

**YORK SCHOOL DEPARTMENT**

**Financial Statements**

**For the Year Ended June 30, 2019**

**YORK SCHOOL DEPARTMENT  
FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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## Independent Auditor's Report

School Committee  
York School Department  
Town of York, Maine

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

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the York School Department as of and for the year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the York School Department as of June 30, 2019, and the respective changes in financial position and the budgetary comparison for the School General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in the notes to the financial statements, the financial statements of the York School Department are intended to present the financial position and the changes in financial position of only that portion of each major fund, and the aggregate remaining fund information of the Town of York, Maine that is attributable to the transactions of the York School Department. They do not purport to, and do not present fairly the financial position of the Town of York, Maine as of June 30, 2019, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the York School Department's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are 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 combining and individual fund financial statements and schedules are 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 February 28, 2020 on our consideration of the Town of York, Maine'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 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 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 Town of York, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Remya Kristen Ouellette". The signature is written in a cursive style with a large initial 'R'.

February 28, 2020  
South Portland, Maine

**YORK SCHOOL DEPARTMENT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2019**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Amounts due from Town	\$ 1,949,201	-	1,949,201
Cash and cash equivalents	641,554	8,082	649,636
Accounts receivable	8,297	4,170	12,467
Due from other governments	162,867	84,290	247,157
Prepaid expenditures	8,691	-	8,691
Inventory	-	20,903	20,903
Interfund loans receivable	386,105	42,414	428,519
<b>Total assets</b>	<b>\$ 3,156,715</b>	<b>159,859</b>	<b>3,316,574</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	355,065	6,849	361,914
Accrued wages and benefits	2,170,553	16,820	2,187,373
Unearned revenues	-	2,048	2,048
Interfund loans payable	-	428,519	428,519
<b>Total liabilities</b>	<b>2,525,618</b>	<b>454,236</b>	<b>2,979,854</b>
Fund balances (deficits):			
Nonspendable	8,691	-	8,691
Restricted	-	117,956	117,956
Assigned	36,600	-	36,600
Unassigned	585,806	(412,333)	173,473
<b>Total fund balances (deficits)</b>	<b>631,097</b>	<b>(294,377)</b>	<b>336,720</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,156,715</b>	<b>159,859</b>	<b>3,316,574</b>

*See accompanying notes to financial statements.*

**YORK SCHOOL DEPARTMENT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2019**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Local assessments	\$ 31,136,104	149,823	31,285,927
Intergovernmental	4,511,676	748,337	5,260,013
Donations	-	59,161	59,161
Charges for services	251,361	593,478	844,839
Other revenues	168,554	14,108	182,662
Total revenues	36,067,695	1,564,907	37,632,602
Expenditures:			
Current:			
Regular instruction	13,940,037	-	13,940,037
Special education instruction	5,668,259	-	5,668,259
Career and technical education	20,590	-	20,590
Other instruction	1,268,924	-	1,268,924
Student and staff support	2,870,169	-	2,870,169
System administration	1,185,001	-	1,185,001
School administration	1,572,042	-	1,572,042
Transportation	1,034,773	-	1,034,773
Facilities maintenance	3,536,166	-	3,536,166
Other	66,267	-	66,267
MEPERS on-behalf payments	2,418,743	-	2,418,743
Adult education	-	271,565	271,565
School lunch	-	895,188	895,188
Other program expenditures	-	596,617	596,617
Debt service:			
Principal	1,755,906	-	1,755,906
Interest	331,846	-	331,846
Total expenditures	35,668,723	1,763,370	37,432,093
Excess (deficiency) of revenues over (under) expenditures	398,972	(198,463)	200,509
Other financing sources (uses):			
Interfund transfers	(214,382)	214,382	-
Total other financing sources (uses)	(214,382)	214,382	-
Net change in fund balances	184,590	15,919	200,509
Fund balances (deficits), beginning of year	446,507	(310,296)	136,211
<b>Fund balances (deficits) , end of year</b>	<b>\$ 631,097</b>	<b>(294,377)</b>	<b>336,720</b>

*See accompanying notes to financial statements.*

**YORK SCHOOL DEPARTMENT**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - Budget and Actual - Budgetary Basis**  
**General Fund**  
**For the year ended June 30, 2019**

