

UNIFIED SCHOOL DISTRICT NO. 365

Garnett, Kansas

Financial Statements

For the Year Ended June 30, 2017

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UNIFIED SCHOOL DISTRICT NO. 365
Financial Statements
For the Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 365
Garnett, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 365, Garnett, Kansas, (the District), as of and for the year ended June 30, 2017 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *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 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 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *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 of the Unified School District No. 365, Garnett, Kansas, as of June 30, 2017, or the respective changes in financial position and changes in cash flows, where applicable, for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matter

The 2016 Actual column presented in the individual fund financial 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 2016 basic financial statement upon which we rendered an unmodified opinion dated October 24, 2016. The 2016 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://da.ks.gov/ar/muniserv>. Such 2016 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 2016 basic financial statements. The 2016 comparative information was subjected to auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statements or to the 2016 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 2016 comparative information is fairly presented in all material respects in relation to the 2016 basic financial statements as a whole, on the basis of accounting described in Note 1.

Mike Houser: Company PA

Certified Public Accountants
Lawrence, Kansas

October 31, 2017

UNIFIED SCHOOL DISTRICT NO. 365
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2017

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Types:							
General Funds:							
General	\$ -	\$ -	\$ 7,591,287	\$ 7,591,287	\$ -	\$ 213,424	\$ 213,424
Supplemental General	179,920	-	2,489,397	2,484,409	184,908	31,312	216,220
Special Purpose Funds:							
At Risk (K-12)	30,476	-	755,000	749,055	36,421	3,300	39,721
Capital Outlay	1,638,610	-	894,802	642,656	1,890,756	478,952	2,369,708
Driver Training	33,392	-	17,103	10,240	40,255	-	40,255
Food Service	107,343	-	502,989	494,760	115,572	450	116,022
Professional Development	19,610	-	-	627	18,983	-	18,983
Special Education	714,295	-	1,453,114	1,368,734	798,675	80	798,755
Vocational Education	77,140	-	261,973	264,505	74,608	14,920	89,528
KPERS Special Retirement Contribution	-	-	505,844	505,844	-	-	-
Gifts and Grants	96,824	-	2,438	3,503	95,759	980	96,739
Textbook Rental and Student Materials Revolving	126,797	-	91,720	129,480	89,037	88,543	177,580
Federal Funds	-	-	253,981	248,744	5,237	17,327	22,564
Contingency Reserve	550,696	-	20,000	-	570,696	-	570,696
Reading Recovery	96,305	-	5,650	2,447	99,508	282	99,790
Community College	63,886	-	11,602	4,758	70,730	-	70,730
District Activity	11,037	-	277,578	273,792	14,823	-	14,823
Capital Projects Fund:							
Bond Construction	9	-	21	-	30	-	30
Bond and Interest Fund:							
Bond and Interest Fund	1,886,566	-	1,635,604	1,442,660	2,079,510	-	2,079,510
Total	\$ 5,632,906	\$ -	\$ 16,770,103	\$ 16,217,501	\$ 6,185,508	\$ 849,570	\$ 7,035,078

Composition of Cash:

Goppert State Service Bank	
Checking Accounts	\$ 5,191,599
Certificate of Deposit	539,624
Bank of Greeley	
Checking Accounts	572
Certificate of Deposit	600,000
Farmer's State Bank	
Certificate of Deposit	300,000
Patriot's Bank	
Checking Accounts	4,196
Certificate of Deposit	510,162
Security Bank	30
Cash Balance	7,146,183
Less: Agency Funds per Schedule 3	[111,105]
Total Reporting Entity (Excluding Agency Funds)	\$ 7,035,078

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 365 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District had no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of \$602 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

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

The municipality 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 municipality to use the regulatory basis of accounting.

Regulatory Basis Fund Types

In governmental accounting, 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 District for the year ended June 30, 2017:

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

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

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

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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.

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, student organization funds, etc.).

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), principal and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was not amended during the year ended June 30, 2017.

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 statements 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, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, agency funds, and the following special purpose funds: Contingency Reserve, Community College, Reading Recovery, and Textbook Rental and Student Materials Revolving 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.

NOTE 2 - Deposits and Investments

Deposits. 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.

Investments. 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

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 2 - Deposits and Investments (Continued)

warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. As of June 30, 2017, the District held no such investments.

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, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods."

