	\$ 9,084,764	\$ 2,043,556	\$ 767,397	\$ 921,191	\$ 2,719,737	\$ 1,394	\$ 119,032	\$ 85,206
Receipts:										
Local sources	-	-	51,617	-	680,000	214,230	3,258,739	-	133,272	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	16,707	103,248	-	-	-	-
Federal sources	-	-	-	-	769,763	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	676	-	-	-	-	-
Total receipts	-	-	51,617	-	1,467,146	317,478	3,258,739	-	133,272	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	18,015
Support services	88,584	-	1,370	-	469,235	507,704	50,777	-	-	-
Noninstructional services	-	-	-	-	1,274,087	-	-	-	117,282	-
Facilities acquisition and construction	-	9,253	6,007,144	1,008,668	1,840	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	29	-	3,544,266	-	-	-
Total disbursements	88,584	9,253	6,008,514	1,008,668	1,745,191	507,704	3,595,043	-	117,282	18,015
Excess (deficiency) of receipts over disbursements	(88,584)	(9,253)	(5,956,897)	(1,008,668)	(278,045)	(190,226)	(336,304)	-	15,990	(18,015)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	27,682	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(67,191)
Total other financing sources (uses)	-	-	-	-	-	27,682	-	-	-	(67,191)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(88,584)	(9,253)	(5,956,897)	(1,008,668)	(278,045)	(162,544)	(336,304)	-	15,990	(85,206)
Cash and investments - ending	\$ 14,202	\$ -	\$ 3,127,867	\$ 1,034,888	\$ 489,352	\$ 758,647	\$ 2,383,433	\$ 1,394	\$ 135,022	\$ -

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

	Pathfinders Alternative Ed 2017/2018	Pathfinders Alternative Ed 2018/2019	Early Intervention Grant 2017/2018	Early Intervention Grant 2018/2019	Scholarships and Awards	Local Adult, Alternative, and Continuing Education	Donation Fund	Lake County SAFE Grant 2016/2017	Lake County SAFE Grant 2017/2018	Lake County SAFE Grant 2018/2019
Cash and investments - beginning	\$ -	\$ -	\$ 3,739	\$ -	\$ -	\$ -	\$ -	\$ 2,175	\$ -	\$ -
Receipts:										
Local sources	132,808	-	-	-	-	-	-	-	10,200	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	22,845	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	155,653	-	-	-	-	-	-	-	10,200	-
Disbursements:										
Instruction	140,498	-	-	-	-	-	-	-	-	-
Support services	13,500	-	3,739	-	-	-	-	2,175	10,200	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	153,998	-	3,739	-	-	-	-	2,175	10,200	-
Excess (deficiency) of receipts over disbursements	1,655	-	(3,739)	-	-	-	-	(2,175)	-	-
Other financing sources (uses):										
Transfers in	67,191	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	67,191	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	68,846	-	(3,739)	-	-	-	-	(2,175)	-	-
Cash and investments - ending	\$ 68,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Project Lead the Way	Formative Assessment	High Ability Students 2016/2017SY	High Ability Students 2017/2018SY	High Ability Students 2018/2019SY	Common School Fund A2928	Common School Fund A2966	Common School Fund B0025	Common School Fund B0050	Common School Fund Current
Cash and investments - beginning	\$ -	\$ 12,994	\$ 5,016	\$ -	\$ -	\$ (163,080)	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	7,500	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	37,934	-	37,219	-	314,457	115,399	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	7,500	37,934	-	37,219	-	314,457	115,399	-	-	-
Disbursements:										
Instruction	-	-	5,016	37,219	-	-	-	56,611	-	-
Support services	3,755	50,928	-	-	-	151,377	315,800	115,299	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,755	50,928	5,016	37,219	-	151,377	315,800	171,910	-	-
Excess (deficiency) of receipts over disbursements	3,745	(12,994)	(5,016)	-	-	163,080	(200,401)	(171,910)	-	-
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	3,745	(12,994)	(5,016)	-	-	163,080	(200,401)	(171,910)	-	-
Cash and investments - ending	\$ 3,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200,401)	\$ (171,910)	\$ -	\$ -

