

**UNIFIED SCHOOL DISTRICT NO. 112**

Primary Government Financial Statement  
With Independent Auditors' Report

For the Year Ended June 30, 2018

**UNIFIED SCHOOL DISTRICT NO. 112**  
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**TABLE OF CONTENTS**

Independent Auditors' Report .....	1
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis .....	4
Notes to Financial Statement .....	5

**Regulatory–Required Supplementary Information**

Schedule 1 – Summary of Expenditures – Actual and Budget – Regulatory Basis .....	15
---	----

Schedule 2 – Schedule of Receipts and Expenditures – Regulatory Basis Individually presented by fund	
---	--

**Governmental Type Funds**

**General Funds**

2-1 General Fund .....	16
2-2 Supplemental General Fund .....	17

**Special Purpose Funds**

2-3 Capital Outlay Fund .....	18
2-4 Driver Training Fund .....	19
2-5 Food Service Fund .....	20
2-6 Professional Development Fund .....	21
2-7 Special Education Fund .....	22
2-8 Vocational Education Fund .....	23
2-9 Recreation Commission Fund .....	24
2-10 KPERS Special Retirement Contribution Fund .....	25
2-11 At-Risk (K-12) Fund .....	26
2-12 At-Risk (4 Year Old) Fund .....	27
2-13 Virtual Education Fund .....	28
2-14 Contingency Reserve Fund .....	29
2-15 Textbook Rental Fund .....	30
2-16 Title I Fund .....	31
2-17 Title II Fund .....	32
2-17 Title IV Fund .....	33
2-18 REAP Grant Fund .....	34
2-19 Special Gift Fund .....	35

**Bond and Interest Fund**

2-20 Bond and Interest Fund .....	36
-----------------------------------	----

**Capital Project Fund**

2-21 Capital Projects Fund .....	37
----------------------------------	----

**Trust Fund**

2-22 Scholarship Fund .....	38
-----------------------------	----

Schedule 3 - Summary of Receipts and Disbursements – Regulatory Basis	
---	--

Agency Funds.....	39
-------------------	----

Schedule 4 - Schedule of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	
--	--

District Activity Funds .....	41
-------------------------------	----

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
**Unified School District No. 112**  
Holyrood, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 112**, 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 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.

### Auditors' 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 *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on 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 opinion.

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

As described in Note 1, the financial statement is prepared by **Unified School District No. 112** 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 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 matters 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 **Unified School District No. 112** 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 **Unified School District No. 112** 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 1.

### **Other Matters**

#### **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, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds (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 *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 1.

The 2017 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated October 9, 2017. The 2017 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 2017 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 2017 basic financial statement. The 2017 comparative information was subjected to the auditing

procedures applied in the audit of the 2017 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 2017 basic financial statement or to the 2017 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 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

*Adams, Brown, Beran & Ball, Chartered*

**ADAMS, BROWN, BERAN & BALL, CHTD.**

Certified Public Accountants

October 8, 2018

**UNIFIED SCHOOL DISTRICT NO. 112**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>							
<b>General Funds</b>							
General Fund	\$ -	-	4,104,018	4,104,018	-	604	604
Supplemental General Fund	74,232	-	1,419,706	1,387,888	106,050	18,832	124,882
<b>Special Purpose Funds</b>							
Capital Outlay Fund	467,939	677	776,542	826,107	419,051	72,463	491,514
Driver Training Fund	14,838	-	6,464	6,026	15,276	169	15,445
Food Service Fund	30,223	-	370,302	364,467	36,058	-	36,058
Professional Development Fund	5,108	-	29,395	24,654	9,849	-	9,849
Special Education Fund	140,684	-	755,760	763,729	132,715	-	132,715
Vocational Education Fund	5,988	-	215,000	212,431	8,557	6,332	14,889
Recreation Commission Fund	-	-	43,117	40,218	2,899	-	2,899
KPERs Special Retirement Contribution Fund	-	-	460,742	460,742	-	-	-
At-Risk (K-12) Fund	5,820	-	353,219	352,682	6,357	2,384	8,741
At-Risk (4 Year Old) Fund	5,016	-	86,000	83,778	7,238	-	7,238
Virtual Education Fund	7,436	-	86,625	87,393	6,668	159	6,827
Contingency Reserve Fund	702,358	-	12,296	330,000	384,654	-	384,654
Textbook Rental Fund	6,552	-	10,020	955	15,617	-	15,617
Title I Fund	-	-	71,378	71,378	-	-	-
Title II Fund	-	-	15,981	15,981	-	-	-
Title IV Fund	-	-	1,933	1,933	-	-	-
REAP Grant Fund	-	-	24,148	24,148	-	-	-
Special Gift Fund	6,996	-	1,410	5,882	2,524	-	2,524
District Activity Funds	42,103	-	134,577	124,420	52,260	-	52,260
<b>Bond and Interest Fund</b>							
Bond and Interest Fund	750,225	-	40,426	696,900	93,751	-	93,751
<b>Capital Projects Fund</b>							
Capital Projects Fund	-	-	820,952	820,952	-	-	-
<b>Trust Fund</b>							
Scholarship Fund	1,063	-	1,000	1,000	1,063	-	1,063
<b>Total Primary Government (Excluding Agency Funds)</b>	<u>\$ 2,266,581</u>	<u>677</u>	<u>9,841,011</u>	<u>10,807,682</u>	<u>1,300,587</u>	<u>100,943</u>	<u>1,401,530</u>
<b>Composition of Cash</b>							
Checking Accounts						\$	769,832
Money Market Accounts							22,725
Certificates of Deposit							701,897
Total Cash							1,494,454
Agency Funds per Schedule 3							(92,924)
<b>Total Primary Government (Excluding Agency Funds)</b>						<b>\$</b>	<b>1,401,530</b>

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

## UNIFIED SCHOOL DISTRICT NO. 112

Notes to Financial Statement

June 30, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Unified School District No. 112** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

#### **Use of Estimates**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from those estimates.

#### **Financial Reporting Entity**

The District is a municipal corporation governed by an elected seven-member board. This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the District and/or its constituents.

