

**UNIFIED SCHOOL DISTRICT NO. 230**

**Spring Hill, Kansas**

**Financial Statements**

**For the Year Ended June 30, 2019**

UNIFIED SCHOOL DISTRICT NO. 230  
 Financial Statements  
 For the Year Ended June 30, 2019

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Unified School District No. 230  
Spring Hill, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 230, Spring Hill, Kansas (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statement

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2019, or the respective changes in financial position and cash flows, where applicable, 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 balance of the District 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 1.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, and the schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity 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 statements, however, are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the financial statements. 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole, on the basis of accounting described in Note 1.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Other Matter*

The 2018 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2018 basic financial statement upon which we rendered an unmodified opinion dated December 3, 2018. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://da.ks.gov/ar/muniserv/>. 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 statements. The 2018 comparative information was subjected to auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statements 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 presented in all material respects in relation to the 2018 basic financial statements as a whole, on the basis of accounting described in Note 1.

*Mize Houser & Company PA*

Certified Public Accountants

Lawrence, KS  
November 25, 2019

UNIFIED SCHOOL DISTRICT NO. 230  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ -	\$ -	\$ 25,484,212	\$ 25,484,212	\$ -	\$ 424,864	\$ 424,864
Supplemental General	692,900	-	6,600,229	6,924,022	369,107	-	369,107
Special Purpose Funds:							
Capital Outlay	1,173,340	-	3,153,339	1,249,646	3,077,033	-	3,077,033
Driver Training	58,564	-	50,651	27,513	81,702	-	81,702
Food Service	401,711	-	1,534,883	1,550,781	385,813	-	385,813
Parent Education	10,315	-	30,000	28,500	11,815	-	11,815
Special Education	947,164	-	5,271,959	6,139,232	79,891	109,994	189,885
Vocational Education	8,116	-	470,421	461,572	16,965	19,775	36,740
Special Assessment	817,817	-	4,569	182,891	639,495	-	639,495
KPERs Special Retirement Contribution	-	-	1,404,988	1,404,988	-	-	-
Professional Development	16,289	-	86,643	101,128	1,804	-	1,804
At Risk (4 Year Old)	15,013	-	30,000	34,583	10,430	-	10,430
At Risk (K-12)	115,966	-	1,150,000	1,170,034	95,932	17,206	113,138
Bilingual Education	5,844	-	67,000	69,102	3,742	5,676	9,418
Extraordinary Growth Facility	157,698	-	2,238,547	2,115,330	280,915	-	280,915
Special Liability	151,724	-	525	24,319	127,930	-	127,930
Special Reserve	1,214,573	-	2,960,918	3,151,600	1,023,891	-	1,023,891
Federal Funds	-	-	149,288	149,288	-	4,699	4,699
Virtual Education	-	-	5,747,340	5,300,000	447,340	-	447,340
Textbook Rental	74,458	-	253,513	247,895	80,076	-	80,076
Gifts and Grants	83,441	-	191,238	212,089	62,590	-	62,590
Contingency Reserve	500,419	-	-	-	500,419	-	500,419
Bond Construction	975	-	79,345,617	2,129,013	77,217,579	-	77,217,579
Bond Construction #2	35,856,352	-	228,321	25,308,231	10,776,442	754,790	11,531,232
Cost of Issuance	2,070	-	-	-	2,070	-	2,070
District Activities	124,455	-	315,752	312,783	127,424	-	127,424
Bond and Interest Fund:							
Bond and Interest	<u>8,481,289</u>	<u>-</u>	<u>14,523,556</u>	<u>12,169,724</u>	<u>10,835,121</u>	<u>-</u>	<u>10,835,121</u>
Total Reporting Entity (excluding Agency Funds)	<u>\$ 50,910,493</u>	<u>\$ -</u>	<u>\$ 151,293,509</u>	<u>\$ 95,948,476</u>	<u>\$ 106,255,526</u>	<u>\$ 1,337,004</u>	<u>\$ 107,592,530</u>

Composition of Cash:

State Bank of Spring Hill	
Checking Accounts	\$ 1,693,622
Certificate of Deposit	15,000
First Option Bank	
Checking Account	4,620
Money Market	2,069,968
Certificate of Deposit	7,727,410
TriCentury Bank	
Certificates of Deposit	515,767
Security Bank	
Money Market	1,784,458
U.S. Government & Agency Obligations	<u>93,949,427</u>
Cash Balance	107,760,272
Less: Agency Funds per Schedule 3	<u>[167,742]</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 107,592,530</u>

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

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 230 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements present the District (the primary government). The District's only related municipal entity, the Recreation Commission, has not been presented.

The District's Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute K.S.A. 12-1928. Two of the five members of the Recreation Commission's governing body are appointed by the District, two other members are appointed by the City and the final member is appointed by the other four previously appointed members. The separately audited financial statements of the Recreation Commission are available upon request at the Recreation Commission office.

Reimbursed Expenses

Expenditures in the amount of \$27,162 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

*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 municipality 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 municipality to use the regulatory basis of accounting.

Reclassification of Account Balances

Certain line items have been reclassified to conform to the presentation of the financial statements in the current year. This principally consisted of revenues and expenses reclassified in the Special Reserve Fund from the prior year, however, these reclassifications had no net effect on the District's unencumbered cash balances.

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2019:

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

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

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

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, student organization fund, etc.)

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. 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 basis 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. The budget was not amended for the year ended June 30, 2019.

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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory 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 capital project funds, trust funds, and the following special purpose funds: Special Reserve, Textbook Rental, Contingency Reserve, Bond Construction, Bond Construction #2, Cost of Issuance, and District Activity.

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.



UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 2 – In-Substance Receipt in Transit

The District received \$1,421,429 in General State Aid and \$319,376 in Supplemental General State Aid subsequent to June 30, 2019 and as required by K.S.A. 72-6466 the receipts were recorded as in-substance receipts in transit and included as receipts for the year ended June 30, 2019.

NOTE 3 - Deposits and Investments

*Deposits.* 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.

*Investments.* K.S.A. 12-1675 limits the District’s investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. As of June 30, 2019, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Cost Basis</u>	<u>Rating</u>
U.S. Government Securities	\$ 93,949,427	N/A
Federated Government Obligations	\$ 1,784,458	N/A

Some of the District’s investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. State statutes require the District’s deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated “peak periods” when required coverage is 50%. The District has no designated “peak periods”.

At June 30, 2019, the District's carrying amount of deposits was \$12,026,387 and the bank balance was \$12,822,919. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,018,354 was covered by federal depository insurance and \$11,804,565 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.

