

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

Independent Auditors' Reports and
Financial Statement with
Supplementary Information

For the Fiscal Year Ended June 30, 2018

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District #387
Buffalo, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District #387, Buffalo, Kansas, a municipality, 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 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 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 District'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 of the financial statement, the financial statement is prepared by Unified School District #387 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 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 Unified School District #387, 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 Unified School District #387 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, schedule of regulatory basis receipts and disbursements-agency funds, and summary 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District #387 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated June 22, 2018, which contained an unmodified opinion on the basic financial statement. 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://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. 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 basic financial statement as a whole for the year ended June 30, 2017, on the basis of accounting described in Note 1.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

November 27, 2018
Chanute, Kansas

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas

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

Funds	Beginning Unencumbered Cash Balances	Cancelled Encumbrance	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus		Ending Cash Balances June 30, 2018
						Encumbrances and Accounts Payable	Cash Balances June 30, 2018	
General	\$ 2,851.12	\$ -	\$ 1,892,223.94	\$ 1,894,925.06	\$ 150.00	\$ 54,277.72	\$ 54,427.72	
Supplemental General	31,648.22	226.86	615,626.33	593,646.38	53,855.03	46,019.65	99,874.68	
Special Purpose Funds:								
4 Year Old At-Risk	31,850.28	-	11,492.00	40,034.89	3,307.39	-	3,307.39	
K-12 At-Risk	32,257.41	-	241,000.00	231,909.28	41,348.13	268.00	41,616.13	
Capital Outlay	469,881.60	800.00	148,692.60	341,954.05	277,420.15	83.09	277,503.24	
Driver Training	14,719.74	-	-	598.30	14,121.44	-	14,121.44	
Food Service	45,453.18	-	193,671.03	180,318.05	58,806.16	2,251.96	61,058.12	
Professional Development	16,648.20	1,342.98	3,021.00	5,104.71	15,907.47	2,153.50	18,060.97	
Special Education	308,581.08	-	217,679.76	333,804.84	192,456.00	-	192,456.00	
Textbook Rental	6,307.23	490.00	5,645.00	304.80	12,137.43	-	12,137.43	
Vocational Education	80,189.92	266.83	41,173.60	71,569.97	50,060.38	4,059.38	54,119.76	
Concurrent Classes	(184.17)	-	184.17	-	-	-	-	
Rural Education Achievement Program	(190.43)	-	16,843.43	16,411.21	241.79	-	241.79	
Title I	2,350.13	101.25	73,041.00	81,096.71	(5,604.33)	6,159.11	554.78	
Title IIA Improving Teacher Quality	(5,094.83)	-	25,984.00	19,335.57	1,553.60	34.10	1,587.70	
Title IV 21st Century	-	-	114,509.00	113,946.10	562.90	-	562.90	
Gifts and Grants	6,002.90	-	879.60	488.32	6,394.18	-	6,394.18	
KPERS Special Retirement Contributions	-	-	187,730.88	187,730.88	-	-	-	
Contingency Reserve	171,187.14	-	-	-	171,187.14	-	171,187.14	

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

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

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

Funds	Beginning Unencumbered Cash Balances	Cancelled Encumbrance	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus	
						Encumbrances and Accounts Payable	Ending Cash Balances 2018
Special Purpose Funds: (Continued)							
Gate Receipts	\$ 737.07	\$ -	\$ 11,722.15	\$ 11,774.42	\$ 684.80	\$ -	\$ 684.80
Special Projects	4,543.37	-	11,801.10	11,913.82	4,430.65	-	4,430.65
Total Reporting Entity	<u>\$ 1,219,739.16</u>	<u>\$ 3,227.92</u>	<u>\$ 3,812,920.59</u>	<u>\$ 4,136,867.36</u>	<u>\$ 899,020.31</u>	<u>\$ 115,306.51</u>	<u>\$ 1,014,326.82</u>
Composition of Cash							
Cash on Hand.....							\$ 340.00
General Checking Account.....							218,434.95
Money Market Accounts.....							764,900.75
Activity Checking Accounts.....							17,975.15
Total Cash							<u>1,001,650.85</u>
Less Agency Funds per Schedule 3							<u>12,675.97</u>
Total Reporting Entity.....							<u>\$ 1,014,326.82</u>

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

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas
Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of Unified School District #387, Buffalo, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement present Unified School District #387.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the District exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the District. Related municipal entities are not required to be included in the District's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). The District has determined that no outside agency meets the above criteria and, therefore, no outside agency has been include as a related municipal entity in this financial statement.

