

***HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261***

REGULATORY BASIS
FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

AND

INDEPENDENT AUDITOR'S REPORT



HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261

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**HAYSVILLE PUBLIC SCHOOLS
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**REGULATORY BASIS
FINANCIAL STATEMENTS**

Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

The Board of Education
Haysville Public Schools
Unified School District No. 261

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Haysville Public Schools, USD 261 (District), as of and for the year ended June 30, 2018 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 as described in Note I.B.2; 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, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. 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 statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 opinions.

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

As described in Note I.B.2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note I.B.2 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, 2018, 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, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note I.B.2.

Emphasis of Matter

As discussed in Note IV.B. to the financial statements, on July 1, 2017, the District adopted certain disclosures that are similar to those prescribed under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, such required disclosures were deemed to enhance the user’s understanding of the financial statement. Our opinion is not modified with respect to this matter.

Other Matter - 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 regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 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 *Kansas Municipal Audit and Accounting Guide*. 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 I.B.2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2018 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 26, 2018
Wichita, Kansas

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2018

	Beginning Unencumbered Cash Balance 7/01/2017	Receipts	Expenditures	Ending Unencumbered Cash Balance 06/30/2018	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance 06/30/2018
GOVERNMENTAL TYPE FUNDS:						
GENERAL FUND	\$ -	\$ 35,485,949	\$ 35,485,949	\$ -	\$ 698,509	\$ 698,509
SPECIAL PURPOSE FUNDS						
Supplemental General	424,434	11,893,765	11,745,007	573,192	36,237	609,429
At Risk (4 Yr. Old)	217,428	450,000	483,206	184,222	-	184,222
At Risk (K-12)	633,623	5,708,753	5,713,411	628,965	-	628,965
Bilingual Education	203,886	150,000	165,225	188,661	-	188,661
Driver Education	349,633	55,074	69,641	335,066	-	335,066
Food Service	3,089,251	2,896,718	2,967,832	3,018,137	-	3,018,137
Professional Development	129,813	150,917	127,607	153,123	-	153,123
Parent Education	55,437	259,586	278,672	36,351	-	36,351
Special Education	2,875,062	9,894,976	11,521,691	1,248,347	232,390	1,480,737
Vocational Education	91,651	556,762	572,850	75,563	5,340	80,903
KPERS Special Retirement	-	4,631,208	4,631,208	-	-	-
Contingency Reserve	1,055,703	-	-	1,055,703	-	1,055,703
Federal Funds	(171,217)	996,715	982,585	(157,087)	59,458	(97,629)
Textbook/Student Material						
Revolving Fund	866,350	535,046	401,937	999,459	-	999,459
ECC State Grant	(36,895)	37,083	10,839	(10,651)	-	(10,651)
Total special purpose funds	9,784,159	38,216,603	39,671,711	8,329,051	333,425	8,662,476
CAPITAL PROJECT FUNDS						
Capital Outlay	1,029,246	2,514,223	2,739,098	804,371	-	804,371
Construction	24,717,517	-	20,512,179	4,205,338	2,267,487	6,472,825
Total capital outlay funds	25,746,763	2,514,223	23,251,277	5,009,709	2,267,487	7,277,196
BOND AND INTEREST						
Bond and Interest	5,540,494	7,069,462	7,557,079	5,052,877	-	5,052,877
Total bond and interest funds	5,540,494	7,069,462	7,557,079	5,052,877	-	5,052,877
Total reporting entity	\$ 41,071,416	\$ 83,286,237	\$ 105,966,016	\$ 18,391,637	\$ 3,299,421	\$ 21,691,058
Composition of Cash:						
Checking account - INTRUST Bank						\$ 1,803,708
Repurchase agreements - INTRUST Bank						14,219,000
Checking account - Valley State Bank (Activity Funds)						385,487
Petty Cash						9,500
Investments- Bank of the West						6,002,452
Total cash						22,420,147
Less agency funds per Schedule 3						(729,089)
TOTAL REPORTING ENTITY						\$ 21,691,058

The accompanying notes are an integral
part of these financial statements.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

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**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Municipal Financial Reporting Entity

The Haysville Public Schools, Unified School District No. 261, (District) is organized under the laws of the State of Kansas (Kansas) and is governed by an elected seven-member board. This financial statement presents the District and its related municipal entities. There are no related municipal entities for which the District is considered to be financially accountable.

B. Fund Types and Basis of Accounting

1. *Regulatory Basis Fund Types*

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The District has the following fund types:

Government Fund Types

General Fund - is the District's chief operating fund. It accounts for all resources, except those required to be accounted for in another fund.

Special Purpose Funds - are 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.

Bond and Interest Fund - is used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

Agency Funds - are funds used to report assets held by the District in a purely custodial capacity (payroll clearing fund, etc.).

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

2. Regulatory 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 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.

