

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

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

**YEAR ENDED JUNE 30, 2019**

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## TABLE OF CONTENTS

Page

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

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

### REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1	
Summary of Expenditures – Actual and Budget .....	15

Schedule 2	
Schedule of Receipts and Expenditures	

#### General Funds

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

#### Special Purpose Funds

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

#### Trust Funds

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

#### Business Fund

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

Schedule 4	
Summary of Receipts and Disbursements – Agency Funds.....	35

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 215, as of and for the year ended June 30, 2019, 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, 2019, 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, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

## **Other Matters**

### **Supplementary Information**

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 215 as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated February 8, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2019 (Schedule 2 as listed in the table of contents) is also presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 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 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2018, on the basis of accounting described in Note A.

*Kennedy McKee & Company LLP*

February 3, 2020

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

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

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
<b>General funds:</b>			
General	\$ 3,184	\$ 6,855	\$ 4,993,976
Supplemental general	167,047	1,699	1,666,659
Total general funds	<u>170,231</u>	<u>8,554</u>	<u>6,660,635</u>
<b>Special purpose funds:</b>			
Capital outlay	798,373	-	859,644
Driver training	70,345	-	9,708
At-risk (K-12)	-	-	255,000
Food service	162,677	-	349,746
Professional development	3,080	-	87,782
At-risk (4-year-old)	14,130	-	17,100
Special education	91,551	-	598,997
Career and postsecondary education	101,311	-	150,000
Parents as teachers	4,603	-	-
Bilingual	12,439	-	62,000
Recreation commission	9,135	-	364,080
Recreation commission special liability	4,298	-	6,554
KPERS retirement contributions	-	-	440,642
Contingency reserve	524,940	-	-
Textbook and student materials revolving	239,666	3,245	95,058
Gifts and grants	27,346	159	42,641
Title I	(753)	-	98,267
Title IVA drug awareness	2,946	-	14,189
Title II, part A teacher quality	-	-	25,782
Federal REAP grant	9,771	-	58,616
Title III English language acquisition	(7,901)	-	10,271
Migrant program	(12,042)	-	132,272
Migrant family literacy grant	2,517	-	-
Marlin Krehbiel scholarship	70,337	-	1,492
Harold J. Waldrum scholarship	-	-	25,400
District activity funds	105,179	-	146,429
Total special purpose funds	<u>2,233,948</u>	<u>3,404</u>	<u>3,851,670</u>
<b>Trust funds:</b>			
Vera P. Hutton scholarship	456,941	-	23,444
Clyde and Barbara Beymer scholarship	351,435	-	17,964
John and Elene Henderson scholarship	107,891	-	2,192
Total trust funds	<u>916,267</u>	<u>-</u>	<u>43,600</u>
<b>Business fund:</b>			
Special reserve	714,742	-	51,083
Total Unified School District No. 215 (excluding agency funds)	<u>\$ 4,035,188</u>	<u>\$ 11,958</u>	<u>\$ 10,606,988</u>

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 4,993,976	\$ 10,039	\$ 13,118	\$ 23,157
1,614,135	221,270	16,474	237,744
<u>6,608,111</u>	<u>231,309</u>	<u>29,592</u>	<u>260,901</u>
721,345	936,672	54,440	991,112
6,713	73,340	-	73,340
252,295	2,705	-	2,705
430,908	81,515	-	81,515
47,257	43,605	-	43,605
26,495	4,735	-	4,735
546,714	143,834	-	143,834
151,870	99,441	2,819	102,260
-	4,603	-	4,603
55,589	18,850	-	18,850
367,000	6,215	-	6,215
4,298	6,554	-	6,554
440,642	-	-	-
-	524,940	-	524,940
108,797	229,172	18,840	248,012
32,789	37,357	1,800	39,157
97,755	(241)	-	(241)
12,597	4,538	-	4,538
25,797	(15)	-	(15)
64,674	3,713	4,345	8,058
2,602	(232)	-	(232)
119,586	644	-	644
750	1,767	-	1,767
8,000	63,829	-	63,829
-	25,400	-	25,400
151,533	100,075	-	100,075
<u>3,676,006</u>	<u>2,413,016</u>	<u>82,244</u>	<u>2,495,260</u>
13,875	466,510	-	466,510
15,000	354,399	-	354,399
2,500	107,583	-	107,583
<u>31,375</u>	<u>928,492</u>	<u>-</u>	<u>928,492</u>
<u>765,825</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 11,081,317</u>	<u>\$ 3,572,817</u>	<u>\$ 111,836</u>	<u>\$ 3,684,653</u>

