

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

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

YEAR ENDED JUNE 30, 2017

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Kennedy
McKee & Company LLP Certified Public Accountants

1100 W. Frontview
P. O. Box 1477
Dodge City, Kansas 67801
Tel. (620) 227-3135
Fax (620) 227-2308
www.kmc-cpa.com

JAMES W. KENNEDY, CPA
LU ANN WETMORE, CPA
ROBERT C. NEIDHART, CPA
PATRICK M. FRIESS, CPA
JOHN W. HENDRICKSON, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 363
Holcomb, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 363 and its related municipal entity, the Holcomb Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2017, 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 the Municipal Financial Reporting Entity 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 the Municipal Financial Reporting Entity as of June 30, 2017, 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 the Municipal Financial Reporting Entity as of June 30, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

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, the individual fund schedules of regulatory basis receipts and expenditures, the schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, the schedule of regulatory basis receipts and disbursements – agency funds, and the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the related municipal entity (Schedules 1, 2, 3, 4 and 5 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.

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedules 2 and 5 as listed in the table of contents) is also presented for comparative analysis and was not a required part of the 2016 basis financial statement upon which we rendered an unmodified opinion dated January 25, 2017. The 2016 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/municipal-audits>. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

January 30, 2018

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

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

For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>
General funds:		
General	\$ -	\$ -
Supplemental general	<u>436,723</u>	<u>2,921</u>
Total general funds	<u>436,723</u>	<u>2,921</u>
Special purpose funds:		
Bilingual education	271	-
Virtual education	1,866	-
Capital outlay	2,657,984	-
Driver training	21,577	-
Food service	75,050	-
Professional development	21,584	270
Special education	454,445	-
Vocational education	50,183	-
At-risk (4 year old)	67	-
At-risk (K-12)	2,013	-
KPERs special retirement contribution	-	-
Recreation commission	-	-
Recreation commission employee benefits	-	-
Non-budgeted special purpose funds:		
Title II-A	-	-
Gift	11,141	-
Title I-A	-	-
Title I-migrant	-	-
Holowach estate	600,622	-
Health council	6,728	-
Contingency reserve	686,918	-
Student materials	99,833	-
Title III ESL	-	-
District activity funds	<u>36,632</u>	<u>-</u>
Total special purpose funds	<u>4,726,914</u>	<u>270</u>
Bond and interest fund:		
Bond and interest	<u>505,177</u>	<u>-</u>
Total Unified School District No. 363	<u>5,668,814</u>	<u>3,191</u>

<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 6,698,263	\$ 6,698,259	\$ 4	\$ 312,754	\$ 312,758
1,779,255	2,150,000	68,899	17,718	86,617
<u>8,477,518</u>	<u>8,848,259</u>	<u>68,903</u>	<u>330,472</u>	<u>399,375</u>
192,200	192,298	173	11,290	11,463
5,933	7,799	-	-	-
908,208	355,473	3,210,719	203,922	3,414,641
15,157	12,922	23,812	6,365	30,177
603,226	597,905	80,371	14,327	94,698
38,150	35,129	24,875	3,989	28,864
794,821	774,862	474,404	-	474,404
184,960	182,915	52,228	24,090	76,318
73,080	71,522	1,625	4,865	6,490
860,200	857,012	5,201	22,045	27,246
452,946	452,946	-	-	-
408,266	408,266	-	-	-
112,740	112,740	-	-	-
24,450	24,450	-	2,329	2,329
2,628	2,140	11,629	-	11,629
187,233	187,233	-	25,858	25,858
47,175	47,175	-	6,912	6,912
1,317	4,500	597,439	-	597,439
-	-	6,728	-	6,728
-	-	686,918	-	686,918
77,782	93,643	83,972	59,348	143,320
11,285	11,285	-	10,346	10,346
142,308	150,878	28,062	-	28,062
<u>5,144,065</u>	<u>4,583,093</u>	<u>5,288,156</u>	<u>395,686</u>	<u>5,683,842</u>
517	-	505,694	-	505,694
<u>13,622,100</u>	<u>13,431,352</u>	<u>5,862,753</u>	<u>726,158</u>	<u>6,588,911</u>

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

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

For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>
Related municipal entity:		
Holcomb Recreation Commission:		
General	\$ 932,773	\$ -
Special purpose fund:		
Employee benefits	<u>65,667</u>	<u>-</u>
Total related municipal entity	<u>998,440</u>	<u>-</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 6,667,254</u></u>	<u><u>\$ 3,191</u></u>
Composition of cash:		
U.S.D. No. 363 accounts:		
Demand deposits		
Certificates of deposit		
Agency funds		
Total Unified School District No. 363 (excluding agency funds)		
Related municipal entity:		
Holcomb Recreation Commission:		
Demand deposits		
Total municipal financial reporting entity (excluding agency funds)		