3. In-Substance Receipt in Transit

The District received \$2,918,470 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

C. Deposits and Investments

K.S.A. 12-1675 authorizes the District to invest moneys not regulated by other statutes in time deposits, repurchase agreements consisting of obligations insured by the U.S. government or any agency thereof, U.S. Treasury bills or notes with maturities not exceeding two years, and the Kansas Municipal Investment Pool.

The investment of proceeds of general long-term debt is governed by specific statutes that authorize the District to invest in the following:

- Investments authorized by K.S.A. 12-1675
- Direct obligations of the U.S. government or any other agency thereof
- Money market funds comprised entirely of obligations of the U.S. Treasury and agencies thereof
- Obligations of any municipality of Kansas
- Certain rated investment agreements with a financial institution

Cash resources of the individual funds are combined to form a pool of cash and temporary investments that are managed by the District Treasurer. Investments of the pooled accounts consist primarily of certificates of deposits and money market accounts. Interest income earned is allocated to the contributing fund unless specifically designated.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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), and the bond and interest fund. 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 fiscal year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

Kansas statutes allow school districts to operate from July 1st to August 15th without an adopted budget. Kansas statutes also dictate the level of the general fund budget based on a formula that used \$4,006 per full-time equivalent weighted student as of September 20. Because the number of students as of September 20 of the budget year is not known at the time of budget adoption, an estimated number is used. If the estimate is too high, the general fund budget is automatically reduced to the actual number without requiring any formal Board action. If the estimate is too low, the Board of Education may increase the general fund budget to the actual amount only after following the procedures for publication and public hearing as outlined above.

Kansas statutes allow for the governing body to increase the original adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after the 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.

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board of Education providing the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of the amount originally adopted by the Board of Education. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal operating budgets are prepared using the regulatory basis of accounting, in which regulatory 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 municipality 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.

Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

A legal operating budget is not required for the following special purpose funds:

Contingency Reserve
Federal Funds
Construction Fund

Textbook and Student Material Revolving
ECC State Grant

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.

B. Deficit Cash

As of June 30, 2018, the Federal and the ECC State Grant funds had negative unencumbered cash balances of \$157,087 and \$10,651, respectively. The deficits are due to timing differences between the expenditure of state grant and the federal funds and the receipt of reimbursement in the 2017 – 2018 school year.

III. DETAILED NOTES ON THE FUNDS AND ACCOUNTS

A. Deposits and Investments

As of June 30, 2018, the District had the following securities:

Investment Type	Fair Value	Investment Maturities (In Years)		Rating U.S.
		Less than 1	1-5	
Repurchase agreement	\$ 14,219,000	\$ 14,219,000	\$ --	S&P AA+
Total	\$ 14,219,000	\$ 14,219,000	\$ --	

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. The rating of the District's investments is noted above.

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, 2018, is as follows:

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

<u>Investments</u>	<u>Percentage of Investments</u>
Repurchase agreement	100%

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%. As of June 30, 2018, the District's deposits are fully insured or collateralized with securities held by the District or by its agent in the District's name. The District has no formal deposit or investment policy.

At June 30, 2018, the District's carrying amounts of deposits was \$2,198,695 and the bank balance was \$778,092. The balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$690,075 was collateralized with securities held by the pledging financial institution's agent in the District's name. The District also held \$6,002,452 in money market funds which were collateralized with \$250,000 of federal depository insurance and \$7,395,518 of securities held by the pledging financial institution's agent 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. As of June 30, 2018, the District has no investments subject to Custodial Credit Risk.

B. Interfund Transfers

A summary of interfund operating transfers by fund type for the year ended June 30, 2018 is as follows:

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

From	To	Authority	Amount
General Fund	At Risk (4 Yr. Old)	K.S.A. 72-5167	\$ 125,000
General Fund	At Risk (K-12)	K.S.A. 72-5167	900,000
General Fund	Professional Development	K.S.A. 72-5167	100,000
General Fund	Special Education	K.S.A. 72-5167	5,177,292
General Fund	Vocational Ed	K.S.A. 72-5167	43,354
Supplemental General Fund	At Risk (4 Yr. Old)	K.S.A. 72-5143	325,000
Supplemental General Fund	At Risk (K-12)	K.S.A. 72-5143	4,800,000
Supplemental General Fund	Bilingual	K.S.A. 72-5143	150,000
Supplemental General Fund	Parent Ed	K.S.A. 72-5143	100,000
Supplemental General Fund	Special Ed	K.S.A. 72-5143	2,702,279
Supplemental General Fund	Vocational Ed	K.S.A. 72-5143	500,000
			<u>\$ 14,922,925</u>

The \$5,700,000 transferred from the General and Supplemental General Fund to At Risk (K-12) was budgeted to fund the increasing growth of the program. The \$7,879,571 transferred from the General and Supplemental General Fund to Special Education was a budgeted transfer to fund the program.

C. Long-Term Debt

The capital leases are for leases on copier equipment in use throughout the district. The 2003 certificate of participation was entered into for the purpose of purchasing a parcel of land in the Grand Cane addition to Haysville, KS.

