

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

FINANCIAL STATEMENT AUDIT REPORT

OF

NORTH KNOX SCHOOL CORPORATION

KNOX COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED
05/14/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Terri Roesler	07-01-18 to 06-30-21
Superintendent of Schools	Dr. Darrel L. Bobe	07-01-18 to 06-30-21
President of the School Board	Elaine Pepmeier	07-01-18 to 06-30-21



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NORTH KNOX SCHOOL CORPORATION, KNOX COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the North Knox School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2018 to June 30, 2020, 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 the 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, 2018 to June 30, 2020.

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, 2018 to June 30, 2020, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 11, 2021, 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

May 11, 2021

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.

NORTH KNOX SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER
FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2019 and 2020

Fund	Cash and Investments 07-01-18	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-19	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-20
General	\$ 2,234,119	\$ 4,738,845	\$ 4,894,452	\$ (2,078,512)	\$ -	\$ -	\$ -	\$ -	\$ -
Education	-	4,803,404	3,769,085	1,187,747	2,222,066	9,532,571	7,893,070	(1,596,600)	2,264,967
Debt Service	1,065,448	1,752,072	1,537,618	(159,867)	1,120,035	1,241,570	1,719,093	-	642,512
Retirement/Severance Bond Debt Service	192,067	213,144	282,063	(25,555)	97,593	57,233	139,427	-	15,399
Operations	-	1,604,610	1,595,446	2,233,780	2,242,944	2,185,879	3,911,779	1,976,411	2,493,455
Capital Projects	1,106,580	536,720	625,269	(1,018,031)	-	-	-	-	-
School Transportation	1,183,016	519,300	496,298	(1,206,018)	-	-	-	-	-
School Bus Replacement	367,135	59,699	-	(426,834)	-	-	-	-	-
Local Rainy Day	1,397,847	-	-	1,200,000	2,597,847	-	-	-	2,597,847
Post-Retirement/Severance Future Benefits	273,661	-	43,058	-	230,603	-	145,613	-	84,990
Construction	1,377,382	-	1,379,037	1,655	-	-	-	-	-
Nkjshs Walking Track Settlement	-	-	-	-	-	68,100	45,200	-	22,900
School Lunch	282,123	700,949	738,191	-	244,881	675,449	629,473	-	290,857
Prepaid School Lunch Accounts	4,755	206,773	207,905	-	3,623	176,359	170,774	-	9,208
Curricular Materials Rental	321,624	131,420	70,932	-	382,112	139,388	216,856	-	304,644
Self-Insurance	7,458,895	1,090,206	507	-	8,548,594	1,307,262	1,876	-	9,853,980
Levy Excess	-	-	-	335,587	335,587	-	-	(335,587)	-
Knox Co Redev Commission Tif	-	-	-	-	-	283,635	51,429	-	232,206
2020 Toyota Stem/Cte	-	-	-	-	-	20,000	-	-	20,000
2020 Rebates	-	-	-	-	-	-	4,781	71,577	66,796
Educational License Plates	11,825	188	-	-	12,013	150	-	-	12,163
School Library Printed Material	-	1,453	1,453	-	-	-	-	-	-
Early Intervention Grant	6,579	-	6,579	-	-	-	-	-	-
School Intervention and Career Counseling	3,500	-	-	(3,500)	-	-	-	-	-
Asai Grant	229	-	-	-	229	-	-	-	229
Lily Counseling Grant	1,188	-	1,188	-	-	-	-	-	-
Donations	-	187	3,187	18,552	15,552	15,297	13,948	1,109	18,010
Warrior Bus Donations	-	-	-	-	-	-	-	3,593	3,593
United Way Jump Start	2,588	6,350	6,259	-	2,679	21,038	5,123	-	18,594
Duke Energy Summer Reading 2019	27,916	6,000	14,170	(19,746)	-	-	-	-	-
Duke Energy Stem Enrichment	2,875	-	996	(1,879)	-	-	-	-	-
Adult Education	-	33,060	33,060	-	-	16,773	13,553	(3,220)	-
Duke Energy Summer Reading 2020	-	-	-	19,746	19,746	-	12,686	(7,060)	-
Duke Energy-Stem Enrichment	-	-	1,553	1,879	326	-	326	-	-
Duke Energy Robotics	-	1,000	-	-	1,000	-	7,694	7,060	366
Construction, Remodeling, and Equipping Buildings	1,475	-	-	(1,475)	-	-	-	-	-
2019 Rebates	-	1,368	130	58,585	59,823	14,458	2,703	(71,578)	-
Donations 2019	17,112	2,850	1,410	(18,552)	-	-	-	-	-
Books For Kids Donation	47	-	14	-	33	-	-	(33)	-

