

UNIFIED SCHOOL DISTRICT NO. 109
BELLEVILLE, KANSAS

INDEPENDENT AUDITOR'S REPORT

REGULATORY BASIS FINANCIAL STATEMENTS

JUNE 30, 2017

BRUNA AUDITING SERVICES LLC
DEREK BRUNA
CERTIFIED PUBLIC ACCOUNTANT
WASHINGTON, KANSAS

Unified School District No. 109
Belleville, Kansas

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 109
Belleville, Kansas 66935

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 109, 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 as described in Note A 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

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my 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 I 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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

As described in Note A of the financial statement, the financial statement is prepared by the Unified School District No. 109 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 A 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 my 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. 109 as of June 30, 2017, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 109 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 A.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds, and schedules of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds, (Statements 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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 A.

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Statement 3 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which I rendered an unmodified opinion dated October 10, 2016. The 2016 basic financial statement and my 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 statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 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 2016 basic financial statement 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 my opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note A.

Bruna Auditing Services LLC

 CPA

Derek Bruna, CPA
Washington, Kansas
September 11, 2017

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
Regulatory Basis
For The Year Ended June 30, 2017

Fund	Statement Number	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances & A/P	STATEMENT 1 Ending Cash Balance
General Funds:								
General Fund	3-1	\$	0	\$ 3,859,779	\$ 3,859,779	\$	0	\$
Supplemental General	3-2	84,801	0	1,294,611	1,302,588	76,824	10,523	\$ 10,523
Special Purpose Funds:							83,343	160,167
At Risk-(K 12) Fund	3-3	185,000	0	310,141	310,141	185,000	0	185,000
Capital Outlay Fund	3-4	977,405	0	714,610	323,398	1,368,617	169,328	1,537,945
Driver Training	3-5	18,553	0	6,744	9,744	15,553	0	15,553
Food Service Fund	3-6	58,136	0	331,744	312,938	76,942	0	76,942
Professional Development Fund	3-7	16,042	0	2,685	6,077	12,650	0	12,650
Parent Education Fund	3-8	0	0	7,700	7,700	0	0	0
Special Education Fund	3-9	348,906	0	764,689	744,048	369,547	0	369,547
Vocational Education Fund	3-10	74,821	0	88,963	88,484	75,300	644	75,944
Gifts and Grants Fund	3-11	13,800	0	49,764	45,267	18,297	0	18,297
Health Care Reserve Fund	3-12	11,671	0	0	0	11,671	0	11,671
Kpers Retirement Fund	3-13	0	0	223,528	223,528	0	0	0
Contingency Reserve Fund	3-14	361,271	0	0	0	361,271	0	361,271
Clearing Accounts Fund	3-15	0	0	27,655	27,655	0	0	0
Textbook Rental Fund	3-16	89,691	0	19,829	39,187	70,333	18,986	89,319
Title I Fund-Current	3-17	0	0	80,450	80,450	0	0	0
Title I Fund-Carryover	3-18	0	0	13,937	13,937	0	0	0
Teacher Quality Carryover	3-19	0	0	8,227	8,227	0	0	0
Title II A-Teacher Quality Fund	3-20	0	0	24,260	24,260	0	0	0
Federal Reap Fund	3-21	0	0	22,139	22,139	0	0	0
Virtual Education	3-22	0	0	5,000	5,000	0	0	0
Bond and Interest Funds:								
Bond and Interest Fund	3-23	18,053	0	663	0	18,716	0	18,716
Total Reporting Entity (Excluding Agency Funds)		\$ 2,258,150	\$ 0	\$ 7,957,118	\$ 7,454,547	\$ 2,660,721	\$ 282,824	\$ 2,943,545
Composition of Cash								
				Money Market Accounts				\$ 1,725,500
				Certificate of Deposit				1,250,000
				Operating Accounts-District				(35,055)
				Operating Accounts-Schools				90,788
				Petty Cash				3,100
				Total Cash				3,034,333
				Agency Funds Statement 4				(90,788)
				Total Cash Excluding Agency Funds				2,943,545

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Unified School District No. 109 is a municipal Corporation established under Kansas Statute. All USDs in Kansas are required to be audited under K.S.A. 75-1122. The District is governed by an elected seven member board. The financial statements present the financial condition and results of operation of the district. The District's major operations include primary and secondary education for young people. The scope of the entity for financial reporting purposes is designed as those funds for which the District has oversight responsibility and is primarily accountable. Oversight responsibility includes budgetary authority and fiscal management responsibility. Budgetary authority is defined as authority for final approval of budgetary appropriations and revisions. Fiscal management responsibility is control of the collection and disbursement of funds.

This report is intended solely for the information and use of the Board of Education and management of USD 109, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and Kansas State Board of Education, and should not be used for any other purposes.

The Kansas Municipal Audit and Accounting Guide will be referred to as KMAAG throughout the notes.

Basis of Presentation

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, restricts, or limitations. The following are Regulatory Basis Fund Types:

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

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

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

Capital project 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.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

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 (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting-KMAAG Regulatory Basis of Accounting (Formerly Statutory Basis)

The KMAAG regulatory audit requirement of K.S.A. 75-1122 applies to each individual municipality as defined in K.S.A. 75-1117. The KMAAG regulatory financial reporting entity is comprised of the “municipality” as defined in K.S.A. 75-1117, as a minimum, and may also include certain separate legal entities referred to as “related municipal entities” as defined by KMAAG.