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

<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 657,079	\$ 646,582	\$ 943,270	\$ 5,853	\$ 949,123
<u>112,740</u>	<u>120,754</u>	<u>57,653</u>	<u>10,393</u>	<u>68,046</u>
<u>769,819</u>	<u>767,336</u>	<u>1,000,923</u>	<u>16,246</u>	<u>1,017,169</u>
<u>\$ 14,391,919</u>	<u>\$ 14,198,688</u>	<u>\$ 6,863,676</u>	<u>\$ 742,404</u>	<u>\$ 7,606,080</u>
				\$ 5,954,820
				<u>750,000</u>
				6,704,820
				<u>(115,909)</u>
				6,588,911
				<u>1,017,169</u>
				<u>\$ 7,606,080</u>

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2017

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. 363 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 363 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Holcomb 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, 2017:

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.

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

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (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 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 fiscal 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 the year ended June 30, 2017.

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, agency funds, and the following special purpose funds:

Gift
Holowach estate
Health council

Contingency reserve
Student materials
District activity 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.

5. In-Substance Receipt in Transit

The District received \$406,898 subsequent to June 30, 2017 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2017.

B. DEPOSITS AND INVESTMENTS

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of 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.

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, 2017.

At June 30, 2017, the District's carrying amount of deposits was \$6,704,820 and the bank balance was \$6,755,784. Of the bank balance, \$500,000 was covered by federal depository insurance, \$6,255,784 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

C. OPERATING LEASE

The District entered into a three-year operating lease agreement for two copiers in August 2015. Rental payments for the current year totaled \$10,308.

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

2018	\$ 8,722
2019	<u>1,586</u>
Total	<u>\$ 10,308</u>

D. 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 through March 31, 2016 with a 0% moratorium until June 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 16.00% and 10.91%, respectively, for the fiscal year ended June 30, 2016. The actuarially determined employer contribution rate and the statutory contribution rate was 16.03% and 10.81%, respectively, for the fiscal year ended June 30, 2017. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$452,946 for the year ended June 30, 2017.

D. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

At June 30, 2017, the District's proportionate share of the collective net pension liability reported by KPERS was \$8,185,244. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2016. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

E. 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 this financial statement.

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

Section 125 Plan. The District offers a Section 125 Flexible Benefit Plan to employees electing to participate. It is used for unreimbursed medical and dependent care expenses. The plan is administered by an independent company.

Compensated Absences. The District's policy is to recognize the costs of compensated absences when actually paid. District policies address vacation for employees on twelve-month contracts and sick leave for all full-time employees. Employees on twelve-month contracts receive two weeks of vacation per year. After an employee has worked for the District for five years, they receive an additional day of vacation for each year until they receive a maximum of fifteen days of vacation. The Superintendent's vacation is noted in her contract and is normally twenty days. Vacation may be accumulated to twice the employee's annual allotment and if not used it will be lost. Upon retirement, termination, or resignation, the District pays for any accumulated vacation days. Certified employees on salary receive fifteen days of sick leave annually. Classified employees receive one sick day per month worked. An employee may not carry over more than one hundred sick days from year to year. Policies permit unused sick leave to be reimbursed if the employee has been with the District for more than fifteen years and retires or resigns at the end of the school year. The District pays for accumulated sick leave at a rate of \$1.00 per day per year of service. After twenty five years of service the rate increases to \$1.50 per day per year of service.

The potential liability for vacation and sick leave for the years ended June 30, 2017 and 2016 was \$112,060 and \$91,659, respectively.

F. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	Virtual education fund	\$ 5,933	K.S.A. 72-6428
General fund	KPERS special retirement contribution fund	452,946	K.S.A. 72-6428
General fund	Special education fund	<u>782,285</u>	K.S.A. 72-6428
Total general fund		<u>1,241,164</u>	
Supplemental general fund	At-risk (4 year old) fund	54,400	K.S.A. 72-6433
Supplemental general fund	At-risk (K-12) fund	860,200	K.S.A. 72-6433
Supplemental general fund	Bilingual education fund	192,200	K.S.A. 72-6433
Supplemental general fund	Food service fund	110,000	K.S.A. 72-6433
Supplemental general fund	Professional development fund	38,150	K.S.A. 72-6433
Supplemental general fund	Special education fund	12,536	K.S.A. 72-6433
Supplemental general fund	Vocational education fund	<u>184,960</u>	K.S.A. 72-6433
Total supplemental general fund		<u>1,452,446</u>	
Total operating transfers		<u>\$ 2,693,610</u>	

G. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District 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.