On September 1, 2015, the District issued \$30,000,000 in General Obligation Bonds, Series 2015, with an average interest rate of 3.4%. The District will utilize these funds for construction projects throughout the district.

On May 1, 2016, the District issued \$29,000,000 in General Obligation Bonds, Series 2016, with an average interest rate of 3.63%. The District will utilize these funds for construction projects throughout the district.

The 2011 and 2012 Lease Purchase Certificate of Participations were established through the Qualified Zone Academy Bond Program which allows school districts to obtain interest free resources for specified purposes. In 2014, the U.S. Treasury decreased the interest subsidy for the 2011 QZAB from 100% to 91.3%.

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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

Changes in long-term debt for the entity for the year ended June 30, 2018, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
School Improvement Series 2007	4.00 - 5.00%	02/01/07	29,585,000	02/01/32	\$ 1,040,000	\$ -	\$ 580,000	\$ 460,000	\$ 33,545
Refunding Series 2012	2.00%	02/15/12	2,220,000	11/01/20	1,975,000	-	50,000	1,925,000	39,950
Refunding Series 2012-2	2.0-2.50%	10/01/12	7,265,000	11/01/30	7,070,000	-	55,000	7,015,000	163,995
Refunding Series 2013	2.0-2.30%	02/01/13	9,920,000	11/01/27	9,470,000	-	100,000	9,370,000	199,520
Refunding Series 2014	2.0-3.0%	09/01/14	6,035,000	11/01/22	4,550,000	-	730,000	3,820,000	114,500
Refunding Series 2015	2.0-4.0%	02/01/15	24,705,000	11/01/26	24,355,000	-	50,000	24,305,000	972,700
Refunding Series 2015-2	2.0-5.0%	09/01/15	30,000,000	11/01/35	28,200,000	-	510,000	27,690,000	971,494
Refunding Series 2016	2.0-5.0%	05/01/16	29,000,000	11/01/35	29,000,000	-	1,065,000	27,935,000	985,575
Refunding Series 2016-2	2.0-5.0%	10/05/16	2,735,000	11/01/19	2,735,000	-	890,000	1,845,000	45,800
					<u>108,395,000</u>	<u>-</u>	<u>4,030,000</u>	<u>104,365,000</u>	<u>3,527,079</u>
Certificate of Participation:									
Certificate of Participation Series 2003	variable	12/01/03	970,000	12/01/18	170,000	-	83,000	87,000	9,101
Certificate of Participation Series 2011	8.70%	11/28/11	1,600,000	11/15/28	1,600,000	-	-	1,600,000	6,904
Certificate of Participation Series 2012	1.50%	03/01/12	1,899,000	03/01/22	875,000	-	205,000	670,000	13,125
					<u>2,645,000</u>	<u>-</u>	<u>288,000</u>	<u>2,357,000</u>	<u>29,130</u>
Capital Leases:									
Ricoh Copier Lease 1024954USC	variable	06/01/16	68,673	06/01/21	54,937	-	13,063	41,874	2,351
Ricoh Copier Lease 1028863USC	variable	06/01/16	510,366	06/01/21	409,509	-	96,310	313,199	20,198
					<u>464,446</u>	<u>-</u>	<u>109,373</u>	<u>355,073</u>	<u>22,549</u>
Total long-term liabilities					<u>\$ 111,504,446</u>	<u>\$ -</u>	<u>\$ 4,427,373</u>	<u>\$ 107,077,073</u>	<u>\$ 3,578,758</u>