#### **Recreation Commission**

Claflin Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body, but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. Unaudited financial statements can be obtained by contacting the recreation commission's office.

The District is the primary government as defined in GASB #61. The board of education is elected by the public. The board has the authority to make decisions, levy taxes, influence operations and has the primary accountability in fiscal matters.

#### **Basis of Presentation – Fund Accounting**

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as 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 following types of funds comprise the financial activities of the District for the year ended June 30, 2018.

#### **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 revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

## UNIFIED SCHOOL DISTRICT NO. 112

### Notes to Financial Statement

June 30, 2018

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

**Trust Fund** – fund 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** – fund 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**

The 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.

#### **Departure From Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the District are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statement.

#### **Property Tax Calendar**

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

#### **Restricted Assets**

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal



## UNIFIED SCHOOL DISTRICT NO. 112

### Notes to Financial Statement

June 30, 2018

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and state grant contracts. Also, cash is restricted in the trust and agency funds of the District for special purposes.

#### **Reimbursements**

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

#### **NOTE 2 – 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. 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 revenue 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 10 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 revenues 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.

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Contingency Reserve Fund, Textbook Rental Fund, Title I Fund, Title II Fund, Title IV Fund, REAP Grant Fund and District Activity Funds.

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.

## UNIFIED SCHOOL DISTRICT NO. 112

Notes to Financial Statement

June 30, 2018

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### NOTE 3 – DEPOSITS AND INVESTMENTS

**Unified School District No. 112** follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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 K.S.A. 9-1405.

#### 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 "peak periods". All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$1,494,454 and the bank balance was \$1,844,956. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$1,058,742 was covered by federal depository insurance and \$786,214 was collateralized with securities held by the pledging financial institutions' agents 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 at June 30, 2018.

### NOTE 4 – IN-SUBSTANCE RECEIPT IN TRANSIT

**Unified School District No. 112** received \$236,426 subsequent to June 30, 2018 and as required by K.S.A. 72-6417, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

### NOTE 5 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 112's** interfund transfers and regulatory

**UNIFIED SCHOOL DISTRICT NO. 112**

Notes to Financial Statement

June 30, 2018

authority for the year ended June 30, 2018 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-5167	\$ 584,831
General Fund	Food Service Fund	K.S.A. 72-5167	40,000
General Fund	Contingency Reserve	K.S.A. 72-5167	12,296
General Fund	At-Risk (4 Year Old) Fund	K.S.A. 72-5167	16,000
General Fund	At-Risk (K-12) Fund	K.S.A. 72-5167	100,000
General Fund	Vocational Education Fund	K.S.A. 72-5167	25,000
General Fund	Virtual Education Fund	K.S.A. 72-5167	65,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	25,000
Supplemental General Fund	At-Risk (4 Year Old) Fund	K.S.A. 72-5143	15,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	114,591
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-5143	110,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	148,219
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	40,000
Contingency Reserve Fund	At-Risk (4 Year Old) Fund	K.S.A. 72-5165	55,000
Contingency Reserve Fund	At-Risk (K-12) Fund	K.S.A. 72-5165	105,000
Contingency Reserve Fund	Vocational Education Fund	K.S.A. 72-5165	80,000
Contingency Reserve Fund	Special Education Fund	K.S.A. 72-5165	50,000
Contingency Reserve Fund	Virtual Education Fund	K.S.A. 72-5165	20,000
Contingency Reserve Fund	Food Service Fund	K.S.A. 72-5165	20,000

**NOTE 6 – CAPITAL PROJECTS**

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
CPMS - Bushton HVAC System Lease	\$ 982,157	982,157

**NOTE 7 – LITIGATION**

**Unified School District No. 112** is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

**NOTE 8 – RISK MANAGEMENT**

**Unified School District No. 112** 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 been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other districts in the State to participate in Kansas Association of School Boards Risk Management Services, a public entity risk pool currently operating as a common risk management and insurance program for 109 participating members.

The District pays an annual premium to Kansas Association of School Boards Risk Management Services for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Association of School Boards Risk Management Services will be self-sustaining through member

## UNIFIED SCHOOL DISTRICT NO. 112

### Notes to Financial Statement

June 30, 2018

premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Association of School Boards Risk Management Services management.

