

**UNIFIED SCHOOL DISTRICT NO. 331**  
**Kingman, Kansas**

FINANCIAL STATEMENT  
WITH  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**UNIFIED SCHOOL DISTRICT NO. 331**

**FINANCIAL STATEMENT  
WITH  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

**Table of Contents**

	Independent Auditor's Report	1 - 3
STATEMENT 1	Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)	4 - 5
	Notes to the Financial Statement	6 - 13
SCHEDULE 1	Summary of Expenditures – Actual and Budget (Regulatory Basis)	14
SCHEDULE 2	Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)	
	General Fund	15
	Supplemental General Fund	16
	Capital Outlay Fund	17
	Driver Training Fund	18
	Food Service Fund	19
	Special Education Fund	20
	Vocational Education Fund	21
	At Risk (4 Year Old) Fund	22
	At Risk (K-12) Fund	23
	Recreation Commission Fund	24
	Recreation Commission Employee Benefits Fund	25
	Professional Development Fund	26
	KPERS Retirement Contribution Fund	27
	Virtual School Fund	28
	Textbook Rental Fund	29
	Title I Grants to Local Education Agencies Fund	30
	Title II-A Improving Teacher Quality Fund	31
	Carl D. Perkins Grant Fund	32
	Gifts and Grants Fund	33
	Contingency Reserve Fund	34
	QZAB Lease Sinking Fund	35
	Bond and Interest Fund	36
	Scholarships Fund	37

**UNIFIED SCHOOL DISTRICT NO. 331**

**FINANCIAL STATEMENT  
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JUNE 30, 2018  
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SCHEDULE 3	Summary of Receipts and Disbursements (Regulatory Basis)	
	Agency Funds	38 - 39
SCHEDULE 4	Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)	
	District Activity Funds	40

## Independent Auditor's Report

To the Board of Education  
Unified School District No. 331  
Kingman, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 331, Kingman, 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 Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 2; 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 that 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 the 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 2 of the financial statement, the financial statement is prepared by Unified School District No. 331 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 2 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 Unified School District No. 331, as of June 30, 2018 or changes in financial position and cash flows thereof for the year then ended.

### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 331, 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 2.

### *Other Matters*

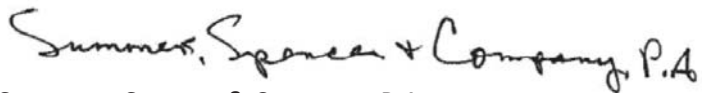
#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures - actual and budget, summary of receipts and disbursements - agency funds, and summary of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

The June 30, 2017 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement.

Unified School District No. 331, Kingman, Kansas’ basic financial statement for the year ended June 30, 2017 (not presented herein), was audited by Clubine & Rettele, Chartered who merged with Summers,

Spencer & Company, P.A. as of November 1, 2017, and whose report dated October 2, 2017, expressed an unmodified opinion on the basic financial statement. The June 30, 2017 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The report of the other auditors dated October 2, 2017, stated that the individual fund schedules of regulatory basis receipts and expenditures - actual and budget and schedule of receipts and expenditures - related municipal entities for the year ended June 30, 2017 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, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2017, on the basis of accounting described in Note 2.

A handwritten signature in cursive script that reads "Summers, Spencer & Company, P.A.".

Summers, Spencer & Company, P.A.  
Salina, Kansas  
December 10, 2018

**UNIFIED SCHOOL DISTRICT NO. 331**

**Statement 1**

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Add		
					Unencumbered Cash Balance	Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ -	\$ -	\$ 7,155,473	\$ 7,155,473	\$ -	\$ 45,845	\$ 45,845
Supplemental General	92,326	-	2,404,248	2,340,289	156,285	293,102	449,387
Special Purpose Funds:							
Capital Outlay	1,271,171	-	677,049	497,733	1,450,487	7,874	1,458,361
Driver Training	25,800	-	12,143	10,143	27,800	-	27,800
Food Service	120,000	-	457,996	457,796	120,200	-	120,200
Special Education	450,000	-	1,749,559	1,749,559	450,000	-	450,000
Vocational Education	100,000	-	562,695	551,703	110,992	5,909	116,901
At Risk (4 Year Old)	-	-	38,057	38,057	-	-	-
At Risk (K-12)	65,000	-	800,000	800,000	65,000	-	65,000
Recreation Commission	15,532	-	322,215	330,247	7,500	-	7,500
Recreation Employee Benefits	3,308	-	73,839	75,600	1,547	-	1,547
Professional Development	22,000	-	18,455	8,455	32,000	-	32,000
KPERS Retirement Contribution	-	-	637,671	637,671	-	-	-
Virtual School	183,300	-	106,468	77,818	211,950	-	211,950
Textbook Rental	215,000	-	33,300	-	248,300	-	248,300
Title I	-	-	184,522	184,522	-	-	-
Title II-A	-	-	31,937	31,937	-	-	-
Carl D. Perkins Grant	-	-	5,436	5,436	-	-	-
Gifts and Grants	57,112	-	183,901	136,233	104,780	39,464	144,244
Contingency Reserve	765,000	-	135,000	-	900,000	-	900,000
QZAB Lease Sinking	750,000	-	131,884	-	881,884	-	881,884
District Activity	74,484	-	206,284	191,707	89,061	-	89,061