	Original Budget	Final Budget	Actual	Variance with budget positive (negative)
Revenues:				
Local assessments	\$ 31,136,104	31,136,104	31,136,104	-
Intergovernmental	2,107,024	2,107,024	2,092,933	(14,091)
Charges for services	244,000	244,000	251,361	7,361
Other revenue	114,688	114,688	168,554	53,866
Total revenues	33,601,816	33,601,816	33,648,952	47,136
Expenditures:				
Current:				
Regular instruction	13,622,174	13,622,174	13,940,037	(317,863)
Special education instruction	5,897,896	5,876,196	5,668,259	207,937
Career and technical education	29,963	29,963	20,590	9,373
Other instruction	1,317,408	1,346,408	1,268,924	77,484
Student and staff support	2,924,582	2,924,582	2,870,169	54,413
System administration	1,038,779	1,060,479	1,185,001	(124,522)
School administration	1,641,885	1,641,885	1,572,042	69,843
Transportation	1,077,200	1,077,200	1,034,773	42,427
Facilities maintenance	3,608,332	3,579,332	3,536,166	43,166
Other	292,299	292,299	280,649	11,650
Debt service				
Principal	1,757,705	1,757,705	1,755,906	1,799
Interest	393,593	393,593	332,226	61,367
Total expenditures	33,601,816	33,601,816	33,464,742	137,074
Net change in fund balance - budgetary basis	-	-	184,210	184,210
Reconciliation to GAAP basis:				
Prepaid debt service			380	
Net change in fund balance - GAAP basis			184,590	
Fund balance, beginning of year			446,507	
<b>Fund balance, end of year</b>	<b>\$</b>		<b>631,097</b>	

*See accompanying notes to financial statements.*



**YORK SCHOOL DEPARTMENT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2019**

	Private-purpose Trust Funds			Agency Funds
	Larry A. D'Entremont Scholarship	York Mentor Scholarship		
<b>ASSETS</b>				
Cash and cash equivalents	\$	8,999	5,584	171,618
<b>Total assets</b>		<b>8,999</b>	<b>5,584</b>	<b>171,618</b>
<b>LIABILITIES</b>				
Funds held on-behalf of student groups		-	-	171,618
<b>Total liabilities</b>		<b>-</b>	<b>-</b>	<b>171,618</b>
<b>NET POSITION</b>				
Held in trust	\$	8,999	5,584	-

*See accompanying notes to financial statements.*

**YORK SCHOOL DEPARTMENT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended June 30, 2019**

	Private-purpose Trust Funds	
	Larry A. D'Entremont Scholarship	York Mentor Scholarship
Additions:		
Donations	\$ -	180
Interest income	-	6
Total additions	-	186
Deductions:		
Scholarships and other	-	-
Total deductions	-	-
Change in net position	-	186
Net position, beginning of year	8,999	5,398
<b>Net position, end of year</b>	<b>\$ 8,999</b>	<b>5,584</b>

*See accompanying notes to financial statements.*

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements**

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**THE REPORTING ENTITY**

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The York School Department operates as a department of the Town of York, Maine, the financial statements of which have been issued in a separate report dated February 28, 2020 for the year ended June 30, 2019.

The accompanying fund financial statements present only the School Department's operations and are not intended to present fairly the financial position and results of operations of the Town of York, Maine in conformity with accounting principles generally accepted in the United States of America. Certain disclosures relevant to both the Town of York, Maine and the York School Department are omitted herein and have been disclosed in the Town's basic financial statements. Additionally, all capital assets and long-term liabilities are reflected only in the Town of York, Maine's basic financial statements. This would include debt entered into by the Town for the benefit of the School Department, any capital leases currently outstanding, the net pension liability and related deferred inflows and outflows of resources, and other post-employment benefit liabilities.

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of York School Department conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

**A. Basis of Presentation**

The School Department's fund financial statements consist of statements which provide a more detailed level of financial information.

During the year, the School Department segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School Department at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary fund is reported by type.

**B. Fund Accounting**

The School Department uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds: governmental and fiduciary.

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Governmental Funds:**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the School Department's major governmental funds:

**General Fund** - The General Fund is the general operating fund of the School Department. All revenues not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges, and the capital improvement costs not paid through other funds.