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the Unified School District #387, for the year ended June 30, 2018:

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. 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 revenues 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.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

Pension Plan

Substantially all full-time District employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The District's policy is the State of Kansas will fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as revenues. In the financial statements and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as cash receipts when received by the District Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information

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

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

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 ten days after publication, the hearing may be held and the governing body may amend the budget at that time. During the year ended June 30, 2018, the District amended the KPERS Special Retirement Contributions Fund. The General Fund budget was decreased to the legal maximum budget based upon final enrollment numbers being lower than originally budgeted and then subsequently amended for extraordinary aid received.

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 cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenues are recognized when cash is received. Expenditures include cash disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments of 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. A legal operating budget is not required for fiduciary funds and certain special purpose 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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the District was in apparent violation of K.S.A. 10-1113. The District has obligated expenditures in excess of available monies in the Title I Fund. However, K.S.A 10-1116 provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and therefore, exempt from the cash basis laws of the State of Kansas. The Title I fund all met the criteria under the statutes and therefore, are not deemed to be in violation of the Kansas cash basis laws. As shown in Schedule 1, the District was in apparent violation of K.S.A. 79-2934 as the District has obligated expenditures in excess of budgetary limits in the 4 Year Old At-Risk Fund.

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main branch 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 bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

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. All deposits were legally secured at June 30, 2018.

At year-end, the District's carrying amount of deposits was \$1,001,310.85 and the bank balance was \$961,324.01. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$268,497.70 was covered by FDIC insurance, \$692,826.31 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

4. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
Capital Leases									
HVAC Equipment	3.96%	5/1/2012	\$ 347,994.00	5/1/2020	\$ 143,307.50	\$ -	\$ 45,926.48	\$ 97,381.02	\$ 5,674.98
Roof Renovations, HVAC, & Lighting	3.38%	1/21/2017	955,053.00	5/16/2024	821,334.22	-	105,965.90	715,368.32	27,752.88
Track Resurfacing	3.38%	1/21/2017	328,631.00	7/6/2022	269,210.14	-	-	269,210.14	-
Total Contractual Indebtedness					\$ 1,233,851.86	\$ -	\$ 151,892.38	\$ 1,081,959.48	\$ 33,427.86

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

Issue	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	Totals
Principal							
Capital Leases							
HVAC Equipment	\$ 47,745.17	\$ 49,635.85	\$ -	\$ -	\$ -	\$ -	\$ 97,381.02
Roof Renovations, HVAC, & Lighting	109,546.48	113,248.06	117,074.71	121,030.67	125,120.29	129,348.11	715,368.32
Track Resurfacing	50,324.25	52,024.71	53,782.62	55,599.94	57,478.62	-	269,210.14
Total Principal	207,615.90	214,908.62	170,857.33	176,630.61	182,598.91	129,348.11	1,081,959.48
Interest							
Capital Leases							
HVAC Equipment	3,856.29	1,965.61	-	-	-	-	5,821.90
Roof Renovations, HVAC, & Lighting	24,172.30	20,470.72	16,644.07	12,688.11	8,598.49	4,370.67	86,944.36
Track Resurfacing	9,096.61	7,396.15	5,638.24	3,820.92	1,942.24	-	27,894.16
Total Interest	37,125.20	29,832.48	22,282.31	16,509.03	10,540.73	4,370.67	120,660.42
Total Principal and Interest	\$ 244,741.10	\$ 244,741.10	\$ 193,139.64	\$ 193,139.64	\$ 193,139.64	\$ 133,718.78	\$ 1,202,619.90

5. CAPITAL LEASE OBLIGATIONS

The District has entered into a capital lease agreement in order to finance the lease of HVAC Equipment, dated May 1, 2012. Payments are \$51,601.46, annually including interest at 3.96%. Final maturity of the lease is May 1, 2020. Future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Totals</u>
2019	\$ 51,601.46
2020	51,601.46
Total Payments from District	103,202.92
Less imputed interest	(5,821.90)
Net Present Value of Minimum	
Lease Payments	97,381.02
Less: Current Maturities	(47,745.17)
Long-Term Capital Lease Obligations	<u>\$ 49,635.85</u>

