

# **Boone County School District**

**Financial Statements  
With Supplementary Information  
Year Ended June 30, 2024  
With Independent Auditors' Report**

**BOONE COUNTY SCHOOL DISTRICT**

**June 30, 2024**

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## **Independent Auditors' Report**

To the Members of the Board of Education  
Boone County School District  
Florence, Kentucky

### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Boone County School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Boone County School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Boone County School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Boone County School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boone County School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Independent Auditors' Report  
(Continued)**

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Boone County School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boone County School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Other Matters**

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the information on pages 4-8, 51-53, and 64-73 as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Independent Auditors' Report  
(Continued)**

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Boone County School District's basic financial statements. The information on pages 49-50, 54, 55-63, and 74-76 as listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The information on pages 49-50, 54, 55-63, and 74-76 as listed in the table of contents is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information on pages 49-50, 54, 55-63, and 74-76 as listed in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2024 on our consideration of the Boone County School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 Boone County School District'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 Boone County School District's internal control over financial reporting and compliance.



Crestview Hills, Kentucky  
November 12, 2024

## BOONE COUNTY SCHOOL DISTRICT

### Management's Discussion and Analysis (MD&A) Year Ended June 30, 2024

As management of the Boone County School District (District), we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the audit.

#### FINANCIAL HIGHLIGHTS

Boone County Schools' student enrollment was 20,744 students in the 2023-24 fiscal year. These students are housed in 26 schools including 4 high schools and a STEAM school conducting secondary level programs, 6 middle schools and 15 elementary schools.

Bonds are issued as the District modifies its facilities consistent with a long-range facilities plan that is established with community input and in keeping with Kentucky Department of Education (KDE) stringent compliance regulations. An expansion of one of the middle schools was initiated with completion scheduled for the 2025-26 school year

The General Fund recognized \$186 million in revenue consisting primarily of local property, occupational license, utilities, and motor vehicle taxes and the state program (SEEK) allocation. An additional \$60 million representing payments made on the District's behalf, by the State, for teachers' retirement contribution and employees' health insurance was recognized as revenue. The following shows recent trends in general fund revenues on a per pupil basis (adjusted average daily attendance). Current year's revenues show an increase in the amount collected.

2023-2024	\$10,039
2022-2023	\$9,906
2021-2022	\$8,816

The District administered over \$25 million in Federal, State and local grants and other programs during the year. An additional \$10.8 million was administered in the Child Nutrition programs.

The state's guaranteed base level of support (SEEK) was \$4,200 per pupil. Funding for Boone County Schools, after adjustments and local effort, was adjusted to \$2,470 per pupil. Per pupil funding is based on prior year adjusted average daily attendance factored with a current year growth rate. The comparative statewide average was \$4,457.

Boone County Board of Education recognized \$11.9 million in utility taxes and \$22 million in occupational license taxes, indicative of a relatively stable economy in Boone County. These permissive taxes account for 18% of general fund revenues providing some relief in the funding gap created by the state's funding formula. Without permissive tax revenues, the Boone County Board of Education would face severe funding deficits, further reducing the per pupil expenditures to a level lowest in the state.

General Fund expenditures were \$240 million. Salaries and related costs total \$208.5 million of the general operating expenditures. Included in this amount is \$59.8 million in retirement contributions and insurance benefits paid by the state on the District's behalf.

The success the District has achieved as one of the top performing large school districts in the state is partially credited to the commitment from the city and county governments as well and the business partnerships in the form of donations and other support to our schools. The District has also made a more aggressive effort to obtain competitive grants that will allow the District to achieve and maintain the status of a premier school district.



## BOONE COUNTY SCHOOL DISTRICT

### Management's Discussion and Analysis (MD&A) Year Ended June 30, 2024 (Continued)

#### FINANCIAL HIGHLIGHTS (CONTINUED)

As of the year ended June 30, 2024, the Boone County Board of Education sustained a stable financial status attributed to conservative spending practices. It is evident the Board has effectively and efficiently managed the resources and at the same time continues to make progress toward education proficiency.

#### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) district-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

***District-wide financial statements.*** The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The district-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation and operation of non-instructional services. Fixed assets and related debt is also supported by taxes and intergovernmental revenues.

The district-wide financial statements can be found on pages 9 and 10 of this report.

***Fund financial statements.*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. This is a state mandated uniform system and chart of accounts for all Kentucky public school districts utilizing the MUNIS administrative software. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. Fiduciary funds are trust funds established by benefactors to aid in student education, welfare and teacher support. The only proprietary funds are our vending and food service operations and day care operations. All other activities of the District are included in the governmental funds.

The basic governmental fund financial statements can be found on pages 11 through 17 of this report.

***Notes to the financial statements.*** The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 48 of this report.

**BOONE COUNTY SCHOOL DISTRICT**

**Management’s Discussion and Analysis (MD&A)  
Year Ended June 30, 2024  
(Continued)**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$176,016,762 as of June 30, 2024.

The largest portion of the District’s net position reflects its investment in capital assets (i.e. land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District’s financial position is the product of several financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**Net Position for the years ended June 30, 2024 and 2023**

The following is a summary of net position for the fiscal years ended June 30:

	<u>2024</u>	<u>2023</u>
Current assets	\$ 167,266,973	\$ 120,269,643
Noncurrent assets	<u>348,810,061</u>	<u>350,805,455</u>
Total assets	<u>516,077,034</u>	<u>471,075,098</u>
Deferred outflows	<u>58,812,905</u>	<u>71,603,939</u>
Current liabilities	33,354,400	28,373,309
Noncurrent liabilities	<u>290,053,231</u>	<u>328,520,515</u>
Total liabilities	<u>323,407,631</u>	<u>356,893,824</u>
Deferred inflows	<u>75,465,546</u>	<u>48,785,594</u>
Net position		
Investment in capital assets (net of debt)	157,710,026	171,809,485
Restricted	(31,304,551)	(82,765,619)
Unrestricted	<u>49,611,287</u>	<u>47,955,753</u>
Total net position	<u>\$ 176,016,762</u>	<u>\$ 136,999,619</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2024  
(Continued)**

**DISTRICT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Comments on General Fund Budget Comparisons**

- The District's total revenues in the General Fund for the fiscal year ended June 30, 2024, were \$246,391,168, net of inter-fund transfers and sale of assets, of \$2,770,286 and \$69,923, respectively.
- General Fund budgeted revenue compared to actual revenue varied slightly from line item to line item with the ending actual balance being \$1,168,656 less than budget or approximately 0.47% of General Fund Budget.
- General Fund actual expenditures were \$236,340,577, net of inter-fund transfers of \$3,488,842.
- General Fund actual expenditures were less than budgeted expenditures by \$50,428,599.

**BOONE COUNTY SCHOOL DISTRICT**

**Management's Discussion and Analysis (MD&A)  
Year Ended June 30, 2024  
(Continued)**

**DISTRICT-WIDE FINANCIAL ANALYSIS (Continued)**

The following table presents a summary of revenues and expenses for the fiscal years ended June 30,

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 3,576,373	\$ 3,323,032
Operating grants	36,155,429	34,764,884
Capital grants	<u>-</u>	<u>4,763,200</u>
Total grant revenues	<u>39,731,802</u>	<u>42,851,116</u>
General Revenues		
Taxes	166,998,094	158,192,299
Grants and entitlements	150,985,698	98,524,554
Earnings on investments	5,824,160	3,304,659
Miscellaneous	<u>(4,472,605)</u>	<u>31,045,808</u>
Total general revenues	<u>319,335,347</u>	<u>291,067,320</u>
Total revenues	<u>359,067,149</u>	<u>333,918,436</u>
<b>Expenses</b>		
Instructional	183,875,478	165,630,470
Student support services	19,138,304	20,303,307
Staff support	12,793,211	12,965,222
District administration	8,555,558	7,483,925
School administration	18,360,963	18,656,268
Business support	7,441,149	6,611,275
Plant operations	31,077,609	26,918,954
Student transportation	17,438,658	18,435,144
Central office	23,265	29,530
Food service operation	12,738,839	11,155,950
Day care	159,030	133,785
Other	2,837,514	6,221,566
Interest on long-term debt	<u>5,610,428</u>	<u>6,042,779</u>
Total expenses	<u>320,050,006</u>	<u>300,588,175</u>
Change in net position	<u>\$ 39,017,143</u>	<u>\$ 33,330,261</u>

**BUDGETARY IMPLICATIONS**

In Kentucky, the public school fiscal year is July 1-June 30; other programs, i.e. some federal programs, operate on a different fiscal calendar, but are reflected in the District overall budget. The District adopted a budget with \$13,531,055 in contingency (4.7%). The cash balance for the beginning of the fiscal year was \$105,675,609.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

Questions regarding this report should be directed to Dr. Jeff Hauswald, Superintendent (859) 283-1003 or to his representative Mrs. Linda Schild, Finance Officer (859) 282-2938 or by mail to: Central Office, 8330 U.S. Highway 42, Florence, Kentucky 41042.

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Net Position – District Wide  
As of June 30, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets</b>			
<b>Current:</b>			
Cash and cash equivalents	\$ 136,147,954	\$ 11,215,997	\$ 147,363,951
Accounts receivable	15,928,993	12,790	15,941,783
Interfund receivable	3,588,040	-	3,588,040
Prepaid expenses	238,371	-	238,371
Inventories for consumption	-	134,828	134,828
Total current	<u>155,903,358</u>	<u>11,363,615</u>	<u>167,266,973</u>
<b>Noncurrent:</b>			
Construction in progress	22,010,136	-	22,010,136
Nondepreciated capital assets:			
Land	13,720,372	-	13,720,372
Depreciated capital assets:			
Land improvements	23,914,510	-	23,914,510
Buildings and improvements	499,603,152	76,617	499,679,769
Furniture and equipment	51,390,259	5,447,525	56,837,784
Less: accumulated depreciation	<u>(262,431,992)</u>	<u>(4,920,518)</u>	<u>(267,352,510)</u>
Total noncurrent	<u>348,206,437</u>	<u>603,624</u>	<u>348,810,061</u>
Total assets	<u>504,109,795</u>	<u>11,967,239</u>	<u>516,077,034</u>
<b>Deferred outflows</b>	<u>57,306,323</u>	<u>1,506,582</u>	<u>58,812,905</u>
<b>Liabilities and Net Position</b>			
<b>Liabilities</b>			
<b>Current:</b>			
Current portion of bonds payable	18,188,660	-	18,188,660
Accounts payable	2,944,918	-	2,944,918
Accrued interest	1,489,243	-	1,489,243
Accrued sick leave	245,102	-	245,102
Accrued payroll and related expenses	5,211,043	-	5,211,043
Unearned revenues	1,687,394	-	1,687,394
Interfund payable	2,247,184	1,340,856	3,588,040
Total current	<u>32,013,544</u>	<u>1,340,856</u>	<u>33,354,400</u>
<b>Noncurrent:</b>			
Accrued sick leave	2,205,914	65,547	2,271,461
MIF net OPEB liability	39,534,351	1,057,265	40,591,616
CERS net pension liability	71,398,746	1,909,413	73,308,159
Bond obligations	<u>173,881,995</u>	<u>-</u>	<u>173,881,995</u>
Total noncurrent	<u>287,021,006</u>	<u>3,032,225</u>	<u>290,053,231</u>
Total liabilities	<u>319,034,550</u>	<u>4,373,081</u>	<u>323,407,631</u>
<b>Deferred inflows</b>	<u>73,499,941</u>	<u>1,965,605</u>	<u>75,465,546</u>
<b>Net Position</b>			
Invested in capital assets, net of related debt	157,106,402	603,624	157,710,026
Restricted	(37,836,062)	6,531,511	(31,304,551)
Unrestricted	<u>49,611,287</u>	<u>-</u>	<u>49,611,287</u>
Total net position	<u>\$ 168,881,627</u>	<u>\$ 7,135,135</u>	<u>\$ 176,016,762</u>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Activities – District Wide  
For Year Ended June 30, 2024**

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
Instructional	\$ 183,875,478	\$ -	\$ 18,168,993	\$ -	\$ (165,706,485)	\$ -	\$ (165,706,485)
Student support services	19,138,304	-	1,492,327	-	(17,645,977)	-	(17,645,977)
Staff support services	12,793,211	-	2,065,613	-	(10,727,598)	-	(10,727,598)
District administration	8,555,558	-	-	-	(8,555,558)	-	(8,555,558)
School administration	18,360,963	-	-	-	(18,360,963)	-	(18,360,963)
Business support services	7,441,149	-	975,881	-	(6,465,268)	-	(6,465,268)
Plant operation and maintenance	31,077,609	-	107,486	-	(30,970,123)	-	(30,970,123)
Student transportation	17,438,658	-	1,011,662	-	(16,426,996)	-	(16,426,996)
Central office	23,265	-	-	-	(23,265)	-	(23,265)
Food service operations	9,289	-	-	-	(9,289)	-	(9,289)
Day care operations	20,557	-	20,557	-	-	-	-
Community service operations	2,035,287	-	1,515,365	-	(519,922)	-	(519,922)
Facility acquisition and construction	772,381	-	-	-	(772,381)	-	(772,381)
Other	-	-	-	-	-	-	-
Interest on long-term debt	5,610,428	-	-	-	(5,610,428)	-	(5,610,428)
Total governmental activities	307,152,137	-	25,357,884	-	(281,794,253)	-	(281,794,253)
<b>Business-type activities</b>							
Food service	12,738,839	3,576,373	10,769,906	-	-	1,607,440	1,607,440
Daycare	159,030	-	27,639	-	-	(131,391)	(131,391)
Total business-type activities	12,897,869	3,576,373	10,797,545	-	-	1,476,049	1,476,049
Total school district	\$ 320,050,006	\$ 3,576,373	\$ 36,155,429	\$ -	(281,794,253)	1,476,049	(280,318,204)
			<b>General revenues:</b>				
			Taxes		166,998,094	-	166,998,094
			State and federal sources		150,985,698	-	150,985,698
			Investment earnings		5,449,799	374,361	5,824,160
			Miscellaneous		(4,418,187)	162,879	(4,255,308)
			Special items:				
			Gain (loss) on sale of assets		(217,813)	516	(217,297)
			Fund transfer		680,267	(680,267)	-
			<b>Total general and special revenues</b>		<b>319,477,858</b>	<b>(142,511)</b>	<b>319,335,347</b>
			<b>Change in net position</b>		<b>37,683,605</b>	<b>1,333,538</b>	<b>39,017,143</b>
			<b>Net position - beginning</b>		<b>131,198,022</b>	<b>5,801,597</b>	<b>136,999,619</b>
			<b>Net position - ending</b>		<b>\$ 168,881,627</b>	<b>\$ 7,135,135</b>	<b>\$ 176,016,762</b>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Balance Sheet – Governmental Funds  
As of June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
<b>Current:</b>					
Cash and cash equivalents	\$ 66,735,490	\$ 315,697	\$ 56,739,448	\$ 12,357,319	\$ 136,147,954
Interfund receivable	3,588,040		-	-	3,588,040
Accounts receivable	10,756,982	4,074,544	-	1,097,467	15,928,993
Prepaid expenses	<u>238,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>238,371</u>
Total assets	<u>\$ 81,318,883</u>	<u>\$ 4,390,241</u>	<u>\$ 56,739,448</u>	<u>\$ 13,454,786</u>	<u>\$ 155,903,358</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
<b>Current:</b>					
Accounts payable	\$ 415,576	\$ 1,819,535	\$ 693,856	\$ 15,951	\$ 2,944,918
Unearned revenue	-	1,687,394	-	-	1,687,394
Interfund payable	-	-	-	2,247,184	2,247,184
Accrued payroll and related expenses	<u>5,211,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,211,043</u>
Total liabilities	<u>5,626,619</u>	<u>3,506,929</u>	<u>693,856</u>	<u>2,263,135</u>	<u>12,090,539</u>
<b>Fund Balances</b>					
<b>Restricted:</b>					
Capital projects	-	-	56,045,592	7,194,295	63,239,887
Debt service	-	-	-	170,064	170,064
Grants	-	883,312	-	-	883,312
Other	-	-	-	3,778,557	3,778,557
<b>Committed:</b>					
Other	1,258,281	-	-	-	1,258,281
<b>Assigned:</b>					
Site based carryforward	1,230,870	-	-	-	1,230,870
Purchase obligations	3,611,972	-	-	-	3,611,972
New school openings	11,088,330	-	-	-	11,088,330
Future land purchase	5,000,000	-	-	-	5,000,000
Unassigned	<u>53,502,811</u>	<u>-</u>	<u>-</u>	<u>48,735</u>	<u>53,551,546</u>
Total fund balances	<u>75,692,264</u>	<u>883,312</u>	<u>56,045,592</u>	<u>11,191,651</u>	<u>143,812,819</u>
Total liabilities and fund balances	<u>\$ 81,318,883</u>	<u>\$ 4,390,241</u>	<u>\$ 56,739,448</u>	<u>\$ 13,454,786</u>	<u>\$ 155,903,358</u>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Reconciliation of the Balance Sheet  
Governmental Funds to the Statement of Net Position  
As of June 30, 2024**

