

**UNIFIED SCHOOL DISTRICT NO. 399**  
**Natoma, Kansas**  
**Financial Statements**  
**July 1, 2017 to June 30, 2018**

**ANDERSON, REICHERT & ANDERSON LLC**  
**Certified Public Accountants**  
**Osborne, Kansas**

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
June 30, 2018

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Unified School District No. 399  
Natoma, Kansas 67651

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Unified School District No. 399, Natoma, Kansas, as of and for the year ended June 30, 2018, 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* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. **Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.**

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *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 Unified School District No. 399, Natoma, 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. 399, Natoma, Kansas as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 399, Natoma, Kansas 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 2018 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4, as listed in the table of contents) are presented for analysis and are not a required part of the 2018 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 2018 basic financial statement.** The 2018 information has been subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.

The “Prior Year Actual” column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2, as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2018 basic financial statement upon which we rendered an unmodified opinion dated October 5, 2018. Furthermore, the amounts given in the “Budget” column of those funds specified in the report that are exempt from Budgetary Regulations, are for informational and comparative purposes only and not a required part of the 2018 basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. **Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement.** The 2017

comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

October 5, 2018

  
Anderson, Reichert & Anderson LLC  
Certified Public Accountants

## UNIFIED SCHOOL DISTRICT NO. 399

Natoma, Kansas

Statement 1

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## Summary Statement of Receipts, Expenditures and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2018

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General Fund	\$ -	\$ -	\$ 1,249,239	\$ 1,249,239	\$ -	\$ 7,000	\$ 7,000
Supplemental General Fund	25,495	-	476,889	441,927	60,457	-	60,457
Special Purpose Funds:							
Capital Outlay Fund	401,991	-	220,486	492,352	130,125	179,138	309,263
Contingency Reserve Fund	72,301	12	-	15,517	56,796	-	56,796
KPERS Retirement Fund	-	-	142,893	142,893	-	-	-
Food Service Fund	73	-	97,328	97,401	-	-	-
Drivers Education Fund	-	-	2,065	2,065	-	-	-
Special Education Fund	1	-	198,769	198,769	1	-	1
Vocational Education Fund	-	-	106,616	106,616	-	-	-
Professional Development Fund	-	-	-	-	-	-	-
Textbook & Student Revolving Fund	12	-	1,559	1,559	12	1,151	1,163
Gifts & Grants Fund	18,488	-	41,420	47,490	12,418	16,140	28,558
Federal Funds	-	-	32,731	32,731	-	-	-
At Risk Funds (4-year old)	-	-	16,024	16,024	-	-	-
At Risk Funds	23	-	73,472	73,495	-	3,915	3,915
Athletic Gate Receipts Fund	23	-	15,657	15,487	193	-	193
Student Grant and Project Funds	1,986	-	1,374	2,866	494	-	494
ITV Consortium Fund	12,983	-	29,682	29,708	12,957	-	12,957
Trust Funds:							
Scholarship and Loan Funds	87,256	-	2,522	2,554	87,224	-	87,224
Total Primary Government	\$ 620,632	\$ 12	\$ 2,708,726	\$ 2,968,693	\$ 360,677	\$ 207,344	\$ 568,021

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

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2018

Statement 1  
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Composition of Cash:	Certificate of Deposit - No. 7714 - Scholarship	\$ 6,356
	Certificate of Deposit - No. 4427 - Scholarship	7,500
	Certificate of Deposit - No. 4460 - Scholarship	70,740
	Certificate of Deposit - No.15024 - District	75,000
	Certificate of Deposit - No.15025 - District	25,000
	Certificate of Deposit - No.14324 - District	30,000
	Certificate of Deposit - No.14325 - District	75,000
	Certificate of Deposit - No.15023 - District	75,000
	Certificate of Deposit - No.14328 - District	100,000
	Checking Account - Southwind Bank 7-239-9039	(98,239)
	Money Market Account - Southwind Bank 7-240-3036	183,892
	Petty Cash - Southwind Bank 92393527	1,500
	Savings Account - Southwind Bank 92580870 (I-CAN)	6,945
	Checking Account - Southwind Bank 72401531	-
	Money Market Account - Southwind Bank 64702194	37,192
	Checking Account - Southwind Bank 64702696	<u>20</u>
	Total Cash	595,906
	Agency Funds per Schedule 3	<u>(27,885)</u>
	Total Reporting Entity (Excluding Agency Funds)	<u><u>\$ 568,021</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Notes to Financial Statements  
June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity Unified School District No. 399, Natoma, Kansas is a municipal corporation governed by an elected seven-member board. The financial statement presents Unified School District No. 399, Natoma, Kansas (the district), a municipality.