The District carries commercial insurance for all other risks of loss, including property, general liability, employee benefits liability, crime, automobile, educators legal liability, and employee surety bond. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### NOTE 9 – GRANTS AND SHARED REVENUES

Unified School District No. 112 participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

#### NOTE 10 – OPERATING LEASES

The District entered into a lease agreement for a postage machine with Pitney Bowes on January 14, 2016. The lease agreement is payable in quarterly payments of \$135 for 60 months. Payments of \$540 were made in 2018. Future scheduled payments to maturity are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 540
2020	540
2021	270

The District entered into a lease agreement for a postage machine with Pitney Bowes on May 20, 2016. The lease agreement is payable in quarterly payments of \$141 for 60 months. Payments of \$564 were made in 2018. Future scheduled payments to maturity are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 564
2020	564
2021	243

The District entered into a lease agreement for a dishwashing machine with Auto-Chlor on July 23, 2015. The lease agreement is payable in annual payments of \$1,600 for 3 years. This lease automatically renews with a 56 day cancellation policy. Payments of \$1,600 were made in 2018.

The District entered into a lease agreement for a dishwashing machine with Auto-Chlor on October 20, 2016. The lease agreement is payable in annual payments of \$1,600 for 3 years. This lease automatically renews with a 56 day cancellation policy. Payments of \$1,600 were made in 2018. Future scheduled payments to maturity are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 1,600

## UNIFIED SCHOOL DISTRICT NO. 112

Notes to Financial Statement

June 30, 2018

The District entered into a lease agreement for a dishwashing machine with Auto-Chlor on July 6, 2017. The lease agreement is payable in annual payments of \$1,595 for 5 years. This lease automatically renews with a 56 day cancellation policy. Payments of \$1,595 were made in 2018. Future scheduled payments to maturity are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 1,595
2020	1,595
2021	1,595
2022	1,595

### NOTE 11 – DEFERRED COMPENSATION PLAN

**Unified School District No. 112** sponsors a deferred compensation plan under Internal Revenue Code Section 403(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

### NOTE 12 – DEFINED BENEFIT PENSION PLAN

#### General Information about the Pension Plan

##### Plan Description

**Unified School District No. 112** 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](http://www.kpers.org) or by writing to KPERS (611 S 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 at 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.

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 with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. 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

## UNIFIED SCHOOL DISTRICT NO. 112

### Notes to Financial Statement

June 30, 2018

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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 20 years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars 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 \$460,742 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 \$6,180,443. 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 the 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 publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

#### **NOTE 13 – OTHER POST EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, **Unified School District No. 112** 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 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.

#### **NOTE 14 – COMPENSATED ABSENCES**

##### **Vacation**

**Unified School District No. 112's** policy regarding vacation is that full-time employees will receive vacation at the rate of 10 days per year. Twelve month contracted employees will receive vacation equal to the percentage of their employment. Employees who have completed 15 work years in the district or 15 combined years (combining years employed with USD 112 and years employed with a predecessor district, USD 354 or USD 328 prior to consolidation) receive 3 additional days of vacation per year. Vacation is non-accumulative. However, if an employee wants to carry over any unused vacation, it must

## **UNIFIED SCHOOL DISTRICT NO. 112**

### **Notes to Financial Statement**

June 30, 2018

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be used by July 31<sup>st</sup> of the following fiscal year, with the approval of the building principal and/or Superintendent by June 30<sup>th</sup>. The Superintendent receives 20 days of vacation each year. He is able to carry over his current year vacation until October 31<sup>st</sup>. If not used by October 31<sup>st</sup>, the vacation is forfeited. The potential liability for vacation at June 30, 2018 was \$7,298. This is not reflected in the financial statement.

Newly hired classified employees hired for 12-month positions will accrue one day of vacation per month through the first year of employment and until the beginning of the first full fiscal year after being hired up to 10 days. Upon completion of the first year and at the beginning of the next fiscal year (July 1) the employee will receive 10 days of vacation per year. Part-time and temporary employees are not eligible for vacation. Employees terminating employment before June 30<sup>th</sup> of the respective fiscal year will be paid for unused vacation at their applicable hourly rate.

#### **Sick Leave**

Classified and certified employees are allowed annual sick leave of 10 days per year. Any unused sick leave may be carried over at the end of the year, but accumulated sick leave is limited to a maximum of 80 days for all District employees. Accumulated sick leave is not paid out if an employee terminates employment or retires.

The District will compensate classified employees at the rate of \$60 per day and certified employees at a rate of \$70 per day for unused sick leave in excess of 70 days, with the payment being made to the employees in their final check of the fiscal year, prior to June 30<sup>th</sup>. The number of sick leave days available to the employee will then be reduced by the number of days bought back. The days available for buy back will never exceed 10 days (the maximum 80 accumulated days less a maximum buy back of 10 days for those days in excess of 70).

#### **Personal Leave**

Classified and certified employees are granted three days per year for personal leave. Personal leave days are non-accumulative and must be used by June 30<sup>th</sup>. The District will compensate employees at the rate of \$60 per day for classified employees and \$70 per day for certified employees for unused personal leave, with the payment being made to the employees in their final check of the fiscal year, prior to June 30<sup>th</sup>.

#### **Comp Time**

Full-time employees (custodians and district office personnel) may elect to earn compensatory time instead of overtime for hours worked outside their contract hours. Compensatory hours shall be computed at the same rate as overtime. All compensatory hours must be taken by June 30<sup>th</sup> of each calendar year. The maximum number of compensatory hours which may be accumulated at any time in a calendar year is 45, after which, the hours must be used or turned in as overtime.

### **NOTE 15 – LONG-TERM DEBT**

Unified School District No. 112 has the following types of long-term debt.

