

UNIFIED SCHOOL DISTRICT NO. 237

Smith Center, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2019

MAPES & MILLER, LLP
Certified Public Accountants
Phillipsburg, Kansas

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas
June 30, 2019

Joshua Lanning	-	Superintendent
Barbara Wilson	-	Clerk
Linda Robinson	-	Treasurer

BOARD MEMBERS

Theron Haresnape - President

Bob Dietz - Vice President

Steve Overmiller

Jessica Hawkins

Jessica Weltmer

Tim Weltmer

Denise Winslow

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

For the Year Ended June 30, 2019

TABLE OF CONTENTS

		<u>Page Numbers</u>
	Independent Auditor's Report	1-2
	<u>FINANCIAL SECTION</u>	
Statement 1	Summary Statement of Receipts, Expenditures, and Unencumbered Cash – Regulatory Basis	3-4
	Notes to the Financial Statement	5-12
	<u>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule 1	Summary of Expenditures – Actual and Budget – Regulatory Basis	13
Schedule 2	Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis	
	<u>General Funds</u>	
2-1	General Fund	14-17
2-2	Supplemental General Fund	18-19
	<u>Special Purpose Funds</u>	
2-3	At Risk (K-12) Fund	20
2-4	Bilingual Education Fund	21
2-5	Capital Outlay Fund	22
2-6	Driver Training Fund	23
2-7	Food Service Fund	24
2-8	Professional Development Fund	25
2-9	Special Education Fund	26
2-10	Career & Postsecondary Education Fund	27
2-11	KPERS Special Retirement Contribution Fund	28
2-12	Contingency Reserve Fund	29
2-13	Textbook Rental Fund	30
2-14	Gifts & Grants Fund	31
2-15	Federal Funds	32
2-16	District Activity Funds	33
	<u>Trust Fund</u>	
2-17	Scholarship Fund	34
Schedule 3	Summary of Receipts and Disbursements – Agency Funds – Regulatory Basis	35
Schedule 4	Schedule of Receipts, Expenditures, and Unencumbered Cash – District Activity Funds – Regulatory Basis	36
Schedule 5	Schedule of Receipts and Disbursements – Student Activity Funds – Regulatory Basis	37



MAPES & MILLER LLP

CERTIFIED PUBLIC ACCOUNTANTS

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

JOHN D. MAPES, CPA, CHTD

DENIS W. MILLER, CPA, PA

THOMAS B. CARPENTER, CPA, PA

DON E. TILTON, CPA, PA

BRIAN S. THOMPSON, CPA, PA

REBECCA A. LIX, CPA, PA

STEPHANIE M. HEIER, CPA, PA

418 E HOLME

NORTON, KS 67654

(785)877-5833

P.O. BOX 412, 230 MAIN ST

QUINTER, KS 67752

(785)754-2112

P.O. BOX 266

711 3RD STREET

PHILLIPSBURG, KS 67661

(785)543-6561

P.O. BOX 508

503 MAIN STREET

STOCKTON, KS 67669

(785)425-6764

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 237
Smith Center, KS 66967

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 237, Smith Center, Kansas, a Municipality, 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*; this includes determining that the regulatory basis of accounting is an acceptable 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 1 of the financial statement, the financial statement is prepared by Unified School District No. 237, Smith Center, 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 Unified School District No. 237 Smith Center, Kansas 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 balance of Unified School District No. 237 Smith Center, Kansas, 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.

Other Matter

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, schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds, and schedule of regulatory basis receipts and disbursements – student activity funds (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Respectfully submitted,
Mapes & Miller LLP
Certified Public Accountants

January 13, 2020
Phillipsburg, Kansas

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Statement 1

SUMMARY STATEMENT 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	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General Fund	\$ -	\$ -	\$ 3,510,518	\$ 3,510,518	\$ -	\$ 13,848	\$ 13,848
Supplemental General Fund	96,953	-	1,253,779	1,253,151	97,581	6,417	103,998
Special Purpose Funds							
At Risk (K-12) Fund	30,811	-	370,944	375,986	25,769	30	25,799
Bilingual Education Fund	-	-	1,000	-	1,000	-	1,000
Capital Outlay Fund	193,681	-	615,213	632,943	175,951	279,073	455,024
Driver Training Fund	16,055	-	6,023	5,708	16,370	-	16,370
Food Service Fund	50,101	-	324,418	304,317	70,202	1,992	72,194
Professional Development Fund	14,530	-	20,482	19,338	15,674	-	15,674
Special Education Fund	61,383	-	911,976	879,622	93,737	73	93,810
Career & Postsecondary Education Fund	21,781	-	185,411	182,113	25,079	1,136	26,215
KPERs Special Retirement Contribution Fund	-	-	278,228	278,228	-	-	-
Contingency Reserve Fund	16,540	-	-	-	16,540	-	16,540
Textbook Rental Fund	57,912	-	19,505	5,398	72,019	2,343	74,362
Gifts & Grants Fund	(23,126)	-	48,670	49,040	(23,496) *	28,468	4,972
Federal Funds	-	-	90,163	90,163	-	-	-
District Activity Funds	38,240	-	122,190	119,856	40,574	-	40,574
Trust Fund							
Scholarship Fund	19,895	-	1,856	2,004	19,747	-	19,747
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 594,756</u>	<u>\$ -</u>	<u>\$ 7,760,376</u>	<u>\$ 7,708,385</u>	<u>\$ 646,747</u>	<u>\$ 333,380</u>	<u>\$ 980,127</u>

* See Note 3 Cash Basis Exception

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

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Statement 1
(Cont.)