Total governmental fund balance		\$ 143,812,819
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
Construction in process	22,010,136	
Cost of capital assets	588,628,293	
Accumulated depreciation	<u>(262,431,992)</u>	348,206,437
Deferred outflows related to CERS	11,619,875	
Deferred outflows for CERS contributions made after the measurement date	7,752,295	
Deferred outflows for MIF contributions made after the measurement date	4,290,133	
Deferred outflows related to MIF	32,673,400	
Deferred outflows for bond refinancing	<u>970,620</u>	57,306,323
Deferred inflows related to CERS	(16,234,216)	
Deferred inflows related to MIF	<u>(57,265,725)</u>	(73,499,941)
Long-term liabilities (including bonds payable) are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Long-term liabilities at year end consist of:		
Bonds payable		(191,703,758)
Bond premiums		(366,897)
Accrued interest on bonds		(1,489,243)
Net pension liability		(71,398,746)
Net OPEB liability		(39,534,351)
Accrued sick leave		<u>(2,451,016)</u>
Total net position - governmental		<u>\$ 168,881,627</u>

The accompanying notes are an integral part of these financial statements



**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Taxes	\$ 136,524,432	\$ -	\$ -	\$ 30,473,662	\$ 166,998,094
Earnings on investments	2,978,408	-	2,381,844	89,547	5,449,799
State sources	104,603,322	8,753,787	-	4,047,156	117,404,265
Federal sources	1,394,577	15,993,836	-	291,878	17,680,291
Other sources	890,429	610,261	73,725	7,328,789	8,903,204
Total revenues	<u>246,391,168</u>	<u>25,357,884</u>	<u>2,455,569</u>	<u>42,231,032</u>	<u>316,435,653</u>
<b>Expenditures</b>					
Instructional	136,069,135	16,904,403	-	8,599,524	161,573,062
Student support services	17,071,315	1,492,327	-	554,506	19,118,148
Staff support services	9,721,428	2,065,613	-	999,316	12,786,357
District administration	8,555,558	-	-	-	8,555,558
School administration	17,601,778	-	-	743,138	18,344,916
Business support services	6,401,873	975,881	-	-	7,377,754
Plant operation and maintenance	21,260,060	107,486	-	967,613	22,335,159
Student transportation	19,123,491	1,011,662	-	2,084	20,137,237
Central office	-	-	-	23,265	23,265
Food service operation	9,289	-	-	-	9,289
Day care operations	-	20,557	-	-	20,557
Community service operations	494,143	1,515,365	-	24,727	2,034,235
Facility acquisition and construction	32,507	-	9,592,614	-	9,625,121
Other	-	-	-	-	-
Debt service:					
Principal	-	-	-	17,873,660	17,873,660
Interest	-	-	-	5,627,563	5,627,563
Total expenditures	<u>236,340,577</u>	<u>24,093,294</u>	<u>9,592,614</u>	<u>35,415,396</u>	<u>305,441,881</u>
Excess (deficit) of revenues over expenditures	<u>10,050,591</u>	<u>1,264,590</u>	<u>(7,137,045)</u>	<u>6,815,636</u>	<u>10,993,772</u>
<b>Other financing sources (uses)</b>					
Loan and bond proceeds	-	-	29,620,000	-	29,620,000
Bond Discount	-	-	(151,927)	-	(151,927)
Proceeds from sale of assets	69,923	-	-	-	69,923
Other items	-	157,083	-	-	157,083
Operating transfers in	2,770,286	554,000	2,373,607	27,103,884	32,801,777
Operating transfers out	<u>(3,488,842)</u>	<u>(2,317,195)</u>	<u>-</u>	<u>(26,315,473)</u>	<u>(32,121,510)</u>
Total other financing sources (uses)	<u>(648,633)</u>	<u>(1,606,112)</u>	<u>31,841,680</u>	<u>788,411</u>	<u>30,375,346</u>
Net change in fund balance	9,401,958	(341,522)	24,704,635	7,604,047	41,369,118
Fund balance, July 1, 2023	<u>66,290,306</u>	<u>1,224,834</u>	<u>31,340,957</u>	<u>3,587,604</u>	<u>102,443,701</u>
Fund balance, June 30, 2024	<u>\$ 75,692,264</u>	<u>\$ 883,312</u>	<u>\$ 56,045,592</u>	<u>\$ 11,191,651</u>	<u>\$ 143,812,819</u>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2024**

Amounts reported for governmental activities in the statement of net position are different because:

Net changes-governmental funds \$ 41,369,118

Governmental funds report capital outlays as expenditures because they use current financial resources. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation expense for the year.

Depreciation expense	(16,835,244)	
Capital outlays	15,073,838	
Retirement of capital assets	<u>(287,736)</u>	
		(2,049,142)

Bond and capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Bond principal paid		17,873,660
Bond proceeds		(29,620,000)
Amortization of bond refinancing		(246,367)
Bond premium additions		(151,927)
Amortization of bond premium		40,569

Deferred outflows related to pensions		(634,645)
Deferred outflows related to other post-retirement employee benefits		(11,723,916)

Deferred inflows related to pensions		(4,881,212)
Deferred inflows related to other post-retirement employee benefits		(21,006,346)

Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred.

48,713,813

Changes in net position of governmental activities \$ 37,683,605

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Net Position  
– Proprietary Funds  
As of June 30, 2024**

	<u>Food Service</u>	<u>Daycare Fund</u>	<u>Total</u>
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	\$ 11,173,043	\$ 42,954	\$ 11,215,997
Accounts receivable	12,790	-	12,790
Inventories for consumption	134,828	-	134,828
Total current	<u>11,320,661</u>	<u>42,954</u>	<u>11,363,615</u>
<b>Noncurrent</b>			
Buildings and Improvements	76,617	-	76,617
Furniture and Fixtures	5,447,525	-	5,447,525
Less: accumulated depreciation	<u>(4,920,518)</u>	<u>-</u>	<u>(4,920,518)</u>
Total noncurrent	<u>603,624</u>	<u>-</u>	<u>603,624</u>
Total assets	<u>11,924,285</u>	<u>42,954</u>	<u>11,967,239</u>
<b>Deferred outflows</b>	<u>1,471,020</u>	<u>35,562</u>	<u>1,506,582</u>
<b>Liabilities and Net Position</b>			
<b>Liabilities</b>			
<b>Current</b>			
Interfund payable	<u>1,340,856</u>	<u>-</u>	<u>1,340,856</u>
Total current	<u>1,340,856</u>	<u>-</u>	<u>1,340,856</u>
<b>Noncurrent</b>			
MIF net OPEB liability	1,032,309	24,956	1,057,265
CERS net pension liability	1,864,342	45,071	1,909,413
Accumulated sick leave	<u>64,000</u>	<u>1,547</u>	<u>65,547</u>
Total noncurrent	<u>2,960,651</u>	<u>71,574</u>	<u>3,032,225</u>
Total liabilities	<u>4,301,507</u>	<u>71,574</u>	<u>4,373,081</u>
<b>Deferred inflows</b>	<u>1,919,208</u>	<u>46,397</u>	<u>1,965,605</u>
<b>Net Position</b>			
Invested in assets, net of debt	603,624	-	603,624
Restricted	<u>6,570,966</u>	<u>(39,455)</u>	<u>6,531,511</u>
Total net position	<u>\$ 7,174,590</u>	<u>\$ (39,455)</u>	<u>\$ 7,135,135</u>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Revenues, Expenses, and Changes in Net Position –  
Proprietary Funds  
Year Ended June 30, 2024**

	<u>Food Service</u>	<u>Daycare Fund</u>	<u>Total</u>
<b>Operating revenues</b>			
Lunchroom sales	\$ 3,576,373	\$ -	\$ 3,576,373
Other operating revenues	(413)	163,292	162,879
Total operating revenues	<u>3,575,960</u>	<u>163,292</u>	<u>3,739,252</u>
<b>Operating expenses</b>			
Salaries and benefits	6,407,208	148,364	6,555,572
Contract services	304,853	195	305,048
Materials and supplies	5,863,745	9,696	5,873,441
Depreciation	123,697	-	123,697
Other operating expenses	39,336	775	40,111
Total operating expenses	<u>12,738,839</u>	<u>159,030</u>	<u>12,897,869</u>
Operating income (loss)	<u>(9,162,879)</u>	<u>4,262</u>	<u>(9,158,617)</u>
<b>Nonoperating revenues (expenses)</b>			
Federal grants	8,666,238	-	8,666,238
State grants	1,634,619	27,639	1,662,258
Donated commodities and other donations	469,049	-	469,049
Proceeds from sale of assets	516	-	516
Transfers out	(674,326)	(5,941)	(680,267)
Interest income	374,361	-	374,361
Total nonoperating revenues	<u>10,470,457</u>	<u>21,698</u>	<u>10,492,155</u>
Change in net position	1,307,578	25,960	1,333,538
Total net position, July 1, 2023	<u>5,867,012</u>	<u>(65,415)</u>	<u>5,801,597</u>
Total net position, June 30, 2024	<u>\$ 7,174,590</u>	<u>\$ (39,455)</u>	<u>\$ 7,135,135</u>

The accompanying notes are an integral part of these financial statements

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Cash Flows – Proprietary Funds  
Year Ended June 30, 2024**

	<u>Food Service Fund</u>	<u>Daycare Fund</u>	<u>Total</u>
<b>Cash flows from operating activities</b>			
Cash received from lunchroom sales	\$ 3,576,373	\$ -	\$ 3,576,373
Cash received from other activities	184,921	165,093	350,014
Cash payments to employees for services	(6,407,208)	(148,364)	(6,555,572)
Cash payments to suppliers for goods and services	(6,206,613)	(10,508)	(6,217,121)
Cash transfers	<u>(674,326)</u>	<u>(5,941)</u>	<u>(680,267)</u>
Net cash provided by (used in) operating activities	<u>(9,526,853)</u>	<u>280</u>	<u>(9,526,573)</u>
<b>Cash flows from capital financing activities</b>			
Proceeds from sale of capital assets	516	-	516
Purchase of capital assets	<u>(177,445)</u>	<u>-</u>	<u>(177,445)</u>
Net cash used in capital financing activities	<u>(176,929)</u>	<u>-</u>	<u>(176,929)</u>
<b>Cash flows from noncapital financing activities</b>			
Non-operating revenues received	<u>10,769,906</u>	<u>27,639</u>	<u>10,797,545</u>
Net cash provided by noncapital financing activities	<u>10,769,906</u>	<u>27,639</u>	<u>10,797,545</u>
<b>Cash flows from investing activities</b>			
Interest on investments	<u>374,361</u>	<u>-</u>	<u>374,361</u>
Net cash provided by investing activities	<u>374,361</u>	<u>-</u>	<u>374,361</u>
Net increase in cash and cash equivalents	1,440,485	27,919	1,468,404
Cash and cash equivalents - beginning	<u>9,732,558</u>	<u>15,035</u>	<u>9,747,593</u>
Cash and cash equivalents - ending	<u>\$ 11,173,043</u>	<u>\$ 42,954</u>	<u>\$ 11,215,997</u>
<b>Reconciliation of operating loss to net cash used in operating activities</b>			
Operating income (loss)	\$ (9,162,879)	\$ 4,262	\$ (9,158,617)
<b>Adjustments to reconcile operating income (loss) to net provided (cash used) in operating activities</b>			
Depreciation	123,697	-	123,697
Transfers	(674,326)	(5,941)	(680,267)
Changes in assets and liabilities:			
(Increase) in accounts receivable	(4,095)	-	(4,095)
Increase in accumulated sick leave	5,416	158	5,574
Increase in due to other funds	175,799	-	175,799
Decrease in deferred outflows	182,474	3,632	186,106
Increase in deferred inflows	773,163	19,231	792,394
(Decrease) in MIF net OPEB liability	(883,265)	(20,451)	(903,716)
(Decrease) in CERS net pension liability	<u>(62,837)</u>	<u>(611)</u>	<u>(63,448)</u>
Net cash (used in) provided by operating activities	<u>\$ (9,526,853)</u>	<u>\$ 280</u>	<u>\$ (9,526,573)</u>
<b>Schedule of non-cash transactions:</b>			
Donated commodities received from federal government	<u>\$ 469,049</u>	<u>\$ -</u>	<u>\$ 469,049</u>
On behalf payments	<u>\$ 1,540,989</u>	<u>\$ 27,639</u>	<u>\$ 1,568,628</u>

The accompanying notes are an integral part of these financial statements

## BOONE COUNTY SCHOOL DISTRICT

### Notes to the Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### ***Reporting Entity***

The Boone County Board of Education (Board), a five member group, is the level of government which has oversight responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Boone County School District (District). The District receives funding from local, state and federal government sources and must comply with the commitment requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined in Section 2100, *Codification of Governmental Accounting and Financial Reporting Standards*. Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence operations, and primary accountability for fiscal matters.

The District, for financial purposes, includes all of the funds and account groups relevant to the operation of the Boone County Board of Education. The financial statements presented herein do not include funds of groups and organizations, which although associated with the school system, have not originated within the Board itself such as Parent-Teacher Associations, etc.

The financial statements of the District include those of separately administered organizations that are controlled by or dependent on the Board. Control or dependence is determined on the basis of budget adoption, funding and appointment of the respective governing board.

Based on the foregoing criteria, the financial statements of the following organization are included in the accompanying financial statements:

Boone County School District Finance Corporation - The Board authorized the establishment of the Boone County School District Finance Corporation (a non-profit, non-stock, public and charitable corporation organized under the School Bond Act and KRS 273 and KRS 58.180) as an agency of the District for financing the costs of school building facilities. The Board Members of the Boone County Board of Education also comprise the Corporation's Board of Directors.

##### ***Basis of Presentation***

District-wide Financial Statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The district-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the district-wide statements and the statements for governmental funds.

## BOONE COUNTY SCHOOL DISTRICT

### Notes to the Financial Statements (Continued)

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *Basis of Presentation (Continued)*

The district-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the changes in total net position. Proprietary funds and fiduciary funds are reported using the economic resources measurement focus.

The District has the following funds:

##### I. Governmental Fund Types

- (A) The General Fund is the primary operating fund of the District. It accounts for financial resources used for general types of operations. This is a budgeted fund and any unrestricted fund balances are considered as resources available for use. This is a major fund of the District.
- (B) The Special Revenue Fund accounts for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to disbursements for specified purposes. It includes federal financial programs where unused balances are returned to the grantor at the close of specified project periods as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally funded grant programs are identified in the schedule of expenditures of federal awards included in this report on pages 74-75. This is a major fund of the District.
- (C) Special Revenue Activity Fund is used to support co-curricular activities and are not raised and expended by student groups. District activity funds accounted for in the District bank account are not subject to the Redbook and may be expended with more flexibility than school activity funds but must meet the "educational purpose" standard for all District expenditures.

## BOONE COUNTY SCHOOL DISTRICT

### Notes to the Financial Statements (Continued)

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *Basis of Presentation (Continued)*

##### I. Governmental Fund Types (continued)

(D) Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds).

1. The Support Education Excellence in Kentucky (SEEK) Capital Outlay Fund receives those funds designated by the state as Capital Outlay funds and is restricted for use in financing projects identified in the District's facility plan.
2. The Facility Support Program of Kentucky Fund (FSPK) accounts for funds generated by the building tax levy required to participate in the School Facilities Construction Commission's construction funding and state matching funds, where applicable. Funds may be used for projects identified in the District's facility plan.
3. The Construction Fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction. The District is committed to construction contracts in the amount of \$56,045,592 for ongoing projects. This is a major fund of the district.

(E) The Activity Funds account for activities of student groups and other types of activities requiring clearing accounts. These funds are accounted for in accordance with Uniform Program of Accounting for School Activity Funds.

##### II. Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost; and, for the payment of interest on general obligation notes payable, as required by Kentucky Law.

##### III. Proprietary Fund (Enterprise Fund)

The School Food Service Fund is used to account for school food service activities, including the National School Lunch Program, which is conducted in cooperation with the U.S. Department of Agriculture (USDA). The Food Service fund is a major fund of the District.

The Daycare Fund is used to support the daycare programs at the individual schools. These funds are used to support the resources needed to actively manage these programs.

The District applies all Governmental Accounting Standards Board (GASB) pronouncements to proprietary funds as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.



## BOONE COUNTY SCHOOL DISTRICT

### Notes to the Financial Statements (Continued)

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### ***Basis of Accounting***

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The GASB is responsible for establishing GAAP for state and local government through its pronouncements (Statements and Interpretations).

The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before they can be recognized.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

##### ***Taxes***

Property Tax Revenues – Property taxes are levied each September on the assessed value listed as of the prior January 1, for all real and personal property in the county. The billings are considered due upon receipt by the taxpayer; however, the actual date is based on a period ending 30 days after the tax bill mailing. Property taxes collected are recorded as revenues in the fiscal year for which they were levied. All taxes collected are initially deposited into the General Fund and then transferred to the appropriate fund.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Budgetary Process***

Budgetary Basis of Accounting: The District's budgetary process accounts for certain transactions on a basis other than GAAP of the United States of America. The major differences between the budgetary basis and the GAAP basis are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

***Cash and Cash Equivalents***

The District considers demand deposits, money market funds, and other investments with an original maturity of 90 days or less, to be cash equivalents.

***Inventories***

Supplies and materials are charged to expenditures when purchased, except for inventories in the Proprietary Fund, which are capitalized at the lower of cost or market.