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

	Secured Schools Safety Grant	IDHS Safety Grant 2017/2018	IDHS Safety Grant 2018/2019	Early Intervention Grant 2018/2019	Non-English Speaking Grant 2017/2018	Non-English Speaking Grant 2018/2019	School Technology	Career and Technical Performance Grant	Teacher Appreciation Grant 2017	Teacher Appreciation Grant 2018
Cash and investments - beginning	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,688	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	50,000	-	-	-	-	-	17,490	18,560	96,634	-
Federal sources	-	-	-	-	18,750	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	-	-	18,750	-	17,490	18,560	96,634	-
Disbursements:										
Instruction	-	-	-	-	18,750	-	-	11,523	7,554	-
Support services	-	49,573	-	-	-	-	12,788	-	89,080	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	49,573	-	-	18,750	-	12,788	11,523	96,634	-
Excess (deficiency) of receipts over disbursements	50,000	(49,573)	-	-	-	-	4,702	7,037	-	-
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	50,000	(49,573)	-	-	-	-	4,702	7,037	-	-
Cash and investments - ending	\$ -	\$ (49,573)	\$ -	\$ -	\$ -	\$ -	\$ 9,390	\$ 7,037	\$ -	\$ -

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

	High Ability Students	Senator David Ford Technology	Title I 2016/2017	Title I 2017/2018	Title I 2018/2019	Student Support, Title IV 2018/2020	Title II 2016/2018	Title II 2017/2019	Title II 2018/2020	Title III 2016/2018
Cash and investments - beginning	\$ -	\$ -	\$ (23,701)	\$ -	\$ -	\$ -	\$ (6,801)	\$ -	\$ -	\$ (152)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	65,663	268,543	-	-	48,927	41,335	-	1,455
Temporary loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	65,663	268,543	-	-	48,927	41,335	-	1,455
Disbursements:										
Instruction	-	74,153	32,687	274,409	-	-	26,711	42,951	-	-
Support services	-	-	9,275	13,264	-	-	17,048	11,488	-	1,303
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	74,153	41,962	287,673	-	-	43,759	54,439	-	1,303
Excess (deficiency) of receipts over disbursements	-	(74,153)	23,701	(19,130)	-	-	5,168	(13,104)	-	152
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	-	(74,153)	23,701	(19,130)	-	-	5,168	(13,104)	-	152
Cash and investments - ending	\$ -	\$ (74,153)	\$ -	\$ (19,130)	\$ -	\$ -	\$ (1,633)	\$ (13,104)	\$ -	\$ -

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2018

	Title III 2017/2019	Title III 2018/2020	Payroll Clearing Accounts	Prepaid School Lunch Clearing Fund	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 18,021	\$ 28,277,501
Receipts:					
Local sources	-	-	-	-	14,379,757
Intermediate sources	-	-	-	-	311,645
State sources	-	-	-	-	21,423,406
Federal sources	13,460	-	-	-	1,227,896
Temporary loans	-	-	-	-	3,117,000
Other receipts	-	-	4,795,190	37,512	4,834,361
Total receipts	13,460	-	4,795,190	37,512	45,294,065
Disbursements:					
Instruction	12,264	-	-	-	13,924,396
Support services	1,196	-	-	-	11,572,800
Noninstructional services	-	-	-	-	1,731,418
Facilities acquisition and construction	-	-	-	-	7,805,713
Debt service	-	-	-	-	9,432,374
Nonprogrammed charges	-	-	4,795,190	33,539	8,373,024
Total disbursements	13,460	-	4,795,190	33,539	52,839,725
Excess (deficiency) of receipts over disbursements	-	-	-	3,973	(7,545,660)
Other financing sources (uses):					
Transfers in	-	-	-	-	1,044,873
Transfers out	-	-	-	-	(1,044,873)
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	3,973	(7,545,660)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 21,994	\$ 20,731,841

