

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

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

YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

Page

Independent Auditor's Report.....	1
-----------------------------------	---

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	14

Schedule 2	
Schedule of Receipts and Expenditures	

General Funds

2-1 General Fund.....	15
2-2 Supplemental General Fund	16

Special Purpose Funds

2-3 Capital Outlay Fund.....	17
2-4 Driver Training Fund	18
2-5 At-Risk (K-12) Fund	19
2-6 Food Service Fund	20
2-7 Professional Development Fund	21
2-8 At-Risk (4 year old) Fund	22
2-9 Special Education Fund.....	23
2-10 Vocational Education Fund	24
2-11 Parents as Teachers Fund.....	25
2-12 Bilingual Fund	26
2-13 Recreation Commission Fund.....	27
2-14 Recreation Commission Special Liability Fund	28
2-15 KPERS Retirement Contributions Fund	29
2-16 Non-Budgeted Special Purpose Funds.....	30

Trust Funds

2-17 Trust Funds	31
------------------------	----

Business Fund

2-18 Special Reserve Fund	32
---------------------------------	----

Schedule 3	
Schedule of Receipts, Expenditures and Unencumbered Cash – District Activity Funds.....	33

Schedule 4	
Schedule of Receipts and Disbursements – Agency Funds	34

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. 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, 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 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, 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 Unified School District No. 215 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, and the schedule 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.

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and was not a required part of the 2016 basic financial statement upon which we rendered an unmodified opinion dated March 20, 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>. 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 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

February 9, 2018

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

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

For the Year Ended June 30, 2017

<u>Funds</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ 172	\$ 4,947,488
Supplemental general	<u>268,025</u>	<u>-</u>	<u>1,396,527</u>
Total general funds	<u>268,025</u>	<u>172</u>	<u>6,344,015</u>
Special purpose funds:			
Capital outlay	344,934	-	446,916
Driver training	99,947	-	8,720
At-risk (K-12)	-	-	217,714
Food service	100,078	-	298,961
Professional development	50,000	-	-
At-risk (4 year old)	-	-	42,640
Special education	79,672	-	511,519
Vocational education	-	-	134,000
Parents as teachers	9,973	-	-
Bilingual	-	-	88,000
Recreation commission	108,068	-	113,079
Recreation commission special liability	46,824	-	62,499
KPERs retirement contributions	-	-	330,064
Contingency reserve	524,940	-	-
Textbook and student materials revolving	342,586	-	37,834
Gifts and grants	27,168	-	8,000
Title I	-	-	110,147
Title II, part A teacher quality	-	-	25,966
Federal REAP grant	33,703	-	33,358
Title III english language acquisition	1,173	-	11,149
Migrant program	10,529	-	127,500
Migrant family literacy grant	(4,076)	-	70,136
Marlin Krehbiel scholarship	82,526	-	1,735
District activity funds	<u>108,591</u>	<u>-</u>	<u>99,679</u>
Total special purpose funds	<u>1,966,636</u>	<u>-</u>	<u>2,779,616</u>
Trust funds:			
Vera P. Hutton scholarship	441,404	-	17,030
Clyde and Barbara Beymer scholarship	349,942	-	13,040
John and Elene Henderson scholarship	<u>106,850</u>	<u>-</u>	<u>1,491</u>
Total trust funds	<u>898,196</u>	<u>-</u>	<u>31,561</u>
Business fund:			
Special reserve	<u>901,503</u>	<u>-</u>	<u>542,067</u>
Total Unified School District No. 215 (excluding agency funds)	<u>\$ 4,034,360</u>	<u>\$ 172</u>	<u>\$ 9,697,259</u>