***Capital Assets***

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the district-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of one thousand dollars, with the exception of computers, digital cameras and real property, for which there is no threshold. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Capital Assets (Continued)***

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for both general capital assets and proprietary fund assets:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and improvements	25-50 years
Land improvements	20 years
Technology equipment	5 years
Vehicles	5-10 years
General equipment	10 years
Food service equipment	10-12 years
Furniture and fixtures	7 years
Other	10 years

***Accumulated Unpaid Sick Leave Benefits***

Upon retirement from the school system, an employee will receive from the District an amount equal to 30% of the value of accumulated sick leave. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District's experience of making termination payments. The entire compensated absence liability is reported on the district-wide financial statements.

***Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statements of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities, and long-term obligations are reported in the district-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of finance leases, accumulated sick leave, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

## BOONE COUNTY SCHOOL DISTRICT

### Notes to the Financial Statements (Continued)

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### ***Fund Balance Reserves***

Beginning with fiscal year 2012 the District implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the District's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the District itself, using its decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the action to remove or change the constraint.

Assigned fund balance – amounts the District intends to use for specific purpose (such as encumbrances); intent can be expressed by the District or by an official or body to which the District delegates the authority.

Unassigned fund balance – amounts that are available for purpose; positive amounts are reported only in the General fund.

It is the Board's practice to liquidate funds when conditions have been met releasing these funds from legal, contractual, Board or managerial obligations, using restricted funds first, followed by committed funds, assigned funds, then unassigned funds.

Encumbrances are not liabilities and are not recorded as expenditures until receipt of material or service. Encumbrances remaining open at the end of the fiscal year are automatically re-budgeted in the following fiscal year. Encumbrances are considered a managerial assignment of fund balance in the governmental funds balance sheet.

##### ***Net Position***

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

##### ***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, those revenues are primarily charges for meals provided by the various schools.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Interfund Activity***

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and as non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees Retirement System Non-Hazardous (CERS) and Teachers Retirement System of the State of Kentucky (TRS) and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the pensions. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Postemployment Benefits Other than Pensions (OPEB)***

For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Teachers' Retirement System of the State of Kentucky (TRS) and additions to deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**NOTE 2 ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, designated fund balances, and disclosure of contingent assets and liabilities at the date of the general purpose financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 3 CASH AND CASH EQUIVALENTS**

The District maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. The amounts exceeding the federally insured limits are covered by a collateral agreement and the collateral is held by the pledging banks' trust departments in the District's name. The District has not experienced any losses in such accounts and the District believes it is not exposed to any significant credit risk on cash and cash equivalents.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

<u>Governmental Activities</u>	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024
Land	\$ 13,720,372	\$ -	\$ -	\$ 13,720,372
Land improvements	22,925,737	988,773	-	23,914,510
Buildings and improvements	498,376,365	1,226,787	-	499,603,152
Technology equipment	11,056,922	125,835	19,862	11,162,895
Vehicles	30,271,684	4,579,345	1,760,713	33,090,316
General equipment	6,925,913	527,145	316,010	7,137,048
Construction work in progress	14,384,183	9,225,885	1,599,932	22,010,136
Totals at historical cost	<u>597,661,176</u>	<u>16,673,770</u>	<u>3,696,517</u>	<u>610,638,429</u>
Less: accumulated depreciation				
Land improvements	5,400,306	205,989	-	5,606,295
Buildings and improvements	204,228,243	14,277,303	-	218,505,546
Technology equipment	11,024,217	48,836	19,862	11,053,191
Vehicles	21,729,962	1,950,056	1,744,825	21,935,193
General equipment	5,022,869	353,060	44,162	5,331,767
Total accumulated depreciation	<u>247,405,597</u>	<u>16,835,244</u>	<u>1,808,849</u>	<u>262,431,992</u>
Governmental activities capital assets - net	<u>\$ 350,255,579</u>	<u>\$ (161,474)</u>	<u>\$ 1,887,668</u>	<u>\$ 348,206,437</u>
<u>Business - Type Activities</u>				
General equipment	\$ 4,538,407	\$ 177,445	\$ -	\$ 4,715,852
Buildings and improvements	76,617	-	-	76,617
Vehicles	59,800	-	-	59,800
Technology equipment	671,873	-	-	671,873
Totals at historical cost	<u>5,346,697</u>	<u>177,445</u>	<u>-</u>	<u>5,524,142</u>
Less: accumulated depreciation				
General equipment	3,989,010	119,158	-	4,108,168
Buildings and improvements	76,138	4,539	-	80,677
Vehicles	59,800	-	-	59,800
Technology equipment	671,873	-	-	671,873
Total accumulated depreciation	<u>4,796,821</u>	<u>123,697</u>	<u>-</u>	<u>4,920,518</u>
Business - type activities capital assets - net	<u>\$ 549,876</u>	<u>\$ 53,748</u>	<u>\$ -</u>	<u>\$ 603,624</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

Depreciation expense by function for the fiscal year ended June 30, 2024 was as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Instruction	\$ 5,115,751	\$ -
Student support services	20,156	-
Staff support services	6,854	-
District administration	-	-
School administration	16,047	-
Business support services	63,395	-
Plant operation and maintenance	9,731,223	-
Food service	-	123,697
Student transportation	1,880,766	-
Community services	1,052	-
Total	<u>\$ 16,835,244</u>	<u>\$ 123,697</u>

**NOTE 5 ACCUMULATED UNPAID SICK LEAVE BENEFITS**

Upon providing proof of qualification as an annuitant from the Kentucky Teacher's Retirement System, certified and classified employees will receive from the District an amount equal to 30% of the value of accumulated sick leave. At June 30, 2024 this amount totaled approximately \$2,516,563 for those employees with twenty-seven or more years of experience.

**NOTE 6 BONDED DEBT**

The amount shown in the accompanying financial statements as lease obligations represents the District's future obligations to make lease payments relating to the bonds issued.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 6 BONDED DEBT (CONTINUED)**

The original amount of each issue, the issue date, and interest rates are summarized below:

Issue Date	Proceeds	Rates
June 1, 2010	\$ 11,085,000	5.750%
March 1, 2013	5,975,000	2.000% - 3.250%
September 1, 2014	11,905,000	2.000% - 3.000%
March 1, 2015	12,375,000	2.000% - 3.000%
February 1, 2016	32,425,000	0.850% - 2.550%
April 1, 2016	10,120,000	1.000% - 3.250%
November 1, 2016	31,850,000	2.000% - 3.250%
February 1, 2017	10,150,000	3.000%
December 1, 2017	12,765,000	2.000% - 3.000%
August 1, 2018	13,490,000	3.000% - 3.625%
April 28, 2020	33,340,000	2.000% - 3.000%
March 18, 2021	9,705,000	2.000%
April 12, 2022	18,675,000	3.000% - 3.125%
June 18, 2024	29,620,000	4.000%

The District, through the General Fund (including utility taxes and the Support Education Excellence in Kentucky (SEEK) Capital Outlay Fund) is obligated to make lease payments in amounts sufficient to satisfy debt service requirements on bonds issued by the Kenton County Fiscal Court and the Boone County School District Finance Corporation to construct school facilities.

The District entered into "participation agreements" with the School Facility Construction Commission (Commission). The Commission was created by the Kentucky General Assembly for the purpose of assisting local school districts in meeting school construction needs. Note 17 sets forth the amount to be paid by the District and the Commission for each year until maturity of all bond issues. The liability for the total bond amount remains with the District and, as such, the total principal has been recorded in the financial statements.

All issues may be called prior to maturity and redemption premiums are specified in each issue. Assuming no bonds are called prior to scheduled maturity, the minimum obligations of the District, including amounts to be paid by the Commission, at June 30, 2024 for debt service (principal and interest) are reported in Note 17.

**NOTE 7 RETIREMENT PLANS**

The District's employees are provided with two pension plans, based on each position's college degree requirement. The County Employees Retirement System ("CERS") covers employees whose position does not require a college degree or teaching certification. The Kentucky Teachers Retirement System ("TRS") covers positions requiring teaching certification or otherwise requiring a college degree.



**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

**General information about the County Employees Retirement System Non-Hazardous**

***Plan description***

Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute (“KRS”) Section 61.645, the Board of Trustees of the Kentucky Retirement System administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/> .

***Benefits provided***

CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years’ service. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years service or 65 years old
	Reduced retirement	At least 5 years service and 55 years old At least 25 years service and any age
Tier 2	Participation date	September 1, 2008 - December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87
	Reduced retirement	At least 10 years service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87
	Reduced retirement	Not available

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement is based on a factor of the number of years’ service and hire date multiplied by the average of the highest five years’ earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. One month’s service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent’s beneficiary will receive the higher of the normal death benefit and \$10,000 plus 75% of the decedent’s monthly average rate of pay. If the surviving spouse remarries, the monthly rate will be recalculated to 25% of the decedent’s monthly average. Any dependent child will receive 50% of the decedent’s monthly final rate of pay up to 75% for all dependent children. Five years’ service is required for nonservice-related disability benefits.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

***Contributions***

Required contributions by the employee are based on the following tier:

	<u>Required contribution</u>
Tier 1	5%
Tier 2	5% + 1% for insurance
Tier 3	5% + 1% for insurance

The contribution requirement for CERS for the year ended June 30, 2024, was \$9,896,418, which consisted of \$7,959,614 from the District and \$1,936,803 from the employees. Total contributions for the year ended June 30, 2023 and 2022 were \$10,756,135 and \$10,219,551, respectively. The contributions have been contributed in full for fiscal years 2024, 2023 and 2022.

**General information about the Teachers' Retirement System of the State of Kentucky**

***Plan description***

Teaching certified employees of the District and other employees whose positions require at least a college degree are provided pensions through the Teachers' Retirement System of the State of Kentucky—a cost-sharing multiple-employer defined benefit pension plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the Commonwealth. TRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the KRS. TRS is a blended component unit of the Commonwealth of Kentucky Revised Statutes and therefore is included in the Commonwealth's financial statements. TRS issues a publicly available financial report that can be obtained at <https://trs.ky.gov/employers/gasb-65-67/>.

***Benefits provided***

For employees who have established an account in a retirement system administered by the Commonwealth prior to July 1, 2008, employees become vested when they complete five (5) years of credited service. To qualify for monthly retirement benefits, payable for life, employees must either:

- 1.) Attain age fifty-five (55) and complete five (5) years of Kentucky service, or
- 2.) Complete 27 years of Kentucky service.

Employees that retire before age 60 with less than 27 years of service receive reduced retirement benefits. Non-university employees with an account established prior to July 1, 2002 receive monthly payments equal to two (2) percent (service prior to July 1, 1983) and two and one-half (2.5) percent (service after July 1, 1983) of their final average salaries for each year of credited service. New employees (including second retirement accounts) after July 1, 2002 will receive monthly benefits equal to 2% of their final average salary for each year of service if, upon retirement, their total service less than ten years. New employees after July 1, 2002 who retire with ten or more years of total service will receive monthly benefits equal to 2.5% of their final average salary for each year of service, including the first ten years. In addition, employees who retire July 1, 2004 and later with more than 30 years of service will have their multiplier increased for all years over 30 from 2.5% to 3.0% to be used in their benefit calculation.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

***Benefits provided (Continued)***

New employees hired after July 1, 2008, but before December 31, 2021 who retire with less than ten years will receive monthly benefits equal to 1.7% of their final average salary for each year of service. New employees hired between July 1, 2008 and December 31, 2021 with between 10 to 20 years of service will receive monthly benefits equal to 2% of their final average salary for each year of service. New employees hired between July 1, 2008 and December 31, 2021 with between 20 to 26 years of service will receive monthly benefits equal to 2.3% of their final average salary for each year of service. Lastly, new employees hired between July 1, 2008 and December 31, 2021 with between 26 to 30 years of service will receive monthly benefits equal to 2.5% of their final average salary for each year of service. Effective January 1, 2022, the System has been amended to change the benefit structure for employees hired on or after that date.

Effective July 1, 2008, the System has been amended to change the benefit structure for employees hired on or after that date. Final average salary is defined as the member's five (5) highest annual salaries for those with less than 27 years of service. Employees at least age 55 with 27 or more years of service may use their three (3) highest annual salaries to compute the final average salary. TRS also provides disability benefits for vested employees at the rate of sixty (60) percent of the final average salary. A life insurance benefit, payable upon the death of a member, is \$2,000 for active contributing employees and \$5,000 for retired or disabled employees.

Cost of living increases are one and one-half (1.5) percent annually. Additional ad hoc increases and any other benefit amendments must be authorized by the General Assembly.

***Contributions***

Contribution rates are established by Kentucky Revised Statutes. Non-university employees are required to contribute 12.855% of their salaries to the System. University employees are required to contribute 10.400% of their salaries. KRS 161.580 allows each university to reduce the contribution of its employees by 2.215%; therefore, university employees contribute 8.185% of their salary to TRS. The contribution requirement for TRS for the year ended June 30, 2024, was \$19,332,038, which consisted of \$4,165,803 from the District and \$15,166,235 from the employees. Total contributions for the year ended June 30, 2023 and 2022 were \$14,799,054 and \$18,186,705, respectively. The contributions have been contributed in full for fiscal years 2024, 2023 and 2022.

The Commonwealth of Kentucky, as a non-employer contributing entity, pays matching contributions at the rate of 13.105% of salaries for local school district and regional cooperative employees hired before July 1, 2008 and 14.105% for those hired after July 1, 2008. For local school district and regional cooperative employees whose salaries are federally funded, the employer contributes 16.105% of salaries. If an employee leaves covered employment before accumulating five (5) years of credited service, accumulated employee pension contributions plus interest are refunded to the employee upon the member's request.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

**Medical Insurance Plan**

***Plan description***

In addition to the pension benefits described above, KRS 161.675 requires TRS to provide post-employment healthcare benefits to eligible employees and dependents. The TRS Medical Insurance Fund (MIF) is a cost-sharing multiple employer defined benefit plan. Changes made to the medical plan may be made by the TRS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

To be eligible for medical benefits, the member must have retired either for service or disability. The TRS Medical Insurance Fund offers coverage to employees under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. Once retired employees and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

***Funding policy***

In order to fund the post-retirement healthcare benefit, 6.59% of the gross annual payroll of employees before July 1, 2008 is contributed. 3.75% is paid by member contributions, 0.16% is credited to the Commonwealth, and 3.00% is contributed by the employer. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability for CERS. The District did not report a liability for the District's proportionate share of the net pension liability for TRS because the Commonwealth of Kentucky provides the pension support directly to TRS on behalf of the District. The amount recognized by the District as its proportionate share of the net pension liability, the related Commonwealth support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the CERS net pension liability	\$ 73,308,159
Commonwealth's proportionate share of the TRS net pension liability associated with the District	<u>560,535,650</u>
	<u>\$ 633,843,809</u>

The net pension liability for each plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The District's proportion of the net pension liability for CERS was based on the actual liability of the employees and former employees relative to the total liability of the System as determined by the actuary. At June 30, 2023, the District's proportion was 1.142493% percent.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

For the year ended June 30, 2024, the District recognized an increase in pension expense of \$3,413,853 related to CERS. The District also recognized expense of \$40,736,247 and revenue of \$40,736,247 for TRS support provided by the Commonwealth due to a change in assumptions. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,795,022	\$ 199,199
Net difference between projected and actual earnings on pension plan investments	7,919,358	8,919,321
Changes of assumptions	-	6,718,743
Changes in proportion and differences between employer contributions and proportionate share of contributions	216,245	831,104
District contributions subsequent to the measurement date	<u>7,959,614</u>	<u>-</u>
Total	<u>\$ 19,890,239</u>	<u>\$ 16,668,367</u>

\$7,959,614 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ (3,016,870)
2026	(2,647,715)
2027	1,636,535
2028	(709,692)
2029	-

***Actuarial assumptions***

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>CERS</u>	<u>TRS</u>
Inflation	2.30%	2.50%
Projected salary increases	3.3 - 10.3%	3.0 - 7.5%
Investment rate of return, net of investment expense and inflation	6.50%	7.10%

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

***Actuarial assumptions (Continued)***

For CERS, mortality rates used for active members for PUB-2010 General Mortality table projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for healthy retired members was a system-specific mortality table based on a mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019. The mortality table used for disabled members was PUB-2010 Disabled Mortality table, with a 4-year set forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

For TRS, mortality rates were based on Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each groups: service, retirees, contingent annuitants, disabled retirees, and active members. The actuarial assumptions used were based on the results of an actuarial experience study for the 5-year period ending June 30, 2020. Adopted by the board on September 20, 2021. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index.

