

**Unified School District Number 374  
Sublette, Kansas**

**June 30, 2017**

Unified School District Number 374  
Sublette, Kansas  
Financial Statement  
For the Year Ended June 30, 2017

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# Dirks, Anthony & Duncan, LLC

Certified Public Accountants & Management Consultants

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## INDEPENDENT AUDITOR'S REPORT

Superintendent and Board of Education  
Unified School District Number 374  
Sublette, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District Number 374, Sublette, Kansas (the District), as of and for the year ended June 30, 2017 and the related notes to the financial statement.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide (KMAAG)*, as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

As described in Note 1 to the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *KMAAG*, which is a basis of accounting other than accounting principles in the United States of America.

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

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2017, or changes in financial position and cash flows thereof for the year then ended.

**Unmodified Opinion on Regulatory Basis of Accounting**

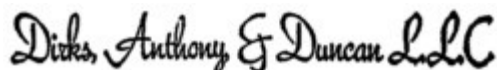
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *KMAAG* described in Note 1.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of expenditures-actual and budget (budgeted funds only), schedules of receipts and expenditures-actual and budget (where applicable), schedule of receipts and disbursements and schedule of receipts, expenditures and unencumbered cash (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *KMAAG*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

**Other Matter**

The Prior Year Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 listed in the table of contents) are also presented for comparative analysis and are not a required part of the Prior Year basic financial statements upon which we rendered an unmodified opinion dated October 10, 2016. The Prior Year basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such Prior Year comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Prior Year basic financial statement. The Prior Year comparative information was subjected to the auditing procedures applied in the audit of the Prior Year basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Prior Year basic financial statement or to the Prior Year basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Prior Year comparative information is fairly stated in all material respects in relation to the Prior Year basic financial statement as a whole, on the basis of accounting described in Note 1.



**DIRKS, ANTHONY & DUNCAN, LLC**

Certified Public Accountants

October 30, 2017

Unified School District Number 374  
 Sublette, Kansas  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances And Accounts Payable	Ending Cash Balance
<b>General Funds:</b>						
General	\$ 356	\$ 4,576,361	\$ 4,576,416	\$ 301	\$ 35,898	\$ 36,199
Supplemental General	8,781	1,269,111	1,277,892	-	1,829	1,829
<b>Special Purpose Funds:</b>						
At-Risk (4 Year Olds)	-	57,934	57,934	-	-	-
At-Risk (K-12)	110,116	636,518	635,792	110,842	230	111,072
Virtual Education	-	-	-	-	-	-
Bilingual Education	8,000	217,553	217,553	8,000	-	8,000
Capital Outlay	388,363	542,381	681,907	248,837	34,650	283,487
Driver Training	18,726	5,120	8,684	15,162	-	15,162
Professional Development	7,388	21,935	29,323	-	1,820	1,820
Food Service	51,408	358,895	345,023	65,280	5,864	71,144
Special Education	77,482	367,104	367,104	77,482	-	77,482
Vocational Education	5,788	8,554	10,241	4,101	-	4,101
Extraordinary School Program	86	89,756	89,842	-	35	35
KPERS Special Retirement	-	320,169	320,169	-	-	-
Textbook	564	-	-	564	-	564
Textbook Rental	-	-	-	-	-	-
Contingency Reserve	374,277	435,248	430,934	378,591	-	378,591
Rec. Comm. General	14,158	187,366	201,524	-	-	-
Rec. Comm. Employee Benefits	2,906	89,666	86,400	6,172	-	6,172
State, Federal and Other Grants	18,246	257,530	250,308	25,468	13,470	38,938
District Activity	24,723	142,267	143,155	23,835	-	23,835
<b>Debt Service Fund:</b>						
Bond and Interest	706,299	586,645	577,425	715,519	-	715,519
<b>Total Primary Government</b>	<b>\$ 1,817,667</b>	<b>\$ 10,170,113</b>	<b>\$ 10,307,626</b>	<b>\$ 1,680,154</b>	<b>\$ 93,796</b>	<b>\$ 1,773,950</b>

Composition of Cash**Centera Bank; Sublette, Kansas**Central Office

School District General	\$ 517,321
Payroll Tax Deposit Account	338
School District Petty Cash	500
Money Market	1,229,571
Dale McLain Scholarship	30,515

High School

High School Activity	35,255
High School Activity Money Market	19,164
High School Petty Cash	1,500

Grade School

Grade School Activity	63,336
Grade School Petty Cash	500

Less: Agency Funds - Per Schedule 3	(124,050)
<b>Total Composition of Cash</b>	<b>\$ 1,773,950</b>

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

Unified School District Number 374

Sublette, Kansas

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# UNIFIED SCHOOL DISTRICT NUMBER 374

## Notes to the Financial Statement

June 30, 2017

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial Reporting Entity

Unified School District Number 374, Sublette, Kansas, operates as a municipal corporation in accordance with the laws of the State of Kansas. The District is governed by an elected seven-member board. This regulatory financial statement presents Unified School District Number 374 (the District), the municipality but does not include its related municipal entities. The related municipal entities are included in the District's reporting entity because it was established to benefit the District and/or its constituents.