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 4 - Long-Term Debt

Following is a detailed listing of the District's general obligation bond debt:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Balance June 30, 2019</u>
G.O. Bonds to be paid with tax levies:					
2011A Improvement Series	8/1/2011	\$ 39,000,000	4.00 - 5.50%	9/1/31	\$ 1,500,000
2011B Refunding Series	8/1/2011	15,130,000	2.00 - 4.00%	9/1/21	4,515,000
2012 Refunding Series	4/26/2012	9,440,000	2.00 - 3.00%	9/1/31	8,925,000
2013 Refunding Series	1/9/2013	8,975,000	1.00 - 3.00%	9/1/24	8,945,000
2014 Refunding Series	6/26/2014	5,060,000	2.00 - 3.00%	9/1/19	55,000
2016 Refunding Series	5/10/2016	25,515,000	2.00 - 5.00%	9/1/30	25,515,000
2016-B Improvement Series	10/27/2016	82,400,000	3.00 - 5.00%	9/1/37	82,400,000
2016-C Refunding Series	10/27/2016	2,790,000	2.50 - 2.85%	9/1/28	2,790,000
2017-A Refunding Series	3/28/2017	9,290,000	2.625 - 4.00%	9/1/31	9,290,000
2017-B Refunding Series	6/7/2017	5,245,000	3.00 - 5.00%	9/1/23	5,245,000
2018-A Improvement Series	12/18/2018	72,000,000	3.00 - 5.00%	9/1/39	72,000,000
2018-B Refunding Series	12/18/2018	2,135,000	3.25%	9/1/21	2,135,000
Total G.O. Bonds to be paid with tax levies					<u>\$ 223,315,000</u>

Following is a summary of changes in long-term debt for the year ended June 30, 2019:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
G.O. Bonds To Be Paid With:					
Tax Levies					
2011A Series	\$ 3,500,000	\$ -	\$ 2,000,000	\$ 1,500,000	\$ 1,879,468
2011B Refunding Bonds	6,460,000	-	1,945,000	4,515,000	219,500
2012 Refunding Bonds	9,005,000	-	80,000	8,925,000	264,000
2013 Refunding Bonds	8,955,000	-	10,000	8,945,000	249,300
2014 Refunding Bonds	1,875,000	-	1,820,000	55,000	28,400
2016 Refunding Bonds	25,515,000	-	-	25,515,000	-
2016-B Improvement Series	82,400,000	-	-	82,400,000	3,234,350
2016-C Refunding Series	2,790,000	-	-	2,790,000	75,085
2017-A Refunding Series	9,290,000	-	-	9,290,000	-
2017-B Refunding Series	5,245,000	-	-	5,245,000	215,550
2018-A Improvement Series	-	72,000,000	-	72,000,000	-
2018-B Refunding Series	-	2,135,000	-	2,135,000	14,070
Capital Leases					
Apple Lease	-	1,334,592	333,648	1,000,944	-
Total	<u>\$ 155,035,000</u>	<u>\$ 75,469,592</u>	<u>\$ 6,188,648</u>	<u>\$ 224,315,944</u>	<u>\$ 6,179,723</u>

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 4 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the above long-term debt:

Year Ended <u>December 31,</u>	Principal	Interest	Total
2020	\$ 4,240,000	\$ 10,226,374	\$ 14,466,374
2021	4,585,000	9,379,217	13,964,217
2022	4,560,000	9,131,883	13,691,883
2023	5,235,000	8,861,399	14,096,399
2024	6,485,000	8,657,099	15,142,099
2025- 2029	45,200,000	38,666,532	83,866,532
2030 - 2034	65,895,000	25,725,213	91,620,213
2035 - 2039	80,530,000	9,253,700	89,783,700
2040	<u>6,585,000</u>	<u>164,625</u>	<u>6,749,625</u>
Total	<u>\$ 223,315,000</u>	<u>\$ 120,066,042</u>	<u>\$ 343,381,042</u>

Year Ended <u>December 31,</u>	Principal	Interest	Total
2020	\$ 333,648	\$ -	\$ 333,648
2021	333,648	-	333,648
2022	<u>333,648</u>	<u>-</u>	<u>333,648</u>
Total	<u>\$ 1,000,944</u>	<u>\$ -</u>	<u>\$ 1,000,944</u>

At June 30, 2019, the remaining principal balance of outstanding debt issues previously defeased is \$39,885,000. The principal and interest payments for these bonds will be paid by the trustee for the related escrow securities on the scheduled payment dates. This amount is not recorded in these financial statements.

NOTE 5 - Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	At Risk (4 Year Old)	K.S.A. 72-6478	\$ 30,000
General	At Risk (K-12)	K.S.A. 72-6478	700,000
General	Bilingual Education	K.S.A. 72-6478	52,000
General	Virtual Education	K.S.A. 72-6478	5,747,340
General	Professional Development	K.S.A. 72-6478	68,000
General	Parent Education	K.S.A. 72-6478	30,000
General	Special Education	K.S.A. 72-6478	4,046,681
General	Vocational Education	K.S.A. 72-6478	50,000
Bond Construction #2	Bond and Interest	Bond Agreement	2,912,004
Supplemental General	Bilingual Education	K.S.A. 72-6478	15,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6478	450,000
Supplemental General	Special Education	K.S.A. 72-6478	247,426
Supplemental General	Vocational Education	K.S.A. 72-6478	400,000
Total			<u>\$ 14,748,450</u>

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 6 - Defined Benefit 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 the 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 and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

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 computer 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 \$1,404,988 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 \$27,238,553. 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 these financial statements.

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

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 7 – Sick Leave Buyback

Under terms of the District's personnel policy, the District can buy back unused sick leave from employees at a rate of pay that varies depending on whether the employee is classified or certified and their length of service with the District. For the year ended June 30, 2019, the District purchased \$37,135 in sick leave from District employees.

NOTE 8 - Compensated Absences

Classified employees' vacation days can be carried over to the twelve months following the end of the year in which they were earned. The amount of unused vacation for classified employees as of June 30, 2019 is \$116,965.

NOTE 9 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are 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 statements of the District as of June 30, 2019.

NOTE 10 - 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 other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – Other Post Employment Benefits

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

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

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.

NOTE 12 – Employee Health Care

The District has established a program to pay medical claims of covered employees through a cost-plus healthcare insurance plan. Health insurance claims are paid monthly to the insurance provider up to a maximum claims liability. Under the contract, the District pays the lower amount between actual monthly claims plus any carryforward deficit or a monthly premium plus any carryforward surplus. A carryforward surplus represents an unused maximum claims liability, while a carryforward deficit represents a funding shortage. The amount of carryforward surplus at June 30, 2019, was \$293,023.