#### **General Obligation Bonds**

On June 4, 2012, the District issued \$3,315,000 in General Obligation Refunding Bonds. On September 1, 2012, the proceeds were used to redeem General Obligation Refunding Bonds, Series 2003 maturing September 1, 2017.

#### **Lease Obligations**

The District has entered into a lease agreement for equipment. The lease contains a fiscal funding clause.

**UNIFIED SCHOOL DISTRICT NO. 112**  
Notes to Financial Statement  
June 30, 2018

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

	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
<b>General Obligation Bonds</b>									
Series 2012 Refunding	2.00%	6/4/2012	\$ 3,315,000	9/1/2017	\$ 690,000	-	(690,000)	-	6,900
<b>Capital Lease</b>									
CPMS - Bushton HVAC System Lease	2.69%	10/30/2017	820,952	10/30/2027	-	820,952	-	<b>820,952</b>	-
<b>Total Contractual Indebtedness</b>					<u>\$ 690,000</u>	<u>820,952</u>	<u>(690,000)</u>	<u><b>820,952</b></u>	<u>6,900</u>

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

	YEAR						
	2019	2020	2021	2022	2023	2024-2027	Total
Principal	\$ 72,648	74,603	76,609	78,670	80,786	437,636	820,952
Interest	22,084	20,129	18,123	16,062	13,946	35,937	126,281
<b>Total Principal and Interest</b>	<u>\$ 94,732</u>	<u>94,732</u>	<u>94,732</u>	<u>94,732</u>	<u>94,732</u>	<u>473,573</u>	<u><b>947,233</b></u>



**UNIFIED SCHOOL DISTRICT NO. 112**

Regulatory-Required Supplementary Information

**UNIFIED SCHOOL DISTRICT NO. 112**  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Type Funds</b>						
<b>General Funds</b>						
General Fund	\$ 4,304,204	(210,869)	10,683	4,104,018	<b>4,104,018</b>	-
Supplemental General Fund	1,412,166	(32,193)	7,915	1,387,888	<b>1,387,888</b>	-
<b>Special Purpose Funds</b>						
Capital Outlay Fund	1,200,000	-	-	1,200,000	<b>826,107</b>	(373,893)
Driver Training Fund	10,900	-	-	10,900	<b>6,026</b>	(4,874)
Food Service Fund	411,300	-	-	411,300	<b>364,467</b>	(46,833)
Professional Development Fund	25,000	-	-	25,000	<b>24,654</b>	(346)
Special Education Fund	789,221	-	-	789,221	<b>763,729</b>	(25,492)
Vocational Education Fund	212,500	-	-	212,500	<b>212,431</b>	(69)
Recreation Commission Fund	40,218	-	-	40,218	<b>40,218</b>	-
KPERs Special Retirement Contribution Fund	473,590	-	-	473,590	<b>460,742</b>	(12,848)
At-Risk (K-12) Fund	388,200	-	-	388,200	<b>352,682</b>	(35,518)
At-Risk (4 Year Old) Fund	86,000	-	-	86,000	<b>83,778</b>	(2,222)
Virtual Education Fund	186,800	-	-	186,800	<b>87,393</b>	(99,407)
Special Gift Fund	6,500	-	-	6,500	<b>5,882</b>	(618)
<b>Bond and Interest Fund</b>						
Bond and Interest Fund	696,900	-	-	696,900	<b>696,900</b>	-

## UNIFIED SCHOOL DISTRICT NO. 112

## General Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
<b>Receipts</b>				
Intergovernmental Revenues				
Mineral Severance Tax	\$ 14,543	20,103	15,000	5,103
Equalization Aid	3,247,307	3,588,401	3,758,404	(170,003)
State Aid	375,620	484,831	530,800	(45,969)
State Aid - KPERS	303,583	-	-	-
Other State Aid	300	400	-	400
Interest on Idle Funds	10,924	-	-	-
Fees	-	10,283	-	10,283
Transfers In	15,526	-	-	-
<b>Total Receipts</b>	<u>3,967,803</u>	<u>4,104,018</u>	<u>4,304,204</u>	<u>(200,186)</u>
<b>Expenditures</b>				
Instruction	2,108,856	2,129,508	2,121,404	8,104
Student Support Services	192,614	192,455	201,000	(8,545)
Instructional Support Services	67,224	62,306	68,900	(6,594)
General Administration	241,390	272,565	248,200	24,365
School Administration	397,015	407,734	408,300	(566)
Operations and Maintenance	7,784	20,307	14,500	5,807
Student Transportation Services	165,717	176,016	170,100	5,916
Transfers Out	787,203	843,127	1,071,800	(228,673)
Adjustment to Comply with Legal Max	-	-	(210,869)	210,869
Legal General Fund Budget	3,967,803	4,104,018	4,093,335	10,683
(a) Adjustment for Qualifying Budget Credits	-	-	10,683	(10,683)
<b>Total Expenditures and Legal General Fund Budget</b>	<u>3,967,803</u>	<u>4,104,018</u>	<u>4,104,018</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		
<b>(a) Adjustment for Qualifying Budget Credits</b>				
Other State Aid Over Amount Budgeted			\$ 400	
Fees Over Amount Budgeted			10,283	
<b>Total</b>			<u>\$ 10,683</u>	

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Supplemental General Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