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 receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Fund 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 fiscal year ended June 30, 2018:

Regulatory Basis Fund Types

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

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

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

Contingency Reserve Fund – to account for monies deposited in reserve to be used for financial contingencies as designated in K.S.A. 72-6426, with carryover balance not exceed 6% of the general fund budget of the district for the school year, except as otherwise provided in K.S.A 72-6426(b)(2).

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

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

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

Expenditures in the amount of \$68,465 are classified as adjustments for qualifying budget credits in the general, vocational education, special education and capital outlay funds. Such expenditures are exempt from the "legal max" budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party or attributable to another fund. 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.

Prior Year Cancelled Encumbrances When payment is made on an encumbrance (or when a related accounts payable is created), the related encumbrances should be liquidated completely. This is particularly important for prior year encumbrances in which the related disbursement is less than the encumbered amount. Any unused portion of a prior year encumbrance: 1) cannot be used as expenditure authority for any purpose other than the original purchase order or contract, and 2) must be added back to unencumbered cash as an adjustment to beginning unencumbered cash on the basic financial statement and on Schedule 2.

## 2. BUDGETARY INFORMATION

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

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 tax. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures. The certified general fund budget totaled \$1,303,724 for the year ended June 30, 2018. The legal maximum general fund budget as calculated by

the State Department of Education was \$1,207,580, thus the adjustment to comply with the “legal max” was (\$96,144).

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 district for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Contingency Reserve Fund, Textbook & Student Revolving Fund, Federal Funds, Gifts and Grants Fund, Gate Receipts, School Projects, and all Fiduciary Fund accounts.

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

K.S.A. 72-5143 as amended allows Local Option Budget (LOB) called Supplemental General Fund which may be adopted by any district and may not exceed 25% of general state financial aid. The district must adopt a LOB resolution by majority vote of the Board of Education. If the board desires to increase the LOB above amount authorized, they must do so by publishing a resolutions in the local newspaper. The certified supplemental general fund budget totaled \$470,080 for the year ended June 30, 2018. The legal maximum supplemental general fund budget as calculated by the State Department of Education was \$441,927, thus the adjustment to comply with the “legal max” was (\$28,153).

The district published and adopted a resolution for a continuous and permanent capital outlay levy not to exceed eight (8) mills for the purpose of construction, repair and remodeling of building and equipment purchases and other expenditures under authority of K.S.A. 72-8801. The levy commences with the 2015-2016 school year and will be permanent thereafter.

### 3. DEPOSITS AND INVESTMENTS

As of June 30, 2018, the district had no investments except for certificates of deposit, which are considered to be a component of deposits. Following are the certificates of deposit balances, and their respective interest rates and maturity dates:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Certificate of Deposit	\$ 6,356	1.24%	8/30/18
Certificate of Deposit	7,500	1.26%	7/22/18
Certificate of Deposit	70,740	1.24%	8/20/18
Certificates of Deposit	150,000	1.91%	8/03/18
Certificates of Deposit	<u>230,000</u>	1.91%	8/18/18
Total Certificates of Deposit	<u>\$ 461,596</u>		

K.S.A. 9-1401 establishes the depositories which may be used by the district. The statute requires banks eligible to hold the district’s funds have a main or branch bank in the county in which the district is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to

pledge securities for deposits in excess of FDIC coverage. The district has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the district's investment of idle funds to savings deposits, demand deposits, time deposits, open accounts, and certificates of deposit (maturities no more than 2 years) 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, except during designated "peak periods" when required coverage is 50%. The district has not designated "peak periods." All deposits were legally secured at June 30, 2018.

At June 30, 2018, the district's carrying amount of deposits was \$595,906. The bank balance was \$661,517. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, \$251,091 was covered by federal depository insurance and the remaining \$410,426 was collateralized with securities held by the pledging financial institutions' agent in the district's name.

*Custodial credit risk – investments.* For an investment, this is the risk, in the event of the failure of the issuer or counterparty, the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statute requires investments to be adequately secured. At June 30, 2018 the District had no investments except for certificates of deposit which are considered to be a component of deposits.

#### 4. IN-SUBSTANCE RECEIPT IN TRANSIT

The district received \$43,639 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.

#### 5. CAPITAL PROJECTS

There were no capital projects in process for the district at fiscal year-end, June 30, 2018.

#### 6. LONG-TERM DEBT COMMITMENTS

The district has no long-term debt as of June 30, 2018.

## 7. COMPENSATED ABSENCES

Paid Leave (Classified) All twelve month classified personnel receive twelve (12) days of paid leave on the first day of each fiscal year, accumulative to a maximum of sixty (60) days. All nine (9) and ten (10) month classified personnel are credited with one day of paid leave per month of their contract, accumulative to forty-five (45) and fifty (50) days, respectively. Days credited for part-time personnel are pro-rated to their time against a full time employee, (i.e., a half-time clerk shall receive twelve half-days each year).