NORTH KNOX SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER
FINANCING SOURCES (USES), AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2019 and 2020

Fund	Cash and Investments 07-01-18	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-19	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-20
Trabant Warrior Bus	140,046	55,911	-	-	195,957	3,220	198,804	(373)	-
Nk Back Pack Program	1,113	-	-	-	1,113	-	38	(1,075)	-
Ceo Program 2019	-	12,615	12,813	3,608	3,410	18,923	20,193	(2,140)	-
21st Century Scholar Grant	-	7,101	7,101	-	-	-	-	-	-
Early Intervention Remediation	-	-	-	3,500	3,500	-	-	-	3,500
Formative Assessment	7,490	14,413	21,903	-	-	16,343	16,343	-	-
17-18 High Ability	6,343	-	6,343	-	-	-	-	-	-
Teacher Quality Improvement Program	1,009	-	746	-	263	-	263	-	-
Secured Schools Safety Grant	(35,100)	50,000	64,681	-	(49,781)	49,781	30,271	-	(30,271)
Recreational Activities	-	5,358	-	-	5,358	5,576	5,358	-	5,576
School Technology	34,294	-	2,964	(31,330)	-	-	-	-	-
Career and Technical Performance Grant	1,083	3,091	4,174	-	-	-	-	-	-
Teacher Appreciation Grant	-	-	-	-	-	48,473	48,473	-	-
High Ability Students	-	30,936	19,669	-	11,267	30,654	15,618	-	26,303
State Connectivity Grant	-	3,715	-	-	3,715	7,388	1,159	-	9,944
21st Century Scholars	-	-	4,021	-	(4,021)	5,081	1,060	-	-
21st Century Fall Grant 2019-20	-	-	-	-	-	2,734	2,734	-	-
2010 Rebates	51,443	14,472	7,330	(58,585)	-	-	-	-	-
Ceo Program 2017	3,732	12,615	12,739	(3,608)	-	11,344	12,372	2,140	1,112
Title I	-	260,803	267,290	(22,424)	(28,911)	96,075	67,164	-	-
2019-20 Title I	-	-	-	-	-	249,946	268,064	-	(18,118)
17-18 Title I	(24,557)	57,437	55,304	22,424	-	-	-	-	-
2019 Special Education Grant	-	-	-	-	-	229,357	250,620	-	(21,263)
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	-	201,752	221,360	-	(19,608)	61,806	42,198	-	-
2017 Special Edu	(21,059)	53,732	32,673	-	-	-	-	-	-
Title IV Student Support	-	21,785	21,785	-	-	-	-	-	-
2019-20 Title Iv	-	-	-	-	-	22,843	22,843	-	-
Title II Effective Teacher	-	42,767	48,826	5,696	(363)	363	-	-	-
Title II 2019-20 Effective Teacher	-	-	-	-	-	45,024	51,169	-	(6,145)
17-18 Improving Teacher Quality	(5,486)	6,606	1,120	-	-	-	-	-	-
Rural Schools and Low Income Program	-	28,801	25,073	(5,696)	(1,968)	4,600	2,632	-	-
2019-20 Rural & Low Income	-	-	-	-	-	22,376	24,336	-	(1,960)
Payroll Clearing	(890)	1,849,386	1,843,782	-	4,714	2,082,692	2,072,584	-	14,822
Totals	\$ 17,499,447	\$ 19,142,894	\$ 18,391,557	\$ 11,147	\$ 18,261,931	\$ 18,769,761	\$ 18,139,700	\$ 44,224	\$ 18,936,216

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

NORTH KNOX 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.

NORTH KNOX 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 services. 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.

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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:

Proceeds of long-term debt. Amounts received in relation to the issuance of bonds or other long-term debt issues.

NORTH KNOX SCHOOL CORPORATION
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.

NORTH KNOX SCHOOL CORPORATION
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:

NORTH KNOX SCHOOL CORPORATION
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' Hybrid Plan (TRF Hybrid) consists of two components: Indiana Teachers' Pre-1996 Defined Benefit Account (Teachers' Pre-1996 DB) or Indiana Teachers' 1996 Defined Benefit Account (Teachers' 1996 DB) the monthly employer-funded defined benefit components, along with the Indiana Teachers' Defined Contribution Account (TRF DC), the defined contribution component. Generally, members hired before 1996 participate in the Teachers' Pre-1996 DB and members hired after 1995 participate in the Teachers' 1996 DB.