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June 30, 2017

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

GAAP Basis Financial Statements - Minimum Requirements. GAAP basis financial statements are financial statements prepared in accordance with "Governmental Accounting and Financial Reporting Standards" as promulgated by the Governmental Accounting Standards Board (GASB). For KMAAG purposes, if GAAP basis financial statements are presented, the basic financial statements and notes must be presented at a minimum. All other supplemental schedules are optional. However, the KMAAG mandatory note disclosures (if applicable) must still be presented even though they might not otherwise be required by GAAP to be included in the notes. KMAAG does not provide an example of GAAP financial statements.

Regulatory Basis Financial Statements - Minimum Requirements. If GAAP basis financial statements are not presented, then: 1) a GAAP waiver resolution must be passed, and 2) regulatory basis financial statements including regulatory-required supplementary information, must be presented. Regulatory basis financial statements are financial statements prepared in accordance with the guidelines of KMAAG. Such financial statements are prepared on a basis of accounting which demonstrates compliance with the cash basis and budget laws of the State of Kansas and prepared in accordance with the prescribed format established by KMAAG.

The regulatory basis financial statement consists of a single basic financial statement which is a summary statement containing all funds and related municipalities included in the financial reporting entity and demonstrating compliance with the cash basis law. The remainder of the required financial information to be presented is considered regulatory-required supplementary information which includes 1) a fund summary schedule containing all funds and showing compliance with the budget law for those funds required to be budgeted, 2) individual fund schedules for all funds except agency funds, with budget comparisons for those funds required to be budgeted, 3) a fund summary schedule, for agency funds only, showing cash balances and changes therein, and 4) special schedules unique to the municipality. Note: Regulatory-required supplementary information are the additional schedules that are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide and are not to be considered as required supplementary information as defined by auditing standards generally accepted in the United States of America. In addition, the KMAAG mandatory note disclosures must be presented and must include all disclosures necessary for fair presentation in accordance with the KMAAG regulatory basis framework. All other schedules that may be presented are optional.

Departure from GAAP

A waiver from the requirement to prepare and audit GAAP basis financial statements is necessary *only if* the municipality decides to present regulatory basis financial statements. A waiver is not required for financial statements that are prepared in accordance with the GAAP basis framework but include certain departures from GAAP. For example, if GAAP financial statements are presented but do not include the management discussion and analysis, this would be a departure from GAAP. However, even lacking the management discussion and analysis required supplementary information, the basic financial statements may still be presented on a GAAP basis framework, thus a waiver would not be required. The District has approved a resolution that is compliance with K.S.A. 75-1120a(c) waiving the annual for application of GAAP for the year ended 6/30/17. This waiver is completed annually and allows the District to use the regulatory basis of accounting.

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balance, and expenditures compared to budget. Balance sheets that would have shown

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NOTES TO FINANCIAL STATEMENTS
June 30, 2017

noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statement.

Reimbursed Expenses

The purpose of these expenditures is to repay the district for amounts remitted on behalf of another party and such expenditures are exempt for 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. The Municipality 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 accounting.

2016 Financial Data

Amounts that are shown for 2016 in the accompanying financial statements are included where practical, only to provide a basis for comparison with 2017, and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

Cash and Investments

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

Ad Valorem Tax Revenue

The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's Office annually the determination of assessed valuation and the collections of property taxes for all political subdivisions in determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the District by January 20 to help finance the current year's budget. The second half is due May 10 and distributed to the District June 5. The District Treasurer draws all available funds from the County Treasurer's Office at designated times throughout the year.

Budgetary Data

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service fund. The statutes provide for the following sequence and time table in the adoption of the annual operating budget:

- Preparation of the budget for the succeeding calendar year on or before August 1st.
- Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
- Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 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 increase in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication the hearing may be held and the governing body may amend the budget at that time. These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The

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delinquency dates are December 20 and May 10. Delinquent taxes are assessed interest at 9% per annum. This interest is retained by the County.

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 budget receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditures authority) lapse at year-end.

A legal operating budget is not required for trust funds, agency funds, and the following special revenue funds: Textbooks and Student Materials, Athletic Gate Receipts and other School Agency/Activity Funds, Fee and User Charges/Clearing Accounts, Contingency Reserve, Employee Benefits, Health Care Reserve Fund, Title IIA-Teacher Quality, Title I, and Federal Funds.

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

Inventories and prepaid expenses which benefit future periods are recorded as an expenditures during the year of purchase. For disclosure purposes, material inventories would be reported as an asset offset by a reserve. The district had no material inventories.

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of revenues, expenditures, and fund balances. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance With Kansas Statutes and Other Finance Related Legal Matters

There are no noted violations with such compliance requirements.

NOTE C- 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 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. Cash balances from all funds are combined and invested to the extent available in certificates of deposits and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Municipality's deposits may not be returned to it. State statutes require the Municipality'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%. All deposits were legally secured at December 31, 2016.

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At year-end the carrying amount of the district's deposits, including certificates of deposit and money market accounts was \$3,034,333. The district checking account balance was \$(35,055) and activity operating accounts had a balance of \$90,788. Petty cash accounts were \$3,100. The money market account balance was \$1,725,500. The District had CDs for \$1,250,000 this fiscal year ended. Any differences between the carrying amount and the bank balance are outstanding checks and deposits in transit. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining balance was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the district's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a third-party custodial agreement signed by all three parties: the district, the pledging bank, and the independent third-party banks holding the securities.

Investment Policy

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit investment choices. Funds of the district were on deposit in interest bearing accounts in banks and Certificates of Deposits issued by banks at June 30, 2017.

The cash of each of the funds of the district is pooled together so that better management of cash and investments can be practiced, resulting in greater earnings accruing to the district. Please refer to Statement 1 to review how the various funds are accruing interest.