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

PRINCIPAL:	2019	2020	2021	2022	2023	2024-2028	2029-2033	2034-2036	Total
General Obligation Bonds:									
School Improvement Series 2007	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 125,000	\$ 245,000	\$ -	\$ 460,000
Refunding Series 2012	50,000	450,000	1,425,000	-	-	-	-	-	1,925,000
Refunding Series 2012-2	50,000	50,000	50,000	60,000	60,000	330,000	6,415,000	-	7,015,000
Refunding Series 2013	100,000	100,000	110,000	100,000	100,000	8,860,000	-	-	9,370,000
Refunding Series 2014	740,000	-	-	1,470,000	1,510,000	100,000	-	-	3,820,000
Refunding Series 2015	650,000	1,050,000	1,065,000	1,125,000	1,175,000	6,640,000	12,600,000	-	24,305,000
Refunding Series 2015-2	555,000	560,000	640,000	650,000	690,000	3,745,000	4,295,000	16,555,000	27,690,000
Refunding Series 2016	1,095,000	1,135,000	1,165,000	1,205,000	1,265,000	7,250,000	8,815,000	6,005,000	27,935,000
Refunding Series 2016-2	910,000	935,000	-	-	-	-	-	-	1,845,000
Total General Obligation Bonds	4,160,000	4,300,000	4,475,000	4,630,000	4,820,000	27,050,000	32,370,000	22,560,000	104,365,000
Certificate of Participation Series 2003	87,000	-	-	-	-	-	-	-	87,000
Certificate of Participation Series 2011	-	-	-	165,000	205,000	1,025,000	205,000	-	1,600,000
Certificate of Participation Series 2012	205,000	205,000	205,000	55,000	-	-	-	-	670,000
Total Certificates of Participation	292,000	205,000	205,000	220,000	205,000	1,025,000	205,000	-	2,357,000
Capital Leases:									
Ricoh Copier Lease 1024954USC	13,703	14,375	13,796	-	-	-	-	-	41,874
Ricoh Copier Lease 1028863USC	101,764	107,527	103,908	-	-	-	-	-	313,199
Total Capital Leases	115,467	121,902	117,704	-	-	-	-	-	355,073
Total principal	\$ 4,567,467	\$ 4,626,902	\$ 4,797,704	\$ 4,850,000	\$ 5,025,000	\$ 28,075,000	\$ 32,575,000	\$ 22,560,000	\$ 107,077,073
INTEREST:									
General Obligation Bonds:									
Series 2007	\$ 22,700	\$ 22,000	\$ 21,000	\$ 20,000	\$ 19,000	\$ 76,875	\$ 31,125	\$ -	\$ 212,700
Refunding Series 2012	38,000	33,000	14,250	-	-	-	-	-	85,250
Refunding Series 2012-2	162,945	161,945	160,945	159,845	158,645	773,925	236,048	-	1,814,298
Refunding Series 2013	197,520	195,520	193,420	191,320	189,320	499,460	-	-	1,466,560
Refunding Series 2014	99,800	92,400	92,400	70,350	25,650	1,500	-	-	382,100
Refunding Series 2015	959,200	925,200	882,900	839,100	793,100	3,204,400	1,485,800	-	9,089,700
Refunding Series 2015-2	960,844	949,694	937,694	915,044	881,544	3,890,367	3,183,490	871,238	12,589,915
Refunding Series 2016	931,575	875,825	818,325	759,075	697,325	2,800,800	1,706,425	272,325	8,861,675
Refunding Series 2016-2	27,800	9,350	-	-	-	-	-	-	37,150
Total General Obligation Bonds	3,400,384	3,264,934	3,120,934	2,954,734	2,764,584	11,247,327	6,642,888	1,143,563	34,539,348
Certificate of Participation Series 2003	3,915	-	-	-	-	-	-	-	3,915
Certificate of Participation Series 2011	79,360	79,360	79,360	75,268	66,092	177,940	5,084	-	562,464
Certificate of Participation Series 2012	10,050	6,975	3,900	825	-	-	-	-	21,750
Total Certificates of Participation	93,325	86,335	83,260	76,093	66,092	177,940	5,084	-	588,129
Capital Leases:									
Ricoh Copier Lease 1024954USC	1,710	1,038	333	-	-	-	-	-	3,081
Ricoh Copier Lease 1028863USC	14,744	8,980	2,891	-	-	-	-	-	26,615
Total Capital Leases	16,454	10,018	3,224	-	-	-	-	-	29,696
Total interest	3,510,163	3,361,287	3,207,418	3,030,827	2,830,676	11,425,267	6,647,972	1,143,563	35,157,173
Total principal and interest	\$ 8,077,630	\$ 7,988,189	\$ 8,005,122	\$ 7,880,827	\$ 7,855,676	\$ 39,500,267	\$ 39,222,972	\$ 23,703,563	\$ 142,234,246

D. Other Long-Term Obligations from Operations

1. Compensated Absences

Temporary leave consists of sick and vacation leave. The District annually grants full-time employees 12 days of sick leave and 10 days of vacation leave. Upon termination, employees are compensated for unused sick leave at one-third their normal salary up to 100 days and unused vacation leave at full salary up to 20 days. The liability of accrued temporary leave has been recorded in long-term debt and represents the District's commitment to fund such costs from future operations.

At June 30, 2018, the District had a liability of \$2,903,741 for compensated absences.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

2. Other Post Employment Benefits

Health insurance: As provided by K.S.A. 12-5040, all District retired employees are eligible to remain on the District's health insurance program until the age of 65. The retired employees are responsible for all premiums. If a retired employee reaches the age of 65 before the spouse, the spouse is allowed to remain on the District's program until the spouse reaches age 65. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of 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.

Early retirement incentive: Employees are eligible when they reach 85 points (combination of their age and years of KPERS service) or age 62 with 10 years of KPERS service. Under this program, employees receive a one time lump sum payment into a tax sheltered account that is equal to approximately one-third of the employee's salary in the year of retirement. The payment is made in July following their last year of employment. Additional smaller amounts are received for years of service to the District that exceed 10 years. If an employee does not take advantage of the program when they meet the criteria, the available amount decreases to zero over a four-year period.

At June 30, 2018, the District had a liability of \$437,790 for early retirement incentives.

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

Plan Description. The District participates in 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 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. 74-49,210 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 after 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 of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

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 contributions rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% for the period July 1, 2017 through September 30, 2017 for Death and Disability Program) and the statutory contribution rate was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. 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 employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year.