SUMMARY STATEMENT OF RECEIPTS, DISBURSEMENTS AND UNENCUMBERED CASH
REGULATORY BASIS
For The Year Ended June 30, 2019

COMPOSITION OF CASH

Guaranty State Bank	
Checking	\$ 45,833
NOW Accounts	196,948
Savings Accounts	786,385
Certificates of Deposit	10,000
The Peoples Bank	
Checking	<u>8,952</u>
Total Cash	1,048,118
Agency Funds per Schedule 3	<u>(67,991)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 980,127</u>

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

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

NOTES TO THE FINANCIAL STATEMENT
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

Unified School District No. 237, Smith Center, Kansas is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 237, Smith Center, Kansas, a Municipality.

B. REGULATORY BASIS FUND TYPES

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities for 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 Funds—used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Trust Funds—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.)

Agency Funds—used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.)

C. 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.

D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, 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 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.

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 District 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 Projects Funds, Trust Funds, Agency Funds, and the following Special Purpose Funds:

Contingency Reserve Fund
Textbook Rental Fund
Gifts & Grants Fund
Federal Funds
District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

Compliance With Kansas Statutes

A. Mandatory Purchase of Products:

K.S.A. 75-3322 requires districts to make purchases of products offered by Kansas industries for the blind and severely disabled. The District failed to make mandatory purchases offered by these industries during the year ending June 30, 2019.

B. Cash Basis Violations:

K.S.A. 10-1116 requires each fund to comply with the cash basis laws of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The Athletics activity in the High School Activity Fund had negative cash balances in September 2018, January 2019, April 2019, and May 2019. The High School Lady Red Volleyball/Basketball activity in the High School Activity Funds also had negative cash balances in September 2018 and October 2018 in violation of the cash basis law.

C. The District is not aware of any other non-compliance with Kansas statutes.

3. CASH BASIS EXCEPTION

The Gifts & Grants Fund ended the year with a negative unencumbered cash balance of \$23,126. K.S.A. 12-1664 provides an exception for a cash basis law violation for intergovernmental grant funds to expend monies for grant purposes with the expectation of monies to be reimbursed under conditions of the grant award. The negative balance of this fund is due to the Rural Education Achievement Program Grant (REAP), which requires the recipient to spend the funds and then request reimbursement. The District made an expenditure that relates to the REAP Grant towards the end of the fiscal year and then requested the grant reimbursement. The reimbursement of this expenditure was received on July 18, 2019 in the amount of \$25,929.

4. DEPOSITS AND INVESTMENTS

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

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

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. All deposits were legally secured on June 30, 2019.

At June 30, 2019, the District’s carrying amount of deposits was \$1,048,118 and the bank balance was \$1,150,351. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance \$632,809 was covered by federal depository insurance, and the remaining \$517,542 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.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	\$ 50,000
General Fund	Special Education Fund	K.S.A. 72-5167	746,015
General Fund	Career & Postsecondary Education Fund	K.S.A. 72-5167	21,863
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	273,424
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	1,000
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	56,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	19,762
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	53,694
Supplemental General Fund	Career & Postsecondary Education Fund	K.S.A. 72-5143	145,000

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 or by writing to KPERS (611 S 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% 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 dollars 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 \$278,228 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 \$4,032,166. 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 this financial statement.

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

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) 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 these financial statements.

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.

(b) 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.

(c) Compensated Absences

Vacation

Classified employees earn vacation leave if they work 40 hours per week and 12 months per year. These employees earn 10 days' vacation leave per year after one year of employment and 15 days per year at the beginning of their 10th year of continuous service. No paid vacation is granted to classified employees who work less than 40 hours per week or less than twelve months per fiscal year. Vacation leave cannot be carried forward and the District does not pay for unused vacation leave when the employee ceases employment for any reason.

Sick Leave

Classified employees earn sick leave of 12 days per year if contracted for 12 months and 10 days per year if contracted for 10 months. Maximum accumulation for sick leave is 60 days for 12-month employees and 50 days for 10-month employees. Upon retirement, as defined by KPERs, the classified employee will be compensated for unused sick leave at the rate of \$40 per day up to 60 days maximum.

Certified employees earn 10 days sick leave per year and may accumulate up to a maximum of 70 days. Teachers also earn four days personal leave per year. Unused personal leave can be paid at the end of the contract year at the rate of \$200 per day or they may roll those days into accumulated sick leave instead. Upon retirement, as defined by KPERs, certified employees will be paid for unused sick leave up to 70 days, at the rate of \$125.00 per day if their resignation letter is submitted before February 1st. The rate is \$115 per day if submitted February 1st to February 29th, \$105 from March 1st to March 31st, \$95 from April 1st to April 30th, \$85 from May 1st to May 15th, and no payment for resignation letters received after May 15th.

Accumulated sick leave at June 30, 2019, for those eligible to retire, was \$64,360.