The District has entered into a capital lease agreement in order to finance roof renovations, HVAC, and Lighting, dated January 21, 2017. Payments are \$133,718.78, annually including interest at 3.38%. Final maturity of the lease is May 16, 2024. Future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Totals</u>
2019	\$ 133,718.78
2020	133,718.78
2021	133,718.78
2022	133,718.78
2023	133,718.78
2024	133,718.78
Total Payments from District	802,312.57
Less imputed interest	(86,944.36)
Net Present Value of Minimum	
Lease Payments	715,368.32
Less: Current Maturities	(109,546.48)
Long-Term Capital Lease Obligations	<u>\$ 605,821.84</u>

The District has entered into a capital lease agreement in order to finance track resurfacing, dated January 21, 2017. Payments are \$59,420.86, annually including interest at 3.38%. Final maturity of the lease is July 6, 2022 Future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Totals</u>
2019	\$ 59,420.86
2020	59,420.86
2021	59,420.86
2022	59,420.86
2023	59,420.86
Total Payments from District	297,104.30
Less imputed interest	(27,894.16)
Net Present Value of Minimum	
Lease Payments	269,210.14
Less: Current Maturities	(50,324.25)
Long-Term Capital Lease Obligations	<u>\$ 218,885.89</u>

6. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$115,992.00 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.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

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 1.00% 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 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 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 \$187,730.88 for the year ended June 30, 2018.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,185,008.00. 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, 2018. 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 publically available on the website at www.kpers.org or can be obtained as described above.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the 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 government 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. There is no cost to the District under this program.

Compensated Absences

Universal Leave

On the first day of orientation, each teacher shall be credited with thirteen days of "universal leave" with full pay. Universal leave includes days that were formerly termed sick leave or personal leave. The building principal may require a doctor's verification of the professional's illness after three consecutive days. Incremental use of leave days may be taken in one hour increments. Teachers may accumulate leave previously referred to as sick days from year to year to a maximum of thirty days. At the end of each school year, any unused universal leave days will be added to accumulated universal leave to the maximum of thirty days. District will buy back any leave time after nine days of the current school year at the rate of \$100.00 per day.

The District accrues a liability for compensated absences which meet the following criteria:

- 1) The District's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
- 2) The obligation relates to rights that vest or accumulate.
- 3) Payment of the compensation is probable.
- 4) The amount can be reasonably estimated.

In accordance with the above criteria, the District has estimated a liability for discretionary leave, which has been earned, but not taken by District employees of \$115,983.99.

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District manages these risks of loss through the purchase of various insurance policies.

9. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and state grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

10. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	K-12 At-Risk	K.S.A. 72-5167	\$ 181,000.00
General	4 Year Old At-Risk	K.S.A. 72-5167	8,012.00
General	Food Service	K.S.A. 72-5167	50,000.00
General	Special Education	K.S.A. 72-5167	211,052.00
Supplemental General	K-12 At-Risk	K.S.A. 72-5143	60,000.00
Supplemental General	Vocational Education	K.S.A. 72-5143	37,047.75
Supplemental General	Concurrent Classes	K.S.A. 72-5143	184.17

11. SUBSEQUENT EVENTS

The District evaluated events and transactions occurring subsequent to June 30, 2018, and there were no subsequent events requiring recognition in the financial statement.

SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT #387
 Buffalo, Kansas
 (Budgeted Funds Only)
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Fiscal Year Ended June 30, 2018

Funds	Certified Budget	Adjustments to		Adjustments for		Total Budget for Comparison	Expenditures		Variance - Over (Under)
		Legal Maximum	Comply with	Budget Credits	Qualifying		Charged to Current Year Budget		
General	\$ 1,918,073.00	\$ (25,238.00)	\$ -	2,090.00	\$ -	\$ 1,894,925.00	\$ 1,894,925.06	\$ -	0.06
Supplemental General	600,000.00	-	-	-	-	600,000.00	593,646.38	(6,353.62)	
Special Purpose Funds:									
4 Year Old At-Risk	-	-	-	-	-	-	40,034.89	40,034.89	
K-12 At-Risk	232,257.00	-	-	-	-	232,257.00	231,909.28	(347.72)	
Capital Outlay	620,000.00	-	-	-	-	620,000.00	341,954.05	(278,045.95)	
Driver Training	1,550.00	-	-	-	-	1,550.00	598.30	(951.70)	
Food Service	180,665.00	-	-	-	-	180,665.00	180,318.05	(346.95)	
Professional Development	6,000.00	-	-	-	-	6,000.00	5,104.71	(895.29)	
Special Education	353,700.00	-	-	-	-	353,700.00	333,804.84	(19,895.16)	
Vocational Education	102,300.00	-	-	-	-	102,300.00	71,569.97	(30,730.03)	
KPERS Special Retirement Contributions	189,230.00	-	-	-	-	189,230.00	187,730.88	(1,499.12)	