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	General	Education	Debt Service	Exempt Debt	Exempt Pension Debt	Operations	Capital Projects	School Transportation	School Bus Replacement	Local Rainy Day
Cash and investments - beginning	\$ 4,996,294	\$ -	\$ 1,454,051	\$ 2,173,069	\$ 157,868	\$ -	\$ 2,148,457	\$ 972,777	\$ 353,412	\$ 950,000
Receipts:										
Local sources	165,711	37,555	2,212,769	4,431,450	-	2,066,837	996,571	536,197	92,169	-
Intermediate sources	149,203	2	-	-	-	163,962	-	-	-	-
State sources	10,614,631	10,650,548	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	159	-	-	-	36,536	21,270	-	-	-
Total receipts	10,929,545	10,688,264	2,212,769	4,431,450	-	2,267,335	1,017,841	536,197	92,169	-
Disbursements:										
Instruction	6,481,166	7,580,137	-	-	-	-	-	-	-	-
Support services	3,550,579	1,773,449	-	-	-	3,259,596	927,277	654,895	186,594	-
Noninstructional services	164,203	168,085	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	144,931	685,846	-	-	-
Debt service	-	-	3,187,784	4,528,250	-	-	1,415,000	652,000	200,000	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,195,948	9,521,671	3,187,784	4,528,250	-	3,404,527	3,028,123	1,306,895	386,594	-
Excess (deficiency) of receipts over disbursements	733,597	1,166,593	(975,015)	(96,800)	-	(1,137,192)	(2,010,282)	(770,698)	(294,425)	-
Other financing sources (uses):										
Transfers in	-	5,730,515	-	-	-	2,445,573	-	-	-	-
Transfers out	(5,729,891)	(2,046,332)	(39,796)	-	-	-	(138,175)	(202,079)	(58,987)	-
Total other financing sources (uses)	(5,729,891)	3,684,183	(39,796)	-	-	2,445,573	(138,175)	(202,079)	(58,987)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,996,294)	4,850,776	(1,014,811)	(96,800)	-	1,308,381	(2,148,457)	(972,777)	(353,412)	-
Cash and investments - ending	\$ -	\$ 4,850,776	\$ 439,240	\$ 2,076,269	\$ 157,868	\$ 1,308,381	\$ -	\$ -	\$ -	\$ 950,000

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Post- Retirement/ Severance Future Benefits	General Obligation Bond 2015	First Mortgage Bond, Series 2016	General Obligation Bond 2016	School Lunch	Curricular Materials Rental	Self- Insurance	Levy Excess	Child Care Program	Pathfinders Alternative Ed 2016/2017
Cash and investments - beginning	\$ 14,202	\$ -	\$ 3,127,867	\$ 1,034,888	\$ 489,352	\$ 758,647	\$ 2,383,433	\$ 1,394	\$ 135,022	\$ -
Receipts:										
Local sources	-	-	13,454	-	695,126	198,703	3,882,141	-	150,598	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	16,787	107,123	-	-	-	-
Federal sources	-	-	-	-	755,388	-	-	-	-	-
Other receipts	-	-	-	-	893	-	-	-	-	-
Total receipts	-	-	13,454	-	1,468,194	305,826	3,882,141	-	150,598	-
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	14,202	-	1,598	-	87,243	184,018	51,710	-	-	-
Noninstructional services	-	-	-	-	1,373,098	-	-	-	123,071	-
Facilities acquisition and construction	-	-	2,268,987	903,435	15,695	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	3,959,533	-	-	-
Total disbursements	14,202	-	2,270,585	903,435	1,476,036	184,018	4,011,243	-	123,071	-
Excess (deficiency) of receipts over disbursements	(14,202)	-	(2,257,131)	(903,435)	(7,842)	121,808	(129,102)	-	27,527	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	39,796	225,955	-	-	-
Transfers out	-	-	-	-	-	-	(225,955)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	39,796	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,202)	-	(2,257,131)	(903,435)	(7,842)	161,604	(129,102)	-	27,527	-
Cash and investments - ending	\$ -	\$ -	\$ 870,736	\$ 131,453	\$ 481,510	\$ 920,251	\$ 2,254,331	\$ 1,394	\$ 162,549	\$ -