For CERS, the long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years. The most recent analysis, performed for the period covering fiscal years 2014 through 2022, is outlined in a report dated May 9, 2023. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

For TRS, the long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS' and CERS' investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>TRS Target Allocation</u>	<u>TRS Long-Term Expected Real Rate of Return</u>	<u>CERS Target Allocation</u>	<u>CERS Long-Term Expected Real Rate of Return</u>
US equity	38.0%	5.25%	50.0%	5.90%
Developed international equity	15.7%	5.50%		
Emerging markets equity	5.3%	6.10%		
Private equity	7.0%	8.00%	10.0%	11.73%
Core bonds			10.0%	2.45%
Fixed income	15.0%	1.90%		
Specialty Credit			10.0%	3.65%
High yield	5.0%	3.80%		
Additional categories	5.0%	3.60%		
Real estate	7.0%	3.20%	7.0%	4.99%
Real return			13.0%	5.15%
Cash	2.0%	1.60%	0.0%	1.39%
Total	<u>100%</u>		<u>100%</u>	

***Discount rate***

For CERS, the discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment return of 6.50%. The long-term investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

For TRS, the discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates for all fiscal years in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 7 RETIREMENT PLANS (CONTINUED)**

***Sensitivity of CERS and TRS proportionate share of net pension liability to changes in the discount rate***

The following table presents the net pension liability of the District, calculated using the discount rates selected by each pension system, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
CERS	5.50%	6.50%	7.50%
District's proportionate share of net pension liability	\$ 92,555,980	\$ 73,308,159	\$ 57,312,497
TRs	6.10%	7.10%	8.10%
District's proportionate share of net pension liability	-	-	-

***Pension plan fiduciary net position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports of both CERS and TRS.

**NOTE 8 OPEB PLANS**

**General information about the Teachers' Retirement System OPEB Plan**

***Plan description***

Teaching-certified employees of the Boone County School District are provided OPEBs through the Teachers' Retirement System of the State of Kentucky (TRS) – a cost-sharing multiple-employer defined benefit OPEB plan with a special funding situation established to provided retirement annuity plan coverage for local school districts and other public educational agencies in the state. TRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the Kentucky Revised Statues and therefore is included in the Commonwealth's financial statements. TRS issues a publicly available financial report that can be obtained at <https://trs.ky.gov/financial-reports-information>.

The state reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the TRS Medical Insurance and Life Insurance Plans. The following information is about the TRS plans.



**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

**Medical Insurance Plan**

***Plan description***

In addition to the OPEB benefits described above, Kentucky Revised Statute 161.675 requires TRS to provide post-employment healthcare benefits to eligible members and dependents. The TRS Medical Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the medical plan may be made by the TRS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

***Benefits provided***

To be eligible for medical benefits, the member must have retired either for service or disability. The TRS Medical Insurance Fund offers coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. TRS retired members are given a supplement to be used for payment of their health insurance premium. The amount of the member's supplement is based on a contribution supplement table approved by the TRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

***Contributions***

In order to fund the post-retirement healthcare benefit, seven and one-half percent (7.50%) of the gross annual payroll of members is contributed. Three and three quarters percent (3.75%) is paid by member contributions and three quarters percent (.75%) from state appropriation and three percent (3.00%) from the employer. The state contributes the net cost of health insurance premiums for members who retired on or after July 1, 2010 who are in the non-Medicare eligible group. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

**General information about the County Employees Retirement System Non-Hazardous OPEB Plan**

***Plan description***

Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute ("KRS") Section 61.645, the Board of Trustees of the Kentucky Retirement System administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

***Benefits Provided***

CERS provides health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years' service. For retirement purposes, employees are grouped into three tiers, based on hire date. See Note 7 for tier classifications.

***Contributions***

Required contributions by the employee are based on the tier disclosed in Note 7.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At June 30, 2024, the Boone County School District reported a liability of \$40,591,616 for its proportionate share of the collective net OPEB liability that reflected a reduction for state OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023 and 2022, the District's proportion was 1.73% and 2.38% percent for TRS, respectively, and 1.14% and 1.13% percent for CERS for June 30, 2023 and 2022, respectively.

The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the CERS net OPEB liability	\$ (1,577,384)
District's proportionate share of the TRS net OPEB liability	42,169,000
State's proportionate share of the net OPEB liability associated with the District	<u>35,542,000</u>
	<u>\$ 76,133,616</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

For the year ended June 30, 2024, the District recognized OPEB expense of \$19,307,421 and revenue of \$2,765,071 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,099,676	\$ 36,689,282
Net difference between projected and actual earnings on OPEB plan investments	3,741,013	3,318,095
Change of assumptions	12,690,183	2,163,304
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,016,311	16,626,498
District contributions subsequent to the measurement date	<u>4,404,863</u>	<u>-</u>
Total	<u>\$ 37,952,046</u>	<u>\$ 58,797,179</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$4,404,863 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

<u>Year ended June 30:</u>	
2025	\$ (6,457,439)
2026	(7,957,704)
2027	(4,029,141)
2028	(3,948,712)
2029	(1,272,000)
Thereafter	(1,585,000)

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

***Actuarial assumptions***

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	TRS	CERS
Investment rate of return	7.10%, net of OPEB plan investment expense, including inflation.	6.25%
Projected salary increases	3.00 - 7.50%, including inflation	3.30% to 10.30%, varies by service
Inflation rate	2.50%	2.30%
Real Wage Growth	0.25%	
Wage Inflation	2.75%	
Healthcare cost trend rates		
Medical Trend	6.75% for FY2023 decreasing to an ultimate rate of 4.5% by FY2032	
Under 65		Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.05% over a period of 14 years
Ages 65 and Older		Initial trend starting at 6.30% and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Medicare Part B Premiums	1.55% for FY 2023 with an ultimate rate of 4.50% by 2034	
Municipal Bond Index Rate	3.66%	3.86%
Discount Rate	7.10%	5.93%
Single Equivalent Interest Rate	7.10%, net of OPEB plan investment expense, including PRICE inflation	

For TRS, mortality rates were based on the Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups: service, retirees, contingent annuitants, disabled retirees, and active members. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2022 valuation were based on the results of the most actuarial experience studies, which covered the five-year period ending June, 30, 2020, adopted by the Board on September 20, 2021.

For CERS, mortality rates used for active members was PUB-2010 General Mortality table projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for healthy retired members was a system-specific mortality table based on the mortality improvement scale using a base year of 2019.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation.

For TRS, the long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
U.S. Equity	40.0%	5.2%
International Equity	20.0%	5.8%
Fixed Income	21.0%	1.9%
Real Estate	7.0%	3.2%
Private Equity	5.0%	8.0%
Other Additional Categories	5.0%	4.0%
Cash	2.0%	1.6%
Total	<u>100.0%</u>	

***Discount rate***

For TRS, the discount rate used to measure the total OPEB liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

For CERS, the discount rate used to measure the total OPEB liability was 5.93%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6.10%)</u>	<u>Current Discount Rate (7.10%)</u>	<u>1% Increase (8.10%)</u>
TRS			
Districts' net OPEB liability	\$ 54,238,000	\$ 42,169,000	\$ 32,194,000
	<u>1% Decrease (4.93%)</u>	<u>Current Discount Rate (5.93%)</u>	<u>1% Increase (6.93%)</u>
CERS			
Districts' net OPEB liability	\$ 2,960,146	\$ (1,577,384)	\$ (5,377,013)

***Sensitivity of the District's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates***

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
TRS			
Districts' net OPEB liability	\$ 30,358,000	\$ 42,169,000	\$ 56,876,000
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
CERS			
Districts' net OPEB liability	\$ (5,055,792)	\$ (1,577,384)	\$ 2,695,512

***OPEB plan fiduciary net position***

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS and CERS financial reports.

**Life Insurance Plan**

***Plan description***

TRS administers the life insurance plan as provided by Kentucky Revised Statute 161.655 to eligible active and retired members. The TRS Life Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the life insurance plan may be made by the TRS Board of Trustees and the General Assembly.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

***Benefits provided***

TRS provides a life insurance benefit of five thousand dollars payable for members who retire based on service or disability. TRS provides a life insurance benefit of two thousand dollars payable for its active contributing members. The life insurance benefit funded by the Life Insurance Fund (LIF) is payable upon the death of the member to the member's estate or to a party designated by the member.

***Contributions***

In order to fund the post-retirement life insurance benefit, three hundredths of one percent (.03%) of the gross annual payroll of members is contributed by the state.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At June 30, 2024, the Boone County School District did not report a liability for its proportionate share of the collective net OPEB liability for life insurance benefits because the State of Kentucky provides the OPEB support directly to TRS on behalf of the District. The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the District	<u>880,000</u>
	<u>\$ 880,000</u>

For the year ended June 30, 2024, the District recognized OPEB expense of \$-0- and revenue of \$87,482 for support provided by the State.

***Actuarial assumptions***

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.10%, net of OPEB plan investment expense, including inflation.
Projected salary increases	3.00 - 7.50%, including wage inflation
Inflation rate	2.50%
Real Wage Growth	0.25%
Wage Inflation	2.75%
Municipal Bond Index Rate	3.66%
Discount Rate	7.10%
Single Equivalent Interest Rate	7.10%, net of OPEB plan investment expense, including price inflation

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

Mortality rates were based on the Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups: service, retirees, contingent annuitants, disabled retirees, and active members. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2022 valuation were based on the results of the most actuarial experience studies, which covered the five-year period ending June, 30, 2020, adopted by the Board on September 20, 2021.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity	40.0%	5.2%
International Equity	20.0%	5.8%
Fixed Income	21.0%	1.9%
Real Estate	7.0%	3.2%
Private Equity	5.0%	8.0%
Other Additional Categories	5.0%	4.0%
Cash	2.0%	1.6%
Total	100.0%	



**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 8 OPEB PLANS (CONTINUED)**

***Discount rate***

The discount rate used to measure the total OPEB liability for life insurance was 7.10%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 7.10%, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease <u>(6.10%)</u>	Current Discount Rate (7.10%)	1% Increase <u>(8.10%)</u>
Districts' net OPEB liability	\$ -	\$ -	\$ -

***OPEB plan fiduciary net position***

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS financial report.

**NOTE 9 CONTINGENCIES**

Grant Fund Approval

The District receives funding from federal, state, and local government agencies and private contributions. These funds are to be used for designated purposes only. For government agency grants, if the grantor's review indicates that the funds have not been used for the intended purpose, the grantors may request a refund of monies advanced or refuse to reimburse the District for its disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the District's grant programs is predicated upon the grantors' satisfaction that the funds provided are being spent as intended and the grantors' intent to continue the programs.

**NOTE 10 INSURANCE AND RELATED ACTIVITIES**

The District is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, etc. Each of these risk areas are covered through the purchase of commercial insurance. The District has purchased certain policies which are retrospectively rated, which includes workers' compensation insurance.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 11 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To obtain insurance for errors and omissions, and general liability coverage, the District participates in the Kentucky School Boards Insurance Trust Liability Insurance Fund. These public entity risk pools operate as common risk management and insurance programs for all school districts and other tax supported educational agencies of Kentucky who are members of the Kentucky School Boards Association. The District pays an annual premium to each fund for coverage. The Liability Insurance fund pays insurance premiums of the participating members established by the insurance carrier. The Trust can terminate coverage if it is unable to obtain acceptable excess general liability coverage and for any reason by giving ninety (90) days' notice. In the event the Trust terminated coverage, any amount remaining in the Fund (after payment of operational and administrative costs and claims for which coverage was provided) would be returned to the member on a pro rata basis.

The District is self-insured for unemployment insurance benefits. The District reimburses the state for any claims paid. The District purchases workers' compensation insurance through the Kentucky School Boards Insurance Trust. In addition, the District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 12 DEFICIT OPERATING/FUND BALANCES**

The Day Care Fund currently has a deficit fund balance of \$39,454, respectively. However, the following funds have operations that resulted in a current year deficit of revenues over expenditures, resulting in a corresponding reduction of fund balance:

Special Revenue Fund	\$	341,522
Ignite Institute Fund		66,597
Camp Ernst Middle School		20,100
Gray Middle School		11,497
Conner Middle School		9,719
Longbranch Elementary		3,165
Florence Elementary		2,180

**NOTE 13 COBRA**

Under COBRA, employers are mandated to notify terminated employees of available continuing insurance coverage. Failure to comply with this requirement may put the District at risk for a substantial loss (contingency).

**NOTE 14 CONTINGENT LIABILITY**

The District was a participant in the Kentucky School Board Insurance Trust (KSBIT) in which the District purchases general liability and workers' compensation insurance. As of June 30, 2024, the District has paid this liability in full.

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 15 TRANSFER OF FUNDS**

The following transfers were made during the year.

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	Special Revenue Fund	KETS (Technology)	\$ 554,000
General Fund	Ignite Fund	Operating Costs	2,146,080
General Fund	Construction Fund	Construction Costs	376,442
General Fund	District Activity Fund	Fee Subsidy	412,320
Special Revenue Fund	General Fund	Indirect Costs	1,092,167
Special Revenue Fund	Ignite Fund	Operating Costs	998,024
Special Revenue Fund	Construction Fund	Construction Costs	227,004
School Activity Fund	District Activity Fund	Fees and Other	1,173,713
Capital Outlay Fund	Construction Fund	Construction Costs	615,150
Building Fund	General Fund	Facilities Costs	997,852
Building Fund	Construction Fund	Construction Costs	1,155,011
Building Fund	Debt Service Fund	Debt Service	22,373,747
Food Service Fund	General Fund	Indirect Costs	674,326
Day Care Fund	General Fund	Indirect Costs	5,941

**NOTE 16 ON-BEHALF PAYMENTS**

For the year ended June 30, 2024 total payments of \$63,803,258 were made for life insurance, health insurance, TRS matching and administrative fees by the Commonwealth of Kentucky on behalf of the District. These payments were recognized as on-behalf payments and recorded in the appropriate revenue and expense accounts on the statement of activities.

General Fund	\$ 60,049,867
Debt Service	777,927
Day Care	27,639
Food Service	1,540,989
Ignite Institute	<u>1,406,836</u>
Total On-Behalf	<u>\$ 63,803,258</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Notes to the Financial Statements  
(Continued)**

**NOTE 17 SCHEDULE OF LONG-TERM OBLIGATIONS**

2010 QSCB, 2013, 2014-Ref, 2015-Ref, 2016, 2016-Ref, 2016B, 2017R, 2017B Ref, 2018, 2020, 2021,  
2022, & 2024 Bonds

FISCAL YEAR	BOONE COUNTY SCHOOL DISTRICT			KY SCHOOL FACILITIES CONSTRUCTION COMMISSION			TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	
2024-2025	\$ 17,696,494	\$ 6,104,375	\$ 23,800,869	\$ 492,166	\$ 149,616	\$ 641,782	\$ 24,442,651
2025-2026	18,143,139	5,645,701	23,788,840	505,521	136,262	641,783	24,430,623
2026-2027	17,227,714	5,141,186	22,368,900	495,946	122,271	618,217	22,987,117
2027-2028	12,787,910	4,021,825	16,809,735	457,090	108,861	565,951	17,375,685
2028-2029	13,129,728	3,665,102	16,794,830	470,272	95,681	565,953	17,360,782
2029-2030	12,371,164	3,293,557	15,664,721	418,836	81,931	500,767	16,165,488
2030-2031	12,723,742	2,939,977	15,663,719	431,258	69,508	500,766	16,164,485
2031-2032	9,372,231	2,572,266	11,944,497	257,769	56,634	314,403	12,258,900
2032-2033	9,684,388	2,275,730	11,960,118	265,612	48,791	314,403	12,274,521
2033-2034	9,502,429	1,963,569	11,465,998	202,571	40,501	243,072	11,709,069
2034-2035	9,816,069	1,651,666	11,467,735	208,931	34,141	243,072	11,710,807
2035-2036	10,154,381	1,322,989	11,477,370	215,619	27,453	243,072	11,720,441
2036-2037	9,644,262	979,598	10,623,860	200,738	20,845	221,583	10,845,443
2037-2038	7,275,353	696,055	7,971,408	104,647	16,045	120,692	8,092,100
2038-2039	7,537,013	443,984	7,980,997	107,987	12,706	120,693	8,101,691
2039-2040	3,958,566	205,091	4,163,657	111,434	9,259	120,693	4,284,350
2040-2041	1,333,207	84,687	1,417,894	61,793	5,701	67,494	1,485,388
2041-2042	1,371,130	42,996	1,414,126	63,870	3,623	67,493	1,481,619
2042-2043	1,922	125	2,047	18,078	1,475	19,553	21,600
2043-2044	1,198	48	1,246	18,802	752	19,554	20,800
Various*	2,862,778	-	2,862,778	-	-	-	2,862,778
	<u>\$ 186,594,818</u>	<u>\$ 43,050,526</u>	<u>\$ 229,645,344</u>	<u>\$ 5,108,940</u>	<u>\$ 1,042,056</u>	<u>\$ 6,150,996</u>	<u>\$ 235,796,340</u>

\*Expected interest income to be earned on qualified school construction bond escrow account

A summary of the changes in the principal of the outstanding bond obligations, the bond premium and the sick leave liability for the District during the year ended June 30, 2024 is as follows:

Governmental Activities	Balance	Additions	Payments	Balance
	July 1, 2023			June 30, 2024
Bond Obligations	<u>\$ 179,957,418</u>	<u>\$ 29,620,000</u>	<u>\$ 17,873,660</u>	<u>\$ 191,703,758</u>
Bond premium	<u>\$ 255,539</u>	<u>\$ 151,927</u>	<u>\$ 40,569</u>	<u>\$ 366,897</u>
Sick Leave	<u>\$ 2,843,857</u>	<u>\$ 165,750</u>	<u>\$ 493,044</u>	<u>\$ 2,516,563</u>

**NOTE 18 SUBSEQUENT EVENTS**

Subsequent events were considered through November 12, 2024, which represents the date the financial statements were available to be issued.