The Teachers' 1996 DB is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. All legally qualified and regularly employed licensed teachers serving in State of Indiana public schools are eligible to participate in the Teachers' 1996 DB.

The Teachers' Pre-1996 DB is a pay-as-you-go, cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. Membership in the Teachers' Pre-1996 DB is closed to new entrants.

The TRF DC is a multiple-employer defined contribution plan providing supplemental retirement benefits to Teachers' 1996 DB and Teachers' Pre-1996 DB members.

The Retirement Savings Plan for Public Teachers (My Choice) is a multiple-employer defined contribution plan. New employees hired after June 30, 2019, have a one-time election to join either the TRF Hybrid plan that is not closed to new entrants or the My Choice plan.

All these plans are administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3, 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 plan when applicable.

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:

NORTH KNOX SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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 DB 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 the 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 DB) is considered to be an obligation of, and is paid by, the State of Indiana.

Contributions for the defined contribution component of TRF Hybrid are determined by statute and the INPRS Board at 3 percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

My Choice plan is funded with employer contributions and member contributions. The employer contributions must equal the contribution rate for monthly employer-funded defined benefit components of TRF Hybrid. The amount deposited into the employer contribution subaccount for the member is the normal cost of participation. The variable rate contribution can be no less than 3 percent. Member contributions are determined by statute and the Board at 3 percent of covered payroll. The employer must make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2019 and 2020.

Note 8. Holding Corporation

The School Corporation has entered into capital leases with the North Knox 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 2019 and 2020 totaled \$1,414,888 and \$1,595,262, respectively.

NORTH KNOX SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. *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).

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.

NORTH KNOX SCHOOL CORPORATION
 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	Retirement/Severance Bond Debt Service	Operations	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 2,234,119	\$ -	\$ 1,065,448	\$ 192,067	\$ -	\$ 1,106,580	\$ 1,183,016	\$ 367,135
Receipts:								
Local sources	95,276	131,361	1,752,072	213,144	1,601,325	536,720	519,164	59,699
Intermediate sources	533	-	-	-	-	-	-	-
State sources	4,641,636	4,672,043	-	-	3,285	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	1,400	-	-	-	-	-	136	-
Total receipts	4,738,845	4,803,404	1,752,072	213,144	1,604,610	536,720	519,300	59,699
Disbursements:								
Instruction	3,177,961	2,991,761	-	-	-	-	-	-
Support services	1,608,992	654,645	-	-	1,518,135	242,121	496,298	-
Noninstructional services	107,499	122,679	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	77,311	383,148	-	-
Debt services	-	-	1,537,618	282,063	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	4,894,452	3,769,085	1,537,618	282,063	1,595,446	625,269	496,298	-
Excess (deficiency) of receipts over disbursements	(155,607)	1,034,319	214,454	(68,919)	9,164	(88,549)	23,002	59,699
Other financing sources (uses):								
Proceeds of long-term debt	9,235	-	-	-	254	-	-	-
Transfers in	-	2,087,747	3	-	2,383,688	-	-	-
Transfers out	(2,087,747)	(900,000)	(159,870)	(25,555)	(150,162)	(1,018,031)	(1,206,018)	(426,834)
Total other financing sources (uses)	(2,078,512)	1,187,747	(159,867)	(25,555)	2,233,780	(1,018,031)	(1,206,018)	(426,834)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,234,119)	2,222,066	54,587	(94,474)	2,242,944	(1,106,580)	(1,183,016)	(367,135)
Cash and investments - ending	\$ -	\$ 2,222,066	\$ 1,120,035	\$ 97,593	\$ 2,242,944	\$ -	\$ -	\$ -