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
County Sources				
Delinquent Tax	\$ 3.26	\$ -	\$ -	\$ -
Mineral Tax	1,620.59	1,795.94	-	1,795.94
State Sources				
General State Aid	1,747,495.00	1,677,286.00	1,676,297.00	989.00
KPERS Aid	105,127.81	-	-	-
Special Education Aid	207,488.00	211,052.00	241,776.00	(30,724.00)
Other Receipts				
Reimbursements	838.34	2,090.00	-	2,090.00
Total Receipts	2,062,573.00	1,892,223.94	\$ 1,918,073.00	\$ (25,849.06)
Expenditures				
Instruction	749,402.02	709,380.66	\$ 729,000.00	\$ (19,619.34)
Support Services				
Student Support	1,883.77	1,021.35	2,797.00	(1,775.65)
Instructional Support	10,284.40	11,699.48	10,800.00	899.48
General Administration	40,228.50	55,239.92	14,800.00	40,439.92
School Administration	176,159.86	204,256.15	186,700.00	17,556.15
Operations & Maintenance	283,853.60	303,026.61	222,900.00	80,126.61
Student Transportation Services	124,802.32	160,236.89	114,300.00	45,936.89
Operating Transfers to:				
K-12 At-Risk Fund	100,000.00	181,000.00	200,000.00	(19,000.00)
4 Year Old At-Risk Fund	-	8,012.00	-	8,012.00
Capital Outlay Fund	260,645.93	-	150,000.00	(150,000.00)
Food Service Fund	40,000.00	50,000.00	45,000.00	5,000.00
Special Education Fund	176,218.00	211,052.00	241,776.00	(30,724.00)

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to: (Continued)				
KPERS Special Retirement				
Contributions Fund	\$ 105,127.81	\$ -	\$ -	\$ -
Total Certified Budget			1,918,073.00	(23,147.94)
Adjustments to Budget				
Adjustment to Comply with				
Legal Maximum Budget			(25,238.00)	25,238.00
Budget Credits			2,090.00	(2,090.00)
Total Expenditures	2,068,606.21	1,894,925.06	\$ 1,894,925.00	\$ 0.06
Receipts Over (Under) Expenditures	(6,033.21)	(2,701.12)		
Unencumbered Cash, Beginning	4,430.36	2,851.12		
Cancelled Encumbrance	4,453.97	-		
Unencumbered Cash, Ending	\$ 2,851.12	\$ 150.00		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

SUPPLEMENTAL GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 513,626.16	\$ 566,820.79	\$ 586,086.00	\$ (19,265.21)
Delinquent Tax	13,415.71	14,704.32	5,303.00	9,401.32
County Sources				
Motor Vehicle Tax	43,931.75	33,178.15	36,692.00	(3,513.85)
Recreational Vehicle Tax	665.92	923.07	641.00	282.07
Total Receipts	571,639.54	615,626.33	\$ 628,722.00	\$ (13,095.67)
Expenditures				
Instruction	63,723.11	212,046.36	\$ 119,000.00	\$ 93,046.36
Support Services				
Student Support	100,995.25	15,967.50	-	15,967.50
Instructional Support	3,148.90	12,719.86	3,950.00	8,769.86
General Administration	181,365.57	189,680.84	192,050.00	(2,369.16)
School Administration	-	77.38	50,000.00	(49,922.62)
Operations and Maintenance	250.00	65,922.52	10,000.00	55,922.52
Student Transportation Services	-	-	25,000.00	(25,000.00)
Operating Transfers to:				
Special Education Fund	150,000.00	-	150,000.00	(150,000.00)
Vocational Education Fund	48,000.00	37,047.75	50,000.00	(12,952.25)
K-12 At-Risk Fund	58,347.17	60,000.00	-	60,000.00
Concurrent Classes Fund	-	184.17	-	184.17
Total Expenditures	605,830.00	593,646.38	\$ 600,000.00	\$ (6,353.62)
Receipts Over (Under) Expenditures	(34,190.46)	21,979.95		
Unencumbered Cash, Beginning	65,579.64	31,648.22		
Cancelled Encumbrance	259.04	226.86		
Unencumbered Cash, Ending	\$ 31,648.22	\$ 53,855.03		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

