

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas

Independent Auditors' Reports and
Financial Statement with
Supplementary Information

For the Fiscal Year Ended June 30, 2018

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District #461
Neodesha, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District #461, Neodesha, Kansas, a municipality, as of and for the year ended June 30, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note 1 of the financial statement, the financial statement is prepared by Unified School District #461 on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District #461 as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District #461 of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District #461 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated December 18, 2017, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2017, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

December 6, 2018
Chanute, Kansas

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus		Ending Cash Balances June 30, 2018
					Encumbrances and Accounts Payable		
General	\$ -	\$ 5,300,338.64	\$ 5,300,338.64	\$ -	\$ 348,380.60	\$	348,380.60
Supplemental General	30,328.10	1,954,371.56	1,958,053.15	26,646.51	27,255.67		53,902.18
Special Purpose Funds:							
4 Year Old At-Risk	1,714.56	42,000.00	40,841.59	2,872.97	6,024.39		8,897.36
K-12 At-Risk	25,608.22	640,000.00	640,027.41	25,580.81	98,346.26		123,927.07
Bilingual Education	-	3,000.00	2,413.34	586.66	-		586.66
Capital Outlay	509,289.10	428,560.30	428,472.42	509,376.98	10,115.84		519,492.82
Driver Training	9,233.64	-	497.20	8,736.44	-		8,736.44
Food Service	74,001.39	495,851.81	488,773.05	81,080.15	24,483.02		105,563.17
Professional Development	13,611.90	21,199.00	20,904.37	13,906.53	137.50		14,044.03
Parent Education	-	4,850.00	4,850.00	-	-		-
Special Education	63,126.78	911,056.88	906,861.83	67,321.83	4,162.30		71,484.13
Vocational Education	12,618.37	205,238.60	202,186.97	15,670.00	15,118.84		30,788.84
KPERS Special Retirement Contributions	-	546,979.13	546,979.13	-	-		-
Contingency Reserve	197,907.83	64,262.26	-	262,170.09	-		262,170.09
Recreation Commission	25,422.17	123,838.89	130,000.00	19,261.06	-		19,261.06
Revolving Textbook/Chromebook	3,673.25	7,325.00	8,506.16	2,492.09	-		2,492.09
Special Mini-Grants	120.00	5,178.45	5,298.45	-	-		-
21st Century Grant	9,659.81	90,684.00	95,949.84	4,393.97	1,513.18		5,907.15
Title I Low Income ESEA	-	154,517.00	154,517.00	-	19,631.87		19,631.87
Title II-A Improving Teacher Quality	-	30,570.00	30,570.00	-	-		-

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

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2018
Special Purpose Funds: (Continued)						
Rural and Small Schools Grant	\$ -	\$ 21,556.00	\$ 21,556.00	\$ -	\$ -	\$ -
Gate Receipts	3,937.86	32,830.42	32,817.92	3,950.36	-	3,950.36
Special Projects	32,158.02	25,711.67	22,581.14	35,288.55	-	35,288.55
Bond and Interest Funds:						
Bond and Interest	203,773.94	391,129.14	376,400.00	218,503.08	-	218,503.08
Capital Project Funds:						
School Building Capital Project	198,407.59	20.47	198,428.06	-	-	-
Total Reporting Entity	\$ 1,414,592.53	\$ 11,501,069.22	\$ 11,617,823.67	\$ 1,297,838.08	\$ 555,169.47	\$ 1,853,007.55
Composition of Cash						
Cash on Hand.....						\$ 1,200.00
General Checking Accounts.....						1,875,765.40
Activity Checking Accounts.....						82,473.80
Total Cash						1,959,439.20
Less Agency Funds per Schedule 3						(106,431.65)
Total Reporting Entity.....						\$ 1,853,007.55

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

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas
Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of Unified School District #461, Neodesha, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement present Unified School District #461.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the District exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the District. Related municipal entities are not required to be included in the District's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related entities:

Neodesha Educational Foundation - The economic resources received or held by the component unit are held almost entirely for the direct benefit of the District. The Neodesha Educational Foundation was formed to promote and foster the educational purposes of the District, and to create a fund to be used for any program, project or enterprise undertaken in the interest of the District. The Foundation acts largely as a fundraising organization, soliciting, receiving, managing and disbursing contributions on behalf of the District. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Association serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation board of directors. The Foundation can sue and be sued, and can buy, sell, or lease real property. Separate internal financial statements are available from the Foundation.

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the Unified School District #461, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (continued)

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.

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

Basis of Presentation – Regulatory Basis of Accounting

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

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

Property Taxes

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

Pension Plan

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reimbursed Expenses

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

Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The General Fund and Supplemental Fund budgets were decreased to the legal maximum budget based upon final enrollment numbers being lower than originally budgeted.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenues are recognized when cash is received. Expenditures include cash disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments of the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end. A legal operating budget is not required for fiduciary funds and certain special purpose funds.