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

	Local Rainy Day	Post- Retirement/Severance Future Benefits	Construction	Nkjshs Walking Track Settlement	School Lunch	Prepaid School Lunch Accounts	Curricular Materials Rental	Self-Insurance
Cash and investments - beginning	\$ 1,397,847	\$ 273,661	\$ 1,377,382	\$ -	\$ 282,123	\$ 4,755	\$ 321,624	\$ 7,458,895
Receipts:								
Local sources	-	-	-	-	211,535	-	131,420	1,090,206
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	5,075	-	-	-
Federal sources	-	-	-	-	484,339	-	-	-
Other receipts	-	-	-	-	-	206,773	-	-
Total receipts	-	-	-	-	700,949	206,773	131,420	1,090,206
Disbursements:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	43,058	1,379,037	-	-	-	70,932	-
Noninstructional services	-	-	-	-	738,191	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	507
Interfund loans	-	-	-	-	-	207,905	-	-
Total disbursements	-	43,058	1,379,037	-	738,191	207,905	70,932	507
Excess (deficiency) of receipts over disbursements	-	(43,058)	(1,379,037)	-	(37,242)	(1,132)	60,488	1,089,699
Other financing sources (uses):								
Proceeds of long-term debt	-	-	1,658	-	-	-	-	-
Transfers in	1,200,000	-	-	-	-	-	-	-
Transfers out	-	-	(3)	-	-	-	-	-
Total other financing sources (uses)	1,200,000	-	1,655	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,200,000	(43,058)	(1,377,382)	-	(37,242)	(1,132)	60,488	1,089,699
Cash and investments - ending	\$ 2,597,847	\$ 230,603	\$ -	\$ -	\$ 244,881	\$ 3,623	\$ 382,112	\$ 8,548,594

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

	Levy Excess	Knox Co Redev Commission Tif	2020 Toyota Stem/Cte	2020 Rebates	Educational License Plates	School Library Printed Material	Early Intervention Grant	School Intervention and Career Counseling
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 11,825	\$ -	\$ 6,579	\$ 3,500
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	188	-	-	-
State sources	-	-	-	-	-	1,453	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	188	1,453	-	-
Disbursements:								
Instruction	-	-	-	-	-	1,453	6,579	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	1,453	6,579	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	188	-	(6,579)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	335,587	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(3,500)
Total other financing sources (uses)	335,587	-	-	-	-	-	-	(3,500)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	335,587	-	-	-	188	-	(6,579)	(3,500)
Cash and investments - ending	\$ 335,587	\$ -	\$ -	\$ -	\$ 12,013	\$ -	\$ -	\$ -

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

	Asai Grant	Lily Counseling Grant	Donations	Warrior Bus Donations	United Way Jump Start	Duke Energy Summer Reading 2019	Duke Energy Stem Enrichment	Adult Education
Cash and investments - beginning	\$ 229	\$ 1,188	\$ -	\$ -	\$ 2,588	\$ 27,916	\$ 2,875	\$ -
Receipts:								
Local sources	-	-	187	-	6,350	-	-	33,060
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	6,000	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	187	-	6,350	6,000	-	33,060
Disbursements:								
Instruction	-	-	187	-	6,259	12,677	-	26,897
Support services	-	1,188	3,000	-	-	1,493	996	6,163
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	1,188	3,187	-	6,259	14,170	996	33,060
Excess (deficiency) of receipts over disbursements	-	(1,188)	(3,000)	-	91	(8,170)	(996)	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	18,552	-	-	-	-	-
Transfers out	-	-	-	-	-	(19,746)	(1,879)	-
Total other financing sources (uses)	-	-	18,552	-	-	(19,746)	(1,879)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,188)	15,552	-	91	(27,916)	(2,875)	-
Cash and investments - ending	\$ 229	\$ -	\$ 15,552	\$ -	\$ 2,679	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 For the Year Ended June 30, 2019

	Duke Energy Summer Reading 2020	Duke Energy- Stem Enrichment	Duke Energy Robotics	Construction, Remodeling, and Equipping Buildings	2019 Rebates	Donations 2019	Books For Kids Donation	Trabant Warrior Bus
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 1,475	\$ -	\$ 17,112	\$ 47	\$ 140,046
Receipts:								
Local sources	-	-	1,000	-	1,000	2,850	-	55,911
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	368	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	1,000	-	1,368	2,850	-	55,911
Disbursements:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	1,553	-	-	130	1,410	14	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	1,553	-	-	130	1,410	14	-
Excess (deficiency) of receipts over disbursements	-	(1,553)	1,000	-	1,238	1,440	(14)	55,911
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	19,746	1,879	-	-	58,585	-	-	-
Transfers out	-	-	-	(1,475)	-	(18,552)	-	-
Total other financing sources (uses)	19,746	1,879	-	(1,475)	58,585	(18,552)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,746	326	1,000	(1,475)	59,823	(17,112)	(14)	55,911
Cash and investments - ending	\$ 19,746	\$ 326	\$ 1,000	\$ -	\$ 59,823	\$ -	\$ 33	\$ 195,957

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 For the Year Ended June 30, 2019