SUPPLEMENTARY  
INFORMATION

**BOONE COUNTY SCHOOL DISTRICT**

**Combining Balance Sheet – Nonmajor Governmental Funds  
As of June 30, 2024**

	<u>Capital Outlay Fund</u>	<u>Building Fund</u>	<u>Debt Service Fund</u>	<u>School Activity Fund</u>	<u>Ignite Institute</u>	<u>District Activity Fund</u>	<u>Total Non-major Governmental Funds</u>
<b>Assets</b>							
<b>Current:</b>							
Cash and cash equivalents (overdraft)	\$ 1,247,243	\$ 5,947,052	\$ 170,064	\$ 2,624,637	\$ 48,735	\$ 2,319,588	\$ 12,357,319
Interfund receivable	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	1,097,467	-	1,097,467
Total assets	<u>\$ 1,247,243</u>	<u>\$ 5,947,052</u>	<u>\$ 170,064</u>	<u>\$ 2,624,637</u>	<u>\$ 1,146,202</u>	<u>\$ 2,319,588</u>	<u>\$ 13,454,786</u>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,951	\$ 15,951
Interfund payable	-	-	-	-	1,097,467	1,149,717	2,247,184
Total liabilities	-	-	-	-	1,097,467	1,165,668	2,263,135
<b>Fund Balances:</b>							
<b>Restricted:</b>							
Capital projects fund	1,247,243	5,947,052	-	-	-	-	7,194,295
Debt service fund	-	-	170,064	-	-	-	170,064
Other	-	-	-	2,624,637	-	1,153,920	3,778,557
<b>Committed:</b>							
Sick Leave	-	-	-	-	-	-	-
Site-based carryforward	-	-	-	-	-	-	-
<b>Assigned</b>							
Assigned	-	-	-	-	-	-	-
<b>Unassigned</b>							
Unassigned	-	-	-	-	48,735	-	48,735
Total fund balances	<u>1,247,243</u>	<u>5,947,052</u>	<u>170,064</u>	<u>2,624,637</u>	<u>48,735</u>	<u>1,153,920</u>	<u>11,191,651</u>
Total liabilities and fund balances	<u>\$ 1,247,243</u>	<u>\$ 5,947,052</u>	<u>\$ 170,064</u>	<u>\$ 2,624,637</u>	<u>\$ 1,146,202</u>	<u>\$ 2,319,588</u>	<u>\$ 13,454,786</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes  
In Fund Balances – Nonmajor Governmental Funds  
As of June 30, 2024**

	<b>Capital Outlay Fund</b>	<b>Building Fund</b>	<b>Debt Service Fund</b>	<b>School Activity Fund</b>	<b>Ignite Institute</b>	<b>District Activity Fund</b>	<b>Total Nonmajor Government Funds</b>
<b>Revenues:</b>							
Taxes	\$ -	\$ 30,473,662	\$ -	\$ -	\$ -	\$ -	\$ 30,473,662
Earnings on investments	-	-	69,776	-	-	19,771	89,547
State sources	1,862,393	-	777,927	-	1,406,836	-	4,047,156
Federal sources	-	-	291,878	-	-	-	291,878
Other sources	-	-	-	5,965,665	1,253,267	109,857	7,328,789
Total revenues	<u>1,862,393</u>	<u>30,473,662</u>	<u>1,139,581</u>	<u>5,965,665</u>	<u>2,660,103</u>	<u>129,628</u>	<u>42,231,032</u>
<b>Expenditures:</b>							
Instructional	-	-	-	3,520,186	3,744,037	1,335,301	8,599,524
Student support services	-	-	-	34,777	519,929	(200)	554,506
Staff support services	-	-	-	701,831	189,459	108,026	999,316
School administration	-	-	-	175,583	492,728	74,827	743,138
Plant operation and maintenance	-	-	-	-	924,651	42,962	967,613
Student transportation	-	-	-	2,084	-	-	2,084
Central office	-	-	-	23,265	-	-	23,265
Community service operations	-	-	-	24,727	-	-	24,727
Debt service:							
Principal	-	-	17,873,660	-	-	-	17,873,660
Interest	-	-	5,627,563	-	-	-	5,627,563
Total expenditures	<u>-</u>	<u>-</u>	<u>23,501,223</u>	<u>4,482,453</u>	<u>5,870,804</u>	<u>1,560,916</u>	<u>35,415,396</u>
Excess (deficit) of revenues over expenditures	<u>1,862,393</u>	<u>30,473,662</u>	<u>(22,361,642)</u>	<u>1,483,212</u>	<u>(3,210,701)</u>	<u>(1,431,288)</u>	<u>6,815,636</u>
<b>Other Financing Sources (Uses)</b>							
Operating transfers in	-	-	22,373,747	-	3,144,104	1,586,033	27,103,884
Operating transfers out	(615,150)	(24,526,610)	-	(1,173,713)	-	-	(26,315,473)
Total other financing sources(uses)	<u>(615,150)</u>	<u>(24,526,610)</u>	<u>22,373,747</u>	<u>(1,173,713)</u>	<u>3,144,104</u>	<u>1,586,033</u>	<u>788,411</u>
Net change in fund balance	1,247,243	5,947,052	12,105	309,499	(66,597)	154,745	7,604,047
Fund balance, July 1, 2023	-	-	157,959	2,315,138	115,332	999,175	3,587,604
Fund balance, June 30, 2024	<u>\$ 1,247,243</u>	<u>\$ 5,947,052</u>	<u>\$ 170,064</u>	<u>\$ 2,624,637</u>	<u>\$ 48,735</u>	<u>\$ 1,153,920</u>	<u>\$ 11,191,651</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in Fund Balance -  
Budget to Actual – General Fund  
Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b>Revenues</b>				
Taxes	\$ 125,952,657	\$ 125,952,658	\$ 136,524,432	\$ 10,571,774
Earnings on investments	800,000	800,000	2,978,408	2,178,408
State sources	120,180,000	120,180,000	104,603,322	(15,576,678)
Federal sources	1,000,000	1,000,000	1,394,577	394,577
Other sources	2,466,800	2,467,375	3,730,638	1,263,263
Total revenues	<u>250,399,457</u>	<u>250,400,033</u>	<u>249,231,377</u>	<u>(1,168,656)</u>
<b>Expenditures</b>				
Instructional	183,624,637	181,768,997	136,069,135	45,699,862
Student support services	12,206,557	12,713,049	17,071,315	(4,358,266)
Staff support services	7,570,930	7,584,993	9,721,428	(2,136,435)
District administration	8,268,692	8,295,101	8,555,558	(260,457)
School administration	13,406,199	13,664,461	17,601,778	(3,937,317)
Business support services	5,062,302	5,273,909	6,401,873	(1,127,964)
Plant operation and maintenance	21,459,686	21,223,321	21,260,060	(36,739)
Student transportation	21,367,363	22,455,225	19,123,491	3,331,734
Food Service Operation	-	-	9,289	(9,289)
Community service operations	28,728	10,089	494,143	(484,054)
Architectural/Engineering	20,772	20,772	32,507	(11,735)
Facility acquisition and construction	34,000	34,000	-	34,000
Other	17,207,576	17,214,101	3,488,842	13,725,259
Total expenditures	<u>290,257,442</u>	<u>290,258,018</u>	<u>239,829,419</u>	<u>50,428,599</u>
Net change in fund balance	(39,857,985)	(39,857,985)	9,401,958	49,259,943
Fund balance, July 1, 2023	<u>39,857,985</u>	<u>39,857,985</u>	<u>66,290,306</u>	<u>26,432,321</u>
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,692,264</u>	<u>\$ 75,692,264</u>



**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual – Special Revenue Fund  
Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>Revenues</b>				
State sources	\$ 4,070,519	\$ 8,519,842	\$ 8,753,787	\$ 233,945
Federal sources	-	8,878,671	15,993,836	7,115,165
Other sources	554,000	869,490	1,321,344	451,854
Total revenues	<u>4,624,519</u>	<u>18,268,003</u>	<u>26,068,967</u>	<u>7,800,964</u>
<b>Expenditures</b>				
Instructional	2,417,668	12,434,141	16,904,403	(4,470,262)
Student support services	-	1,250,178	1,492,327	(242,149)
Staff support services	131,787	1,211,724	2,065,613	(853,889)
Business support services	-	25,276	975,881	(950,605)
Plant operation and maintenance	-	72,358	107,486	(35,128)
Student transportation	740,335	893,835	1,011,662	(117,827)
Day care operations	-	-	20,557	(20,557)
Community service operations	1,334,729	1,354,729	1,515,365	(160,636)
Other	-	998,599	2,317,195	(1,318,596)
Total expenditures	<u>4,624,519</u>	<u>18,240,840</u>	<u>26,410,489</u>	<u>(8,169,649)</u>
Net change in fund balance	-	27,163	(341,522)	(368,685)
Fund balance, July 1, 2023	-	-	1,224,834	1,224,834
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ 27,163</u>	<u>\$ 883,312</u>	<u>\$ 856,149</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual – Construction Fund  
Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>Revenues</b>				
Earnings on investments	\$ -	\$ -	\$ 2,381,844	\$ 2,381,844
Other sources	<u>162,259</u>	<u>6,139,120</u>	<u>31,915,405</u>	<u>25,776,285</u>
Total revenues	<u>162,259</u>	<u>6,139,120</u>	<u>34,297,249</u>	<u>28,158,129</u>
<b>Expenditures</b>				
Plant operation and maintenance	-	-	-	-
Facility acquisition and construction	162,259	8,827,590	9,592,614	765,024
Other	<u>-</u>	<u>(510,488)</u>	<u>-</u>	<u>510,488</u>
Total expenditures	<u>162,259</u>	<u>8,317,102</u>	<u>9,592,614</u>	<u>1,275,512</u>
Net change in fund balance	-	(2,177,982)	24,704,635	26,882,617
Fund balance, July 1, 2023	<u>-</u>	<u>-</u>	<u>31,340,957</u>	<u>31,340,957</u>
Fund balance, June 30, 2024	<u>\$ -</u>	<u>\$ (2,177,982)</u>	<u>\$ 56,045,592</u>	<u>\$ 58,223,574</u>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balances  
Bond and Interest Redemption Funds  
For the Year Ended June 30, 2024**

	<u>Issue of 2010 - QCSB</u>	<u>Issue of 2012 - Ref</u>	<u>Issue of 2012B - Ref</u>	<u>Issue of 2013</u>	<u>Issue of 2014 - Ref</u>	<u>Issue of 2015 - Ref</u>	<u>Issue of 2016</u>	<u>Issue of 2016 - Ref</u>	<u>Issue of 2016B</u>
<b>Cash at July 1, 2023</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Receipts:</b>									
Transfers and miscellaneous deposits	1,121,048	4,315,500	2,134,600	284,412	1,978,025	1,757,450	485,263	5,454,650	1,526,975
<b>Disbursements:</b>									
Bonds paid	483,660	4,200,000	2,080,000	140,000	1,835,000	1,580,000	215,000	4,760,000	720,000
Interest coupons	637,388	115,500	54,600	144,412	143,025	177,450	270,263	694,650	806,975
Total disbursements	1,121,048	4,315,500	2,134,600	284,412	1,978,025	1,757,450	485,263	5,454,650	1,526,975
Excess of receipts over disbursements	-	-	-	-	-	-	-	-	-
<b>Cash at June 30, 2024</b>	-	-	-	-	-	-	-	-	-
<b>Fund Balance at June 30, 2024</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	<u>Issue of 2017R</u>	<u>Issue of 2017B Ref</u>	<u>Issue of 2018</u>	<u>Issue of 2020</u>	<u>Issue of 2021</u>	<u>Issue of 2022</u>	<u>Issue of 2024</u>	<u>Total</u>
<b>Cash at July 1, 2023</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Receipts:</b>								
Transfers and miscellaneous deposits	929,450	747,950	602,944	1,148,475	241,900	772,581	-	23,501,223
<b>Disbursements:</b>								
Bonds paid	710,000	410,000	180,000	300,000	50,000	210,000	-	17,873,660
Interest coupons	219,450	337,950	422,944	848,475	191,900	562,581	-	5,627,563
Total disbursements	929,450	747,950	602,944	1,148,475	241,900	772,581	-	23,501,223
Excess of receipts over disbursements	-	-	-	-	-	-	-	-
<b>Cash at June 30, 2024</b>	-	-	-	-	-	-	-	-
<b>Fund Balance at June 30, 2024</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Boone County High School Activity Fund  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Abbey Zimmer Scholarship	\$ 9,489	\$ 3,560	\$ 3,750	\$ 9,299
Academic team	92	81	-	173
Advanced Placement	1,918	3,285	3,509	1,694
Archery	5,584	11,137	11,992	4,729
Art Club	160	-	160	-
Art Department	133	2,208	2,142	199
Athletic Concessions	3,935	34,408	36,278	2,065
Athletic Fees	6,908	420	2,565	4,763
Athletics	48,291	183,337	195,303	36,325
Background check	25	525	540	10
Backpack Food Program	306	1,442	367	1,382
Band Activities	-	690	435	255
Band trip	-	19,062	19,062	-
Baseball	6,070	7,275	7,108	6,237
Basketball - Boys	1,193	7,243	5,250	3,186
Basketball - Girls	834	9,083	6,202	3,715
BCHSKYA	31	-	-	31
Bowling Team	1,607	4,974	5,277	1,305
Broadway Art Scholarship	2,800	59,098	59,128	2,770
Ceramic Class	-	1,177	910	267
Charitable Gaming Holding	174	1,134	1,308	-
Cheerleaders - JV & Varsity	4,237	25,492	24,107	5,622
Cheerleading Nationals	-	17,522	17,522	-
Chick Fila Leaders	268	-	-	268
Choral Music	1,602	5,806	7,049	359
Citigroup Scholarship	8,870	30,000	32,235	6,636
Class of 1955 scholarship	20	2,500	2,500	20
Conservation Grant	10	-	-	10
CRAC	6,315	2,489	2,511	6,293
Cross Country - Boys	831	380	845	366
Cross Country - Girls	744	320	663	401
Dance Team	-	472	472	-
District Sweep	-	95,271	94,446	825
Dr. Edward P & Mary	5,199	18,195	20,000	3,394
Empowerment Club	-	47	-	47
Family and Consumer Science	7	1,305	1,158	154
FASFF	482	-	-	482
FBLA	-	604	604	-
FCA	16	47	47	16
FCCLA	-	210	210	-
Fine Arts Department	-	180	180	-
Football	-	33,862	33,698	164
Forensic Nationals	273	750	1,023	-
Forensic Team	192	13,561	12,349	1,404
French Club	6	-	-	6
General	5,742	14,728	5,486	14,984
General Fees	4,101	71,094	71,809	3,386
Go Pantry	10	275	275	10
Golf - Boys	1,312	889	1,297	904
Golf - Girls	1,518	400	195	1,723

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Boone County High School Activity Fund (Continued)  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Grace Kelly Girls Club	\$ 261	\$ -	\$ -	\$ 261
Guidance Department	1,763	-	-	1,763
JR SR Class	651	25,059	22,637	3,072
Library	52	61	-	113
Logan's Heroes	787	-	59	727
Marching Band	-	4,815	3,446	1,369
Men of Boone	128	-	57	71
Music Honor Society	461	2,041	2,399	103
Nancy Lambers Bresser	-	250	250	-
National Art Honor Society	405	379	611	173
National Honor Society	1,588	6,066	5,045	2,609
Newspaper	495	10	82	423
Next Grad Scholarship	-	500	-	500
Parking	-	2,115	2,115	-
Performing Arts Center	-	11,820	1,440	10,380
Photography Club	60	-	-	60
Rebels for a Cause	1,673	210	1,343	540
Science Department	-	268	248	20
Service Learning	2	-	-	2
Shawn Garnett Memorial Sc	-	640	500	140
Soccer - Boys	4,249	11,198	12,446	3,001
Soccer - Girls	3,686	7,870	2,566	8,990
Softball	5,227	6,198	9,282	2,143
Spanish Club	30	-	-	30
Spanish National Honor Society	-	4,325	4,325	-
Special Ed Department	32	-	-	32
Spiri-Demic Store	1,874	4,818	5,547	1,146
Spotlighters	3,896	1,687	2,322	3,261
Spring Musical	142	-	142	-
Stipulation Free	72	-	-	72
Student Council	417	1,136	1,356	198
Student Enrichment	1,269	-	-	1,269
Summer enrichment	-	2,775	75	2,700
Swimming	3,140	8,669	10,020	1,789
Tennis - Boys	314	-	57	256
Tennis - Girls	780	100	70	809
Testing Committee	1,111	-	-	1,111
Textbook rental	-	35	35	-
Track - Boys	4,829	8,091	11,490	1,430
Track - Girls	2,812	8,468	5,096	6,184
Track Meet Account	-	9,855	8,200	1,656
Volleyball	9,017	7,058	12,619	3,457
Women of Boone	246	-	100	146
World Language Dept	-	349	347	2
Wrestling	8,373	8,659	6,469	10,563
Yearbook	6,511	6,572	6,396	6,687
Youth Service Center	491	1,380	786	1,085
<b>Total</b>	<b>\$ 198,151</b>	<b>\$ 840,014</b>	<b>\$ 831,946</b>	<b>\$ 206,220</b>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Conner High School Activity Fund  
For the Year Ended June 30, 2024**