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the District was in apparent compliance with Kansas cash basis and budget laws.

3. DEPOSITS AND INVESTMENTS

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2018.

At year-end, the District's carrying amount of deposits was \$1,958,489.20 and the bank balance was \$1,669,533.15. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$259,731.23 was covered by FDIC insurance, \$1,409,801.92 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

4. CAPITAL LEASE OBLIGATIONS

The District has entered into a capital lease agreement in order to finance the lease of 5 school buses. Payments are made up of annual payments for 5 years at \$82,644.02 and one final payment of \$82,590.61, including interest at 2.14%. Final maturity of the lease is September 1, 2019. Future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Totals</u>
2019	\$ 82,644.02
2020	<u>82,590.61</u>
Total Payments from District	165,234.63
Less imputed interest	<u>(5,156.09)</u>
Net Present Value of Minimum	
Lease Payments	160,078.54
Less: Current Maturities	<u>(79,218.34)</u>
Long-Term Capital Lease Obligations	<u>\$ 80,860.20</u>

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
General Obligation Bonds									
Series 2014	2.00%-4.00%	8/15/2014	\$ 5,445,000.00	9/1/2034	\$ 4,870,000.00	\$ -	\$ 200,000.00	\$ 4,670,000.00	\$ 176,400.00
Capital Leases									
HVAC Controls	2.84%	6/30/2008	1,300,000.00	6/30/2018	162,255.23	-	162,255.23	-	1,556.28
5 School Busses	2.14%	3/5/2015	392,077.00	9/2/2019	237,637.13	-	77,558.59	160,078.54	5,085.43
Total Contractual Indebtedness					\$ 5,269,892.36	\$ -	\$ 439,813.82	\$ 4,830,078.54	\$ 183,041.71

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

Issue	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024-2028	June 30, 2029-2031	June 30, 2034-2035	Totals
<u>Principal</u>									
General Obligation Bonds									
Paid with Tax Levies									
Series 2014	\$ 205,000.00	\$ 215,000.00	\$ 220,000.00	\$ 225,000.00	\$ 235,000.00	\$ 1,285,000.00	\$ 1,570,000.00	\$ 715,000.00	\$ 4,670,000.00
Capital Leases									
5 School Busses	79,218.34	80,860.20	-	-	-	-	-	-	160,078.54
Total Principal	284,218.34	295,860.20	220,000.00	225,000.00	235,000.00	1,285,000.00	1,570,000.00	715,000.00	4,830,078.54
<u>Interest</u>									
General Obligation Bonds									
Paid with Tax Levies									
Series 2014	170,325.00	164,025.00	157,500.00	150,825.00	143,925.00	588,300.00	305,000.00	28,900.00	1,708,800.00
Capital Leases									
5 School Busses	3,425.68	1,730.41	-	-	-	-	-	-	5,156.09
Total Interest	173,750.68	165,755.41	157,500.00	150,825.00	143,925.00	588,300.00	305,000.00	28,900.00	1,713,956.09
Total Principal and Interest	\$ 457,969.02	\$ 461,615.61	\$ 377,500.00	\$ 375,825.00	\$ 378,925.00	\$ 1,873,300.00	\$ 1,875,000.00	\$ 743,900.00	\$ 6,544,034.63

6. OPERATING LEASES

As of June 30, 2018 the District has entered into an operating lease for a Pitney Bowes postage machine. Total payments for the year ended June 30, 2018 was \$2,004.00. Under the current lease agreement, the future minimum lease rentals are as follows.

2019	\$	1,503.00
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7. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$451,903.00 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2

and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016 with a 0% moratorium until June 30, 2018 for the Death and Disability Program) and the statutory contribution rate was 10.81% and 12.01%, respectively, 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.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$546,979.13 for the year ended June 30, 2018.

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$6,326,312.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Compensated Absences

The school District's sick leave policy allows for certified employees to accumulate ten days sick leave per year to a maximum of sixty days. Full time employees are granted one day of leave per calendar month worked. No compensation is paid for unused sick leave upon employment termination.

9. RISK MANAGEMENT

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

10. CONTINGENT LIABILITIES

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

11. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Bilingual Education	K.S.A. 72-5167	\$ 3,000.00
General	K-12 At-Risk	K.S.A. 72-5167	60,000.00
General	Contingency Reserve	K.S.A. 72-5167	64,262.26
General	Special Education	K.S.A. 72-5167	900,000.00
General	Vocational Education	K.S.A. 72-5167	140,000.00
Supplemental General	Food Service	K.S.A. 72-5143	16,000.00
Supplemental General	Professional Development	K.S.A. 72-5143	17,500.00
Supplemental General	Parent Education	K.S.A. 72-5143	4,850.00
Supplemental General	Vocational Education	K.S.A. 72-5143	60,000.00
Supplemental General	4 Year Old At-Risk	K.S.A. 72-5143	42,000.00
Supplemental General	K-12 At-Risk	K.S.A. 72-5143	579,917.00

12. RELATED PARTIES

During the year, the District paid \$104,826.00 to Newkirk, Dennis, & Buckles, Inc. for insurance which is the employer of a board member and paid \$785,473.38 to Aetna for health insurance and \$18,352.59 to New York Life for life insurance which is the employer of a board member.