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

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

For the Year Ended June 30, 2019

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 215 accounts:	
Money market accounts	\$ 2,566,857
Demand deposits of activity funds	169,245
Marlin Krehbiel scholarship accounts:	
Money market account	28,057
Certificate of deposit	5,000
Investments	30,772
Vera P. Hutton scholarship accounts:	
Money market account	44,596
Certificate of deposit	5,000
Investments	416,914
Clyde and Barbara Beymer scholarship accounts:	
Money market account	17,823
Certificate of deposit	15,000
Investments	321,576
John and Elene Henderson scholarship accounts:	
Money market account	7,583
Certificate of deposit	100,000
Harold J. Waldrum scholarship accounts	
Money market account	<u>25,400</u>
Total cash	3,753,823
Agency funds	<u>(69,170)</u>
Total Unified School District No. 215 (excluding agency funds)	<u><u>\$ 3,684,653</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, 2019

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, 2019:

REGULATORY BASIS FUND TYPES

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

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

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

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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

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

4. Budgetary Information

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

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

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

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

Contingency Reserve  
Gifts and Grants  
Harold J. Waldrum Scholarship

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 \$266,160 subsequent to June 30, 2019 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, 2019.

B. COMPLIANCE WITH KANSAS STATUTES

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. A portion of the District's investments of scholarship funds are not in accordance with the statute.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the Title I, Title II Part A Teacher Quality, and Title III English Language Acquisition grant funds overspent their cash balances, 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, 2019, the District had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>
Municipal Securities	\$ 296,639	5/21/21– 10/1/2031	N/A
Federal Home Loan Bank	60,308	6/9/2023 – 9/9/2024	AA+
Federal Farm Credit	26,414	4/7/2021 – 2/14/2025	AA+
Government Funds	32,393	N/A	N/A
Corporate/Mortgage Funds	99,758		
Corporate Securities	52,044		
Exchange Traded FDS – ETFs	35,684		
Equity Investments	<u>237,666</u>		
	<u>\$ 840,906</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. The rating of the District's investments is noted above.

*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, 2019, is as follows:

<u>Investments</u>	<u>Percentage of investments</u>
Municipal Securities	35%
Federal Home Loan Bank	7%
Federal Farm Credit	3%
Government Funds	4%
Corporate/Mortgage Funds	12%
Corporate Securities	6%
Exchange Traded FDS – ETFs Bonds	4%
Equity Investments	29%

*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.

### C. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2019, the District's carrying amount of deposits was \$2,984,561 and the bank balance was \$3,211,301. Of the bank balance, \$275,000 was covered by federal depository insurance, and \$2,936,301 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

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

### D. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2019 were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Capital lease:					
Kitchen equipment:					
Issued June 12, 2018					
In the amount of \$600,000					
At interest rates of 3.68%					
Maturing August 1, 2023	\$ 600,000	\$ -	\$ 108,853	\$ 491,147	\$ 24,485
iPads:					
Issued May 25, 2019					
In the amount of \$110,685					
At interest rates of 1.90%					
Maturing May 25, 2021	-	110,685	37,592	73,093	-
Total	<u>\$ 600,000</u>	<u>\$ 110,685</u>	<u>\$ 146,445</u>	<u>\$ 564,240</u>	<u>\$ 24,485</u>

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2020	\$ 93,634	\$ 10,627	\$ 104,261
2021	155,105	15,825	170,930
2022	122,711	10,628	133,339
2023	127,332	6,006	133,338
2024	65,458	1,211	66,669
Total	<u>\$ 564,240</u>	<u>\$ 44,297</u>	<u>\$ 608,537</u>

### E. OPERATING LEASE

The District 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 \$7,000. The agreement's initial term would have expired on July 31, 2022; however, the District terminated the agreement on October 15, 2018.

## F. CAPITAL PROJECTS

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

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

## G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General fund	Capital outlay fund	\$ 145,475	K.S.A. 72-5167
General fund	Special education fund	<u>373,997</u>	K.S.A. 72-5167
Total general fund		<u>519,472</u>	
Supplemental general fund	At-risk (K-12) fund	255,000	K.S.A. 72-5143
Supplemental general fund	Food service fund	6,074	K.S.A. 72-5143
Supplemental general fund	Professional development fund	87,782	K.S.A. 72-5143
Supplemental general fund	Special education fund	225,000	K.S.A. 72-5143
Supplemental general fund	Career and postsecondary education fund	150,000	K.S.A. 72-5143
Supplemental general fund	Bilingual fund	62,000	K.S.A. 72-5143
Supplemental general fund	Textbook and student materials revolving fund	<u>49,802</u>	K.S.A. 72-5143
Total supplemental general fund		<u>835,658</u>	
Total operating transfers		<u>\$ 1,355,130</u>	

## H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

*Death and disability other post-employment benefits.* As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2019.