	<u>Fund Balance July 1, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Fund Balance June 30, 2024</u>
Academic Team	\$ 239	\$ 619	\$ 675	\$ 184
Archery Club	3,656	9,774	11,087	2,343
Art	-	4,293	4,293	-
Art Club	449	-	-	449
Athletic	37,470	80,187	70,043	47,614
Athletic Fees	17,881	15,606	14,995	18,492
Athletic Gates	54	7,583	7,583	54
Background Check	-	540	540	-
Band	4,756	3,703	4,062	4,396
Baseball	19,073	60,157	42,810	36,420
Basketball/Boys	7,443	24,064	19,195	12,312
Basketball/Girls	24,311	23,793	21,645	26,459
Bowling	564	70	300	334
Bowling, Girls	-	205	-	205
Character Counts	3,237	-	370	2,867
Cheerleaders	10,759	75,015	79,284	6,490
Choir Fee	-	489	489	-
Choirs	4,666	10,484	12,361	2,788
CHS Scholarship	4,005	4	-	4,009
Citi 2022-23	2,033	-	2,033	-
Citi 2023-2024	11,500	1,712	13,212	-
Citi 2024-2025	-	11,500	-	11,500
Citi Reserve Account	7,252	4,579	2,107	9,724
Clearing	-	900	900	-
Cougars in the Community	1,106	-	60	1,046
Cross Country	13,903	9,004	8,776	14,131
CTE	-	753	753	-
Culinary Creations	7,510	4,743	3,366	8,887
Dance Team	-	11,687	7,206	4,481
District Basketball	50	13,866	13,916	-
Drinks/Snack - Student Account	9,791	643	2,645	7,789
Drug Free Club	16	-	-	16
Earth Club	493	-	228	265
Educators Rising	65	-	-	65
English	1,820	-	230	1,590
F.B.L.A	777	5,618	5,222	1,172
F.C.C.L.A.	4,810	-	182	4,628
F.F.A.	4,150	24,076	24,889	3,337
FCA	-	255	26	229
Fees	500	52,462	52,907	55
FFA Scholarship	47,169	-	-	47,169
Field Rental	11,200	16,750	-	27,950
Field Trips	89	3,333	3,058	363
Football	13,900	90,425	78,519	25,806
Gay/Straight Alliance	84	-	50	34
General	17,661	31,415	4,149	44,927
Golf/Boys	4,875	6,400	6,387	4,888
Golf/Girls	492	125	365	252

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Conner School Activity Fund (Continued)  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Greenhouse	\$ 4,270	\$ 6,144	\$ 2,776	\$ 7,638
Greg Miller Athletic Scholarship	4,000	75	500	3,575
Guidance	15,232	4,445	6,168	13,509
Hispanic Honor Society	1,110	1,182	1,459	833
Instrument Rental Fee	-	1,149	1,149	-
Inventory/Replacement	1,439	861	2,300	-
John Hoffman Scholarship	14,495	-	500	13,995
Junior Class	3,842	36,269	30,354	9,756
Leadership League	139	-	-	139
Library	52	-	-	52
Marching Band	5,960	11,457	10,478	6,938
MDHRoom	847	-	-	847
Media/Yearbook	7,739	11,491	2,078	17,153
Men/Woman of Conner	422	250	147	524
Musical Theatre	8,612	9,513	7,517	10,608
National Honor Society	3,091	4,598	2,980	4,709
Orchestra	160	-	160	-
Parking	-	4,350	4,350	-
Postage	448	110	-	557
Project Learning	235	-	-	235
Scholarships	3	7,500	7,503	-
Science	105	10,978	11,068	15
Senior Class	7,978	26,950	34,928	-
Shawn Garnett Mem Fund	-	640	500	140
Soccer District	-	5,202	5,202	-
Soccer/Boys	12,428	18,798	19,775	11,451
Soccer/Girls	15,204	23,222	26,461	11,965
Social Studies	22	220	242	-
Soft Drinks - Faculty Account	121	193	91	223
Softball	8,629	11,230	4,415	15,444
Speech Team	6	-	6	-
Student Council	1,090	7,047	6,378	1,760
Swimming	7,946	1,808	5,970	3,784
Teachers Helping Teachers	141	758	880	18
Teams	350	-	-	350
Tennis/Boys	373	189	362	200
Tennis/Girls	467	710	688	489
Textbooks	407	41,665	42,016	56
The Cougar Crew	278	-	50	228
Track	1,160	10,228	8,165	3,223
Track Conference	-	3,074	3,074	-
TSA	210	-	190	20
Volleyball	12,493	17,363	15,929	13,927
Wendell Hull Scholarship	1,360	-	500	860
Wrestling	5,840	11,100	9,287	7,653
YFSC	3,941	2,988	1,157	5,771
<b>Total</b>	<b>\$ 452,458</b>	<b>\$ 900,586</b>	<b>\$ 798,671</b>	<b>\$ 554,372</b>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Randall K. Cooper School Activity Fund  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Academic Team	\$ 856	\$ 268	\$ 400	\$ 724
After School Calculus	25	-	-	25
AP Biology	71	-	-	71
AP Government Field	40	-	40	-
Archery club	1,706	18,525	19,393	838
Art Club	558	-	558	-
Arts Scholarship Fund	-	2,228	929	1,299
Athletic Administration	47,581	306,085	320,505	33,161
Athletic Fees	4,376	23,895	22,182	6,089
Autism Fundraiser	89	225	-	314
Band	16,470	20,116	21,282	15,305
Baseball	2,354	44,935	34,474	12,814
Basketball Boys	4,191	27,922	24,228	7,885
Basketball Girls	4,576	23,854	25,184	3,247
Biology club	81	-	81	-
Bowling Team	1,314	5,321	3,598	3,037
Ceramics Club	310	175	114	371
Cheerleading	34,976	167,388	164,662	37,702
Chorus	479	1,815	1,494	801
Class of 2024	920	19,980	17,290	3,610
Class of 2025	663	80	-	743
Cooper Can	96	993	1,015	74
Cooper Cuisine	209	8,574	7,924	859
Cooper Store	1,932	21,113	18,094	4,952
Craft Fair	-	63,322	7,917	55,406
Cross Country Boys	1,429	5,186	6,615	-
Cross Country Girls	3,618	2,732	3,811	2,540
Dance Team	2,398	2,644	2,401	2,641
District Sweep	-	165,838	165,838	-
Drama	10,030	46,531	43,890	12,672
English Field Trip	182	-	-	182
Faculty Generated	-	730	589	142
Faculty Vending	141	334	285	191
Family Resource Center	1,418	965	1,408	975
FBLA	477	1,475	1,188	764
FCCLA	65	13,931	13,588	408
FFA	-	20,539	20,271	268
FFA Greenhouse	1,125	1,037	1,321	841
FMP	-	5,638	5,638	-
Football	56,642	133,912	115,433	75,122
French Club	191	-	10	181
General	1,217	2,368	878	2,708
German Club	-	210	5	205
German Field Trip	25	-	-	25
German Honor Society	113	160	203	70
Girl's Soccer School	-	9,436	5,750	3,686



**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Randall K. Cooper School Activity Fund (Continued)  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Golf Boys	\$ 2,369	\$ 3,035	\$ 3,695	\$ 1,710
Golf Girls	3,084	8,670	6,226	5,529
Graduation DVD	1,230	38	770	498
Guidance	3,983	11,883	10,445	5,420
HOSA	-	95	-	95
Interalliance	353	-	353	-
KY background checks	60	1,525	1,575	10
Lacrosse Club	2,482	18,475	16,512	4,445
Nat. Art Honor Society	-	1,582	907	675
National Honor Society	1,786	1,868	1,562	2,092
NYC Drama Trip	-	23,104	23,096	8
Outdoor Classroom/Science	-	1,167	578	589
Parking Passes	500	3,858	4,358	-
Peace Club	430	-	430	-
PEP Club	200	-	25	175
Principal Award	-	1,500	500	1,000
Robotics Club	-	5,263	1,547	3,716
Room 150	356	633	362	626
SBDM Background Check	10	-	10	-
Senior English Project	250	-	-	250
Sew Copper	421	6,273	5,943	751
Ski Club	117	114	40	191
Soccer Boys	4,269	11,930	11,025	5,173
Soccer Girls	8,948	17,631	12,242	14,337
Softball	1,124	5,988	5,864	1,248
Spanish Club	46	-	-	46
Spanish Honor Society	2,571	200	194	2,577
Speech & Drama	1,099	99	290	908
St. Elizabeth Healthcare	1,793	16,700	17,713	780
Stadium Revenue	3,682	3,980	250	7,412
Start Up Cash	-	300	300	-
Student Council	5,277	28,307	32,523	1,060
Student Fees	3,152	124,624	126,088	1,688
Student Vending	340	237	149	428
Swimming	5,975	626	5,516	1,085
Table Tennis Club	121	-	121	-
Tennis Boys	978	4,608	3,191	2,395
Tennis Girls	-	2,974	1,309	1,665
Textbook	-	38,968	38,968	-
Track Boys	1,170	11,563	7,574	5,159
Track Girls	655	8,285	6,329	2,611
Volleyball	4,505	19,593	12,590	11,508
WL Exams	142	2,826	2,933	35
Wrestling	2,252	3,273	2,860	2,665
Yearbook	24,030	7,559	2,171	29,418
<b>Total</b>	<b>\$ 292,706</b>	<b>\$ 1,569,834</b>	<b>\$ 1,449,619</b>	<b>\$ 412,920</b>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Larry A. Ryle School Activity Fund  
For the Year Ended June 30, 2024**

	<b>Fund Balance</b>			<b>Fund Balance</b>
	<b>July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>June 30, 2024</b>
Academic Team	\$ 281	\$ 95	\$ 370	\$ 6
Advanced Multimedia	1,233	-	-	1,233
Agenda	5	1,674	1,659	20
Archery	3,800	19,998	22,237	1,561
Art club	1,489	940	1,120	1,308
Art Department	610	-	-	610
Art Honor Society	165	40	-	205
Art Student Fees	75	3,002	3,062	15
Athletic Administration	5,220	53,197	29,924	28,493
Athletic Fees	11,677	21,985	33,662	-
Athletic Gate Clearing	23,398	171,300	174,775	19,923
Baseball	7,853	36,427	31,506	12,774
BiCounty VoAg Scholarship	49,169	-	1,500	47,669
Biliteracy	40	-	-	40
Bowling	38	4,298	4,268	67
Boys Basketball	19,442	45,435	33,232	31,645
Boys District Basketball	-	-	-	-
Boys Golf	203	1,791	1,643	350
Boys Soccer	27,418	19,794	33,977	13,235
Boys Tennis	314	163	314	163
Boys Volleyball	-	4,399	1,140	3,259
Business Department	292	410	437	265
Campus Store	4,450	3,216	1,347	6,318
Cash Advance/Start Up	-	4,500	4,500	-
Cheerleading	17,071	142,780	135,444	24,407
Chickfila Leader Academy	602	-	-	602
Children, Inc.	500	-	-	500
Choral Music	347	14,106	14,453	-
Chorus Student Fees	15	360	375	-
Class of 2024	15,547	18,505	31,103	2,949
Cross Country	8,060	28,083	22,639	13,504
Dance Team	3,826	14,910	13,720	5,016
DECA	988	100,145	99,664	1,468
District Baseball	-	1,458	1,458	-
District Softball	427	-	427	-
District Sweep	-	210,105	209,805	300
Drama	-	18,166	16,222	1,944
English Department	126	-	-	126
English Honor Society	623	1,250	1,245	628
Exceptional Department	-	500	-	500
F.B.L.A	2,070	8,028	6,535	3,563
FCCLA	3,333	5,749	7,027	2,054
FCS	3,760	-	43	3,717
FCS Catering	712	2,862	2,724	851
FCS Raider Threads	3,727	150	53	3,824
FCS Student Fees	90	1,782	1,857	15
FFA	1,120	27,819	28,057	882
FMD Room	7,370	122	965	6,528
FMD Unified Sports	4,125	4,532	1,084	7,572
Football	5,714	66,816	51,495	21,036
Forensics/Speech & Debate	2,321	6,738	4,956	4,103
French Honor Society	332	377	455	253
Freshman Student Council	-	158	-	158
Gardening Club	300	370	-	670
General	10,820	6,444	6,140	11,124
General Student Fees	623	63,377	63,442	557
German Honor Society	129	359	435	53

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
Larry A. Ryle School Activity Fund (Continued)  
For the Year Ended June 30, 2024**

	<b>Fund Balance July 1, 2023</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Fund Balance June 30, 2024</b>
Girls Basketball	\$ 6,998	\$ 30,856	\$ 29,632	\$ 8,222
Girls Golf	140	8,575	8,287	428
Girls Lacrosse	1,790	2,181	3,919	53
Girls Soccer	9,681	9,765	9,364	10,083
Girls Tennis	198	754	649	303
Girls Volleyball	9,946	33,974	28,392	15,528
Glob. Issues Student Fees	-	80	80	-
Guidance Department	28,416	20,408	18,129	30,694
HOSA	824	2,876	2,677	1,022
INTERalliance Club	252	-	252	-
International Festival	948	-	-	948
Junior Student Council	13,974	44,775	32,123	26,626
Key Club	851	1,375	1,907	319
Lacrosse	3,124	3,212	3,120	3,216
Library	-	22	22	-
Marching Band	32,857	106,136	110,461	28,532
Math Department	-	939	720	219
Math Honor Society	840	1,592	2,166	267
Multicultural Society	317	-	-	317
National Honor Society	1,296	2,845	2,798	1,343
NTHS	-	1,022	970	52
Parking Fees	23	4,304	4,297	30
Photography Club	1,650	-	-	1,650
Physical Education	7,848	10,182	13,072	4,958
Quill & Scroll	64	365	429	-
Raider Alliance Club	271	-	-	271
Regional Boys Soccer	33	909	942	-
Regional Cross Country	-	1,535	1,535	-
Regional Girls Soccer	1,152	-	1,152	-
Regional Softball	267	-	267	-
Science Department	1,339	2,698	3,375	662
Science Honor Society	116	525	412	229
Science Olympiad	1,285	2,675	1,270	2,689
Science Student Fees	98	14,473	14,435	135
Senior Student Council	-	320	320	-
Softball	1,853	5,340	2,272	4,920
Sophomore Student Council	159	815	446	528
Spanish Honor Society	407	2,037	2,191	252
Student Council	2,967	17,239	15,870	4,336
Student Fines	525	1,232	1,505	252
Student Scholarships	11,427	36,195	37,685	9,937
Student Vending	827	509	651	685
Students For Life Club	73	-	73	-
Summer School	4,334	17,315	18,659	2,990
Swim & Dive Team	4,267	8,783	12,580	470
Teacher Vending	3,425	6,990	5,385	5,030
Textbook Rental	417	43,811	43,783	445
Track	12,292	18,978	25,746	5,524
TSA	-	8,041	8,041	-
Vo-Ag Student fees	-	436	436	-
Vocational Agriculture	3,991	160	93	4,058
Workbook/Digital Materials	20	3,109	3,129	-
Wrestling	24,897	17,876	19,752	23,021
Yearbook	6,478	12,153	6,779	11,852
Youth Services Center	84	-	-	84
<b>Total</b>	<b>\$ 456,887</b>	<b>\$ 1,649,100</b>	<b>\$ 1,604,742</b>	<b>\$ 501,245</b>

**BOONE COUNTY SCHOOL DISTRICT**

**Statement of Receipts, Disbursements and Fund Balance  
School Activity Funds  
For the Year Ended June 30, 2024**

	<b>Fund Balance</b>			<b>Fund Balance</b>
<b>Middle Schools</b>	<b>at July 1, 2023</b>	<b>Receipts</b>	<b>Expenditures</b>	<b>at June 30, 2024</b>
BALLYSHANNON MIDDLE SCHOOL	\$ 50,900	\$ 172,936	\$ (159,999)	\$ 63,837
CAMP ERNST MIDDLE SCHOOL	67,449	233,865	(253,965)	47,349
CONNER MIDDLE SCHOOL	136,827	216,464	(226,183)	127,108
GRAY MIDDLE SCHOOL	71,881	195,540	(207,037)	60,384
JONES MIDDLE SCHOOL	40,180	58,123	(48,325)	49,978
OCKERMAN MIDDLE SCHOOL	47,828	130,604	(122,950)	55,482
<b>Elementary Schools</b>				
BURLINGTON ELEMENTARY SCHOOL	45,455	42,737	(36,849)	51,343
COLLINS ELEMENTARY SCHOOL	14,679	20,272	(19,175)	15,775
ERPENBECK ELEMENTARY SCHOOL	48,107	110,786	(111,495)	47,397
FLORENCE ELEMENTARY SCHOOL	21,566	24,248	(26,428)	19,387
GOODRIDGE ELEMENTARY SCHOOL	102,999	64,707	(49,681)	118,026
KELLY ELEMENTARY SCHOOL	48,101	43,345	(41,384)	50,062
LONGBRANCH ELEMENTARY SCHOOL	13,672	123,780	(126,945)	10,507
NEW HAVEN ELEMENTARY SCHOOL	35,430	73,943	(73,635)	35,738
NORTH POINTE ELEMENTARY SCHOOL	46,159	58,611	(51,029)	53,741
OCKERMAN ELEMENTARY SCHOOL	50,854	35,314	(28,751)	57,417
SHIRLEY MANN ELEMENTARY SCHOOL	12,983	106,728	(104,075)	15,636
STEEPLECHASE ELEMENTARY SCHOOL	11,591	37,548	(32,980)	16,160
STEPHENS ELEMENTARY SCHOOL	13,717	52,746	(52,151)	14,312
THORNWILDE ELEMENTARY SCHOOL	17,181	89,488	(84,635)	22,034
YEALEY ELEMENTARY SCHOOL	15,076	48,648	(45,519)	18,206
	<u>\$ 912,637</u>	<u>\$ 1,940,433</u>	<u>\$ (1,903,191)</u>	<u>\$ 949,880</u>

## BOONE COUNTY SCHOOL DISTRICT

### Schedule of District's Proportionate Share of the Net Pension Liability – TRS

Last 10 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	*
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*
State's proportionate share of the net pension liability associated with the District	560,535,650	559,612,588	426,121,417	455,108,537	429,864,664	404,018,757	817,224,215	865,705,447	669,277,382	554,477,174
<b>Total</b>	<b>\$ 560,535,650</b>	<b>\$ 559,612,588</b>	<b>\$ 426,121,417</b>	<b>\$ 455,108,537</b>	<b>\$ 429,864,664</b>	<b>\$ 404,018,757</b>	<b>\$ 817,224,215</b>	<b>\$ 865,705,447</b>	<b>\$ 669,277,382</b>	<b>\$ 554,477,174</b>
District's covered-employee payroll	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	\$ 92,888,014	\$ 87,536,568	\$ 85,576,799	\$ 84,319,614	\$ -
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	*
Plan fiduciary net position as a percentage of the total pension liability	57.68%	56.41%	65.59%	58.27%	58.76%	59.27%	39.83%	35.22%	42.49%	45.59%

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Changes of benefit terms:* A new benefit tier was added for members joining the System on and after January 1, 2022

*Changes of assumption:* In 2014, the calculation of the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 5.16% to 5.23%

*Changes of assumption:* In 2015, the calculation of the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 5.23% to 4.88%

*Changes of assumption:* In the 2016 valuation, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In the 2016 valuation, the Assumed Salary Scale, Price Inflation, and Wage Inflation were adjusted to reflect a decrease. In addition, the calculation for the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 4.88% to 4.20%.