4 YEAR OLD AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Federal Sources				
Other Federal Aid	\$ -	\$ 3,480.00	\$ -	\$ 3,480.00
Operating Transfers from General Fund	-	8,012.00	-	8,012.00
Total Receipts	-	11,492.00	\$ -	\$ 11,492.00
Expenditures				
Instruction	956.93	34,950.07	\$ -	\$ 34,950.07
Support Services				
Student Transportation Services	5,322.59	5,084.82	-	5,084.82
Total Expenditures	6,279.52	40,034.89	\$ -	\$ 40,034.89
Receipts Over (Under) Expenditures	(6,279.52)	(28,542.89)		
Unencumbered Cash, Beginning	38,004.34	31,850.28		
Cancelled Encumbrance	125.46	-		
Unencumbered Cash, Ending	\$ 31,850.28	\$ 3,307.39		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

K-12 AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers from:				
General Fund	\$ 100,000.00	\$ 181,000.00	\$ 200,000.00	\$ (19,000.00)
Supplemental General Fund	58,347.17	60,000.00	-	60,000.00
Total Receipts	158,347.17	241,000.00	\$ 200,000.00	\$ 41,000.00
Expenditures				
Instruction	294,476.96	231,909.28	\$ 232,257.00	\$ (347.72)
Total Expenditures	294,476.96	231,909.28	\$ 232,257.00	\$ (347.72)
Receipts Over (Under) Expenditures	(136,129.79)	9,090.72		
Unencumbered Cash, Beginning	168,324.47	32,257.41		
Cancelled Encumbrance	62.73	-		
Unencumbered Cash, Ending	\$ 32,257.41	\$ 41,348.13		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

CAPITAL OUTLAY FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 62,383.32	\$ 128,081.59	\$ 121,718.00	\$ 6,363.59
Delinquent Tax	-	-	647.00	(647.00)
Interest Income	1,670.28	1,145.10	2,000.00	(854.90)
Lease Proceeds	99,359.00	-	-	-
Other	9,718.71	19,465.91	1,390.00	18,075.91
Operating Transfers from General Fund	260,645.93	-	150,000.00	(150,000.00)
Total Receipts	433,777.24	148,692.60	\$ 275,755.00	\$ (127,062.40)
Expenditures				
Instruction	18,208.66	37,876.71	\$ 40,000.00	\$ (2,123.29)
Support Services				
Operations and Maintenance	32,153.73	60,262.57	170,000.00	(109,737.43)
Transportation	19,995.00	68,491.00	50,000.00	18,491.00
Facility Acquisition & Construction Services				
Land Improvement	-	145,927.79	300,000.00	(154,072.21)
Site Improvements	586,065.47	9,713.31	50,000.00	(40,286.69)
Building Improvements	42,358.28	19,682.67	10,000.00	9,682.67
Total Expenditures	698,781.14	341,954.05	\$ 620,000.00	\$ (278,045.95)
Receipts Over (Under) Expenditures	(265,003.90)	(193,261.45)		
Unencumbered Cash, Beginning	734,935.50	469,881.60		
Cancelled Encumbrance	(50.00)	800.00		
Unencumbered Cash, Ending	\$ 469,881.60	\$ 277,420.15		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

DRIVER TRAINING FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
State Aid	\$ 640.00	\$ -	\$ 1,260.00	\$ (1,260.00)
Total Receipts	640.00	-	\$ 1,260.00	\$ (1,260.00)
Expenditures				
Instruction	1,552.93	598.30	\$ 1,550.00	\$ (951.70)
Total Expenditures	1,552.93	598.30	\$ 1,550.00	\$ (951.70)
Receipts Over (Under) Expenditures	(912.93)	(598.30)		
Unencumbered Cash, Beginning	15,569.97	14,719.74		
Cancelled Encumbrance	62.70	-		
Unencumbered Cash, Ending	\$ 14,719.74	\$ 14,121.44		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