	Nk Back Pack Program	Ceo Program 2019	21st Century Scholar Grant	Early Intervention Remediation	Formative Assessment	17-18 High Ability	Teacher Quality Improvement Program	Secured Schools Safety Grant	Recreational Activities
Cash and investments - beginning	\$ 1,113	\$ -	\$ -	\$ -	\$ 7,490	\$ 6,343	\$ 1,009	\$ (35,100)	\$ -
Receipts:									
Local sources	-	12,615	7,101	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	14,413	-	-	50,000	5,358
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	12,615	7,101	-	14,413	-	-	50,000	5,358
Disbursements:									
Instruction	-	12,813	-	-	21,903	6,343	-	-	-
Support services	-	-	7,101	-	-	-	746	64,681	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	12,813	7,101	-	21,903	6,343	746	64,681	-
Excess (deficiency) of receipts over disbursements	-	(198)	-	-	(7,490)	(6,343)	(746)	(14,681)	5,358
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	3,608	-	3,500	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	3,608	-	3,500	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,410	-	3,500	(7,490)	(6,343)	(746)	(14,681)	5,358
Cash and investments - ending	\$ 1,113	\$ 3,410	\$ -	\$ 3,500	\$ -	\$ -	\$ 263	\$ (49,781)	\$ 5,358

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 For the Year Ended June 30, 2019

	School Technology	Career and Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	21st Century Scholars	21St Century Fall Grant 2019- 20	2010 Rebates	Ceo Program 2017
Cash and investments - beginning	\$ 34,294	\$ 1,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,443	\$ 3,732
Receipts:									
Local sources	-	-	-	-	3,715	-	-	-	12,615
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	3,091	-	30,936	-	-	-	14,472	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	3,091	-	30,936	3,715	-	-	14,472	12,615
Disbursements:									
Instruction	-	3,831	-	19,669	-	3,659	-	6,830	12,739
Support services	2,964	343	-	-	-	362	-	500	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	2,964	4,174	-	19,669	-	4,021	-	7,330	12,739
Excess (deficiency) of receipts over disbursements	(2,964)	(1,083)	-	11,267	3,715	(4,021)	-	7,142	(124)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(31,330)	-	-	-	-	-	-	(58,585)	(3,608)
Total other financing sources (uses)	(31,330)	-	-	-	-	-	-	(58,585)	(3,608)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(34,294)	(1,083)	-	11,267	3,715	(4,021)	-	(51,443)	(3,732)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 11,267	\$ 3,715	\$ (4,021)	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
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 For the Year Ended June 30, 2019

	Title I	2019-20 Title I	17-18 Title I	2019 Special Education Grant	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	2017 Special Edu	Title IV Student Support	2019-20 Title Iv	Title II Effective Teacher
Cash and investments - beginning	\$ -	\$ -	\$ (24,557)	\$ -	\$ -	\$ (21,059)	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	260,803	-	57,437	-	201,752	53,732	21,785	-	42,767
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	260,803	-	57,437	-	201,752	53,732	21,785	-	42,767
Disbursements:									
Instruction	267,290	-	55,304	-	221,360	32,673	-	-	48,826
Support services	-	-	-	-	-	-	21,785	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	267,290	-	55,304	-	221,360	32,673	21,785	-	48,826
Excess (deficiency) of receipts over disbursements	(6,487)	-	2,133	-	(19,608)	21,059	-	-	(6,059)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	22,424	-	44,848	-	-	-	-	-	5,696
Transfers out	(44,848)	-	(22,424)	-	-	-	-	-	-
Total other financing sources (uses)	(22,424)	-	22,424	-	-	-	-	-	5,696
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(28,911)	-	24,557	-	(19,608)	21,059	-	-	(363)
Cash and investments - ending	\$ (28,911)	\$ -	\$ -	\$ -	\$ (19,608)	\$ -	\$ -	\$ -	\$ (363)

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
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 For the Year Ended June 30, 2019