13. SUBSEQUENT EVENTS

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

SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

(Budgeted Funds Only)

Summary of Expenditures - Actual and Budget
Regulatory Basis

For the Fiscal Year Ended June 30, 2018

Funds	Certified Budget	Adjustments to Comply with Legal Maximum	Total Budget for Comparison	Expenditures		Variance - Over (Under)
				Charged to Current Year Budget		
General	\$ 5,396,483.00	\$ (96,144.00)	\$ 5,300,339.00	\$ 5,300,338.64	\$	(0.36)
Supplemental General	1,984,724.00	(26,671.00)	1,958,053.00	1,958,053.15		0.15
Special Purpose Funds:						
4 Year Old At-Risk	42,714.00	-	42,714.00	40,841.59		(1,872.41)
K-12 At-Risk	915,208.00	-	915,208.00	640,027.41		(275,180.59)
Bilingual Education	4,400.00	-	4,400.00	2,413.34		(1,986.66)
Capital Outlay	846,360.00	-	846,360.00	428,472.42		(417,887.58)
Driver Training	9,234.00	-	9,234.00	497.20		(8,736.80)
Food Service	565,960.00	-	565,960.00	488,773.05		(77,186.95)
Professional Development	31,682.00	-	31,682.00	20,904.37		(10,777.63)
Parent Education	5,000.00	-	5,000.00	4,850.00		(150.00)
Special Education	1,055,512.00	-	1,055,512.00	906,861.83		(148,650.17)
Vocational Education	231,618.00	-	231,618.00	202,186.97		(29,431.03)
KPERS Special						
Retirement Contributions	550,431.00	-	550,431.00	546,979.13		(3,451.87)
Recreation Commission	130,000.00	-	130,000.00	130,000.00		-
Bond and Interest Funds:						
Bond and Interest	376,400.00	-	376,400.00	376,400.00		-

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Other	\$ 9,929.43	\$ -	\$ -	\$ -
State Sources				
General State Aid	4,443,357.00	4,767,775.00	4,839,975.00	(72,200.00)
Mineral Tax	128.59	214.64	-	214.64
KPERS Aid	349,479.88	-	-	-
Special Education Aid	546,783.00	532,349.00	556,508.00	(24,159.00)
Other Receipts				
Interest	6,051.13	-	-	-
Total Receipts	5,355,729.03	5,300,338.64	\$ 5,396,483.00	\$ (96,144.36)
Expenditures				
Instruction	2,474,316.94	2,588,771.47	\$ 2,560,236.00	\$ 28,535.47
Support Services				
Student Support	237,483.12	321,287.19	248,000.00	73,287.19
Instructional Support	132,710.11	145,084.76	146,719.00	(1,634.24)
General Administration	176,298.36	186,959.17	172,206.00	14,753.17
School Administration	517,336.78	558,402.55	559,720.00	(1,317.45)
Vehicle Operating Services	116,969.31	127,734.41	116,675.00	11,059.41
Operations and Maintenance	186,476.82	111,066.82	280,636.00	(169,569.18)
Other Supplemental Services	95,017.02	93,770.01	98,474.00	(4,703.99)
Operating Transfers to:				
Bilingual Education Fund	-	3,000.00	2,000.00	1,000.00
Special Education Fund	836,000.00	900,000.00	992,385.00	(92,385.00)
4 Year Old At-Risk Fund	-	-	60,432.00	(60,432.00)
K-12 At-Risk Fund	-	60,000.00	-	60,000.00
Contingency Reserve Fund	104,000.00	64,262.26	-	64,262.26

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Operating Transfers to: (Continued)				
KPERS Special Retirement				
Contributions Fund	\$ 349,479.88	\$ -	\$ -	\$ -
Vocational Education Fund	130,000.00	140,000.00	159,000.00	(19,000.00)
Total Certified Budget			5,396,483.00	(96,144.36)
Adjustments to Budget				
Adjustment to Comply with				
Legal Maximum Budget			(96,144.00)	96,144.00
Total Expenditures	5,356,088.34	5,300,338.64	\$ 5,300,339.00	\$ (0.36)
Receipts Over (Under) Expenditures	(359.31)	-		
Unencumbered Cash, Beginning	359.31	0.00		
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