*Changes of assumption:* In 2017, the calculation of the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 5.20% to 4.49%

*Changes of assumption:* In 2018, the calculation of the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 4.49% to 7.50%

*Changes of assumption:* In the 2020 experience study, rates of withdrawal, retirement, disability, mortality, and rates of salary increase were adjusted to reflect actual experience more closely. The expectation of mortality was changed to the Pub2010 Mortality Tables projected generationally with MP-2020 with various set forwards, set-backs, and adjustments for each of the groups; service retirees, contingent annuitants, disabled retirees, and actives. The assumed long-term investment rate of return was changed from 7.50% to 7.10% and the price inflation assumption was lowered from 3% to 2.50%. In addition, the calculation of the SEIR results in an assumption change from 7.50% to 7.10%.

**BOONE COUNTY SCHOOL DISTRICT**  
**Schedule of District Contributions – TRS**

Last 10 Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 4,165,803	\$ 4,129,292	\$ 3,985,556	\$ 3,447,968	\$ 3,410,481	\$ 3,208,753	\$ 3,115,028	\$ 3,028,050	\$ 2,880,649	\$ 2,117,192
Contributions in relation to the contractually required contribution	<u>(4,165,803)</u>	<u>(4,129,292)</u>	<u>(3,985,556)</u>	<u>(3,447,968)</u>	<u>(3,410,481)</u>	<u>(3,208,753)</u>	<u>(3,115,028)</u>	<u>(3,028,050)</u>	<u>(2,880,649)</u>	<u>(2,117,192)</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 116,973,472	\$ 114,532,838	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	\$ 92,888,014	\$ 87,536,568	\$ 85,576,799
Contributions as a percentage of covered-employee payroll	3.56%	3.61%	3.61%	3.27%	3.30%	3.24%	3.24%	3.26%	3.29%	2.47%

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

## BOONE COUNTY SCHOOL DISTRICT

### Schedule of the District's Proportionate Share of the Net Pension Liability – CERS

	Last 10 Fiscal Years*									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of net pension liability	1.142493%	1.134835%	1.175779%	1.183459%	1.056374%	1.046308%	1.061296%	1.058814%	1.053916%	1.050980%
District's proportionate share of the net pension liability	\$ 73,308,159	\$ 82,037,375	\$ 74,965,134	\$ 90,770,326	\$ 74,295,524	\$ 63,723,346	\$ 62,120,918	\$ 52,131,983	\$ 45,313,405	\$ 34,098,000
Total net pension liability	\$ 6,416,508,407	\$ 7,229,013,496	\$ 6,375,784,388	\$ 7,669,917,211	\$ 7,033,044,552	\$ 6,090,304,793	\$ 5,853,307,482	\$ 4,923,618,237	\$ 4,299,525,565	\$ 3,244,377,000
District's covered-employee payroll	\$ 33,158,494	\$ 31,373,416	\$ 30,031,586	\$ 30,306,885	\$ 26,647,709	\$ 25,931,627	\$ 25,831,625	\$ 25,264,462	\$ 24,601,259	\$ 24,096,211
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	221.08%	261.49%	249.62%	299.50%	278.81%	245.74%	240.48%	206.35%	184.19%	141.51%
Plan fiduciary net position as a percentage of the total pension liability	57.48%	54.42%	57.33%	47.81%	50.45%	53.54%	53.30%	55.50%	59.97%	66.80%

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Changes of benefit terms:* The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30 listed below:

2014: As cash balance plan was introduced for member whose participation date is on or after January 1, 2014.

*Changes of assumption:* The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30 listed below:

2015: The assumed investment rate of return was decreased from 7.75% to 7.50%.

2015: The assumed rate of inflation was reduced from 3.50% to 3.25%.

2015: The assumed rate of wage inflation was reduced from 1.00% to 0.75%.

2015: Payroll growth assumption was reduced from 4.50% to 4.00%.

2015: The mortality table used for active members is RP-2000 Combined Mortality table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females).

2015: For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement. There is some margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

2015: The assumed rates of Retirement, Withdrawal and Disability were updated to more accurately reflect experience.

2017: The assumed investment rate of return was decreased from 7.5% to 6.25%.

2017: The assumed rate of inflation was reduced from 3.25% to 2.30%.

2017: The assumed rate of salary growth was reduced from 4.00% to 3.05%.

2023: The assumed investment rate of return was increased from 6.25% to 6.50%.

**BOONE COUNTY SCHOOL DISTRICT**  
**Schedule of District Contributions - CERS**

Last 10 Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 7,959,614	\$ 8,883,158	\$ 8,455,606	\$ 7,225,599	\$ 7,292,836	\$ 5,723,896	\$ 4,973,632	\$ 4,825,467	\$ 4,310,381	\$ 4,347,033
Contributions in relation to the contractually required contribution	<u>(7,959,614)</u>	<u>(8,883,158)</u>	<u>(8,455,606)</u>	<u>(7,225,599)</u>	<u>(7,292,836)</u>	<u>(5,723,896)</u>	<u>(4,973,632)</u>	<u>(4,825,467)</u>	<u>(4,310,381)</u>	<u>(4,347,033)</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$34,093,759	\$33,158,494	\$31,373,416	\$30,031,586	\$30,306,885	\$26,647,709	\$25,931,627	\$25,831,625	\$25,264,462	\$24,601,259
Contributions as a percentage of covered-employee payroll	23.35%	26.79%	26.95%	24.06%	24.06%	21.48%	19.18%	18.68%	17.06%	17.67%

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of the District's Proportionate Share of the Net OPEB Liability - LIF**

Last 10 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the collective trust OPEB liability	0%	0%	0%	0%	0%	0%	0%	*	*	*
District's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*	*
State's proportionate share of the collective net OPEB liability (asset) associated with the District	880,000	967,000	404,000	1,050,000	920,000	815,000	622,000	*	*	*
Total net OPEB liability	\$ 880,000	\$ 967,000	\$ 1,050,000	\$ 920,000	\$ 815,000	\$ 622,000	\$ 622,001	*	*	*
District's covered-employee payroll	\$ 114,532,838	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	\$ 92,888,014	*	*	*
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	76.91%	73.97%	89.15%	71.57%	73.40%	74.97%	79.99%	*	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Changes of benefit terms* - None.

*Methods and assumptions used in the actuarially determined contributions* - The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the Schedule of Employer Contributions are calculated as the of the indicated valuation date. The following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022:

Valuation date	June 30, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	24 Years
Asset valuation method	Five-year smoothed value
Inflation	3.00%
Real wage growth	0.50%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% - 7.20%
Discount rate	7.50%

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of District Contributions - LIF**

	Last 10 Fiscal Years*									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*	*
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	*	*	*
Contribution deficiency	-	-	-	-	-	-	-	*	*	*
District's covered-employee payroll	\$ 116,973,472	\$ 114,532,838	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	\$ 92,888,014	*	*
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. No changes were made to the assumptions or benefit terms.

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of District's Proportionate Share of the Net OPEB Liability - MIF**

Last 10 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the collective trust OPEB liability	1.731329%	2.382705%	1.742229%	1.717691%	1.675586%	1.588400%	2.850100%	*	*	*
District's proportionate share of the collective net OPEB liability	\$ 42,169,000	\$ 59,151,000	\$ 37,383,000	\$ 43,350,000	\$ 49,041,000	\$ 55,113,000	\$ 56,846,000	*	*	*
State's proportionate share of the collective net OPEB liability associated with the District	\$ 35,542,000	\$ 19,432,000	\$ 30,360,000	\$ 34,725,000	\$ 39,604,000	\$ 47,496,000	\$ 46,435,000	*	*	*
Total net OPEB liability	\$ 77,711,000	\$ 78,583,000	\$ 67,743,000	\$ 78,075,000	\$ 88,645,000	\$ 102,609,000	\$ 103,281,000	*	*	*
District's covered-employee payroll	\$ 114,532,838	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	\$ 92,888,014	*	*	*
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	36.8%	53.6%	35.5%	143.0%	184.0%	212.5%	220.1%	*	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	52.97%	47.75%	51.74%	39.05%	32.58%	25.54%	21.18%	*	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Changes of benefit terms* - None

*Changes to assumptions*

2023: The health care trend rates, as well as the TRS 4 retirement decrements, were updated to reflect future anticipated experience.

The Health Trust is not funded based on actuarially determined contribution, but instead is funded based on statutorily determined amounts as noted in the assumed asset allocation for MIF.

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of District Contributions - MIF**

Last 10 Fiscal Years\*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 3,280,580	\$ 3,161,549	\$ 3,092,469	\$ 3,033,561	\$ 2,917,651	\$ 2,829,440	\$ 2,731,340	*	*	*
Contributions in relation to the contractually required contribution	<u>(3,280,580)</u>	<u>(3,161,549)</u>	<u>(3,092,469)</u>	<u>(3,033,561)</u>	<u>(2,917,651)</u>	<u>(2,829,440)</u>	<u>(2,731,340)</u>	<u>*</u>	<u>*</u>	<u>*</u>
Contribution deficiency	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>*</u></u>	<u><u>*</u></u>	<u><u>*</u></u>
District's covered-employee payroll	\$ 116,973,472	\$ 114,532,838	\$ 110,432,196	\$ 105,289,740	\$ 103,463,849	\$ 99,077,449	\$ 96,090,393	*	*	*
Contributions as a percentage of covered-employee payroll	2.80%	2.76%	2.80%	2.88%	2.82%	2.86%	2.84%	*	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of the District's Proportionate Share of the Net OPEB Liability – MIF (CERS)**

	Last 10 Fiscal Years*									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the collective trust OPEB liability	1.142480%	1.134645%	1.175504%	1.183132%	1.056109%	1.044627%	1.061296%	*	*	*
District's proportionate share of the collective net OPEB liability	\$ (1,577,384)	\$ 22,392,374	\$ 22,504,436	\$ 28,569,040	\$ 17,763,278	\$ 18,576,280	\$ 21,335,680	*	*	*
State's proportionate share of the collective net OPEB liability associated with the District	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*	*
Total net OPEB liability	\$ (1,577,384)	\$ 22,392,374	\$ 22,504,436	\$ 28,569,040	\$ 17,763,278	\$ 18,576,280	\$ 21,335,680	*	*	*
District's covered-employee payroll	\$ 33,158,494	\$ 31,373,416	\$ 30,031,586	\$ 30,306,885	\$ 26,647,709	\$ 25,931,627	\$ 25,831,625	*	*	*
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	-4.8%	71.4%	74.9%	94.3%	66.7%	71.6%	82.6%	*	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	104.23%	60.95%	57.33%	51.67%	60.44%	57.62%	52.40%	*	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*Changes in assumptions: None*

2018: Updated health care trend rates were implemented.

2023: The health care trend rates were increased to reflect future anticipated experience.

**BOONE COUNTY SCHOOL DISTRICT**  
**Schedule of District Contributions – MIF (CERS)**

	Last 10 Fiscal Years*									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,124,283	\$ 1,308,584	\$ 1,429,544	\$ 1,442,975	\$ 1,401,604	\$ 1,218,835	\$ 1,222,231	*	*	*
Contributions in relation to the contractually required contribution	<u>(1,124,283)</u>	<u>(1,308,584)</u>	<u>(1,429,544)</u>	<u>(1,442,975)</u>	<u>(1,401,604)</u>	<u>(1,218,835)</u>	<u>(1,222,231)</u>	<u>*</u>	<u>*</u>	<u>*</u>
Contribution deficiency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>*</u>	<u>*</u>	<u>*</u>
District's covered-employee payroll	\$34,093,759	\$33,158,494	\$31,373,416	\$30,031,586	\$30,306,885	\$26,647,709	\$25,931,627	*	*	*
Contributions as a percentage of covered-employee payroll	3.30%	3.95%	4.56%	4.80%	4.62%	4.57%	4.71%	*	*	*

\* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. No changes were made to the assumptions or benefit terms.

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Agreement Number</u>	<u>Federal Expenditures for FYE June 30, 2024</u>
<b>U.S. Department of Education</b>			
<i>Passed through Kentucky Department of Education</i>			
Special Education Cluster			
Special Education_Grants to States	84.027	3810002 22	\$ 2,126
Special Education_Grants to States	84.027	3810002 23	3,555,776
Special Education_Grants to States	84.027	3810002 24	546,152
COVID-19 Special Education_Grants to States	84.027X	4910002-21	512,647
Special Education_Preschool Grants	84.173	3800002 22	759
Special Education_Preschool Grants	84.173	3800002 23	113,613
Special Education_Preschool Grants	84.173	3800002 24	154,443
COVID-19 Special Education_Grants to States	84.173X	4900002-21	128,915
Total Special Education Cluster			<u>5,014,431</u>
Title I Grants to Local Educational Agencies	84.010A	3100002 21	12,452
Title I Grants to Local Educational Agencies	84.010A	3100002 22	237,116
Title I Grants to Local Educational Agencies	84.010A	3100002 23	681,403
Title I Grants to Local Educational Agencies	84.010A	3100002 24	1,645,207
Title I School Improvement Funds	84.010A	3100202-21	45,413
Total ALN #84.010			<u>2,621,591</u>
Career and technical Education -Basic Grants to States	84.048	3710002 22	2,499
Career and technical Education -Basic Grants to States	84.048	3710002 23	21,048
Career and technical Education -Basic Grants to States	84.048	3710002 24	154,672
Total ALN #84.048			<u>178,219</u>
English Language Acquisition State Grants	84.365	3300002 22	2,411
English Language Acquisition State Grants	84.365	3300002 24	169,985
Total ALN #84.365			<u>172,396</u>
Title II Improving Teacher Quality State Grants	84.367	3230002 21	8,272
Title II Improving Teacher Quality State Grants	84.367	3230002 22	176,370
Title II Improving Teacher Quality State Grants	84.367	3230002 23	461,196
Title II Improving Teacher Quality State Grants	84.367	3230002 24	27,221
Total ALN #84.367			<u>673,059</u>
Title IV-Part A Student Support & Academic Enrichment Grant	84.424A	3420002-21	360
Title IV-Part A Student Support & Academic Enrichment Grant	84.424A	3420002-24	208,767
Total ALN #84.424			<u>209,127</u>
CRRSA Sustainment Funds	93.575	Not provided	20,557
Total ALN #93.575			<u>20,557</u>
GEER - FRYSC Projects	84.425C	Not provided	69,683
Digital Learning Coaches	84.425D	4000003-23	15,909
Digital Learning Coaches	84.425D	4000003-24	21,679
FY21 Elementary & Secondary School Emergency Relief Fund II	84.425D	4200002 21	550,561
FY21 Elementary & Secondary School Emergency Relief Fund II-State Set Aside	84.425D	4200003-21	227,004
FY21 American Rescue Plan Elementary & Secondary School	84.425U	4300002-21	5,958,232
FY22 American Relief Plan-Homeless Children & Youth Phase II	84.425W	4980002-21	82,460
FY24 CTE Showcase-American Rescue Plan Elementary & Secondary	84.425U	4300005-23	4,479
MOA-Comprehensive Coord School Counselor	84.425U	Not provided	13,092
ARP - Local Laboratories of Learning	84.425U	4300003-21	18,201
ARP - Teacher Leader Community	84.425U	Not provided	999
Total ALN #84.425			<u>6,962,299</u>
<b>Total U.S. Department of Education</b>			<u>15,851,679</u>

(Continued)

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Agreement Number	Federal Expenditures for FYE June 30, 2024
<b><u>U.S. Department of Agriculture</u></b>			
Child Nutrition Cluster			
<b><i>Passed through Kentucky Department of Education</i></b>			
National School Lunch Program	10.555	7750002 23	1,063,736
National School Lunch Program	10.555	7750002 24	5,022,748
2023 Supply Chain Assistance	10.555	9980000 23	618,300
School Breakfast Program	10.553	7760005 22	4,526
School Breakfast Program	10.553	7760005 23	346,376
School Breakfast Program	10.553	7760005 24	1,589,536
Summer Food Service Program for Children'	10.559	7740023 23	5,087
Summer Food Service Program for Children'	10.559	7690024 23	14,209
			<hr/> 8,664,518
<b><i>Passed through Kentucky Department of Agriculture</i></b>			
National School Lunch Program - Food Donation	10.555	Not provided	469,049
Total Child Nutrition Cluster			<hr/> 9,133,567
<b>Total U.S. Department of Agriculture</b>			<hr/> 9,133,567
<b>Total Expenditures of Federal Awards</b>			<hr/> <b>\$ 24,985,246</b> <hr/>

See notes to schedule of expenditures of federal awards



**BOONE COUNTY SCHOOL DISTRICT**

**Notes Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Boone County School District under programs of the federal government for the year ended June 30, 2024 and is reported on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of Boone County School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule at the fair value of the commodities disbursed. For the year ended June 30, 2024, the District reported food commodities expended in the amount of \$469,049.