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Financial Statements  
For the Year Ended June 30, 2019

NOTE 13 – Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

		Project Authorization	Expenditures To Date
Bond Construction #2 Funds	Timber Sage	\$ 19,827,914	\$ 19,827,931
Bond Construction #2 Funds	Woodland Spring Middle School	\$ 32,334,174	\$ 26,219,564
Bond Construction #2 Funds	Early Childhood Center	\$ 2,549,040	\$ 143,293
Bond Construction #2 Funds	SHHS-Phase I	\$ 10,926,140	\$ 10,926,140
Bond Construction #2 Funds	SHHS-Phase II	\$ 8,332,010	\$ 8,335,384
Bond Construction #2 Funds	New SHES Gym	\$ 2,278,367	\$ 2,278,367
Bond Construction #2 Funds	Maintenance	\$ 500,000	\$ 342,136
Bond Construction #2 Funds	Education Technology	\$ 1,000,000	\$ 1,000,000
Bond Construction #2 Funds	Future Land Purchase	\$ 650,000	\$ 27,543
Bond Construction #2 Funds	Parking Lot	\$ 930,740	\$ 930,740
Bond Construction #2 Funds	USD 230 Contingency	\$ 2,225,109	\$ -
Bond Construction #2 Funds	Other Projects	\$ 846,506	\$ 786,685
Bond Construction #2 Funds	Dayton Creek ES	\$ 21,500,000	\$ 748,913
Bond Construction #2 Funds	New MS #3	\$ 34,500,000	\$ -
Bond Construction #2 Funds	Education Services Center	\$ 10,000,000	\$ 660,099
Bond Construction #2 Funds	Site Acquisition/Off Site Developm	\$ 2,000,000	\$ -
Bond Construction #2 Funds	School Safety	\$ 500,000	\$ -
Bond Construction #2 Funds	Technology	\$ 500,000	\$ -
Bond Construction #2 Funds	Maintenance	\$ 500,000	\$ -
Bond Construction #2 Funds	USD 230 Contingency	\$ 2,500,000	\$ -

UNIFIED SCHOOL DISTRICT NO. 230  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2019

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Over [Under]</u>
General Funds						
General	\$ 25,632,559	\$ [175,509]	\$ 27,162	\$ 25,484,212	\$ 25,484,212	\$ -
Supplemental General	7,116,357	[192,335]	-	6,924,022	6,924,022	-
Special Purpose Funds:						
Capital Outlay	3,250,000	-	-	3,250,000	1,249,646	2,000,354
Driver Training	54,500	-	-	54,500	27,513	26,987
Food Service	1,748,100	-	-	1,748,100	1,550,781	197,319
Parent Education	40,000	-	-	40,000	28,500	11,500
Special Education	6,145,500	-	-	6,145,500	6,139,232	6,268
Vocational Education	472,000	-	-	472,000	461,572	10,428
Special Assessment	750,000	-	-	750,000	182,891	567,109
KPERs Special Retirement Contribution	4,096,719	-	-	4,096,719	1,404,988	2,691,731
Professional Development	149,000	-	-	149,000	101,128	47,872
At Risk (4 Year Old)	54,500	-	-	54,500	34,583	19,917
At Risk (K-12)	1,250,000	-	-	1,250,000	1,170,034	79,966
Bilingual Education	69,500	-	-	69,500	69,102	398
Extraordinary Growth Facility	2,367,909	-	-	2,367,909	2,115,330	252,579
Special Liability	145,000	-	-	145,000	24,319	120,681
Federal Funds	163,604	-	-	163,604	149,288	14,316
Virtual Education	5,300,000	-	-	5,300,000	5,300,000	-
Gifts and Grants	170,000	-	-	170,000	212,089	[42,089]
Bond and Interest Fund:						
Bond and Interest	10,064,404	-	2,135,000	12,199,404	12,169,724	29,680

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
General Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 290	\$ -	\$ -	\$ -
State aid/grants	23,124,457	25,457,050	25,632,559	[175,509]
Reimbursements	363,784	27,162	-	27,162
Total Receipts	<u>23,488,531</u>	<u>25,484,212</u>	<u>\$ 25,632,559</u>	<u>\$ [148,347]</u>
Expenditures				
Instruction	8,082,686	7,735,216	\$ 8,673,617	\$ 938,401
Student support services	1,342,116	1,832,302	899,000	[933,302]
Instructional support staff	-	-	645,500	645,500
General administration	441,652	649,279	487,000	[162,279]
School administration	1,531,806	1,634,080	1,873,000	238,920
Central services	-	-	874,000	874,000
Operations and maintenance	530,895	580,633	1,008,500	427,867
Transportation	1,299,075	1,305,013	1,450,000	144,987
Other support services	826,304	1,023,668	-	[1,023,668]
Transfers out	9,433,997	10,724,021	9,721,942	[1,002,079]
Adjustments to comply with legal max	-	-	[175,509]	[175,509]
Adjustments for qualifying budget credits	-	-	27,162	27,162
Total Expenditures	<u>23,488,531</u>	<u>25,484,212</u>	<u>\$ 25,484,212</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.