Vacation Pay (Classified) All twelve month full-time classified employees are allowed ten (10) days of vacation per year after one year of service. After ten years, fifteen (15) days of vacation are allowed each year. Vacation time expires with no accumulation if not used during the year granted. The cost of accumulated vacation pay has not been estimated as of June 30, 2018.

Temporary Leave (Certified) Certified personnel through the Professional Collective Negotiation Act (K.S.A. 72-5413) have thirteen (13) days temporary leave per year granted accumulative to sixty-five (65) days. Days credited for part-time personnel shall be part-time days, (i.e., a half-time teacher shall receive thirteen (13) one-half (1/2) days each year). In addition, all personnel who have accumulated in excess on the maximum leave days at the end of each school year will be paid \$25.00 per day. Full time personnel will be credited with a full day of sick pay if they miss over five hours, and prorated down from there. The incentive bonus for unused leave days is based on leave days used and varies from \$10.00 to \$40.00 per day. Accumulated temporary leave days paid as incentive bonus will still be available for use. Temporary leave shall be subject to the terms and conditions of the Family Medical Leave Act. Leave time shall not be granted on the day before or after a holiday, holiday weekend, vacation, or the first or last weeks of the contract year without the approval of the superintendent.

In addition to the above temporary leave, which may be used for personal illness or disability, certified personnel may receive compensation from the sick leave bank in cases where a critical illness or severe injury would impose a devastating hardship on the individual and their family. Any certified employee may apply to the committee, consisting of the officers of the associations, for these additional days. The bank is to be used by an individual only after their own accumulated temporary leave is exhausted, and is under the control of a committee of the Teachers' Association. Days that are used from the bank will be with pay. The sick leave bank will be used down to 100 days. If the bank falls below 100 days, the Board will match the teacher's day for day up to 25 days per year. Any days above 100 days will have to be supplied by the Teachers' Association.

Additionally, at the commencement of each school term, certified personnel who are appointed or elected as representatives of the Paradise Teachers' Association shall have two (2) days of paid leave to be used for association business, at the discretion of the association president. Other provisions for non-chargeable temporary leave are outlined in the Professional Agreement for 2017-2018.

Jury Leave Any employee called to jury duty will be granted paid leave and such leave will not be deducted from the employee's credited paid leave. Any jury duty pay received by a teacher shall be deducted from regular compensation.

Military Leave Employees are entitled to Military leave under the Uniformed Services Employment and Reemployment Act of 1994.

## 8. DEFINED BENEFIT PENSION PLAN

Substantially all employees of Unified School District No. 399, Natoma, Kansas participate in the Kansas Public Employees Retirement System (KPERS). The payroll for employees covered by KPERS for the year ended was \$1,139,961; total payroll was \$1,217,426.

Plan Description The district participates in the KPERS, a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Ste 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 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 1.0% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) 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 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 June 30<sup>th</sup> 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 \$142,893 for the year ended June 30, 2018.

Net Pension Liability At June 30, 2018, the district's proportionate share of the collective net pension liability reported by KPERS was \$1,686,663. The net pension liability was measured as of June 30, 2017,

and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The district's proportion of the net pension liability was based on the ratio of the district's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

#### 9. 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 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.

#### 10. INTERFUND TRANSFERS

Annual transfers between budgetary funds may occur for the purpose of shifting resources from the fund legally authorized to receive receipts to the fund authorized to expend the receipt. Interfund operating transfers, their related regulatory authority, and amounts for the year ended June 30, 2018 were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	Special Education	K.S.A. 72-6478	158,397
General Fund	Vocational Education	K.S.A. 72-6478	24,219
General Fund	At Risk	K.S.A. 72-6478	58,849
General Fund	At Risk (4 year old)	K.S.A. 72-6478	11,677
General Fund	Drivers Education	K.S.A. 72-6478	385
General Fund	Food Service	K.S.A. 72-6478	1,592
Supplemental General	Vocational Education	K.S.A. 72-6478	74,996
Supplemental General	Special Education	K.S.A. 72-6478	33,800
Supplemental General	Food Service	K.S.A. 72-6478	39,012
Supplemental General	At Risk	K.S.A. 72-6478	11,783
Supplemental General	At Risk (4 year old)	K.S.A. 72-6478	3,913
	Total Transfers		\$ <u>418,623</u>

## 11. 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; injuries to employees; and natural disasters. The district continues to carry commercial insurance for all other risks of loss, including property, auto, general liability, and legal liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The district may be party to various claims, none of which is expected to have a material impact on the district.