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

UNIFIED SCHOOL DISTRICT NO. 331

Statement 1

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Bond and Interest Fund:							
Bond and Interest	\$ 1,127,242	\$ -	\$ 913,682	\$ 923,567	\$ 1,117,357	\$ -	\$ 1,117,357
Trust Fund:							
Scholarships	239,900	-	581	7,350	233,131	-	233,131
Total Reporting Entity (Excluding Agency Funds)	\$ 5,577,175	\$ -	\$ 16,842,395	\$ 16,211,296	\$ 6,208,274	\$ 392,194	\$ 6,600,468
Composition of Cash:							
				Checking and Saving Accounts			\$ 5,587,159
				Certificates of Deposits			229,667
				QZAB Lease Sinking Fund			881,884
				Total Cash			6,698,710
				Agency Funds per Schedule 3			(98,242)
				Total Reporting Entity (Excluding Agency Funds)			\$ 6,600,468

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



## UNIFIED SCHOOL DISTRICT NO. 331

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2018

#### Note 1 – Reporting Entity

Unified School District No. 331 (the District) is a municipal corporation governed by a citizen elected seven-member Board of Education. This financial statement presents Unified School District No. 331 (the municipality).

This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the District and/or its constituents.

Kingman-Norwich Recreation Commission. The Kingman-Norwich Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property but can acquire real property by gift. The audited financial statement is available at the Kingman-Norwich Recreation Commission's office.

#### Note 2 – Summary of Significant Account Policies

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

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

Fund Descriptions. The following types of funds comprise the financial activities of the District for the year ended June 30, 2018:

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

Special Purpose Fund - Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Projects 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.

Trust Fund – Used to report assets held in trust for the benefit of the municipal financial

## UNIFIED SCHOOL DISTRICT NO. 331

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2018

reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

#### **Note 3 – 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 a least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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:

Textbook Rental Fund  
Title II-A Fund  
Gifts and Grants Fund  
QZAB Lease Sinking Fund

Title I Fund  
Carl D. Perkins Grant Fund  
Contingency Reserve Fund  
District Activity Fund

## UNIFIED SCHOOL DISTRICT NO. 331

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2018

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

#### **Note 4 – Deposits and Investments**

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposits 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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$6,698,710 and the bank balance was \$7,051,998. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance, \$4,293,028 was collateralized with securities held by the pledging financial institutions' agents in the District's name, and the remaining \$2,008,970 was secured with an irrevocable letter of credit issued by Federal Home Loan Bank of Topeka.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of 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 possession of an outside party. State statutes require investments to be adequately secured.

#### **Note 5 – In-Substance Receipt in Transit**

The District received \$335,804 for General State Aid and \$108,001 for Supplemental General State Aid 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.

**UNIFIED SCHOOL DISTRICT NO. 331****NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2018****Note 6 – Inter Fund Transfers**

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Driver Training Fund	K.S.A. 72-6478	\$ 56
General Fund	Food Service Fund	K.S.A. 72-6478	43
General Fund	Special Education Fund	K.S.A. 72-6478	1,657,912
General Fund	Vocational Education Fund	K.S.A. 72-6478	332,464
General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	765,000
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-6478	38,057
General Fund	Virtual School Fund	K.S.A. 72-6478	105,843
General Fund	Textbook Rental Fund	K.S.A. 72-6478	61
General Fund	Professional Development Fund	K.S.A. 72-6478	7,703
General Fund	Contingency Reserve	K.S.A. 72-6478	135,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-6478	76,560
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6478	191,803
Supplemental General Fund	Professional Development Fund	K.S.A. 72-6478	9,500
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	35,000
Supplemental General Fund	Food Service Fund	K.S.A. 72-6478	30,777

**Note 7 – Defined Benefit Pension Plan**General Information about the 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](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017

## UNIFIED SCHOOL DISTRICT NO. 331

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2018

through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98 (a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 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 \$637,671 for the year ended June 30, 2018.

#### Net Pension Liability

At June 30, 2018, the District's proportionate share of the net pension liability reported by KPERS was \$7,698,930. 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 this financial statement.

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

#### **Note 8 – Compensated Absences**

The District provides compensation for absences. Classified employees earn vacation leave according to the following schedule:

<u>Years of Service</u>	<u>Vacation Earned</u>
1-14	10 days per year
15-24	15 days per year
25 or more	20 days per year

Certified employees earn 12 days of chargeable leave per school year. At the end of the school year, any unused chargeable leave days become accumulated personal sick leave up to a maximum of 61 days. Licensed personnel shall be paid \$40 for each full day of leave which he/she has accumulated in excess of 61 days at the completion of their annual contract up to a maximum of 9 days.

