

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

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

YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 381
Spearville, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 381 and its related municipal entity, the Spearville Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated December 5, 2018, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2019 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2018, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

January 8, 2020

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

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

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ 231	\$ -	\$ 2,672,450
Supplemental general	49,971	1,766	858,242
	<hr/>	<hr/>	<hr/>
Total general funds	50,202	1,766	3,530,692
	<hr/>	<hr/>	<hr/>
Special purpose funds:			
Capital outlay	391,383	-	223,858
Driver training	11,658	-	6,552
At risk (K-12)	-	-	159,592
Food service	57,719	-	172,925
Professional development	14,640	-	663
At risk (4-year-old)	-	-	139,289
Special education	268,274	-	328,473
Bilingual	-	-	16,000
Recreation commission	62,165	-	115,424
KPERS special retirement contribution	-	-	206,711
Career and postsecondary education	46,025	-	55,349
Contingency reserve	182,489	-	42,500
Textbook and student materials revolving	28,843	-	14,742
REAP - rural education achievement	-	-	34,797
Title I	-	-	39,002
Title IIA	-	-	3,916
Gifts and grants	808,125	-	511,282
District activity	12,931	-	66,800
	<hr/>	<hr/>	<hr/>
Total special purpose funds	1,884,252	-	2,137,875
	<hr/>	<hr/>	<hr/>
Bond and interest fund:			
Bond and interest	496,561	-	803,630
	<hr/>	<hr/>	<hr/>
Business fund:			
Special reserve	886	-	50,129
	<hr/>	<hr/>	<hr/>
Total Unified School District No. 381	2,431,901	1,766	6,522,326
	<hr/>	<hr/>	<hr/>
Related municipal entity:			
Spearville Recreation Commission:			
General	411,483	-	182,937
	<hr/>	<hr/>	<hr/>
Total municipal financial reporting entity (excluding agency funds)	\$ 2,843,384	\$ 1,766	\$ 6,705,263
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 2,672,681	\$ -	\$ 51,769	\$ 51,769
879,466	30,513	62,331	92,844
<u>3,552,147</u>	<u>30,513</u>	<u>114,100</u>	<u>144,613</u>
33,458	581,783	26,184	607,967
5,054	13,156	-	13,156
131,198	28,394	-	28,394
182,402	48,242	5,009	53,251
567	14,736	-	14,736
58,821	80,468	266	80,734
336,880	259,867	-	259,867
16,000	-	-	-
118,500	59,089	18,500	77,589
206,711	-	-	-
54,510	46,864	-	46,864
-	224,989	-	224,989
28,843	14,742	3,500	18,242
34,797	-	4,071	4,071
39,002	-	-	-
3,916	-	-	-
158,802	1,160,605	28,984	1,189,589
72,572	7,159	-	7,159
<u>1,482,033</u>	<u>2,540,094</u>	<u>86,514</u>	<u>2,626,608</u>
<u>813,856</u>	<u>486,335</u>	<u>-</u>	<u>486,335</u>
<u>31,442</u>	<u>19,573</u>	<u>-</u>	<u>19,573</u>
5,879,478	3,076,515	200,614	3,277,129
<u>454,592</u>	<u>139,828</u>	<u>399</u>	<u>140,227</u>
<u>\$ 6,334,070</u>	<u>\$ 3,216,343</u>	<u>\$ 201,013</u>	<u>\$ 3,417,356</u>

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

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

For the Year Ended June 30, 2019

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 381 accounts:	
Checking accounts	\$ 2,584,150
Money market accounts	<u>731,000</u>
Total Unified School District No. 381	3,315,150
Agency funds	<u>(38,021)</u>
Total Unified School District No. 381 (excluding agency funds)	<u>3,277,129</u>
Related municipal entity:	
Spearville Recreation Commission:	
Checking account	2,208
Money market accounts	<u>138,019</u>
Total related municipal entity	<u>140,227</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 3,417,356</u></u>

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

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 381 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 381 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Spearville Recreation Commission. The Commission oversees recreational activities. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. Four of the five members of the governing board of the Commission are appointed by the Board of Education. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

REGULATORY BASIS FUND TYPES

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

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

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

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

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

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

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

4. Budgetary Information

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

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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 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 the business fund, and the following special purpose funds:

- Contingency Reserve
- Textbook and Student Materials Revolving
- REAP – Rural Education Achievement
- Title I
- Title IIA
- Gifts and Grants
- 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.