## 12. GRANT FUNDS

The district participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the district has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the district, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

### Intergovernmental Assistance – State of Kansas

<u>Type of Aid</u>	<u>Fund</u>	<u>Prior Year Amount Received</u>	<u>Current Year Amount Received</u>
General State Aid	General Fund	\$ 1,097,342	\$ 1,031,652
School Wellness Policy Project	General Fund	300	-0-
State Safety	Drivers Education Fund	768	1,280
State Food Service	Food Service Fund	659	600
State Special Educational Services	General Fund	139,571	127,371
KPERS Contribution	KPERS Fund	97,284	142,893
2018 Extraordinary Declining Enroll	General Fund	-0-	40,232
Total Intergovernmental Assistance		<u>\$ 1,335,924</u>	<u>\$ 1,344,028</u>

### Schedule of Federal Financial Assistance

Federal Agency - Pass-through to State Department of Education

	<u>CFDA ID#</u>	<u>Beginning Balance</u>	<u>Amount Received</u>	<u>Amount Expended</u>	<u>Ending Balance</u>
Department of Agriculture					
National School Lunch	10.555	\$ -0-	\$ 21,682	21,682	\$ -0-
School Breakfast Program	10.553	-0-	5,745	5,745	-0-
Cash for Commodities	10.555	-0-	2,840	2,840	-0-
Special Education Aid	10.560	-0-	855	855	-0-
US Department of Education					
Title I – Low Income	84.010A	-0-	26,401	26,401	-0-
Supportive Effective Instruction	84.367A	-0-	2,475	2,475	-0-
Title II – Teaching Quality	84.367	-0-	3,072	3,072	-0-
ESSA – Stud Sprt Acad Enrich	84.424A	-0-	783	783	-0-
Total Federal Assistance		<u>\$ -0-</u>	<u>\$ 63,853</u>	<u>\$ 63,853</u>	<u>\$ -0-</u>

**UNIFIED SCHOOL DISTRICT NO. 399 NATOMA, KANSAS**

Regulatory-Required Supplementary Information

UNIFIED SCHOOL DISTRICT NO. 399  
 Natoma, Kansas  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2018

Schedule 1

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Charged to Current Year</u>	<u>Variance - Over (Under)</u>
General Funds:						
General Fund	\$ 1,303,724	\$ (96,144)	\$ 41,659	\$1,249,239	\$ 1,249,239	\$ -
Supplemental General Fund	470,080	(28,153)	-	441,927	441,927	\$ -
Special Purpose Funds:						
Capital Outlay Fund	611,012	-	14,960	625,972	492,352	\$ (133,620)
Food Service Fund	120,004	-	-	120,004	97,401	\$ (22,603)
Drivers Education Fund	2,065	-	-	2,065	2,065	\$ -
KPERs Retirement Fund	153,222	-	-	153,222	142,893	\$ (10,329)
Special Education Fund	212,416	-	4,446	216,862	198,769	\$ (18,093)
Vocational Education Fund	110,975	-	7,401	118,376	106,616	\$ (11,760)
Professional Development Fund	-	-	-	-	-	\$ -
Parent Education Fund	-	-	-	-	-	\$ -
At Risk Funds (4-year old)	16,024	-	-	16,024	16,024	\$ -
At Risk Funds	<u>120,605</u>	<u>-</u>	<u>-</u>	<u>120,605</u>	<u>73,495</u>	<u>(47,110)</u>
Total Budgeted Funds	<u>\$ 3,120,127</u>	<u>\$ (124,297)</u>	<u>\$ 68,466</u>	<u>\$3,064,296</u>	<u>\$ 2,820,781</u>	<u>\$ (243,515)</u>