FOOD SERVICE FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Food Service Sales	\$ 33,982.20	\$ 32,378.33	\$ 47,645.00	\$ (15,266.67)
Miscellaneous	25.70	29.80	-	29.80
State Sources				
Food Service Aid	1,171.72	1,183.28	1,240.00	(56.72)
Federal Sources				
Child Nutrition Aid	97,036.42	110,079.62	110,396.00	(316.38)
Operating Transfers from General Fund	40,000.00	50,000.00	45,000.00	5,000.00
Total Receipts	172,216.04	193,671.03	\$ 204,281.00	\$ (10,609.97)
Expenditures				
Support Services				
Operations and Maintenance	6,142.23	1,793.04	\$ 11,965.00	\$ (10,171.96)
Operation of Non- Instructional Services				
Food Service Operations	169,916.96	178,525.01	168,700.00	9,825.01
Total Expenditures	176,059.19	180,318.05	\$ 180,665.00	\$ (346.95)
Receipts Over (Under) Expenditures	(3,843.15)	13,352.98		
Unencumbered Cash, Beginning	48,929.86	45,453.18		
Cancelled Encumbrance	366.47	-		
Unencumbered Cash, Ending	\$ 45,453.18	\$ 58,806.16		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

PROFESSIONAL DEVELOPMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
Professional Development Aid	\$ -	\$ 3,021.00	\$ 500.00	\$ 2,521.00
Total Receipts	-	3,021.00	\$ 500.00	\$ 2,521.00
Expenditures				
Support Services				
Instructional Support	12,702.09	5,104.71	\$ 6,000.00	\$ (895.29)
Total Expenditures	12,702.09	5,104.71	\$ 6,000.00	\$ (895.29)
Receipts Over (Under) Expenditures	(12,702.09)	(2,083.71)		
Unencumbered Cash, Beginning	29,537.64	16,648.20		
Cancelled Encumbrance	(187.35)	1,342.98		
Unencumbered Cash, Ending	\$ 16,648.20	\$ 15,907.47		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

SPECIAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Other	\$ 7,757.22	\$ 5,217.76	\$ -	\$ 5,217.76
State Sources				
State Aid	-	1,410.00	-	1,410.00
Operating Transfers from:				
General Fund	176,218.00	211,052.00	241,776.00	(30,724.00)
Supplemental General Fund	150,000.00	-	150,000.00	(150,000.00)
Total Receipts	333,975.22	217,679.76	\$ 391,776.00	\$ (174,096.24)
Expenditures				
Instruction	324,117.00	331,118.44	\$ 349,000.00	\$ (17,881.56)
Support Services				
Student Transportation Services	3,041.53	2,686.40	4,700.00	(2,013.60)
Vehicle Operating Services	1,098.50	-	-	-
Total Expenditures	328,257.03	333,804.84	\$ 353,700.00	\$ (19,895.16)
Receipts Over (Under) Expenditures	5,718.19	(116,125.08)		
Unencumbered Cash, Beginning	302,727.59	308,581.08		
Cancelled Encumbrance	135.30	-		
Unencumbered Cash, Ending	\$ 308,581.08	\$ 192,456.00		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

TEXTBOOK RENTAL FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Student Fees	\$ 4,751.20	\$ 5,645.00
Total Receipts	4,751.20	5,645.00
Expenditures		
Instruction	5,762.17	304.80
Total Expenditures	5,762.17	304.80
Receipts Over (Under) Expenditures	(1,010.97)	5,340.20
Unencumbered Cash, Beginning	7,318.20	6,307.23
Cancelled Encumbrance	-	490.00
Unencumbered Cash, Ending	\$ 6,307.23	\$ 12,137.43

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

VOCATIONAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Other	\$ -	\$ 3,923.85	\$ -	\$ 3,923.85
State Sources				
State Aid	12,459.86	-	4,320.00	(4,320.00)
Federal Sources				
Special Project Aid	-	202.00	-	202.00
Operating Transfers from:				
Supplemental General Fund	48,000.00	37,047.75	50,000.00	(12,952.25)
Total Receipts	60,459.86	41,173.60	\$ 54,320.00	\$ (13,146.40)
Expenditures				
Instruction	57,921.32	67,246.31	\$ 99,600.00	\$ (32,353.69)
Support Services				
Operations and Maintenance	1,980.90	4,323.66	2,700.00	1,623.66
Total Expenditures	59,902.22	71,569.97	\$ 102,300.00	\$ (30,730.03)
Receipts Over (Under) Expenditures	557.64	(30,396.37)		
Unencumbered Cash, Beginning	79,163.55	80,189.92		
Cancelled Encumbrance	468.73	266.83		
Unencumbered Cash, Ending	\$ 80,189.92	\$ 50,060.38		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