**Fiduciary and Agency Fund Types:**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Private-purpose trust funds are accounted for and reported in the same manner as proprietary funds since capital maintenance is critical. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The School Department's agency fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**C. Measurement Focus**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The private-purpose trust fund is reported using the economic resources measurement focus.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue as necessary, and in the presentation of expenses versus expenditures.

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**1. Revenues - Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become 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 School Department, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School Department receives value without directly giving equal value in return, include local assessments, grants, entitlements, and donations. On an accrual basis, revenue from local assessments is recognized in the fiscal year for which the assessments 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 School Department must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School Department on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**2. Expenses/Expenditures:**

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. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds. However, principal and interest on long-term debt which has not matured are recognized when paid.

**Interfund Transactions** - During the course of normal operations, the Department has several transactions between funds including expenditures and transfers of resources to provide services. These transactions are reported as transfers. Transactions between funds which represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans receivable or payable.

**Inventories** - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are generally recorded as expenditures when consumed rather than when purchased.

**Compensated Absences** - Under terms of union contracts and personnel administration policies, employees are granted vacation and sick leave in varying amounts. Accrued vacation and sick leave are accrued when incurred in the governmental-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Capital Assets** - Capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position in the Town of York, Maine's basic financial statements but are not reported in the fund financial statements.

**Accrued Liabilities and Long-term Obligations** - All payables, accrued liabilities, and long-term obligations are reported in the Town's government-wide financial statements. In general, payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds. However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. The capital leases 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.

**Fund Equity** - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the School Department is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the Department imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the Department's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The voters have the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. The School Committee, or a body or official delegated by the School Committee, may assign unspent budgeted amounts to specific purposes in the General Fund at year-end based on Department requests.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Department's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Department's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Use of Estimates** - Preparation of the Department's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

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**BUDGETARY VS GAAP BASIS OF ACCOUNTING**

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As required by generally accepted accounting principles (GAAP), the School Department has recorded a revenue and an expenditure for Maine Public Employees Retirement contributions made by the State of Maine on-behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$2,418,743 on Statement 2. These amounts have been included as an intergovernmental revenue and as a retirement expenditure in the General Fund on Statement 2 (GAAP basis). There is no effect on the fund balance at the end of the year.

In addition, the School Department prepaid certain unbudgeted debt service payments in June 2019 that were not due until July 2019. These amounts have been shown as adjustments on Statement 3 and Exhibit A-2 to reconcile fund balance on the budgetary basis with fund balance on a GAAP basis. The prepaid debt service has been included in debt service expenditures on Statement 2.

**A. Budgets**

The School Department prepares a budget based on the eleven budget categories required by the Maine Department of Education. The budget goes to a public referendum and is passed either in part or in whole; and those parts that do not pass are resubmitted to public vote. Once all categories of the School Department budget pass the public vote, it is adopted by School Board vote and incorporated in the Town's budget articles.

**B. Deficit Fund Balances**

At June 30, 2019, the following funds had deficit fund balances:

Nonmajor special revenue funds:	
Adult education	\$ 84,564
School lunch	309,144
Adult education ConnectME grant	91
Unified sports grant	2,513
Maine college transition grant	884

The receipt of future revenues or transfers from other funds will cover these deficits.

**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**C. Excess of Expenditures over Appropriations**

For the year ended June 30, 2019, expenditures exceeded appropriations in the following cost centers:

Regular instruction	\$ 317,863
System administration	124,522

Although the School Department had individual cost centers that exceeded their appropriations, the School Department did not exceed its total budgeted appropriations. Expenditures in excess of appropriations will lapse to fund balance.

**CASH DEPOSITS**

*Custodial Credit Risk-Town Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the School Department's deposits may not be returned to it. The School Department does have a deposit policy for custodial credit risk that requires that the FDIC insure the deposit of funds in institutions. Any funds deposited above the \$250,000 insurance limit must be collateralized by the financial institution, or the excess funds be placed with other financial institutions.

**COMMITMENTS AND CONTINGENCIES**

The York School Department participates in a number of federally assisted grant programs. Although the programs have been audited in compliance with the Uniform Guidance, these programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for, or including, the year ended June 30, 2019, have not yet been completed. Accordingly, the York Public School's compliance with applicable grant requirements will be established at some future date. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Department expects such amounts, if any, to be immaterial.