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 – investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Municipality will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE D- FRINGE BENEFIT PLAN I.R.C. 125

The District has in place an IRS-IRC Section #125 "Cafeteria" Fringe Benefit Plan. The options under the plan are salary reduction options. In addition, each employee may choose to take the benefit in cash, a taxable option. Employees that are eligible for the plan are all full time employees. The plan year runs from October 1 to September 30 annually. The maximum benefit allowance per employee is \$2500/yr for the year ended June 30, 2017. The maximum for the dependent care reimbursement account is \$5000 annually. Provisions available are:

- Group Health Insurance
- Group Term Life Insurance (\$50,000 maximum) Salary Protection
- Insurance
- Cancer Insurance
- Medical Reimbursement Accounts
- Dependent Care Reimbursement Accounts

NOTE E- CONTINGENT LIABILITIES

The district has computed the unfunded accumulated sick/personal leave costs as of June 30, 2016 and 2017, to be \$419,745 and \$361,522, respectively. The number of employees for the respective years were 66 and 65. Please Refer to Note F for further information on compensated absences.

NOTE F- COMPENSATED ABSENCES

The district's policy is that each qualified classified employee is allowed to accumulate a maximum of 60 days of sick leave, while certified employees reach their maximum at 80 days. In the case of an absence, the employees are reimbursed what their hourly rate or other rate is. In case of retirement, whether classified or certified, you are allowed payment for half of the maximum days accumulated. For certified employees the rate is \$95/day, and 90% of wage for classified. The administration

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June 30, 2017

support employees are maxed at \$95/day. Nine and ten month employees receive 9 and 10 sick days annually, while full time employees get 12 days leave time. All classified employees receive 2 other personal days. Employees are not allowed to combine sick or "other days" for a total of more than the maximum allowable. Classified 12 month employees get 5 vacation days after one year of service, 10 days for years of service between two and fifteen years, 15 days after 15 years, and 20 days after 30 years. There is no merit pay provision in the schools negotiated agreement nor is there a good health or absentee benefit.

NOTE G- DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737. *Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate 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 and the statutory contribution rate was 16.03% and 10.81%, respectively, for the fiscal year ended June 30, 2017. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds 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 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 \$223,528 for the year ended June 30, 2017.

Net Pension Liability

At June 30, 2017, the District's proportionate share of the collective net pension liability reported by KPERS was \$4,203,150. 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 longterm 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 or can be obtained as described above. The report FYE 6/30/17 was not available at the time of the audit report.

NOTE H- RISK FINANCING AND RELATED INSURANCE ISSUES

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 nature disasters. The district continues to carry insurance for all risks of loss including workers compensation. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

NOTE I- FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value amounts for cash and cash equivalents approximate carrying amounts due to the short maturities of these

UNIFIED SCHOOL DISTRICT NO. 109
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NOTES TO FINANCIAL STATEMENTS
June 30, 2017

instruments. Financial instruments that subject the district to significant concentration and credit risk consist of cash and cash equivalents. The district places its cash in market interest rate accounts and are insured fully by FDIC coverage and pledged securities with fair market value equal to or greater than its cash and cash equivalents.

NOTE J- FIDUCIARY/TRUST TYPE FUNDS

The District does not currently have any of these funds in their financial statement FYE 6/30/17.

NOTE K- 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 local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements. 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. Currently, the district has 2 members that are covered under such provision, and they will no longer be covered in August of 2017.

NOTE L- IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$275,863 subsequent to June 30, 2017 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, 2017.

NOTE M- LONG-TERM DEBT

The District is not responsible for any long term debt.

NOTE N- CAPITAL PROJECT COMPLIANCE

The District currently has no capital projects being undertaken.

NOTE O- LITIGATION CONTINGENCIES

The District currently has no litigation contingencies that it is involved in.

NOTE P- COMMITMENT 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 disbursement of funds received under these programs generally requires 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 any of the financial statements of the District at June 30, 2017.

NOTE Q- SUBSEQUENT EVENTS

These financial statements considered subsequent events through September 11, 2017 the date the financial statements were available to be issued.

NOTE R- RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the district carries insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note S - INTER-FUND TRANSACTIONS

Recurring annual transfers between budgetary funds for the purpose of shifting resources from the fund legally required to receive the revenue, to the fund authorized to expend the revenue, have been segregated from normal revenues and expenditures for reporting purposes are are:

FROM	TO	2016	2017
General	Virtual Education	\$ 0	\$ 5,000
General	Supplemental	239,701	0
General	Special Education	414,501	428,810
General	Parent Education	7,700	7,700
General	Capital Outlay	225,158	203,180
General	At Risk K-12	23,064	0
General	KPERS	227,641	223,528
General	Contingency Reserv	30,000	0
General	Vocational Education	33,799	31,875
	Totals	1,201,564	900,093
Supplemental General	Food Service	6,000	45,000
Supplemental General	Professional Development	2,500	2,500
Supplemental General	Textbooks	0	0
Supplemental General	Vocational Education	42,302	57,088
Supplemental General	Special Education	310,000	335,880
Supplemental General	At Risk K-12	275,178	310,140
	Totals	635,980	750,608
Virtual Reality	General	27	0
Drivers Ed	General	0	5,000
	Totals	1,837,571	1,655,701

The above transfers are included in the expenditures of the disbursing fund and included in the revenues of the receiving fund as required by the Cash Basis and Budget Laws of Kansas, and for budget comparison purposes.