SUPPLEMENTAL GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 599,944.98	\$ 777,347.96	\$ 851,233.00	\$ (73,885.04)
Delinquent Tax	16,026.19	18,839.64	9,639.00	9,200.64
County Sources				
Motor Vehicle Tax	50,955.65	57,788.61	55,882.00	1,906.61
Recreational Vehicle Tax	1,072.23	1,300.91	1,142.00	158.91
Commercial Vehicle Tax	1,892.50	1,459.44	928.00	531.44
State Sources				
Supplemental General State Aid	1,092,905.00	1,097,635.00	1,097,635.00	-
Operating Transfers from:				
Contingency Reserve Fund	104,000.00	-	56,967.00	(56,967.00)
Total Receipts	1,866,796.55	1,954,371.56	\$ 2,073,426.00	\$ (119,054.44)
Expenditures				
Instruction	120,767.01	178,737.39	\$ 87,856.00	\$ 90,881.39
Support Services				
Student Support	1,817.00	987.00	2,000.00	(1,013.00)
Instructional Support	197,288.73	199,186.12	210,900.00	(11,713.88)
General Administration	9,487.28	14,349.46	1,300.00	13,049.46
School Administration	4,129.00	2,244.00	4,200.00	(1,956.00)
Central Services	1,775.00	965.00	2,000.00	(1,035.00)
Operations and Maintenance	695,456.98	831,140.11	686,300.00	144,840.11
Student Transportation Services	-	1,977.07	-	1,977.07
Other Supports Services	7,400.00	8,200.00	-	8,200.00
Operating Transfers to:				
Vocational Education Fund	60,000.00	60,000.00	60,000.00	-
Food Service Fund	35,000.00	16,000.00	40,000.00	(24,000.00)
Professional Development Fund	20,000.00	17,500.00	15,000.00	2,500.00
Parent Education Fund	4,700.00	4,850.00	5,000.00	(150.00)

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

SUPPLEMENTAL GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to: (Continued)				
Special Education Fund	\$ 84,000.00	\$ -		\$ -
4 Year Old At-Risk Fund	41,000.00	42,000.00	41,000.00	1,000.00
K-12 At-Risk Fund	609,000.00	579,917.00	829,168.00	(249,251.00)
Total Certified Budget			1,984,724.00	(26,670.85)
Adjustments to Budget				
Adjustment to Comply with Legal Maximum Budget			(26,671.00)	26,671.00
Total Expenditures	1,891,821.00	1,958,053.15	\$ 1,958,053.00	\$ 0.15
Receipts Over (Under) Expenditures	(25,024.45)	(3,681.59)		
Unencumbered Cash, Beginning	55,352.55	30,328.10		
Unencumbered Cash, Ending	\$ 30,328.10	\$ 26,646.51		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

4 YEAR OLD AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers from Supplemental General Fund	\$ 41,000.00	\$ 42,000.00	\$ 41,000.00	\$ 1,000.00
Total Receipts	41,000.00	42,000.00	\$ 41,000.00	\$ 1,000.00
Expenditures				
Instruction	40,822.08	40,841.59	\$ 42,714.00	\$ (1,872.41)
Total Expenditures	40,822.08	40,841.59	\$ 42,714.00	\$ (1,872.41)
Receipts Over (Under) Expenditures	177.92	1,158.41		
Unencumbered Cash, Beginning	1,536.64	1,714.56		
Unencumbered Cash, Ending	\$ 1,714.56	\$ 2,872.97		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

K-12 AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers from				
General Fund	\$ -	\$ 60,000.00	\$ 60,432.00	\$ (432.00)
Supplemental General Fund	609,000.00	580,000.00	829,168.00	(249,168.00)
Total Receipts	609,000.00	640,000.00	\$ 889,600.00	\$ (249,600.00)
Expenditures				
Instruction	609,422.45	640,027.41	\$ 915,208.00	\$ (275,180.59)
Total Expenditures	609,422.45	640,027.41	\$ 915,208.00	\$ (275,180.59)
Receipts Over (Under) Expenditures	(422.45)	(27.41)		
Unencumbered Cash, Beginning	26,030.67	25,608.22		
Unencumbered Cash, Ending	\$ 25,608.22	\$ 25,580.81		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

BILINGUAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
Bilingual Aid	\$ -	\$ -	\$ 2,404.00	\$ (2,404.00)
Operating Transfers from General Fund	-	3,000.00	2,000.00	1,000.00
Total Receipts	-	3,000.00	\$ 4,404.00	\$ (1,404.00)
Expenditures				
Instruction	-	2,413.34	\$ 4,400.00	\$ (1,986.66)
Total Expenditures	-	2,413.34	\$ 4,400.00	\$ (1,986.66)
Receipts Over (Under) Expenditures	-	586.66		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 586.66		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