**INTERFUND BALANCES**

As of June 30, 2019, the balances of interfund loans receivables, payables, and transfers were as follows:

	<u>Interfund loans receivable</u>	<u>Interfund loans payable</u>	<u>Transfers in (out)</u>
General Fund	\$ 386,105	-	(214,382)
Nonmajor governmental funds:			
Adult Education	-	91,820	-
School Lunch	-	336,699	214,382
Federal, State and Local Programs	42,414	-	-
Total nonmajor governmental funds	42,414	428,519	214,382
<b>Totals</b>	<b>\$ 428,519</b>	<b>428,519</b>	<b>-</b>



**YORK SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

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**FUND BALANCE**

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As of June 30, 2019, fund balance components consisted of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>
<b>Nonspendable:</b>		
Prepaid expenditures	\$ 8,691	-
Total nonspendable	8,691	-
<b>Restricted:</b>		
Adult education grants	-	15,114
Federal, state and local programs	-	102,819
Total restricted	-	117,933
<b>Assigned:</b>		
Auditorium	36,600	-
Total restricted	36,600	-
<b>Unassigned:</b>		
General fund	585,806	-
Adult education general	-	(99,678)
School lunch	-	(309,144)
Federal, state and local programs	-	(3,488)
Total unassigned	585,806	(294,377)

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**RISK MANAGEMENT**

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The School Department is exposed to various risks of loss related to tort, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the School Department either carries commercial insurance, or participates in public entity risk pools. Currently, the School Department participates in a public entity risk pool sponsored by the Maine Municipal Association.

Based on the coverage provided by the pool, as well as coverage provided by commercial insurance purchased, the School Department is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2019.

**YORK SCHOOL DEPARTMENT**  
**General Fund**  
**Comparative Balance Sheets**  
**June 30, 2019**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Amounts due from the Town	\$ 1,949,201	2,534,344
Cash and cash equivalents	641,554	444,820
Accounts receivable	8,297	28,787
Due from other governments	162,867	-
Prepaid expenditures	8,691	14,306
Interfund loan receivables	386,105	-
<b>Total assets</b>	<b>\$ 3,156,715</b>	<b>3,022,257</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	355,065	233,019
Accrued wages and benefits	2,170,553	1,956,510
Interfund loan payables	-	386,221
<b>Total liabilities</b>	<b>2,525,618</b>	<b>2,575,750</b>
Fund balance:		
Nonspendable - prepaid expenditures	8,691	14,306
Committed for retirement incentives	-	9,968
Assigned	36,600	-
Unassigned	585,806	422,233
<b>Total fund balance</b>	<b>631,097</b>	<b>446,507</b>
<b>Total liabilities and fund balance</b>	<b>\$ 3,156,715</b>	<b>3,022,257</b>

**YORK SCHOOL DEPARTMENT**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**For the year ended June 30, 2019**

	2019			2018 Actual
	Adjusted budget	Actual	Variance positive (negative)	
Revenues:				
Local assessment	\$ 31,136,104	31,136,104	-	30,014,788
Intergovernmental revenue:				
State education subsidy	2,082,024	2,083,357	1,333	1,415,364
State agency clients	25,000	9,576	(15,424)	17,887
Total intergovernmental revenue	2,107,024	2,092,933	(14,091)	1,433,251
Charges for services:				
Impact fees	170,000	179,986	9,986	124,114
Activity fees	55,000	35,472	(19,528)	54,953
Rental income	19,000	26,855	7,855	36,696
Tuition	-	9,048	9,048	16,312
Total charges for services	244,000	251,361	7,361	232,075
Other:				
Interest	-	-	-	2
Interest reimbursement	109,688	102,756	(6,932)	108,419
Miscellaneous	5,000	65,798	60,798	11,227
Total other	114,688	168,554	53,866	119,648
Total revenues	33,601,816	33,648,952	47,136	31,799,762