**UNIFIED SCHOOL DISTRICT NO. 331**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2018**

Classified employees are entitled to sick leave and is earned at the rate of one day per calendar month based on actual hours worked per day, cumulative according to the following schedule:

<u>Employment Term</u>	<u>Maximum Accumulation</u>
12 month employees	60 days
11 month employees	55 days
10.5 month employees	52.5 days
9 month employees	45 days

When accumulated sick leave days are above the maximum number of accumulated days, classified employees shall be reimbursed for such days at the rate of 30% of their daily rate of pay.

**Note 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 premium, regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

**Note 10 – Termination Benefits**

The District provides an early retirement program for certain eligible employees. An employee is eligible for early retirement if such employee meets the criteria as stated in the District's early retirement policy. Early retirement benefits will be provided by the District for a maximum of five years from the date of retirement with no benefits being paid after the retiree's 65<sup>th</sup> birthday.

Licensed employees with 15 years of experience within the District who have accumulated leave days up to 70 days upon retirement from the District or retirement due to medical disability will be compensated for the unused leave days at the rate of \$40 per day. Classified employees with 15 years of experience within the District who are eligible for exercising a retirement option in KPERS, will be paid for accumulated unused sick leave at \$30 per day and unused vacation leave at the employee's daily rate of pay.

**Note 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 has purchased commercial insurance to protect themselves from these risks.

**Note 12 – Operating Lease**

The copier lease listed on Note 15 was terminated by the District when the equipment was returned to the lessor. The District signed a new lease agreement for copier equipment that is considered an operating lease and thus is not listed with the long-term liabilities of the District on Note 15.

**UNIFIED SCHOOL DISTRICT NO. 331**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2018**

**Note 13 – Qualified Zone Activity Bond (QZAB) Lease**

The District makes payments to a non-interest bearing sinking fund established for the QZAB Lease noted on Note 15. Each year, the District pays \$125,000 to the sinking fund which will be applied to the principal due on the lease upon maturity. The QZAB Lease Sinking Fund has an unencumbered balance of \$881,884 at June 30, 2018 which includes interest earned. The United States Treasury, as part of the Qualified Zone Academy Bond program, paid \$77,335 of interest on this lease for the fiscal year ended June 30, 2018. The portion of interest to be paid by the United States Treasury is not known in advance, so the full interest obligation is listed on Note 15 for future periods.

**Note 14 – Subsequent Events**

The District's management has evaluated events and transactions occurring after June 30, 2018 through December 10, 2018. The aforementioned date represents the date the financial statement was available to be issued.

**UNIFIED SCHOOL DISTRICT NO. 331**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2018**

**Note 15 – Long-Term Debt**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>General Obligation Bond:</b>									
Refunding Bond 2011	1.00-2.97%	10/26/2011	\$ 6,115,000	10/1/2019	\$ 2,655,000	\$ -	\$ 865,000	\$ 1,790,000	\$ 58,567
<b>Capital Leases:</b>									
Copier Lease	4.03%	10/17/2014	152,681	9/17/2019	72,516	-	72,516	-	2,346
QZAB Lease	5.52%	5/18/2011	1,500,000	5/18/2023	1,500,000	-	-	1,500,000	82,800
Total Capital Leases					1,572,516	-	72,516	1,500,000	85,146
Total Contractual Indebtedness					\$ 4,227,516	\$ -	\$ 937,516	\$ 3,290,000	\$ 143,713

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

	Year				Total
	2019	2020	2021	2022	
<b>Principal</b>					
Refunding Bond 2011	\$ 885,000	\$ 905,000	\$ -	\$ -	\$ 1,790,000
QZAB Lease	-	-	-	-	1,500,000
Total Principal	885,000	905,000	-	-	3,290,000
<b>Interest</b>					
Refunding Bond 2011	37,963	13,444	-	-	51,407
QZAB Lease	82,800	82,800	82,800	82,800	414,000
Total Interest	120,763	96,244	82,800	82,800	465,407
Total Principal and Interest	\$ 1,005,763	\$ 1,001,244	\$ 82,800	\$ 82,800	\$ 3,755,407