CAPITAL OUTLAY FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 234,802.63	\$ 205,488.72	\$ 201,511.00	\$ 3,977.72
Delinquent Tax	5,259.84	6,589.47	3,773.00	2,816.47
Interest on Idle Funds	-	7,230.09	-	7,230.09
Other	19,822.40	75,965.29	-	75,965.29
County Sources				
Motor Vehicle Tax	23,043.96	22,633.16	21,879.00	754.16
Recreational Tax	476.46	508.03	447.00	61.03
Commercial Vehicle Tax	762.61	570.54	363.00	207.54
State Sources				
State Aid	120,655.00	109,575.00	109,098.00	477.00
Total Receipts	404,822.90	428,560.30	\$ 337,071.00	\$ 91,489.30
Expenditures				
Instruction	63,659.02	60,650.28	\$ 262,860.00	\$ (202,209.72)
Support Services				
Instructional Support Staff	-	5,312.50	-	5,312.50
Operations and Maintenance	193,781.48	206,380.72	393,500.00	(187,119.28)
Transportation	144,382.86	82,644.02	90,000.00	(7,355.98)
Land Improvement	10,526.00	66,414.30	100,000.00	(33,585.70)
New Building Acquisition & Constr	-	2,765.60	-	2,765.60
Building Improvements	25,366.39	4,305.00	-	4,305.00
Total Expenditures	437,715.75	428,472.42	\$ 846,360.00	\$ (417,887.58)
Receipts Over (Under) Expenditures	(32,892.85)	87.88		
Unencumbered Cash, Beginning	542,181.95	509,289.10		
Unencumbered Cash, Ending	\$ 509,289.10	\$ 509,376.98		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

DRIVER TRAINING FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Student Receipts	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	\$ -	\$ -
Expenditures				
Instruction	465.94	228.97	\$ 7,234.00	\$ (7,005.03)
Support Services				
Operations and Maintenance	380.90	268.23	2,000.00	(1,731.77)
Total Expenditures	846.84	497.20	\$ 9,234.00	\$ (8,736.80)
Receipts Over (Under) Expenditures	(846.84)	(497.20)		
Unencumbered Cash, Beginning	10,080.48	9,233.64		
Unencumbered Cash, Ending	\$ 9,233.64	\$ 8,736.44		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

FOOD SERVICE FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Food Service Sales	\$ 113,326.81	\$ 116,600.08	\$ 157,198.00	\$ (40,597.92)
Other	5,447.05	23,097.95	5,000.00	18,097.95
State Sources				
Food Service Aid	4,241.12	4,511.59	3,626.00	885.59
Federal Sources				
Child Nutrition Aid	349,873.95	335,642.19	286,134.00	49,508.19
Operating Transfers from Supplemental General Fund	35,000.00	16,000.00	40,000.00	(24,000.00)
Total Receipts	507,888.93	495,851.81	\$ 491,958.00	\$ 3,893.81
Expenditures				
Support Services				
Food Service Operations	506,289.15	488,773.05	\$ 565,960.00	\$ (77,186.95)
Total Expenditures	506,289.15	488,773.05	\$ 565,960.00	\$ (77,186.95)
Receipts Over (Under) Expenditures	1,599.78	7,078.76		
Unencumbered Cash, Beginning	72,401.61	74,001.39		
Unencumbered Cash, Ending	\$ 74,001.39	\$ 81,080.15		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

PROFESSIONAL DEVELOPMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Other	\$ 1,405.00	\$ -	\$ -	\$ -
State Sources				
Professional Development Aid	-	3,699.00	3,070.00	629.00
Operating Transfers from Supplemental General Fund	20,000.00	17,500.00	15,000.00	2,500.00
Total Receipts	21,405.00	21,199.00	\$ 18,070.00	\$ 3,129.00
Expenditures				
Support Services				
Instructional Support Staff	28,056.06	20,904.37	\$ 31,682.00	\$ (10,777.63)
Total Expenditures	28,056.06	20,904.37	\$ 31,682.00	\$ (10,777.63)
Receipts Over (Under) Expenditures	(6,651.06)	294.63		
Unencumbered Cash, Beginning	20,262.96	13,611.90		
Unencumbered Cash, Ending	\$ 13,611.90	\$ 13,906.53		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

PARENT EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfers from Supplemental General Fund	\$ 4,700.00	\$ 4,850.00	\$ 5,000.00	\$ (150.00)
Total Receipts	4,700.00	4,850.00	\$ 5,000.00	\$ (150.00)
Expenditures				
Support Services Student Support	4,850.00	4,850.00	\$ 5,000.00	\$ (150.00)
Total Expenditures	4,850.00	4,850.00	\$ 5,000.00	\$ (150.00)
Receipts Over (Under) Expenditures	(150.00)	-		
Unencumbered Cash, Beginning	150.00	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

SPECIAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Other Revenue	\$ 56,391.33	\$ 7,584.88	\$ -	\$ 7,584.88
Federal Sources				
Other Reserve Grants in Aid	-	3,472.00	-	3,472.00
Operating Transfers from:				
General Fund	836,000.00	900,000.00	992,385.00	(92,385.00)
Supplemental General Fund	84,000.00	-	-	-
Total Receipts	976,391.33	911,056.88	\$ 992,385.00	\$ (81,328.12)
Expenditures				
Instruction	963,531.88	900,320.35	\$ 1,046,612.00	\$ (146,291.65)
Support Services				
Vehicle Operating Services	12,986.94	6,541.48	8,900.00	(2,358.52)
Total Expenditures	976,518.82	906,861.83	\$ 1,055,512.00	\$ (148,650.17)
Receipts Over (Under) Expenditures	(127.49)	4,195.05		
Unencumbered Cash, Beginning	63,254.27	63,126.78		
Unencumbered Cash, Ending	\$ 63,126.78	\$ 67,321.83		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

VOCATIONAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Federal Sources				
Vocational Aid	\$ 6,145.25	\$ 5,238.60	\$ -	\$ 5,238.60
Operating Transfers from:				
General Fund	130,000.00	140,000.00	159,000.00	(19,000.00)
Supplemental General Fund	60,000.00	60,000.00	60,000.00	-
Total Receipts	196,145.25	205,238.60	\$ 219,000.00	\$ (13,761.40)
Expenditures				
Instruction	194,973.94	202,186.97	\$ 231,618.00	\$ (29,431.03)
Total Expenditures	194,973.94	202,186.97	\$ 231,618.00	\$ (29,431.03)
Receipts Over (Under) Expenditures	1,171.31	3,051.63		
Unencumbered Cash, Beginning	11,447.06	12,618.37		
Unencumbered Cash, Ending	\$ 12,618.37	\$ 15,670.00		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

KPERS SPECIAL RETIREMENT CONTRIBUTIONS FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State Sources				
KPERS	\$ -	\$ 546,979.13	\$ 550,431.00	\$ (3,451.87)
Operating Transfers from General Fund	349,479.88	-	-	-
Total Receipts	349,479.88	546,979.13	\$ 550,431.00	\$ (3,451.87)
Expenditures				
Instruction	225,414.52	352,801.83	\$ 355,028.00	\$ (2,226.17)
Support Services				
Student Support	15,377.11	24,067.06	24,219.00	(151.94)
Instructional Support	9,435.95	14,768.35	14,862.00	(93.65)
General Administration	10,833.88	16,955.81	17,063.00	(107.19)
School Administration	34,947.99	54,698.48	55,043.00	(344.52)
Central Services	15,027.63	23,520.19	23,669.00	(148.81)
Student Transportation Services	4,193.76	6,563.38	6,605.00	(41.62)
Operations and Maintenance	25,512.03	39,929.14	40,181.00	(251.86)
Food Service	8,737.01	13,674.89	13,761.00	(86.11)
Total Expenditures	349,479.88	546,979.13	\$ 550,431.00	\$ (3,451.87)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

CONTINGENCY RESERVE FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Operating Transfers from General Fund	<u>\$ 104,000.00</u>	<u>\$ 64,262.26</u>
Total Receipts	<u>104,000.00</u>	<u>64,262.26</u>
Expenditures		
Operating Transfers to Supplemental General Fund	<u>104,000.00</u>	<u>-</u>
Total Expenditures	<u>104,000.00</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	64,262.26
Unencumbered Cash, Beginning	<u>197,907.83</u>	<u>197,907.83</u>
Unencumbered Cash, Ending	<u><u>\$ 197,907.83</u></u>	<u><u>\$ 262,170.09</u></u>

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

RECREATION COMMISSION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem	\$ 109,442.08	\$ 110,206.41	\$ 107,547.00	\$ 2,659.41
Delinquent Tax	2,453.35	3,082.12	1,760.00	1,322.12
County Sources				
Motor Vehicle Tax	10,065.88	10,061.48	9,739.00	322.48
Recreational Vehicle Tax	207.96	225.80	199.00	26.80
Commercial Vehicle Tax	331.81	263.08	161.00	102.08
Total Receipts	122,501.08	123,838.89	\$ 119,406.00	\$ 4,432.89
Expenditures				
Community Service Operations	130,000.00	130,000.00	\$ 130,000.00	\$ -
Total Expenditures	130,000.00	130,000.00	\$ 130,000.00	\$ -
Receipts Over (Under) Expenditures	(7,498.92)	(6,161.11)		
Unencumbered Cash, Beginning	32,921.09	25,422.17		
Unencumbered Cash, Ending	\$ 25,422.17	\$ 19,261.06		

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas
REVOLVING TEXTBOOK/CHROMEBOOK FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Other	\$ 6,566.50	\$ 7,325.00
Total Receipts	6,566.50	7,325.00
Expenditures		
Instruction	2,893.25	8,506.16
Total Expenditures	2,893.25	8,506.16
Receipts Over (Under) Expenditures	3,673.25	(1,181.16)
Unencumbered Cash, Beginning	-	3,673.25
Unencumbered Cash, Ending	\$ 3,673.25	\$ 2,492.09