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 of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$4,631,208 for the year ended June 30, 2018.

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$54,157,839. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions 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, 2017. Since KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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 publically available on the website at www.kpers.org or can be obtained as described above.

B. KPERS Death and Disability OPEB Plan

Plan Description. The District participates in an agent multiple-employer defined benefit other post-employment benefit (OPEB) plan which is administered by KPERS. The Plan provides long-term disability benefits and life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. Because the trust's assets are used to pay employee benefits other than OPEB, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

Benefits provided:

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver premium provision.

Long-term disability benefit: Monthly benefit is 60% of the member's monthly compensation, with a minimum of \$100 and maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, worker's compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability occurs after age 60, benefits are payable while disability continues, for a period of 5 years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the term of the disability or 24 months per lifetime, whichever is less. There are no automatic cost-of-living increase provisions. KPERS has the authority to implement an ad hoc cost-of living increase.

Group life waiver of premium benefit: Upon the death of an employee who is receiving monthly disability benefits, the plan will pay a lump-sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of the member's previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for 5 or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point, to compute the death benefit. If an member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual life insurance plan.

Members covered by benefit terms. At June 30, 2018, the following members were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	12
Active employees	880
	<u>892</u>

Total OPEB Liability

The District's total OPEB liability of \$1,486,015 was measured as of June 30, 2017, and was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. Because KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise noted:

Price inflation	2.75%
Payroll growth	3.00%
Salary increases, including inflation	3.50 to 10%, including price inflation
Discount rate	3.58%
Healthcare cost trend rates	Not applicable for the coverage in this plan
Retiree share of benefit cost	Not applicable for the coverage in this plan

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the RP-2014 Mortality tables, as appropriate, with adjustment for mortality improvements based on Scale MP-2017.

The actuarial assumptions used in the June 30, 2017 valuation were based on actuarial experience study for the period July 1, 2014 – June 30, 2016. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2016 KPERS pension valuation.

C. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, error and omissions, injuries to employees, and natural disasters. The District has been unable to obtain commercial insurance for all risks of loss at a cost it considered to be economically justifiable. For this reason, the District joined together with other districts in the state participate in the Kansas Educational Risk Management Pool, LLC (KERMP LLC), a public entity risk pool currently operating as a common risk management and insurance program for eight participating members.

The District pays an annual premium to KERMP LLC for its commercial insurance coverage. The agreement to participate provides that the KERMP LLC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event, depending on type of insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP LLC management.

D. Capital Projects

The District has authorized \$26,396,611 for bond construction costs and has paid \$19,093,112 in construction costs through June 30, 2018.

REGULATORY-
SUPPLEMENTARY INFORMATION

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

	Certified Budget	Adjustment to Comply with Legal Max	Total Budget for Comparison	Expenditures Chargeable to Current Year	Over (Under)
General fund	\$ 36,686,147	\$ (1,200,198)	\$ 35,485,949	\$ 35,485,949	\$ -
Special purpose funds:					
Supplemental General	12,145,649	-	12,145,649	11,745,007	(400,642)
At Risk (4 Yr. Old)	516,000	-	516,000	483,206	(32,794)
At Risk (K-12)	6,418,623	-	6,418,623	5,713,411	(705,212)
Bilingual Education	265,000	-	265,000	165,225	(99,775)
Driver Education	139,100	-	139,100	69,641	(69,459)
Food Service	3,841,000	-	3,841,000	2,967,832	(873,168)
Professional Development	190,510	-	190,510	127,607	(62,903)
Parent Education	292,000	-	292,000	278,672	(13,328)
Special Education	11,534,150	-	11,534,150	11,521,691	(12,459)
Vocational Education	684,500	-	684,500	572,850	(111,650)
KPERs Special Retirement	4,855,793	-	4,855,793	4,631,208	(224,585)
Capital project funds:					
Capital Outlay	2,945,000	-	2,945,000	2,739,098	(205,902)
Debt service funds:					
Bond and Interest	7,557,085	-	7,557,085	7,557,079	(6)

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

	<u>General Fund</u>		SCHEDULE 2-1
	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Taxes	\$ 400	\$ -	\$ 400
Intergovernmental - state	35,485,549	36,686,147	(1,200,598)
Total receipts	<u>\$ 35,485,949</u>	<u>\$ 36,686,147</u>	<u>\$ (1,200,198)</u>
Expenditures:			
Current			
Instruction	\$ 15,886,821	\$ 14,305,000	\$ 1,581,821
Support services	4,319,718	4,150,500	169,218
General administration	511,282	680,500	(169,218)
School administration	2,913,317	2,805,000	108,317
Operations and maintenance	2,770,199	3,775,000	(1,004,801)
Student transportation services	1,674,938	1,838,150	(163,212)
Other supplemental services	1,064,028	1,593,897	(529,869)
Total current	<u>29,140,303</u>	<u>29,148,047</u>	<u>(7,744)</u>
Transfers out	6,345,646	7,538,100	(1,192,454)
Adjustment to comply with legal max	<u>-</u>	<u>(1,200,198)</u>	<u>1,200,198</u>
Total expenditures	<u>\$ 35,485,949</u>	<u>\$ 35,485,949</u>	<u>\$ -</u>
Receipts over expenditures	-		
Unencumbered cash, beginning	<u>-</u>		
Unencumbered cash, ending	<u>\$ -</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Special Purpose Fund - Supplemental General