**UNIFIED SCHOOL DISTRICT NO. 331**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
June 30, 2018**

**UNIFIED SCHOOL DISTRICT NO. 331**

**Schedule 1**

**Summary of Expenditures – Actual and Budget (Regulatory Basis)  
For the Year Ended June 30, 2018**

Funds	Certified Budget	Adjustment to		Adjustment for		Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
		Comply with Legal Max		Qualifying Budget Credits				
General Funds:								
General	\$ 7,409,056	\$ (254,694)	\$ 1,111	\$ 7,155,473	\$ 7,155,473	\$ -		
Supplemental General	2,400,014	(59,725)	-	2,340,289	2,340,289	-		
Special Purpose Funds:								
Capital Outlay	1,947,087	-	-	1,947,087	497,733	(1,449,354)		
Driver Training	40,000	-	-	40,000	10,143	(29,857)		
Food Service	550,000	-	-	550,000	457,796	(92,204)		
Special Education	2,100,000	-	-	2,100,000	1,749,559	(350,441)		
Vocational Education	622,700	-	-	622,700	551,703	(70,997)		
At Risk (4 Year Old)	74,081	-	-	74,081	38,057	(36,024)		
At Risk (K-12)	800,000	-	-	800,000	800,000	-		
Recreation Commission	330,247	-	-	330,247	330,247	-		
Recreation Employee Benefits	75,600	-	-	75,600	75,600	-		
Professional Development	35,000	-	-	35,000	8,455	(26,545)		
KPERS Retirement Contribution	672,938	-	-	672,938	637,671	(35,267)		
Virtual School	305,000	-	-	305,000	77,818	(227,182)		
Bond and Interest Funds:								
Bond and Interest	925,070	-	-	925,070	923,567	(1,503)		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenue				
Mineral Tax	\$ 8,396	\$ 15,485	\$ 5,000	\$ 10,485
State Aid				
General State Aid	5,753,078	5,990,468	6,045,616	(55,148)
KPERS Aid	1,640,678	1,148,409	1,358,440	(210,031)
Reimbursements	172	1,111	-	1,111
Total Receipts	<u>7,402,324</u>	<u>7,155,473</u>	<u>\$ 7,409,056</u>	<u>\$ (253,583)</u>
Expenditures				
Instruction	2,501,827	2,547,646	\$ 2,715,775	\$ (168,129)
Student Support Services	290,536	317,743	361,505	(43,762)
Instructional Support Services	52,880	62,121	51,300	10,821
General Administration	1,421	148	1,660	(1,512)
School Administration	6,425	112	8,650	(8,538)
Operations and Maintenance	881,602	835,432	998,635	(163,203)
Vehicle Operating Service	388,906	319,007	442,800	(123,793)
Vehicle Service and Maintenance	80,079	31,125	93,950	(62,825)
Operating Transfers	3,198,648	3,042,139	2,734,781	307,358
Adjustment to Comply With Legal Max	-	-	(254,694)	254,694
General Legal Fund Budget	7,402,324	7,155,473	7,154,362	1,111
Adjustment for Qualifying Budget Credits	-	-	1,111	(1,111)
Total Expenditures	<u>7,402,324</u>	<u>7,155,473</u>	<u>\$ 7,155,473</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