UNIFIED SCHOOL DISTRICT NO. 230  
Supplemental General Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 3,664,041	\$ 1,925,895	\$ 1,983,735	\$ [57,840]
Delinquent taxes	9,275	70,336	22,845	47,491
Motor vehicle taxes	287,069	325,651	267,337	58,314
Recreational vehicle taxes	3,691	3,745	3,481	264
Commercial vehicle taxes	4,294	7,365	4,412	2,953
Miscellaneous	148,820	152,983	191,471	[38,488]
State aid/grants	<u>3,070,060</u>	<u>4,114,254</u>	<u>4,228,539</u>	<u>[114,285]</u>
Total Receipts	<u>7,187,250</u>	<u>6,600,229</u>	<u>\$ 6,701,820</u>	<u>\$ [101,591]</u>
Expenditures				
Instruction	2,461,375	3,596,827	\$ 2,366,357	\$ [1,230,470]
Central services	-	-	30,000	30,000
Operations and maintenance	1,945,772	2,212,020	1,900,000	[312,020]
Other support services	21,128	2,749	-	[2,749]
Transfers out	2,200,000	1,112,426	2,820,000	1,707,574
Adjustments to comply with legal max	<u>-</u>	<u>-</u>	<u>[192,335]</u>	<u>[192,335]</u>
Total Expenditures	<u>6,628,275</u>	<u>6,924,022</u>	<u>\$ 6,924,022</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	558,975	[323,793]		
Unencumbered Cash, Beginning	<u>133,925</u>	<u>692,900</u>		
Unencumbered Cash, Ending	<u>\$ 692,900</u>	<u>\$ 369,107</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Capital Outlay Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 1,603,393	\$ 1,862,207	\$ 1,735,134	\$ 127,073
Delinquent taxes	2,573	13,648	9,986	3,662
Motor vehicle taxes	34,862	148,139	124,973	23,166
Recreational vehicle taxes	372	1,741	1,627	114
Commercial vehicle taxes	1,488	3,262	2,063	1,199
Miscellaneous revenue	267,173	188,160	89,508	98,652
State aid	830,548	936,182	936,672	[490]
Total Receipts	<u>2,740,409</u>	<u>3,153,339</u>	<u>\$ 2,899,963</u>	<u>\$ 253,376</u>
Expenditures				
Instruction	853,099	32,648	\$ 1,250,000	\$ 1,217,352
Operations and maintenance	1,089,722	1,193,565	1,250,000	56,435
Facilities acquisition and construction	19,407	23,433	750,000	726,567
Total Expenditures	<u>1,962,228</u>	<u>1,249,646</u>	<u>\$ 3,250,000</u>	<u>\$ 2,000,354</u>
Receipts Over [Under] Expenditures	778,181	1,903,693		
Unencumbered Cash, Beginning	<u>395,159</u>	<u>1,173,340</u>		
Unencumbered Cash, Ending	<u>\$ 1,173,340</u>	<u>\$ 3,077,033</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Driver Training Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 31,784	\$ 50,651	\$ -	\$ 50,651
State aid	12,160	-	18,200	[18,200]
Total Receipts	<u>43,944</u>	<u>50,651</u>	<u>\$ 18,200</u>	<u>\$ 32,451</u>
Expenditures				
Instruction	36,407	24,749	\$ 53,000	\$ 28,251
Vehicle operating and maintenance	2,080	2,764	1,500	[1,264]
Total Expenditures	<u>38,487</u>	<u>27,513</u>	<u>\$ 54,500</u>	<u>\$ 26,987</u>
Receipts Over [Under] Expenditures	5,457	23,138		
Unencumbered Cash, Beginning	<u>53,107</u>	<u>58,564</u>		
Unencumbered Cash, Ending	<u>\$ 58,564</u>	<u>\$ 81,702</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Food Service Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 434,804	\$ 431,755	\$ 445,429	\$ [13,674]
State aid	14,538	15,122	12,120	3,002
Charges for services	965,128	1,050,005	1,132,056	[82,051]
Miscellaneous	18,402	18,001	25,000	[6,999]
Investment income	<u>5,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Receipts	<u>1,437,872</u>	<u>1,534,883</u>	<u>\$ 1,634,605</u>	<u>\$ [99,722]</u>
Expenditures				
Operation and maintenance	17,998	20,299	\$ 28,100	\$ 7,801
Food service operation	<u>1,342,838</u>	<u>1,530,482</u>	<u>1,720,000</u>	<u>189,518</u>
Total Expenditures	<u>1,360,836</u>	<u>1,550,781</u>	<u>\$ 1,748,100</u>	<u>\$ 197,319</u>
Receipts Over [Under] Expenditures	77,036	[15,898]		
Unencumbered Cash, Beginning	<u>324,675</u>	<u>401,711</u>		
Unencumbered Cash, Ending	<u>\$ 401,711</u>	<u>\$ 385,813</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Parent Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	<u>\$ 20,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ -</u>
Total Receipts	<u>20,000</u>	<u>30,000</u>	<u>\$ 30,000</u>	<u>\$ -</u>
Expenditures				
Student support services	<u>23,700</u>	<u>28,500</u>	<u>\$ 40,000</u>	<u>\$ 11,500</u>
Total Expenditures	<u>23,700</u>	<u>28,500</u>	<u>\$ 40,000</u>	<u>\$ 11,500</u>
Receipts Over [Under] Expenditures	[3,700]	1,500		
Unencumbered Cash, Beginning	<u>14,015</u>	<u>10,315</u>		
Unencumbered Cash, Ending	<u>\$ 10,315</u>	<u>\$ 11,815</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Special Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 597,665	\$ 596,222	\$ 600,000	\$ [3,778]
Reimbursements	129,906	120,598	-	120,598
Miscellaneous revenue	26,108	37,947	25,000	12,947
Investment income	132,839	223,085	-	223,085
Transfers in	<u>5,063,029</u>	<u>4,294,107</u>	<u>5,371,942</u>	<u>[1,077,835]</u>
Total Receipts	<u>5,949,547</u>	<u>5,271,959</u>	<u>\$ 5,996,942</u>	<u>\$ [724,983]</u>
Expenditures				
Instruction	4,101,375	4,663,138	\$ 4,664,500	\$ 1,362
Student support services	616,175	701,003	723,000	21,997
General administration	363,813	353,994	367,500	13,506
Transportation	<u>362,209</u>	<u>421,097</u>	<u>390,500</u>	<u>[30,597]</u>
Total Expenditures	<u>5,443,572</u>	<u>6,139,232</u>	<u>\$ 6,145,500</u>	<u>\$ 6,268</u>
Receipts Over [Under] Expenditures	505,975	[867,273]		
Unencumbered Cash, Beginning	<u>441,189</u>	<u>947,164</u>		
Unencumbered Cash, Ending	<u>\$ 947,164</u>	<u>\$ 79,891</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Vocational Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous revenue	\$ 5,747	\$ 18,657	\$ 12,000	\$ 6,657
Federal aid	4,447	-	-	-
State aid	-	1,764	4,060	[2,296]
Transfers in	<u>400,000</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Total Receipts	<u>410,194</u>	<u>470,421</u>	<u>\$ 466,060</u>	<u>\$ 4,361</u>
Expenditures				
Instruction	415,553	461,572	\$ 459,500	\$ [2,072]
Transportation	<u>5,488</u>	<u>-</u>	<u>12,500</u>	<u>12,500</u>
Total Expenditures	<u>421,041</u>	<u>461,572</u>	<u>\$ 472,000</u>	<u>\$ 10,428</u>
Receipts Over [Under] Expenditures	[10,847]	8,849		
Unencumbered Cash, Beginning	<u>18,963</u>	<u>8,116</u>		
Unencumbered Cash, Ending	<u>\$ 8,116</u>	<u>\$ 16,965</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Special Assessment Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 81	\$ -	\$ -	\$ -
Delinquent taxes	<u>185</u>	<u>4,569</u>	<u>-</u>	<u>4,569</u>
Total Receipts	<u>266</u>	<u>4,569</u>	<u>\$ -</u>	<u>\$ 4,569</u>
Expenditures				
Facilities acquisition	<u>184,675</u>	<u>182,891</u>	<u>\$ 750,000</u>	<u>\$ 567,109</u>
Total Expenditures	<u>184,675</u>	<u>182,891</u>	<u>\$ 750,000</u>	<u>\$ 567,109</u>
Receipts Over [Under] Expenditures	[184,409]	[178,322]		
Unencumbered Cash, Beginning	<u>1,002,226</u>	<u>817,817</u>		
Unencumbered Cash, Ending	<u>\$ 817,817</u>	<u>\$ 639,495</u>		

See independent auditor's report on the financial statements.