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
General Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Taxes and Shared Revenue:				
Mineral Tax	\$ 8,703	\$ 8,325	\$ 15,000	\$ (6,675)
Local Tuition	-	-	-	-
Reimbursements	41,078	41,659	-	41,659
Interest on Idle Funds	2,641	-	-	-
General State Aid	1,097,342	1,031,652	1,100,875	(69,223)
Grant-School Wellness Policy Project	300	-	-	-
Special Education	139,571	127,371	147,617	(20,246)
Extrodinary Need State Aid	-	40,232	40,232	-
KPERS Aid	97,284	-	-	-
Total Receipts	<u>1,386,919</u>	<u>1,249,239</u>	<u>\$ 1,303,724</u>	<u>\$ (54,485)</u>
Expenditures:				
Instruction	644,869	611,614	653,450	(41,836)
Student Support Services	48,253	49,118	47,540	1,578
Instructional Support Services	-	-	-	-
General Administration	111,626	112,408	100,115	12,293
School Administration	110,595	90,020	109,225	(19,205)
Operations and Maintenance	55,443	31,059	57,030	(25,971)
Student Transportation	80,073	74,538	79,747	(5,209)
Other Supplemental Service	24,329	25,363	44,635	(19,272)
Operating Transfers	311,731	255,119	211,982	43,137
Adjustment to Comply with Legal Max	-	-	(96,144)	96,144
Legal General Fund Budget	1,386,919	1,249,239	1,207,580	41,659
Adjustment for Qualifying Budget Credits	-	-	41,659	(41,659)
Total Expenditures	<u>1,386,919</u>	<u>1,249,239</u>	<u>\$ 1,249,239</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash (Deficit), Beginning	-	-		
Prior year Canceled Encumbrances	-	-		
Unencumbered Cash (Deficit), Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Supplemental General Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Taxes and Shared Revenue:				
Ad Valorem Property Tax-Prior Year	\$ 7,564	\$ 7,599	\$ 7,009	\$ 590
Ad Valorem Property Tax-Current	438,722	442,522	-	442,522
Delinquent Tax	3,768	5,829	6,923	(1,094)
Motor Vehicle Tax	14,286	15,777	24,879	(9,102)
Truck Tax	4,193	4,250	-	4,250
RV Tax and Other Tax	<u>693</u>	<u>912</u>	<u>1,298</u>	<u>(386)</u>
Total Receipts	<u>469,226</u>	<u>476,889</u>	<u>\$ 40,109</u>	<u>\$ 436,780</u>
Expenditures:				
Instruction	257,835	220,223	134,853	85,370
Student Support	15,140	15,548	14,278	1,270
Instructional Support	-	-	-	-
General Administration	10,415	6,571	6,000	571
School Administration	26,612	16,259	14,815	1,444
Operations and Maintenance	8,512	120	8,650	(8,530)
Transportation	22,965	19,702	22,770	(3,068)
Operating Transfers	104,994	163,504	268,714	(105,210)
Adjustment to Comply with Legal Max	<u>-</u>	<u>-</u>	<u>(28,153)</u>	<u>28,153</u>
Legal Supplemental General Budget	<u>446,473</u>	<u>441,927</u>	<u>441,927</u>	<u>-</u>
Total Expenditures	<u>446,473</u>	<u>441,927</u>	<u>\$ 441,927</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	22,753	34,962		
Unencumbered Cash, Beginning	<u>2,732</u>	<u>25,485</u>		
Unencumbered Cash, Ending	<u>\$ 25,485</u>	<u>60,447</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Capital Outlay Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Taxes and Shared Revenue:				
Ad Valorem Property Tax-Prior Year	\$ 3,622	\$ 2,693	\$ 3,247	\$ (554)
Ad Valorem Property Tax-Current Year	155,534	190,177	179,870	10,307
Delinquent Tax	1,695	2,420	2,466	(46)
Motor Vehicle Tax	7,467	6,639	10,811	(4,172)
Truck Tax	2,331	2,031	-	2,031
RV Tax and Other Tax	373	354	563	(209)
Interest on Idle Funds	-	1,212	-	1,212
Reimbursements	-	-	-	-
Other Local Revenue	<u>33,731</u>	<u>14,960</u>	<u>10,100</u>	<u>4,860</u>
Total Receipts	<u>204,753</u>	<u>220,486</u>	<u>\$ 207,057</u>	<u>\$ 13,429</u>
Expenditures:				
Instruction - Property	14,880	15,437	26,300	(10,863)
Student Support - Property	1,116	-	-	-
Instructional Support Services	3,181	-	-	-
General Administration	2,962	35,569	-	35,569
Capital Improvements - Property	-	194,023	154,162	39,861
Transportation - Property	130,593	8,143	226,000	(217,857)
Operations and Maintenance	200,091	239,180	204,550	34,630
Adjustment for Qualifying Budget Credits	<u>-</u>	<u>-</u>	<u>14,960</u>	<u>(14,960)</u>
Total Expenditures	<u>352,823</u>	<u>492,352</u>	<u>\$ 625,972</u>	<u>\$ (133,620)</u>
Receipts Over (Under) Expenditures	(148,070)	(271,866)		
Unencumbered Cash, Beginning	<u>550,061</u>	<u>401,991</u>		
Unencumbered Cash, Ending	<u>\$ 401,991</u>	<u>\$ 130,125</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Contingency Reserve Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts:		
Transfer from General	\$ <u>-</u>	\$ <u>-</u>
Total Receipts	<u>-</u>	<u>-</u>
Expenditures:		
Instruction	<u>3,743</u>	<u>15,517</u>
Receipts Over (Under) Expenditures	(3,743)	(15,517)
Unencumbered Cash, Beginning	76,044	72,313
Prior year Canceled Encumbrances	<u>12</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 72,313</u>	<u>\$ 56,796</u>