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

*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 childcare 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. Certified employees also receive two additional personal days reduced by a \$110 per day substitute deduction. At year-end any unused personal days are added to sick leave to a maximum of fifty-eight days. When certain conditions are met, accumulated vacation time is paid to the employee upon termination, retirement or resignation. Certified employees retiring under KPERS are eligible to receive \$50 per day for accumulated sick leave, and classified employees retiring under KPERS are eligible to receive \$25 per day for accumulated sick leave.

## I. DEFINED BENEFIT PENSION PLAN

### General Information about the Pension Plan

*Plan description.* The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report, which can be found on the KPERS website at [www.kpers.org](http://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 and statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

## I. DEFINED BENEFIT PENSION PLAN (CONTINUED)

### General Information about the Pension Plan (Continued)

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year. The first-year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$440,642 for the year ended June 30, 2019.

### Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$6,029,462. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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, 2018. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

## J. 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; natural disasters; and 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.

J. RISK MANAGEMENT (CONTINUED)

The District had established an internal service fund to account for its medical self-insurance program and had entered into a partially self-funded agreement. This agreement allowed 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 covered individual and family claims in excess of \$50,000 and the District was also protected by an aggregate stop-loss protection provision, which limited its liability on total self-insurance claims for a contract period. Liabilities for unpaid claims were those claims that were unpaid at year end. Changes in the claims liability amount were 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>
2018	\$ 50,523	\$ 634,576	\$ 631,481	\$ 53,618
2019	53,618	712,207	765,825	-

K. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2019.

L. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 3, 2020, 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, 2019