	Title II 2019-20 Effective Teacher	17-18 Improving Teacher Quality	Rural Schools and Low Income Program	2019-20 Rural & Low Income	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ (5,486)	\$ -	\$ -	\$ (890)	\$ 17,499,447
Receipts:						
Local sources	-	-	-	-	-	6,478,326
Intermediate sources	-	-	-	-	-	721
State sources	-	-	-	-	-	9,448,130
Federal sources	-	6,606	28,801	-	-	1,158,022
Other receipts	-	-	-	-	1,849,386	2,057,695
Total receipts	-	6,606	28,801	-	1,849,386	19,142,894
Disbursements:						
Instruction	-	1,120	25,073	-	-	6,963,207
Support services	-	-	-	-	-	6,127,647
Noninstructional services	-	-	-	-	-	968,369
Facilities acquisition and construction	-	-	-	-	-	460,459
Debt services	-	-	-	-	-	1,819,681
Nonprogrammed charges	-	-	-	-	-	507
Interfund loans	-	-	-	-	1,843,782	2,051,687
Total disbursements	-	1,120	25,073	-	1,843,782	18,391,557
Excess (deficiency) of receipts over disbursements	-	5,486	3,728	-	5,604	751,337
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	11,147
Transfers in	-	-	-	-	-	6,185,863
Transfers out	-	-	(5,696)	-	-	(6,185,863)
Total other financing sources (uses)	-	-	(5,696)	-	-	11,147
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,486	(1,968)	-	5,604	762,484
Cash and investments - ending	\$ -	\$ -	\$ (1,968)	\$ -	\$ 4,714	\$ 18,261,931

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 For the Year Ended June 30, 2020

	General	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ -	\$ 2,222,066	\$ 1,120,035	\$ 97,593	\$ 2,242,944	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	130,859	1,241,570	57,233	2,182,990	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	9,401,712	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	2,889	-	-	-
Total receipts	-	9,532,571	1,241,570	57,233	2,185,879	-	-	-
Disbursements:								
Instruction	-	6,182,940	-	-	-	-	-	-
Support services	-	1,454,599	-	-	3,172,564	-	-	-
Noninstructional services	-	255,531	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	739,215	-	-	-
Debt services	-	-	1,719,093	139,427	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	7,893,070	1,719,093	139,427	3,911,779	-	-	-
Excess (deficiency) of receipts over disbursements	-	1,639,501	(477,523)	(82,194)	(1,725,900)	-	-	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	44,224	-	-	-
Transfers in	-	-	-	-	1,932,187	-	-	-
Transfers out	-	(1,596,600)	-	-	-	-	-	-
Total other financing sources (uses)	-	(1,596,600)	-	-	1,976,411	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	42,901	(477,523)	(82,194)	250,511	-	-	-
Cash and investments - ending	\$ -	\$ 2,264,967	\$ 642,512	\$ 15,399	\$ 2,493,455	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Local Rainy Day	Post- Retirement/Severance Future Benefits	Construction	Nkjshs Walking Track Settlement	School Lunch	Prepaid School Lunch Accounts	Curricular Materials Rental	Self-Insurance
Cash and investments - beginning	\$ 2,597,847	\$ 230,603	\$ -	\$ -	\$ 244,881	\$ 3,623	\$ 382,112	\$ 8,548,594
Receipts:								
Local sources	-	-	-	68,100	172,090	-	139,388	1,307,262
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	5,351	-	-	-
Federal sources	-	-	-	-	498,008	-	-	-
Other receipts	-	-	-	-	-	176,359	-	-
Total receipts	-	-	-	68,100	675,449	176,359	139,388	1,307,262
Disbursements:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	145,613	-	-	-	-	216,856	384
Noninstructional services	-	-	-	-	629,473	-	-	-
Facilities acquisition and construction	-	-	-	45,200	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	1,492
Interfund loans	-	-	-	-	-	170,774	-	-
Total disbursements	-	145,613	-	45,200	629,473	170,774	216,856	1,876
Excess (deficiency) of receipts over disbursements	-	(145,613)	-	22,900	45,976	5,585	(77,468)	1,305,386
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(145,613)	-	22,900	45,976	5,585	(77,468)	1,305,386
Cash and investments - ending	\$ 2,597,847	\$ 84,990	\$ -	\$ 22,900	\$ 290,857	\$ 9,208	\$ 304,644	\$ 9,853,980

