

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2018

TABLE OF CONTENTS

Page

Independent Auditor's Report.....	1
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FINANCIAL SECTION

Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash.....	4
Notes to the Financial Statement	6

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1	
Summary of Expenditures – Actual and Budget	15

Schedule 2	
Schedule of Receipts and Expenditures	

General Funds

2-1 General Fund.....	16
2-2 Supplemental General Fund	17

Special Purpose Funds

2-3 Capital Outlay Fund.....	18
2-4 Driver Training Fund	19
2-5 At-Risk (K-12) Fund	20
2-6 Food Service Fund	21
2-7 Professional Development Fund	22
2-8 At-Risk (4-year-old) Fund.....	23
2-9 Special Education Fund.....	24
2-10 Career and Postsecondary Education Fund.....	25
2-11 Parents as Teachers Fund.....	26
2-12 Bilingual Fund.....	27
2-13 Recreation Commission Fund.....	28
2-14 Recreation Commission Special Liability Fund	29
2-15 KPERS Retirement Contributions Fund	30
2-16 Non-Budgeted Special Purpose Funds.....	31

Trust Funds

2-17 Trust Funds	32
------------------------	----

Business Fund

2-18 Special Reserve Fund	33
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Schedule 3	
Schedule of Receipts, Expenditures and Unencumbered Cash – District Activity Funds.....	34

Schedule 4	
Summary of Receipts and Disbursements – Agency Funds	35

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 215
Lakin, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 215, 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 A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note A, the financial statement is prepared by Unified School District No. 215 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In 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. 215 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 balances of Unified School District No. 215 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 A.

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 (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial 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 A.

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 No. 215 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated February 9, 2018, 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 website of the Kansas Department of Administration at the following link: <http://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 for the year ended June 30, 2018 (Schedule 2 as listed in the table of contents) is also 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 A.

Kennedy McKee & Company LLP

February 8, 2019

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ 354	\$ 2,684	\$ 4,749,390
Supplemental general	42,469	9,489	1,671,214
Total general funds	42,823	12,173	6,420,604
Special purpose funds:			
Capital outlay	422,761	26,148	1,175,090
Driver training	108,456	-	8,948
At-risk (K-12)	45,334	-	91,277
Food service	110,562	-	341,979
Professional development	46,991	-	5,000
At-risk (4 year old)	19,108	-	13,800
Special education	106,949	-	493,749
Career and postsecondary education	46,644	717	150,000
Parents as teachers	9,973	-	-
Bilingual	27,379	-	25,000
Recreation commission	-	-	263,135
Recreation commission special liability	-	-	70,798
KPERs retirement contributions	-	-	502,491
Contingency reserve	524,940	-	-
Textbook and student materials revolving	264,185	-	43,627
Gifts and grants	26,959	-	8,600
Title I	283	-	99,269
Title IVA drug awareness	-	-	2,946
Title II, part A teacher quality	1,966	-	16,153
Federal REAP grant	7,128	-	33,422
Title III english language acquisition	(2,470)	-	11,524
Migrant program	-	74	126,000
Migrant family literacy grant	(1,942)	-	70,136
Marlin Krehbiel scholarship	76,261	-	2,076
District activity funds	100,316	-	139,927
Total special purpose funds	1,941,783	26,939	3,694,947
Trust funds:			
Vera P. Hutton scholarship	448,234	-	18,557
Clyde and Barbara Beymer scholarship	350,982	-	13,203
John and Elene Henderson scholarship	107,341	-	1,550
Total trust funds	906,557	-	33,310
Business fund:			
Special reserve	870,143	-	476,091
Total Unified School District No. 215 (excluding agency funds)	\$ 3,761,306	\$ 39,112	\$ 10,624,952