#### Component Unit

1. *Sublette Recreation Commission* – The Recreation Commission Board operates Recreation activities in Sublette. It is not a separate taxing entity under Kansas Statutes, and the District levies taxes for the recreation operations and recreation employee benefits which represent a significant portion of its total revenues. Complete financial records of the Recreation Commission may be viewed at the administrative offices of the entity at PO Box 914, Sublette, KS 67877.

As of the date of Unified School District 374's 2017 financial statement, the recreation commission had not yet received an audit on its 2016 or 2017 fiscal year records. There was an incident with its former Director which required the Kansas Bureau of Investigation to confiscate all financial records. The records were returned shortly before the District's audit report date.

#### Regulatory Basis Fund Types

*General Fund* – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

*Special Purpose Fund* – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

*Contingency Reserve Fund* – to account for monies deposited in reserve to be used for financial contingencies as designated in K.S.A 72-6426

*Capital Project Fund* – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

*Trust Fund* – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

*Agency Fund* – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

#### Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

# UNIFIED SCHOOL DISTRICT NUMBER 374

## Notes to the Financial Statement

June 30, 2017

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

#### Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

#### Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly reflected as offset by the reimbursements. Expenditures for the year ended June 30, 2017, in the amount of \$228,579 are classified as reimbursed expenses in the General Fund and Supplemental General Fund. These expenditures are for general purposes and are exempt from the budget law under K.S.A. 72-5390.

### NOTE 2 – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

*Concentration of Credit Risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2017 is as follows:

Investments	Percentage of Investments
Centera Bank	100%



## UNIFIED SCHOOL DISTRICT NUMBER 374

### Notes to the Financial Statement

June 30, 2017

#### NOTE 2 – DEPOSITS AND INVESTMENTS, CONTINUED

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The District does not use designated "peak periods".

At June 30, 2017 the carrying amount of the District's deposits, including certificates of deposit, was \$1,773,950 and the bank balance was \$2,058,708. The bank balance was held by one bank resulting in a concentration of credit risk. The bank balance was covered by federal depository insurance and pledged securities in the District's name.

*Custodial Credit Risk - Investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments of this type at June 30, 2017.

#### NOTE 3 – RETIREMENT PLAN

##### General Information about the Pension Plan

*Plan Description.* The District contributes to the Kansas Public Employees Retirement System ("KPERS"), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. Seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 749,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or before July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contribution are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016 with a 0% moratorium until June 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 16.00% and 10.91%, respectively, for the fiscal year ended June 30, 2016. The actuarially determined employer contribution rate and the statutory contribution rate was 16.03% and 10.81%, respectively for the fiscal year ended June 30, 2017. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion for the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$320,169 for the year ended June 30, 2017.

##### Net Pension Liability

At June 30, 2017, the District's proportionate share of the collective net pension liability reported by KPERS was \$5,968,705. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the ratio of the District's contribution to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2016. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

## UNIFIED SCHOOL DISTRICT NUMBER 374

### Notes to the Financial Statement

June 30, 2017

#### **NOTE 3 – RETIREMENT PLAN, CONTINUED**

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

#### **NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

*Other Post-Employment Benefits.* As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

*Sick Leave.* Full time certified employees employed less than twelve (12) months per year shall be granted ten (10) working days each year at full salary for personal illness, illness of family members, medical and dental appointments. Sick leave shall accumulate to a maximum of ninety (90) working days for each staff member employed for less than twelve (12) months. Full time certified employees employed for twelve (12) months per year shall be granted twelve (12) working days sick leave at full salary for personal illness, illness of family members, medical and dental appointments. Sick leave shall accumulate to a maximum of seventy-two (72) working days for each staff member employed for twelve (12) months.

Certified employees that work part days shall have ten (10) part days for sick leave, which shall accumulate as described above. Total accumulation shall be sixty (60) part days.

*Extended Sick Leave.* Full time professional employees shall be granted ten (10) working days extended sick leave for his/her first year of employment in the District, twenty (20) working days for the second continuous year of employment in the District, and thirty (30) working days in each succeeding year of employment in USD No. 374. Extended sick leave shall be defined as leave with a salary reduction, as specified in the Board Policy. The liability for accumulated vacation pay is not shown on this financial statement in accordance with a statutory based financial statement.

*Bereavement Leave.* Each certified employee may use his/her accumulated sick leave and his/her extended sick leave for reason of death of a relative of the employee or the employee's spouse. Such use shall be limited to five (5) days per bereavement. More time may be granted upon the discretion of the superintendent.

*Personal Leave.* Certified employees shall be allowed three (3) days of personal leave per year. Personal leave is not accumulative. Certified employees will be given one (1) additional day of personal leave upon their 20th year of accumulated experience. This includes experience at the District and certified experience elsewhere. Unused personal leave days may be converted to sick leave days. Such converted days shall not be reimbursable under the Payment for Unused Sick Leave Days paragraph.

*Payment for Unused Sick Leave.* The Board of Education shall pay each teacher upon retirement under KPERS, in the case of a disability that would prevent continued employment by the District, or the teacher's beneficiaries in the event of the teacher's death, ten dollars (\$10) per each day of accumulated unused sick leave not to exceed sixty (60) days. Termination of employment other than those listed above will not be eligible for payment of unused sick leave. The Board of Education shall pay each teacher for unused sick leave up to ten (10) days at a rate of twenty dollars (\$20) per day at the end of each contract period after all sick leave days used have been applied to the records in the Central Office. Unused sick leave pay will be computed in the June check.