(d) Deferred Compensation

Defined Contribution Plan

The District offers its employees the option to participate in a defined contribution plan created in accordance with Internal Revenue Code Section 403(b). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan, available to all District employees, permits them to defer a portion of their current salary (up to \$19,000 and an additional \$6,000 catch-up contribution for employees age 50 and over) until future years. The deferred compensation is not available to employees until termination, retirement, total and permanent disability, death, or certain financial hardship.

The Plan has contracted with AFPlanServ for selected plan administrative service. Among the services provided by AFPlanServ is approval of salary reduction agreements for beginning or changing amounts and/or providers.

8. RISK MANAGEMENT

The Unified School District No. 237 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks.

During the year ended June 30, 2019, the District did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

9. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$145,872 subsequent to June 30, 2019 and as required by K.S.A. 72-5135(d) the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

10. LITIGATION

There is a case of pending litigation against the District that is scheduled for trial in February 2020, but may be settled out of court before the trial date. The District intends to contest the case vigorously. As of the date of this audit report, little is known regarding the claims and the potential loss, if any, is unknown. Insurance is expected to cover any expenses incurred by the District.

11. SUBSEQUENT EVENTS

The District has evaluated events subsequent to year end through the date of this report, and does not believe any events through the date of this report have occurred which effect the financial statement as presented.

12. LONG-TERM DEBT

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

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Beginning Balance 7/1/2018</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Ending Balance 6/30/2019</u>	<u>Interest Paid</u>
Capital Leases									
HVAC System	2.844%	6/4/2014	\$ 550,749	7/4/2020	\$ 83,341	\$ -	\$ -	\$ 83,341	\$ -
Total Contractual Indebtedness					<u>\$ 83,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,341</u>	<u>\$ -</u>

Current maturities of long-term debt and interest through maturity are as follows:

<u>Year Ended June 30</u>	<u>Capital Leases</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest Paid</u>	<u>Principal</u>	<u>Interest Paid</u>
2020	\$ -	\$ -	\$ -	\$ -
2021	83,341	2,401	83,341	2,401
Total	<u>\$ 83,341</u>	<u>\$ 2,401</u>	<u>\$ 83,341</u>	<u>\$ 2,401</u>

UNIFIED SCHOOL DISTRICT NO. 237,
SMITH CENTER, KANSAS

REGULATORY REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2019

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
For the Year Ended June 30, 2019

FUNDS	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds						
General Fund	\$ 3,603,558	\$ (141,463)	\$ 48,423	\$ 3,510,518	\$ 3,510,518	\$ -
Supplemental General Fund	1,265,864	(15,576)	2,863	1,253,151	1,253,151	-
Special Purpose Funds						
At Risk (K-12) Fund	387,265	-	-	387,265	375,986	(11,279)
Bilingual Education Fund	-	-	-	-	-	-
Capital Outlay Fund	462,242	-	178,361	640,603	632,943	(7,660)
Driver Training Fund	7,750	-	-	7,750	5,708	(2,042)
Food Service Fund	381,732	-	-	381,732	304,317	(77,415)
Professional Development Fund	31,500	-	-	31,500	19,338	(12,162)
Special Education Fund	1,011,340	-	-	1,011,340	879,622	(131,718)
Career & Postsecondary Education Fund	204,382	-	-	204,382	182,113	(22,269)
KPERS Special Retirement Contribution Fund	443,057	-	-	443,057	278,228	(164,829)

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-1
Page 1 of 4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

GENERAL FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
General State Aid	\$ 2,950,980	\$ 2,975,711	\$ (24,731)
Special Education Aid	511,115	627,847	(116,732)
Federal Aid Reimbursement	1,500	-	1,500
Reimbursements	46,923	-	46,923
	<u>3,510,518</u>	<u>\$ 3,603,558</u>	<u>\$ (93,040)</u>
EXPENDITURES			
Instruction			
Salaries			
Certified	1,233,200	\$ 1,378,928	\$ (145,728)
Noncertified	24,026	20,500	3,526
Employee Benefits			
Insurance	8,959	10,000	(1,041)
Social Security & Medicare	98,321	105,000	(6,679)
Other	24,098	16,250	7,848
Supplies			
General	30,289	35,000	(4,711)
Miscellaneous	66,810	65,000	1,810
	<u>1,485,703</u>	<u>1,630,678</u>	<u>(144,975)</u>
Student Support Services			
Salaries			
Certified	43,277	43,500	(223)
Employee Benefits			
Social Security & Medicare	2,604	2,400	204
Other Purchased Services	9,716	1,500	8,216
	<u>55,597</u>	<u>47,400</u>	<u>8,197</u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-1
Page 2 of 4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