Note T- INTER-GOVERNMENTAL ASSISTANCE-STATE

<u>Type of Aid</u>	<u>2016</u>	<u>2017</u>
General	\$ 2,388,145	\$ 2,304,902
Supplemental	239,701	232,903
Block Grant	257,173	0
State Safety	1,496	2,944
Food Service Aid	3,075	3,191
Special Ed.	414,501	424,499
GSA Transportation Weighting	0	0
Special Ed Transportation Weighting	0	0
Capital Improvement	0	0
KHF Fitness	0	0
School District Capital Improvement	0	0
School District Mill Levy	542,877	888,294
School Wellness	300	0
KPERS Expanded Lottery Act	0	0
KPERS Employer Cont.	227,641	223,528
Totals	4,074,909	4,080,261

Note U- INTER-GOVERNMENTAL ASSISTANCE-FEDERAL

<u>Type of Aid</u>	<u>2016</u>	<u>2017</u>
Title I Fund	\$ 93,019	\$ 94,387
Title I Carryover	0	0
Food Service	157,302	181,112
Ed Jobs Fund	0	0
Youth Risk Behavior	150	0
Title II Teacher Quality	30,882	32,487
Nutrition Training Grant	155	250
Reserve Fund	750	0
Fresh Fruits	0	0
Totals	282,258	308,236

Federal programs in which the school district participated have specified for what purpose funds are to be expended.
 All funds unexpended at June 30, 2017 are restricted to federal program specified expenditures.

UNIFIED SCHOOL DISTRICT NO. 109
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Note V - BOND ANALYSIS
STATEMENT OF CHANGES IN LONG - TERM DEBT
For the Year Ended June 30, 2017

<u>Issue</u>	<u>Interest Rate</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds Series 2008	4.0 - 5.5%	\$ 0	9/1/2014	0 \$	0 \$	\$0 \$	\$0 \$	\$0 \$	\$0
				\$	\$0 \$	\$0 \$	\$0 \$	\$0 \$	\$0

TOTAL LONG TERM - DEBT

REMAINING	TOTAL
None	\$0
PAID	
General Obligation Bonds	\$0

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For The Year Ended June 30, 2017

STATEMENT 2

Fund	Statement Number	Certified Budget	Adjustments		Adjustments For		Total Budget For Comparison	Expenditures Chargeable To Current Year	Variance Over (Under)
			To Comply With Legal Max		Qualifying Budget Credits				
General Funds:									
General Fund	3-1	\$ 4,015,778	\$ (156,036)		300	\$ 3,860,042	\$ 3,859,779	\$ (263)	
Supplemental General	3-2	1,302,588	0		0	1,302,588	1,302,588	0	
Special Purpose Funds:									
At Risk (K-12)	3-3	348,600	0		0	348,600	310,141	(38,459)	
Capital Outlay	3-4	1,000,000	0		0	1,000,000	323,398	(676,602)	
Driver Training	3-5	19,000	0		0	19,000	9,744	(9,256)	
Food Service	3-6	340,750	0		0	340,750	312,938	(27,812)	
Professional Development	3-7	15,500	0		0	15,500	6,077	(9,423)	
Parent Education Program	3-8	8,500	0		0	8,500	7,700	(800)	
Special Education	3-10	840,873	0		0	840,873	744,048	(96,825)	
Vocational Education	3-11	115,000	0		0	115,000	88,484	(26,516)	
Gifts and Grants	3-12	18,800	0		0	18,800	45,267	26,467	
KPERs Retirement	3-13	323,526	0		0	323,526	223,528	(99,998)	
Virtual Education	3-23	5,000	0		0	5,000	5,000	0	
Bond and Interest Funds:									
Bond And Interest	3-22	0	0		0	0	0	0	
TOTALS									
		\$ 8,353,915	\$ (156,036)		300	\$ 8,198,179	\$ 7,238,692	\$ (959,487)	

UNIFIED SCHOOL DISTRICT NO. 109
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SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-1

	<u>GENERAL FUND</u>			
	Prior Year Actual Transactions	Statutory Transactions	Current Year Budget	Variance Over (Under)
Statutory Receipts				
Taxes in Process	\$ 0	\$ 0	0	\$ 0
Ad Valorem Property Tax	0	0	0	0
Delinquent Tax	0	0	0	0
General State Aid	3,188,195	3,193,195	3,193,195	0
Supplemental State Aid	239,701	0	0	0
KPERS Aid	227,641	223,528	323,526	(99,998)
Reimbursement	0	300	0	300
Other Revenue	0	5,069	7,500	(2,431)
Transfer	27	5,000	5,000	0
Interest	3,351	8,188	4,500	3,688
Special Education Aid	414,500	424,499	482,057	(57,558)
Total Statutory Receipts	\$ 4,073,415	\$ 3,859,779	4,015,778	\$ (155,999)
Expenditures				
Instruction	\$ 1,586,371	\$ 1,625,934	1,631,620	\$ (5,686)
Student Support Services	111,423	120,057	114,600	5,457
Instructional Support Staff	102,058	106,756	109,285	(2,529)
General Administration	195,486	207,600	197,505	10,095
School Administration	311,114	261,751	269,550	(7,799)
Operations and Maintenance	379,975	440,359	472,427	(32,068)
Transportation	185,424	197,229	215,725	(18,496)
Other Supplemental Service	0	0	0	0
Operating Transfers	1,201,564	900,093	1,005,066	(104,973)
Adjustment to Comply With Legal Max	0	0	(156,036)	156,036
Adjustment For Qualifying Budget Credits	0	0	300	(300)
Total Expenditures	\$ 4,073,415	\$ 3,859,779	3,860,042	\$ (263)
Statutory Revenues Over (Under) Expenditures	0	0		
Modified Unencumbered Cash - Beginning	0	0		
Prior Year Cancelled Encumbrances	0	0		
Modified Unencumbered Cash - Ending	\$ 0	\$ 0		

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Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis

For The Year Ended June 30, 2017
(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-2