At June 30, 2017, the District's carrying amount of deposits was \$7,146,183 and the bank balance was \$7,251,334. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$1,000,030 was covered by federal depository insurance and the balance of \$6,251,304 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

NOTE 3 – In-Substance Receipt in Transit

The District received \$500,724 in General State Aid and \$102,032 in Supplemental General State Aid subsequent to June 30, 2017, and as required by K.S.A. 72-6466, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2017.

NOTE 4 - Long-Term Debt

Following is a detailed listing of the District's long-term debt outstanding at June 30, 2017:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
Certificates of Participation					
Series 2010-A QSCB	12/22/2010	6.21%	9/1/2029	<u>\$ 14,485,000</u>	<u>\$ 14,485,000</u>
				<u>14,485,000</u>	<u>14,485,000</u>
Capital Leases					
2014 Buses	1/31/2013	3.00%	9/30/2022	1,100,000	691,036
2016 Chevy Suburban	9/9/2015	3.50%	9/9/2018	56,353	16,977
2016 Chevy Traverse #1	7/6/2016	3.50%	8/12/2019	22,832	16,108
2016 Chevy Traverse #2	7/12/2016	3.50%	8/12/2019	<u>22,832</u>	<u>16,108</u>
				<u>1,202,017</u>	<u>740,229</u>
Total				<u>\$ 15,687,017</u>	<u>\$ 15,225,229</u>

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 4 - Long-Term Debt (Continued)

Following is a summary of changes in long-term debt for the year ended June 30, 2017:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid Year Ended 1/0/1900</u>
Certificates of Participation					
Series 2010-A QSCB	\$ 14,485,000	\$ -	\$ -	\$ 14,485,000	\$ 900,098
Capital leases	<u>875,114</u>	<u>45,664</u>	<u>180,549</u>	<u>740,229</u>	<u>27,352</u>
Total	<u>\$ 15,360,114</u>	<u>\$ 45,664</u>	<u>\$ 180,549</u>	<u>\$ 15,225,229</u>	<u>\$ 927,450</u>

The Series 2010-A QSCB Certificates of Participation (COPS) are payable in full on September 1, 2029 in the amount of \$14,485,000 with interest payable annually to that date of \$900,098. The District is required to make annual sinking fund deposits annually through September 1, 2029, of amounts necessary to satisfy the minimum required accumulated balance under the Lease and Declaration of Trust. The District's annual deposits will consist of (1) the District's expected annual cash deposit in the base amount of \$258,320 (the "Base Cash Deposit") plus (2) the estimated investment earnings on the accumulated balance (the "Investment Earnings"). In the event the District's Base Cash Deposit plus Investment Earnings is insufficient to meet the required accumulated balance on a given September 1st, the District is required to make up the difference with an additional cash deposit to the sinking fund. In the event the accumulated balance exceeds the required accumulated balance on a given September 1st the excess will be withdrawn from the sinking fund. During the year ended June 30, 2017, the District was required to make the annual base deposit in order to meet the required accumulated balance.

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Debt Service Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761.

The District's statutory limit for such bonded indebtedness is approximately \$9.9 million at June 30, 2017. The District has received authorization from the State of Kansas to exceed this limit.

Annual payment service requirements to maturity for the above leases:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2017-18	\$ 136,317	\$ 21,995	\$ 158,312
2018-19	128,649	17,908	146,557
2019-20	114,796	14,244	129,040
2020-21	116,866	10,837	127,703
2021-22	120,372	7,331	127,703
2022-23	<u>123,228</u>	<u>3,719</u>	<u>126,947</u>
	<u>\$ 740,229</u>	<u>\$ 76,034</u>	<u>\$ 816,262</u>

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 5 - Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	Food Service	K.S.A. 72-6478	\$ 30,000
General	Capital Outlay	K.S.A. 72-6478	12,597
General	Special Education	K.S.A. 72-6478	838,972
General	Vocational Education	K.S.A. 72-6478	260,602
General	KPERS Special Retirement Contribution	K.S.A. 72-6478	505,844
General	Contingency Reserve	K.S.A. 72-6478	20,000
General	Textbook Rental and Student Materials Revolving	K.S.A. 72-6478	20,884
General	At Risk (K-12)	K.S.A. 72-6478	755,000
Supplemental General	Food Service	K.S.A. 72-6478	7,490
Supplemental General	Special Education	K.S.A. 72-6478	568,478
Supplemental General	Textbook Rental and Student Materials Revolving	K.S.A. 72-6478	<u>25,000</u>
Total			<u>\$ 3,044,867</u>

NOTE 6 - Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes 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 contribution rates are withheld by their employer and paid to KPERS according to 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 through March 31, 2016 with a 0% moratorium until June 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 16.00% and 10.91%, respectively, for the fiscal year ended June 30, 2016. The actuarially determined employer contribution rate was 16.03% and 10.81%, respectively, for the fiscal year ended June 30, 2017. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue fund for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$505,844 for the year ended June 30, 2017.