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
KPERS Retirement Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
KPERS Aid	\$ 97,284	\$ 142,893	\$ 153,222	\$ (10,329)
Total Receipts	<u>97,284</u>	<u>142,893</u>	<u>\$ 153,222</u>	<u>\$ (10,329)</u>
Expenditures:				
KPERS Benefits	<u>97,284</u>	<u>142,893</u>	<u>153,222</u>	<u>(10,329)</u>
Total Expenditures	<u>97,284</u>	<u>142,893</u>	<u>\$ 153,222</u>	<u>\$ (10,329)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Food Service Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Federal Aid-National Lunch & Breakfast	\$ 36,405	\$ 27,427	\$ 47,932	\$ (20,505)
Federal Aid-Cash for Commodities	3,365	2,840	-	2,840
State Aid - School Food Assistance	659	600	712	(112)
Charges for Services - Students	21,577	20,655	23,708	(3,053)
Charges for Services - Other	12,455	2,796	16,028	(13,232)
Other Income	2,787	1,492	3,250	(1,758)
Interest on Idle Funds	262	914	300	614
Transfer from Supplemental General	27,265	39,012	28,000	11,012
Transfer from General	<u>-</u>	<u>1,592</u>	<u>-</u>	<u>1,592</u>
Total Receipts	<u>104,775</u>	<u>97,328</u>	<u>\$ 119,930</u>	<u>\$ (22,602)</u>
Expenditures:				
Food Service Salaries	40,114	44,085	45,240	(1,155)
Food Service Costs	68,316	53,316	74,764	(21,448)
Operation and Maintenance of Plant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>108,430</u>	<u>97,401</u>	<u>\$ 120,004</u>	<u>\$ (22,603)</u>
Receipts Over (Under) Expenditures	(3,655)	(73)		
Unencumbered Cash, Beginning	<u>3,728</u>	<u>73</u>		
Unencumbered Cash, Ending	<u>\$ 73</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Drivers Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
State Safety Aid	\$ 768	\$ 1,280	\$ 1,400	\$ (120)
Other Revenue	-	400	-	400
Transfer from General Fund	-	385	-	385
Transfer from Supplemental General	<u>1,172</u>	<u>-</u>	<u>700</u>	<u>(700)</u>
Total Receipts	<u>1,940</u>	<u>2,065</u>	<u>\$ 2,100</u>	<u>\$ (35)</u>
Expenditures:				
Instruction	1,940	2,065	1,945	120
Instruction Support	-	-	-	-
Fixed Charges & Fringe Benefits	-	-	-	-
Operations & Maintenance	<u>-</u>	<u>-</u>	<u>120</u>	<u>(120)</u>
Total Expenditures	<u>1,940</u>	<u>2,065</u>	<u>\$ 2,065</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399

Special Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Transfer from General	\$ 156,472	\$ 158,397	\$ 147,617	\$ 10,780
Transfer from Supplemental General	34,551	33,800	64,799	(30,999)
State and Federal Aid	-	855	-	855
Interest on Idle Funds	-	1,271	-	-
Other Revenue - Reimbursements	<u>6,907</u>	<u>4,446</u>	<u>-</u>	<u>4,446</u>
Total Receipts	<u>197,930</u>	<u>198,769</u>	<u>\$ 212,416</u>	<u>\$ (14,918)</u>
Expenditures:				
Instruction	1,652	129,273	143,722	(14,449)
Cooperative Services	200,994	67,644	67,644	-
Student Support Services	608	1,852	1,050	802
Student Transportation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Special Education Budget	203,254	198,769	212,416	(13,647)
Adjustment for Qualifying Budget Credits	<u>-</u>	<u>-</u>	<u>4,446</u>	<u>(4,446)</u>
Total Expenditures	<u>203,254</u>	<u>198,769</u>	<u>\$ 216,862</u>	<u>\$ (18,093)</u>
Receipts Over (Under) Expenditures	(5,324)	-		
Unencumbered Cash, Beginning	<u>5,325</u>	<u>1</u>		
Unencumbered Cash, Ending	<u>\$ 1</u>	<u>\$ 1</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Vocational Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Reimbursement	\$ 7,421	\$ 7,401	\$ 8,000	\$ (599)
Transfer from General	6,600	24,219	-	24,219
Transfer from Supplemental General	<u>87,204</u>	<u>74,996</u>	<u>102,975</u>	<u>(27,979)</u>
Total Receipts	<u>101,225</u>	<u>106,616</u>	<u>\$ 110,975</u>	<u>\$ (4,359)</u>
Expenditures:				
Instruction	101,225	106,616	110,975	(4,359)
Instructional Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Vocational Education Budget	101,225	106,616	110,975	(4,359)
Adjustment for Qualifying Budget Credits	<u>-</u>	<u>-</u>	<u>7,401</u>	<u>(7,401)</u>
Total Expenditures	<u>101,225</u>	<u>106,616</u>	<u>\$ 118,376</u>	<u>\$ (11,760)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Textbook & Student Material Revolving Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts:		
Book Rental Fees	\$ 1,475	\$ 1,559
Total Receipts	<u>1,475</u>	<u>1,559</u>
Expenditures:		
Textbook Purchases	<u>1,475</u>	<u>1,559</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	12	12
Prior Year Canceled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 12</u>	<u>\$ 12</u>