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
\$ 4,749,244	\$ 3,184	\$ 53,295	\$ 56,479
1,556,125	167,047	4,715	171,762
<u>6,305,369</u>	<u>170,231</u>	<u>58,010</u>	<u>228,241</u>
825,626	798,373	37,256	835,629
47,059	70,345	-	70,345
136,611	-	-	-
289,864	162,677	-	162,677
48,911	3,080	-	3,080
18,778	14,130	-	14,130
509,147	91,551	-	91,551
96,050	101,311	-	101,311
5,370	4,603	-	4,603
39,940	12,439	-	12,439
254,000	9,135	-	9,135
66,500	4,298	-	4,298
502,491	-	-	-
-	524,940	-	524,940
68,146	239,666	14,847	254,513
8,213	27,346	1,176	28,522
100,305	(753)	-	(753)
-	2,946	-	2,946
18,119	-	-	-
30,779	9,771	13,000	22,771
16,955	(7,901)	-	(7,901)
138,116	(12,042)	83	(11,959)
65,677	2,517	-	2,517
8,000	70,337	-	70,337
135,064	105,179	-	105,179
<u>3,429,721</u>	<u>2,233,948</u>	<u>66,362</u>	<u>2,300,310</u>
9,850	456,941	-	456,941
12,750	351,435	-	351,435
1,000	107,891	-	107,891
<u>23,600</u>	<u>916,267</u>	<u>-</u>	<u>916,267</u>
<u>631,492</u>	<u>714,742</u>	<u>53,618</u>	<u>768,360</u>
<u>\$ 10,390,182</u>	<u>\$ 4,035,188</u>	<u>\$ 177,990</u>	<u>\$ 4,213,178</u>

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 215 accounts:	
Money market accounts	\$ 3,121,398
Demand deposits of activity funds	178,058
Marlin Krehbiel scholarship accounts:	
Money market account	36,222
Certificate of deposit	5,000
Investments	29,115
Vera P. Hutton scholarship accounts:	
Money market account	43,293
Certificate of deposit	5,000
Investments	408,648
Clyde and Barbara Beymer scholarship accounts:	
Money market account	23,247
Certificate of deposit	15,000
Investments	313,188
John and Elene Henderson scholarship accounts:	
Money market account	7,891
Certificate of deposit	<u>100,000</u>
Total cash	4,286,060
Agency funds	<u>(72,882)</u>
Total Unified School District No. 215 (excluding agency funds)	<u><u>\$ 4,213,178</u></u>

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

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 215 is a municipal corporation governed by an elected seven-member board. This regulatory 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.

Lakin Recreation Commission. The Commission oversees recreational activities. Four of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

REGULATORY BASIS FUND TYPES

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

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

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

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

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (i.e. student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. 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.

4. Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for state and federal grant funds, trust funds, district activity funds, agency funds, and the following special purpose funds:

Contingency Reserve
Gifts and Grants

Textbook and Student Materials Revolving
Marlin Krehbiel Scholarship

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.

5. In-Substance Receipt in Transit

The District received \$321,992 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.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration to the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

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. A portion of the District's investments of scholarship funds are not in accordance with the statute.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although Title I, Migrant Program, and Title III English Language Acquisition grant funds overspent their cash balance, according to K.S.A. 12-1664, the District is not prohibited from financing the federal share of a local program from current funds, if available.

C. DEPOSITS AND INVESTMENTS

As of June 30, 2018, the District had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>
Municipal Securities	\$ 340,533	4/1/2019 – 10/1/2031	N/A
Federal Home Loan Bank	99,430	4/7/2021 – 2/14/2025	AA+
Government Funds	20,593	N/A	N/A
Corporate/Mortgage Funds	52,208		
Corporate Securities	48,096		
Exchange Traded FDS – ETFs	56,181		
Equity Investments	<u>187,560</u>		
	<u>\$ 804,601</u>		

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

K.S.A. 12-1675 limits the District's investment of idle funds to 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. A portion of the District's investments of scholarship funds are not in accordance with the statute.

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. The District's allocation of investments as of June 30, 2018, is as follows:

<u>Investments</u>	<u>Percentage of investments</u>
Municipal Securities	42%
Federal Home Loan Bank	12%
Government Funds	3%
Corporate/Mortgage Funds	7%
Corporate Securities	6%
Exchange Traded FDS – ETFs Bonds	7%
Equity Investments	23%

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.

At June 30, 2018, the District's carrying amount of deposits was \$3,535,109 and the bank balance was \$3,514,466. Of the bank balance, \$460,082 was covered by federal depository insurance, \$3,054,384 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District's investments in Corporate/Mortgage Funds, Corporate Securities, Exchange Traded FDS – ETFs Bonds, and Equity Investments are considered unsecured.

D. LONG-TERM DEBT

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

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Capital lease:					
Kitchen equipment:					
Issued June 12, 2018					
In the amount of \$600,000					
At interest rates of 3.68%					
Maturing August 1, 2023	\$ -	\$ 600,000	\$ -	\$ 600,000	\$ -

Current maturities of capital leases and interest for the next five years and through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 52,317	\$ 14,352	\$ 66,669
2020	113,968	19,371	133,339
2021	118,214	15,125	133,339
2022	122,711	10,628	133,339
2023	127,332	6,006	133,338
2024	65,458	1,211	66,669
Total	\$ 600,000	\$ 66,693	\$ 666,693

E. OPERATING LEASE

The District has entered into an operating lease agreement for building space for a pre-school facility, a daycare facility, and an adult learning facility. Rental payments in the current year totaled \$24,000. The agreement's initial term would have expired on July 31, 2022, however the District terminated the agreement on October 15, 2018.