Schedule 2

**Supplemental General Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 1,213,940	\$ 1,147,497	\$ 1,174,112	\$ (26,615)
Delinquent Tax	47,746	22,613	39,214	(16,601)
Motor Vehicle Tax	148,731	163,586	136,870	26,716
Recreational Vehicle Tax	2,194	2,360	2,115	245
Commercial Vehicle Tax	12,476	10,349	9,969	380
State Aid				
Supplemental State Aid	1,016,958	1,057,843	1,062,542	(4,699)
Total Receipts	<u>2,442,045</u>	<u>2,404,248</u>	<u>\$ 2,424,822</u>	<u>\$ (20,574)</u>
<b>Expenditures</b>				
Instruction	382,692	527,065	\$ 440,104	\$ 86,961
Student Support Services	170,044	168,949	216,300	(47,351)
General Administration	272,729	311,247	358,150	(46,903)
School Administration	426,982	450,450	472,500	(22,050)
Central Services	349,781	349,519	383,700	(34,181)
Operations and Maintenance	162,805	189,419	188,000	1,419
Operating Transfers	584,686	343,640	341,260	2,380
Adjustment to Comply with Legal Max	-	-	(59,725)	59,725
Total Expenditures	<u>2,349,719</u>	<u>2,340,289</u>	<u>\$ 2,340,289</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	92,326	63,959		
Unencumbered Cash, Beginning	<u>-</u>	<u>92,326</u>		
Unencumbered Cash, Ending	<u>\$ 92,326</u>	<u>\$ 156,285</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**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)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 442,567	\$ 445,440	\$ 437,050	\$ 8,390
Delinquent Tax	13,817	7,136	14,399	(7,263)
Motor Vehicle Tax	50,958	50,857	44,480	6,377
Recreational Vehicle Tax	759	725	687	38
Commercial Vehicle Tax	3,909	3,174	3,240	(66)
State Aid				
Capital Outlay State Aid	136,654	161,732	169,560	(7,828)
Interest On Idle Funds	4,459	4,674	4,500	174
Other Sources	1,880	3,311	2,000	1,311
Operating Transfers	5,194	-	-	-
Total Receipts	<u>660,197</u>	<u>677,049</u>	<u>\$ 675,916</u>	<u>\$ 1,133</u>
Expenditures				
Instruction	69,082	95,334	\$ 975,000	\$ (879,666)
Student Support Services	15,451	-	35,000	(35,000)
Instructional Support Staff	2,416	-	125,000	(125,000)
Central Services	17,363	800	25,000	(24,200)
Operations and Maintenance	276,715	220,293	475,000	(254,707)
Transportation	516	50,841	121,500	(70,659)
Facility Acquisition and Construction	-	-	59,587	(59,587)
Debt Service	130,672	130,465	131,000	(535)
Total Expenditures	<u>512,215</u>	<u>497,733</u>	<u>\$ 1,947,087</u>	<u>\$ (1,449,354)</u>
Receipts Over (Under) Expenditures	147,982	179,316		
Unencumbered Cash, Beginning	<u>1,123,189</u>	<u>1,271,171</u>		
Unencumbered Cash, Ending	<u>\$ 1,271,171</u>	<u>\$ 1,450,487</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Driver Training Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 6,400	\$ 4,992	\$ 5,880	\$ (888)
Student Fees	6,925	7,095	7,000	95
Operating Transfers	54	56	1,320	(1,264)
Total Receipts	<u>13,379</u>	<u>12,143</u>	<u>\$ 14,200</u>	<u>\$ (2,057)</u>
Expenditures				
Instruction	10,518	9,557	\$ 32,000	\$ (22,443)
Vehicle Operations	<u>2,162</u>	<u>586</u>	<u>8,000</u>	<u>(7,414)</u>
Total Expenditures	<u>12,680</u>	<u>10,143</u>	<u>\$ 40,000</u>	<u>\$ (29,857)</u>
Receipts Over (Under) Expenditures	699	2,000		
Unencumbered Cash, Beginning	<u>25,101</u>	<u>25,800</u>		
Unencumbered Cash, Ending	<u>\$ 25,800</u>	<u>\$ 27,800</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**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 Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 14,541	\$ 24,135	\$ 3,834	\$ 20,301
Federal Aid	255,566	253,414	247,604	5,810
Local Receipts	164,146	149,627	143,362	6,265
Operating Transfers	18,863	30,820	35,200	(4,380)
Total Receipts	<u>453,116</u>	<u>457,996</u>	<u>\$ 430,000</u>	<u>\$ 27,996</u>
Expenditures				
Food Service Operation	<u>450,616</u>	<u>457,796</u>	<u>\$ 550,000</u>	<u>\$ (92,204)</u>
Receipts Over (Under) Expenditures	2,500	200		
Unencumbered Cash, Beginning	<u>117,500</u>	<u>120,000</u>		
Unencumbered Cash, Ending	<u>\$ 120,000</u>	<u>\$ 120,200</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ -	\$ 7,292	\$ -	\$ 7,292
Other Sources	13,669	7,795	15,000	(7,205)
Operating Transfers	1,876,728	1,734,472	1,635,000	99,472
Total Receipts	<u>1,890,397</u>	<u>1,749,559</u>	<u>\$ 1,650,000</u>	<u>\$ 99,559</u>
Expenditures				
Instruction	1,710,016	1,656,236	\$ 1,908,000	\$ (251,764)
Vehicle Operating Service	82,554	67,817	121,140	(53,323)
Vehicle Services & Maintenance	14,215	14,858	30,860	(16,002)
Other Student Transportation Service	13,612	10,648	40,000	(29,352)
Total Expenditures	<u>1,820,397</u>	<u>1,749,559</u>	<u>\$ 2,100,000</u>	<u>\$ (350,441)</u>
Receipts Over (Under) Expenditures	70,000	-		
Unencumbered Cash, Beginning	<u>380,000</u>	<u>450,000</u>		
Unencumbered Cash, Ending	<u>\$ 450,000</u>	<u>\$ 450,000</u>		



## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Other Sources	\$ -	\$ 23,730	\$ 23,012	\$ 718
State Aid	-	14,698	14,688	10
Operating Transfers	566,138	524,267	485,000	39,267
Total Receipts	<u>566,138</u>	<u>562,695</u>	<u>\$ 522,700</u>	<u>\$ 39,995</u>
Expenditures				
Instruction	<u>536,138</u>	<u>551,703</u>	<u>\$ 622,700</u>	<u>\$ (70,997)</u>
Receipts Over (Under) Expenditures	30,000	10,992		
Unencumbered Cash, Beginning	<u>70,000</u>	<u>100,000</u>		
Unencumbered Cash, Ending	<u>\$ 100,000</u>	<u>\$ 110,992</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**At Risk (4 Year Old) Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Federal Aid	\$ -	\$ -	\$ 20,000	\$ (20,000)
Operating Transfers	-	38,057	54,081	(16,024)
Total Receipts	-	38,057	<u>\$ 74,081</u>	<u>\$ (36,024)</u>
Expenditures				
Instruction	-	38,057	<u>\$ 74,081</u>	<u>\$ (36,024)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