*Termination Benefits.* The District does not provide for termination benefits.

#### **NOTE 5 – IN-SUBSTANCE RECEIPT IN TRANSIT**

Districts in Kansas as required by K.S.A. 72-6417 and 72-6434 are to record in-substance receipt in transit from the Kansas Department of Education for payments for the June 30, 2017 year that are received after June 30, 2017 by the Districts. For June 30, 2017 this amount was \$271,237.

# UNIFIED SCHOOL DISTRICT NUMBER 374

## Notes to the Financial Statement June 30, 2017

### NOTE 6 – LONG TERM DEBT

Changes in long-term liabilities for the district for the year ended June 30, 2017, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<b>General Obligation (GO) Bonds:</b>									
Series 2009	Various	7/15/2009	3,115,000	9/1/2017	\$ 960,000	\$ -	\$ 470,000	\$ 490,000	\$ 22,975
Series 2011	Various	2/11/2011	2,205,000	9/1/2021	2,205,000	-	-	2,205,000	84,450
Subtotal of GO Bonds					3,165,000	-	470,000	2,695,000	107,425
<b>Other Long-Term Obligations:</b>									
Building Purchase	0%	5/26/2016	25,000	6/15/21	-	20,300	4,700	15,600	-
Total Contractual Indebtedness					\$ 3,165,000	\$ 20,300	\$ 474,700	\$ 2,710,600	\$ 107,425

Current maturities of long-term debt and interest up to final maturity are as follows:

	<u>Fiscal Year</u>					
<u>Principal</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>TOTAL</u>
GO - Series 2009	\$ 490,000	\$ -	\$ -	\$ -	\$ -	\$ 490,000
GO - Series 2011	-	505,000	535,000	565,000	600,000	2,205,000
LT Obligation	4,700	4,700	4,700	1,500	-	15,600
Total Principal	494,700	509,700	539,700	566,500	600,000	2,710,600
<u>Interest</u>						
GO - Series 2009	7,963	-	-	-	-	7,963
GO - Series 2011	84,450	74,350	53,550	31,550	10,125	254,025
LT Obligation	-	-	-	-	-	-
Total Interest	92,413	74,350	53,550	31,550	10,125	261,988
Total Principal & Interest	<u>\$ 587,113</u>	<u>\$ 584,050</u>	<u>\$ 593,250</u>	<u>\$ 598,050</u>	<u>\$ 610,125</u>	<u>\$ 2,972,588</u>

### NOTE 7 – CAPITAL PROJECTS

There were no capital projects in process as of June 30, 2017.

### NOTE 8 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A budget law violation existed in the Extraordinary School Program for \$9,523. There was no cash law violation or any other budget law violations for the year ending June 30, 2017.

### NOTE 9 – COMPLIANCE WITH KANSAS STATUTES

Reference made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports, Kansas Department of Administration and interpretation by legal repetition of the District.

The District does not purchase from a not-for-profit who hires the blind and severely disabled as required by K.S.A. 75-3317.

The District's component unit, Sublette Recreation Commission, is not up to date on its audits as required by K.S.A. 75-1122(a).

# UNIFIED SCHOOL DISTRICT NUMBER 374

## Notes to the Financial Statement

June 30, 2017

### NOTE 10 – INTERFUND TRANSFERS

Interfund operating transfers are as follows:

Fund Transferred From:	Fund Transferred To:	Statutory Authority	Amount
General	Bilingual	K.S.A. 72-6428	\$217,553
General	Food Service	K.S.A. 72-6428	75,605
General	Vocational Education	K.S.A. 72-6428	4,321
General	Special Education	K.S.A. 72-6428	281,662
General	Contingency Reserve	K.S.A. 72-6428	135,616
General	At-Risk (4 Year Olds)	K.S.A. 72-6428	59,309
General	At-Risk (K-12)	K.S.A. 72-6428	559,691
General	Extraordinary School	K.S.A. 72-6428	29,331
General	Professional Development	K.S.A. 72-6428	12,154
General	Supplemental General	K.S.A. 72-6428	13,488
General	KPERS	K.S.A. 72-6428	320,169
Supplemental General	Extraordinary School	K.S.A. 72-6428	27,432
Supplemental General	Professional Development	K.S.A. 72-6428	9,780
Supplemental General	Special Education	K.S.A. 72-6428	76,155
Supplemental General	Food Service	K.S.A. 72-6428	426
Supplemental General	At-Risk (K-12)	K.S.A. 72-6428	81,385

### NOTE 11 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

During the ordinary course of its operation the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

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. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2015 to 2017, and there were no settlements that exceeded insurance coverage in the past three years.

### NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**Unified School District Number 374**

**Sublette, Kansas**

**Regulatory Required Supplemental Information**

## Schedule 1

Unified School District Number 374  
 Sublette, Kansas  
 Summary of Expenditures - Actual and Budget (Budgeted Funds Only)  
 Regulatory Basis  
 For the Year Ended June 30, 2017

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
<u>General Funds:</u>						
General	\$ 4,347,837	\$ (282,618)	\$ 228,579	\$4,293,798	\$ 4,576,416	\$ 282,618
Supplemental General	1,277,892			1,277,892	1,277,892	-
<u>Special Purpose Funds:</u>						
At-Risk (4 Year Olds)	57,934			57,934	57,934	-
At-Risk (K-12)	782,039			782,039	635,792	(146,247)
Virtual Education	266,679			266,679	217,553	(49,126)
Bilingual Education	44,195			44,195	-	(44,195)
Capital Outlay	886,127			886,127	681,907	(204,220)
Driver Training	12,625			12,625	8,684	(3,941)
Food Service	407,559			407,559	345,023	(62,536)
Professional Development	33,000			33,000	29,323	(3,677)
Special Education	438,210			438,210	367,104	(71,106)
Vocational Education	18,601			18,601	10,241	(8,360)
Extraordinary School Program	80,319			80,319	89,842	9,523
KPERS Special Retirement	417,059			417,059	320,169	(96,890)
Rec. Comm. General	288,800			288,800	201,524	(87,276)
Rec. Comm. Employee Benefits	86,400			86,400	86,400	-
<u>Debt Service Fund:</u>						
Bond and Interest	577,426			577,426	577,425	(1)
	<u>\$ 10,022,702</u>	<u>\$ (282,618)</u>	<u>\$ 228,579</u>	<u>\$ 9,968,663</u>	<u>\$ 9,483,229</u>	<u>\$(485,434)</u>

Unified School District Number 374  
 Sublette, Kansas  
 General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
<b>Receipts</b>				
Mineral Taxes	\$ 44,064	\$ 39,539	\$ -	\$ 39,539
State Equalization Aid	3,463,109	3,459,377	3,503,105	(43,728)
State Special Education Aid	262,404	242,885	264,654	(21,769)
KPERS Aid	309,839	320,169	417,059	(96,890)
Miscellaneous Income	2,712	-	-	-
Interest Income	-	3,194	-	3,194
Transfers In	-	282,618	163,000	119,618
Reimbursed Expenses	<u>142,294</u>	<u>228,579</u>	<u>-</u>	<u>228,579</u>
<b>Total Receipts</b>	<u>4,224,422</u>	<u>4,576,361</u>	<u>\$ 4,347,818</u>	<u>\$ 228,543</u>
<b>Expenditures</b>				
Instruction	1,847,724	1,864,112	1,581,620	282,492
Student Support Services	38,111	43,513	38,392	5,121
Instructional Support Staff	23,557	14,013	16,032	(2,019)
General Administration	60,601	69,885	112,541	(42,656)
School Administration	86,691	96,966	103,632	(6,666)
Operations and Maintenance	339,254	347,858	293,000	54,858
Student Transportation Services - Supervision	72,311	84,183	83,742	441
Vehicle Operating Services	39,270	30,546	56,395	(25,849)
Vehicle & Maintenance Services	11,903	28,244	12,000	16,244
Other Student Transportation Services	4,013	5,579	4,000	1,579
Fund Transfers	1,700,631	1,991,517	2,046,483	(54,966)
Adjustment to Comply with Legal Max	<u>-</u>	<u>-</u>	<u>(282,618)</u>	<u>-</u>
Legal Supplemental Fund Budget	4,224,066	4,576,416	4,065,219	228,579
Adjustment for Qualifying Budget Credits			228,579	(228,579)
Excess Funds Remitted to State	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>4,224,066</u>	<u>4,576,416</u>	<u>\$ 4,293,798</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	<u>356</u>	<u>(55)</u>		<u>\$ 228,543</u>
<b>Unencumbered Cash, July 1</b>	<u>-</u>	<u>356</u>		
<b>Unencumbered Cash, June 30</b>	<u>\$ 356</u>	<u>\$ 301</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Supplemental General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Tax in Process	\$ 6,409	7,257	\$ 20,757	(13,500)
Advalorem Taxes	948,930	1,038,475	1,072,194	(33,719)
Motor Vehicle Tax Collections	52,425	51,969	44,051	7,918
Recreational Vehicle Tax Collections	882	911	725	186
Back Tax Collections	7,578	8,696	4,900	3,796
Extraordinary Needs State Aid	345,275	-	-	-
Transfers In	-	161,803	163,000	(1,197)
Reimbursement	-	-	-	-
Total Receipts	<u>1,361,499</u>	<u>1,269,111</u>	<u>\$ 1,305,627</u>	<u>\$ (36,516)</u>
Expenditures				
Instruction	305,832	365,105	383,428	(18,323)
Student Support Services	63,415	69,394	78,318	(8,924)
Instructional Support Staff	126,669	134,504	136,317	(1,813)
General Administration	286,237	263,853	252,619	11,234
School Administration	205,335	192,239	200,618	(8,379)
Operations and Maintenance	31,442	39,004	-	39,004
Student Transportation Services	13,211	10,027	1,759	8,268
Food Service Operations	4,961	8,588	-	8,588
Building Improvements	1,891	-	-	-
Fund Transfers	313,899	195,178	224,833	(29,655)
Adjustment to Comply with Legal Max	-	-	-	-
Legal Supplemental Fund Budget	<u>1,352,892</u>	<u>1,277,892</u>	<u>1,277,892</u>	-
Adjustment for Qualifying Budget Credits	-	-	-	-
Total Expenditures	<u>1,352,892</u>	<u>1,277,892</u>	<u>\$ 1,277,892</u>	-
Receipts Over (Under) Expenditures	8,607	(8,781)		<u>\$ (36,516)</u>
Unencumbered Cash, July 1	<u>174</u>	<u>8,781</u>		
Unencumbered Cash, June 30	<u>\$ 8,781</u>	<u>\$ -</u>		