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Pathfinders Alternative Ed 2017/2018	Pathfinders Alternative Ed 2018/2019	Early Intervention Grant 2017/2018	Early Intervention Grant 2018/2019	Scholarships and Awards	Local Adult, Alternative, and Continuing Education	Donation Fund	Lake County SAFE Grant 2016/2017	Lake County SAFE Grant 2017/2018	Lake County SAFE Grant 2018/2019
Cash and investments - beginning	\$ 68,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	56,577	-	-	4,095	100,000	5,745	-	-	14,269
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	42,016	-	6,000	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	98,593	-	6,000	4,095	100,000	5,745	-	-	14,269
Disbursements:										
Instruction	25,423	56,067	-	6,811	3,745	94,436	5,620	-	-	-
Support services	-	7,000	-	-	-	6,500	-	-	-	14,115
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	500	-	-	-
Total disbursements	25,423	63,067	-	6,811	3,745	100,936	6,120	-	-	14,115
Excess (deficiency) of receipts over disbursements	(25,423)	35,526	-	(811)	350	(936)	(375)	-	-	154
Other financing sources (uses):										
Transfers in	-	43,423	-	811	-	157,897	-	-	-	-
Transfers out	(43,423)	(78,949)	-	-	-	(78,949)	-	-	-	-
Total other financing sources (uses)	(43,423)	(35,526)	-	811	-	78,948	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(68,846)	-	-	-	350	78,012	(375)	-	-	154
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 350	\$ 78,012	\$ (375)	\$ -	\$ -	\$ 154

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Project Lead the Way	Formative Assessment	High Ability Students 2016/2017SY	High Ability Students 2017/2018SY	High Ability Students 2018/2019SY	Common School Fund A2928	Common School Fund A2966	Common School Fund B0025	Common School Fund B0050	Common School Fund Current
Cash and investments - beginning	\$ 3,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200,401)	\$ (171,910)	\$ -	\$ -
Receipts:										
Local sources	23,900	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	37,187	-	-	-	-	200,401	315,800	324,200	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>23,900</u>	<u>37,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,401</u>	<u>315,800</u>	<u>324,200</u>	<u>-</u>
Disbursements:										
Instruction	-	-	-	-	16,080	-	-	-	-	-
Support services	25,145	37,187	-	-	-	-	-	143,890	324,200	233,072
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>25,145</u>	<u>37,187</u>	<u>-</u>	<u>-</u>	<u>16,080</u>	<u>-</u>	<u>-</u>	<u>143,890</u>	<u>324,200</u>	<u>233,072</u>
Excess (deficiency) of receipts over disbursements	<u>(1,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,080)</u>	<u>-</u>	<u>200,401</u>	<u>171,910</u>	<u>-</u>	<u>(233,072)</u>
Other financing sources (uses):										
Transfers in	-	-	-	-	16,080	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,080</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>(1,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,401</u>	<u>171,910</u>	<u>-</u>	<u>(233,072)</u>
Cash and investments - ending	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (233,072)</u>

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Secured Schools Safety Grant	IDHS Safety Grant 2017/2018	IDHS Safety Grant 2018/2019	Early Intervention Grant 2018/2019	Non-English Speaking Grant 2017/2018	Non-English Speaking Grant 2018/2019	School Technology	Career and Technical Performance Grant	Teacher Appreciation Grant 2017	Teacher Appreciation Grant 2018
Cash and investments - beginning	\$ -	\$ (49,573)	\$ -	\$ -	\$ -	\$ -	\$ 9,390	\$ 7,037	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	49,573	-	6,331	-	-	-	24,532	-	97,006
Federal sources	-	-	-	-	-	26,100	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	49,573	-	6,331	-	26,100	-	24,532	-	97,006
Disbursements:										
Instruction	-	-	-	5,196	-	26,100	-	14,042	-	9,419
Support services	-	-	49,980	-	-	-	8,768	-	-	87,587
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	49,980	5,196	-	26,100	8,768	14,042	-	97,006
Excess (deficiency) of receipts over disbursements	-	49,573	(49,980)	1,135	-	-	(8,768)	10,490	-	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(811)	-	-	(622)	-	-	-
Total other financing sources (uses)	-	-	-	(811)	-	-	(622)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	49,573	(49,980)	324	-	-	(9,390)	10,490	-	-
Cash and investments - ending	\$ -	\$ -	\$ (49,980)	\$ 324	\$ -	\$ -	\$ -	\$ 17,527	\$ -	\$ -