GENERAL FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Instructional Support Staff			
Salaries			
Certified	\$ 48,812	\$ 48,750	\$ 62
Noncertified	26,977	27,640	(663)
Employee Benefits			
Social Security & Medicare	5,602	5,850	(248)
Supplies			
Books & Periodicals	2,210	2,378	(168)
<u>Total Instructional Support Staff</u>	<u>83,601</u>	<u>84,618</u>	<u>(1,017)</u>
General Administration			
Salaries			
Certified	86,182	86,200	(18)
Noncertified	55,489	55,507	(18)
Employee Benefits			
Insurance	717	800	(83)
Social Security & Medicare	13,213	13,500	(287)
Other	41,240	41,935	(695)
Purchased Professional & Technical Services	24,756	25,000	(244)
Other Purchased Services			
Communications	1,236	1,700	(464)
Other	937	1,500	(563)
Supplies	5,456	3,500	1,956
Other	10,806	11,000	(194)
<u>Total General Administration</u>	<u>240,032</u>	<u>240,642</u>	<u>(610)</u>
School Administration			
Salaries			
Certified	107,939	107,950	(11)
Noncertified	64,283	64,000	283
Employee Benefits			
Insurance	17,579	16,200	1,379
Social Security & Medicare	11,402	13,155	(1,753)
Other	8,522	8,656	(134)
<u>Total School Administration</u>	<u>209,725</u>	<u>209,961</u>	<u>(236)</u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-1
Page 3 of 4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

GENERAL FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Central Services			
Salaries			
Noncertified	\$ 31,289	\$ 31,307	\$ (18)
Total Central Services	31,289	31,307	(18)
Operations & Maintenance			
Salaries			
Noncertified	187,900	186,200	1,700
Employee Benefits			
Insurance	36,463	29,700	6,763
Social Security & Medicare	16,655	16,830	(175)
Other	6,712	8,000	(1,288)
Purchased Property Services			
Other	18,015	11,000	7,015
Other Purchased Services			
Insurance	102,202	97,700	4,502
Supplies			
Energy			
Other	19,307	17,000	2,307
Miscellaneous	15,995	33,000	(17,005)
Property	71	-	71
Total Operations & Maintenance	403,320	399,430	3,890
Operations & Maintenance (Transportation)			
Supplies			
Energy			
Other	851	850	1
Total Operations & Maintenance (Transportation)	851	850	1
Supervision			
Salaries			
Noncertified	109,492	112,562	(3,070)
Employee Benefits			
Insurance	2,411	3,100	(689)
Social Security & Medicare	10,985	12,000	(1,015)
Other	6,202	6,500	(298)
Total Supervision	129,090	134,162	(5,072)

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-1
Page 4 of 4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

GENERAL FUND (Cont.)

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES (Cont.)			
Vehicle Operating Services			
Other Purchased Services			
Insurance	\$ 17,397	\$ 17,250	\$ 147
Total Vehicle Operating Services	<u>17,397</u>	<u>17,250</u>	<u>147</u>
Vehicle & Maintenance Services			
Salaries			
Noncertified	6,358	10,000	(3,642)
Employee Benefits			
Insurance	6,046	6,065	(19)
Supplies	<u>23,631</u>	<u>25,000</u>	<u>(1,369)</u>
Total Vehicle & Maintenance Services	<u>36,035</u>	<u>41,065</u>	<u>(5,030)</u>
Outgoing Transfers			
At Risk (K-12) Fund	50,000	104,417	(54,417)
Professional Development Fund	-	12,068	(12,068)
Special Education Fund	746,015	627,847	118,168
Career & Postsecondary Education Fund	<u>21,863</u>	<u>21,863</u>	<u>-</u>
Total Outgoing Transfers	<u>817,878</u>	<u>766,195</u>	<u>51,683</u>
Adjustment to Comply With Legal Max	<u>-</u>	<u>(141,463)</u>	<u>141,463</u>
Legal General Fund Budget	3,510,518	3,462,095	48,423
Adjustment for Qualifying Budget Credits			
Reimbursements	<u>-</u>	<u>48,423</u>	<u>(48,423)</u>
Total Expenditures	<u>3,510,518</u>	<u>\$ 3,510,518</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
UNENCUMBERED CASH, July 1, 2018	<u>-</u>		
UNENCUMBERED CASH, June 30, 2019	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-2
Page 1 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

SUPPLEMENTAL GENERAL FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
General Property Taxes			
Ad Valorem Taxes			
Tax In Process	\$ 37,271	\$ 16,439	\$ 20,832
Current Tax	839,938	894,554	(54,616)
Delinquent Tax	7,164	14,100	(6,936)
Motor Vehicle Tax	69,501	71,202	(1,701)
Recreational Vehicle Tax	1,122	1,297	(175)
Commercial Vehicle Tax	5,096	2,811	2,285
Excise Tax	7	-	7
Reimbursements	2,863	-	2,863
Supplemental State Aid	290,817	294,440	(3,623)
Total Receipts	<u>1,253,779</u>	<u>\$ 1,294,843</u>	<u>\$ (41,064)</u>
EXPENDITURES			
Instruction			
Salaries			
Certified	116,793	\$ -	\$ 116,793
Employee Benefits			
Insurance	231,191	231,000	191
Purchased Professional & Technical Services	68,737	66,147	2,590
Total Instruction	<u>416,721</u>	<u>297,147</u>	<u>119,574</u>
Student Support Services			
Other	1,982	1,965	17
Total Student Support Services	<u>1,982</u>	<u>1,965</u>	<u>17</u>
Instructional Support Staff			
Salaries			
Certified	18,359	25,000	(6,641)
Employee Benefits			
Social Security & Medicare	1,275	1,915	(640)
Supplies			
Technology	4,577	6,000	(1,423)
Property	24,978	60,000	(35,022)
Total Instructional Support Staff	<u>49,189</u>	<u>92,915</u>	<u>(43,726)</u>
General Administration			
Purchased Professional & Technical Services	5,348	5,245	103
Total General Administration	<u>5,348</u>	<u>5,245</u>	<u>103</u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-2
Page 2 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