			Current Year		
	Prior Year Actual		Actual	Budget	Variance Over (Under)
<b>Receipts</b>					
Taxes and Shared Revenues					
Taxes	\$ 1,279,045		1,411,791	1,462,136	(50,345)
Intergovernmental Revenues					
Federal Aid	-	150	-	-	150
Other Local Sources					
Refunds and Reimbursements	9,335	-	-	9,000	(9,000)
Fees	8,131	7,765	-	-	7,765
<b>Total Receipts</b>	1,296,511	1,419,706	1,471,136		(51,430)
<b>Expenditures</b>					
Instruction	455,675	428,225	348,446		79,779
Student Support Services	181,609	179,215	187,220		(8,005)
Instructional Support Services	26,272	23,172	19,300		3,872
General Administration	35,934	25,639	29,700		(4,061)
School Administration	34,613	28,949	23,100		5,849
Operations and Maintenance	223,144	157,471	164,400		(6,929)
Student Transportation Services	74,633	92,407	65,000		27,407
Transfers Out	282,265	452,810	575,000		(122,190)
Adjustment to Comply with Legal Max	-	-	(32,193)		32,193
Legal Supplemental General Fund Budget	1,314,145	1,387,888	1,379,973		7,915
(a) Adjustment for Qualifying Budget Credit	-	-	7,915		(7,915)
<b>Total Expenditures and Legal Supplemental General Fund Budget</b>	1,314,145	1,387,888	1,387,888		-
<b>Receipts Over (Under) Expenditures</b>	(17,634)	31,818			
<b>Unencumbered Cash - Beginning</b>	91,866	74,232			
<b>Unencumbered Cash - Ending</b>	\$ 74,232	106,050			
<b>(a) Adjustment for Qualifying Budget Credit</b>					
Fees Over Amount Budgeted			\$ 7,765		
Federal Aid Over Amount Budgeted			150		
<b>Total</b>			\$ 7,915		

## UNIFIED SCHOOL DISTRICT NO. 112

## Capital Outlay Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 580,104	745,462	744,598	864
Intergovernmental Revenues				
Federal Aid	750	-	-	-
Other Local Sources				
Donations	14,381	-	-	-
Miscellaneous Revenue	12,126	2,093	-	2,093
Royalties - Broadband Agreement	11,160	11,160	-	11,160
Refunds and Reimbursements	2,735	5,695	-	5,695
Sale of Assets	1,693	975	-	975
Interest on Idle Funds	-	11,157	10,000	1,157
<b>Total Receipts</b>	622,949	776,542	754,598	21,944
<b>Expenditures</b>				
Instruction	162,254	102,871	225,000	(122,129)
School Administration	6,744	9,673	-	9,673
General Administration	17,537	65,065	20,000	45,065
Operations and Maintenance	467,849	533,501	660,500	(126,999)
Transportation	111,285	73,000	119,500	(46,500)
Other Supplemental Services	3,398	3,398	15,000	(11,602)
Facility Acquisition and Construction	31,799	38,599	60,000	(21,401)
Debt Service	-	-	100,000	(100,000)
<b>Total Expenditures</b>	800,866	826,107	1,200,000	(373,893)
<b>Receipts Over (Under) Expenditures</b>	(177,917)	(49,565)		
<b>Unencumbered Cash - Beginning</b>	645,856	467,939		
<b>Prior Year Cancelled Encumbrances</b>	-	677		
<b>Unencumbered Cash - Ending</b>	\$ 467,939	419,051		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Driver Training Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
State Aid	\$ 2,816	4,224	4,200	24
Other Local Sources				
Student Fees	3,666	2,240	3,700	(1,460)
<b>Total Receipts</b>	6,482	6,464	7,900	(1,436)
<b>Expenditures</b>				
Instruction	7,812	5,453	9,900	(4,447)
Vehicle Operating Services	240	573	1,000	(427)
Transfers Out	15,526	-	-	-
<b>Total Expenditures</b>	23,578	6,026	10,900	(4,874)
<b>Receipts Over (Under) Expenditures</b>	(17,096)	438		
<b>Unencumbered Cash - Beginning</b>	31,934	14,838		
<b>Unencumbered Cash - Ending</b>	\$ 14,838	15,276		

## UNIFIED SCHOOL DISTRICT NO. 112

## Food Service Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 3,086	<b>2,917</b>	2,580	337
Federal Aid	188,677	<b>167,841</b>	183,565	(15,724)
Other Local Sources				
Receipts - Students	93,127	<b>89,533</b>	93,105	(3,572)
Receipts - Adults	9,247	<b>10,011</b>	18,094	(8,083)
Transfers In	51,000	<b>100,000</b>	120,000	(20,000)
<b>Total Receipts</b>	345,137	<b>370,302</b>	<u>417,344</u>	<u>(47,042)</u>
<b>Expenditures</b>				
Food Service Operation	388,766	<b>364,467</b>	<u>411,300</u>	<u>(46,833)</u>
<b>Receipts Over (Under) Expenditures</b>	(43,629)	<b>5,835</b>		
<b>Unencumbered Cash - Beginning</b>	73,852	<b>30,223</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>30,223</u>	<u><b>36,058</b></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Professional Development Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ -	<b>4,395</b>	2,500	(1,895)
Federal Aid	800	-	-	-
Other Local Sources				
Transfers In	2,000	<b>25,000</b>	25,000	-
<b>Total Receipts</b>	2,800	<b>29,395</b>	<u>27,500</u>	<u>(1,895)</u>
<b>Expenditures</b>				
Instructional Support Services	23,463	<b>24,654</b>	<u>25,000</u>	<u>(346)</u>
<b>Receipts Over (Under) Expenditures</b>	(20,663)	<b>4,741</b>		
<b>Unencumbered Cash - Beginning</b>	25,771	<b>5,108</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>5,108</u>	<u><b>9,849</b></u>		