The following is a yearly schedule of future minimum rental payments under the operating lease:

2019	\$ 7,000
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F. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project commitments authorized</u>	<u>Cash disbursements and accounts payable to date</u>	<u>Remaining financial commitment</u>
Grade School Kitchen Renovation	<u>\$ 638,871</u>	<u>\$ 307,000</u>	<u>\$ 331,871</u>

G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General fund	At-risk (K-12) fund	\$ 3,323	K.S.A. 72-5167
General fund	Special education fund	<u>341,370</u>	K.S.A. 72-5167
Total general fund		<u>344,693</u>	
Supplemental general fund	At-risk (K-12) fund	87,954	K.S.A. 72-5143
Supplemental general fund	Special education fund	150,000	K.S.A. 72-5143
Supplemental general fund	Career and postsecondary education fund	150,000	K.S.A. 72-5143
Supplemental general fund	Bilingual fund	<u>25,000</u>	K.S.A. 72-5143
Total supplemental general fund		<u>412,954</u>	
Total operating transfers		<u>\$ 757,647</u>	

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for insurance premiums, other medical costs, and child care costs. The plan is administered by an independent company. The District withholds the amounts from the employee's paycheck and remits the withholdings to the plan administrator.

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated absences. The District's policy grants employees on twelve-month contracts ten or fifteen days of vacation per year depending upon length of service. Vacation days may accumulate to a maximum of twenty days or twenty-five days depending upon length of service. Sick leave of eight days is credited annually to each full-time employee and days not used may accumulate to a total of fifty-eight days. Personal leave is granted at four days per year. Certified employees also receive two additional personal days reduced by a \$110 per day substitute deduction. At year-end any unused personal days are added to sick leave to a maximum of fifty-eight days. When certain conditions are met, accumulated vacation time is paid to the employee upon termination, retirement or resignation. Certified employees retiring under KPERS are eligible to receive \$50 per day for accumulated sick leave, and classified employees retiring under KPERS are eligible to receive \$25 per day for accumulated sick leave.

I. 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 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 with a 0% moratorium for the period of July 1, 2017 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.

I. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (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 \$502,491 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 \$5,276,943. 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 the 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 publicly available on the website at www.kpers.org or can be obtained as described above.

J. RISK MANAGEMENT

The District is exposed to risks of loss related to injuries to employees. The District purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District has been unable to obtain coverage for Property, Inland Marine, General Liability, Automobile, Umbrella, Linebacker, Crime, and Data Compromise insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other Districts in the State to participate in the Kansas Educational Risk Management Pool, LLC (KERMP), a public entity risk pool currently operating as a common risk management and insurance program for participating members.

J. RISK MANAGEMENT (CONTINUED)

The District pays an annual premium to KERMP for its Property, General Liability, Automobile, Crime, Data Compromise, School Board Liability and Employment Practices Liability, and Boiler and Machinery insurance coverage. The agreement to participate provides that the KERMP will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$75,000 for Property and \$50,000 for Liability for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP management. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

The District has established an internal service fund to account for its medical self-insurance program and has entered into a partially self-funded agreement. This agreement allows the District to assume a limited amount of liability by self-insuring a portion of the employees' medical expenses. Premiums paid for an excess coverage insurance policy cover individual and family claims in excess of \$50,000 and the District is also protected by an aggregate stop-loss protection provision, which limits its liability on total self-insurance claims for a contract period. Liabilities for unpaid claims are those claims that are unpaid at year end. Changes in the claims liability amount are as follows:

	<u>Beginning of year liability</u>	<u>Claims and changes in estimates</u>	<u>Claim payments</u>	<u>End of year liability</u>
2017	\$ 32,082	\$ 555,018	\$ 536,577	\$ 50,523
2018	50,523	631,481	577,863	53,618

K. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2018.

L. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 8, 2019, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 4,874,284	\$ (125,040)	\$ 4,749,244	\$ 4,749,244	\$ -
Supplemental general	1,574,668	-	1,574,668	1,556,125	18,543
Special purpose funds:					
Capital outlay	950,767	-	950,767	825,626	125,141
Driver training	117,436	-	117,436	47,059	70,377
At-risk (K-12)	570,334	-	570,334	136,611	433,723
Food service	463,272	-	463,272	289,864	173,408
Professional development	67,991	-	67,991	48,911	19,080
At-risk (4 year old)	44,108	-	44,108	18,778	25,330
Special education	561,232	-	561,232	509,147	52,085
Career and postsecondary education	96,644	-	96,644	96,050	594
Parents as teachers	16,411	-	16,411	5,370	11,041
Bilingual	182,379	-	182,379	39,940	142,439
Recreation commission	254,000	-	254,000	254,000	-
Recreation commission special liability	66,500	-	66,500	66,500	-
KPERS retirement contributions	544,606	-	544,606	502,491	42,115
	<u>\$ 10,384,632</u>	<u>\$ (125,040)</u>	<u>\$ 10,259,592</u>	<u>\$ 9,145,716</u>	<u>\$ 1,113,876</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

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

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Current tax	\$ 182	\$ 146	\$ -	\$ 146
State sources:				
State aid	4,251,911	4,351,570	4,468,725	(117,155)
Special education aid	320,802	341,370	370,559	(29,189)
KPERs aid	330,064	-	-	-
Mineral production tax	44,529	56,304	35,000	21,304
Total receipts	<u>4,947,488</u>	<u>4,749,390</u>	<u>\$ 4,874,284</u>	<u>\$ (124,894)</u>
Expenditures:				
Instruction	2,981,979	3,096,551	\$ 2,481,903	\$ (614,648)
Student support services	26,363	81,173	30,500	(50,673)
Instructional support staff	2,178	6,425	2,500	(3,925)
General administration	258,478	371,574	289,531	(82,043)
School administration	514,623	480,455	520,500	40,045
Operations and maintenance	160,620	127,128	194,150	67,022
Student transportation services:				
Vehicle operating services	136,628	131,698	146,700	15,002
Vehicle and maintenance services	105,925	109,547	107,500	(2,047)
Operating transfers	760,512	344,693	1,101,000	756,307
Adjustment to comply with legal maximum budget	-	-	(125,040)	(125,040)
Total expenditures	<u>4,947,306</u>	<u>4,749,244</u>	<u>\$ 4,749,244</u>	<u>\$ -</u>
Receipts over (under) expenditures	182	146		
Unencumbered cash, beginning of year	-	354		
Prior year canceled encumbrances	<u>172</u>	<u>2,684</u>		
Unencumbered cash, end of year	<u>\$ 354</u>	<u>\$ 3,184</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

SUPPLEMENTAL GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

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

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 27,040	\$ 35,804	\$ 95,409	\$ (59,605)
Current tax	1,302,273	1,246,019	1,076,421	169,598
Delinquent tax	6,246	10,355	42	10,313
Motor vehicle tax and recreational vehicle tax	60,918	80,634	93,064	(12,430)
State aid	-	297,652	292,299	5,353
Other	50	750	-	750
Total receipts	<u>1,396,527</u>	<u>1,671,214</u>	<u>\$ 1,557,235</u>	<u>\$ 113,979</u>
Expenditures:				
Instruction	311,694	416,434	\$ 94,868	\$ (321,566)
Student support services	1,745	8,207	-	(8,207)
General administration	203,049	68,280	332,500	264,220
School administration	49,100	58,541	12,500	(46,041)
Operations and maintenance	501,258	579,743	529,800	(49,943)
Student transportation services:				
Vehicle and maintenance services	9,452	11,966	-	(11,966)
Operating transfers	545,785	412,954	605,000	192,046
Total expenditures	<u>1,622,083</u>	<u>1,556,125</u>	<u>\$ 1,574,668</u>	<u>\$ 18,543</u>
Receipts over (under) expenditures	(225,556)	115,089		
Unencumbered cash, beginning of year	268,025	42,469		
Prior year canceled encumbrances	-	9,489		
Unencumbered cash, end of year	<u>\$ 42,469</u>	<u>\$ 167,047</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