H. 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 this financial statement.

I. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 30, 2018, the date on which the financial statement was available to be used. Management's evaluation concluded that the following subsequent event is required to be recognized or disclosed in this financial statement:

A bond issue was passed in November of 2017 for renovations to district facilities not to exceed \$4,040,000. The bonds were issued on December 28, 2017 with an interest rate of 3.00% with a final maturity date of September 1, 2033.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

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

For the Year Ended June 30, 2017

<u>Fund</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	\$ 7,106,349	\$ (408,090)	\$ 6,698,259	\$ 6,698,259	\$ -
Supplemental general	2,150,000	-	2,150,000	2,150,000	-
Special purpose funds:					
Bilingual education	215,271	-	215,271	192,298	22,973
Virtual education	32,799	-	32,799	7,799	25,000
Capital outlay	3,795,126	-	3,795,126	355,473	3,439,653
Driver training	18,707	-	18,707	12,922	5,785
Food service	672,529	-	672,529	597,905	74,624
Professional development	56,000	-	56,000	35,129	20,871
Special education	870,781	-	870,781	774,862	95,919
Vocational education	199,971	-	199,971	182,915	17,056
At-risk (4 year old)	74,067	-	74,067	71,522	2,545
At-risk (K-12)	857,013	-	857,013	857,012	1
KPERS special retirement contribution	671,438	-	671,438	452,946	218,492
Recreation commission	427,390	-	427,390	408,266	19,124
Recreation commission employee benefits	117,000	-	117,000	112,740	4,260
	<u>17,264,441</u>	<u>(408,090)</u>	<u>16,856,351</u>	<u>12,910,048</u>	<u>3,946,303</u>
Related municipal entity:					
Holcomb Recreation Commission:					
General	1,532,000	-	1,532,000	646,582	885,418
Special purpose fund: Employee benefits	189,667	-	189,667	120,754	68,913
	<u>1,721,667</u>	<u>-</u>	<u>1,721,667</u>	<u>767,336</u>	<u>954,331</u>
	<u>\$ 18,986,108</u>	<u>\$ (408,090)</u>	<u>\$ 18,578,018</u>	<u>\$ 13,677,384</u>	<u>\$ 4,900,634</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

GENERAL FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
In lieu of tax	\$ -	\$ 4,019	\$ -	\$ 4,019
Interest	3,925	5,604	4,500	1,104
State sources:				
State aid	5,649,396	5,645,249	5,650,249	(5,000)
Special education aid	497,963	514,072	560,162	(46,090)
Mineral production tax	68,670	48,385	195,000	(146,615)
KPERS aid	478,548	452,946	671,438	(218,492)
Miscellaneous	-	27,988	25,000	2,988
Total receipts	<u>6,698,502</u>	<u>6,698,263</u>	<u>\$ 7,106,349</u>	<u>\$ (408,086)</u>
Expenditures:				
Instruction	3,100,024	3,008,746	\$ 3,152,938	\$ 144,192
Student support services	18,420	19,181	15,509	(3,672)
Instructional support staff	103,322	111,664	121,246	9,582
General administration	289,554	273,146	281,537	8,391
School administration	554,704	559,463	570,502	11,039
Central services	293,231	295,426	286,372	(9,054)
Operations and maintenance	903,669	849,821	840,226	(9,595)
Student transportation services:				
Supervision	28,751	30,397	28,707	(1,690)
Vehicle operating services	205,559	199,833	239,676	39,843
Vehicle and maintenance services	108,803	109,418	93,551	(15,867)
Operating transfers	1,092,465	1,241,164	1,476,085	234,921
Adjustment to comply with legal maximum budget	<u>-</u>	<u>-</u>	<u>(408,090)</u>	<u>(408,090)</u>
Total expenditures	<u>6,698,502</u>	<u>6,698,259</u>	<u>\$ 6,698,259</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	4		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 4</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