SCHEDULE 2-2

	Actual	Budget	Over (Under)
Receipts:			
Taxes	\$ 3,393,533	\$ 3,085,593	\$ 307,940
Intergovernmental - state	8,479,462	8,635,622	(156,160)
Other	20,770	-	20,770
Total receipts	<u>\$ 11,893,765</u>	<u>\$ 11,721,215</u>	<u>\$ 172,550</u>
Expenditures:			
Current			
Instruction	\$ 1,137,144	\$ 958,239	\$ 178,905
Support services	394,326	520,000	(125,674)
General administration	58,220	477,200	(418,980)
Other student transportation services	64,674	195,000	(130,326)
Operations and maintenance	1,447,523	1,085,200	362,323
Other supplemental services	65,841	710,010	(644,169)
Total current	<u>3,167,228</u>	<u>3,945,649</u>	<u>(777,921)</u>
Transfers out	<u>8,577,279</u>	<u>8,200,000</u>	<u>377,279</u>
Total expenditures	<u>\$ 11,745,007</u>	<u>\$ 12,145,649</u>	<u>\$ (400,642)</u>
Receipts under expenditures	148,758		
Unencumbered cash, beginning	<u>424,434</u>		
Unencumbered cash, ending	<u>\$ 573,192</u>		

Special Purpose Fund - At Risk (4 Year Old)

SCHEDULE 2-3

	Actual	Budget	Over (Under)
Receipts:			
Charges for services	\$ -	\$ 30,000	\$ (30,000)
Transfers in	450,000	500,000	(50,000)
Total receipts	<u>\$ 450,000</u>	<u>\$ 530,000</u>	<u>\$ (80,000)</u>
Expenditures:			
Current			
Instruction	\$ 413,893	\$ 439,000	\$ (25,107)
Support services	45	1,000	(955)
School administration	69,160	75,500	(6,340)
Operations and maintenance	108	500	(392)
Total expenditures	<u>\$ 483,206</u>	<u>\$ 516,000</u>	<u>\$ (32,794)</u>
Receipts over expenditures	(33,206)		
Unencumbered cash, beginning	<u>217,428</u>		
Unencumbered cash, ending	<u>\$ 184,222</u>		

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Special Purpose Fund - At Risk (K-12)

SCHEDULE 2-4

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Charges for services	\$ 8,753	\$ 30,000	\$ (21,247)
Transfers in	5,700,000	5,900,000	(200,000)
Total receipts	<u>\$ 5,708,753</u>	<u>\$ 5,930,000</u>	<u>\$ (221,247)</u>
Expenditures:			
Current			
Instruction	\$ 5,212,377	\$ 5,828,523	\$ (616,146)
Support services	307,142	336,100	(28,958)
School administration	192,228	222,500	(30,272)
Operations and maintenance	-	20,000	(20,000)
Transportation	1,664	11,500	(9,836)
Total expenditures	<u>\$ 5,713,411</u>	<u>\$ 6,418,623</u>	<u>\$ (705,212)</u>
Receipts over expenditures	(4,658)		
Unencumbered cash, beginning	<u>633,623</u>		
Unencumbered cash, ending	<u>\$ 628,965</u>		

Special Purpose Fund - Bilingual Education

SCHEDULE 2-5

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Transfers in	\$ 150,000	\$ 200,000	\$ (50,000)
Total receipts	<u>\$ 150,000</u>	<u>\$ 200,000</u>	<u>\$ (50,000)</u>
Expenditures:			
Current			
Instruction	\$ 165,225	\$ 265,000	\$ (99,775)
Total expenditures	<u>\$ 165,225</u>	<u>\$ 265,000</u>	<u>\$ (99,775)</u>
Receipts over expenditures	(15,225)		
Unencumbered cash, beginning	<u>203,886</u>		
Unencumbered cash, ending	<u>\$ 188,661</u>		

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Special Purpose Fund - Driver Education

SCHEDULE 2-6

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 21,888	\$ 35,000	\$ (13,112)
Charges for services	33,186	-	33,186
Total receipts	<u>\$ 55,074</u>	<u>\$ 35,000</u>	<u>\$ 20,074</u>
Expenditures:			
Current			
Instruction	\$ 61,517	\$ 91,100	\$ (29,583)
Operations and maintenance	8,124	48,000	(39,876)
Total expenditures	<u>\$ 69,641</u>	<u>\$ 139,100</u>	<u>\$ (69,459)</u>
Receipts over expenditures	(14,567)		
Unencumbered cash, beginning	<u>349,633</u>		
Unencumbered cash, ending	<u>\$ 335,066</u>		