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Gifts and Grants  
Schedule of Receipts and Expenditures - Actual and Budget\*  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget*</u>	<u>Over (Under)</u>
Receipts:				
Individual Donations	\$ -	\$ -	\$ -	\$ -
Donations & Grants	50,371	2,773	39,492	(36,719)
REAP Grant	588	30,508	30,508	-
Russell Community Area Foundation	<u>-</u>	<u>8,139</u>	<u>-</u>	<u>8,139</u>
Total Receipts	<u>50,959</u>	<u>41,420</u>	<u>\$ 70,000</u>	<u>\$ (28,580)</u>
Expenditures:				
Instruction	17,365	894	39,492	(38,598)
REAP Grant	588	30,508	30,508	-
Student Support Services	31,135	16,088	18,488	(2,400)
Instructional Support	-	-	-	-
Transportation	-	-	-	-
Capital Improvements-Property	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>49,088</u>	<u>47,490</u>	<u>\$ 88,488</u>	<u>\$ (40,998)</u>
Receipts Over (Under) Expenditures	1,871	(6,070)		
Temporarily Restricted Beginning Balance	16,617	18,488		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Restricted Ending Balance	<u>\$ 18,488</u>	<u>\$ 12,418</u>		

\*Amounts given in "Budget" column are for district comparative purposes only, as this fund is exempt from budgetary regulation as stated in K.S.A.72-8210. Therefore, these funds are not included on Schedule 1 as budgeted funds.

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
Federal Funds  
Schedule of Receipts and Expenditures - Actual and Budget\*  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget*</u>	<u>Over (Under)</u>
Receipts:				
Title I - CFDA 84.010	\$ 29,292	\$ 26,401	\$ 26,401	\$ -
Title II-D CFDA 84.367	-	3,072	3,072	\$ -
ESSA - CFDA 84.424A	-	783	-	
Supportive Effective Inst - CFDA 84.367A	<u>11,802</u>	<u>2,475</u>	<u>1,935</u>	<u>540</u>
Total Receipts	<u>41,094</u>	<u>32,731</u>	<u>\$ 31,408</u>	<u>\$ 540</u>
to Statement 1				
Expenditures:				
Title I - ESA	29,292	26,401	26,401	-
Title II-D-Tech Literacy	-	-	-	-
Title II-A-Teacher Quality	<u>11,802</u>	<u>6,330</u>	<u>5,007</u>	<u>1,323</u>
Total Expenditures	<u>41,094</u>	<u>32,731</u>	<u>\$ 31,408</u>	<u>\$ 1,323</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

\*Amounts given in "Budget" column are for district comparative purposes only, as this fund is exempt from budgetary regulation as stated in K.S.A.12-1663. Therefore, these funds are not included on Schedule 1 as budgeted funds.

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
At Risk Funds - 4 Year Olds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Transfer from General	\$ 15,335	\$ 11,677	\$ 16,024	\$ (4,347)
Transfer from Supplemental General	\$ 4,362	\$ 3,913		
Interest on Idle Funds	<u>-</u>	<u>434</u>	<u>-</u>	<u>434</u>
Total Receipts	<u>19,697</u>	<u>16,024</u>	<u>\$ 16,024</u>	<u>\$ (3,913)</u>
Expenditures:				
Instruction	19,697	16,024	16,024	-
Student Support Services	-	-	-	-
Fringe Benefits & Fixed Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>19,697</u>	<u>16,024</u>	<u>\$ 16,024</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
Natoma, Kansas  
At Risk Funds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year	Current Year		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:				
Interest on Idle Funds	\$ -	\$ 2,840	\$ -	\$ 2,840
Transfer from General	36,041	58,849	48,341	10,508
Transfer from Supplemental General	13,265	11,783	72,240	(60,457)
Other Revenue from Local Source	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>49,306</u>	<u>73,472</u>	<u>\$ 120,581</u>	<u>\$ (47,109)</u>
Expenditures:				
Instruction	49,283	73,495	120,605	(47,110)
Student Support Services	-	-	-	-
Instruction Support Staff	-	-	-	-
Fringe Benefits & Fixed Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>49,283</u>	<u>73,495</u>	<u>\$ 120,605</u>	<u>\$ (47,110)</u>
Receipts Over (Under) Expenditures	23	(23)		
Unencumbered Cash, Beginning	-	23		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 23</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 399  
 Natoma, Kansas  
 Scholarship and Loan Funds  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended June 30, 2018