SUPPLEMENTAL GENERAL FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Operations & Maintenance			
Purchased Property Services			
Water & Sewer	\$ 21,535	\$ 14,273	\$ 7,262
Repair of Buildings	20,000	-	20,000
Other	920	920	-
Supplies			
Energy			
Heating	33,745	24,000	9,745
Electricity	121,147	108,000	13,147
Property	465	5,267	(4,802)
Total Operations & Maintenance	<u>197,812</u>	<u>152,460</u>	<u>45,352</u>
Vehicle Operating Services			
Motor Fuel	<u>33,219</u>	<u>42,250</u>	<u>(9,031)</u>
Total Vehicle Operating Services	<u>33,219</u>	<u>42,250</u>	<u>(9,031)</u>
Outgoing Transfers			
At Risk (K-12) Fund	273,424	215,000	58,424
Bilingual Education Fund	1,000	-	1,000
Food Service Fund	56,000	69,290	(13,290)
Professional Development Fund	19,762	10,000	9,762
Special Education Fund	53,694	234,933	(181,239)
Career & Postsecondary Education Fund	145,000	144,659	341
Total Outgoing Transfers	<u>548,880</u>	<u>673,882</u>	<u>(125,002)</u>
Adjustment to Comply With Legal Max	<u>-</u>	<u>(15,576)</u>	<u>15,576</u>
Legal Supplemental General Fund Budget	1,253,151	1,250,288	2,863
Adjustment for Qualifying Budget Credits			
Reimbursements	<u>-</u>	<u>2,863</u>	<u>(2,863)</u>
Total Expenditures	<u>1,253,151</u>	<u>\$ 1,253,151</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	628		
UNENCUMBERED CASH, July 1, 2018	<u>96,953</u>		
UNENCUMBERED CASH, June 30, 2019	<u>\$ 97,581</u>		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

AT RISK (K-12) FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Grants	\$ 46,821	\$ 36,084	\$ 10,737
Federal Aid	699	953	(254)
Incoming Transfers			
General Fund	50,000	104,417	(54,417)
Supplemental General Fund	273,424	215,000	58,424
Total Receipts	370,944	\$ 356,454	\$ 14,490
EXPENDITURES			
Instruction			
Salaries			
Certified	266,110	\$ 260,725	\$ 5,385
Noncertified	56,516	53,000	3,516
Employee Benefits			
Social Security & Medicare	21,387	23,209	(1,822)
Other	268	246	22
Purchased Professional & Technical Services	815	1,000	(185)
Supplies			
General	622	3,000	(2,378)
Technology	2,809	5,600	(2,791)
Miscellaneous	3,490	11,000	(7,510)
Property	8,464	11,500	(3,036)
Other	-	900	(900)
Instructional Support Staff			
Salaries			
Certified	8,805	9,300	(495)
Noncertified	2,479	3,200	(721)
Employee Benefits			
Social Security & Medicare	859	950	(91)
Central Services			
Salaries			
Noncertified	3,123	2,584	539
Employee Benefits			
Social Security & Medicare	239	200	39
Supplies	-	851	(851)
Total Expenditures	375,986	\$ 387,265	\$ (11,279)
Receipts Over (Under) Expenditures	(5,042)		
UNENCUMBERED CASH, July 1, 2018	30,811		
UNENCUMBERED CASH, June 30, 2019	\$ 25,769		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

BILINGUAL EDUCATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Incoming Transfer			
Supplemental General Fund	\$ 1,000	\$ -	\$ 1,000
EXPENDITURES	-	\$ -	\$ -
Receipts Over (Under) Expenditures	1,000		
UNENCUMBERED CASH, July 1, 2018	-		
UNENCUMBERED CASH, June 30, 2019	\$ 1,000		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

CAPITAL OUTLAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
General Property Taxes			
Ad Valorem Taxes			
Tax in Process	\$ 12,652	\$ 7,015	\$ 5,637
Current Tax	331,103	312,102	19,001
Delinquent Tax	2,416	4,787	(2,371)
Motor Vehicle Tax	24,484	24,987	(503)
Recreational Vehicle Tax	394	454	(60)
Excise Tax	3	-	3
Commercial Vehicle Tax	1,738	987	751
Interest on Idle Funds	4,965	2,645	2,320
Other Revenue from Local Sources	51,795	25,000	26,795
State Aid - Safe & Supportive Schools	7,302	-	7,302
Reimbursements	178,361	-	178,361
	<u>615,213</u>	<u>\$ 377,977</u>	<u>\$ 237,236</u>
EXPENDITURES			
Instruction			
Property	29,477	\$ 45,000	\$ (15,523)
Operations & Maintenance			
Salaries			
Noncertified	40,000	40,000	-
Transportation			
Property	90,079	-	90,079
Vehicle & Maintenance Services			
Salaries			
Noncertified	40,000	40,000	-
Property	-	100,000	(100,000)
Architectural & Engineering Services	-	1,500	(1,500)
Site Improvement	20,105	-	20,105
Building Improvements			
Outside Contractors	374,567	100,000	274,567
Other Facility Acquisition & Construction Services	38,715	50,000	(11,285)
Debt Service			
Principal	-	85,742	(85,742)
	<u>632,943</u>	<u>462,242</u>	<u>170,701</u>
Legal Capital Outlay Fund Budget	632,943	462,242	170,701
Adjustment for Qualifying Budget Credits			
Reimbursements	-	178,361	(178,361)
	<u>632,943</u>	<u>\$ 640,603</u>	<u>\$ (7,660)</u>
Receipts Over (Under) Expenditures	(17,730)		
UNENCUMBERED CASH, July 1, 2018	<u>193,681</u>		
UNENCUMBERED CASH, June 30, 2019	<u>\$ 175,951</u>		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