CAPITAL OUTLAY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

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

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 11,837	\$ 10,579	\$ 40,105	\$ (29,526)
Current tax	384,083	494,166	437,816	56,350
Delinquent tax	3,089	3,808	13	3,795
Motor vehicle tax and recreational vehicle tax	29,528	30,298	36,290	(5,992)
State aid	-	21,615	16,418	5,197
Debt proceeds	-	600,000	-	600,000
Other	18,379	14,624	-	14,624
Total receipts	<u>446,916</u>	<u>1,175,090</u>	<u>\$ 530,642</u>	<u>\$ 644,448</u>
Expenditures:				
Instruction	15,334	1,331	\$ 25,000	\$ 23,669
School administration	2,713	16,959	6,000	(10,959)
Operations and maintenance	5,926	7,608	207,500	199,892
Transportation	80,434	157,168	100,000	(57,168)
Facility acquisition and construction services	264,682	642,560	612,267	(30,293)
Total expenditures	<u>369,089</u>	<u>825,626</u>	<u>\$ 950,767</u>	<u>\$ 125,141</u>
Receipts over (under) expenditures	77,827	349,464		
Unencumbered cash, beginning of year	344,934	422,761		
Prior year canceled encumbrances	-	26,148		
Unencumbered cash, end of year	<u>\$ 422,761</u>	<u>\$ 798,373</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ 4,096	\$ 5,248	\$ 4,480	\$ 768
Other	4,624	3,700	4,500	(800)
Total receipts	8,720	8,948	<u>\$ 8,980</u>	<u>\$ (32)</u>
Expenditures:				
Instruction	92	5,096	\$ 26,525	\$ 21,429
Operations and maintenance	-	-	90,000	90,000
Student transportation services:				
Vehicle and maintenance services	119	41,963	911	(41,052)
Total expenditures	211	47,059	<u>\$ 117,436</u>	<u>\$ 70,377</u>
Receipts over (under) expenditures	8,509	(38,111)		
Unencumbered cash, beginning of year	99,947	108,456		
Unencumbered cash, end of year	<u>\$ 108,456</u>	<u>\$ 70,345</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ -	\$ 3,323	\$ 450,000	\$ (446,677)
Transfer from supplemental general fund	217,714	87,954	75,000	12,954
Total receipts	217,714	91,277	<u>\$ 525,000</u>	<u>\$ (433,723)</u>
Expenditures:				
Instruction	172,380	136,611	<u>\$ 570,334</u>	<u>\$ 433,723</u>
Receipts over (under) expenditures	45,334	(45,334)		
Unencumbered cash, beginning of year	-	45,334		
Unencumbered cash, end of year	<u>\$ 45,334</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

FOOD SERVICE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

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

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Charges for services	\$ 86,902	\$ 87,853	\$ 80,922	\$ 6,931
Interest	17,313	43,165	-	43,165
Federal aid	191,537	207,643	243,430	(35,787)
State aid	3,209	3,318	3,358	(40)
Transfer from supplemental general fund	-	-	25,000	(25,000)
Total receipts	<u>298,961</u>	<u>341,979</u>	<u>\$ 352,710</u>	<u>\$ (10,731)</u>
Expenditures:				
Operations and maintenance	1,042	136	\$ 5,000	\$ 4,864
Food service operations	<u>287,435</u>	<u>289,728</u>	<u>458,272</u>	<u>168,544</u>
Total expenditures	<u>288,477</u>	<u>289,864</u>	<u>\$ 463,272</u>	<u>\$ 173,408</u>
Receipts over (under) expenditures	10,484	52,115		
Unencumbered cash, beginning of year	<u>100,078</u>	<u>110,562</u>		
Unencumbered cash, end of year	<u>\$ 110,562</u>	<u>\$ 162,677</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		
	2017	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Other	\$ -	\$ 5,000	\$ -	\$ 5,000
Transfer from general fund	-	-	21,000	(21,000)
Total receipts	-	5,000	<u>\$ 21,000</u>	<u>\$ (16,000)</u>
Expenditures:				
Instruction	404	19,552	\$ -	\$ (19,552)
Instructional support staff	2,605	29,359	47,991	18,632
Central services	-	-	10,000	10,000
Other support services	-	-	10,000	10,000
Total expenditures	<u>3,009</u>	<u>48,911</u>	<u>\$ 67,991</u>	<u>\$ 19,080</u>
Receipts over (under) expenditures	(3,009)	(43,911)		
Unencumbered cash, beginning of year	<u>50,000</u>	<u>46,991</u>		
Unencumbered cash, end of year	<u>\$ 46,991</u>	<u>\$ 3,080</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Other	\$ 17,640	\$ 13,800	\$ -	\$ 13,800
Transfer from supplemental general fund	25,000	-	25,000	(25,000)
Total receipts	42,640	13,800	<u>\$ 25,000</u>	<u>\$ (11,200)</u>
Expenditures:				
Instruction	23,532	18,778	<u>\$ 44,108</u>	<u>\$ 25,330</u>
Receipts over (under) expenditures	19,108	(4,978)		
Unencumbered cash, beginning of year	-	19,108		
Unencumbered cash, end of year	<u>\$ 19,108</u>	<u>\$ 14,130</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ -	\$ 2,379	\$ -	\$ 2,379
Transfer from general fund	430,448	341,370	400,000	(58,630)
Transfer from supplemental general fund	81,071	150,000	50,000	100,000
Total receipts	511,519	493,749	<u>\$ 450,000</u>	<u>\$ 43,749</u>
Expenditures:				
Instruction	484,242	509,147	<u>\$ 561,232</u>	<u>\$ 52,085</u>
Receipts over (under) expenditures	27,277	(15,398)		
Unencumbered cash, beginning of year	79,672	106,949		
Unencumbered cash, end of year	<u>\$ 106,949</u>	<u>\$ 91,551</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