UNIFIED SCHOOL DISTRICT NO. 230  
KPERs Special Retirement Contribution Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 2,389,454	\$ 1,404,988	\$ 4,096,719	\$ [2,691,731]
Total Receipts	<u>2,389,454</u>	<u>1,404,988</u>	<u>\$ 4,096,719</u>	<u>\$ [2,691,731]</u>
Expenditures				
Instruction	1,611,656	947,647	\$ 2,766,719	\$ 1,819,072
Student support services	111,641	65,645	210,000	144,355
Instructional support services	86,810	51,044	175,000	123,956
General administration	90,392	53,150	130,000	76,850
School administration	200,133	117,677	355,000	237,323
Other support services	92,991	54,678	140,000	85,322
Operations and maintenance	144,160	84,765	235,000	150,235
Food service	51,671	30,382	85,000	54,618
Total Expenditures	<u>2,389,454</u>	<u>1,404,988</u>	<u>\$ 4,096,719</u>	<u>\$ 2,691,731</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
 Professional Development Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2019  
 (With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 75,000	\$ 68,000	\$ 135,000	\$ [67,000]
State aid	<u>13,213</u>	<u>18,643</u>	<u>17,500</u>	<u>1,143</u>
Total Receipts	<u>88,213</u>	<u>86,643</u>	<u>\$ 152,500</u>	<u>\$ [65,857]</u>
Expenditures				
Instructional support services	68,382	93,771	\$ 149,000	\$ 55,229
Other support services	<u>5,220</u>	<u>7,357</u>	<u>-</u>	<u>[7,357]</u>
Total Expenditures	<u>73,602</u>	<u>101,128</u>	<u>\$ 149,000</u>	<u>\$ 47,872</u>
Receipts Over [Under] Expenditures	14,611	[14,485]		
Unencumbered Cash, Beginning	<u>1,678</u>	<u>16,289</u>		
Unencumbered Cash, Ending	<u>\$ 16,289</u>	<u>\$ 1,804</u>		

UNIFIED SCHOOL DISTRICT NO. 230  
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 Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 36,050	\$ 30,000	\$ 40,000	\$ [10,000]
Total Receipts	<u>36,050</u>	<u>30,000</u>	<u>\$ 40,000</u>	<u>\$ [10,000]</u>
Expenditures				
Instruction	<u>36,050</u>	<u>34,583</u>	<u>\$ 54,500</u>	<u>\$ 19,917</u>
Total Expenditures	<u>36,050</u>	<u>34,583</u>	<u>\$ 54,500</u>	<u>\$ 19,917</u>
Receipts Over [Under] Expenditures	-	[4,583]		
Unencumbered Cash, Beginning	<u>15,013</u>	<u>15,013</u>		
Unencumbered Cash, Ending	<u>\$ 15,013</u>	<u>\$ 10,430</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
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 Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 1,080,000	\$ 1,150,000	\$ 1,150,000	\$ -
Total Receipts	<u>1,080,000</u>	<u>1,150,000</u>	<u>\$ 1,150,000</u>	<u>\$ -</u>
Expenditures				
Instruction	972,114	1,134,448	\$ 1,200,000	\$ 65,552
Other support services	5,464	3,144	5,000	1,856
Transportation	33,850	32,442	45,000	12,558
Total Expenditures	<u>1,011,428</u>	<u>1,170,034</u>	<u>\$ 1,250,000</u>	<u>\$ 79,966</u>
Receipts Over [Under] Expenditures	68,572	[20,034]		
Unencumbered Cash, Beginning	<u>47,394</u>	<u>115,966</u>		
Unencumbered Cash, Ending	<u>\$ 115,966</u>	<u>\$ 95,932</u>		

UNIFIED SCHOOL DISTRICT NO. 230  
Bilingual Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	<u>\$ 57,000</u>	<u>\$ 67,000</u>	<u>\$ 65,000</u>	<u>\$ 2,000</u>
Total Receipts	<u>57,000</u>	<u>67,000</u>	<u>\$ 65,000</u>	<u>\$ 2,000</u>
Expenditures				
Instruction	<u>53,781</u>	<u>69,102</u>	<u>\$ 69,500</u>	<u>\$ 398</u>
Total Expenditures	<u>53,781</u>	<u>69,102</u>	<u>\$ 69,500</u>	<u>\$ 398</u>
Receipts Over [Under] Expenditures	3,219	[2,102]		
Unencumbered Cash, Beginning	<u>2,625</u>	<u>5,844</u>		
Unencumbered Cash, Ending	<u>\$ 5,844</u>	<u>\$ 3,742</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Extraordinary Growth Facility Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 2,160,050	\$ 1,781,014	\$ 1,834,854	\$ [53,840]
Delinquent taxes	10,728	36,688	13,388	23,300
Motor vehicle taxes	319,944	290,538	256,812	33,726
Recreational vehicle taxes	4,059	3,478	3,344	134
Commercial vehicle taxes	5,472	4,821	4,239	582
Miscellaneous	<u>87,163</u>	<u>122,008</u>	<u>183,932</u>	<u>[61,924]</u>
Total Receipts	<u>2,587,416</u>	<u>2,238,547</u>	<u>\$ 2,296,569</u>	<u>\$ [58,022]</u>
Expenditures				
State payment	<u>2,434,260</u>	<u>2,115,330</u>	<u>\$ 2,367,909</u>	<u>\$ 252,579</u>
Total Expenditures	<u>2,434,260</u>	<u>2,115,330</u>	<u>\$ 2,367,909</u>	<u>\$ 252,579</u>
Receipts Over [Under] Expenditures	153,156	123,217		
Unencumbered Cash, Beginning	<u>4,542</u>	<u>157,698</u>		
Unencumbered Cash, Ending	<u>\$ 157,698</u>	<u>\$ 280,915</u>		

UNIFIED SCHOOL DISTRICT NO. 230  
Special Liability Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 3	\$ -	\$ -	\$ -
Delinquent taxes	<u>7</u>	<u>525</u>	<u>-</u>	<u>525</u>
Total Receipts	<u>10</u>	<u>525</u>	<u>\$ -</u>	<u>\$ 525</u>
Expenditures				
Instruction	21,301	24,319	\$ -	\$ [24,319]
General Administration	<u>-</u>	<u>-</u>	<u>145,000</u>	<u>145,000</u>
Total Expenditures	<u>21,301</u>	<u>24,319</u>	<u>\$ 145,000</u>	<u>\$ 120,681</u>
Receipts Over [Under] Expenditures	[21,291]	[23,794]		
Unencumbered Cash, Beginning	<u>173,015</u>	<u>151,724</u>		
Unencumbered Cash, Ending	<u>\$ 151,724</u>	<u>\$ 127,930</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
 Special Reserve Fund \*  
 Schedule of Receipts and Expenditures - Actual  
 Regulatory Basis  
 For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 124,926	\$ 2,960,918
Total Receipts	<u>124,926</u>	<u>2,960,918</u>
Expenditures		
Instruction	<u>-</u>	<u>3,151,600</u>
Total Expenditures	<u>-</u>	<u>3,151,600</u>
Receipts Over [Under] Expenditures	124,926	[190,682]
Unencumbered Cash, Beginning	<u>1,089,647</u>	<u>1,214,573</u>
Unencumbered Cash, Ending	<u>\$ 1,214,573</u>	<u>\$ 1,023,891</u>

\* This fund is not required to be budgeted.