**UNIFIED SCHOOL DISTRICT NO. 112**  
**Special Education Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Federal Aid	\$ -	<b>2,665</b>	-	2,665
Other Local Sources				
Miscellaneous Revenue	5,154	<b>3,673</b>	5,000	(1,327)
Transfers In	385,885	<b>749,422</b>	660,800	88,622
<b>Total Receipts</b>	<u>391,039</u>	<u><b>755,760</b></u>	<u>665,800</u>	<u>89,960</u>
<b>Expenditures</b>				
Instruction	595,698	<b>690,320</b>	718,521	(28,201)
Vehicle Operating Services	51,302	<b>73,409</b>	70,700	2,709
<b>Total Expenditures</b>	<u>647,000</u>	<u><b>763,729</b></u>	<u>789,221</u>	<u>(25,492)</u>
<b>Receipts Over (Under) Expenditures</b>	(255,961)	<b>(7,969)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>396,645</u>	<u><b>140,684</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>140,684</u>	<u><b>132,715</b></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Vocational Education Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Other Local Sources				
Transfers In	\$ 167,500	<b>215,000</b>	<u>245,000</u>	<u>(30,000)</u>
<b>Expenditures</b>				
Instruction	212,080	<b>211,971</b>	212,500	(529)
Operations and Maintenance	<u>-</u>	<u>460</u>	<u>-</u>	<u>460</u>
<b>Total Expenditures</b>	<u>212,080</u>	<u><b>212,431</b></u>	<u>212,500</u>	<u>(69)</u>
<b>Receipts Over (Under) Expenditures</b>	(44,580)	<b>2,569</b>		
<b>Unencumbered Cash - Beginning</b>	<u>50,568</u>	<u><b>5,988</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>5,988</u>	<u><b>8,557</b></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Recreation Commission Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 38,775	<b>43,117</b>	<u>56,451</u>	<u>(13,334)</u>
<b>Expenditures</b>				
Community Service Operations	<u>40,833</u>	<u><b>40,218</b></u>	<u>40,218</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	(2,058)	<b>2,899</b>		
<b>Unencumbered Cash - Beginning</b>	<u>2,058</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u><b>2,899</b></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**KPERS Special Retirement Contribution Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ -	<b>460,742</b>	473,590	(12,848)
Transfers In	303,583	-	-	-
<b>Total Receipts</b>	303,583	<b>460,742</b>	<b>473,590</b>	<b>(12,848)</b>
<b>Expenditures</b>				
Instruction	198,025	<b>296,846</b>	275,000	21,846
Student Support Services	14,504	<b>23,519</b>	30,000	(6,481)
Instructional Support Services	3,899	<b>5,461</b>	10,000	(4,539)
General Administration	15,677	<b>23,708</b>	35,000	(11,292)
School Administration	27,974	<b>42,245</b>	45,000	(2,755)
Other Supplemental Services	419	-	3,000	(3,000)
Operations and Maintenance	19,246	<b>29,477</b>	30,000	(523)
Student Transportation Services	10,907	<b>19,732</b>	18,000	1,732
Food Service Operation	12,932	<b>19,754</b>	27,590	(7,836)
<b>Total Expenditures</b>	303,583	<b>460,742</b>	<b>473,590</b>	<b>(12,848)</b>
<b>Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**At-Risk (K-12) Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Other Local Sources				
Miscellaneous	\$ -	-	15,000	(15,000)
Transfers In	212,000	353,219	375,000	(21,781)
<b>Total Receipts</b>	212,000	353,219	390,000	(36,781)
<b>Expenditures</b>				
Instruction	245,282	352,682	388,200	(35,518)
<b>Receipts Over (Under) Expenditures</b>	(33,282)	537		
<b>Unencumbered Cash - Beginning</b>	39,102	5,820		
<b>Unencumbered Cash - Ending</b>	\$ 5,820	6,357		