**NOTE 4 INDIRECT COST RATE**

The District has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

**NOTE 5 SUBRECIPIENTS**

The District did not have any subrecipients during the year ended June 30, 2024.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Members of the Board of Education  
Boone County School District  
Florence, Kentucky

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Boone County School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Boone County School District's basic financial statements, and have issued our report thereon dated November 12, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Boone County School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Boone County School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Boone County School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal controls, described in the accompanying schedule of findings and questioned costs as items 2024-01 that we consider to be significant deficiencies.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Boone County School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items 2024-01.

We noted other matters that we reported to management of the District on pages 85 to 96.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)**

**Boone County School District's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Boone County School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Boone County School District response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crestview Hills, Kentucky  
November 12, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board of Education  
Boone County School District  
Florence, Kentucky

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Boone County School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Boone County School District's major federal programs for the year ended June 30, 2024. Boone County School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Boone County School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Boone County School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Boone County School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Boone County School District's federal programs.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
(CONTINUED)**

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Boone County School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Boone County School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Boone County School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Boone County School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Boone County School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
(CONTINUED)**

**Report on Internal Control Over Compliance (Continued)**

Our consideration of internal control over compliance was for the limited purpose described in the auditor's responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is no suitable for any other purpose.

*Barnes, Dennig & Co., Ltd.*

Crestview Hills, Kentucky  
November 12, 2024

**BOONE COUNTY SCHOOL DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2024**

**SECTION I -SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   X   Yes \_\_\_\_\_ None noted

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None noted

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR Section 200.516(a)? \_\_\_\_\_ Yes   X   No

***Identification of major programs***

CFDA No.	Name of Federal Program or Cluster
10.553, 10.555, 10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:   \$750,000  

Auditee qualified as low-risk auditee?   X   Yes \_\_\_\_\_ No

**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2024**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**2024-01: Model procurement policies were not followed**

Criteria – Per best practices recommended by the Kentucky Department of Education, model procurement procedures dictate that purchases between \$2,500 to \$39,999 require three written quotes of competitive vendors and approval of the one that was utilized and purchases over \$40,000 are required to perform competitive bidding before purchase.

Condition – During the testing of disbursements, it was noted that documentation of model procurement procedures performed could not be provided for review of purchases or the quotes were not obtained before purchase.

Effect – Model procurement policies were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that written quotes should be obtained and retained with the purchase documentation for any purchases over \$2,500 to \$39,999. Additionally, any documentation related to exemptions from the model procurement process (i.e. emergency purchases) should be retained with the purchase documentation as well.

Board Response – Procedures related to purchasing processes will be reviewed and adjusted as necessary to ensure compliance with Board policy and Model Procurement Law.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COST**

No matters are reportable



**BOONE COUNTY SCHOOL DISTRICT**

**Schedule of Prior Year Findings and Questioned Costs  
Year Ended June 30, 2024**

**SECTION I – SUMMARY OF PRIOR YEAR AUDITOR’S RESULTS**

No matters are reportable

**SECTION II – PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

**2023-01: Internal controls over time cards**

**Summary of Finding:** During the prior year audit, it came to our attention that some time cards for the transportation department were not signed or reviewed by a supervisor. The errors resulted in overstated time cards and salaries and benefits were not accurate in some instances.

**Status:** The transportation director took measures to ensure that time is reported accurately and all time cards are authorized and reviewed appropriately.

**SECTION III – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COST**

No matters are reportable

## BOONE COUNTY SCHOOL DISTRICT

### Management Letter Comments Year Ended June 30, 2024

In planning and performing our audit of the financial statements of Boone County School District for the year ended June 30, 2024, we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

This letter summarizes our comments and suggestions regarding those matters. A separate report dated November 12, 2024 contains our report on significant deficiencies and material weaknesses in the District's internal control structure. This letter does not affect our report dated November 12, 2024, on the financial statements of the Boone County School District.

### **CURRENT YEAR RECOMMENDATIONS**

#### **ACTIVITY FUNDS**

##### **Boone County High School**

###### **2024-02: Invoices not marked paid**

Criteria – Per best practices recommended by the Kentucky Department of Education, invoices shall be marked paid and be stapled to the purchase order and check stub.

Condition – During the testing of Activity Funds, it was noted that checks did not have the invoice marked as paid.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that invoices get marked paid after the check is printed. Invoices can also be marked with the check number and the date paid for more documentation in order to prevent paying the same invoice twice.

Board Response – The school bookkeeper and the principal will review all invoices upon check issuance to ensure that invoices are marked paid with the date the check was issued.

##### **Conner High School**

###### **2024-03: Purchasing of gift cards**

Criteria – Per best practices recommended by the Kentucky Department of Education, gift cards cannot be purchased with school activity funds.

Condition – During the testing of Activity Funds, it was noted that a school employee purchased gift cards on the school credit card.

Effect – Policies on purchasing were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that gift cards are not purchased with school activity funds.

Board Response – The school bookkeeper has added a note to the credit card sign in/out sheet that gift card purchases are not allowed.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Conner High School (Continued)**

**2024-04: Multiple receipt forms not signed by students**

Criteria – Per best practices recommended by the Kentucky Department of Education, multiple receipt forms should be signed by the high school students.

Condition – During the testing of Activity Funds, it was noted that multiple receipt forms were being signed by the teachers for the students.

Effect – Policies on receipts were not properly followed.

Cause – Internal controls on receipts were not properly followed as designed by the District.

Recommendation – We recommend that multiple receipt forms are signed by the students for amounts provided to the activity funds, collected by the school employee, and reviewed by the bookkeeper.

Board Response – The school bookkeeper and principal will review all multiple receipt forms to ensure they are completed appropriately with student signatures as required.

**Cooper High School**

**2024-05: Long outstanding checks**

Criteria – Per best practices recommended by the Kentucky Department of Education, outstanding checks should not be carried longer than 12 months

Condition – During the testing of Activity Funds, it was noted that there were outstanding checks carried longer than 12 months.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review all outstanding checks on a regular basis to ensure that there are no outstanding checks carried longer than 12 months.

Board Response – The school bookkeeper and principal will review outstanding checks on a monthly basis and follow up /void those checks that are over a year old.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Larry A. Ryle High School**

**2024-06: Multiple receipt forms not signed by students**

Criteria – Per best practices recommended by the Kentucky Department of Education, multiple receipt forms should be signed by the high school students.

Condition – During the testing of Activity Funds, it was noted that multiple receipt forms were being signed by the teachers for the students.

Effect – Policies on receipts were not properly followed.

Cause – Internal controls on receipts were not properly followed as designed by the District.

Recommendation – We recommend that multiple receipt forms are signed by the students for amounts provided to the activity funds, collected by the school employee, and reviewed by the bookkeeper.

Board Response – The school bookkeeper and principal will review all multiple receipt forms to ensure they are completed appropriately with student signatures as required.

**Boone County Adult High School**

No matters are reportable

**Ballyshannon Middle School**

**2024-07: Negative account balance**

Criteria – Per best practices recommended by the Kentucky Department of Education, individual school activity accounts should not end the fiscal year with a negative (deficit) balance.

Condition – During the testing of Activity Funds, it was noted that a school account had a negative (deficit) balance at the end of the fiscal year.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review all accounts at fiscal year end to ensure that there are no negative (deficit) balances. If an activity accounts ends with a negative balance, then the general activity account must cover the deficit by June 30.

Board Response – The school bookkeeper and the principal will review all accounts at fiscal year end and make transfers as necessary to ensure there are not any negative account balances.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Ballyshannon Middle School (Continued)**

**2024-08: Invoices not marked paid**

Criteria – Per best practices recommended by the Kentucky Department of Education, invoices shall be marked paid and be stapled to the purchase order and check stub.

Condition – During the testing of Activity Funds, it was noted that checks did not have the invoice marked as paid.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that invoices get marked paid after the check is printed. Invoices can also be marked with the check number and the date paid for more documentation in order to prevent paying the same invoice twice.

Board Response – The school bookkeeper and the principal will review all invoices upon check issuance to ensure that invoices are marked paid with the date the check was issued.

**2024-09: Checks dated before the date worked**

Criteria – Per best practices recommended by the Kentucky Department of Education, proper payment procedures should be followed.

Condition – During the testing of Activity Funds, it was noted that checks that were dated prior to the date of the games that gate workers were scheduled to work.

Effect – Proper procedures over disbursements were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that checks only be written after the service/work is performed

Board Response – The school bookkeeper and principal will review the purchase order and invoice for all expenditures before signing checks to ensure that the expenditure is valid and appropriate to be paid at the given date.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Ballyshannon Middle School (Continued)**

**2024-10: Employee's family members paid with checks approved by the Employee**

Criteria – Per best practices recommended by the Kentucky Department of Education, payment should be approved by reasonable individuals.

Condition – During the testing of Activity Funds, it was noted that an employee's children were being paid using purchase orders that were only approved by said employee.

Effect – Proper procedures over disbursements were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that purchase orders related to family members working be approved by an individual who is independent of the family.

Board Response – The School Bookkeeper and Principal will review Purchase Orders prior to signing checks to ensure expenditures were properly approved.

**Camp Ernst Middle School**

No matters are reportable

**Conner Middle School**

**2024-11: Invoice support not retained**

Criteria – Per best practices recommended by the Kentucky Department of Education, invoices should be kept by the schools.

Condition – During the testing of Activity Funds, it was noted that not all expenditures had receipt or invoice support retained by the school .

Effect – Policies on disbursements were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that invoices or receipts are retained and logged by the bookkeeper.

Board Response – The school bookkeeper and Principal will review expenditures before they are paid to ensure there is proper invoice or receipt support to verify the expenditure is valid.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Gray Middle School**

**2024-12: Invoices not marked paid**

Criteria – Per best practices recommended by the Kentucky Department of Education, invoices shall be marked paid and be stapled to the purchase order and check stub.

Condition – During the testing of Activity Funds, it was noted that checks did not have the invoice marked as paid.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that invoices get marked paid after the check is printed. Invoices can also be marked with the check number and the date paid for more documentation in order to prevent paying the same invoice twice.

Board Response – The school bookkeeper and the principal will review all invoices upon check issuance to ensure that invoices are marked paid with the date the check was issued

**Ockerman Middle School**

No matters are reportable

**R.A. Jones Middle School**

No matters are reportable

**Burlington Elementary**

**2024-13: Long outstanding checks**

Criteria – Per best practices recommended by the Kentucky Department of Education, outstanding checks should not be carried longer than 12 months.

Condition – During the testing of Activity Funds, it was noted that there were outstanding checks carried longer than 12 months.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review all outstanding checks on a regular basis to ensure that there are no outstanding checks carried longer than 12 months.

Board Response – The school bookkeeper and principal will review outstanding checks on a monthly basis and follow up /void those checks that are over a year old.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Collins Elementary**

**2024-14: Monthly financial reports not signed timely**

Criteria – Per best practices recommended by the Kentucky Department of Education, monthly financial reports should be signed in a timely manner

Condition – During the testing of Activity Funds, it was noted the schools monthly financial reports were not filed with the district office before the 15<sup>th</sup> of the following month

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review the monthly financial report before the 15th of the following month

Board Response – The School Bookkeeper and Principal will review and submit the school's monthly financial report to the district office before the 15th of the following month after the report end date.

**Erpenbeck Elementary**

No matters are reportable

**Florence Elementary**

No matters are reportable

**Goodridge Elementary**

No matters are reportable

**Charles H. Kelly Elementary**

No matters are reportable

**Longbranch Elementary**

No matters are reportable

**Shirley Mann Elementary**

No matters are reportable

**New Haven Elementary**

No matters are reportable

**North Pointe Elementary**

No matters are reportable



**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Ockerman Elementary**

No matters are reportable

**Stephens Elementary**

No matters are reportable

**Thornwilde Elementary**

No matters are reportable

**Yealey Elementary**

**2024-15: Monthly financial reports not signed timely**

Criteria – Per best practices recommended by the Kentucky Department of Education, monthly financial reports should be signed in a timely manner

Condition – During the testing of Activity Funds, it was noted the schools monthly financial reports were not filed with the district office before the 15<sup>th</sup> of the following month

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review the monthly financial report before the 15<sup>th</sup> of the following month

Board Response – The School Bookkeeper and Principal will review and submit the school's monthly financial report to the district office before the 15<sup>th</sup> of the following month after the report end date.

**2024-16: Negative account balance**

Criteria – Per best practices recommended by the Kentucky Department of Education, individual school activity accounts should not end the fiscal year with a negative (deficit) balance.

Condition – During the testing of Activity Funds, it was noted that a school account had a negative (deficit) balance at the end of the fiscal year.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review all accounts at fiscal year end to ensure that there are no negative (deficit) balances. If an activity accounts ends with a negative balance, then the general activity account must cover the deficit by June 30.

Board Response – The school bookkeeper and the principal will review all accounts at fiscal year end and make transfers as necessary to ensure there are not any negative account balances.

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**CURRENT YEAR RECOMMENDATIONS (Continued)**

**Yealey Elementary (Continued)**

**2024-17: Long outstanding checks**

Criteria – Per best practices recommended by the Kentucky Department of Education, outstanding checks should not be carried longer than 12 months

Condition – During the testing of Activity Funds, it was noted that there were outstanding checks carried longer than 12 months.

Effect – Proper procedures over reporting were not properly followed.

Cause – Internal controls were not properly followed as designed by the District.

Recommendation – We recommend that the school bookkeeper and principal review all outstanding checks on a regular basis to ensure that there are no outstanding checks carried longer than 12 months.

Board Response – The school bookkeeper and principal will review outstanding checks on a monthly basis and follow up /void those checks that are over a year old.

**Steeplechase Elementary**

No matters are reportable

**CENTRAL OFFICE**

No matters reportable

**FOOD SERVICE DEPARTMENT**

No matters are reportable

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**STATUS OF PRIOR YEAR RECOMMENDATIONS**

**CENTRAL OFFICE**

No matters are reportable

**ACTIVITY FUNDS**

**Boone County High School**

Statement of prior year deficiency: It was noted that invoices were not marked as paid.

Current year follow-up: See item 2024-02

**Conner High School**

No matters are reportable

**Cooper High School**

No matters are reportable

**Larry A. Ryle High School**

No matters are reportable

**Boone County Adult High School**

No matters are reportable

**Ballyshannon Middle School**

No matters are reportable

**Camp Ernst Middle School**

Statement of prior year deficiency: It was noted that checks did not have the invoices marked as paid.

Current year follow up: No such instances noted.

**Conner Middle School**

No matters are reportable

**Gray Middle School**

No Matters are reportable

**Ockerman Middle School**

No matters are reportable

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**STATUS OF PRIOR YEAR RECOMMENDATIONS (Continued)**

**R.A. Jones Middle School**

No matters are reportable

**Burlington Elementary**

No matters are reportable

**Collins Elementary**

No matters are reportable

**Erpenbeck Elementary**

Statement of prior year deficiency: It was noted that the school activity fund had a negative balance at the end of last year.

Current year follow-up: No such instances noted.

**Florence Elementary**

Statement of prior year deficiency: It was noted that the invoices were not marked as paid.

Current year follow-up: No such instances noted.

Statement of prior year deficiency: It was noted that voided checks did not have the signature lines removed as required by Redbook Guidelines.

Current year follow-up: No such instances noted.

**Goodridge Elementary**

No matters are reportable

**Charles H. Kelly Elementary**

No matters are reportable

**Longbranch Elementary**

No matters are reportable

**Shirley Mann Elementary**

No matters are reportable

**New Haven Elementary**

No matters are reportable

**BOONE COUNTY SCHOOL DISTRICT**

**Management Letter Comments  
Year Ended June 30, 2024**

**STATUS OF PRIOR YEAR RECOMMENDATIONS (Continued)**

**North Pointe Elementary**

Statement of prior year deficiency: It was noted that there were outstanding checks carried longer than 12 months.

Current year follow up: No such instances noted.

**Ockerman Elementary**

No matters are reportable

**Stephens Elementary**

Statement of prior year deficiency: It was noted that there were outstanding checks carried longer than 12 months.

Current year follow up: No such instances noted.

**Thornwilde Elementary**

No matters are reportable

**Yealey Elementary**

Statement of prior year deficiency: It was noted that the school activity fund had a negative balance at the end of last year.

Current year follow-up: See item 2024-16

**FOOD SERVICE DEPARTMENT**

No matters are reportable