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

SPECIAL MINI-GRANTS FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Other	\$ 4,291.45	\$ 5,178.45
Total Receipts	4,291.45	5,178.45
Expenditures		
Instruction	6,851.56	5,298.45
Total Expenditures	6,851.56	5,298.45
Receipts Over (Under) Expenditures	(2,560.11)	(120.00)
Unencumbered Cash, Beginning	2,680.11	120.00
Unencumbered Cash, Ending	\$ 120.00	\$ -

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

21ST CENTURY GRANT FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Local Sources		
Fees	\$ 3,335.00	\$ 4,400.00
Other	70.00	425.00
Federal Sources		
Federal Aid	<u>88,700.00</u>	<u>85,859.00</u>
Total Receipts	<u>92,105.00</u>	<u>90,684.00</u>
Expenditures		
Instruction	82,445.19	91,674.84
Support Services		
General Administration	<u>-</u>	<u>4,275.00</u>
Total Expenditures	<u>82,445.19</u>	<u>95,949.84</u>
Receipts Over (Under) Expenditures	9,659.81	(5,265.84)
Unencumbered Cash, Beginning	<u>-</u>	<u>9,659.81</u>
Unencumbered Cash, Ending	<u>\$ 9,659.81</u>	<u>\$ 4,393.97</u>

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

TITLE I LOW INCOME ESEA FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 162,413.00	\$ 154,517.00
Total Receipts	162,413.00	154,517.00
Expenditures		
Instruction	162,413.00	154,517.00
Total Expenditures	162,413.00	154,517.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas
TITLE II-A IMPROVING TEACHER QUALITY FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 38,681.00	\$ 30,570.00
Total Receipts	38,681.00	30,570.00
Expenditures		
Instruction	38,681.00	30,570.00
Total Expenditures	38,681.00	30,570.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas
RURAL AND SMALL SCHOOLS GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 22,890.00	\$ 21,556.00
Total Receipts	22,890.00	21,556.00
Expenditures		
Instruction	22,890.00	21,556.00
Total Expenditures	22,890.00	21,556.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

BOND AND INTEREST FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 195,886.37	\$ 178,875.82	\$ 175,163.00	\$ 3,712.82
Delinquent Tax	3,954.74	5,275.76	3,168.00	2,107.76
County Sources				
Motor Vehicle Tax	15,414.09	14,243.65	13,819.00	424.65
Recreational Vehicle Tax	312.17	320.47	282.00	38.47
Commercial Vehicle Tax	435.71	449.44	230.00	219.44
State Sources				
State Aid	183,072.00	191,964.00	191,964.00	-
Total Receipts	399,075.08	391,129.14	\$ 384,626.00	\$ 6,503.14
Expenditures				
Debt Service				
Principal	200,000.00	200,000.00	\$ 200,000.00	\$ -
Interest	181,400.00	176,400.00	176,400.00	-
Cost of Issuance	-	-	-	-
Total Expenditures	381,400.00	376,400.00	\$ 376,400.00	\$ -
Receipts Over (Under) Expenditures	17,675.08	14,729.14		
Unencumbered Cash, Beginning	186,098.86	203,773.94		
Unencumbered Cash, Ending	\$ 203,773.94	\$ 218,503.08		

UNIFIED SCHOOL DISTRICT #461
Neodesha, Kansas
SCHOOL BUILDING CAPITAL PROJECT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Interest	\$ 346.20	\$ 20.47
Total Receipts	346.20	20.47
Expenditures		
Facility Acquisition		
New Building Acquisition	269,368.04	198,428.06
Total Expenditures	269,368.04	198,428.06
Receipts Over (Under) Expenditures	(269,021.84)	(198,407.59)
Unencumbered Cash, Beginning	467,429.43	198,407.59
Unencumbered Cash, Ending	\$ 198,407.59	\$ -