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 6 - Defined Benefit Pension Plan (Continued)

Net Pension Liability. At June 30, 2017, the District's proportionate share of the collective net pension liability reported by KPERS was \$9,413,047. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the ratio of the District's 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, 2016. 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 KPERS website at www.kpers.org or can be obtained as described above.

NOTE 7 - Compensated Absences

The District's leave policies are as follows:

Certified employees – Full-time certified employees are granted ten days of leave per schools year. Unused leave to be carried over at the end of the year may not exceed 120 days.

Certified employees can be compensated each June at a rate of \$20 per day of accumulated leave in excess of 110 days. Upon initial retirement under KPERS guidelines, certified employees are compensated at a rate of \$20 per day of accumulated leave to a maximum of 120 days.

Classified employees – Full-time classified employees are granted ten days of vacation of one year of continuous employment. Classified employees with five or more years of employment are granted one additional vacation day, to a maximum of 15 days of vacation each year. Unused vacation days are not permitted to be carried over from year to year. Full-time classified employees are also granted 12 days of sick leave each year. Unused sick leave to be carried over at the end of the year may not exceed 120 days

Classified employees can be compensated each June at a rate of \$10 per day of accumulated leave in excess of 110 days. Upon initial retirement under KPERS guidelines, classified employees are compensated at a rate of \$20 per day of accumulated leave to a maximum of 120 days.

It is the District's policy to recognize the costs of compensated absences when actually paid.

NOTE 8 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District as of June 30, 2017.

NOTE 9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

UNIFIED SCHOOL DISTRICT NO. 365
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 10 – Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level 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. There is no cost to the District under this program.

NOTE 11 – Related Party Transactions

The District paid \$1,195 during the year ended June 30, 2017, for plumbing and electric services to a company owned by a board of education member. The District also paid \$823 during the year ended June 30, 2017, for publishing services to a company that employs a board of education member. Lastly, a board of education member is a senior vice president at a banking institution that holds a portion of the District's cash deposits.

UNIFIED SCHOOL DISTRICT NO. 365
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017

<u>Funds</u>	<u>Certified Budget</u>	Adjustment to Comply with <u>Legal Max</u>	Adjustment for Qualifying <u>Budget Credits</u>	<u>Total Budget for Comparison</u>	Expenditures Chargeable to Current Year <u>Budget</u>	Variance Over <u>[Under]</u>
Governmental Fund Types:						
General Funds:						
General	\$ 7,891,717	\$ [301,032]	\$ 602	\$ 7,591,287	\$ 7,591,287	\$ -
Supplemental General	2,484,409	-	-	2,484,409	2,484,409	-
Special Purpose Funds:						
At Risk (K-12)	790,000	-	-	790,000	749,055	40,945
Capital Outlay	1,588,000	-	-	1,588,000	642,656	945,344
Driver Training	19,850	-	-	19,850	10,240	9,610
Food Service	572,500	-	-	572,500	494,760	77,740
Professional Development	17,500	-	-	17,500	627	16,873
Special Education	1,605,329	-	-	1,605,329	1,368,734	236,595
Vocational Education	375,500	-	-	375,500	264,505	110,995
KPERS Special Retirement Contribution	709,660	-	-	709,660	505,844	203,816
Gifts and Grants	28,500	-	-	28,500	3,503	24,997
Federal Funds	282,596	-	-	282,596	248,744	33,852
Bond and Interest Fund:						
Bond and Interest	1,442,660	-	-	1,442,660	1,442,660	-