SUPPLEMENTAL GENERAL FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	\$ 2,003,179	\$ 1,706,009	\$ 1,674,084	\$ 31,925
Delinquent	18,712	9,578	26,226	(16,648)
Motor vehicle	48,840	59,269	59,296	(27)
Recreational vehicle	863	1,256	973	283
In lieu of tax	-	3,143	-	3,143
State sources:				
Extraordinary needs	386,010	-	-	-
Total receipts	<u>2,457,604</u>	<u>1,779,255</u>	<u>\$ 1,760,579</u>	<u>\$ 18,676</u>
Expenditures:				
Instruction	119,494	60,129	\$ 66,000	\$ 5,871
Student support services	47,815	48,337	53,682	5,345
Central services	581	-	1,000	1,000
Student transportation services	157,541	-	-	-
Operations and maintenance	759,538	589,088	652,660	63,572
Operating transfers	<u>1,065,031</u>	<u>1,452,446</u>	<u>1,376,658</u>	<u>(75,788)</u>
Total expenditures	<u>2,150,000</u>	<u>2,150,000</u>	<u>\$ 2,150,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	307,604	(370,745)		
Unencumbered cash, beginning of year	128,785	436,723		
Prior year canceled encumbrances	<u>334</u>	<u>2,921</u>		
Unencumbered cash, end of year	<u>\$ 436,723</u>	<u>\$ 68,899</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

BILINGUAL EDUCATION FUND

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

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from supplemental general	\$ 189,000	\$ 192,200	\$ 210,000	\$ (17,800)
Other	4,515	-	5,000	(5,000)
Total receipts	193,515	192,200	<u>\$ 215,000</u>	<u>\$ (22,800)</u>
Expenditures:				
Instruction	206,496	192,298	<u>\$ 215,271</u>	<u>\$ 22,973</u>
Receipts over (under) expenditures	(12,981)	(98)		
Unencumbered cash, beginning of year	13,252	271		
Unencumbered cash, end of year	<u>\$ 271</u>	<u>\$ 173</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from general	\$ 10,080	\$ 5,933	\$ 10,933	\$ (5,000)
Other	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>
Total receipts	10,080	5,933	<u>\$ 30,933</u>	<u>\$ (25,000)</u>
Expenditures:				
Instruction	<u>8,214</u>	<u>7,799</u>	<u>\$ 32,799</u>	<u>\$ 25,000</u>
Receipts over (under) expenditures	1,866	(1,866)		
Unencumbered cash, beginning of year	<u>-</u>	<u>1,866</u>		
Unencumbered cash, end of year	<u>\$ 1,866</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

CAPITAL OUTLAY FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	\$ 1,023,118	\$ 864,652	\$ 849,710	\$ 14,942
Delinquent	12,910	5,017	13,392	(8,375)
Motor vehicle	26,336	36,066	35,898	168
Recreational vehicle	461	762	590	172
In lieu of tax		1,593	-	1,593
Miscellaneous	23,316	118	24,000	(23,882)
Transfer from general	-	-	213,552	(213,552)
Total receipts	<u>1,086,141</u>	<u>908,208</u>	<u>\$ 1,137,142</u>	<u>\$ (228,934)</u>
Expenditures:				
Instruction	27,581	69,701	\$ 133,200	\$ 63,499
Student support services	685	-	80,000	80,000
Instructional support staff	800	4,310	15,000	10,690
General administration	-	1,585	10,000	8,415
School administration	19,304	-	20,000	20,000
Central services	-	-	5,000	5,000
Operations and maintenance	8,998	29,211	70,000	40,789
Transportation	95,769	130,404	108,000	(22,404)
Facility acquisition and construction services	<u>955,444</u>	<u>120,262</u>	<u>3,353,926</u>	<u>3,233,664</u>
Total expenditures	<u>1,108,581</u>	<u>355,473</u>	<u>\$ 3,795,126</u>	<u>\$ 3,439,653</u>
Receipts over (under) expenditures	(22,440)	552,735		
Unencumbered cash, beginning of year	2,678,119	2,657,984		
Prior year canceled encumbrances	<u>2,305</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 2,657,984</u>	<u>\$ 3,210,719</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

DRIVER TRAINING FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ 4,284	\$ 7,552	\$ 5,850	\$ 1,702
Other	8,951	7,605	9,500	(1,895)
Total receipts	13,235	15,157	\$ 15,350	\$ (193)
Expenditures:				
Instruction	15,567	12,922	\$ 18,207	\$ 5,285
Operations and maintenance - transportation	-	-	500	500
Total expenditures	15,567	12,922	\$ 18,707	\$ 5,785
Receipts over (under) expenditures	(2,332)	2,235		
Unencumbered cash, beginning of year	23,909	21,577		
Unencumbered cash, end of year	\$ 21,577	\$ 23,812		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