CAREER AND POSTSECONDARY 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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from supplemental general fund	\$ 134,000	\$ 150,000	<u>\$ 50,000</u>	<u>\$ 100,000</u>
Expenditures:				
Instruction	<u>87,356</u>	<u>96,050</u>	<u>\$ 96,644</u>	<u>\$ 594</u>
Receipts over (under) expenditures	46,644	53,950		
Unencumbered cash, beginning of year	-	46,644		
Prior year canceled encumbrances	<u>-</u>	<u>717</u>		
Unencumbered cash, end of year	<u>\$ 46,644</u>	<u>\$ 101,311</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

PARENTS AS TEACHERS 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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts				
State aid	\$ -	\$ -	<u>\$ 6,438</u>	<u>\$ (6,438)</u>
Expenditures:				
Student support services	<u>-</u>	<u>5,370</u>	<u>\$ 16,411</u>	<u>\$ 11,041</u>
Receipts over (under) expenditures	-	(5,370)		
Unencumbered cash, beginning of year	<u>9,973</u>	<u>9,973</u>		
Unencumbered cash, end of year	<u>\$ 9,973</u>	<u>\$ 4,603</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

BILINGUAL 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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ -	\$ -	\$ 105,000	\$ (105,000)
Transfer from supplemental general fund	88,000	25,000	50,000	(25,000)
Total receipts	88,000	25,000	<u>\$ 155,000</u>	<u>\$ (130,000)</u>
Expenditures:				
Instruction	60,621	39,940	<u>\$ 182,379</u>	<u>\$ 142,439</u>
Receipts over (under) expenditures	27,379	(14,940)		
Unencumbered cash, beginning of year	-	27,379		
Unencumbered cash, end of year	<u>\$ 27,379</u>	<u>\$ 12,439</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 6,165	\$ 2,464	\$ 19,088	\$ (16,624)
Current tax	88,902	246,482	218,918	27,564
Delinquent tax	1,665	1,449	3	1,446
Motor vehicle tax and recreational vehicle tax	16,347	12,740	16,184	(3,444)
Total receipts	113,079	263,135	<u>\$ 254,193</u>	<u>\$ 8,942</u>
Expenditures:				
Community service operations	221,147	254,000	<u>\$ 254,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	(108,068)	9,135		
Unencumbered cash, beginning of year	108,068	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 9,135</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

RECREATION COMMISSION SPECIAL LIABILITY 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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 2,651	\$ 1,498	\$ 5,379	\$ (3,881)
Current tax	54,411	62,983	54,714	8,269
Delinquent tax	548	607	2	605
Motor vehicle tax and recreational vehicle tax	4,889	5,710	7,111	(1,401)
Total receipts	62,499	70,798	<u>\$ 67,206</u>	<u>\$ 3,592</u>
Expenditures:				
Community service operations	109,323	66,500	<u>\$ 66,500</u>	<u>\$ -</u>
Receipts over (under) expenditures	(46,824)	4,298		
Unencumbered cash, beginning of year	46,824	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 4,298</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

KPERS RETIREMENT CONTRIBUTIONS 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)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ -	\$ 502,491	\$ 544,606	\$ (42,115)
Transfer from general fund	330,064	-	-	-
Total receipts	330,064	502,491	\$ 544,606	\$ (42,115)
Expenditures:				
Instruction	246,805	381,893	\$ 407,229	\$ 25,336
Student support services	3,838	7,136	6,332	(804)
Instructional support staff	2,022	-	3,336	3,336
General administration	18,103	23,466	29,864	6,398
School administration	20,699	33,667	34,153	486
Operations and maintenance	20,251	31,908	33,414	1,506
Student transportation services	9,211	12,361	15,198	2,837
Food service operations	9,135	12,060	15,080	3,020
Total expenditures	330,064	502,491	\$ 544,606	\$ 42,115
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018