Schedule 2  
 Page 15 of 15

	<u>Harry L. and Myrtle Madsen</u>	<u>Masonic Lodge of Natoma</u>	<u>Brundage</u>	<u>Bill Nayer</u>	<u>James &amp; Juanita Casey</u>	<u>Greater Salina Comm Found</u>	<u>Loretta R. Hunt Gee</u>	<u>Total</u>
Receipts:								
Donations	\$ 453	\$ 25	\$ 500	\$ -	\$ 1,000	\$ 500	\$ 44	\$ 2,522
Total Receipts	<u>453</u>	<u>25</u>	<u>500</u>	<u>-</u>	<u>1,000</u>	<u>500</u>	<u>44</u>	<u>2,522</u>
Expenditures								
Scholarships/Awards	<u>229</u>	<u>25</u>	<u>500</u>	<u>800</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>2,554</u>
Total Expenditures	<u>229</u>	<u>25</u>	<u>500</u>	<u>800</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>2,554</u>
Receipts Over (Under) Expenditures	224	-	-	(800)	-	500	44	(32)
Unencumbered Cash, Beginning	<u>71,045</u>	<u>6,381</u>	<u>500</u>	<u>800</u>	<u>1,000</u>	<u>-</u>	<u>7,530</u>	<u>87,256</u>
Prior Year Cancelled Encumbrances & Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 71,269</u>	<u>\$ 6,381</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 500</u>	<u>\$ 7,574</u>	<u>\$ 87,224</u>

## UNIFIED SCHOOL DISTRICT NO. 399

Schedule 3

Natoma, Kansas

Agency Funds

## Summary of Receipts and Disbursements

Regulatory Basis

For the Year Ended June 30, 2018

	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
<u>Student Organization Funds</u>				
High School:				
Band and Music Club	\$ 1,899	\$ 401	\$ 1,436	\$ 864
Cheerleaders	-	2,201	961	1,240
Dance Team	149	988	698	439
Combined classes - Projects	2,548	1,002	3,333	217
Class of 2018	3,184	5,122	8,226	80
Class of 2019	1,204	11,440	9,498	3,146
Class of 2020	2,273	308	175	2,406
Class of 2021	1,201	-	39	1,162
Class of 2022	2,612	-	808	1,804
Class of 2023	-	8,039	5,779	2,260
F.F.A.	2,568	31,129	22,277	11,420
Journalism Club	28	7,114	7,040	102
SADD	262	177	350	89
Library Club	58	-	-	58
National Honor Society	319	-	39	280
Student Council	422	1,256	935	743
Business Class	305	-	305	-
Booster Club	367	-	292	75
Sub Total	<u>19,399</u>	<u>69,177</u>	<u>62,191</u>	<u>26,385</u>
Junior High:				
Pep Club	-	1,925	790	1,135
Music Club	-	-	-	-
Sub Total	<u>-</u>	<u>1,925</u>	<u>790</u>	<u>1,135</u>
Elementary School:				
Recycle Club	530	-	530	-
Tiger Tots	221	-	-	221
Sub Total	<u>751</u>	<u>-</u>	<u>530</u>	<u>221</u>
Sales Tax				
Tax	<u>450</u>	<u>2,396</u>	<u>2,702</u>	<u>144</u>
Sub Total	<u>450</u>	<u>2,396</u>	<u>2,702</u>	<u>144</u>
Total Agency Funds	<u>\$ 20,600</u>	<u>\$ 73,498</u>	<u>\$ 66,213</u>	<u>\$ 27,885</u>

UNIFIED SCHOOL DISTRICT NO. 399  
 Natoma, Kansas  
 District Activity Funds  
 Schedule of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2018

Schedule 4

<u>Funds</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>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Athletic Gate Receipts:							
Junior High & High School	\$ 23	\$ -	\$ 15,657	\$ 15,487	\$ 193	\$ -	\$ 193
Total Gate Receipts	23	-	15,657	15,487	193	-	193
School Projects:							
Box Tops & Other Projects	1,986	-	1,374	2,866	494	-	494
Total School Projects	1,986	-	1,374	2,866	494	-	494
Cooperative Projects:							
ITV Consortium	12,983	-	29,682	29,708	12,957	-	12,957
Total Cooperative Projects	12,983	-	29,682	29,708	12,957	-	12,957
Total District Activity Funds	<u>\$ 14,992</u>	<u>\$ -</u>	<u>\$ 46,713</u>	<u>\$ 48,061</u>	<u>\$ 13,644</u>	<u>\$ -</u>	<u>\$ 13,644</u>