UNIFIED SCHOOL DISTRICT NO. 365
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
State Aid:				
General state aid	\$ 6,233,209	\$ 6,233,209	\$ 6,233,209	\$ -
Supplemental aid	1,090,944	-	-	-
Special education aid	912,331	838,972	941,661	[102,689]
KPERS aid	516,389	505,844	709,660	[203,816]
Capital outlay aid	69,526	-	-	-
Investment income	7,187	12,597	7,187	5,410
Miscellaneous	-	63	-	63
Reimbursements	-	602	-	602
Total Receipts	<u>8,829,586</u>	<u>7,591,287</u>	<u>\$ 7,891,717</u>	<u>\$ [300,430]</u>
Expenditures				
Instruction	2,095,849	2,323,581	\$ 2,098,236	\$ [225,345]
Student support services	223,538	227,621	245,153	17,532
Instructional support services	146,660	44,114	173,556	129,442
General administration	187,092	195,837	215,646	19,809
School administration	716,188	713,815	740,745	26,930
Central services	101,897	106,880	185,414	78,534
Operations and maintenance	1,088,758	1,037,377	945,804	[91,573]
Transportation	479,070	498,163	565,842	67,679
Transfers out	3,790,534	2,443,899	2,721,321	277,422
Adjustments for qualifying budget credit	-	-	602	602
Adjustments to comply with legal max	-	-	[301,032]	[301,032]
Total Expenditures	<u>8,829,586</u>	<u>7,591,287</u>	<u>\$ 7,591,287</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 922,696	\$ 1,341,886	\$ 1,414,738	\$ [72,852]
Delinquent taxes	36,139	19,405	16,618	2,787
Motor vehicle tax	157,893	119,818	46,672	73,146
Recreational vehicle tax	3,628	2,351	896	1,455
Transfer in	1,090,944	-	-	-
State aid	-	1,005,937	1,005,937	-
Total Receipts	<u>2,211,300</u>	<u>2,489,397</u>	<u>\$ 2,484,861</u>	<u>\$ 4,536</u>
Expenditures				
Instruction	1,954,698	1,883,441	\$ 2,029,315	\$ 145,874
Transfers out	<u>529,711</u>	<u>600,968</u>	<u>455,094</u>	<u>[145,874]</u>
Total Expenditures	<u>2,484,409</u>	<u>2,484,409</u>	<u>\$ 2,484,409</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[273,109]	4,988		
Unencumbered Cash, Beginning	<u>453,029</u>	<u>179,920</u>		
Unencumbered Cash, Ending	<u>\$ 179,920</u>	<u>\$ 184,908</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year	Current Year		Variance Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Transfers in	\$ 785,000	\$ 755,000	\$ 770,000	\$ [15,000]
Total Receipts	<u>785,000</u>	<u>755,000</u>	<u>\$ 770,000</u>	<u>\$ [15,000]</u>
Expenditures				
Instruction	789,588	749,041	\$ 789,600	\$ 40,559
Operations and maintenance	<u>423</u>	<u>14</u>	<u>400</u>	<u>386</u>
Total Expenditures	<u>790,011</u>	<u>749,055</u>	<u>\$ 790,000</u>	<u>\$ 40,945</u>
Receipts Over [Under] Expenditures	[5,011]	5,945		
Unencumbered Cash, Beginning	<u>35,487</u>	<u>30,476</u>		
Unencumbered Cash, Ending	<u>\$ 30,476</u>	<u>\$ 36,421</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 547,741	\$ 522,630	\$ 501,852	\$ 20,778
Delinquent taxes	9,320	7,140	9,956	[2,816]
Motor vehicle tax	35,381	53,082	21,408	31,674
Recreational vehicle tax	2,640	3,870	411	3,459
Capital outlay state aid	-	144,715	145,555	[840]
Investment income	937	105	9,000	[8,895]
Miscellaneous	129,965	150,663	27,000	123,663
Transfer in	<u>76,713</u>	<u>12,597</u>	<u>-</u>	<u>12,597</u>
Total Receipts	<u>802,697</u>	<u>894,802</u>	<u>\$ 715,182</u>	<u>\$ 179,620</u>
Expenditures				
Instruction	124,585	89,911	\$ 570,000	\$ 480,089
Operations and maintenance	53,263	19,931	405,000	385,069
Transportation	-	50,823	-	[50,823]
Facility acquisition and construction	141,045	481,991	605,000	123,009
Building improvements	<u>391</u>	<u>-</u>	<u>8,000</u>	<u>8,000</u>
Total Expenditures	<u>319,284</u>	<u>642,656</u>	<u>\$ 1,588,000</u>	<u>\$ 945,344</u>
Receipts Over [Under] Expenditures	483,413	252,146		
Unencumbered Cash, Beginning	<u>1,155,197</u>	<u>1,638,610</u>		
Unencumbered Cash, Ending	<u>\$ 1,638,610</u>	<u>\$ 1,890,756</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 4,012	\$ 6,528	\$ 6,300	\$ 228
Charges for services	<u>7,625</u>	<u>10,575</u>	<u>7,500</u>	<u>3,075</u>
Total Receipts	<u>11,637</u>	<u>17,103</u>	<u>\$ 13,800</u>	<u>\$ 3,303</u>
Expenditures				
Instruction	28,955	10,240	\$ 18,850	\$ 8,610
Vehicle operations and maintenance	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total Expenditures	<u>28,955</u>	<u>10,240</u>	<u>\$ 19,850</u>	<u>\$ 9,610</u>