**YORK SCHOOL DEPARTMENT**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis, Continued**

	2019		Variance positive (negative)	2018 Actual
	Adjusted budget	Actual		
Expenditures:				
Current:				
Regular instruction	\$ 13,622,174	13,940,037	(317,863)	13,605,592
Special education instruction	5,876,196	5,668,259	207,937	5,408,598
Career and technical education	29,963	20,590	9,373	28,257
Other instruction	1,346,408	1,268,924	77,484	1,240,196
Student and staff support	2,924,582	2,870,169	54,413	2,778,274
System administration	1,060,479	1,185,001	(124,522)	1,109,940
School administration	1,641,885	1,572,042	69,843	1,490,614
Transportation	1,077,200	1,034,773	42,427	986,450
Facilities maintenance	3,579,332	3,536,166	43,166	3,286,877
Other	292,299	280,649	11,650	189,959
Debt service:				
Principal	1,757,705	1,755,906	1,799	1,520,414
Interest	393,593	332,226	61,367	376,992
Total expenditures	33,601,816	33,464,742	137,074	32,022,163
Net change in fund balance - budgetary basis	-	184,210	184,210	(222,401)
Reconciliation to GAAP basis:				
Change in prepaid debt service		380		360
Net change in fund balance - GAAP basis		184,590		(222,041)
Fund balance, beginning of year - GAAP basis		446,507		668,548
<b>Fund balance, end of year - GAAP basis</b>	<b>\$</b>	<b>631,097</b>		<b>446,507</b>

**YORK SCHOOL DEPARTMENT**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2019**

	Adult Education	School Lunch	Federal, State and Local Programs	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,898	2,184	-	8,082
Accounts receivable	4,170	-	-	4,170
Due from other governments	-	21,816	62,474	84,290
Inventory	-	20,903	-	20,903
Interfund loans receivable	-	-	42,414	42,414
<b>Total assets</b>	<b>\$ 10,068</b>	<b>44,903</b>	<b>104,888</b>	<b>159,859</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities:				
Accounts payable	614	2,363	3,872	6,849
Accrued wages and benefits	2,198	12,937	1,685	16,820
Unearned revenues	-	2,048	-	2,048
Interfund loans payable	91,820	336,699	-	428,519
<b>Total liabilities</b>	<b>94,632</b>	<b>354,047</b>	<b>5,557</b>	<b>454,236</b>
Fund balances (deficits):				
Restricted	15,137	-	102,819	117,956
Unassigned	(99,701)	(309,144)	(3,488)	(412,333)
<b>Total fund balances (deficits)</b>	<b>(84,564)</b>	<b>(309,144)</b>	<b>99,331</b>	<b>(294,377)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,068</b>	<b>44,903</b>	<b>104,888</b>	<b>159,859</b>

**YORK SCHOOL DEPARTMENT**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2019**

	Adult Education	School Lunch	Federal, State and Local Programs	Total Nonmajor Government Funds
Revenues:				
Local assessment	\$ 149,823	-	-	149,823
Intergovernmental	73,760	156,582	517,995	748,337
Donations	-	-	59,161	59,161
Charges for services	46,467	533,470	13,541	593,478
Other revenue	282	12,476	1,350	14,108
<b>Total revenues</b>	<b>270,332</b>	<b>702,528</b>	<b>592,047</b>	<b>1,564,907</b>
Expenditures:				
Current:				
Adult Education	271,565	-	-	271,565
School Lunch	-	895,188	-	895,188
Other programs	-	-	596,617	596,617
<b>Total expenditures</b>	<b>271,565</b>	<b>895,188</b>	<b>596,617</b>	<b>1,763,370</b>
Excess (deficiency) of revenues over (under) expenditures	(1,233)	(192,660)	(4,570)	(198,463)
Other financing sources (uses):				
Transfers in	-	214,382	-	214,382
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>214,382</b>	<b>-</b>	<b>214,382</b>
Net change in fund balances	(1,233)	21,722	(4,570)	15,919
Fund balances (deficits), beginning of year	(83,331)	(330,866)	103,901	(310,296)
<b>Fund balances (deficits), end of year</b>	<b>\$ (84,564)</b>	<b>(309,144)</b>	<b>99,331</b>	<b>(294,377)</b>

**YORK SCHOOL DEPARTMENT**  
**Special Revenue Funds - Federal, State and Local Programs**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2019**