## UNIFIED SCHOOL DISTRICT NO. 112

## At-Risk (4 Year Old) Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Federal Aid	\$ -	-	30,000	(30,000)
Other Local Sources				
Transfers In	45,400	86,000	81,000	5,000
<b>Total Receipts</b>	45,400	86,000	111,000	(25,000)
<b>Expenditures</b>				
Instruction	61,701	83,778	86,000	(2,222)
<b>Receipts Over (Under) Expenditures</b>	(16,301)	2,222		
<b>Unencumbered Cash - Beginning</b>	21,317	5,016		
<b>Unencumbered Cash - Ending</b>	\$ 5,016	7,238		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Virtual Education Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Other Local Sources				
Miscellaneous	\$ -	<b>1,625</b>	50,000	(48,375)
Transfers In	8,000	<b>85,000</b>	140,000	(55,000)
<b>Total Receipts</b>	8,000	<b>86,625</b>	<u>190,000</u>	<u>(103,375)</u>
<b>Expenditures</b>				
Instruction	89,295	<b>84,942</b>	181,500	(96,558)
Operations and Maintenance	1,878	<b>1,952</b>	3,600	(1,648)
School Administration	967	<b>499</b>	1,700	(1,201)
<b>Total Expenditures</b>	92,140	<b>87,393</b>	<u>186,800</u>	<u>(99,407)</u>
<b>Receipts Over (Under) Expenditures</b>	(84,140)	<b>(768)</b>		
<b>Unencumbered Cash - Beginning</b>	91,576	<b>7,436</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>7,436</u>	<u><b>6,668</b></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Contingency Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Transfers In	\$ -	<u>12,296</u>
<b>Expenditures</b>		
Operations and Maintenance	145,667	-
Transfers Out	<u>105,900</u>	<u>330,000</u>
<b>Total Expenditures</b>	<u>251,567</u>	<u>330,000</u>
<b>Receipts Over (Under) Expenditures</b>	(251,567)	<b>(317,704)</b>
<b>Unencumbered Cash - Beginning</b>	<u>953,925</u>	<u>702,358</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>702,358</u></u>	<u><u>384,654</u></u>



**UNIFIED SCHOOL DISTRICT NO. 112**  
**Textbook Rental Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Other Local Sources		
Book Rental Fees	\$ 10,983	10,020
<b>Expenditures</b>		
Instruction	<u>49,446</u>	<u>955</u>
<b>Receipts Over (Under) Expenditures</b>	(38,463)	9,065
<b>Unencumbered Cash - Beginning</b>	<u>45,015</u>	<u>6,552</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>6,552</u></u>	<u><u>15,617</u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Title I Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 72,277	71,378
<b>Expenditures</b>		
Instruction	<u>72,277</u>	<u>71,378</u>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>-</u></u>	<u><u>-</u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Title II Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 29,620	<b>15,981</b>
<b>Expenditures</b>		
Instruction	<u>29,620</u>	<u><b>15,981</b></u>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>-</u></u>	<u><u>-</u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Title IV Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ -	1,933
<b>Expenditures</b>		
Instruction	<u>-</u>	<u>1,933</u>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>-</u></u>	<u><u>-</u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**REAP Grant Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 16,968	24,148
<b>Expenditures</b>		
Instruction	<u>16,968</u>	<u>24,148</u>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>-</u></u>	<u><u>-</u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Special Gift Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over Budget
<b>Receipts</b>				
Donations	\$ 2,450	1,410	-	1,410
<b>Expenditures</b>				
Grant Expenditures	1,705	5,882	6,500	(618)
<b>Receipts Over (Under) Expenditures</b>	745	(4,472)		
<b>Unencumbered Cash - Beginning</b>	6,251	6,996		
<b>Unencumbered Cash - Ending</b>	\$ 6,996	2,524		

**UNIFIED SCHOOL DISTRICT NO. 112****Bond and Interest Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 390,830	<b>40,426</b>	<u>37,994</u>	<u>2,432</u>
<b>Expenditures</b>				
Principal	675,000	<b>690,000</b>	690,000	-
Interest	<u>20,550</u>	<u><b>6,900</b></u>	<u>6,900</u>	<u>-</u>
<b>Total Expenditures</b>	<u>695,550</u>	<u><b>696,900</b></u>	<u><u>696,900</u></u>	<u><u>-</u></u>
<b>Receipts Over (Under) Expenditures</b>	(304,720)	<b>(656,474)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>1,054,945</u>	<u><b>750,225</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u><u>750,225</u></u>	<u><u><b>93,751</b></u></u>		

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Capital Projects Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Lease Proceeds	\$ -	820,952
<b>Expenditures</b>		
Capital Outlay	<u>-</u>	<u>820,952</u>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>-</u></u>	<u><u>-</u></u>