Receipts Over [Under] Expenditures	[17,318]	6,863		
Unencumbered Cash, Beginning	<u>50,710</u>	<u>33,392</u>		
Unencumbered Cash, Ending	<u>\$ 33,392</u>	<u>\$ 40,255</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Federal aid	\$ 305,779	\$ 298,599	\$ 294,792	\$ 3,807
State aid	5,190	5,097	4,439	658
Charges for services	163,004	161,750	162,668	[918]
Miscellaneous revenue	-	53	-	53
Transfers in	<u>5,573</u>	<u>37,490</u>	<u>5,094</u>	<u>32,396</u>
Total Receipts	<u>479,546</u>	<u>502,989</u>	<u>\$ 466,993</u>	<u>\$ 35,996</u>
Expenditures				
Food service operation	482,163	482,730	\$ 535,000	\$ 52,270
Operations and maintenance	<u>27,799</u>	<u>12,030</u>	<u>37,500</u>	<u>25,470</u>
Total Expenditures	<u>509,962</u>	<u>494,760</u>	<u>\$ 572,500</u>	<u>\$ 77,740</u>
Receipts Over [Under] Expenditures	[30,416]	8,229		
Unencumbered Cash, Beginning	<u>137,759</u>	<u>107,343</u>		
Unencumbered Cash, Ending	<u>\$ 107,343</u>	<u>\$ 115,572</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Transfers in	\$ -	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Instructional support services	<u>2,962</u>	<u>627</u>	<u>\$ 17,500</u>	<u>\$ 16,873</u>
Total Expenditures	<u>2,962</u>	<u>627</u>	<u>\$ 17,500</u>	<u>\$ 16,873</u>
Receipts Over [Under] Expenditures	[2,962]	[627]		
Unencumbered Cash, Beginning	<u>22,572</u>	<u>19,610</u>		
Unencumbered Cash, Ending	<u>\$ 19,610</u>	<u>\$ 18,983</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 1,436,469	\$ 1,407,450	\$ 1,391,661	\$ 15,789
Miscellaneous revenue	<u>41,500</u>	<u>45,664</u>	<u>-</u>	<u>45,664</u>
Total Receipts	<u>1,477,969</u>	<u>1,453,114</u>	<u>\$ 1,391,661</u>	<u>\$ 61,453</u>
Expenditures				
Instruction	1,155,329	1,210,569	\$ 1,348,329	\$ 137,760
Operations and maintenance	185,687	128,894	-	[128,894]
Student transportation service	<u>53,532</u>	<u>29,271</u>	<u>257,000</u>	<u>227,729</u>
Total Expenditures	<u>1,394,548</u>	<u>1,368,734</u>	<u>\$ 1,605,329</u>	<u>\$ 236,595</u>
Receipts Over [Under] Expenditures	83,421	84,380		
Unencumbered Cash, Beginning	<u>630,874</u>	<u>714,295</u>		
Unencumbered Cash, Ending	<u>\$ 714,295</u>	<u>\$ 798,675</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
State aid	\$ 2,105	\$ 1,121	\$ 2,081	\$ [960]
Miscellaneous revenue	1,630	250	-	250
Transfers in	300,000	260,602	300,000	[39,398]
Total Receipts	<u>303,735</u>	<u>261,973</u>	<u>\$ 302,081</u>	<u>\$ [40,108]</u>
Expenditures				
Instruction	<u>266,875</u>	<u>264,505</u>	<u>\$ 375,500</u>	<u>\$ 110,995</u>
Total Expenditures	<u>266,875</u>	<u>264,505</u>	<u>\$ 375,500</u>	<u>\$ 110,995</u>
Receipts Over [Under] Expenditures	36,860	[2,532]		
Unencumbered Cash, Beginning	<u>40,280</u>	<u>77,140</u>		
Unencumbered Cash, Ending	<u>\$ 77,140</u>	<u>\$ 74,608</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfer in	\$ 516,389	\$ 505,844	\$ 709,660	\$ 203,816
Total Receipts	<u>516,389</u>	<u>505,844</u>	<u>\$ 709,660</u>	<u>\$ 203,816</u>
Expenditures				
Instruction	309,835	303,506	\$ 400,000	\$ 96,494
Student support services	30,983	30,351	45,000	14,649
Instructional support services	36,147	35,409	51,000	15,591
General administration	30,983	30,351	45,000	14,649
School administration	36,147	35,409	51,000	15,591
Operations and maintenance	41,311	40,468	56,000	15,532
Student transportation services	5,164	5,058	11,660	6,602
Food service	25,819	25,292	50,000	24,708
Total Expenditures	<u>516,389</u>	<u>505,844</u>	<u>\$ 709,660</u>	<u>\$ 203,816</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Contributions and donations	\$ 4,762	\$ 2,438	\$ 250	\$ 2,188
Miscellaneous	-	-	3,000	[3,000]
Total Receipts	<u>4,762</u>	<u>2,438</u>	<u>\$ 3,250</u>	<u>\$ [812]</u>
Expenditures				
Instruction	<u>12,853</u>	<u>3,503</u>	<u>\$ 28,500</u>	<u>\$ 24,997</u>
Total Expenditures	<u>12,853</u>	<u>3,503</u>	<u>\$ 28,500</u>	<u>\$ 24,997</u>
Receipts Over [Under] Expenditures	[8,091]	[1,065]		
Unencumbered Cash, Beginning	<u>104,915</u>	<u>96,824</u>		
Unencumbered Cash, Ending	<u>\$ 96,824</u>	<u>\$ 95,759</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Textbook Rental and Student Materials Revolving Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2017 and 2016