CONCURRENT CLASSES FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Other	\$ 7,050.00	\$ -
Operating Transfers from:		
Supplemental General Fund	-	184.17
Total Receipts	7,050.00	-
Expenditures		
Instruction	7,377.98	-
Total Expenditures	7,377.98	-
Receipts Over (Under) Expenditures	(327.98)	184.17
Unencumbered Cash, Beginning	143.81	(184.17)
Unencumbered Cash, Ending	\$ (184.17)	\$ -

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas
RURAL EDUCATION ACHIEVEMENT PROGRAM FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 12,240.00	\$ 16,653.00
Other Receipts		
Reimbursements	-	190.43
Total Receipts	12,240.00	16,843.43
Expenditures		
Instruction	11,660.00	16,411.21
Total Expenditures	11,660.00	16,411.21
Receipts Over (Under) Expenditures	580.00	432.22
Unencumbered Cash, Beginning	(770.43)	(190.43)
Unencumbered Cash, Ending	\$ (190.43)	\$ 241.79

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

TITLE I FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 93,610.00	\$ 73,041.00
Total Receipts	93,610.00	73,041.00
Expenditures		
Instruction	77,580.20	81,096.71
Total Expenditures	77,580.20	81,096.71
Receipts Over (Under) Expenditures	16,029.80	(8,055.71)
Unencumbered Cash, Beginning	(13,679.67)	2,350.13
Cancelled Encumbrance	-	101.25
Unencumbered Cash, Ending	\$ 2,350.13	\$ (5,604.33)

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas
TITLE IIA IMPROVING TEACHER QUALITY FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 19,491.00	\$ 25,984.00
Total Receipts	19,491.00	25,984.00
Expenditures		
Instruction	18,980.34	19,215.57
Support Services		
Other	-	120.00
Total Expenditures	18,980.34	19,335.57
Receipts Over (Under) Expenditures	510.66	6,648.43
Unencumbered Cash, Beginning	(5,605.49)	(5,094.83)
Unencumbered Cash, Ending	\$ (5,094.83)	\$ 1,553.60

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

TITLE IV 21ST CENTURY FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ -	\$ 114,509.00
Total Receipts	-	114,509.00
Expenditures		
Instruction	-	111,814.46
Support Services		
Student Transportation Services	-	2,131.64
Total Expenditures	-	113,946.10
Receipts Over (Under) Expenditures	-	562.90
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 562.90

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

GIFTS AND GRANTS FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Community Gifts	\$ 281.55	\$ 879.60
Total Receipts	281.55	879.60
Expenditures		
Instruction	-	300.02
Support Services		
Instructional Support	1,993.08	158.50
Operation of Noninstructional Svc		
Food Service Operation	-	29.80
Total Expenditures	1,993.08	488.32
Receipts Over (Under) Expenditures	(1,711.53)	391.28
Unencumbered Cash, Beginning	7,714.43	6,002.90
Unencumbered Cash, Ending	\$ 6,002.90	\$ 6,394.18

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

KPERS SPECIAL RETIREMENT CONTRIBUTIONS FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
KPERS	\$ -	\$ 187,730.88	\$ 189,230.00	\$ (1,499.12)
Operating Transfers from General Fund	105,127.81	-	-	-
Total Receipts	105,127.81	187,730.88	\$ 189,230.00	\$ (1,499.12)
Expenditures				
Instruction	68,329.74	114,515.85	\$ 78,675.00	\$ 35,840.85
Support Services				
Instructional Support	2,102.77	1,877.30	7,900.00	(6,022.70)
General Administration	5,256.80	11,263.85	9,800.00	1,463.85
School Administration	13,667.91	30,036.96	25,500.00	4,536.96
Central Services	-	-	14,800.00	(14,800.00)
Operations and Maintenance	7,359.66	13,141.18	18,780.00	(5,638.82)
Student Transportation Services	3,154.73	7,509.25	8,545.00	(1,035.75)
Food Service	5,256.20	9,386.49	-	9,386.49
Other	-	-	25,230.00	(25,230.00)
Total Expenditures	105,127.81	187,730.88	\$ 189,230.00	\$ (1,499.12)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

CONTINGENCY RESERVE FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from General Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Instruction	-	-
Support Services		
General Administration	(17.66)	-
Total Expenditures	(17.66)	-
Receipts Over (Under) Expenditures	17.66	-
Unencumbered Cash, Beginning	171,169.48	171,187.14
Unencumbered Cash, Ending	\$ 171,187.14	\$ 171,187.14