UNIFIED SCHOOL DISTRICT NO. 230  
Federal Funds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019

	<u>Title I</u>	<u>Title II</u>	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts					
Federal aid	\$ 117,728	\$ 31,560	\$ 149,288	\$ 163,604	\$ [14,316]
Total Receipts	<u>117,728</u>	<u>31,560</u>	<u>149,288</u>	<u>\$ 163,604</u>	<u>\$ [14,316]</u>
Expenditures					
Instruction	<u>117,728</u>	<u>31,560</u>	<u>149,288</u>	<u>\$ 163,604</u>	<u>\$ 14,316</u>
Total Expenditures	<u>117,728</u>	<u>31,560</u>	<u>149,288</u>	<u>\$ 163,604</u>	<u>\$ 14,316</u>
Receipts Over [Under] Expenditures	-	-	-		
Unencumbered Cash, Beginning	-	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Virtual Education Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 4,902,918	\$ 5,747,340	\$ 5,300,000	\$ 447,340
Total Receipts	<u>4,902,918</u>	<u>5,747,340</u>	<u>\$ 5,300,000</u>	<u>\$ 447,340</u>
Expenditures				
Instruction	5,152,231	5,300,000	\$ 5,215,495	\$ [84,505]
Central services	10,181	-	12,000	12,000
Operations and maintenance	39,445	-	72,505	72,505
Total Expenditures	<u>5,201,857</u>	<u>5,300,000</u>	<u>\$ 5,300,000</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[298,939]	447,340		
Unencumbered Cash, Beginning	<u>298,939</u>	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 447,340</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Textbook Rental Fund \*  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 227,847	\$ 253,513
Total Receipts	<u>227,847</u>	<u>253,513</u>
Expenditures		
Instruction	<u>288,256</u>	<u>247,895</u>
Total Expenditures	<u>288,256</u>	<u>247,895</u>
Receipts Over [Under] Expenditures	[60,409]	5,618
Unencumbered Cash, Beginning	<u>134,867</u>	<u>74,458</u>
Unencumbered Cash, Ending	<u>\$ 74,458</u>	<u>\$ 80,076</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230  
 Gifts and Grants Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2019  
 (With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous revenue	<u>\$ 68,537</u>	<u>\$ 191,238</u>	<u>\$ 132,980</u>	<u>\$ 58,258</u>
Total Receipts	<u>68,537</u>	<u>191,238</u>	<u>\$ 132,980</u>	<u>\$ 58,258</u>
Expenditures				
Instruction	<u>64,613</u>	<u>212,089</u>	<u>\$ 170,000</u>	<u>\$ [42,089]</u>
Total Expenditures	<u>64,613</u>	<u>212,089</u>	<u>\$ 170,000</u>	<u>\$ [42,089]</u>
Receipts Over [Under] Expenditures	3,924	[20,851]		
Unencumbered Cash, Beginning	<u>79,517</u>	<u>83,441</u>		
Unencumbered Cash, Ending	<u>\$ 83,441</u>	<u>\$ 62,590</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Contingency Reserve Fund \*  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Instruction	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>500,419</u>	<u>500,419</u>
Unencumbered Cash, Ending	<u>\$ 500,419</u>	<u>\$ 500,419</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230  
Bond Construction Fund \*  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Prepaid interest	\$ -	\$ 173,305
Bond proceeds	-	72,000,000
Bond premium	-	<u>7,172,312</u>
Total Receipts	<u>-</u>	<u>79,345,617</u>
 Expenditures		
Capital outlay	-	<u>2,129,013</u>
Total Expenditures	<u>-</u>	<u>2,129,013</u>
 Receipts Over [Under] Expenditures	-	77,216,604
 Unencumbered Cash, Beginning	<u>975</u>	<u>975</u>
 Unencumbered Cash, Ending	<u>\$ 975</u>	<u>\$ 77,217,579</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230  
Bond Construction #2 Fund \*  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Prepaid interest	\$ 420,631	\$ 228,321
Total Receipts	<u>420,631</u>	<u>228,321</u>
Expenditures		
Capital outlay	40,662,566	22,396,227
Transfer out	<u>4,348,404</u>	<u>2,912,004</u>
Total Expenditures	<u>45,010,970</u>	<u>25,308,231</u>
Receipts Over [Under] Expenditures	[44,590,339]	[25,079,910]
Unencumbered Cash, Beginning	<u>80,446,691</u>	<u>35,856,352</u>
Unencumbered Cash, Ending	<u>\$ 35,856,352</u>	<u>\$ 10,776,442</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230  
Cost of Issuance Fund \*  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Years Ended June 30, 2019 and 2018

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Bond premium	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
General administration	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>2,070</u>	<u>2,070</u>
Unencumbered Cash, Ending	<u>\$ 2,070</u>	<u>\$ 2,070</u>

\* This fund is not required to be budgeted.



UNIFIED SCHOOL DISTRICT NO. 230  
Bond and Interest Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 1,403,773	\$ 4,611,814	\$ 4,309,230	\$ 302,584
Delinquent taxes	17,543	74,710	8,524	66,186
Motor vehicle taxes	447,020	410,892	382,186	28,706
Recreational vehicle taxes	5,532	5,020	4,977	43
Commercial vehicle tax	9,403	4,174	6,307	[2,133]
Miscellaneous	57,773	271,775	273,727	[1,952]
State aid/grants	4,599,836	4,098,167	4,122,971	[24,804]
Transfer in	4,348,404	2,912,004	-	2,912,004
Bond proceeds	-	2,135,000	-	2,135,000
Total Receipts	<u>10,889,284</u>	<u>14,523,556</u>	<u>\$ 9,107,922</u>	<u>\$ 5,415,634</u>
Expenditures				
Interest	7,535,593	6,179,724	\$ 6,209,404	\$ 29,680
Principal	3,530,000	3,855,000	3,855,000	-
Issuance costs	-	135,000	-	[135,000]
Refunded principal	-	2,000,000	-	[2,000,000]
Adjustment for qualifying budget credit	-	-	2,135,000	2,135,000
Total Expenditures	<u>11,065,593</u>	<u>12,169,724</u>	<u>\$ 12,199,404</u>	<u>\$ 29,680</u>
Receipts Over [Under] Expenditures	[176,309]	2,353,832		
Unencumbered Cash, Beginning	<u>8,657,598</u>	<u>8,481,289</u>		
Unencumbered Cash, Ending	<u>\$ 8,481,289</u>	<u>\$ 10,835,121</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2019