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Levy Excess	Knox Co Redev Commission Tif	2020 Toyota Stem/Cte	2020 Rebates	Educational License Plates	School Library Printed Material	Early Intervention Grant	School Intervention and Career Counseling
Cash and investments - beginning	\$ 335,587	\$ -	\$ -	\$ -	\$ 12,013	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	283,635	20,000	-	-	-	-	-
Intermediate sources	-	-	-	-	150	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	283,635	20,000	-	150	-	-	-
Disbursements:								
Instruction	-	-	-	3,031	-	-	-	-
Support services	-	51,429	-	1,750	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	51,429	-	4,781	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	232,206	20,000	(4,781)	150	-	-	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	143,155	-	-	-	-
Transfers out	(335,587)	-	-	(71,578)	-	-	-	-
Total other financing sources (uses)	(335,587)	-	-	71,577	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(335,587)	232,206	20,000	66,796	150	-	-	-
Cash and investments - ending	\$ -	\$ 232,206	\$ 20,000	\$ 66,796	\$ 12,163	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Asai Grant	Lily Counseling Grant	Donations	Warrior Bus Donations	United Way Jump Start	Duke Energy Summer Reading 2019	Duke Energy Stem Enrichment	Adult Education
Cash and investments - beginning	\$ 229	\$ -	\$ 15,552	\$ -	\$ 2,679	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	15,297	-	21,038	-	-	16,773
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	15,297	-	21,038	-	-	16,773
Disbursements:								
Instruction	-	-	-	-	5,123	-	-	13,553
Support services	-	-	2,769	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	11,179	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	-	-	13,948	-	5,123	-	-	13,553
Excess (deficiency) of receipts over disbursements	-	-	1,349	-	15,915	-	-	3,220
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	229	-	2,217	3,593	-	-	-	-
Transfers out	(229)	-	(1,108)	-	-	-	-	(3,220)
Total other financing sources (uses)	-	-	1,109	3,593	-	-	-	(3,220)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	2,458	3,593	15,915	-	-	-
Cash and investments - ending	\$ 229	\$ -	\$ 18,010	\$ 3,593	\$ 18,594	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Duke Energy Summer Reading 2020	Duke Energy- Stem Enrichment	Duke Energy Robotics	Construction, Remodeling, and Equipping Buildings	2019 Rebates	Donations 2019	Books For Kids Donation	Trabant Warrior Bus
Cash and investments - beginning	\$ 19,746	\$ 326	\$ 1,000	\$ -	\$ 59,823	\$ -	\$ 33	\$ 195,957
Receipts:								
Local sources	-	-	-	-	14,458	-	-	3,220
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	14,458	-	-	3,220
Disbursements:								
Instruction	10,893	-	7,361	-	2,703	-	-	-
Support services	1,793	326	333	-	-	-	-	198,804
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	12,686	326	7,694	-	2,703	-	-	198,804
Excess (deficiency) of receipts over disbursements	(12,686)	(326)	(7,694)	-	11,755	-	-	(195,584)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	7,426	-	-	-	-	-
Transfers out	(7,060)	-	(366)	-	(71,578)	-	(33)	(373)
Total other financing sources (uses)	(7,060)	-	7,060	-	(71,578)	-	(33)	(373)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(19,746)	(326)	(634)	-	(59,823)	-	(33)	(195,957)
Cash and investments - ending	\$ -	\$ -	\$ 366	\$ -	\$ -	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Nk Back Pack Program	Ceo Program 2019	21st Century Scholar Grant	Early Intervention Remediation	Formative Assessment	17-18 High Ability	Teacher Quality Improvement Program	Secured Schools Safety Grant	Recreational Activities
Cash and investments - beginning	\$ 1,113	\$ 3,410	\$ -	\$ 3,500	\$ -	\$ -	\$ 263	\$ (49,781)	\$ 5,358
Receipts:									
Local sources	-	18,923	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	16,343	-	-	49,781	5,576
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	18,923	-	-	16,343	-	-	49,781	5,576
Disbursements:									
Instruction	-	20,193	-	-	16,343	-	-	-	5,358
Support services	38	-	-	-	-	-	263	30,271	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	38	20,193	-	-	16,343	-	263	30,271	5,358
Excess (deficiency) of receipts over disbursements	(38)	(1,270)	-	-	-	-	(263)	19,510	218
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(1,075)	(2,140)	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,075)	(2,140)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,113)	(3,410)	-	-	-	-	(263)	19,510	218
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -	\$ (30,271)	\$ 5,576

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	School Technology	Career and Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	21st Century Scholars	21St Century Fall Grant 2019- 20	2010 Rebates	Ceo Program 2017
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 11,267	\$ 3,715	\$ (4,021)	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	7,388	5,081	2,734	-	11,344
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	48,473	30,654	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	48,473	30,654	7,388	5,081	2,734	-	11,344
Disbursements:									
Instruction	-	-	48,473	15,618	-	1,060	2,355	-	12,372
Support services	-	-	-	-	1,159	-	379	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	48,473	15,618	1,159	1,060	2,734	-	12,372
Excess (deficiency) of receipts over disbursements	-	-	-	15,036	6,229	4,021	-	-	(1,028)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	7,176
Transfers out	-	-	-	-	-	-	-	-	(5,036)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,140
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	15,036	6,229	4,021	-	-	1,112
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 26,303	\$ 9,944	\$ -	\$ -	\$ -	\$ 1,112