DRIVER TRAINING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Other Revenue from Local Sources	\$ 2,348	\$ 6,400	\$ (4,052)
State Safety Aid	3,675	4,160	(485)
Total Receipts	6,023	\$ 10,560	\$ (4,537)
EXPENDITURES			
Instruction			
Salaries			
Certified	4,800	\$ 6,000	\$ (1,200)
Noncertified	319	600	(281)
Employee Benefits			
Social Security & Medicare	391	500	(109)
Vehicle Operations & Maintenance Service			
Motor Fuel	198	650	(452)
Total Expenditures	5,708	\$ 7,750	\$ (2,042)
Receipts Over (Under) Expenditures	315		
UNENCUMBERED CASH, July 1, 2018	16,055		
UNENCUMBERED CASH, June 30, 2019	\$ 16,370		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

FOOD SERVICE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Student Receipts Breakfast & Lunch	\$ 114,131	\$ 99,775	\$ 14,356
Adult Receipts	-	5,683	(5,683)
Miscellaneous	1,387	5,000	(3,613)
State Aid	2,740	2,280	460
Federal Sources			
Child Nutrition Program	139,903	144,856	(4,953)
Other Federal Aid	10,257	11,000	(743)
Incoming Transfer			
Supplemental General Fund	56,000	69,290	(13,290)
Total Receipts	324,418	\$ 337,884	\$ (13,466)
EXPENDITURES			
Operations & Maintenance			
Purchased Property Service			
Water/Sewer	-	\$ 7,000	\$ (7,000)
Supplies			
Energy			
Heating	-	6,000	(6,000)
Electricity	-	13,000	(13,000)
Food Service Operation			
Salaries			
Noncertified	118,408	118,000	408
Employee Benefits			
Insurance	22,069	22,670	(601)
Social Security & Medicare	7,826	9,030	(1,204)
Other	11,115	11,032	83
Supplies			
Food & Milk	139,492	165,000	(25,508)
Miscellaneous	3,052	5,000	(1,948)
Property	363	15,000	(14,637)
Other	1,992	10,000	(8,008)
Total Expenditures	304,317	\$ 381,732	\$ (77,415)
Receipts Over (Under) Expenditures	20,101		
UNENCUMBERED CASH, July 1, 2018	50,101		
UNENCUMBERED CASH, June 30, 2019	\$ 70,202		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

PROFESSIONAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Sources			
Other Revenue From Local Sources	\$ 101	\$ -	\$ 101
State Aid	619	3,500	(2,881)
Incoming Transfers			
General Fund	-	12,068	(12,068)
Supplemental General Fund	19,762	10,000	9,762
Total Receipts	20,482	\$ 25,568	\$ (5,086)
EXPENDITURES			
Instructional Support Staff			
Salaries			
Certified	16,058	\$ 16,500	\$ (442)
Purchased Professional & Technical Services	3,280	15,000	(11,720)
Total Expenditures	19,338	\$ 31,500	\$ (12,162)
Receipts Over (Under) Expenditures	1,144		
UNENCUMBERED CASH, July 1, 2018	14,530		
UNENCUMBERED CASH, June 30, 2019	\$ 15,674		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

SPECIAL EDUCATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Other Revenue from Local Sources	\$ 112,267	\$ 85,901	\$ 26,366
Federal Aid	-	3,074	(3,074)
Incoming Transfers			
General Fund	746,015	627,847	118,168
Supplemental General Fund	53,694	234,933	(181,239)
	<u>911,976</u>	<u>\$ 951,755</u>	<u>\$ (39,779)</u>
EXPENDITURES			
Instruction			
Salaries			
Certified	52,802	\$ 52,870	\$ (68)
Noncertified	31,858	25,000	6,858
Employee Benefits			
Social Security & Medicare	7,904	7,000	904
Purchased Professional & Technical Services	1,500	2,500	(1,000)
Other Purchased Services			
Payments to Interlocal/Coop			
Assessments	259,800	259,800	-
Flowthrough	473,492	544,637	(71,145)
Supplies			
General	2,057	3,250	(1,193)
Technology	-	5,000	(5,000)
Miscellaneous	45	-	45
Property	-	5,000	(5,000)
Other	2,863	1,083	1,780
Student Supportive Services			
Salaries			
Noncertified	2,490	2,700	(210)
Supervision			
Salaries			
Noncertified	21,113	21,000	113
Vehicle Operating Services			
Other Purchased Services			
Insurance	1,637	1,500	137
Supplies			
Motor Fuel	22,061	20,000	2,061
Equipment	-	60,000	(60,000)
	<u>879,622</u>	<u>\$ 1,011,340</u>	<u>\$ (131,718)</u>
Receipts Over (Under) Expenditures	32,354		
UNENCUMBERED CASH, July 1, 2018	61,383		
UNENCUMBERED CASH, June 30, 2019	\$ 93,737		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June, 30, 2019