	Contingency reserve	Textbook and student materials revolving	Gifts and grants	Title I	Title IVA drug awareness education
Receipts:					
Rental fees and books	\$ -	\$ 43,627	\$ -	\$ -	\$ -
Federal aid	-	-	-	99,269	2,946
Interest	-	-	-	-	-
Contributions and donations	-	-	8,600	-	-
Total receipts	-	43,627	8,600	99,269	2,946
Expenditures:					
Instruction	-	68,146	8,213	100,305	-
Student support services	-	-	-	-	-
Scholarships	-	-	-	-	-
Total expenditures	-	68,146	8,213	100,305	-
Receipts over (under) expenditures	-	(24,519)	387	(1,036)	2,946
Unencumbered cash (deficit), beginning of year	524,940	264,185	26,959	283	-
Prior year canceled encumbrances	-	-	-	-	-
Unencumbered cash (deficit), end of year	<u>\$ 524,940</u>	<u>\$ 239,666</u>	<u>\$ 27,346</u>	<u>\$ (753)</u>	<u>\$ 2,946</u>

See Independent Auditor's Report.

<u>Title II part A teacher quality</u>	<u>Federal REAP grant</u>	<u>Title III english language acquisition</u>	<u>Migrant program</u>	<u>Migrant family literacy grant</u>	<u>Marlin Krehbiel scholarship</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,627
16,153	33,422	11,524	126,000	70,136	-	359,450
-	-	-	-	-	2,076	2,076
-	-	-	-	-	-	8,600
<u>16,153</u>	<u>33,422</u>	<u>11,524</u>	<u>126,000</u>	<u>70,136</u>	<u>2,076</u>	<u>413,753</u>
18,119	30,779	16,955	137,358	65,677	-	445,552
-	-	-	758	-	-	758
-	-	-	-	-	8,000	8,000
<u>18,119</u>	<u>30,779</u>	<u>16,955</u>	<u>138,116</u>	<u>65,677</u>	<u>8,000</u>	<u>454,310</u>
(1,966)	2,643	(5,431)	(12,116)	4,459	(5,924)	(40,557)
1,966	7,128	(2,470)	-	(1,942)	76,261	897,310
-	-	-	74	-	-	74
<u>\$ -</u>	<u>\$ 9,771</u>	<u>\$ (7,901)</u>	<u>\$ (12,042)</u>	<u>\$ 2,517</u>	<u>\$ 70,337</u>	<u>\$ 856,827</u>

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

TRUST FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Vera P. Hutton scholarship</u>	<u>Clyde and Barbara Beymer scholarship</u>	<u>John and Elene Henderson scholarship</u>	<u>Total</u>
Receipts:				
Investment earnings	\$ 18,557	\$ 13,203	\$ 1,550	\$ 33,310
Expenditures:				
Scholarships	<u>9,850</u>	<u>12,750</u>	<u>1,000</u>	<u>23,600</u>
Receipts over (under) expenditures	8,707	453	550	9,710
Unencumbered cash, beginning of year	<u>448,234</u>	<u>350,982</u>	<u>107,341</u>	<u>906,557</u>
Unencumbered cash, end of year	<u><u>\$ 456,941</u></u>	<u><u>\$ 351,435</u></u>	<u><u>\$ 107,891</u></u>	<u><u>\$ 916,267</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

SPECIAL 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)