<u>FUND</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Prairie Creek Elementary School				
Music choral	\$ 145	\$ 620	\$ 638	\$ 127
Student council	2,500	693	1,000	2,193
Library	668	23,264	22,433	1,499
Student needs	413	-	-	413
Art fees	106	57	163	-
Interest	1,418	15	-	1,433
Watch Dogs	[80]	96	-	16
Interstate photography	3,000	1,363	-	4,363
Fundraising	[4,932]	10,503	4,458	1,113
Donations	91	-	21	70
Teachers Fund	-	615	307	308
Petty cash	[253]	4,990	5,182	[445]
<b>Total Prairie Creek Elementary Activity Funds</b>	<u>3,076</u>	<u>42,216</u>	<u>34,202</u>	<u>11,090</u>
Timber Sage Elementary School				
Music choral	-	183	183	-
Library	-	8,884	8,868	16
Field trip	-	3,663	3,661	2
Rebates	-	2,588	2,081	507
Watch Dogs	-	377	377	-
Teachers Fund	-	1,331	1,186	145
Petty cash	-	2,466	2,466	-
<b>Total Timber Sage Elementary Activity Funds</b>	<u>-</u>	<u>19,492</u>	<u>18,822</u>	<u>670</u>
Spring Hill Elementary School				
Music	104	-	-	104
Student council	2,787	3,277	3,380	2,684
Teachers' fund	257	553	554	256
Library	32	-	32	-
Counseling programs	82	-	-	82
Art	124	-	-	124
Science	2	-	-	2
Math	34	-	26	8
Field trip	752	-	-	752
Interest	118	14	1	131
Rebates	[184]	5,866	5,355	327
Watch Dogs	30	-	-	30
Wellness	144	-	-	144
Interstate photography	2,954	2,118	3,422	1,650
Pop machine	615	2,786	2,826	575
Taxes	172	327	54	445
Petty cash	1,509	375	1,884	-
<b>Total Spring Hill Elementary Activity Funds</b>	<u>9,532</u>	<u>32,850</u>	<u>24,848</u>	<u>7,314</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2019

<u>FUND</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Wolf Creek Elementary School				
Student council	\$ 525	\$ 1,600	\$ 1,564	\$ 561
5th Grade	10	1,108	1,059	59
Teachers' fund	1,058	1,390	910	1,538
Library	-	500	200	300
New Teachers	20	-	-	20
Reading	133	-	-	133
Field trip	918	8,474	8,738	654
Interest	48	9	15	42
Rebates	763	2,215	1,817	1,161
Watch Dogs	37	802	784	55
Student Wellness	996	-	-	996
Ray Hill	6	-	6	-
Character key	185	-	-	185
Pop	1,204	969	1,455	718
Community Service	74	-	-	74
Digital Night	15	-	-	15
Safety	4,018	-	1,664	2,354
Taxes	4	-	-	4
Petty cash	-	4,624	4,624	-
Total Wolf Creek Elementary Activity Funds	<u>10,014</u>	<u>21,691</u>	<u>22,836</u>	<u>8,869</u>
Spring Hill Middle School				
Music	[550]	6,306	5,756	-
Drama	5,876	2,808	2,240	6,444
Band	178	343	377	144
Orchestra	[2]	411	320	89
Stuco	18,328	3,669	8,675	13,322
8th Grade	623	7,414	6,936	1,101
7th Grade	1,370	4,320	4,675	1,015
6th Grade	1,105	5,490	6,348	247
Teachers fund	[166]	1,740	531	1,043
Library	5,981	-	1,049	4,932
CPR	673	-	-	673
Career day activities	1,006	-	-	1,006
Taxes	[320]	4,876	4,407	149
Family and consumer science	2,361	1,254	1,196	2,419
Shop	831	-	-	831
Robotics	50	-	-	50
Cheerleaders	2,012	6,117	7,244	885
Art	507	183	10	680
Miscellaneous	4,727	2,591	1,410	5,908
Pep club	964	-	964	-
Total Spring Hill Middle Activity Funds	<u>45,554</u>	<u>47,522</u>	<u>52,138</u>	<u>40,938</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2019

<u>FUND</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Spring Hill High School				
Music	\$ 1,295	\$ 2,430	\$ 2,821	\$ 904
Stuco	3,169	18,053	16,121	5,101
Band	-	1,550	970	580
SADD	4,269	290	455	4,104
Sp prom	5,564	4,190	2,554	7,200
Scholastic competition	588	1,193	958	823
Student activity	933	-	-	933
Volunteer	792	3	692	103
National Honor Society	95	898	848	145
Debate/forensics	2,622	1,810	1,539	2,893
Orchestra	1,086	5,954	6,596	444
Orchestra Activity	9,656	23,141	30,291	2,506
Theatre	740	13,704	10,484	3,960
Theatre Activity	669	17,533	16,702	1,500
Student Publications	-	18,738	10,439	8,299
Seniors	2,086	2,409	2,314	2,181
Juniors	2,103	10,770	8,642	4,231
Sophomores	6,138	4,832	6,158	4,812
Freshman	2,870	2,642	2,945	2,567
Teachers fund	11	1,480	1,098	393
Library	1,124	48	213	959
School Development	3,265	-	-	3,265
Misc/St. activities	3,686	10,188	9,139	4,735
Youth services	34	-	-	34
Uniform/Equipment	-	19,951	19,951	-
Career Development	1,504	3,051	2,171	2,384
Field Maintenance	555	-	-	555
Entry fees	-	5,875	5,875	-
Art	1,140	5,292	3,351	3,081
FCCLA	977	2,172	1,554	1,595
Foreign language	4	-	-	4
Business club	569	-	-	569
Science club	1,014	-	-	1,014
Spring Hill FFA	353	28,019	27,229	1,143
FFA Horticulture	5,642	3,404	3,523	5,523
Robotics	6	1,115	646	475
Stable store	909	1,242	1,535	616
Sr Class Water Fountain Project	2,014	-	-	2,014
Spirit club	3,080	2,150	1,138	4,092
Color Guard	645	1,596	1,146	1,095
Cheerleaders	1,405	22,227	21,703	1,929
Drill team	3,086	25,906	28,024	968
Athletic passes	239	1,210	265	1,184
Taxes	35	7,752	7,752	35
Total Spring Hill High School Activity Funds	<u>75,972</u>	<u>272,818</u>	<u>257,842</u>	<u>90,948</u>
District FSA Account	5,203	2,710	-	7,913
District Petty Cash	1,500	-	1,500	-
Total Agency Funds	<u>\$ 150,851</u>	<u>\$ 439,299</u>	<u>\$ 412,188</u>	<u>\$ 167,742</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
 District Activities - Gate Receipts and School Project Funds  
 Schedule of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2019