Funds	Certified budget	Adjustment to comply with legal maximum budget	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General funds:					
General	\$ 5,213,747	\$ (219,771)	\$ 4,993,976	\$ 4,993,976	\$ -
Supplemental general	1,676,353	(62,218)	1,614,135	1,614,135	-
Special purpose funds:					
Capital outlay	1,348,462	-	1,348,462	721,345	627,117
Driver training	75,545	-	75,545	6,713	68,832
At-risk (K-12)	695,230	-	695,230	252,295	442,935
Food service	473,715	-	473,715	430,908	42,807
Professional development	53,080	-	53,080	47,257	5,823
At-risk (4 year old)	26,629	-	26,629	26,495	134
Special education	664,050	-	664,050	546,714	117,336
Career and postsecondary education	226,311	-	226,311	151,870	74,441
Parents as teachers	4,602	-	4,602	-	4,602
Bilingual	77,439	-	77,439	55,589	21,850
Recreation commission	367,000	-	367,000	367,000	-
Recreation commission special liability	4,298	-	4,298	4,298	-
KPERS retirement contributions	701,980	-	701,980	440,642	261,338
	<u>\$ 11,608,441</u>	<u>\$ (281,989)</u>	<u>\$ 11,326,452</u>	<u>\$ 9,659,237</u>	<u>\$ 1,667,215</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Current tax	\$ 146	\$ -	\$ -	\$ -
State sources:				
State aid	4,351,570	4,557,117	4,732,098	(174,981)
Special education aid	341,370	373,997	421,649	(47,652)
Mineral production tax	56,304	62,862	60,000	2,862
Total receipts	<u>4,749,390</u>	<u>4,993,976</u>	<u>\$ 5,213,747</u>	<u>\$ (219,771)</u>
Expenditures:				
Instruction	3,096,551	3,084,265	\$ 2,923,250	\$ (161,015)
Student support services	81,173	119,956	87,200	(32,756)
Instructional support staff	6,425	13,954	3,250	(10,704)
General administration	371,574	296,828	372,050	75,222
School administration	480,455	522,228	497,000	(25,228)
Operations and maintenance	127,128	193,995	145,747	(48,248)
Student transportation services:				
Vehicle operating services	131,698	157,223	136,750	(20,473)
Vehicle and maintenance services	109,547	86,055	98,500	12,445
Operating transfers	344,693	519,472	950,000	430,528
Adjustment to comply with legal maximum budget	-	-	(219,771)	(219,771)
Total expenditures	<u>4,749,244</u>	<u>4,993,976</u>	<u>\$ 4,993,976</u>	<u>\$ -</u>
Receipts over (under) expenditures	146	-		
Unencumbered cash, beginning of year	354	3,184		
Prior year canceled encumbrances	2,684	6,855		
Unencumbered cash, end of year	<u>\$ 3,184</u>	<u>\$ 10,039</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 35,804	\$ 28,916	\$ 81,091	\$ (52,175)
Current tax	1,246,019	1,450,550	1,260,028	190,522
Delinquent tax	10,355	10,692	9,222	1,470
Motor vehicle tax and recreational vehicle tax	80,634	101,605	96,850	4,755
State aid	297,652	74,896	77,783	(2,887)
Other	750	-	-	-
Total receipts	<u>1,671,214</u>	<u>1,666,659</u>	<u>\$ 1,524,974</u>	<u>\$ 141,685</u>
Expenditures:				
Instruction	416,434	99,015	\$ 86,353	\$ (12,662)
Student support services	8,207	747	-	(747)
Instructional support staff	-	323	-	(323)
General administration	68,280	61,169	100,000	38,831
School administration	58,541	17,128	5,000	(12,128)
Operations and maintenance	579,743	598,318	577,500	(20,818)
Student transportation services:				
Vehicle operating services	-	948	-	(948)
Vehicle and maintenance services	11,966	829	-	(829)
Operating transfers	412,954	835,658	907,500	71,842
Adjustment to comply with legal maximum budget	-	-	(62,218)	(62,218)
Total expenditures	<u>1,556,125</u>	<u>1,614,135</u>	<u>\$ 1,614,135</u>	<u>\$ -</u>
Receipts over (under) expenditures	115,089	52,524		
Unencumbered cash, beginning of year	42,469	167,047		
Prior year canceled encumbrances	<u>9,489</u>	<u>1,699</u>		
Unencumbered cash, end of year	<u>\$ 167,047</u>	<u>\$ 221,270</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 10,579	\$ 11,444	\$ 38,033	\$ (26,589)
Current tax	494,166	545,678	474,497	71,181
Delinquent tax	3,808	4,126	3,709	417
Motor vehicle tax and recreational vehicle tax	30,298	34,484	32,242	2,242
Federal aid	14,309	57,699	-	57,699
State aid	21,615	-	-	-
Interest	-	17,058	-	17,058
Debt proceeds	600,000	-	-	-
Other	315	43,680	-	43,680
Transfer from general fund	-	145,475	-	145,475
Total receipts	<u>1,175,090</u>	<u>859,644</u>	<u>\$ 548,481</u>	<u>\$ 311,163</u>
Expenditures:				
Instruction	1,331	41,857	\$ 75,000	\$ 33,143
General administration	-	3,361	-	(3,361)
School administration	16,959	11,399	25,000	13,601
Operations and maintenance	7,608	34,586	123,462	88,876
Transportation	157,168	-	250,000	250,000
Facility acquisition and construction services	642,560	630,142	875,000	244,858
Total expenditures	<u>825,626</u>	<u>721,345</u>	<u>\$ 1,348,462</u>	<u>\$ 627,117</u>
Receipts over (under) expenditures	349,464	138,299		
Unencumbered cash, beginning of year	422,761	798,373		
Prior year canceled encumbrances	<u>26,148</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 798,373</u>	<u>\$ 936,672</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, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 5,248	\$ 4,998	\$ 5,200	\$ (202)
Other	<u>3,700</u>	<u>4,710</u>	<u>-</u>	<u>4,710</u>
Total receipts	<u>8,948</u>	<u>9,708</u>	<u>\$ 5,200</u>	<u>\$ 4,508</u>
Expenditures:				
Instruction	5,096	6,249	\$ 71,545	\$ 65,296
Vehicle and maintenance services	<u>41,963</u>	<u>464</u>	<u>4,000</u>	<u>3,536</u>
Total expenditures	<u>47,059</u>	<u>6,713</u>	<u>\$ 75,545</u>	<u>\$ 68,832</u>
Receipts over (under) expenditures	(38,111)	2,995		
Unencumbered cash, beginning of year	<u>108,456</u>	<u>70,345</u>		
Unencumbered cash, end of year	<u>\$ 70,345</u>	<u>\$ 73,340</u>		

See Independent Auditor's Report.