## At Risk (K-12) Fund

## Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)

For the Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers	\$ 713,849	\$ 800,000	\$ 735,000	\$ 65,000
Expenditures				
Instruction	713,849	800,000	\$ 800,000	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	65,000	65,000		
Unencumbered Cash, Ending	\$ 65,000	\$ 65,000		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Recreation Commission Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 278,880	\$ 278,658	\$ 272,683	\$ 5,975
Delinquent Tax	10,792	4,932	9,002	(4,070)
Motor Vehicle Tax	36,237	35,850	30,350	5,500
Recreational Vehicle Tax	539	515	469	46
Commercial Vehicle Tax	2,789	2,260	2,211	49
Total Receipts	<u>329,237</u>	<u>322,215</u>	<u>\$ 314,715</u>	<u>\$ 7,500</u>
Expenditures				
Appropriations	<u>338,213</u>	<u>330,247</u>	<u>\$ 330,247</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(8,976)	(8,032)		
Unencumbered Cash, Beginning	<u>24,508</u>	<u>15,532</u>		
Unencumbered Cash, Ending	<u>\$ 15,532</u>	<u>\$ 7,500</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Recreation Commission Employee Benefits Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 66,506	\$ 64,060	\$ 62,577	\$ 1,483
Delinquent Tax	2,158	1,059	2,152	(1,093)
Motor Vehicle Tax	7,576	8,095	6,950	1,145
Recreational Vehicle Tax	112	116	107	9
Commercial Vehicle Tax	616	509	506	3
Total Receipts	<u>76,968</u>	<u>73,839</u>	<u>\$ 72,292</u>	<u>\$ 1,547</u>
Expenditures				
Appropriations	<u>78,800</u>	<u>75,600</u>	<u>\$ 75,600</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(1,832)	(1,761)		
Unencumbered Cash, Beginning	<u>5,140</u>	<u>3,308</u>		
Unencumbered Cash, Ending	<u>\$ 3,308</u>	<u>\$ 1,547</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Professional Development Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	\$ -	\$ 1,252	\$ 3,500	\$ (2,248)
Operating Transfers	13,726	17,203	9,500	7,703
Total Receipts	<u>13,726</u>	<u>18,455</u>	<u>\$ 13,000</u>	<u>\$ 5,455</u>
Expenditures				
Instructional Support Services	<u>3,226</u>	<u>8,455</u>	<u>\$ 35,000</u>	<u>\$ (26,545)</u>
Receipts Over (Under) Expenditures	10,500	10,000		
Unencumbered Cash, Beginning	<u>11,500</u>	<u>22,000</u>		
Unencumbered Cash, Ending	<u>\$ 22,000</u>	<u>\$ 32,000</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**KPERS Retirement Contribution Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	\$ -	\$ 637,671	\$ 672,938	\$ (35,267)
Operating Transfers	427,262	-	-	-
Total Receipts	<u>427,262</u>	<u>637,671</u>	<u>\$ 672,938</u>	<u>\$ (35,267)</u>
Expenditures				
Employee Benefits	<u>427,262</u>	<u>637,671</u>	<u>\$ 672,938</u>	<u>\$ (35,267)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Virtual School Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Tuition	\$ 100	\$ 100	\$ 210	\$ (110)
Miscellaneous	540	525	550	(25)
Operating Transfers	161,186	105,843	120,940	(15,097)
Total Receipts	<u>161,826</u>	<u>106,468</u>	<u>\$ 121,700</u>	<u>\$ (15,232)</u>
Expenditures				
Instruction	62,069	57,059	\$ 265,000	\$ (207,941)
School Administration	16,126	17,739	27,000	(9,261)
Operations and Maintenance	8,381	3,020	13,000	(9,980)
Total Expenditures	<u>86,576</u>	<u>77,818</u>	<u>\$ 305,000</u>	<u>\$ (227,182)</u>
Receipts Over (Under) Expenditures	75,250	28,650		
Unencumbered Cash, Beginning	<u>108,050</u>	<u>183,300</u>		
Unencumbered Cash, Ending	<u>\$ 183,300</u>	<u>\$ 211,950</u>		



## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Textbook Rental Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

	Prior Year Actual	Current Year Actual
Receipts		
Fees	\$ 34,667	\$ 33,239
Operating Transfers	333	61
Total Receipts	<u>35,000</u>	<u>33,300</u>
Expenditures		
Textbooks	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	35,000	33,300
Unencumbered Cash, Beginning	<u>180,000</u>	<u>215,000</u>
Unencumbered Cash, Ending	<u><u>\$ 215,000</u></u>	<u><u>\$ 248,300</u></u>

UNIFIED SCHOOL DISTRICT NO. 331

Schedule 2

**Title I Grants to Local Education Agencies 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 Actual	Current Year Actual
Receipts		
Federal Aid	\$ 198,827	\$ 184,522
Expenditures		
Instruction	180,111	174,640
Instructional Support Services	11,807	2,460
General Administration	6,909	7,422
Total Expenditures	198,827	184,522
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 331