FOOD SERVICE FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ 348,164	\$ 353,417	\$ 367,896	\$ (14,479)
State aid	5,209	5,179	5,200	(21)
Charges for services	141,460	130,967	152,261	(21,294)
Other	457	3,663	500	3,163
Transfer from general	63,105	-	20,000	(20,000)
Transfer from supplemental general	-	110,000	55,000	55,000
Total receipts	558,395	603,226	<u>\$ 600,857</u>	<u>\$ 2,369</u>
Expenditures:				
Food service operations	596,315	597,905	<u>\$ 672,529</u>	<u>\$ 74,624</u>
Receipts over (under) expenditures	(37,920)	5,321		
Unencumbered cash, beginning of year	112,970	75,050		
Unencumbered cash, end of year	<u>\$ 75,050</u>	<u>\$ 80,371</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Other	\$ 500	\$ -	\$ 300	\$ (300)
Transfer from supplemental general	-	38,150	35,000	3,150
Total receipts	500	38,150	<u>\$ 35,300</u>	<u>\$ 2,850</u>
Expenditures:				
Instructional support staff	27,352	35,129	<u>\$ 56,000</u>	<u>\$ 20,871</u>
Receipts over (under) expenditures	(26,852)	3,021		
Unencumbered cash, beginning of year	48,429	21,584		
Prior year canceled encumbrances	7	270		
Unencumbered cash, end of year	<u>\$ 21,584</u>	<u>\$ 24,875</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

SPECIAL EDUCATION FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Other	\$ 5,557	\$ -	\$ -	\$ -
Transfer from general	497,963	782,285	560,162	222,123
Transfer from supplemental general	-	12,536	-	12,536
Total receipts	503,520	794,821	\$ 560,162	\$ 234,659
Expenditures:				
Instruction	747,637	770,127	\$ 865,611	\$ 95,484
Vehicle operating services	2,098	4,735	2,670	(2,065)
Vehicle services	-	-	2,500	2,500
Total expenditures	749,735	774,862	\$ 870,781	\$ 95,919
Receipts over (under) expenditures	(246,215)	19,959		
Unencumbered cash, beginning of year	700,660	454,445		
Unencumbered cash, end of year	\$ 454,445	\$ 474,404		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

VOCATIONAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from general	\$ 42,769	\$ -	\$ -	\$ -
Transfer from supplemental general	72,031	184,960	150,000	34,960
Total receipts	114,800	184,960	<u>\$ 150,000</u>	<u>\$ 34,960</u>
Expenditures:				
Instruction	170,533	182,915	<u>\$ 199,971</u>	<u>\$ 17,056</u>
Receipts over (under) expenditures	(55,733)	2,045		
Unencumbered cash, beginning of year	105,916	50,183		
Unencumbered cash, end of year	<u>\$ 50,183</u>	<u>\$ 52,228</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

AT-RISK (4 YEAR OLD) FUND

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

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Pre-school fees	\$ 14,601	\$ 18,680	\$ 15,000	\$ 3,680
Transfer from supplemental general	47,800	54,400	59,000	(4,600)
Total receipts	62,401	73,080	<u>\$ 74,000</u>	<u>\$ (920)</u>
Expenditures:				
Instruction	70,624	71,522	<u>\$ 74,067</u>	<u>\$ 2,545</u>
Receipts over (under) expenditures	(8,223)	1,558		
Unencumbered cash, beginning of year	8,290	67		
Unencumbered cash, end of year	<u>\$ 67</u>	<u>\$ 1,625</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

AT-RISK (K-12) FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from supplemental general	\$ 756,200	\$ 860,200	\$ 855,000	\$ 5,200
Expenditures:				
Instruction	652,996	688,928	\$ 688,552	\$ (376)
Student support services	167,004	168,084	168,461	377
Total expenditures	820,000	857,012	\$ 857,013	\$ 1
Receipts over (under) expenditures	(63,800)	3,188		
Unencumbered cash, beginning of year	65,813	2,013		
Unencumbered cash, end of year	\$ 2,013	\$ 5,201		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ 478,548	\$ 452,946	\$ 671,438	\$ (218,492)
Expenditures:				
Instruction	302,937	283,710	\$ 424,253	\$ 140,543
Student support services	15,713	15,096	21,807	6,711
Instructional support staff	5,644	5,512	7,850	2,338
General administration	17,019	16,373	24,130	7,757
School administration	39,370	37,775	56,465	18,690
Central services	20,804	19,720	29,234	9,514
Operations and maintenance	45,320	43,536	62,393	18,857
Student transportation services	15,762	15,798	24,039	8,241
Food service operations	15,979	15,426	21,267	5,841
Total expenditures	478,548	452,946	\$ 671,438	\$ 218,492
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