SUPPLEMENTAL GENERAL FUND

	Prior Year Actual Transactions	Current Year		
		Statutory Transactions	Budget	Variance Over (Under)
Statutory Revenues				
Taxes in Process	\$ 30,151	\$ 45,501	25,975	\$ 19,526
Ad Valorem Property Tax	975,295	896,261	0	896,261
Delinquent Tax	16,321	22,252	23,591	(1,339)
Other Local Sources	0	0	0	0
Motor Vehicle/RV/Commercial Tax	103,323	97,666	94,558	3,108
Other County Revenue	10	28	0	28
Machinery & Equipment State Aid	0	0	0	0
Federal Grant - ARRA	0	0	0	0
Transfer	239,701	0	0	0
State Aid	0	232,903	232,903	0
Total Statutory Revenues	\$ 1,364,801	\$ 1,294,611	377,027	\$ 917,584
Expenditures				
Instruction	\$ 387,522	\$ 299,801	408,200	\$ (108,399)
Support Service	18,014	18,352	18,000	352
Instructional Support Staff	0	0	0	0
General Administration	18,960	9,898	22,200	(12,302)
School Administration	4,286	12	4,200	(4,188)
Operation and Maintenance	144,714	143,251	200,500	(57,249)
Transportation	70,524	80,666	132,800	(52,134)
Operating Transfers	635,980	750,608	516,688	233,920
Total Expenditures	\$ 1,280,000	\$ 1,302,588	1,302,588	\$ 0
Statutory Revenues Over (Under) Expenditures	84,801	(7,977)		
Modified Unencumbered Cash - Beginning	0	84,801		
Prior Year Cancelled Encumbrances	0	0		
Modified Unencumbered Cash - Ending	\$ 84,801	\$ 76,824		

UNIFIED SCHOOL DISTRICT NO. 109

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-3SPECIAL PURPOSE FUNDSAT RISK (K-12) FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Transfer from General	\$ 23,063	\$ 0	140,983	\$ (140,983)
MISC	150	0	0	0
Transfer from Supp General	275,178	310,141	141,688	168,453
Total Cash Receipts	\$ 298,391	\$ 310,141	\$ 282,671	\$ 27,470
Expenditures				
Instruction	\$ 279,907	\$ 291,475	325,500	\$ (34,025)
Support	18,484	18,666	23,100	(4,434)
Total Expenditures	\$ 298,391	\$ 310,141	\$ 348,600	\$ (38,459)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	185,000	185,000		
Unencumbered Cash - Ending	\$ 185,000	\$ 185,000		

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

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For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-4SPECIAL PURPOSE FUNDSCAPITAL OUTLAY FUND

Current Year

	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Ad Valorem Tax	\$ 300,308	\$ 370,044	406,470	\$ (36,426)
Delinquent Tax	3,789	7,154	10,889	(3,735)
Interest on Idle Funds	0	0	0	0
Other Local Source	6,345	83,305	0	83,305
In Lieu of Taxes	4	0	0	0
Motor Vehicle/RV/Comm Tax	38,180	36,922	52,579	(15,657)
In Process	12,165	14,005	0	14,005
State Aid	0	0	0	0
Transfer	225,158	203,180	0	203,180
Total Cash Receipts	\$ 585,949	\$ 714,610	\$ 469,938	\$ 244,672
Expenditures				
Instruction	\$ 27,592	\$ 19,338	50,000	\$ (30,662)
Student Support Services	0	0	0	0
Instructional Support	0	0	0	0
General Administration	0	0	0	0
Operations & Maintenance	163,990	94,134	315,000	(220,866)
Transportation	0	0	50,000	(50,000)
Facility/Building Improvements	19,278	209,926	585,000	(375,074)
Total Expenditures	\$ 210,860	\$ 323,398	\$ 1,000,000	\$ (676,602)
Receipts Over (Under) Expenditures	375,089	391,212		
Unencumbered Cash - Beginning	602,316	977,405		
Unencumbered Cash - Ending	\$ 977,405	\$ 1,368,617		

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ACTUAL AND BUDGET

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For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-5SPECIAL PURPOSE FUNDSDRIVER TRAINING FUND

	Current Year			
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
State Aid	\$ 1,496	\$ 2,944	2,250	\$ 694
Local Sources	4,400	3,800	4,400	(600)
Operating Transfers	0	0	0	0
Total Cash Receipts	\$ <u>5,896</u>	\$ <u>6,744</u>	\$ <u>6,650</u>	\$ <u>94</u>
Expenditures				
Instruction	\$ 5,792	\$ 4,744	14,000	\$ (9,256)
Transfer	0	5,000	5,000	0
Total Expenditures	\$ <u>5,792</u>	\$ <u>9,744</u>	\$ <u>19,000</u>	\$ <u>(9,256)</u>
Receipts Over (Under) Expenditures	104	(3,000)		
Unencumbered Cash - Beginning	<u>18,449</u>	<u>18,553</u>		
Unencumbered Cash - Ending	\$ <u>18,553</u>	\$ <u>15,553</u>		

UNIFIED SCHOOL DISTRICT NO. 109

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

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For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-6SPECIAL PURPOSE FUNDSFOOD SERVICE FUNDCurrent Year

	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts				
Federal Aid	\$ 157,456	\$ 181,362	153,347	\$ 28,015
State Aid	3,075	3,191	2,630	561
Misc	0	8,046	6,000	0
Student & Adult Receipts	101,039	94,145	100,527	(6,382)
Operating Transfers	6,000	45,000	25,000	20,000
Total Cash Receipts	<u>\$ 267,570</u>	<u>\$ 331,744</u>	<u>\$ 287,504</u>	<u>\$ 42,194</u>
Expenditures				
Food Service Operations	<u>289,653</u>	<u>312,938</u>	<u>340,750</u>	<u>(27,812)</u>
Total Expenditures	<u>\$ 289,653</u>	<u>\$ 312,938</u>	<u>\$ 340,750</u>	<u>\$ (27,812)</u>
Receipts Over (Under) Expenditures	(22,083)	18,806		
Unencumbered Cash - Beginning	<u>80,219</u>	<u>58,136</u>		
Unencumbered Cash - Ending	<u>\$ 58,136</u>	<u>\$ 76,942</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-7