UNIFIED SCHOOL DISTRICT #387

Buffalo, Kansas

AGENCY FUNDS

Schedule of Receipts and Cash Disbursements

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

	Beginning Cash Balances	Receipts	Cash Disbursements	Ending Cash Balances
Agency Funds				
Board Funds				
Payroll Clearing	\$ (323.34)	\$ -	\$ -	\$ (323.34)
Health Insurance	(4,866.06)	189,917.57	210,503.84	(25,452.33)
Student Meals	0.39	14,658.02	14,658.41	-
Adult Meals	-	1,825.30	1,825.30	-
Industrial Arts	(6.50)	6.50	-	-
Ipads	145.00	4,170.00	4,315.00	-
Drivers Education	-	-	-	-
Student Organizations				
Middle School				
Student Council	205.34	303.39	259.65	249.08
Music/Band	540.48	13.50	-	553.98
Cheerleader	196.33	562.35	432.84	325.84
Scholar's Bowl	50.00	-	-	50.00
High School				
Class of 2015	271.81	-	271.81	-
Class of 2016	(14.47)	14.47	-	-
Class of 2017	25.55	-	25.55	-
Class of 2018	2,429.15	15,128.46	17,557.61	-
Class of 2019	1,333.36	4,335.82	2,938.76	2,730.42
Class of 2020	689.70	1,123.00	837.21	975.49
Class of 2021	-	1,196.71	642.50	554.21
Cheerleader	248.69	538.10	629.85	156.94
Music/Band	2,394.63	825.50	1,207.73	2,012.40
KAYS	237.32	-	237.32	-
KAY Wall of Honor	446.26	513.11	-	959.37
Student Council	414.92	951.16	720.69	645.39
FFA	4,034.09	14,976.42	17,151.03	1,859.48
Forensics	1,250.04	166.05	819.46	596.63
Drill Team	16.19	-	16.19	-
Art Club	281.29	-	-	281.29
Drama/Play	50.00	-	50.00	-
FCCLA	513.45	5,149.77	4,724.86	938.36
Scholar's Bowl	50.00	50.00	-	100.00
FACS	166.29	75.00	208.50	32.79
Science Club	869.04	13.50	804.51	78.03
Other Agency				
Middle School				
Sales Tax	0.99	-	0.99	-
	<u>\$ 11,649.94</u>	<u>\$ 256,513.70</u>	<u>\$ 280,839.61</u>	<u>\$ (12,675.97)</u>

UNIFIED SCHOOL DISTRICT #387
Buffalo, Kansas
DISTRICT ACTIVITY FUNDS
Summary of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2018
Gate Receipts						
High School	\$ 45.12	\$ 11,722.15	\$ 11,767.27	\$ -	\$ -	\$ -
Middle School	691.95	-	7.15	684.80	-	684.80
Sub-Total Gate Receipts	737.07	11,722.15	11,774.42	684.80	-	684.80
School Projects						
Middle School						
Partners in Education	504.24	-	504.24	-	-	-
Volleyball	50.00	50.00	43.71	56.29	-	56.29
Track	41.24	50.00	66.55	24.69	-	24.69
Football	50.00	50.00	-	100.00	-	100.00
Boys Basketball	50.00	360.00	416.00	(6.00)	-	(6.00)
Girls Basketball	50.00	-	-	50.00	-	50.00
High School						
Library	513.17	10.68	-	523.85	-	523.85
Yearbook	157.38	6,023.00	5,190.22	990.16	-	990.16
Clearing	249.71	1,660.42	872.12	1,038.01	-	1,038.01
Football	2,032.87	460.00	1,757.84	735.03	-	735.03
Kansas Beef Account	25.04	-	-	25.04	-	25.04
Softball	109.21	50.00	-	159.21	-	159.21
Boys Basketball	270.77	1,850.00	2,011.40	109.37	-	109.37
Girls Basketball	50.00	-	12.17	37.83	-	37.83
Track	50.00	50.00	-	100.00	-	100.00
Volleyball	339.74	1,187.00	1,039.57	487.17	-	487.17
Sub-Total Special Projects	4,543.37	11,801.10	11,913.82	4,430.65	-	4,430.65
Total District Activity Funds	\$ 5,280.44	\$ 23,523.25	\$ 23,688.24	\$ 5,115.45	\$ -	\$ 5,115.45