RECREATION COMMISSION FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	\$ 460,383	\$ 389,185	\$ 382,310	\$ 6,875
Delinquent	5,247	2,311	6,027	(3,716)
Motor vehicle	13,450	15,721	15,661	60
Recreational vehicle	237	332	258	74
In lieu of taxes	-	717	-	717
Other	-	-	23,134	(23,134)
Total receipts	479,317	408,266	<u>\$ 427,390</u>	<u>\$ (19,124)</u>
Expenditures:				
Community service operations	479,317	408,266	<u>\$ 427,390</u>	<u>\$ 19,124</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

RECREATION COMMISSION EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	\$ 107,709	\$ 108,137	\$ 105,744	\$ 2,393
Delinquent	1,466	528	1,410	(882)
Motor vehicle	2,137	3,796	3,778	18
Recreational vehicle	37	80	62	18
In lieu of taxes	-	199	-	199
Other	-	-	6,006	(6,006)
Total receipts	111,349	112,740	<u>\$ 117,000</u>	<u>\$ (4,260)</u>
Expenditures:				
Community service operations	111,349	112,740	<u>\$ 117,000</u>	<u>\$ 4,260</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2017

	<u>Title II-A</u>	<u>Gift</u>	<u>Title I-A</u>	<u>Title I- migrant</u>
Receipts:				
Federal aid	\$ 24,450	\$ -	\$ 187,233	\$ 47,175
Interest	-	-	-	-
Rental fees and books	-	-	-	-
Other grants and donations	-	2,628	-	-
	<u>24,450</u>	<u>2,628</u>	<u>187,233</u>	<u>47,175</u>
Total receipts	<u>24,450</u>	<u>2,628</u>	<u>187,233</u>	<u>47,175</u>
Expenditures:				
Instruction	24,450	2,140	181,093	47,175
Instructional support staff	-	-	-	-
Central services	-	-	6,140	-
Scholarships	-	-	-	-
	<u>24,450</u>	<u>2,140</u>	<u>187,233</u>	<u>47,175</u>
Total expenditures	<u>24,450</u>	<u>2,140</u>	<u>187,233</u>	<u>47,175</u>
Receipts over (under) expenditures	-	488	-	-
Unencumbered cash, beginning of year	-	11,141	-	-
	<u>-</u>	<u>11,141</u>	<u>-</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 11,629</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report.

Holowach estate	Health council	Contingency reserve	Student materials	Title III ESL	Total
\$ -	\$ -	\$ -	\$ -	\$ 11,285	\$ 270,143
1,317	-	-	-	-	1,317
-	-	-	77,782	-	77,782
-	-	-	-	-	2,628
1,317	-	-	77,782	11,285	351,870
-	-	-	93,643	10,745	359,246
-	-	-	-	540	540
-	-	-	-	-	6,140
4,500	-	-	-	-	4,500
4,500	-	-	93,643	11,285	370,426
(3,183)	-	-	(15,861)	-	(18,556)
600,622	6,728	686,918	99,833	-	1,405,242
<u>\$ 597,439</u>	<u>\$ 6,728</u>	<u>\$ 686,918</u>	<u>\$ 83,972</u>	<u>\$ -</u>	<u>\$ 1,386,686</u>

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

BOND AND INTEREST FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	\$ 10	\$ -	\$ -	\$ -
Delinquent	(2,611)	514	-	514
Motor vehicle	16,284	3	-	3
Recreational vehicle	302	-	-	-
Total receipts	13,985	517	\$ -	\$ 517
Expenditures:				
Debt service:				
Principal	-	-	\$ -	\$ -
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	\$ -	\$ -
Receipts over (under) expenditures	13,985	517		
Unencumbered cash, beginning of year	491,192	505,177		
Unencumbered cash, end of year	\$ 505,177	\$ 505,694		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