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 4,947,306	\$ 354	\$ 12,991	\$ 13,345
1,622,083	42,469	35,557	78,026
6,569,389	42,823	48,548	91,371
369,089	422,761	37,647	460,408
211	108,456	-	108,456
172,380	45,334	2,336	47,670
288,477	110,562	10	110,572
3,009	46,991	-	46,991
23,532	19,108	-	19,108
484,242	106,949	-	106,949
87,356	46,644	985	47,629
-	9,973	-	9,973
60,621	27,379	6	27,385
221,147	-	-	-
109,323	-	-	-
330,064	-	-	-
-	524,940	-	524,940
116,235	264,185	41,768	305,953
8,209	26,959	-	26,959
109,864	283	-	283
24,000	1,966	-	1,966
59,933	7,128	-	7,128
14,792	(2,470)	-	(2,470)
138,029	-	81	81
68,002	(1,942)	14	(1,928)
8,000	76,261	-	76,261
107,954	100,316	-	100,316
2,804,469	1,941,783	82,847	2,024,630
10,200	448,234	-	448,234
12,000	350,982	-	350,982
1,000	107,341	-	107,341
23,200	906,557	-	906,557
573,427	870,143	50,523	920,666
\$ 9,970,485	\$ 3,761,306	\$ 181,918	\$ 3,943,224

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

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

For the Year Ended June 30, 2017

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 215 accounts:	
Money market accounts	\$ 2,860,089
Demand deposits of activity funds	151,884
Marlin Krehbiel scholarship accounts:	
Money market account	40,586
Certificate of deposit	5,000
Investments	30,675
Vera P. Hutton scholarship accounts:	
Money market account	49,633
Certificate of deposit	5,000
Investments	393,601
Clyde and Barbara Beymer scholarship accounts:	
Money market account	33,511
Certificate of deposit	15,000
Investments	302,471
John and Elene Henderson scholarship accounts:	
Money market account	7,341
Certificate of deposit	100,000
	<hr/>
Total cash	3,994,791
Agency funds	(51,567)
	<hr/>
Total Unified School District No. 215 (excluding agency funds)	<u><u>\$ 3,943,224</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, 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. 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, 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.

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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 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, capital project 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 \$336,895 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. 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.

K.S.A. 9-1402 requires the District to obtain security for deposits held in financial institutions. At year end, the District had unsecured deposits in one financial institution of \$108,463.

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 the Migrant Family Literacy Grant and the 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, 2017, the District had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>
Municipal Securities	\$ 375,245	12/1/2017 – 08/1/2030	N/A
Federal Home Loan Bank	103,552	4/7/2021 – 2/12/2025	AA+
Government Funds	21,331	N/A	N/A
Corporate/Mortgage Funds	8,032		
Corporate Securities	40,525		
Exchange Traded FDS – ETFs	41,960		
Equity Investments	<u>197,540</u>		
	<u>\$ 788,185</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, 2017, is as follows:

<u>Investments</u>	<u>Percentage of investments</u>
Municipal Securities	48%
Federal Home Loan Bank	13%
Government Funds	3%
Corporate/Mortgage Funds	1%
Corporate Securities	5%
Exchange Traded FDS – ETFs Bonds	5%
Equity Investments	25%

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, 2017, the District's carrying amount of deposits was \$3,268,045 and the bank balance was \$3,178,165. Of the bank balance, \$436,489 was covered by federal depository insurance, \$2,633,213 was collateralized with securities held by the pledging financial institutions' agents in the District's name, and \$108,463 was unsecured.

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. 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 expires on July 31, 2022. The District has the option to extend the agreement for an additional five years upon notification.

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

Year ended June 30,

2018	\$ 24,000
2019	24,000
2020	24,000
2021	24,000
2022	24,000
2023	<u>2,000</u>
Total	<u>\$ 122,000</u>

E. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General fund	KPERS retirement contributions fund	\$ 330,064	K.S.A. 72-6428
General fund	Special education fund	<u>430,448</u>	K.S.A. 72-6428
Total general fund		<u>760,512</u>	
Supplemental general fund	Special education fund	81,071	K.S.A. 72-6433
Supplemental general fund	At risk (4 year-old) fund	25,000	K.S.A. 72-6433
Supplemental general fund	At risk (K-12) fund	217,714	K.S.A. 72-6433
Supplemental general fund	Vocational education fund	134,000	K.S.A. 72-6433
Supplemental general fund	Bilingual fund	<u>88,000</u>	K.S.A. 72-6433
Total supplemental general fund		<u>545,785</u>	
Total operating transfers		<u>\$ 1,306,297</u>	

F. 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.

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. For certified employees, pay for personal days is 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.

G. 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.

G. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 \$330,064 for the year ended June 30, 2017.

Net Pension Liability

At June 30, 2017, the District's proportionate share of the collective net pension liability reported by KPERS was \$6,368,877. 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 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 publically available on the website at www.kpers.org or can be obtained as described above.