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 48,604	\$ 45,481
Miscellaneous	-	355
Transfers in	<u>79,157</u>	<u>45,884</u>
Total Receipts	<u>127,761</u>	<u>91,720</u>
Expenditures		
Instruction	<u>147,657</u>	<u>129,480</u>
Total Expenditures	<u>147,657</u>	<u>129,480</u>
Receipts Over [Under] Expenditures	[19,896]	[37,760]
Unencumbered Cash, Beginning	<u>146,693</u>	<u>126,797</u>
Unencumbered Cash, Ending	<u>\$ 126,797</u>	<u>\$ 89,037</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 365
Federal Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017

	<u>Title I</u>	<u>Title II-A Teacher Quality</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over [Under]</u>
Receipts					
Federal aid	\$ 206,123	\$ 47,858	\$ 253,981	\$ 270,149	\$ [16,168]
Total Receipts	<u>206,123</u>	<u>47,858</u>	<u>253,981</u>	<u>\$ 270,149</u>	<u>\$ [16,168]</u>
Expenditures					
Instruction	194,304	47,858	242,162	\$ 276,246	\$ 34,084
Student support services	6,582	-	6,582	6,000	[582]
Community service operation	-	-	-	350	350
Total Expenditures	<u>200,886</u>	<u>47,858</u>	<u>248,744</u>	<u>\$ 282,596</u>	<u>\$ 33,852</u>
Receipts Over [Under] Expenditures	5,237	-	5,237		
Unencumbered Cash, Beginning	-	-	-		
Unencumbered Cash, Ending	<u>\$ 5,237</u>	<u>\$ -</u>	<u>\$ 5,237</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Contingency Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2017 and 2016

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ 30,000	\$ 20,000
Total Receipts	<u>30,000</u>	<u>20,000</u>
Expenditures		
Instruction	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	30,000	20,000
Unencumbered Cash, Beginning	<u>520,696</u>	<u>550,696</u>
Unencumbered Cash, Ending	<u>\$ 550,696</u>	<u>\$ 570,696</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 365
Reading Recovery Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2017 and 2016