DISTRICT ACTIVITY FUNDS

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

For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
Gate receipts:						
High school:						
Gate receipts	\$ 2,223	\$ 39,060	\$ 40,256	\$ 1,027	\$ -	\$ 1,027
Activities director	232	2,718	2,642	308	-	308
Subtotal high school	<u>2,455</u>	<u>41,778</u>	<u>42,898</u>	<u>1,335</u>	<u>-</u>	<u>1,335</u>
Middle school:						
Gate receipts	474	109	190	393	-	393
Athletic director	88	-	-	88	-	88
Subtotal middle school	<u>562</u>	<u>109</u>	<u>190</u>	<u>481</u>	<u>-</u>	<u>481</u>
Subtotal gate receipts	<u>3,017</u>	<u>41,887</u>	<u>43,088</u>	<u>1,816</u>	<u>-</u>	<u>1,816</u>
School projects:						
High school:						
Fees	-	19,583	19,583	-	-	-
National Honor Society	2	200	171	31	-	31
Yearbook	21,469	14,450	22,032	13,887	-	13,887
Concession	6,044	35,173	35,813	5,404	-	5,404
All sports tournament	1,349	14,689	13,166	2,872	-	2,872
Holcomb coaches	2,966	2,326	3,702	1,590	-	1,590
Subtotal high school	<u>31,830</u>	<u>86,421</u>	<u>94,467</u>	<u>23,784</u>	<u>-</u>	<u>23,784</u>
Middle school:						
Fees	-	6,727	6,727	-	-	-
Morning stepper	190	-	50	140	-	140
MS concessions	1,595	7,273	6,546	2,322	-	2,322
Subtotal middle school	<u>1,785</u>	<u>14,000</u>	<u>13,323</u>	<u>2,462</u>	<u>-</u>	<u>2,462</u>
Subtotal school projects	<u>33,615</u>	<u>100,421</u>	<u>107,790</u>	<u>26,246</u>	<u>-</u>	<u>26,246</u>
Total district activity funds	<u>\$ 36,632</u>	<u>\$ 142,308</u>	<u>\$ 150,878</u>	<u>\$ 28,062</u>	<u>\$ -</u>	<u>\$ 28,062</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds:				
High school:				
Class of 2015	\$ 382	\$ -	\$ -	\$ 382
Class of 2016	724	-	-	724
Class of 2017	2,503	-	1,309	1,194
CBI SB	1,113	580	300	1,393
Art club	-	1,558	823	735
JAG	742	2,786	745	2,783
Girls basketball	-	373	345	28
Class of 2018	-	6,437	5,202	1,235
FFA	23,697	41,704	32,785	32,616
FCCLA	2,194	7,912	8,532	1,574
Chorus	4,496	3,720	6,326	1,890
Band	1,044	2,865	1,517	2,392
Boys golf fundraiser	-	2,052	745	1,307
Girls golf fundraiser	75	1,908	834	1,149
RIA metal	1,325	-	45	1,280
Drama club	4,524	1,539	1,597	4,466
Cheerleaders	1,693	-	1,693	-
Dance	709	325	433	601
Bowling fundraiser	1,882	1,862	1,418	2,326
Gifted resource	1,185	-	1,126	59
Photo journalism	228	-	-	228
Odyssey of the Mind	4,418	-	-	4,418
CBI EB	1,137	580	500	1,217
Student council	3,413	5,633	4,879	4,167
KAY club	975	7,186	5,827	2,334
Book club	1,029	4,459	5,179	309
Class of 2012	345	-	-	345
Class of 2014	185	-	-	185
Class of 2011	379	-	-	379
Volleyball fundraiser	-	1,125	1,125	-
Football fundraiser	9	-	-	9
Leadership program	669	-	-	669
HALO	2,420	4,103	5,882	641
Student activity fund	1,737	4,057	4,675	1,119
SADD	2,060	2,952	3,620	1,392
Forensics	1,110	416	399	1,127
Science club	1,980	5,393	4,382	2,991
Cross country	165	200	-	365
Baseball fundraiser	637	1,685	1,939	383
Wrestling fundraiser	1,118	1,755	2,622	251
Boys basketball fundraiser	25	1,576	1,533	68
Softball fundraiser	91	387	-	478
Foreign language	6,752	-	-	6,752
Subtotal high school	79,170	117,128	108,337	87,961