H. 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 KERMIP, a public entity risk pool currently operating as a common risk management and insurance program for 16 participating members.

H. RISK MANAGEMENT (CONTINUED)

The District pays an annual premium to KERMIP 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 KERMIP 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 KERMIP 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>
2016	\$ 30,898	\$ 520,174	\$ 518,990	\$ 32,082
2017	32,082	555,018	536,577	50,523

I. 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, 2017.

J. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 9, 2018, 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, 2017

<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	\$ 5,224,434	\$ (277,128)	\$ 4,947,306	\$ 4,947,306	\$ -
Supplemental general	1,622,083	-	1,622,083	1,622,083	-
Special purpose funds:					
Capital outlay	793,421	-	793,421	369,089	424,332
Driver training	146,125	-	146,125	211	145,914
At-risk (K-12)	350,000	-	350,000	172,380	177,620
Food service	427,879	-	427,879	288,477	139,402
Professional development	156,493	-	156,493	3,009	153,484
At-risk (4 year old)	150,000	-	150,000	23,532	126,468
Special education	540,818	-	540,818	484,242	56,576
Vocational education	200,000	-	200,000	87,356	112,644
Parents as teachers	9,973	-	9,973	-	9,973
Bilingual	220,000	-	220,000	60,621	159,379
Recreation commission	242,371	-	242,371	221,147	21,224
Recreation commission special liability	110,000	-	110,000	109,323	677
KPERS retirement contributions	556,255	-	556,255	330,064	226,191
	<u>\$ 10,749,852</u>	<u>\$ (277,128)</u>	<u>\$ 10,472,724</u>	<u>\$ 8,718,840</u>	<u>\$ 1,753,884</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Current tax	\$ -	\$ 182	\$ -	\$ 182
State sources:				
State aid	4,248,179	4,251,911	4,248,179	3,732
Special education aid	343,590	320,802	370,000	(49,198)
KPERS aid	340,816	330,064	556,255	(226,191)
Mineral production tax	41,772	44,529	50,000	(5,471)
Total receipts	<u>4,974,357</u>	<u>4,947,488</u>	<u>\$ 5,224,434</u>	<u>\$ (276,946)</u>
Expenditures:				
Instruction	2,903,542	2,981,979	\$ 2,252,500	\$ (729,479)
Student support services	70,628	26,363	71,600	45,237
Instructional support staff	3,587	2,178	4,650	2,472
General administration	236,008	258,478	427,700	169,222
School administration	353,999	514,623	515,200	577
Operations and maintenance	236,448	160,620	238,350	77,730
Student transportation services:				
Vehicle operating services	125,674	136,628	133,650	(2,978)
Vehicle and maintenance services	69,606	105,925	75,300	(30,625)
Operating transfers	974,865	760,512	1,505,484	744,972
Adjustment to comply with legal maximum budget	-	-	(277,128)	(277,128)
Total expenditures	<u>4,974,357</u>	<u>4,947,306</u>	<u>\$ 4,947,306</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	182		
Unencumbered cash, beginning of year	-	-		
Prior year canceled encumbrances	-	172		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 354</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 33,088	\$ 27,040	\$ 59,533	\$ (32,493)
Current tax	1,321,161	1,302,273	1,215,925	86,348
Delinquent tax	18,280	6,246	10,517	(4,271)
Motor vehicle tax and recreational vehicle tax	52,024	60,918	68,905	(7,987)
State extraordinary needs aid	291,146	-	-	-
Other	6,335	50	-	50
Total receipts	<u>1,722,034</u>	<u>1,396,527</u>	<u>\$ 1,354,880</u>	<u>\$ 41,647</u>
Expenditures:				
Instruction	424,866	311,694	\$ 75,000	\$ (236,694)
Student support services	4,790	1,745	-	(1,745)
General administration	210,072	203,049	250,000	46,951
School administration	28,650	49,100	6,500	(42,600)
Operations and maintenance	445,580	501,258	470,750	(30,508)
Student transportation services:				
Vehicle and maintenance services	-	9,452	-	(9,452)
Operating transfers	508,125	545,785	819,833	274,048
Total expenditures	<u>1,622,083</u>	<u>1,622,083</u>	<u>\$ 1,622,083</u>	<u>\$ -</u>
Receipts over (under) expenditures	99,951	(225,556)		
Unencumbered cash, beginning of year	166,395	268,025		
Prior year canceled encumbrances	<u>1,679</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 268,025</u>	<u>\$ 42,469</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 14,192	\$ 11,837	\$ 30,899	\$ (19,062)
Current tax	580,795	384,083	369,009	15,074
Delinquent tax	10,381	3,089	4,660	(1,571)
Motor vehicle tax and recreational vehicle tax	31,262	29,528	33,812	(4,284)
Other	14,073	18,379	10,100	8,279
Transfer from general fund	24,519	-	-	-
Total receipts	<u>675,222</u>	<u>446,916</u>	<u>\$ 448,480</u>	<u>\$ (1,564)</u>
Expenditures:				
Instruction	-	15,334	\$ -	\$ (15,334)
General administration	1,877	-	-	-
School administration	736	2,713	-	(2,713)
Operations and maintenance	345	5,926	-	(5,926)
Transportation	-	80,434	100,000	19,566
Facility acquisition and construction services	439,996	264,682	693,421	428,739
Debt service:				
Principal	207,273	-	-	-
Interest	16,875	-	-	-
Total expenditures	<u>667,102</u>	<u>369,089</u>	<u>\$ 793,421</u>	<u>\$ 424,332</u>
Receipts over (under) expenditures	8,120	77,827		
Unencumbered cash, beginning of year	<u>336,814</u>	<u>344,934</u>		
Unencumbered cash, end of year	<u>\$ 344,934</u>	<u>\$ 422,761</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ 1,972	\$ 4,096	\$ 2,880	\$ 1,216
Other	4,730	4,624	-	4,624
Transfer from supplemental general fund	-	-	50,000	(50,000)
Total receipts	6,702	8,720	\$ 52,880	\$ (44,160)
Expenditures:				
Instruction	15,103	92	\$ 8,000	\$ 7,908
Operations and maintenance	-	-	138,125	138,125
Student transportation services:				
Vehicle and maintenance services	16	119	-	(119)
Total expenditures	15,119	211	\$ 146,125	\$ 145,914
Receipts over (under) expenditures	(8,417)	8,509		
Unencumbered cash, beginning of year	108,364	99,947		
Unencumbered cash, end of year	\$ 99,947	\$ 108,456		