SPECIAL PURPOSE FUNDS

PROFESSIONAL DEVELOPMENT FUND

		<u>Current Year</u>		
	<u>Prior Year</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash Receipts				
Local Revenue	\$ 340	\$ 185	\$ 0	\$ 185
Operating Transfers	<u>2,500</u>	<u>2,500</u>	<u>5,000</u>	<u>(2,500)</u>
Total Cash Receipts	\$ <u>2,840</u>	\$ <u>2,685</u>	\$ <u>5,000</u>	\$ <u>(2,315)</u>
Expenditures				
Support Services	\$ <u>6,610</u>	\$ <u>6,077</u>	<u>15,500</u>	<u>(9,423)</u>
Total Expenditures	\$ <u>6,610</u>	\$ <u>6,077</u>	\$ <u>15,500</u>	\$ <u>(9,423)</u>
Receipts Over (Under) Expenditures	(3,770)	(3,392)		
Unencumbered Cash - Beginning	<u>19,812</u>	<u>16,042</u>		
Unencumbered Cash - Ending	\$ <u>16,042</u>	\$ <u>12,650</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

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For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-8SPECIAL PURPOSE FUNDSPARENT EDUCATION PROGRAM FUND

	<u>Current Year</u>			<u>Variance Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Other District	\$ 0	\$ 0	0	\$ 0
Transfer from General	7,700	7,700	8,500	(800)
Transfer from Supp General	0	0	0	0
Total Cash Receipts	<u>\$ 7,700</u>	<u>\$ 7,700</u>	<u>\$ 8,500</u>	<u>\$ (800)</u>
Expenditures				
Student Support Services	\$ 7,700	7,700	8,500	\$ (800)
Total Expenditures	<u>\$ 7,700</u>	<u>\$ 7,700</u>	<u>\$ 8,500</u>	<u>\$ (800)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	0	0		
Unencumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-9SPECIAL PURPOSE FUNDSSPECIAL EDUCATION FUND

	<u>Current Year</u>			<u>Variance Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
State Aid	\$ 0	\$ 0	0	\$ 0
Operating Transfers	<u>724,501</u>	<u>764,689</u>	<u>792,057</u>	<u>(27,368)</u>
Total Cash Receipts	<u>\$ 724,501</u>	<u>\$ 764,689</u>	<u>\$ 792,057</u>	<u>\$ (27,368)</u>
Expenditures				
Instruction	\$ 719,472	\$ 721,772	809,673	\$ (87,901)
General Administration	0	0	0	0
School Administration	0	0	0	0
Operations and Maintenance	4,400	4,800	5,200	(400)
Student Transportation	0	17,109	26,000	(8,891)
Vehicle Operating	8,431	367	0	367
Vehicle Maintenance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 732,303</u>	<u>\$ 744,048</u>	<u>\$ 840,873</u>	<u>\$ (96,825)</u>
Receipts Over (Under) Expenditures	(7,802)	20,641		
Unencumbered Cash - Beginning	<u>356,708</u>	<u>348,906</u>		
Unencumbered Cash - Ending	<u>\$ 348,906</u>	<u>\$ 369,547</u>		

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ACTUAL AND BUDGET
Regulatory Basis

For The Year Ended June 30, 2017
(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-10

SPECIAL PURPOSE FUNDS
VOCATIONAL EDUCATION FUND

	<u>Current Year</u>			<u>Variance Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Grants	750	0	0	0
Other Local	3,750	0	0	0
Operating Transfers	\$ 80,601	\$ 88,963	\$ 80,000	\$ 8,963
Total Cash Receipts	\$ 80,601	\$ 88,963	\$ 80,000	\$ 8,963
Expenditures				
Instruction	\$ 84,405	\$ 88,484	\$ 115,000	\$ (26,516)
Total Expenditures	\$ 84,405	\$ 88,484	\$ 115,000	\$ (26,516)
Receipts Over (Under) Expenditures	(3,804)	479		
Unencumbered Cash - Beginning	78,625	74,821		
Unencumbered Cash - Ending	\$ 74,821	\$ 75,300		

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-11SPECIAL PURPOSE FUNDSGIFTS AND GRANTS FUND

	<u>Current Year</u>			<u>Variance Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Contributions & Donations	\$ <u>49,749</u>	\$ <u>49,764</u>	<u>5,000</u>	\$ <u>44,764</u>
Total Cash Receipts	\$ <u><u>49,749</u></u>	\$ <u><u>49,764</u></u>	\$ <u><u>5,000</u></u>	\$ <u><u>44,764</u></u>
Expenditures				
Instruction	\$ <u>43,027</u>	\$ <u>45,267</u>	<u>18,800</u>	\$ <u>26,467</u>
Total Expenditures	\$ <u><u>43,027</u></u>	\$ <u><u>45,267</u></u>	\$ <u><u>18,800</u></u>	\$ <u><u>26,467</u></u>
Receipts Over (Under) Expenditures	6,722	4,497		
Unencumbered Cash - Beginning	<u>7,078</u>	<u>13,800</u>		
Unencumbered Cash - Ending	\$ <u><u>13,800</u></u>	\$ <u><u>18,297</u></u>		

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For The Year Ended June 30, 2017
(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-12