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

**AT-RISK (K-12) FUND**

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

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Transfer from general fund	\$ 3,323	\$ -	\$ 450,000	\$ (450,000)
Transfer from supplemental general fund	87,954	255,000	245,000	10,000
Total receipts	<u>91,277</u>	<u>255,000</u>	<u>\$ 695,000</u>	<u>\$ (440,000)</u>
Expenditures:				
Instruction	136,611	252,295	\$ 431,000	\$ 178,705
Student support services	-	-	117,500	117,500
Instructional support staff	-	-	119,500	119,500
School administration	-	-	27,230	27,230
Total expenditures	<u>136,611</u>	<u>252,295</u>	<u>\$ 695,230</u>	<u>\$ 442,935</u>
Receipts over (under) expenditures	(45,334)	2,705		
Unencumbered cash, beginning of year	<u>45,334</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 2,705</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Charges for services	\$ 87,853	\$ 101,283	\$ 83,229	\$ 18,054
Interest	43,165	27,114	25,000	2,114
Federal aid	207,643	211,951	200,105	11,846
State aid	3,318	3,324	2,704	620
Transfer from supplemental general fund	-	6,074	-	6,074
<b>Total receipts</b>	<b>341,979</b>	<b>349,746</b>	<b>\$ 311,038</b>	<b>\$ 38,708</b>
Expenditures:				
Operations and maintenance	136	135	\$ 42,750	\$ 42,615
Food service operations	289,728	430,773	430,965	192
<b>Total expenditures</b>	<b>289,864</b>	<b>430,908</b>	<b>\$ 473,715</b>	<b>\$ 42,807</b>
Receipts over (under) expenditures	52,115	(81,162)		
Unencumbered cash, beginning of year	110,562	162,677		
Unencumbered cash, end of year	<u>\$ 162,677</u>	<u>\$ 81,515</u>		

See Independent Auditor's Report.

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

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ 5,000	\$ -	\$ -	\$ -
State aid	-	-	5,937	(5,937)
Transfer from supplemental general fund	-	87,782	50,000	37,782
Total receipts	<u>5,000</u>	<u>87,782</u>	<u>\$ 55,937</u>	<u>\$ 31,845</u>
Expenditures:				
Instruction	19,552	32,116	\$ -	\$ (32,116)
Instructional support staff	29,359	15,141	46,350	31,209
Central services	-	-	6,730	6,730
Total expenditures	<u>48,911</u>	<u>47,257</u>	<u>\$ 53,080</u>	<u>\$ 5,823</u>
Receipts over (under) expenditures	(43,911)	40,525		
Unencumbered cash, beginning of year	<u>46,991</u>	<u>3,080</u>		
Unencumbered cash, end of year	<u>\$ 3,080</u>	<u>\$ 43,605</u>		

See Independent Auditor's Report.

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

AT-RISK (4-YEAR-OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Other	\$ 13,800	\$ 17,100	<u>\$ 12,500</u>	<u>\$ 4,600</u>
Expenditures:				
Instruction	<u>18,778</u>	<u>26,495</u>	<u>\$ 26,629</u>	<u>\$ 134</u>
Receipts over (under) expenditures	(4,978)	(9,395)		
Unencumbered cash, beginning of year	<u>19,108</u>	<u>14,130</u>		
Unencumbered cash, end of year	<u>\$ 14,130</u>	<u>\$ 4,735</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 2,379	\$ -	\$ -	\$ -
Transfer from general fund	341,370	373,997	450,000	(76,003)
Transfer from supplemental general fund	150,000	225,000	122,500	102,500
Total receipts	493,749	598,997	<u>\$ 572,500</u>	<u>\$ 26,497</u>
Expenditures:				
Instruction	509,147	546,714	<u>\$ 664,050</u>	<u>\$ 117,336</u>
Receipts over (under) expenditures	(15,398)	52,283		
Unencumbered cash, beginning of year	106,949	91,551		
Unencumbered cash, end of year	<u>\$ 91,551</u>	<u>\$ 143,834</u>		

See Independent Auditor's Report.