FUND	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<u>Gate Receipts:</u>							
Spring Hill Middle School	\$ 32,432	\$ -	\$ 26,176	\$ 21,270	\$ 37,338	\$ -	\$ 37,338
Spring Hill High School	<u>57,795</u>	<u>-</u>	<u>208,767</u>	<u>199,652</u>	<u>66,910</u>	<u>-</u>	<u>66,910</u>
Total Gate Receipts	<u>90,227</u>	<u>-</u>	<u>234,943</u>	<u>220,922</u>	<u>104,248</u>	<u>-</u>	<u>104,248</u>
<u>School Projects:</u>							
Prairie Creek Elementary School							
Yearbook	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>1,800</u>
Total Prairie Creek Elementary School	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>1,800</u>
Wolf Creek Elementary School							
Yearbook	<u>2,252</u>	<u>-</u>	<u>274</u>	<u>-</u>	<u>2,526</u>	<u>-</u>	<u>2,526</u>
Total Wolf Creek Elementary School	<u>2,252</u>	<u>-</u>	<u>274</u>	<u>-</u>	<u>2,526</u>	<u>-</u>	<u>2,526</u>
Spring Hill Elementary School							
Yearbook	<u>3,070</u>	<u>-</u>	<u>2,504</u>	<u>1,539</u>	<u>4,035</u>	<u>-</u>	<u>4,035</u>
Total Spring Hill Elementary School	<u>3,070</u>	<u>-</u>	<u>2,504</u>	<u>1,539</u>	<u>4,035</u>	<u>-</u>	<u>4,035</u>
Timber Sage Elementary School							
Yearbook	<u>-</u>	<u>-</u>	<u>994</u>	<u>211</u>	<u>783</u>	<u>-</u>	<u>783</u>
Total Timber Sag Elementary School	<u>-</u>	<u>-</u>	<u>994</u>	<u>211</u>	<u>783</u>	<u>-</u>	<u>783</u>
Spring Hill Middle School							
Yearbook	<u>4,084</u>	<u>-</u>	<u>28,786</u>	<u>32,469</u>	<u>401</u>	<u>-</u>	<u>401</u>
Concessions	<u>16,146</u>	<u>-</u>	<u>16,530</u>	<u>25,289</u>	<u>7,387</u>	<u>-</u>	<u>7,387</u>
Total Spring Hill Middle School	<u>20,230</u>	<u>-</u>	<u>45,316</u>	<u>57,758</u>	<u>7,788</u>	<u>-</u>	<u>7,788</u>
Spring Hill High School							
Concessions	<u>6,876</u>	<u>-</u>	<u>31,721</u>	<u>32,353</u>	<u>6,244</u>	<u>-</u>	<u>6,244</u>
Total Spring Hill High School	<u>6,876</u>	<u>-</u>	<u>31,721</u>	<u>32,353</u>	<u>6,244</u>	<u>-</u>	<u>6,244</u>
Total School Projects	<u>34,228</u>	<u>-</u>	<u>80,809</u>	<u>91,861</u>	<u>23,176</u>	<u>-</u>	<u>23,176</u>
Total District Activity Funds	<u>\$ 124,455</u>	<u>\$ -</u>	<u>\$ 315,752</u>	<u>\$ 312,783</u>	<u>\$ 127,424</u>	<u>\$ -</u>	<u>\$ 127,424</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Restated Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Education</u>					
Passed Through State Department of Education:					
Special Education (IDEA) Cluster					
Special Education Grants to States	84.027	\$ -	\$ 581,909	\$ 581,909	\$ -
Special Education - Preschool Grants	84.173	-	<u>14,313</u>	<u>14,313</u>	-
Total Special Education (IDEA) Cluster			596,222	596,222	
Title I Grants to Local Educational Agencies	84.010	-	117,728	117,728	-
Career and Technical Education	84.048	-	12,158	12,158	-
Improving Teacher Quality State Grants	84.367	-	31,613	31,613	-
Title IVA	84.424	-	15,018	15,018	-
Hurricane Education Recovery	84.938	-	<u>13,500</u>	<u>13,500</u>	-
Total U.S. Department of Education			<u>786,239</u>	<u>786,239</u>	
<u>U.S. Department of Health and Human Services</u>					
Passed Through State Department of Education:					
Youth Risk Behavior	93.079	-	<u>157</u>	<u>157</u>	-
Total U.S. Department of Health and Human Services			<u>157</u>	<u>157</u>	
<u>U.S. Department of Agriculture</u>					
Passed Through State Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	-	56,956	56,956	-
National School Lunch Program	10.555	-	372,636	372,636	-
Special Milk Program for Children	10.556	-	<u>2,163</u>	<u>2,163</u>	-
Total Child Nutrition Cluster			<u>431,755</u>	<u>431,755</u>	
State Administrative Expenses for Child Nutrition	10.560	-	<u>100</u>	<u>100</u>	-
Total U.S. Department of Agriculture			<u>431,855</u>	<u>431,855</u>	
Total Expenditures of Federal Awards			<u>\$ 1,218,251</u>	<u>\$ 1,218,251</u>	

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

1. General

Unified School District No. 230, Spring Hill, Kansas, (the District), is the recipient of several federal awards. All federal awards that are received directly from federal agencies, as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2019.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2019.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 230  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

	Unmodified - Regulatory Basis Adverse - GAAP
Type of auditor's report issued:	
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u>  X  </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u>  X  </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u>  X  </u> No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	_____ Yes <u>  X  </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u>  X  </u> None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	_____ Yes <u>  X  </u> No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
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Auditee qualified as low-risk auditee?	_____ Yes <u>  X  </u> No
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UNIFIED SCHOOL DISTRICT NO. 230  
Schedule of Findings and Questioned Costs - Continued  
For the Year Ended June 30, 2019

Section II – Financial Statement Findings

Current Year Findings

None Noted

Prior Year Findings

Finding 2018-1

*Condition* – During the audit, we noted that bank reconciliations were not prepared timely for the District’s main bank account. We also noted that bank reconciliations were not completed for activity fund accounts at two schools.

*Criteria* – Internal controls are designed to safeguard assets and help prevent or detect losses from employee error or dishonesty. Bank reconciliations are a vital component to the District’s internal control structure.

*Cause* – The District’s internal controls structure is not properly implemented.

*Effect* – Controls are not in effect to safeguard assets and help prevent or detect losses from employee error or dishonesty.

*Recommendations* – We recommend that bank reconciliations be completed before the end of the following monthly. We also recommend that an individual independent of the reconciliation process review and approve the bank reconciliations and supporting reconciling documentation before the end of the following month.

*Status* – Resolved

Section III – Federal Award Findings and Questioned Costs

Current Year Findings

None Noted

Prior Year Findings

Finding 2018-2

*Condition* – During our review of federal programs, we noted that the District has not adopted a procurement policy in compliance with Uniform Guidance requirements.

*Criteria* – The District’s procurement policy should be updated to reflect new policy requirements mandated by the Uniform Guidance.

*Cause* – The District did not update its procurement policy as required by the Uniform Guidance.

*Effect* – The District could violate federal grant guidelines by not having a federally required procurement policy.

*Questioned Costs* – Not determined.

*Perspective Information* - The updating of the policy appears to be a management oversight and an isolated incident.

*Recommendations* – We recommend that the District adopt a new procurement policy that meets the guidelines required by the Uniform Guidance.

*Status* – Resolved



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"**

Board of Education  
Unified School District No. 230  
Spring Hill, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting, the financial statements of the Unified School District No. 230, (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated November 25, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mike Houser: Company PA

Certified Public Accountants

Lawrence, KS  
November 25, 2019



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Board of Education  
Unified School District No. 230  
Spring Hill, Kansas

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the Unified School District No. 230, (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Kansas Municipal Audit and Accounting Guide. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

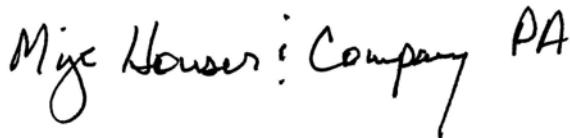
Report on Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in black ink that reads "Mike Houser: Company PA". The signature is written in a cursive style.

Certified Public Accountants

Lawrence, KS  
November 25, 2019