SPECIAL PURPOSE FUNDS
HEALTH CARE RESERVE FUND

	Prior Year 2016	Current Year 2017
	<u> </u>	<u> </u>
Cash Receipts		
Interest on Idle Funds	\$ 0	\$ 0
District Contributions	0	0
Other	0	0
	<u> </u>	<u> </u>
Total Cash Receipts	<u>0</u>	<u>0</u>
	<u> </u>	<u> </u>
Expenditures		
Premiums	0	0
Premiums Refunded	0	0
Claims	0	0
Miscellaneous Expense	0	0
	<u> </u>	<u> </u>
Total Expenditures	<u>0</u>	<u>0</u>
	<u> </u>	<u> </u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>11,671</u>	<u>11,671</u>
Unencumbered Cash - Ending	\$ <u>11,671</u>	\$ <u>11,671</u>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-13

SPECIAL PURPOSE FUNDS

KPERS RETIREMENT FUND

		<u>Current Year</u>		
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts				
Transfers	\$ 227,641	223,528	323,526	(99,998)
Employers Payments	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Cash Receipts	\$ <u>227,641</u>	\$ <u>223,528</u>	\$ <u>323,526</u>	\$ <u>0</u>
Expenditures				
Benefits	\$ <u>227,641</u>	\$ <u>223,528</u>	<u>323,526</u>	\$ <u>(99,998)</u>
Total Expenditures	\$ <u>227,641</u>	\$ <u>223,528</u>	\$ <u>323,526</u>	\$ <u>(99,998)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>		
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>		

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-14

SPECIAL PURPOSE FUNDS
CONTINGENCY RESERVE FUND

	Prior Year 2016	Current Year 2017
Cash Receipts	\$ <u>30,000</u>	\$ <u>0</u>
Expenditures	<u>7,981</u>	<u>0</u>
Receipts Over (Under) Expenditures	22,019	0
Unencumbered Cash - Beginning	<u>339,252</u>	<u>361,271</u>
Unencumbered Cash - Ending	\$ <u>361,271</u>	\$ <u>361,271</u>

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-15

SPECIAL PURPOSE FUNDS
CLEARING ACCOUNT FUND

	Prior Year 2016	Current Year 2017
Cash Receipts	\$ <u>26,946</u>	\$ <u>27,655</u>
Expenditures	<u>26,946</u>	<u>27,655</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-16

SPECIAL PURPOSE FUNDS
TEXTBOOK RENTAL FUND

	Prior Year 2016	Current Year 2017
	<u> </u>	<u> </u>
Cash Receipts		
Rental Fees	\$ 23,159	\$ 19,829
Transfers	<u>0</u>	<u>0</u>
Total Cash Receipts	<u>23,159</u>	<u>19,829</u>
Expenditures		
Textbooks	43,916	39,187
Other	<u>38</u>	<u>0</u>
Total Expenditures	<u>43,954</u>	<u>39,187</u>
Receipts Over (Under) Expenditures	(20,795)	(19,358)
Unencumbered Cash - Beginning	<u>110,486</u>	<u>89,691</u>
Unencumbered Cash - Ending	\$ <u>89,691</u>	\$ <u>70,333</u>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-17

SPECIAL PURPOSE FUNDS

TITLE I FUND - CURRENT

	Prior Year 2016	Current Year 2017
	<u> </u>	<u> </u>
Cash Receipts		
Reimbursement	\$ <u> 78,982 </u>	\$ <u> 80,450 </u>
Total Cash Receipts	<u> 78,982 </u>	<u> 80,450 </u>
Expenditures		
Title 1 - Current	<u> 78,982 </u>	<u> 80,450 </u>
Total Expenditures	<u> 78,982 </u>	<u> 80,450 </u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u> 0 </u>	<u> 0 </u>
Unencumbered Cash - Ending	\$ <u> 0 </u>	\$ <u> 0 </u>

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-18

SPECIAL PURPOSE FUNDS
TITLE I FUND - CARRYOVER

	Prior Year 2016	Current Year 2017
Cash Receipts	\$ <u>14,037</u>	\$ <u>13,937</u>
Disbursements	<u>14,037</u>	<u>13,937</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-19

SPECIAL PURPOSE FUNDS
TEACHER QUALITY CARRYOVER

	Prior Year 2016	Current Year 2017
	<hr/>	<hr/>
Cash Receipts	\$ <u>6,200</u>	\$ <u>8,227</u>
 Disbursements	 <u>6,200</u>	 <u>8,227</u>
 Receipts Over (Under) Expenditures	 0	 0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-20

SPECIAL PURPOSE FUNDS
TITLE II-A-TEACHER QUALITY FUND

	Prior Year 2016	Current Year 2017
	<hr/>	<hr/>
Cash Receipts	\$ 24,682	\$ 24,260
	<hr/>	<hr/>
Cash Disbursements	24,682	24,260
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<hr/> 0	<hr/> 0
Unencumbered Cash - Ending	\$ 0	\$ 0
	<hr/>	<hr/>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-21

SPECIAL PURPOSE FUNDS

FEDERAL REAP FUND

	<u>Prior Year 2016</u>	<u>Current Year 2017</u>
Cash Receipts		
Federal Aid	\$ <u>18,500</u>	\$ <u>22,139</u>
Total Cash Receipts	<u>18,500</u>	<u>22,139</u>
 Expenditures		
Other Purchased Services	<u>18,500</u>	<u>22,139</u>
Total Expenditures	<u>18,500</u>	<u>22,139</u>
 Receipts Over (Under) Expenditures	0	0
 Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

UNIFIED SCHOOL DISTRICT NO. 109

Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2017

(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-22SPECIAL PURPOSE FUNDSVIRTUAL EDUCATION