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, 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	\$ 100,097	\$ -	\$ 250,000	\$ (250,000)
Transfer from supplemental general fund	200,000	217,714	100,000	117,714
Total receipts	300,097	217,714	<u>\$ 350,000</u>	<u>\$ (132,286)</u>
Expenditures:				
Instruction	300,097	172,380	<u>\$ 350,000</u>	<u>\$ 177,620</u>
Receipts over (under) expenditures	-	45,334		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 45,334</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Charges for services	\$ 83,729	\$ 86,902	\$ 72,774	\$ 14,128
Interest	6,736	17,313	-	17,313
Federal aid	182,239	191,537	175,707	15,830
State aid	3,003	3,209	2,569	640
Transfer from supplemental general fund	55,004	-	76,751	(76,751)
Total receipts	330,711	298,961	\$ 327,801	\$ (28,840)
Expenditures:				
Operations and maintenance	880	1,042	\$ 1,000	\$ (42)
Food service operations	293,280	287,435	426,879	139,444
Total expenditures	294,160	288,477	\$ 427,879	\$ 139,402
Receipts over (under) expenditures	36,551	10,484		
Unencumbered cash, beginning of year	63,527	100,078		
Unencumbered cash, end of year	\$ 100,078	\$ 110,562		

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, 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	\$ 58,631	\$ -	\$ 6,493	\$ (6,493)
Transfer from supplemental general fund	35,000	-	100,000	(100,000)
Total receipts	93,631	-	\$ 106,493	\$ (106,493)
Expenditures:				
Instruction	15,091	404	\$ -	\$ (404)
Instructional support staff	20,260	2,605	136,493	133,888
Central services	9,320	-	20,000	20,000
Total expenditures	44,671	3,009	\$ 156,493	\$ 153,484
Receipts over (under) expenditures	48,960	(3,009)		
Unencumbered cash, beginning of year	1,040	50,000		
Unencumbered cash, end of year	\$ 50,000	\$ 46,991		