Unified School District Number 374  
 Sublette, Kansas  
 At-Risk (4 Year Olds) Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Transfers In	\$ 57,849	\$ 57,934	\$ 57,934	\$ -
Total Receipts	57,849	57,934	<u>\$ 57,934</u>	<u>\$ -</u>
Expenditures				
Instruction	57,849	57,934	57,934	-
Total Expenditures	57,849	57,934	<u>\$ 57,934</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-		<u>\$ -</u>
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ -</u>		

## Schedule 2-4

Unified School District Number 374  
 Sublette, Kansas  
 At-Risk (K-12) Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over <u>(Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 659,728	\$ 636,518	\$ 677,039	\$ (40,521)
Total Receipts	<u>659,728</u>	<u>636,518</u>	<u>\$ 677,039</u>	<u>\$ (40,521)</u>
Expenditures				
Instruction	651,813	628,183	694,355	(66,172)
Student Support Services	7,685	7,609	62,684	(55,075)
Transfers Out	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>(25,000)</u>
Total Expenditures	<u>659,498</u>	<u>635,792</u>	<u>\$ 782,039</u>	<u>(146,247)</u>
Receipts Over (Under) Expenditures	230	726		<u>\$ 105,726</u>
Unencumbered Cash, July 1	<u>109,886</u>	<u>110,116</u>		
Unencumbered Cash, June 30	<u>\$ 110,116</u>	<u>\$ 110,842</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Bilingual Education Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Transfers In	\$ 244,815	\$ 217,553	\$ 258,679	\$ (41,126)
Total Receipts	<u>244,815</u>	<u>217,553</u>	<u>\$ 258,679</u>	<u>\$ (41,126)</u>
Expenditures				
Instruction	<u>244,815</u>	<u>217,553</u>	<u>266,679</u>	<u>(49,126)</u>
Total Expenditures	<u>244,815</u>	<u>217,553</u>	<u>\$ 266,679</u>	<u>(49,126)</u>
Receipts Over (Under) Expenditures	-	-		<u>\$ 8,000</u>
Unencumbered Cash, July 1	<u>8,000</u>	<u>8,000</u>		
Unencumbered Cash, June 30	<u>\$ 8,000</u>	<u>\$ 8,000</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Virtual Education Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Transfers In	\$ -	\$ -	\$ 44,195	\$ (44,195)
Total Receipts	-	-	<u>\$ 44,195</u>	<u>\$ (44,195)</u>
Expenditures				
Instruction	-	-	44,195	(44,195)
Total Expenditures	-	-	<u>\$ 44,195</u>	<u>(44,195)</u>
Receipts Over (Under) Expenditures	-	-		<u>\$ (44,195)</u>
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Capital Outlay Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Tax in Process	\$ 4,178	\$ 4,360	\$ 25,529	\$ (21,169)
Advalorem Property Taxes	570,289	401,786	381,472	20,314
Motor Vehicle Tax Collections	21,815	30,883	26,329	4,554
Recreational Vehicle Tax Collections	368	540	433	107
Back Tax Collections	3,531	4,903	3,011	1,892
Miscellaneous	86	99,909	-	99,909
Total Receipts	<u>600,267</u>	<u>542,381</u>	<u>\$ 436,774</u>	<u>\$ 105,607</u>
Expenditures				
Instruction	135,831	68,810	200,000	131,190
General Administration	4,204	597	5,000	4,403
Operations and Maintenance	2,744	5,516	331,127	325,611
Transportation	-	83,831	150,000	66,169
Land Improvements	-	5,151	-	(5,151)
Building Improvements	498,791	518,002	200,000	(318,002)
Total Expenditures	<u>641,570</u>	<u>681,907</u>	<u>\$ 886,127</u>	<u>204,220</u>
Receipts Over (Under) Expenditures	(41,303)	(139,526)		<u>\$ (98,613)</u>
Unencumbered Cash, July 1	<u>429,666</u>	<u>388,363</u>		
Unencumbered Cash, June 30	<u>\$ 388,363</u>	<u>\$ 248,837</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Driver Training Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
State Aid	\$ 2,652	\$ 5,120	\$ 3,150	\$ 1,970
Other Revenue from Local Sources	4,325	-	19,392	(19,392)
Total Receipts	<u>6,977</u>	<u>5,120</u>	<u>\$ 22,542</u>	<u>\$ (17,422)</u>
Expenditures				
Instruction	7,919	8,428	12,000	(3,572)
Operations & Maintenance	251	256	625	(369)
Total Expenditures	<u>8,170</u>	<u>8,684</u>	<u>\$ 12,625</u>	<u>(3,941)</u>
Receipts Over (Under) Expenditures	(1,193)	(3,564)		<u>\$ (13,481)</u>
Unencumbered Cash, July 1	<u>19,919</u>	<u>18,726</u>		
Unencumbered Cash, June 30	<u>\$ 18,726</u>	<u>\$ 15,162</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Professional Development Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Transfers In	\$ 26,794	\$ 21,935	\$ 25,000	\$ (3,065)
Total Receipts	<u>26,794</u>	<u>21,935</u>	<u>\$ 25,000</u>	<u>\$ (3,065)</u>
Expenditures				
Instructional Support Staff	<u>19,406</u>	<u>29,323</u>	<u>33,000</u>	<u>(3,677)</u>
Total Expenditures	<u>19,406</u>	<u>29,323</u>	<u>\$ 33,000</u>	<u>(3,677)</u>
Receipts Over (Under) Expenditures	7,388	(7,388)		<u>\$ 612</u>
Unencumbered Cash, July 1	<u>-</u>	<u>7,388</u>		
Unencumbered Cash, June 30	<u>\$ 7,388</u>	<u>\$ -</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Food Service Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
State Aid	\$ 2,252	\$ 2,290	\$ 2,340	\$ (50)
Federal Aid	185,413	191,930	171,315	20,615
Transfers In	51,866	75,792	124,833	(49,041)
Student Meal Receipts	55,166	59,925	57,550	2,375
Adult Meal Receipts	41,702	24,544	30,400	(5,856)
Miscellaneous and Reimbursements	4,990	4,414	-	4,414
Total Receipts	<u>341,389</u>	<u>358,895</u>	<u>\$ 386,438</u>	<u>\$ (27,543)</u>
Expenditures				
Operations and Maintenance	8,073	9,105	11,250	(2,145)
Food Service Operations	313,588	335,918	396,309	(60,391)
Total Expenditures	<u>321,661</u>	<u>345,023</u>	<u>\$ 407,559</u>	<u>(62,536)</u>
Receipts Over (Under) Expenditures	19,728	13,872		<u>\$ 34,993</u>
Unencumbered Cash, July 1	<u>31,680</u>	<u>51,408</u>		
Unencumbered Cash, June 30	<u>\$ 51,408</u>	<u>\$ 65,280</u>		