Special Purpose Fund - Food Service

SCHEDULE 2-7

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 29,125	\$ 29,000	\$ 125
Intergovernmental - federal	1,900,592	1,891,649	8,943
Charges for services	967,001	844,011	122,990
Total receipts	<u>\$ 2,896,718</u>	<u>\$ 2,764,660</u>	<u>\$ 132,058</u>
Expenditures:			
Current			
Operations and maintenance	\$ 2,967,832	\$ 3,841,000	\$ (873,168)
Total expenditures	<u>\$ 2,967,832</u>	<u>\$ 3,841,000</u>	<u>\$ (873,168)</u>
Receipts over expenditures	(71,114)		
Unencumbered cash, beginning	<u>3,089,251</u>		
Unencumbered cash, ending	<u>\$ 3,018,137</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Special Purpose Fund - Professional Development

SCHEDULE 2-8

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Intergovernmental - state	\$ 50,917	\$ 21,235	\$ 29,682
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total receipts	<u>\$ 150,917</u>	<u>\$ 121,235</u>	<u>\$ 29,682</u>
Expenditures:			
Current			
Support services	\$ 127,607	\$ 190,510	\$ (62,903)
Total expenditures	<u>\$ 127,607</u>	<u>\$ 190,510</u>	<u>\$ (62,903)</u>
Receipts over expenditures	23,310		
Unencumbered cash, beginning	<u>129,813</u>		
Unencumbered cash, ending	<u>\$ 153,123</u>		

Special Purpose Fund - Parent Education

SCHEDULE 2-9

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Intergovernmental - state	\$ 159,586	\$ 127,000	\$ 32,586
Transfers in	<u>100,000</u>	<u>200,000</u>	<u>(100,000)</u>
Total receipts	<u>\$ 259,586</u>	<u>\$ 327,000</u>	<u>\$ (67,414)</u>
Expenditures:			
Current			
Support services	\$ 278,672	\$ 292,000	\$ (13,328)
Total expenditures	<u>\$ 278,672</u>	<u>\$ 292,000</u>	<u>\$ (13,328)</u>
Receipts under expenditures	(19,086)		
Unencumbered cash, beginning	<u>55,437</u>		
Unencumbered cash, ending	<u>\$ 36,351</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Special Purpose Fund - Special Education

SCHEDULE 2-10

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Intergovernmental - federal	\$ 1,493,087	\$ 1,225,000	\$ 268,087
Other	522,318	250,000	272,318
Transfers in	7,879,571	7,938,100	(58,529)
Total receipts	<u>\$ 9,894,976</u>	<u>\$ 9,413,100</u>	<u>\$ 481,876</u>
Expenditures:			
Current			
Instruction	\$ 7,463,222	\$ 7,330,000	\$ 133,222
Support services	2,798,957	2,895,000	(96,043)
General administration	269,311	311,000	(41,689)
Transportation	933,291	950,000	(16,709)
Operations and maintenance	56,910	31,100	25,810
Other supplemental services	-	17,050	(17,050)
Total expenditures	<u>\$ 11,521,691</u>	<u>\$ 11,534,150</u>	<u>\$ (12,459)</u>
Receipts over expenditures	(1,626,715)		
Unencumbered cash, beginning	<u>2,875,062</u>		
Unencumbered cash, ending	<u>\$ 1,248,347</u>		

Special Purpose Fund - Vocational Education

SCHEDULE 2-11

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Intergovernmental - state	\$ 13,408	\$ 12,573	\$ 835
Transfers in	543,354	700,000	(156,646)
Total receipts	<u>\$ 556,762</u>	<u>\$ 712,573</u>	<u>\$ (155,811)</u>
Expenditures:			
Current			
Instruction	\$ 572,850	\$ 684,500	\$ (111,650)
Total expenditures	<u>\$ 572,850</u>	<u>\$ 684,500</u>	<u>\$ (111,650)</u>
Receipts over expenditures	(16,088)		
Unencumbered cash, beginning	<u>91,651</u>		
Unencumbered cash, ending	<u>\$ 75,563</u>		

HAYSVILLE PUBLIC SCHOOLS
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Schedule of Receipts and Expenditures - Actual and Budget
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Special Purpose Fund - KPERS Special Retirement Contribution SCHEDULE 2-12

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 4,631,208	\$ 4,855,793	\$ (224,585)
Total receipts	<u>\$ 4,631,208</u>	<u>\$ 4,855,793</u>	<u>\$ (224,585)</u>
Expenditures:			
Current			
Instruction	\$ 2,973,699	\$ 3,117,905	\$ (144,206)
Support services	605,299	634,652	(29,353)
General administration	65,300	68,467	(3,167)
School administration	326,963	342,819	(15,856)
Other supplemental services	87,067	91,289	(4,222)
Operations & maintenance	320,016	335,535	(15,519)
Student transportation services	148,199	155,385	(7,186)
Food service	104,665	109,741	(5,076)
Total expenditures	<u>\$ 4,631,208</u>	<u>\$ 4,855,793</u>	<u>\$ (224,585)</u>
Receipts over expenditures	-		
Unencumbered cash, beginning	-		
Unencumbered cash, ending	<u>\$ -</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