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 4,300	\$ 5,650
Total Receipts	<u>4,300</u>	<u>5,650</u>
Expenditures		
Instruction	<u>2,912</u>	<u>2,447</u>
Total Expenditures	<u>2,912</u>	<u>2,447</u>
Receipts Over [Under] Expenditures	1,388	3,203
Unencumbered Cash, Beginning	<u>94,917</u>	<u>96,305</u>
Unencumbered Cash, Ending	<u>\$ 96,305</u>	<u>\$ 99,508</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 365
Community College Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2017 and 2016

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous revenue	\$ 14,181	\$ 11,602
Total Receipts	<u>14,181</u>	<u>11,602</u>
Expenditures		
Instruction	<u>5,706</u>	<u>4,758</u>
Total Expenditures	<u>5,706</u>	<u>4,758</u>
Receipts Over [Under] Expenditures	8,475	6,844
Unencumbered Cash, Beginning	<u>55,411</u>	<u>63,886</u>
Unencumbered Cash, Ending	<u>\$ 63,886</u>	<u>\$ 70,730</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 365
Bond Construction Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2017 and 2016

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 1	\$ 21
Total Receipts	<u>1</u>	<u>21</u>
Expenditures		
Facility acquisition and construction	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	1	21
Unencumbered Cash, Beginning	<u>8</u>	<u>9</u>
Unencumbered Cash, Ending	<u>\$ 9</u>	<u>\$ 30</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 365
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	Prior Year	Current Year		Variance Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 750,378	\$ 630,016	\$ 602,915	\$ 27,101
Delinquent taxes	15,995	10,922	13,616	[2,694]
Motor vehicle tax	63,105	71,084	28,560	42,524
Recreational vehicle tax	5,477	5,133	549	4,584
State aid	186,464	193,886	193,765	121
Miscellaneous revenue	<u>724,319</u>	<u>724,563</u>	<u>724,951</u>	<u>[388]</u>
Total Receipts	<u>1,745,738</u>	<u>1,635,604</u>	<u>\$ 1,564,356</u>	<u>\$ 71,248</u>
Expenditures				
Principal	511,572	542,562	\$ 542,562	\$ -
Interest	<u>900,098</u>	<u>900,098</u>	<u>900,098</u>	<u>-</u>
Total Expenditures	<u>1,411,670</u>	<u>1,442,660</u>	<u>\$ 1,442,660</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	334,068	192,944		
Unencumbered Cash, Beginning	<u>1,552,498</u>	<u>1,886,566</u>		
Unencumbered Cash, Ending	<u>\$ 1,886,566</u>	<u>\$ 2,079,510</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2017

<u>FUND</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Anderson County Jr/Sr High School				
AP government class	\$ 239	\$ 18,341	\$ 18,274	\$ 306
Art club	83	1,234	668	649
Band club	15,139	33,231	40,421	7,949
Cheerleaders	4,487	20,992	20,231	5,248
Chess club	75	-	-	75
Choir	667	1,219	1,481	405
Class of '17	1,128	1,518	2,406	240
Class of '18	1,195	12,052	12,423	824
Class of '19	675	150	-	825
Class of '20	-	250	40	210
Dance	9,946	11,899	11,192	10,653
Drama	5,679	4,886	4,430	6,135
FACS	205	1,644	1,695	154
FBLA	1,417	2,702	2,786	1,333
FCCLA	1,699	3,179	4,872	6
FFA	330	32,709	26,815	6,224
A-VAC	7,293	875	5,109	3,059
Applied business development	3,037	113	315	2,835
Internationals	2,842	2,397	1,757	3,482
21st Century journalism	265	-	-	265
Junior High cheerleaders	1,479	1,370	1,242	1,607
Junior High STUCO pencil account	187	-	-	187
Junior High NHS	-	107	82	25
Junior High science	2,711	1,200	220	3,691
Junior High student council	4,532	8,589	10,093	3,028
Junior High yearbook	3,021	443	694	2,770
Junior High scholastic book order	-	180	172	8
KAY	1,590	5,805	6,622	773
Kellstadt wall of honor fund	-	500	-	500
Munchies	189	-	-	189
National honor society	2,194	832	1,372	1,654
Neosho Community College	-	2,202	2,202	-
Red Black	780	5,542	4,216	2,106
SAFE	2,879	1,150	328	3,701
Sales tax	469	8,793	9,262	-
Science club	975	2,446	2,306	1,115
Strength and conditioning	3,517	441	1,768	2,190
Student learning scholarship fund	33	80	-	113
Student council	1,307	28,339	25,822	3,824
Students in need	-	200	-	200
TSA	2,422	6,640	3,503	5,559
Voc. agriculture	3,184	1,340	2,131	2,393
Digital media & production	17,751	8,182	6,611	19,322
Total Anderson County Jr/Sr High School	105,621	233,772	233,561	105,832