Schedule 2

**Title II-A Improving Teacher Quality 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 Actual	Current Year Actual
Receipts		
Federal Aid	\$ 42,172	\$ 31,937
Expenditures		
Instruction Support Services	42,172	31,937
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Carl D. Perkins Grants 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 Actual	Current Year Actual
Receipts		
Grants	\$ 6,830	\$ 5,436
Expenditures		
Instruction	3,998	1,900
Instructional Support Services	2,832	3,536
Total Expenditures	6,830	5,436
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**Gifts and Grants 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 Actual	Current Year Actual
Receipts		
Grants and Donations	\$ 107,365	\$ 183,901
Expenditures		
Grant Expenditures	51,260	136,233
Receipts Over (Under) Expenditures	56,105	47,668
Unencumbered Cash, Beginning	1,007	57,112
Unencumbered Cash, Ending	\$ 57,112	\$ 104,780

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**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 Actual	Current Year Actual
Receipts		
Operating Transfers	\$ -	\$ 135,000
Expenditures		
Operating Transfers	-	-
Receipts Over (Under) Expenditures	-	135,000
Unencumbered Cash, Beginning	765,000	765,000
Unencumbered Cash, Ending	<u>\$ 765,000</u>	<u>\$ 900,000</u>

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 2

**QZAB Lease Sinking 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 Actual	Current Year Actual
Receipts		
Lease Payments to Sinking Fund	\$ 125,000	\$ 125,000
Interest On Idle Funds	-	6,884
Total Receipts	<u>125,000</u>	<u>131,884</u>
Expenditures		
Debt Service	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	125,000	131,884
Unencumbered Cash, Beginning	<u>625,000</u>	<u>750,000</u>
Unencumbered Cash, Ending	<u><u>\$ 750,000</u></u>	<u><u>\$ 881,884</u></u>

**UNIFIED SCHOOL DISTRICT NO. 331**  
**Kingman, Kansas**

**Schedule 2**

**Bond and Interest Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 531,345	\$ 506,997	\$ 496,680	\$ 10,317
Delinquent Tax	23,265	10,216	17,208	(6,992)
Motor Vehicle Tax	77,765	67,929	57,922	10,007
Recreational Vehicle Tax	1,174	983	895	88
Commercial Vehicle Tax	5,485	4,309	4,219	90
State Aid	279,425	323,248	323,248	-
Total Receipts	<u>918,459</u>	<u>913,682</u>	<u>\$ 900,172</u>	<u>\$ 13,510</u>
Expenditures				
Bond Principal	855,000	865,000	\$ 865,000	\$ -
Bond Interest	<u>76,419</u>	<u>58,567</u>	<u>60,070</u>	<u>(1,503)</u>
Total Expenditures	<u>931,419</u>	<u>923,567</u>	<u>\$ 925,070</u>	<u>\$ (1,503)</u>
Receipts Over (Under) Expenditures	(12,960)	(9,885)		
Unencumbered Cash, Beginning	<u>1,140,202</u>	<u>1,127,242</u>		
Unencumbered Cash, Ending	<u>\$ 1,127,242</u>	<u>\$ 1,117,357</u>		



UNIFIED SCHOOL DISTRICT NO. 331

Schedule 2

Scholarships Fund  
Schedule of Receipts and Expenditures (Regulatory Basis)  
For the Year Ended June 30, 2018

Funds	Beginning		Receipts	Expenditures	Ending	
	Cash Balance	Unencumbered Cash Balance			Cash Balance	Unencumbered Cash Balance
Doris Near Fund	\$ 53,228	\$	160	\$ 2,000	\$	51,388
Ina Toland Scholarship	50,517		-	-		50,517
Martha Alford Scholarship	28,298		85	2,000		26,383
Pugh Scholarship Fund	27,718		111	-		27,829
Fred and Irene Cloud Scholarship	22,632		79	1,000		21,711
Ferguson Relief Fund	14,976		46	-		15,022
John and Ethel Whetzel Scholarship	12,725		-	-		12,725
Bob Vanlandingham Fund	6,784		20	250		6,554
Aaron Laing Memorial Fund	5,248		16	250		5,014
Sisters of Habit Scholarship	6,080		24	-		6,104
Greg Berry Scholarship	4,290		15	500		3,805
Adams Union Sunday School Scholarship	3,830		13	250		3,593
Ruth Miller Scholarship	2,524		8	500		2,032
Klaver Scholarship	1,050		4	600		454
Totals	\$ 239,900	\$	581	\$ 7,350	\$	233,131