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

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Transfer from general fund	\$ -	\$ -	\$ 50,000	\$ (50,000)
Transfer from supplemental general fund	150,000	150,000	75,000	75,000
Total receipts	150,000	150,000	\$ 125,000	\$ 25,000
Expenditures:				
Instruction	96,050	151,870	\$ 194,000	\$ 42,130
Operations and maintenance	-	-	15,811	15,811
Student transportation services	-	-	16,500	16,500
Total expenditures	96,050	151,870	\$ 226,311	\$ 74,441
Receipts over (under) expenditures	53,950	(1,870)		
Unencumbered cash, beginning of year	46,644	101,311		
Prior year canceled encumbrances	717	-		
Unencumbered cash, end of year	\$ 101,311	\$ 99,441		

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, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ -	\$ -	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Student support services	<u>5,370</u>	<u>-</u>	<u>\$ 4,602</u>	<u>\$ 4,602</u>
Receipts over (under) expenditures	(5,370)	-		
Unencumbered cash, beginning of year	<u>9,973</u>	<u>4,603</u>		
Unencumbered cash, end of year	<u>\$ 4,603</u>	<u>\$ 4,603</u>		

See Independent Auditor's Report.

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

**BILINGUAL FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from supplemental general fund	\$ 25,000	\$ 62,000	<u>\$ 65,000</u>	<u>\$ (3,000)</u>
Expenditures:				
Instruction	<u>39,940</u>	<u>55,589</u>	<u>\$ 77,439</u>	<u>\$ 21,850</u>
Receipts over (under) expenditures	(14,940)	6,411		
Unencumbered cash, beginning of year	<u>27,379</u>	<u>12,439</u>		
Unencumbered cash, end of year	<u>\$ 12,439</u>	<u>\$ 18,850</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, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 2,464	\$ 5,640	\$ 23,420	\$ (17,780)
Current tax	246,482	344,155	296,567	47,588
Delinquent tax	1,449	1,859	1,854	5
Motor vehicle tax and recreational vehicle tax	12,740	12,426	11,056	1,370
Other	-	-	25,000	(25,000)
Total receipts	263,135	364,080	<u>\$ 357,897</u>	<u>\$ 6,183</u>
Expenditures:				
Community service operations	254,000	367,000	<u>\$ 367,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	9,135	(2,920)		
Unencumbered cash, beginning of year	-	9,135		
Unencumbered cash, end of year	<u>\$ 9,135</u>	<u>\$ 6,215</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,498	\$ 1,445	\$ 4,477	\$ (3,032)
Current tax	62,983	(89)	-	(89)
Delinquent tax	607	550	469	81
Motor vehicle tax and recreational vehicle tax	5,710	4,648	4,380	268
Other	-	-	3,640	(3,640)
Total receipts	70,798	6,554	<u>\$ 12,966</u>	<u>\$ (6,412)</u>
Expenditures:				
Community service operations	66,500	4,298	<u>\$ 4,298</u>	<u>\$ -</u>
Receipts over (under) expenditures	4,298	2,256		
Unencumbered cash, beginning of year	-	4,298		
Unencumbered cash, end of year	<u>\$ 4,298</u>	<u>\$ 6,554</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, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	<u>\$ 502,491</u>	<u>\$ 440,642</u>	<u>\$ 701,980</u>	<u>\$ (261,338)</u>
Expenditures:				
Instruction	381,893	331,302	\$ 525,000	\$ 193,698
Student support services	7,136	6,730	17,500	10,770
Instructional support staff	-	-	1,980	1,980
General administration	23,466	20,624	30,000	9,376
School administration	33,667	33,522	42,500	8,978
Operations and maintenance	31,908	27,324	45,000	17,676
Student transportation services	12,361	10,870	20,000	9,130
Food service operations	<u>12,060</u>	<u>10,270</u>	<u>20,000</u>	<u>9,730</u>
Total expenditures	<u>502,491</u>	<u>440,642</u>	<u>\$ 701,980</u>	<u>\$ 261,338</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

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, 2019

	<u>Contingency reserve</u>	<u>Textbook and student materials revolving</u>	<u>Gifts and grants</u>	<u>Title I</u>	<u>Title IVA drug awareness education</u>	<u>Title II part A teacher quality</u>
Receipts:						
Rental fees and books	\$ -	\$ 45,256	\$ -	\$ -	\$ -	\$ -
Federal aid	-	-	-	98,267	14,189	20,775
State aid	-	-	12,536	-	-	5,007
Interest	-	-	-	-	-	-
Contributions and donations	-	-	30,105	-	-	-
Transfer from supplemental general fund	-	49,802	-	-	-	-
Total receipts	<u>-</u>	<u>95,058</u>	<u>42,641</u>	<u>98,267</u>	<u>14,189</u>	<u>25,782</u>
Expenditures:						
Instruction	-	108,797	32,789	97,755	12,597	25,797
Scholarships	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>108,797</u>	<u>32,789</u>	<u>97,755</u>	<u>12,597</u>	<u>25,797</u>
Receipts over (under) expenditures	-	(13,739)	9,852	512	1,592	(15)
Unencumbered cash (deficit), beginning of year	524,940	239,666	27,346	(753)	2,946	-
Prior year canceled encumbrances	-	3,245	159	-	-	-
Unencumbered cash (deficit), end of year	<u>\$ 524,940</u>	<u>\$ 229,172</u>	<u>\$ 37,357</u>	<u>\$ (241)</u>	<u>\$ 4,538</u>	<u>\$ (15)</u>