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 365
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2017

<u>FUND</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Garnett Elementary School				
Emergency fund	\$ 407	\$ -	\$ 56	\$ 351
Spelling bee	121	180	194	107
Staff club	54	499	383	170
Students funds	433	7,608	7,948	93
	<u>1,015</u>	<u>8,287</u>	<u>8,581</u>	<u>721</u>
Total Garnett Elementary School				
Greeley Elementary School				
Teacher fund	75	199	247	27
Wildcat Bellringers	40	-	-	40
Emergency coalition	227	-	-	227
Student activities	378	105	204	279
	<u>720</u>	<u>304</u>	<u>451</u>	<u>573</u>
Total Greeley Elementary School				
Mont Ida Elementary School				
Student fund	852	915	791	976
	<u>852</u>	<u>915</u>	<u>791</u>	<u>976</u>
Total Mont Ida Elementary School				
Westphalia Elementary School				
Instrumentals	17	18	3	32
Pep club	1,013	3,127	2,828	1,312
Special project	1,516	6,053	5,910	1,659
	<u>2,546</u>	<u>9,198</u>	<u>8,741</u>	<u>3,003</u>
Total Westphalia Elementary School				
Total Student Organization Funds	<u>\$ 110,754</u>	<u>\$ 252,476</u>	<u>\$ 252,125</u>	<u>\$ 111,105</u>

UNIFIED SCHOOL DISTRICT NO. 365
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2017

<u>FUND</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Anderson County Jr/Sr High School							
Gate receipts	\$ 6,552	\$ -	\$ 63,151	\$ 59,216	\$ 10,487	\$ -	\$ 10,487
Art	-	-	4,185	4,110	75	-	75
Band	-	-	451	451	-	-	-
Into to industrial tech	-	-	605	605	-	-	-
School lunch	14	-	66,012	65,606	420	-	420
Textbooks	-	-	11,824	11,774	50	-	50
Production technology	-	-	1,869	1,819	50	-	50
Driver's ed	375	-	10,200	10,275	300	-	300
CADD/Drafting	-	-	430	430	-	-	-
Musical	2,435	-	999	1,878	1,556	-	1,556
Plays	1,543	-	829	728	1,644	-	1,644
Petty cash	-	-	2,057	2,057	-	-	-
Technology tablet fee	-	-	3,394	3,394	-	-	-
Interest income	11	-	149	136	24	-	24
Library	-	-	48	48	-	-	-
Total Anderson County Jr/Sr High School	10,930	-	166,203	162,527	14,606	-	14,606
Garnett Elementary School							
Adult meals	-	-	1,583	1,583	-	-	-
Student meals	-	-	68,372	68,372	-	-	-
Daily Milk	-	-	1,029	1,029	-	-	-
Library fund	-	-	6,785	6,785	-	-	-
Petty cash	-	-	858	858	-	-	-
Textbook rental	-	-	6,560	6,560	-	-	-
Total Garnett Elementary School	-	-	85,187	85,187	-	-	-
Greeley Elementary School							
Textbook	-	-	640	640	-	-	-
Petty Cash	-	-	300	300	-	-	-
Student meals	-	-	7,551	7,551	-	-	-
Adult meals	-	-	310	310	-	-	-
A la carte/milk	-	-	58	58	-	-	-
Total Greeley Elementary School	-	-	8,859	8,859	-	-	-
Westphalia Elementary							
Petty cash	-	-	300	300	-	-	-
Students meals	-	-	10,930	10,930	-	-	-
Adult meals	-	-	1,734	1,734	-	-	-
Enrollment fees	-	-	2,640	2,640	-	-	-
Athletic	107	-	1,721	1,611	217	-	217
Lib & Int	-	-	4	4	-	-	-
Total Westphalia Elementary	107	-	17,329	17,219	217	-	217
Total District Activity Funds	\$ 11,037	\$ -	\$ 277,578	\$ 273,792	\$ 14,823	\$ -	\$ 14,823

See independent auditor's report on the financial statements.