CAREER & POSTSECONDARY EDUCATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Student Activity Reimbursement	\$ 14,415	\$ -	\$ 14,415
User Charges	-	10,000	(10,000)
Miscellaneous	4,133	3,000	1,133
Incoming Transfers			
General Fund	21,863	21,863	-
Supplemental General Fund	145,000	144,659	341
	<u>185,411</u>	<u>\$ 179,522</u>	<u>\$ 5,889</u>
Total Receipts			
EXPENDITURES			
Instruction			
Salaries			
Certified	127,987	\$ 127,898	\$ 89
Employee Benefits			
Insurance	556	700	(144)
Social Security & Medicare	8,095	9,784	(1,689)
Supplies			
Technology	-	3,000	(3,000)
Miscellaneous	117	1,500	(1,383)
Property (Equipment & Furnishings)	34,597	52,500	(17,903)
Other	10,761	7,500	3,261
Operations & Maintenance			
Supplies			
Motor Fuel	-	1,500	(1,500)
	<u>182,113</u>	<u>\$ 204,382</u>	<u>\$ (22,269)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	3,298		
UNENCUMBERED CASH, July 1, 2018	<u>21,781</u>		
UNENCUMBERED CASH, June 30, 2019	<u>\$ 25,079</u>		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

KPERs SPECIAL RETIREMENT CONTRIBUTION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
State Source			
KPERs	\$ 278,228	\$ 443,057	\$ (164,829)
EXPENDITURES			
Instruction			
Employee Benefits	167,289	\$ 266,395	\$ (99,106)
Student Support Services			
Employee Benefits	9,482	15,099	(5,617)
Instructional Support Staff			
Employee Benefits	14,223	22,649	(8,426)
General Administration			
Employee Benefits	14,223	22,649	(8,426)
School Administration			
Employee Benefits	23,705	37,749	(14,044)
Central Services			
Employee Benefits	9,482	15,099	(5,617)
Operations & Maintenance			
Employee Benefits	14,223	22,649	(8,426)
Student Transportation Services			
Employee Benefits	11,378	18,119	(6,741)
Food Services			
Employee Benefits	14,223	22,649	(8,426)
Total Expenditures	278,228	\$ 443,057	\$ (164,829)
Receipts Over (Under) Expenditures	-		
UNENCUMBERED CASH, July 1, 2018	-		
UNENCUMBERED CASH, June 30, 2019	\$ -		

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-12

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For The Year Ended June 30, 2019

CONTINGENCY RESERVE FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, July 1, 2018	<u>16,540</u>
UNENCUMBERED CASH, June 30, 2019	<u><u>\$ 16,540</u></u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-13

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For The Year Ended June 30, 2019

TEXTBOOK RENTAL FUND

	<u>Actual</u>
RECEIPTS	
Rental Fees & Books	<u>\$ 19,505</u>
EXPENDITURES	
Instruction	
Supplies	
Textbooks	<u>5,398</u>
Receipts Over (Under) Expenditures	14,107
UNENCUMBERED CASH, July 1, 2018	<u>57,912</u>
UNENCUMBERED CASH, June 30, 2019	<u><u>\$ 72,019</u></u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For The Year Ended June 30, 2019

GIFTS & GRANTS FUND

	<u>Actual</u>
RECEIPTS	
Smith County Community Foundation Grants	\$ 20,132
REAP Grants	24,651
Terry & Mary Barta Pre-K Grant	<u>3,887</u>
Total Receipts	<u>48,670</u>
EXPENDITURES	
Instruction	
Purchased Professional & Technical Services	100
Supplies	3,930
Miscellaneous Supplies	2,539
Property	35,577
Other	1,262
Food Service Operation	
Property	<u>5,632</u>
Total Expenditures	<u>49,040</u>
Receipts Over (Under) Expenditures	(370)
UNENCUMBERED CASH, July 1, 2018	<u>(23,126)</u>
UNENCUMBERED CASH, June 30, 2019	<u>\$ (23,496) *</u>

* See Note 3, Cash Basis Exception

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-15

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For The Year Ended June 30, 2019