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

AGENCY FUNDS

Schedule of Receipts and Cash Disbursements

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

	Beginning Cash Balances	Receipts	Cash Disbursements	Ending Cash Balances
Agency Funds				
Health Insurance Reimbursement	\$ 1,034.05	\$ 48,743.78	\$ 49,777.83	\$ -
HRA Reimbursement	31,154.84	77,149.17	45,107.25	63,196.76
Sales Tax	489.16	8,475.07	8,916.34	47.89
Student Organizations				
High School				
Art Honor Society	550.69	75.39	26.48	599.60
Band Club	1,732.00	8,503.69	9,049.79	1,185.90
Business Ed Club	1,608.33	1,799.41	1,230.53	2,177.21
Cheer Squad	140.99	12,278.75	11,254.96	1,164.78
Cheerleaders Jr High	1,873.59	3,683.11	3,510.77	2,045.93
Chorus Club	1,865.08	1,734.13	2,810.10	789.11
Chorus Scholarship Club	1,015.15	-	-	1,015.15
Class of 2017	477.07	-	161.28	315.79
Class of 2018	829.22	7,952.17	8,420.34	361.05
Class of 2019	1,831.29	6,231.04	4,844.61	3,217.72
Class of 2020	54.35	3,438.05	1,695.50	1,796.90
Dance Team	584.13	2,349.77	2,279.00	654.90
Drama Club	1,464.80	4,382.82	5,211.69	635.93
Entrepreneurship	3,015.56	9,403.29	9,115.30	3,303.55
FBLA	264.40	424.00	342.00	346.40
F.C.A	726.74	-	172.00	554.74
FCCLA Jr.	907.08	6,255.72	6,424.92	737.88
FCCLA Sr.	2,209.54	10,001.85	9,295.23	2,916.16
F.F.A	2,542.85	52,810.78	51,735.23	3,618.40
FFA Scholarship	2,334.00	-	-	2,334.00
Industrial Arts	-	621.31	621.31	-
Incentive Fund	200.00	-	61.88	138.12
Library Club	678.57	397.51	100.00	976.08
Mass Media	135.91	-	-	135.91
National Honor Society	558.63	3,517.77	2,620.52	1,455.88
Neodesha Chess Club	492.17	1,250.88	1,261.92	481.13
Shop Club	57.53	-	-	57.53
Renaissance	2,960.89	1,308.88	2,131.96	2,137.81
Skills	674.96	155.00	245.61	584.35
Stuco, Jr.	544.58	1,000.84	783.38	762.04
Stuco, Sr.	828.34	2,511.37	2,010.48	1,329.23
Student Fund Organization	4,060.88	2,404.80	1,107.86	5,357.82
Vocational Agriculture	-	1,486.12	1,486.12	-
Totals	\$ 69,897.37	\$ 280,346.47	\$ 243,812.19	\$ 106,431.65

Schedule 4

UNIFIED SCHOOL DISTRICT #461

Neodesha, Kansas

DISTRICT ACTIVITY FUNDS

Summary of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Fiscal Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2018
Gate Receipts						
High School	\$ 3,937.86	\$ 32,830.42	\$ 32,817.92	\$ 3,950.36	\$ -	\$ 3,950.36
Sub-Total Gate Receipts	3,937.86	32,830.42	32,817.92	3,950.36	-	3,950.36
School Projects						
High School						
Annual	4,653.33	7,867.19	6,401.59	6,118.93	-	6,118.93
Bluestreak Greenhouse	15,934.04	8,490.53	7,642.27	16,782.30	-	16,782.30
Total High School	20,587.37	16,357.72	14,043.86	22,901.23	-	22,901.23
North Lawn Elementary						
G&W Fund	597.83	980.50	-	1,578.33	-	1,578.33
6th/Prom	463.76	-	-	463.76	-	463.76
Worlds Fair	2,227.06	-	320.00	1,907.06	-	1,907.06
Field	270.00	-	270.00	-	-	-
Market	74.84	600.00	619.65	55.19	-	55.19
Other	1,296.02	307.73	1,298.41	305.34	-	305.34
Planner	70.00	-	70.00	-	-	-
Pop	2,683.15	104.31	-	2,787.46	-	2,787.46
SFA/FS	306.95	-	-	306.95	-	306.95
Science	-	-	-	-	-	-
Wild	-	3,035.00	729.51	2,305.49	-	21.65
Box Tops	438.25	-	416.60	21.65	-	21.65
Total North Lawn Elementary	8,427.86	5,027.54	3,724.17	9,731.23	-	7,425.74
Heller Elementary						
Amazon	31.00	-	30.00	1.00	-	1.00
Box Tops	13.50	42.75	42.75	13.50	-	13.50
Computers For Ed	102.60	-	85.00	17.60	-	17.60
Flower & Gift Fund	949.24	-	659.33	289.91	-	289.91
G&W Fund	315.06	-	168.75	146.31	-	146.31
Heller Hut	997.54	1,319.88	680.38	1,637.04	-	1,637.04
Kinder Mats	25.00	-	16.42	8.58	-	8.58
Lunch	74.85	-	18.35	56.50	-	56.50
Other	487.61	2,963.78	3,112.13	339.26	-	339.26
Weekly Reader	146.39	-	-	146.39	-	146.39
Total Heller Elementary	3,142.79	4,326.41	4,813.11	2,656.09	-	2,656.09
Sub-Total Special Projects	32,158.02	25,711.67	22,581.14	35,288.55	-	32,983.06
Total District Activity Funds	\$ 36,095.88	\$ 58,542.09	\$ 55,399.06	\$ 39,238.91	\$ -	\$ 36,933.42