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2017

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds (continued):				
Middle school:				
Cheerleaders	\$ -	\$ 120	\$ -	\$ 120
Student council	1,443	2,466	2,445	1,464
HMS art club	-	360	180	180
Middle school kay club	511	3,732	2,811	1,432
W.A.W.	1,707	4,398	4,133	1,972
HMS band	-	244	244	-
7th grade class	3	-	-	3
A.R. reading	269	48	-	317
Middle school math	39	-	-	39
Poetry slam	30	-	-	30
National history day	262	1,280	1,208	334
MS track club	-	495	-	495
	<u>-</u>	<u>495</u>	<u>-</u>	<u>495</u>
Subtotal middle school	<u>4,264</u>	<u>13,143</u>	<u>11,021</u>	<u>6,386</u>
Elementary school:				
2nd grade teacher	97	-	-	97
Elementary fun	-	6,890	1,167	5,723
Elementary music	-	2,388	1,642	746
Elementary STUCO	4,359	566	1,893	3,032
Elementary craft fair	542	-	-	542
5th grade special projects	4,917	4,285	2,726	6,476
Elementary PTO book fair	-	10,874	6,134	4,740
	<u>-</u>	<u>10,874</u>	<u>6,134</u>	<u>4,740</u>
Subtotal elementary school	<u>9,915</u>	<u>25,003</u>	<u>13,562</u>	<u>21,356</u>
Total student organization funds	<u>93,349</u>	<u>155,274</u>	<u>132,920</u>	<u>115,703</u>
Clearing funds:				
High school sales tax	45	9,834	9,683	195
Middle school sales tax	55	919	963	11
	<u>100</u>	<u>10,752</u>	<u>10,646</u>	<u>206</u>
Total clearing funds	<u>100</u>	<u>10,752</u>	<u>10,646</u>	<u>206</u>
Total agency funds	<u>\$ 93,449</u>	<u>\$ 166,026</u>	<u>\$ 143,566</u>	<u>\$ 115,909</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

**HOLCOMB RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

GENERAL FUND

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

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Appropriation from Unified				
School District No. 363	\$ 479,317	\$ 408,266	\$ 410,000	\$ (1,734)
Program fees	51,385	83,872	45,000	38,872
Wellness center	62,017	80,050	60,000	20,050
Reimbursements	11,307	19,448	10,000	9,448
Interest	435	542	758	(216)
Donations	6,300	5,500	6,000	(500)
Miscellaneous	141	17	-	17
Pool	42,259	39,612	45,000	(5,388)
Rent	16,495	12,505	17,000	(4,495)
Special events	4,818	6,045	5,000	1,045
Transfer from employee benefits	12,266	1,222	-	1,222
Total receipts	<u>686,740</u>	<u>657,079</u>	<u>\$ 598,758</u>	<u>\$ 58,321</u>
Expenditures:				
Advertising	1,319	662	\$ 3,500	\$ 2,838
Capital outlay	12,241	38,030	825,000	786,970
Communications	8,567	8,374	9,000	626
Insurance	32,854	31,456	40,000	8,544
Janitorial	2,612	3,340	4,000	660
Maintenance	19,823	24,029	32,000	7,971
Office	22,093	21,378	24,000	2,622
Pool	26,847	25,442	36,000	10,558
Payroll	351,091	347,979	385,000	37,021
Professional dues and permits	1,506	1,300	2,000	700
Professional fees	6,017	6,155	7,500	1,345
Programs	35,619	55,360	45,000	(10,360)
Refunds	6,886	8,370	10,000	1,630
Travel and training	3,759	4,655	15,000	10,345
Utilities	42,243	46,833	50,000	3,167
Vehicle expense	6,859	6,528	12,000	5,472
Wellness center	15,915	15,544	22,000	6,456
Miscellaneous	603	1,147	-	(1,147)
Transfer to employee benefits	-	-	10,000	10,000
Total expenditures	<u>596,854</u>	<u>646,582</u>	<u>\$ 1,532,000</u>	<u>\$ 885,418</u>
Receipts over (under) expenditures	89,886	10,497		
Unencumbered cash, beginning of year	<u>842,887</u>	<u>932,773</u>		
Unencumbered cash, end of year	<u>\$ 932,773</u>	<u>\$ 943,270</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS**

**HOLCOMB RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

EMPLOYEE BENEFITS FUND

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

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Appropriation from Unified				
School District No. 363	\$ 111,349	\$ 112,740	\$ 114,000	\$ (1,260)
Transfer from general	-	-	10,000	(10,000)
Total receipts	111,349	112,740	\$ 124,000	\$ (11,260)
Expenditures:				
Employee benefits	124,702	119,532	\$ 189,667	\$ 70,135
Transfer to general	12,266	1,222	-	(1,222)
Total expenditures	136,968	120,754	\$ 189,667	\$ 68,913
Receipts over (under) expenditures	(25,619)	(8,014)		
Unencumbered cash, beginning of year	91,286	65,667		
Unencumbered cash, end of year	\$ 65,667	\$ 57,653		

See Independent Auditor's Report.