		Balances (deficits) beginning of year	Revenues	Expenditures	Balances (deficits) end of year
Federal programs					
230	Title IA disadvantaged	\$ -	106,483	106,483	-
247	Local entitlement	-	342,142	342,142	-
251	Preschool handicapped	60	-	-	60
270	Title IIA supporting effective education	-	43,858	43,858	-
273	HIV/AIDS education	800	-	-	800
095	Adult Ed ConnectME	(91)	-	-	(91)
Total federal programs		769	492,483	492,483	769
State and local programs					
200	Local grants	-	1,350	600	750
202	York Educational Foundation	-	35,818	35,818	-
208	Mentoring revenues	6,183	3,930	3,442	6,671
211	Parent group donation	-	5,951	5,384	567
214	Special needs donation	15,670	250	14,431	1,489
215	Physical education grant	582	-	82	500
218	Jacobson donation	585	6,000	1,590	4,995
219	Unified sports grant	(1,149)	-	1,364	(2,513)
223	Transition grant	16,698	-	6,083	10,615
225	Maine college transition grant	(4,349)	12,912	9,447	(884)
602	Lesley professional development	5,725	-	-	5,725
605	Reading recovery	822	12,600	11,233	2,189
640	Regional staff development	10,353	-	-	10,353
645	YMS sports donation	2,871	3,226	4,972	1,125
680	Auditorium donations	2,630	3,986	4,554	2,062
710	Laptop protection program	36,961	13,541	5,134	45,368
760	E-rate	9,550	-	-	9,550
Total state and local programs		103,132	99,564	104,134	98,562
<b>Total</b>		<b>\$ 103,901</b>	<b>592,047</b>	<b>596,617</b>	<b>99,331</b>

**TOWN OF YORK, MAINE**  
**Agency Funds**  
**Combining Statement of Changes in Balances**  
**For the Year Ended June 30, 2019**

	Balances beginning of year	Additions	Deductions	Balances end of year
Activity funds:				
York High School Student Activities (schedule 1)	\$ 90,674	162,127	169,012	83,789
York Middle School Student Activities (schedule 2)	47,180	191,646	178,230	60,596
Coastal Ridge Elementary School Student Activities (schedule 3)	18,494	32,798	29,836	21,456
Village Elementary School Student Activities (schedule 3)	2,475	12,305	9,003	5,777
<b>Total</b>	<b>\$ 158,823</b>	<b>398,876</b>	<b>386,081</b>	<b>171,618</b>



**YORK SCHOOL DEPARTMENT**  
**York High School Student Activity Funds**  
**Schedule of Cash Receipts, Disbursements, and Changes in Balances**  
**For the year ended June 30, 2019**

	<b>Balances beginning of year</b>	<b>Cash receipts</b>	<b>Cash Disbursements</b>	<b>Balances end of year</b>
Athletics - gate receipts	\$ 809	16,093	10,495	6,407
Athletics hall of fame	10,485	4,738	7,317	7,906
Auditorium	-	3,040	490	2,550
Band	2,881	3,653	1,058	5,476
Baseball	-	2,770	2,044	726
Boys' cross country	-	50	-	50
Boys' lacrosse	1,695	6,500	7,872	323
Boys' soccer	286	3,030	2,188	1,128
Boy's tennis	-	500	-	500
Chorus	10,279	7,563	13,070	4,772
Class of 2018	1,009	-	1,000	9
Class of 2019	4,106	2,802	6,750	158
Class of 2020	4,384	13,477	8,188	9,673
Class of 2021	663	6,265	4,395	2,533
Class of 2022	-	1,956	-	1,956
Debate team	1,953	844	2,103	694
Drama	3,916	3,502	6,696	722
Field hockey	-	100	-	100
Football	-	875	475	400
For the health of it	320	-	-	320
Gang green	105	-	85	20

*continued*

**YORK SCHOOL DEPARTMENT**  
**York High School Student Activity Funds**  
**Schedule of Cash Receipts, Disbursements, and Changes in Balances**  
**For the year ended June 30, 2019**

	Balances beginning of year	Cash receipts	Cash Disbursements	Balances end of year
German program	-	350	-	350
Girls' cross country	-	50	-	50
Girls' soccer	-	2,468	1,519	949
Girls' tennis	-	500	-	500
Golf	-	100	-	100
National honor society	923	145	-	1,068
Organizations	2,603	4,886	4,846	2,643
Robotics	2,343	10,431	9,906	2,868
Rose Marie Tetreault scholarship	9,000	-	-	9,000
Scholarships	4,817	8,000	6,000	6,817
Scholarship - Sullivan	6,896	2,091	973	8,014
School spirit challenge	-	7,966	7,966	-
Science olympiad	2	-	-	2
Softball	525	1,231	1,150	606
Student government	447	-	113	334
Tidal waves	1,032	1,925	2,217	740
Track and field	-	200	-	200
Unified basketball	-	50	-	50
Yearbook	132	4,822	3,752	1,202
Yorkwise	17,110	33,585	50,695	-
Volleyball	844	2,957	2,947	854
World language trip	1,109	2,612	2,702	1,019
<b>Total</b>	<b>\$ 90,674</b>	<b>162,127</b>	<b>169,012</b>	<b>83,789</b>