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, 2017

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Other	\$ -	\$ 17,640	\$ -	\$ 17,640
Transfer from general fund	3,076	-	50,000	(50,000)
Transfer from supplemental general fund	20,000	25,000	100,000	(75,000)
Total receipts	23,076	42,640	<u>\$ 150,000</u>	<u>\$ (107,360)</u>
Expenditures:				
Instruction	23,208	23,532	<u>\$ 150,000</u>	<u>\$ 126,468</u>
Receipts over (under) expenditures	(132)	19,108		
Unencumbered cash, beginning of year	-	-		
Prior year canceled encumbrances	132	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 19,108</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, 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	\$ 407,876	\$ 430,448	\$ 377,736	\$ 52,712
Transfer from supplemental general fund	23,121	81,071	163,082	(82,011)
Total receipts	430,997	511,519	<u>\$ 540,818</u>	<u>\$ (29,299)</u>
Expenditures:				
Instruction	517,525	484,242	<u>\$ 540,818</u>	<u>\$ 56,576</u>
Receipts over (under) expenditures	(86,528)	27,277		
Unencumbered cash, beginning of year	166,200	79,672		
Unencumbered cash, end of year	<u>\$ 79,672</u>	<u>\$ 106,949</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 215
LAKIN, 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)

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from general fund	\$ 16,302	\$ -	\$ 125,000	\$ (125,000)
Transfer from supplemental general fund	<u>50,000</u>	<u>134,000</u>	<u>75,000</u>	<u>59,000</u>
Total receipts	66,302	134,000	<u>\$ 200,000</u>	<u>\$ (66,000)</u>
Expenditures:				
Instruction	<u>74,209</u>	<u>87,356</u>	<u>\$ 200,000</u>	<u>\$ 112,644</u>
Receipts over (under) expenditures	(7,907)	46,644		
Unencumbered cash, beginning of year	7,500	-		
Prior year canceled encumbrances	<u>407</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 46,644</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Student support services	-	-	\$ 9,973	\$ 9,973
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	9,973	9,973		
Unencumbered cash, end of year	\$ 9,973	\$ 9,973		

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, 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	\$ 23,548	\$ -	\$ 140,000	\$ (140,000)
Transfer from supplemental general fund	125,000	88,000	80,000	8,000
Total receipts	148,548	88,000	<u>\$ 220,000</u>	<u>\$ (132,000)</u>
Expenditures:				
Instruction	148,548	60,621	<u>\$ 220,000</u>	<u>\$ 159,379</u>
Receipts over (under) expenditures	-	27,379		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 27,379</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, 2017

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

		2017		
	2016	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 6,429	\$ 6,165	\$ 19,106	\$ (12,941)
Current tax	302,887	88,902	93,934	(5,032)
Delinquent tax	5,857	1,665	2,453	(788)
Motor vehicle tax and recreational vehicle tax	17,844	16,347	18,840	(2,493)
Total receipts	333,017	113,079	<u>\$ 134,333</u>	<u>\$ (21,254)</u>
Expenditures:				
Community service operations	247,501	221,147	<u>\$ 242,371</u>	<u>\$ 21,224</u>
Receipts over (under) expenditures	85,516	(108,068)		
Unencumbered cash, beginning of year	22,552	108,068		
Unencumbered cash, end of year	<u>\$ 108,068</u>	<u>\$ -</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, 2017

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

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,902	\$ 2,651	\$ 4,823	\$ (2,172)
Current tax	129,219	54,411	51,978	2,433
Delinquent tax	1,283	548	1,021	(473)
Motor vehicle tax and recreational vehicle tax	4,101	4,889	5,361	(472)
Total receipts	136,505	62,499	<u>\$ 63,183</u>	<u>\$ (684)</u>
Expenditures:				
Community service operations	89,681	109,323	<u>\$ 110,000</u>	<u>\$ 677</u>
Receipts over (under) expenditures	46,824	(46,824)		
Unencumbered cash, beginning of year	-	46,824		
Unencumbered cash, end of year	<u>\$ 46,824</u>	<u>\$ -</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, 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	\$ 340,816	\$ 330,064	\$ 556,255	\$ (226,191)
Expenditures:				
Instruction	252,203	246,805	\$ 411,628	\$ 164,823
Student support services	3,408	3,838	5,563	1,725
Instructional support staff	3,408	2,022	5,563	3,541
General administration	20,449	18,103	33,375	15,272
School administration	20,449	20,699	33,375	12,676
Operations and maintenance	20,449	20,251	33,375	13,124
Student transportation services	10,225	9,211	16,688	7,477
Food service operations	10,225	9,135	16,688	7,553
Total expenditures	340,816	330,064	\$ 556,255	\$ 226,191
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, 2017