**UNIFIED SCHOOL DISTRICT NO. 112**  
**Scholarship Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
<b>Receipts</b>		
Donations	\$ 1,000	<b>1,000</b>
<b>Expenditures</b>		
Scholarships Awarded	<u>2,000</u>	<u><b>1,000</b></u>
<b>Receipts Over (Under) Expenditures</b>	(1,000)	-
<b>Unencumbered Cash - Beginning</b>	<u>2,063</u>	<u><b>1,063</b></u>
<b>Unencumbered Cash - Ending</b>	\$ <u><u>1,063</u></u>	<u><u><b>1,063</b></u></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Agency Funds**  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>Central Plains High School</b>				
Band	\$ 1,826	2,465	2,245	<b>2,046</b>
FCCLA	1,265	3,253	1,292	<b>3,226</b>
FFA	8,667	2,940	2,916	<b>8,691</b>
Class of 2017	60	-	60	-
Class of 2018	5,352	143	5,229	<b>266</b>
Class of 2019	5,286	2,887	3,482	<b>4,691</b>
Class of 2020	203	7,700	3,421	<b>4,482</b>
Class of 2021	-	527	-	<b>527</b>
NHS	742	1	109	<b>634</b>
Renaissance	448	500	220	<b>728</b>
Oilers & Company	2,837	19,506	19,140	<b>3,203</b>
O-Club	15,162	19,066	18,236	<b>15,992</b>
High School Cheerleaders	1,186	12,967	10,573	<b>3,580</b>
STUCO - Senior High School	805	708	872	<b>641</b>
Keys	1,108	574	1,682	-
Yearbook	7,386	6,990	8,196	<b>6,180</b>
Scholar's Bowl	360	1	-	<b>361</b>
<b>Total Central Plains High School</b>	<b>52,693</b>	<b>80,228</b>	<b>77,673</b>	<b>55,248</b>
<b>Wilson High School</b>				
High School Cheerleaders	1,373	4,997	5,432	<b>938</b>
Junior High Cheerleaders	1,017	-	161	<b>856</b>
Art Club	70	-	-	<b>70</b>
Band	1,182	28	153	<b>1,057</b>
Class of 2015	338	-	338	-
Class of 2016	133	-	133	-
Class of 2017	68	-	-	<b>68</b>
Class of 2018	1,665	1,848	3,394	<b>119</b>
Class of 2019	2,313	6,437	4,947	<b>3,803</b>
Class of 2020	271	533	-	<b>804</b>
Class of 2021	360	409	36	<b>733</b>
Class of 2022	-	517	118	<b>399</b>
Class of 2023	-	50	-	<b>50</b>
Dramatic Arts Club	656	114	-	<b>770</b>
FFA	7,411	12,040	15,411	<b>4,040</b>
Forensics	51	-	-	<b>51</b>
LLC Local Funds	1,175	450	1,625	-
Musical	412	-	-	<b>412</b>
NHS	1,111	215	123	<b>1,203</b>
Science Club	1,310	319	452	<b>1,177</b>
Student Council	2,849	1,998	2,482	<b>2,365</b>
Yearbook	11,195	6,013	3,085	<b>14,123</b>
<b>Total Wilson High School</b>	<b>\$ 34,960</b>	<b>35,968</b>	<b>37,890</b>	<b>33,038</b>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**Agency Funds**  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>Central Plains Middle School</b>				
Junior High Cheerleaders	\$ 773	723	566	930
Renaissance	1,230	1,445	1,135	1,540
Holyrood Lions Club	1,014	625	312	1,327
Angel Tree	27	634	431	230
Service Project	-	1,275	1,275	-
Student Activities	336	115	95	356
<b>Total Central Plains Middle School</b>	3,380	4,817	3,814	4,383
<b>Sales Tax Clearing Fund</b>	395	10,222	10,362	255
<b>Total</b>	\$ 91,428	131,235	129,739	92,924

**UNIFIED SCHOOL DISTRICT NO. 112**  
**District Activity Funds**  
Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>							
<b>Central Plains High School</b>							
Athletics	\$ 5,778	-	51,622	48,718	<b>8,682</b>	-	<b>8,682</b>
Play	3,726	-	2,299	1,922	<b>4,103</b>	-	<b>4,103</b>
<b>Total Central Plains High School</b>	<u>9,504</u>	<u>-</u>	<u>53,921</u>	<u>50,640</u>	<u><b>12,785</b></u>	<u>-</u>	<u><b>12,785</b></u>
<b>Wilson High School</b>							
Athletics	1,954	-	14,626	12,841	<b>3,739</b>	-	<b>3,739</b>
<b>Central Plains Middle School</b>							
Athletics	824	-	756	427	<b>1,153</b>	-	<b>1,153</b>
<b>Total Gate Receipts</b>	<u>12,282</u>	<u>-</u>	<u>69,303</u>	<u>63,908</u>	<u><b>17,677</b></u>	<u>-</u>	<u><b>17,677</b></u>
<b>School Projects</b>							
<b>Central Plains High School</b>							
Concessions	9,543	-	37,267	37,800	<b>9,010</b>	-	<b>9,010</b>
<b>Wilson High School</b>							
Concessions	-	-	7,059	7,059	-	-	-
Library	897	-	2,699	2,683	<b>913</b>	-	<b>913</b>
Dragon Account	9,215	-	3,145	2,579	<b>9,781</b>	-	<b>9,781</b>
Pencil Income	86	-	56	67	<b>75</b>	-	<b>75</b>
<b>Total Wilson High School</b>	<u>10,198</u>	<u>-</u>	<u>12,959</u>	<u>12,388</u>	<u><b>10,769</b></u>	<u>-</u>	<u><b>10,769</b></u>

**UNIFIED SCHOOL DISTRICT NO. 112**  
**District Activity Funds**  
Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Central Plains Middle School</b>							
Concessions	\$ 929	-	618	1,249	298	-	298
Vending	422	-	738	710	450	-	450
<b>Total Central Plains Middle School</b>	<u>1,351</u>	<u>-</u>	<u>1,356</u>	<u>1,959</u>	<u>748</u>	<u>-</u>	<u>748</u>
<b>Central Plains Grade School</b>							
Elementary Activities	3,864	-	4,535	4,803	3,596	-	3,596
Carnival Fund	4,865	-	9,157	3,562	10,460	-	10,460
<b>Total Central Plains Grade School</b>	<u>8,729</u>	<u>-</u>	<u>13,692</u>	<u>8,365</u>	<u>14,056</u>	<u>-</u>	<u>14,056</u>
<b>Total School Projects</b>	<u>29,821</u>	<u>-</u>	<u>65,274</u>	<u>60,512</u>	<u>34,583</u>	<u>-</u>	<u>34,583</u>
<b>Total District Activity Funds</b>	<u>\$ 42,103</u>	<u>-</u>	<u>134,577</u>	<u>124,420</u>	<u>52,260</u>	<u>-</u>	<u>52,260</u>