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 3

**Agency Funds**  
**Summary of Receipts and Disbursements (Regulatory Basis)**  
**For the Year Ended June 30, 2018**

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Kingman High School				
Class of '18	\$ 635	\$ 638	\$ 1,273	\$ -
Class of '19	5,985	1,083	5,436	1,632
Class of '20	2,938	5,750	3,735	4,953
Class of '21	-	3,686	860	2,826
Class of '22	-	1,631	143	1,488
Art Club	3,565	100	213	3,452
Band	39	4,317	4,336	20
Career Day	262	-	-	262
Cheerleaders	3,281	5,953	5,788	3,446
Choir	281	6,230	6,109	402
Community Experiences	2,836	365	263	2,938
Cross Country	450	452	902	-
Entrepreneurship Store	2,203	174	130	2,247
FBLA	7,779	34,377	34,704	7,452
FCA	611	-	97	514
FCCLA	58	-	-	58
FFA	51	18,167	17,964	254
FFA RODEO	1,309	17,132	17,651	790
Forensics	-	-	-	-
Government Activities	244	-	-	244
Graphic Design	1,546	-	100	1,446
Interact	328	-	-	328
JAG	825	1,024	941	908
National Honor Society	590	147	-	737
SADD	183	-	-	183
Scholars Bowl	-	13	13	-
Science	228	-	-	228
Student Council	5,759	19,504	21,425	3,838
TTLT	3,484	7,221	8,037	2,668
Outdoor Club	379	-	-	379
Veterans Day	657	624	692	589
Youth in Government	2,743	3,915	4,028	2,630
Subtotal Kingman High School	49,249	132,503	134,840	46,912

## UNIFIED SCHOOL DISTRICT NO. 331

## Schedule 3

**Agency Funds**  
**Summary of Receipts and Disbursements (Regulatory Basis)**  
**For the Year Ended June 30, 2018**

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Norwich School				
Class of '17	\$ 18	\$ 1,518	\$ 80	\$ 1,456
Class of '18	1,427	1,414	2,841	-
Class of '19	1,072	10,139	10,193	1,018
Class of '20	-	1,232	-	1,232
4th Grade	150	337	357	130
3rd Grade	8	168	137	39
2nd Grade	261	115	110	266
1st Grade	202	123	137	188
Kindergarten	44	152	110	86
Pre-School	566	1,649	1,603	612
Cheerleaders	1,070	7,160	7,646	584
Cheerleaders Junior High	1,584	1,874	1,688	1,770
Entrepreneurship Stores	1,205	-	142	1,063
Forensics	2,694	-	-	2,694
Graphic Design	1	-	-	1
Kayettes	434	2,989	2,913	510
National Honor Society	370	1,111	397	1,084
Outdoor Club	2,247	3,906	1,691	4,462
Productions	1,261	1,492	2,102	651
Quiz Bowl	12	-	-	12
SADD	1,381	6,399	4,810	2,970
Science Technology	355	-	355	-
SODA	941	1,594	339	2,196
Student Activities	4,870	3,114	3,429	4,555
Student Council	987	1,017	683	1,321
Student Discretionary	31	1,000	-	1,031
Student Elementary Activity	3,273	2,278	2,904	2,647
Subtotal Norwich School	26,464	50,781	44,667	32,578
Kingman Elementary School				
Band	42	87	-	129
Cheerleaders	52	-	-	52
KDG - Memorial	2,425	-	-	2,425
Student Council	10,609	2,061	2,660	10,010
Student Activities	14,539	6,162	14,590	6,111
Subtotal Kingman Elementary	27,667	8,310	17,250	18,727
Total Student Organization Funds	103,380	191,594	196,757	98,217
Sales Tax				
Kingman High School	-	9,718	9,718	-
Norwich School	-	25	-	25
Kingman Elementary School	8	-	8	-
Subtotal Sales Tax	8	9,743	9,726	25
Total Agency Funds	\$ 103,388	\$ 201,337	\$ 206,483	\$ 98,242

UNIFIED SCHOOL DISTRICT NO. 331

Schedule 4

District Activity Funds  
Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)  
For the Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>						
Kingman Elementary	\$ 1,553	\$ 11,713	\$ 9,764	\$ 3,502	\$ -	\$ 3,502
Norwich School	11,574	38,210	37,407	12,377	-	12,377
Kingman High School	12,064	113,125	103,012	22,177	-	22,177
Subtotal Gate Receipts	25,191	163,048	150,183	38,056	-	38,056
<b>School Projects</b>						
Kingman Elementary	3,413	2,699	3,157	2,955	-	2,955
Norwich School	28,515	32,987	33,364	28,138	-	28,138
Kingman High School	16,699	6,857	4,310	19,246	-	19,246
Elementary Projects	666	693	693	666	-	666
Subtotal School Projects	49,293	43,236	41,524	51,005	-	51,005
<b>Total District Activity Funds</b>	<u>\$ 74,484</u>	<u>\$ 206,284</u>	<u>\$ 191,707</u>	<u>\$ 89,061</u>	<u>\$ -</u>	<u>\$ 89,061</u>