	FEDERAL FUNDS			Total Federal Funds	Budget*	Variance Over (Under)
	Title I	Title IIA	Title IVA			
RECEIPTS						
Federal Aid	\$ 62,842	\$ 14,547	\$ 12,774	\$ 90,163	\$ 90,163	\$ -
EXPENDITURES						
Instruction						
Salaries						
Certified	39,834	13,434	7,387	60,655	48,494	12,161
Noncertified	14,279	-	5,387	19,666	29,249	(9,583)
Employee Benefits						
Social Security & Medicare	4,691	1,113	-	5,804	5,200	604
Other	440	-	-	440	600	(160)
Purchased Professional & Technical Services	-	-	-	-	465	(465)
Supplies						
General	448	-	-	448	514	(66)
Student Support Services						
Purchased Professional & Technical Services	-	-	-	-	2,491	(2,491)
School Administration						
Salaries						
Noncertified	3,150	-	-	3,150	3,150	-
Total Expenditures	62,842	14,547	12,774	90,163	\$ 90,163	\$ -
Receipts Over (Under) Expenditures	-	-	-	-		
UNENCUMBERED CASH, July 1, 2018	-	-	-	-		
UNENCUMBERED CASH, June 30, 2019	\$ -	\$ -	\$ -	\$ -		

*Federal funds are not required by statute to be budgeted, this budget is for informational purposes only.

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-16

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For The Year Ended June 30, 2019

DISTRICT ACTIVITY FUNDS

	<u>Actual</u>
RECEIPTS	<u>\$ 122,190</u>
EXPENDITURES	<u>119,856</u>
Receipts Over (Under) Expenditures	2,334
UNENCUMBERED CASH, July 1, 2018	<u>38,240</u>
UNENCUMBERED CASH, June 30, 2019	<u><u>\$ 40,574</u></u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For The Year Ended June 30, 2019

SCHOLARSHIP FUND

	<u>Actual</u>
RECEIPTS	
Scholarship Donations	\$ 1,750
Interest on Idle Funds	<u>106</u>
Total Income	<u>1,856</u>
EXPENDITURES	
Scholarships	<u>2,004</u>
Receipts Over (Under) Expenditures	(148)
UNENCUMBERED CASH, July 1, 2018	<u>19,895</u>
UNENCUMBERED CASH, June 30, 2019	<u><u>\$ 19,747</u></u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 3

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For The Year Ended June 30, 2019

AGENCY FUNDS

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Unencumbered Cash Balance
Sales Tax	\$ 77	\$ 8,184	\$ 8,256	\$ 5
Student Activity Funds	<u>69,829</u>	<u>139,217</u>	<u>141,060</u>	<u>67,986</u>
Total	<u>\$ 69,906</u>	<u>\$ 147,401</u>	<u>\$ 149,316</u>	<u>\$ 67,991</u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 4

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For The Year Ended June 30, 2019

DISTRICT ACTIVITY FUNDS

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
High School							
Gate Receipts	\$ 7,730	\$ -	\$ 63,905	\$ 69,109	\$ 2,526	\$ -	\$ 2,526
Concessions	3,191	-	27,746	22,452	8,485	-	8,485
Fee Funds	-	-	12,791	11,791	1,000	-	1,000
Total High School	<u>10,921</u>	<u>-</u>	<u>104,442</u>	<u>103,352</u>	<u>12,011</u>	<u>-</u>	<u>12,011</u>
Elementary School							
Pride	15,819	-	9,050	7,010	17,859	-	17,859
Library	5,163	-	6,678	6,472	5,369	-	5,369
Reading is Fundamental	6,337	-	2,020	3,022	5,335	-	5,335
Total Elementary School	<u>27,319</u>	<u>-</u>	<u>17,748</u>	<u>16,504</u>	<u>28,563</u>	<u>-</u>	<u>28,563</u>
Total District Activity Funds	<u>\$ 38,240</u>	<u>\$ -</u>	<u>\$ 122,190</u>	<u>\$ 119,856</u>	<u>\$ 40,574</u>	<u>\$ -</u>	<u>\$ 40,574</u>

UNIFIED SCHOOL DISTRICT NO. 237
Smith Center, Kansas

Schedule 5

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For The Year Ended June 30, 2019

STUDENT ACTIVITY FUNDS

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Activity Funds				
SC Dance Team	\$ 2,819	\$ 2,920	\$ 3,628	\$ 2,111
JH Cheerleaders	1,337	2,778	3,405	710
Art Club	1,309	1,434	1,331	1,412
Band Club	5,373	8,293	10,023	3,643
Centrian Club	2,637	9,312	8,649	3,300
Chansonaires	942	9,932	4,836	6,038
Drama Club	7,028	3,827	4,166	6,689
FCCLA	5,602	50,873	51,638	4,837
FFA	27,991	30,602	34,387	24,206
I.M.P. Club	3,654	-	-	3,654
National Honor Society	1,415	578	1,781	212
S.A.F.E.	977	794	1,314	457
Spirit Squad	944	6,404	4,810	2,538
Student Council	1,224	1,022	821	1,425
JH Science Department	-	1,561	653	908
JH Builders Club	2,438	1,509	1,144	2,803
Special Education Training Club	646	68	107	607
Site Council	1,783	340	1,380	743
Class of 2019	1,410	-	527	883
Class of 2020	107	6,732	6,382	457
Class of 2021	71	-	-	71
Class of 2022	78	117	-	195
Class of 2023	44	57	58	43
Class of 2024	-	64	20	44
	<u>69,829</u>	<u>139,217</u>	<u>141,060</u>	<u>67,986</u>
Total Student Activity Funds	<u>\$ 69,829</u>	<u>\$ 139,217</u>	<u>\$ 141,060</u>	<u>\$ 67,986</u>