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	High Ability Students	Senator David Ford Technology	Title I 2016/2017	Title I 2017/2018	Title I 2018/2019	Student Support, Title IV 2018/2020	Title II 2016/2018	Title II 2017/2019	Title II 2018/2020	Title III 2016/2018
Cash and investments - beginning	\$ -	\$ (74,153)	\$ -	\$ (19,130)	\$ -	\$ -	\$ (1,633)	\$ (13,104)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	37,769	75,000	-	-	-	-	-	-	-	-
Federal sources	-	-	-	52,570	254,869	659	2,835	30,143	47,651	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	37,769	75,000	-	52,570	254,869	659	2,835	30,143	47,651	-
Disbursements:										
Instruction	21,688	847	-	30,594	269,543	-	-	5,108	40,946	-
Support services	-	-	-	2,846	2,902	783	1,202	11,931	11,224	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Total disbursements	21,688	847	-	33,440	272,445	783	1,202	17,039	52,170	-
Excess (deficiency) of receipts over disbursements	16,081	74,153	-	19,130	(17,576)	(124)	1,633	13,104	(4,519)	-
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(16,081)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(16,081)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	74,153	-	19,130	(17,576)	(124)	1,633	13,104	(4,519)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (17,576)	\$ (124)	\$ -	\$ -	\$ (4,519)	\$ -

SCHOOL TOWN OF HIGHLAND
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Title III 2017/2019	Title III 2018/2020	Payroll Clearing Accounts	Prepaid School Lunch Clearing Fund	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 21,994	\$ 20,731,841
Receipts:					
Local sources	-	-	-	-	15,683,867
Intermediate sources	-	-	-	-	313,167
State sources	-	-	-	-	22,604,904
Federal sources	-	12,477	-	-	1,182,692
Other receipts	-	-	5,011,322	33,963	5,104,143
Total receipts	-	12,477	5,011,322	33,963	44,888,773
Disbursements:					
Instruction	-	12,775	-	-	14,705,743
Support services	-	165	-	-	11,659,658
Noninstructional services	-	-	-	-	1,828,457
Facilities acquisition and construction	-	-	-	-	4,018,894
Debt service	-	-	-	-	9,983,034
Nonprogrammed charges	-	-	5,011,138	31,456	9,002,627
Total disbursements	-	12,940	5,011,138	31,456	51,198,413
Excess (deficiency) of receipts over disbursements	-	(463)	184	2,507	(6,309,640)
Other financing sources (uses):					
Transfers in	-	-	-	-	8,660,050
Transfers out	-	-	-	-	(8,660,050)
Total other financing sources (uses)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(463)	184	2,507	(6,309,640)
Cash and investments - ending	\$ -	\$ (463)	\$ 184	\$ 24,501	\$ 14,422,201

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SCHOOL TOWN OF HIGHLAND
 SCHEDULE OF PAYABLES AND RECEIVABLES
 June 30, 2019

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 270,539</u>	<u>\$ 306,108</u>

SCHOOL TOWN OF HIGHLAND
 SCHEDULE OF LEASES AND DEBT
 June 30, 2019

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Highland School Building Corporation	2012 Various Roof and Improvement Projects	\$ 180,000	07/15/2012	01/15/2023
Highland School Building Corporation	2013 Various Roof and Improvement Projects	3,664,000	06/30/2013	06/30/2020
Highland School Building Corporation	2016 Various Roof and Improvement Projects	1,020,500	06/30/2016	12/31/2035
Highland School Building Corporation	2018 Various Roof and Improvement Projects	1,735,000	12/31/2018	12/31/2021
Highland School Building Corporation	Athletic Improvements	<u>223,500</u>	12/31/2018	12/31/2025
Total of annual lease payments		<u>\$ 6,823,000</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General Obligation	Renovations, improvements and equipment for buildings	\$ 5,490,000	\$ 385,357
Notes and loans payable	Common School Loans for Technology	<u>2,259,292</u>	<u>633,265</u>
Totals		<u>\$ 7,749,292</u>	<u>\$ 1,018,622</u>

SCHOOL TOWN OF HIGHLAND
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2019

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	\$ 743,990
Buildings	102,932,217
Improvements other than buildings	5,200,243
Machinery, equipment, and vehicles	<u>12,002,205</u>
Total capital assets	<u><u>\$ 120,878,655</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/>.