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Title I	2019-20 Title I	17-18 Title I	2019 Special Education Grant	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	2017 Special Edu	Title IV Student Support	2019-20 Title Iv	Title II Effective Teacher
Cash and investments - beginning	\$ (28,911)	\$ -	\$ -	\$ -	\$ (19,608)	\$ -	\$ -	\$ -	\$ (363)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	96,075	249,946	-	229,357	61,806	-	-	22,843	363
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	96,075	249,946	-	229,357	61,806	-	-	22,843	363
Disbursements:									
Instruction	67,003	268,064	-	250,620	42,198	-	-	-	-
Support services	161	-	-	-	-	-	-	22,843	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	67,164	268,064	-	250,620	42,198	-	-	22,843	-
Excess (deficiency) of receipts over disbursements	28,911	(18,118)	-	(21,263)	19,608	-	-	-	363
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	28,911	(18,118)	-	(21,263)	19,608	-	-	-	363
Cash and investments - ending	\$ -	\$ (18,118)	\$ -	\$ (21,263)	\$ -	\$ -	\$ -	\$ -	\$ -

NORTH KNOX SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 OTHER FINANCING SOURCES (USES), AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Title II 2019-20 Effective Teacher	17-18 Improving Teacher Quality	Rural Schools and Low Income Program	2019-20 Rural & Low Income	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (1,968)	\$ -	\$ 4,714	\$ 18,261,931
Receipts:						
Local sources	-	-	-	-	-	5,719,383
Intermediate sources	-	-	-	-	-	150
State sources	-	-	-	-	-	9,557,890
Federal sources	45,024	-	4,600	22,376	-	1,230,398
Other receipts	-	-	-	-	2,082,692	2,261,940
Total receipts	45,024	-	4,600	22,376	2,082,692	18,769,761
Disbursements:						
Instruction	51,169	-	2,632	24,336	-	7,053,398
Support services	-	-	-	-	-	5,302,334
Noninstructional services	-	-	-	-	-	885,004
Facilities acquisition and construction	-	-	-	-	-	795,594
Debt services	-	-	-	-	-	1,858,520
Nonprogrammed charges	-	-	-	-	-	1,492
Interfund loans	-	-	-	-	2,072,584	2,243,358
Total disbursements	51,169	-	2,632	24,336	2,072,584	18,139,700
Excess (deficiency) of receipts over disbursements	(6,145)	-	1,968	(1,960)	10,108	630,061
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	44,224
Transfers in	-	-	-	-	-	2,095,983
Transfers out	-	-	-	-	-	(2,095,983)
Total other financing sources (uses)	-	-	-	-	-	44,224
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,145)	-	1,968	(1,960)	10,108	674,285
Cash and investments - ending	\$ (6,145)	\$ -	\$ -	\$ (1,960)	\$ 14,822	\$ 18,936,216

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NORTH KNOX SCHOOL CORPORATION
 SCHEDULE OF PAYABLES AND RECEIVABLES
 June 30, 2020

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 220,831</u>	<u>\$ 77,760</u>

NORTH KNOX SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2020

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
North Knox School Building Corporation	QZAB 3-School Renovations	\$ 119,830	6/30/2007	6/30/2021
North Knox School Building Corporation	QZAB 4-Renovations and Equipping Projects	134,463	7/15/2008	7/15/2022
North Knox School Building Corporation	QZAB 5-School Renovations	185,500	6/30/2013	12/31/2026
North Knox School Building Corporation	2019 Bond-Renovations	179,500	5/1/2019	12/31/2038
North Knox School Building Corporation	2020 Bond-Renovations	160,000	5/21/2020	12/31/2033
North Knox School Building Corporation	First Mortgage Bonds-Construction of Gym and Renovations to NK Jr. Sr. HS	<u>446,000</u>	9/18/2013	12/31/2028
Total governmental activities		<u>1,225,293</u>		
Total of annual lease payments		<u>\$ 1,225,293</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	NKJSHS Chiller/Air Handler	\$ 1,010,000	\$ 343,400
General obligation bonds	School Pension Debt	<u>78,107</u>	<u>-</u>
Total governmental activities		<u>1,088,107</u>	<u>343,400</u>
Totals		<u>\$ 1,088,107</u>	<u>\$ 343,400</u>

NORTH KNOX SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2020

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	\$ 337,729
Buildings	20,065,450
Improvements other than buildings	598,702
Machinery, equipment, and vehicles	<u>3,263,952</u>
Total governmental activities	<u>24,265,833</u>
Total capital assets	<u>\$ 24,265,833</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/>.