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<u>Federal REAP grant</u>	<u>Title III English language acquisition</u>	<u>Migrant program</u>	<u>Migrant family literacy grant</u>	<u>Marlin Krehbiel scholarship</u>	<u>Harold J. Waldrum scholarship</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	45,256
58,616	10,271	132,272	-	-	-	334,390
-	-	-	-	-	-	17,543
-	-	-	-	1,492	100	1,592
-	-	-	-	-	25,300	55,405
-	-	-	-	-	-	49,802
<u>58,616</u>	<u>10,271</u>	<u>132,272</u>	<u>-</u>	<u>1,492</u>	<u>25,400</u>	<u>503,988</u>
64,674	2,602	119,586	750	-	-	465,347
-	-	-	-	8,000	-	8,000
<u>64,674</u>	<u>2,602</u>	<u>119,586</u>	<u>750</u>	<u>8,000</u>	<u>-</u>	<u>473,347</u>
(6,058)	7,669	12,686	(750)	(6,508)	25,400	30,641
9,771	(7,901)	(12,042)	2,517	70,337	-	856,827
-	-	-	-	-	-	3,404
<u>\$ 3,713</u>	<u>\$ (232)</u>	<u>\$ 644</u>	<u>\$ 1,767</u>	<u>\$ 63,829</u>	<u>\$ 25,400</u>	<u>\$ 890,872</u>

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

TRUST FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended June 30, 2019

	<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	\$ 23,444	\$ 17,964	\$ 2,192	\$ 43,600
Expenditures:				
Scholarships	<u>13,875</u>	<u>15,000</u>	<u>2,500</u>	<u>31,375</u>
Receipts over (under) expenditures	9,569	2,964	(308)	12,225
Unencumbered cash, beginning of year	<u>456,941</u>	<u>351,435</u>	<u>107,891</u>	<u>916,267</u>
Unencumbered cash, end of year	<u>\$ 466,510</u>	<u>\$ 354,399</u>	<u>\$ 107,583</u>	<u>\$ 928,492</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, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>
Receipts:		
Charges for services	\$ 476,091	\$ 33,445
Interest	-	17,638
	<u>476,091</u>	<u>51,083</u>
Total receipts		
Expenditures:		
General administration	<u>631,492</u>	<u>765,825</u>
Receipts over (under) expenditures	(155,401)	(714,742)
Unencumbered cash, beginning of year	<u>870,143</u>	<u>714,742</u>
Unencumbered cash, end of year	<u>\$ 714,742</u>	<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, 2019

<u>Funds</u>	Beginning unencumbered cash balance	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
High school	\$ 18,386	\$ 51,467	\$ 52,856	\$ 16,997	\$ -	\$ 16,997
Middle school	-	6,414	6,414	-	-	-
Subtotal gate receipts	<u>18,386</u>	<u>57,881</u>	<u>59,270</u>	<u>16,997</u>	<u>-</u>	<u>16,997</u>
School projects:						
High school:						
Student purchases	1,986	4,004	4,521	1,469	-	1,469
Concessions	12,859	26,633	29,373	10,119	-	10,119
Band	3,061	1,241	1,117	3,185	-	3,185
Drama	2,054	180	435	1,799	-	1,799
Special education	1,627	300	136	1,791	-	1,791
Vocal	7,517	3,579	3,249	7,847	-	7,847
Yearbook	17,250	4,084	13,860	7,474	-	7,474
Library	224	193	119	298	-	298
Fees	15,589	2,481	2,516	15,554	-	15,554
Subtotal high school	<u>62,167</u>	<u>42,695</u>	<u>55,326</u>	<u>49,536</u>	<u>-</u>	<u>49,536</u>
Middle school:						
Library	230	1,703	206	1,727	-	1,727
Interrelated	1,674	300	496	1,478	-	1,478
Class fees	4,389	-	4,389	-	-	-
Redesign	-	5,947	2,798	3,149	-	3,149
Bronc barn	-	1,644	824	820	-	820
Subtotal middle school	<u>6,293</u>	<u>9,594</u>	<u>8,713</u>	<u>7,174</u>	<u>-</u>	<u>7,174</u>
Elementary school:						
School picture/yearbook	2,710	790	2,576	924	-	924
T-shirts	592	-	-	592	-	592
Library	44	3,640	3,640	44	-	44
KOC	4,349	600	244	4,705	-	4,705
Miscellaneous	2,431	375	840	1,966	-	1,966
Community kids club	3,490	3,592	2,261	4,821	-	4,821
Student activity and field trips	3,476	27,262	18,642	12,096	-	12,096
Recycle fund	1,035	-	-	1,035	-	1,035
Memorial fund	185	-	-	185	-	185
Student council	21	-	21	-	-	-
Subtotal elementary	<u>18,333</u>	<u>36,259</u>	<u>28,224</u>	<u>26,368</u>	<u>-</u>	<u>26,368</u>
Subtotal school projects	<u>86,793</u>	<u>88,548</u>	<u>92,263</u>	<u>83,078</u>	<u>-</u>	<u>83,078</u>
Total district activity funds	<u>\$ 105,179</u>	<u>\$ 146,429</u>	<u>\$ 151,533</u>	<u>\$ 100,075</u>	<u>\$ -</u>	<u>\$ 100,075</u>