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Transfer From General	\$ 0	5,000	5,000	0
Other Local	0	\$ 0	0	\$ 0
Total Cash Receipts	\$ 0	\$ 5,000	\$ 5,000	\$ 0
Expenditures				
Transfers	27	0	0	0
Instruction	\$ 0	\$ 5,000	5,000	\$ 0
Total Expenditures	\$ 27	\$ 5,000	\$ 5,000	\$ 0
Receipts Over (Under) Expenditures	(27)	0		
Unencumbered Cash - Beginning	27	0		
Unencumbered Cash - Ending	\$ 0	\$ 0		

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis
For The Year Ended June 30, 2017
(With Comparative Actual Totals for Prior Year Ended June 30, 2016)

STATEMENT 3-23

BOND AND INTEREST FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Ad Valorem Taxes	0	0	0	0
Delinquent Taxes	738	594	0	594
In Lieu of Taxes	0	0	0	0
Motor Vehicle Tax	3,468	69	0	69
RV/Comm Tax	44	0	0	0
Machinery & Equipment State Aid	0	0	0	0
State Aid	0	0	0	0
Other	\$ 0	\$ 0	0	\$ 0
Total Cash Receipts	\$ 4,250	\$ 663	\$ 0	\$ 663
Expenditures				
Bond Principal	\$ 0	\$ 0	0	\$ 0
Bond Interest	0	0	0	0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Receipts Over (Under) Expenditures	4,250	663		
Unencumbered Cash - Beginning	13,803	18,053		
Unencumbered Cash - Ending	\$ 18,053	\$ 18,716		

UNIFIED SCHOOL DISTRICT NO. 109
Belleville, Kansas

SUMMARY OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH

Regulatory Basis
For The Year Ended June 30, 2017

SCHOOL/DISTRICT ACTIVITY FUNDS

STATEMENT 4

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances/ Accounts Pay.	Ending Cash Balance
High School Activity	\$	\$	\$	\$	\$	\$	\$
Band	704		3,391	3304	791		791
Sales Tax	0		5,594	5486	108		108
BAKKEN - Band Uniform	0		0	0	0		0
FBLA	4,144		19,999	22573	1,570		1,570
Class of 2016	535		0	0	535		535
Class of 2017	1,330		22	1148	204		204
Class of 2018	600		15,186	14744	1,042		1,042
Class of 2019	500		50	0	550		550
Class of 2020	0		450	0	450		450
Class of 2015	1,925		0	0	1,925		1,925
Art Club	190		343	205	328		328
Kays	832		4,297	3683	1,446		1,446
Science Club	473		121	132	462		462
Spanish Club	1,156		119	1275	0		0
Cheerleaders	4,033		8,923	10618	2,338		2,338
JH Cheerleaders	366		553	612	307		307
FFA	94		37,586	36583	1,097		1,097
Actor's Guild	12,162		11,673	10117	13,718		13,718
FFA Greenhouse	10,329		2,587	10354	2,562		2,562
FCCLA	832		5,214	5322	724		724
Student Council	3,009		4,241	3874	3,376		3,376
JH Student Council	417		1,957	1840	534		534
Band Sponsors	3,500		15,551	19051	0		0
National Honor Society	390		1,017	1095	312		312
FCCLA Concessions Accounts	5,296		7,193	6284	6,205		6,205
JH Concessions	3,373		9,060	9060	3,373		3,373
JH Fund	6,356		1,922	1743	6,535		6,535
FFA Fair Account	820		0	0	820		820
Subtotal High School	\$ 63,366	\$ 0	\$ 157,049	\$ 0	\$ 51,312	\$ 0	\$ 51,312
Other School Funds							
East Library Book Fair	\$ 3,173	\$	4,629	4,512	3,290	\$	3,290
A. R. Store	3,090		1,053	865	3,278		3,278
5TH Grade	1,719		9,702	8,999	2,422		2,422
Miscellaneous	3,308		4,179	3,950	3,537		3,537
Book Fair	100		2,291	2,288	103		103
Show Choir Performances	296		1,088	985	399		399
Gifted Fund	0		350	349	1		1
Academic Achievers	738		0	0	738		738
Jazz Band - Trip Funds	0		0	0	0		0
Incentive Programs - RCHS	5,324		3,803	3,368	5,759		5,759
Band Trip	74,277		30,117	97,394	7,000		7,000
Football - Irrigation	21		0	0	21		21
RCHS Volleyball	42		8,319	8,341	20		20
RCJH BB/VB	0		0	0	0		0
High School Golf	603		25	625	3		3
High School Softball	182		3,043	3,082	143		143
Cross - Country	90		0	0	90		90
Subtotal Other	\$ 92,963	\$ 0	\$ 68,599	\$ 134,758	\$ 26,804	\$ 0	\$ 26,804
Gate Receipts							
High School	\$ 1,580	\$	64,117	59,152	6,545	\$	6,545
Drama	6,147		1,911	2,247	5,811		5,811
Scholar Bowl	136		977	797	316		316
Junior High	0		0	0	0		0
Subtotal Athletic Receipts	\$ 7,863	\$ 0	\$ 0	\$ 62,196	\$ 12,672	\$ 0	\$ 12,672
Fee and User Charges							
USD 109	\$ 0	\$	0	0	0	\$	0
Vo Ag	0		2,171	2,171	0		0
Science Lab	0		1,476	1,476	0		0
Art	0		2,808	2,808	0		0
Board Office	0		21,288	21,288	0		0
Band	0		4,005	4,005	0		0
FACS	0		160	160	0		0
Subtotal Fee and User Charges	\$ 0	\$ 0	\$ 31,908	\$ 31,908	\$ 0	\$ 0	\$ 0
Total Activity Funds	\$ 164,192	\$ 0	\$ 257,556	\$ 228,862	\$ 90,788	\$ 0	\$ 90,788