	Contingency reserve	Textbook and student materials revolving	Gifts and grants	Title I	Title II part A teacher quality
Receipts:					
Rental fees and books	\$ -	\$ 37,834	\$ -	\$ -	\$ -
Federal aid	-	-	-	110,147	25,966
Interest	-	-	-	-	-
Contributions and donations	-	-	8,000	-	-
Total receipts	-	37,834	8,000	110,147	25,966
Expenditures:					
Instruction	-	116,235	8,209	109,864	24,000
Student support services	-	-	-	-	-
Instructional support staff	-	-	-	-	-
Scholarships	-	-	-	-	-
Total expenditures	-	116,235	8,209	109,864	24,000
Receipts over (under) expenditures	-	(78,401)	(209)	283	1,966
Unencumbered cash (deficit), beginning of year	524,940	342,586	27,168	-	-
Unencumbered cash (deficit), end of year	\$ 524,940	\$ 264,185	\$ 26,959	\$ 283	\$ 1,966

See Independent Auditor's Report.

Federal REAP grant	Title III english language acquisition	Migrant program	Migrant family literacy grant	Marlin Krehbiel scholarship	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,834
33,358	11,149	127,500	70,136	-	378,256
-	-	-	-	1,735	1,735
-	-	-	-	-	8,000
<u>33,358</u>	<u>11,149</u>	<u>127,500</u>	<u>70,136</u>	<u>1,735</u>	<u>425,825</u>
59,933	14,792	137,391	68,002	-	538,426
-	-	615	-	-	615
-	-	23	-	-	23
-	-	-	-	8,000	8,000
<u>59,933</u>	<u>14,792</u>	<u>138,029</u>	<u>68,002</u>	<u>8,000</u>	<u>547,064</u>
(26,575)	(3,643)	(10,529)	2,134	(6,265)	(121,239)
<u>33,703</u>	<u>1,173</u>	<u>10,529</u>	<u>(4,076)</u>	<u>82,526</u>	<u>1,018,549</u>
<u>\$ 7,128</u>	<u>\$ (2,470)</u>	<u>\$ -</u>	<u>\$ (1,942)</u>	<u>\$ 76,261</u>	<u>\$ 897,310</u>

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

TRUST FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2017

	<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	\$ 16,605	\$ 13,040	\$ 1,491	\$ 31,136
Other	425	-	-	425
	<u>17,030</u>	<u>13,040</u>	<u>1,491</u>	<u>31,561</u>
Total receipts				
Expenditures:				
Scholarships	<u>10,200</u>	<u>12,000</u>	<u>1,000</u>	<u>23,200</u>
Receipts over (under) expenditures	6,830	1,040	491	8,361
Unencumbered cash, beginning of year	<u>441,404</u>	<u>349,942</u>	<u>106,850</u>	<u>898,196</u>
Unencumbered cash, end of year	<u>\$ 448,234</u>	<u>\$ 350,982</u>	<u>\$ 107,341</u>	<u>\$ 906,557</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, 2017
(With Comparative Actual Totals for the Prior Year Ended June 30, 2016)

	<u>2016</u>	<u>2017</u>
Receipts:		
Charges for services	\$ 587,426	\$ 542,067
Expenditures:		
General administration	<u>549,706</u>	<u>573,427</u>
Receipts over (under) expenditures	37,720	(31,360)
Unencumbered cash, beginning of year	<u>863,783</u>	<u>901,503</u>
Unencumbered cash, end of year	<u><u>\$ 901,503</u></u>	<u><u>\$ 870,143</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, 2017