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 215  
LAKIN, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds:				
High school:				
Art club	\$ -	\$ 28	\$ -	\$ 28
Cheerleaders	2,062	255	514	1,803
Senior class	4,247	176	4,120	303
Junior class	-	13,942	8,079	5,863
National honor society	187	-	-	187
Spanish club	2,233	128	604	1,757
Student council	3,366	6,982	9,080	1,268
Weight club	400	-	150	250
FCA	497	2,541	2,583	455
Cross country team	941	661	1,104	498
Scholar bowl club	1,405	660	497	1,568
Basketball team - boys	1	4,585	4,432	154
Basketball team - girls	1,850	-	1,831	19
Golf team	593	1,279	1,032	840
Science club	34	-	-	34
Softball team	1,667	1,299	1,632	1,334
Volleyball	887	713	485	1,115
Football team	2,381	710	2,370	721
Math class	41	470	-	511
English class	586	-	39	547
Career class	237	938	601	574
Chemistry	106	-	-	106
Wrestling team	1,669	3,715	4,203	1,181
History club	153	9,130	3,916	5,367
Track team	116	197	-	313
FFA	1,025	7,670	6,102	2,593
Trap shooting	1,676	800	997	1,479
The stampede	26,020	53,778	59,367	20,431
Dance team	1,243	627	1,090	780
Broncs brew	762	3,276	3,476	562
Subtotal high school	<u>56,385</u>	<u>114,560</u>	<u>118,304</u>	<u>52,641</u>

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

**AGENCY FUNDS**

**SUMMARY OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS**

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Middle school:				
Volleyball team	\$ 4	\$ -	\$ -	\$ 4
Cross country team	29	-	-	29
Boys basketball team	1,221	-	679	542
Girls basketball team	516	-	201	315
Wrestling team	799	-	-	799
Cheerleading	1,145	160	4	1,301
Track team	135	-	-	135
Football team	100	-	-	100
Team uniform	228	-	-	228
STUCO	1,046	1,794	1,409	1,431
Fifth grade	743	4,315	4,026	1,032
Sixth grade	1,696	1,520	1,098	2,118
7th & 8th social studies	602	-	-	602
FCA	3,157	614	510	3,261
Ducks in a row	2,166	2,980	3,288	1,858
Friends of Rachel	1,264	774	986	1,052
Student incentive	400	-	-	400
Box tops	1,347	176	201	1,322
	<u>16,598</u>	<u>12,333</u>	<u>12,402</u>	<u>16,529</u>
Subtotal middle school				
Subtotal student organization funds	<u>72,983</u>	<u>126,893</u>	<u>130,706</u>	<u>69,170</u>
Clearing funds:				
Sales tax:				
High school	-	10,691	10,691	-
Middle school	-	537	537	-
Elementary school	(101)	326	225	-
	<u>(101)</u>	<u>11,554</u>	<u>11,453</u>	<u>-</u>
Subtotal clearing funds				
Total agency funds	<u>\$ 72,882</u>	<u>\$ 138,447</u>	<u>\$ 142,159</u>	<u>\$ 69,170</u>

See Independent Auditor's Report.