**YORK SCHOOL DEPARTMENT**  
**York Middle School Student Activity Funds**  
**Schedule of Cash Receipts, Disbursements, and Changes in Balances**  
**For the year ended June 30, 2019**

		<b>Balances (deficits) beginning of year</b>	<b>Cash receipts</b>	<b>Cash Disbursements</b>	<b>Balances (deficits) end of year</b>
5/6 Student council	\$	1,036	500	-	1,536
7/8 Student council		7,463	2,700	1,642	8,521
Athletics		3,437	8,345	6,373	5,409
Band boosters		2,961	15,081	12,051	5,991
Class of 2022		500	-	500	-
Class of 2023		500	500	998	2
Class of 2024		500	500	-	1,000
Class of 2025		-	500	-	500
Class of 2026		-	500	-	500
Field trips		4,250	28,575	22,968	9,857
Field trips - 5th grade		-	-	365	(365)
Field trip - Quebec		88	110	-	198
Field trip - Washington		959	76,971	76,439	1,491
Field trip - New York		(65)	65	-	-
Finale		1,096	-	366	730
Green time		60	-	60	-
I.A.		84	-	-	84
IT		(181)	17	-	(164)
J. Neel smartmusic		82	-	-	82
Lego		525	-	-	525
Library		9,600	17,467	16,595	10,472
Math		553	500	600	453
Merrowvista		1,240	29,850	28,999	2,091
Miscellaneous		4,046	4,255	6,028	2,273
Music account		3,361	2,636	821	5,176
Parent group		183	-	183	-
Shakespeare		89	-	89	-
Spanish trip		55	-	-	55
Sunshine fund		92	774	777	89
Talent show		1,148	-	-	1,148
Yearbook		3,518	1,800	2,376	2,942
<b>Total</b>	<b>\$</b>	<b>47,180</b>	<b>191,646</b>	<b>178,230</b>	<b>60,596</b>

**YORK SCHOOL DEPARTMENT**  
**York Elementary Schools Student Activity Funds**  
**Schedule of Cash Receipts, Disbursements, and Changes in Balances**  
**For the year ended June 30, 2019**

	Balances beginning of year	Cash receipts	Cash Disbursements	Balances end of year
<b>Coastal Ridge Elementary</b>				
Principal's account	\$ 18,494	32,798	29,836	21,456
<b>Total Coastal Ridge Elementary</b>	<b>\$ 18,494</b>	<b>32,798</b>	<b>29,836</b>	<b>21,456</b>
<b>Village Elementary</b>				
School account	\$ 2,475	12,305	9,003	5,777
<b>Total Village Elementary</b>	<b>\$ 2,475</b>	<b>12,305</b>	<b>9,003</b>	<b>5,777</b>

**YORK SCHOOL DEPARTMENT**  
**General Fund**  
**Changes in Fund Balances**  
**For the year ended June 30, 2019**

		<u>Committed</u>	<u>Assigned</u>		
	Nonspendable	Retirement Incentives	Auditorium Balance	Unassigned	Total
Fund balance as reported, June 30, 2018	\$ 14,306	9,968	-	422,233	446,507
Lapse of nonspendable items	(14,306)	-	-	14,306	-
Payment of retirement incentives	-	(9,968)	-	9,968	-
FY 2019 prepaid items	8,691	-	-	(8,691)	-
FY 2019 rebate	-	-	36,600	(36,600)	-
Net change in fund balance	-	-	-	184,210	184,210
Fund balance June 30, 2019, budgetary basis	8,691	-	36,600	585,426	630,717
Change in prepaid debt service	-	-	-	380	380
<b>Fund balance as reported June 30, 2019, GAAP basis</b>	<b>\$ 8,691</b>	<b>-</b>	<b>36,600</b>	<b>585,806</b>	<b>631,097</b>