<u>Funds</u>	Beginning unencumbered cash balance	Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
Gate receipts:						
High school	\$ 27,885	\$ 11,432	\$ 14,432	\$ 24,885	\$ -	\$ 24,885
Middle school	228	7,160	7,388	-	-	-
Subtotal gate receipts	28,113	18,592	21,820	24,885	-	24,885
School projects:						
High school:						
Student purchases	2,954	2,102	2,461	2,595	-	2,595
Concessions	13,484	29,710	30,418	12,776	-	12,776
Band	3,030	3,791	3,946	2,875	-	2,875
Drama	2,638	200	470	2,368	-	2,368
Special education	2,307	330	968	1,669	-	1,669
Vocal	7,613	3,141	2,438	8,316	-	8,316
Yearbook	4,253	16,269	10,243	10,279	-	10,279
Fees	14,429	3,633	2,444	15,618	-	15,618
Subtotal high school	50,708	59,176	53,388	56,496	-	56,496
Middle school:						
Library	429	324	399	354	-	354
Interrelated	1,369	330	-	1,699	-	1,699
Class fees	4,508	325	-	4,833	-	4,833
Subtotal middle school	6,306	979	399	6,886	-	6,886
Elementary school:						
School picture/yearbook	1,986	920	1,794	1,112	-	1,112
T-shirts	106	629	168	567	-	567
Library	76	3,523	3,685	(86)	-	(86)
KOC	3,953	660	763	3,850	-	3,850
Miscellaneous	3,355	697	1,838	2,214	-	2,214
Community kids club	5,692	2,287	6,350	1,629	-	1,629
Student activity and field trips	6,755	12,216	17,449	1,522	-	1,522
Recycle fund	1,035	-	-	1,035	-	1,035
Memorial fund	185	-	-	185	-	185
Student council	321	-	300	21	-	21
Subtotal elementary	23,464	20,932	32,347	12,049	-	12,049
Subtotal school projects	80,478	81,087	86,134	75,431	-	75,431
Total district activity funds	\$ 108,591	\$ 99,679	\$ 107,954	\$ 100,316	\$ -	\$ 100,316

See Independent Auditor's Report.

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

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2017

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds:				
High school:				
Cheerleaders	\$ 1,476	\$ 478	\$ 115	\$ 1,839
Senior class	4,161	5,170	4,967	4,364
Junior class	-	9,596	9,596	-
National honor society	187	-	-	187
Spanish club	2,261	381	117	2,525
Student council	4,456	10,316	11,273	3,499
Weight club	385	47	110	322
FCA	1,898	1,566	2,485	979
Cross country team	1,295	-	258	1,037
Scholar bowl club	1,120	540	476	1,184
Baseball team	270	1,401	1,021	650
Basketball team - boys	5,431	1,524	4,186	2,769
Basketball team - girls	707	1,516	1,651	572
Golf team	800	2,062	2,136	726
Science club	-	82	-	82
Softball team	1,055	1,936	2,503	488
Volleyball	353	758	357	754
Football team	393	16,935	15,995	1,333
Math class	50	12	26	36
Chemistry	106	-	-	106
Wrestling team	1,092	2,363	2,707	748
History club	100	17,895	8,386	9,609
Econ class	118	-	-	118
Track team	165	1,442	1,607	-
Subtotal high school	27,879	76,020	69,972	33,927
Middle school:				
Volleyball team	4	-	-	4
Cross country team	29	-	-	29
Boys basketball team	328	1,020	150	1,198
Girls basketball team	94	344	-	438
Wrestling team	148	9,018	8,055	1,111
Cheerleading	1,107	325	389	1,043
Track team	187	-	-	187
Football team	-	100	-	100
STUCO	-	1,017	443	574
Fifth grade	102	2,889	2,294	697
Sixth grade	1,018	1,640	1,330	1,328
7th & 8th social studies	702	-	100	602
FCA	1,980	908	405	2,483
Ducks in a row	5,474	3,577	4,275	4,776
Friends of Rachel	774	1,757	1,255	1,276
Student incentive	400	-	-	400
Box tops	1,112	342	-	1,454
Subtotal middle school	13,459	22,937	18,696	17,700
Subtotal student organization funds	41,338	98,957	88,668	51,627
Clearing funds:				
Sales tax:				
High school	-	8,081	8,081	-
Middle school	-	957	957	-
Elementary school	-	919	979	(60)
Subtotal clearing funds	-	9,957	10,017	(60)
Total agency funds	\$ 41,338	\$ 108,914	\$ 98,685	\$ 51,567

See Independent Auditor's Report.