Unified School District Number 374  
 Sublette, Kansas  
 Special Education Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
General Fund Transfer of State Aid	\$ 205,197	\$ 281,662	\$ 264,654	\$ 17,008
Transfers In	186,461	76,155	100,000	(23,845)
Interest Income	780	-	-	-
Other	4,117	9,287	-	9,287
	<u>396,555</u>	<u>367,104</u>	<u>\$ 364,654</u>	<u>\$ 2,450</u>
Total Receipts				
Expenditures				
Instruction	395,351	366,440	438,210	71,770
General Administration	1,085	-	-	-
Operations & Maintenance	616	664	-	(664)
	<u>397,052</u>	<u>367,104</u>	<u>\$ 438,210</u>	<u>71,106</u>
Total Expenditures				
Receipts Over (Under) Expenditures	(497)	-		<u>\$ (68,656)</u>
Unencumbered Cash, July 1	<u>77,979</u>	<u>77,482</u>		
Unencumbered Cash, June 30	<u>\$ 77,482</u>	<u>\$ 77,482</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Vocational Education Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
State Aid	\$ 4,778	\$ 4,233	\$ 7,204	\$ (2,971)
Transfers In	-	4,321	-	4,321
Total Receipts	<u>4,778</u>	<u>8,554</u>	<u>\$ 7,204</u>	<u>\$ 1,350</u>
Expenditures				
Supplies (Technology Related)	2,609	-	2,800	(2,800)
Student Transportation Services	8,679	10,241	15,801	(5,560)
Total Expenditures	<u>11,288</u>	<u>10,241</u>	<u>\$ 18,601</u>	<u>(8,360)</u>
Receipts Over (Under) Expenditures	(6,510)	(1,687)		<u>\$ 9,710</u>
Unencumbered Cash, July 1	<u>12,298</u>	<u>5,788</u>		
Unencumbered Cash, June 30	<u>\$ 5,788</u>	<u>\$ 4,101</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Extraordinary School Program Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Service Revenue	\$ 31,480	\$ 32,993	\$ 31,000	\$ 1,993
Transfers In	33,217	56,763	50,000	6,763
Total Receipts	<u>64,697</u>	<u>89,756</u>	<u>\$ 81,000</u>	<u>\$ 8,756</u>
Expenditures				
Operations and Maintenance	-	1,017	-	1,017
Other Support Services	64,611	88,825	80,319	8,506
Total Expenditures	<u>64,611</u>	<u>89,842</u>	<u>\$ 80,319</u>	<u>9,523</u>
Receipts Over (Under) Expenditures	86	(86)		<u>\$ (767)</u>
Unencumbered Cash, July 1	<u>-</u>	<u>86</u>		
Unencumbered Cash, June 30	<u>\$ 86</u>	<u>\$ -</u>		

Unified School District Number 374  
 Sublette, Kansas  
 KPERS Special Retirement Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
General Fund Transfer of State Aid	\$ 309,839	\$ 320,169	\$ 417,059	\$ (96,890)
Total Receipts	<u>309,839</u>	<u>320,169</u>	<u>\$ 417,059</u>	<u>\$ (96,890)</u>
Expenditures				
Employee Benefits	<u>309,839</u>	<u>320,169</u>	<u>417,059</u>	<u>(96,890)</u>
Total Expenditures	<u>309,839</u>	<u>320,169</u>	<u>\$ 417,059</u>	<u>(96,890)</u>
Receipts Over (Under) Expenditures	-	-		<u>\$ -</u>
Unencumbered Cash, July 1	<u>-</u>	<u>-</u>		
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Textbook Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	<u>Prior Year</u>	<u>Current Year</u>
Receipts		
Transfers In	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Textbook Purchases	85,882	-
Total Expenditures	85,882	-
Receipts Over (Under) Expenditures	(85,882)	-
Unencumbered Cash, July 1	86,446	564
Unencumbered Cash, June 30	\$ 564	\$ 564