	<u>2017</u>	<u>2018</u>
Receipts:		
Charges for services	\$ 542,067	\$ 476,091
Expenditures:		
General administration	<u>573,427</u>	<u>631,492</u>
Receipts over (under) expenditures	(31,360)	(155,401)
Unencumbered cash, beginning of year	<u>901,503</u>	<u>870,143</u>
Unencumbered cash, end of year	<u><u>\$ 870,143</u></u>	<u><u>\$ 714,742</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
High school	\$ 24,885	\$ 45,350	\$ 51,849	\$ 18,386	\$ -	\$ 18,386
Middle school	-	7,203	7,203	-	-	-
Subtotal gate receipts	24,885	52,553	59,052	18,386	-	18,386
School projects:						
High school:						
Student purchases	2,595	1,572	2,181	1,986	-	1,986
Concessions	12,776	32,974	32,891	12,859	-	12,859
Band	2,875	2,045	1,859	3,061	-	3,061
Drama	2,368	100	414	2,054	-	2,054
Special education	1,669	330	372	1,627	-	1,627
Vocal	8,316	1,069	1,868	7,517	-	7,517
Yearbook	10,279	24,695	17,724	17,250	-	17,250
Library	-	273	49	224	-	224
Fees	15,618	3,031	3,060	15,589	-	15,589
Subtotal high school	56,496	66,089	60,418	62,167	-	62,167
Middle school:						
Library	354	185	309	230	-	230
Interrelated	1,699	330	355	1,674	-	1,674
Class fees	4,833	405	849	4,389	-	4,389
Subtotal middle school	6,886	920	1,513	6,293	-	6,293
Elementary school:						
School picture/yearbook	1,112	1,974	376	2,710	-	2,710
T-shirts	567	25	-	592	-	592
Library	(86)	2,666	2,536	44	-	44
KOC	3,850	660	161	4,349	-	4,349
Miscellaneous	2,214	1,010	793	2,431	-	2,431
Community kids club	1,629	4,166	2,305	3,490	-	3,490
Student activity and field trips	1,522	9,864	7,910	3,476	-	3,476
Recycle fund	1,035	-	-	1,035	-	1,035
Memorial fund	185	-	-	185	-	185
Student council	21	-	-	21	-	21
Subtotal elementary	12,049	20,365	14,081	18,333	-	18,333
Subtotal school projects	75,431	87,374	76,012	86,793	-	86,793
Total district activity funds	\$ 100,316	\$ 139,927	\$ 135,064	\$ 105,179	\$ -	\$ 105,179

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

AGENCY FUNDS

**SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student organization funds:				
High school:				
Cheerleaders	\$ 1,839	\$ 1,217	\$ 994	\$ 2,062
Senior class	4,364	4,122	4,239	4,247
Junior class	-	12,331	12,331	-
National honor society	187	-	-	187
Spanish club	2,525	470	762	2,233
Student council	3,499	13,137	13,270	3,366
Weight club	322	1,000	922	400
FCA	979	997	1,479	497
Cross country team	1,037	-	96	941
Scholar bowl club	1,184	844	623	1,405
Baseball team	650	2,535	3,185	-
Basketball team - boys	2,769	12,793	15,561	1
Basketball team - girls	572	5,585	4,307	1,850
Golf team	726	1,933	2,066	593
Science club	82	-	48	34
Softball team	488	2,502	1,323	1,667
Volleyball	754	1,047	914	887
Football team	1,333	14,774	13,726	2,381
Math class	36	42	37	41
English class	-	586	-	586
Career class	-	237	-	237
Chemistry	106	-	-	106
Wrestling team	748	6,529	5,608	1,669
History club	9,609	37,141	46,597	153
Econ class	118	-	118	-
Track team	-	116	-	116
FFA	-	1,025	-	1,025
Trap shooting	-	2,845	1,169	1,676
The stampede	-	28,198	2,178	26,020
Dance team	-	3,954	2,711	1,243
Broncs brew	-	4,844	4,082	762
Subtotal high school	33,927	160,804	138,346	56,385

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, KANSAS**

AGENCY FUNDS

**SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Middle school:				
Volleyball team	\$ 4	\$ -	\$ -	\$ 4
Cross country team	29	-	-	29
Boys basketball team	1,198	1,498	1,475	1,221
Girls basketball team	438	300	222	516
Wrestling team	1,111	100	412	799
Cheerleading	1,043	250	148	1,145
Track team	187	-	52	135
Football team	100	-	-	100
Team uniform	-	3,088	2,860	228
STUCO	574	1,302	830	1,046
Fifth grade	697	3,096	3,050	743
Sixth grade	1,328	1,516	1,148	1,696
7th & 8th social studies	602	-	-	602
FCA	2,483	775	101	3,157
Ducks in a row	4,776	2,045	4,655	2,166
Friends of Rachel	1,276	1,020	1,032	1,264
Student incentive	400	-	-	400
Box tops	1,454	267	374	1,347
Subtotal middle school	17,700	15,257	16,359	16,598
Subtotal student organization funds	51,627	176,061	154,705	72,983
Clearing funds:				
Sales tax:				
High school	-	10,320	10,320	-
Middle school	-	223	223	-
Elementary school	(60)	676	717	(101)
Subtotal clearing funds	(60)	11,219	11,260	(101)
Total agency funds	\$ 51,567	\$ 187,280	\$ 165,965	\$ 72,882

See Independent Auditor's Report.