Non-Budgeted Special Purpose Funds

SCHEDULE 2-13

	Contingency Reserve	Federal Funds	Textbook/ Student Material Revolving	ECC State Grant	Total
Receipts:					
Intergovernmental - federal	\$ -	\$ 972,846	\$ -	\$ -	\$ 972,846
Intergovernmental - state	-	-	-	37,083	37,083
Charges for services	-	-	535,046	-	535,046
Other	-	23,869	-	-	23,869
Total receipts	-	996,715	535,046	37,083	1,568,844
Expenditures:					
Current					
Instruction	-	723,555	217,186	10,839	951,580
Support services	-	235,341	184,751	-	420,092
Transportation	-	17,149	-	-	17,149
Other supplemental services	-	6,540	-	-	6,540
Total expenditures	-	982,585	401,937	10,839	1,395,361
Receipts over (under) expenditures	-	14,130	133,109	26,244	173,483
Unencumbered cash, beginning	1,055,703	(171,217)	866,350	(36,895)	1,713,941
Unencumbered cash, ending	<u>\$ 1,055,703</u>	<u>\$ (157,087)</u>	<u>\$ 999,459</u>	<u>\$ (10,651)</u>	<u>\$ 1,887,424</u>

Note: The above funds are not subject to Kansas budget law.

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

Capital Project Fund - Capital Outlay

SCHEDULE 2-14

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Taxes	\$ 1,317,833	\$ 1,261,001	\$ 56,832
Uses of money and property	38,580	-	38,580
Intergovernmental - state	873,435	863,459	9,976
Other	284,375	-	284,375
	<u>284,375</u>	<u>-</u>	<u>284,375</u>
Total receipts	<u>\$ 2,514,223</u>	<u>\$ 2,124,460</u>	<u>\$ 389,763</u>
Expenditures:			
Capital outlay	2,356,595	\$ 2,550,000	\$ (193,405)
Debt service:			
Principal	288,000	350,000	(62,000)
Interest	29,130	40,000	(10,870)
Other	65,373	5,000	60,373
	<u>65,373</u>	<u>5,000</u>	<u>60,373</u>
Total expenditures	<u>\$ 2,739,098</u>	<u>\$ 2,945,000</u>	<u>\$ (205,902)</u>
Receipts under expenditures	(224,875)		
Unencumbered cash, beginning	<u>1,029,246</u>		
Unencumbered cash, ending	<u>\$ 804,371</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

Capital Project Fund - Construction

SCHEDULE 2-15

	<u>Actual</u>
Receipts:	
Interest Income	<u>\$ -</u>
Total receipts	<u><u>\$ -</u></u>
Expenditures:	
Capital Outlay	<u>\$ 20,512,179</u>
Total expenditures	<u><u>\$ 20,512,179</u></u>
Receipts under expenditures	(20,512,179)
Unencumbered cash, beginning	<u>24,717,517</u>
Unencumbered cash, ending	<u><u>\$ 4,205,338</u></u>

Note: The above fund is not subject to Kansas budget law.

HAYSVILLE PUBLIC SCHOOLS
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Schedule of Receipts and Expenditures - Actual and Budget
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	<u>Bond and Interest Fund</u>		SCHEDULE 2-16
	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Taxes	\$ 1,478,654	\$ 1,395,892	\$ 82,762
Intergovernmental - state	<u>5,590,808</u>	<u>5,592,243</u>	<u>(1,435)</u>
Total receipts	<u>\$ 7,069,462</u>	<u>\$ 6,988,135</u>	<u>\$ 81,327</u>
Expenditures:			
Principal	\$ 4,030,000	\$ 4,030,000	\$ -
Interest	<u>3,527,079</u>	<u>3,527,085</u>	<u>(6)</u>
Total expenditures	<u>\$ 7,557,079</u>	<u>\$ 7,557,085</u>	<u>\$ (6)</u>
Receipts over expenditures	(487,617)		
Unencumbered cash, beginning	<u>5,540,494</u>		
Unencumbered cash, ending	<u>\$ 5,052,877</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

Agency Funds

SCHEDULE 3

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Payroll clearing fund	\$ 284,489	\$ 451,559	\$ 392,446	\$ 343,602
Student activity funds	<u>364,169</u>	<u>1,205,319</u>	<u>1,184,001</u>	<u>385,487</u>
Total agency funds	<u><u>\$ 648,658</u></u>	<u><u>\$ 1,656,878</u></u>	<u><u>\$ 1,576,447</u></u>	<u><u>\$ 729,089</u></u>

Note: The above fund is not subject to Kansas budget law.