Unified School District Number 374  
 Sublette, Kansas  
 Textbook Rental Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	<u>Prior Year</u>	<u>Current Year</u>
Receipts		
Transfers In	\$ -	\$ -
	<hr/>	<hr/>
Total Receipts	-	-
	<hr/>	<hr/>
Expenditures		
Textbook Purchases	3,555	-
	<hr/>	<hr/>
Total Expenditures	3,555	-
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(3,555)	-
	<hr/>	<hr/>
Unencumbered Cash, July 1	3,555	-
	<hr/>	<hr/>
Unencumbered Cash, June 30	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>

Unified School District Number 374  
 Sublette, Kansas  
 Contingency Reserve Fund  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	<u>Prior Year</u>	<u>Current Year</u>
Receipts		
Transfers In	<u>\$ 238,763</u>	<u>\$ 435,248</u>
Total Receipts	<u>238,763</u>	<u>435,248</u>
Expenditures		
Emergency Expenditures	<u>181,687</u>	<u>430,934</u>
Total Expenditures	<u>181,687</u>	<u>430,934</u>
Receipts Over (Under) Expenditures	57,076	4,314
Unencumbered Cash, July 1	<u>317,201</u>	<u>374,277</u>
Unencumbered Cash, June 30	<u><u>\$ 374,277</u></u>	<u><u>\$ 378,591</u></u>

Unified School District Number 374  
 Sublette, Kansas  
 Bond and Interest Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
Tax in Process	\$ 2,864	\$ 4,092	\$ 10,572	\$ (6,480)
Ad Valorem taxes	535,127	551,690	523,980	27,710
Delinquent Tax	3,462	4,528	2,757	1,771
Motor Vehicle Tax	24,014	25,881	21,448	4,433
Recreational Vehicle Tax/Excise Tax	404	454	353	101
	<u>565,871</u>	<u>586,645</u>	<u>\$ 559,110</u>	<u>\$ 27,535</u>
Total Receipts				
Expenditures				
Bond Principal Payments	445,000	470,000	470,000	-
Bond Interest Payments	123,375	107,425	107,426	(1)
	<u>568,375</u>	<u>577,425</u>	<u>\$ 577,426</u>	<u>(1)</u>
Total Expenditures				
Receipts Over (Under) Expenditures	(2,504)	9,220		<u>\$ 27,536</u>
Unencumbered Cash, July 1	<u>708,803</u>	<u>706,299</u>		
Unencumbered Cash, June 30	<u>\$ 706,299</u>	<u>\$ 715,519</u>		



Unified School District Number 374  
 Sublette, Kansas  
 Recreation Commission General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over <u>(Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
County Taxes	\$ 228,966	\$ 187,366	\$ 209,191	\$ (21,825)
Total Receipts	<u>228,966</u>	<u>187,366</u>	<u>\$ 209,191</u>	<u>\$ (21,825)</u>
Expenditures				
Community Service Operations	<u>312,500</u>	<u>201,524</u>	<u>288,800</u>	<u>(87,276)</u>
Total Expenditures	<u>312,500</u>	<u>201,524</u>	<u>\$ 288,800</u>	<u>(87,276)</u>
Receipts Over (Under) Expenditures	(83,534)	(14,158)		<u>\$ 65,451</u>
Unencumbered Cash, July 1	<u>97,692</u>	<u>14,158</u>		
Unencumbered Cash, June 30	<u>\$ 14,158</u>	<u>\$ -</u>		

Unified School District Number 374  
 Sublette, Kansas  
 Recreation Commission Employee Benefits Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2017  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

		Current Year		Variance Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Receipts				
County Taxes	\$ 51,536	\$ 89,666	\$ 85,474	\$ 4,192
Total Receipts	<u>51,536</u>	<u>89,666</u>	<u>85,474</u>	<u>4,192</u>
Expenditures				
Community Service Operations	<u>80,000</u>	<u>86,400</u>	<u>86,400</u>	<u>-</u>
Total Expenditures	<u>80,000</u>	<u>86,400</u>	<u>\$ 86,400</u>	<u>-</u>
Receipts Over (Under) Expenditures	(28,464)	3,266		<u>\$ 4,192</u>
Unencumbered Cash, July 1	<u>31,370</u>	<u>2,906</u>		
Unencumbered Cash, June 30	<u>\$ 2,906</u>	<u>\$ 6,172</u>		

Unified School District Number 374  
 Sublette, Kansas  
 State, Federal and Other Grant Funds  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2017

	21st Century Learning Center					Small Rural Schools	
	<u>After School</u>	<u>Migrant</u>	<u>Title I</u>	<u>Title II</u>	<u>Title III</u>	<u>Grant</u>	<u>Totals</u>
Receipts							
Federal Grants	\$ 89,950	\$31,450	\$ 78,813	\$10,161	\$11,013	\$ 36,143	\$257,530
Total Receipts	<u>89,950</u>	<u>31,450</u>	<u>78,813</u>	<u>10,161</u>	<u>11,013</u>	<u>36,143</u>	<u>257,530</u>
Expenditures							
Instruction	57,173	31,450	78,813	10,161	11,013	36,539	225,149
School Administration	3,000	-	-	-	-	-	3,000
Student Transportation Services	2,648	-	-	-	-	-	2,648
Transfer to Contingency	<u>19,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,511</u>
Total Expenditures	<u>82,332</u>	<u>31,450</u>	<u>78,813</u>	<u>10,161</u>	<u>11,013</u>	<u>36,539</u>	<u>250,308</u>
Receipts Over (Under) Expenditures	7,618	-	-	-	-	(396)	7,222
Unencumbered Cash, July 1	17,850	-	-	-	-	396	18,246
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered Cash, June 30	<u>\$ 25,468</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,468</u>

## Schedule 3-1

Unified School District Number 374  
 Sublette, Kansas  
 Scholarship Fund  
 Schedule of Receipts and Disbursements  
 Regulatory Basis  
 For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Cash Balance</u>
McClain Scholarship	\$ 31,438	\$ 77	\$ 1,000	\$ 30,515
Total Scholarship Funds	<u>\$ 31,438</u>	<u>\$ 77</u>	<u>\$ 1,000</u>	<u>\$ 30,515</u>

Unified School District Number 374  
 Sublette, Kansas  
 Sales Tax Funds  
 Schedule of Receipts and Disbursements  
 Regulatory Basis  
 For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Cash Balance</u>
High School Sales Tax	\$ 230	\$ 5,724	\$ 5,590	\$ 364
Grade School Sales Tax	(157)	581	452	(28)
Total Sales Tax Funds	<u>\$ 73</u>	<u>\$ 6,305</u>	<u>\$ 6,042</u>	<u>\$ 336</u>

Unified School District Number 374  
 Sublette, Kansas  
 Student Organization Funds  
 Schedule of Receipts and Disbursements  
 Regulatory Basis  
 For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
High School				
Band	\$ 3,089	\$ 373	\$ 1,961	\$ 1,501
Industrial Arts	13	172	185	-
Kayettes	2,491	64	112	2,443
MS Leadership	1,042	984	1,020	1,006
S Club	1,025	5,805	6,505	325
Yearbook	-	11,980	9,026	2,954
Class of 2014	779	-	779	-
Class of 2015	13	-	-	13
Class of 2016	(216)	216	-	-
Class of 2017	2,643	1,349	3,892	100
Class of 2018	496	17,837	17,223	1,110
Class of 2019	26	2,833	771	2,088
Alumni	-	4,000	-	4,000
Library	109	2,493	102	2,500
Student Council	673	987	931	729
Vocal Music	1,975	1,490	1,434	2,031
MS Science Camp	50	285	290	45
Cheerleaders	3,053	7,129	9,280	902
National Honor Society	80	243	323	-
MS Cheerleaders	1,571	3,100	1,538	3,133
MLO	1,038	5,073	4,866	1,245
Staff & Student	4,170	2,655	4,196	2,629
Interest	1,032	48	-	1,080
Subtotal High School	<u>25,152</u>	<u>69,116</u>	<u>64,434</u>	<u>29,834</u>
Grade School				
Miscellaneous	10,251	2,578	2,042	10,787
Box Top Fund	4,418	-	341	4,077
Pop Fund/Student	5,911	1,206	455	6,662
Faculty/Staff	4,761	2,059	1,941	4,879
GS Musical Fund	6,375	2,378	1,742	7,011
Adult Site Council	2,344	5,260	4,583	3,021
GS Leadership	226	-	-	226
Book Fair Fund	10,698	5,075	4,423	11,350
School Mall	9,313	-	995	8,318
After School	8,917	5,428	7,561	6,784
Family Fun, Food & Fit	250	-	-	250
Subtotal Grade School	<u>63,464</u>	<u>23,984</u>	<u>24,083</u>	<u>63,365</u>
Total Student Organization Funds	<u>\$ 88,616</u>	<u>\$ 93,100</u>	<u>\$ 88,517</u>	<u>\$ 93,199</u>

Unified School District Number 374  
 Sublette, Kansas  
 District Activity Fund  
 Schedule of Receipts, Expenditures and Uneuncumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2017

	Beginning Unencumbered <u>Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Add: Outstanding Encumbrances and Accounts <u>Payable</u>	Ending <u>Cash Balance</u>
Gate Receipts						
High School Athletics	\$ 5,890	\$ 29,748	\$ 31,293	\$ 4,345	\$ -	\$ 4,345
High School Concession	9,460	21,555	24,279	6,736	-	6,736
Total Gate Receipts	<u>15,350</u>	<u>51,303</u>	<u>55,572</u>	<u>11,081</u>	<u>-</u>	<u>11,081</u>
High School Activity	<u>9,373</u>	<u>48,225</u>	<u>44,844</u>	<u>12,754</u>	<u>-</u>	<u>12,754</u>
Grade School Activity	<u>-</u>	<u>42,739</u>	<u>42,739</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District Activity Funds	<u>\$ 24,723</u>	<u>\$ 142,267</u>	<u>\$ 143,155</u>	<u>\$ 23,835</u>	<u>\$ -</u>	<u>\$ 23,835</u>