5. In-Substance Receipt in Transit

The District received \$171,157 subsequent to June 30, 2019, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

B. 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 to 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.

B. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$3,315,150 and the bank balance was \$3,449,874. Of the bank balance, \$500,000 was covered by federal depository insurance and \$2,949,874 was collateralized with securities held by the pledging financial institutions agents in the District's name.

C. 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>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Series 2009					
Issued March 1, 2010					
In the amount of \$2,235,000					
At interest rates of 2.50%					
to 4.00%					
Maturing September 1, 2019	\$ 505,000	\$ -	\$ 250,000	\$ 255,000	\$ 14,825
Series 2012					
Issued June 1, 2012					
In the amount of \$8,285,000					
At interest rates of 2.00%					
to 3.125%					
Maturing September 1, 2032	<u>7,020,000</u>	<u>-</u>	<u>350,000</u>	<u>6,670,000</u>	<u>199,031</u>
Total general obligation bonds	<u>\$7,525,000</u>	<u>\$ -</u>	<u>\$ 600,000</u>	<u>\$6,925,000</u>	<u>\$ 213,856</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2020	\$ 620,000	\$ 193,406	\$ 813,406
2021	380,000	177,131	557,131
2022	395,000	165,506	560,506
2023	410,000	153,431	563,431
2024	425,000	142,234	567,234
2025-2029	2,405,000	530,304	2,935,304
2030-2033	<u>2,290,000</u>	<u>145,175</u>	<u>2,435,175</u>
Total	<u>\$ 6,925,000</u>	<u>\$ 1,507,187</u>	<u>\$ 8,432,187</u>

D. OPERATING LEASE

The District has entered into an operating lease agreement for five copiers. Rental payments for the current year totaled \$15,592. The operating lease agreement expires on June 30, 2022.

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

2020	\$ 15,592
2021	15,593
2022	<u>15,593</u>
	<u>\$ 46,778</u>

E. INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	At risk (K-12) fund	\$ 57,275	K.S.A. 72-5167
General fund	At risk (4-year-old) fund	6,500	K.S.A. 72-5167
General fund	Special education fund	296,132	K.S.A. 72-5167
General fund	Bilingual fund	11,000	K.S.A. 72-5167
General fund	Contingency reserve	<u>42,500</u>	K.S.A. 72-5167
Total general fund		<u>413,407</u>	
Supplemental general fund	At risk (K-12) fund	102,317	K.S.A. 72-5143
Supplemental general fund	Food service fund	7,296	K.S.A. 72-5143
Supplemental general fund	Special education fund	25,000	K.S.A. 72-5143
Supplemental general fund	Bilingual fund	5,000	K.S.A. 72-5143
Supplemental general fund	Career and postsecondary education fund	<u>55,349</u>	K.S.A. 72-5143
Total supplemental general fund		<u>194,962</u>	
		<u>\$ 608,369</u>	

Transfer to the related municipal entity was as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
Recreation commission fund	Spearville Recreation Commission	<u>\$ 118,500</u>	K.S.A. 12-1928

F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Section 125 cafeteria plan/health insurance. The District offers a Section 125 cafeteria plan for all employees electing to participate. It is used for medical insurance premiums, unreimbursed medical expenses, and childcare expenses. The plan is administered by the health insurance provider. The District withholds the amounts from the employee's paychecks and remits the withholding to the plan administrator.

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.

Compensated absences. The District's policies regarding vacation and sick pay permit an annual vacation of one to three weeks with pay depending on years of service to employees assigned to twelve-month positions. The Superintendent is entitled to an annual vacation of three weeks. Non-certified staff only are entitled to payment for unused vacation if they terminate employment at the end of the contract period. Sick leave for all employees may be accumulated at a rate of ten days per year up to a total accumulation of 72 days. A sick leave pool is administered by a committee of District employees. Personal leave is given to all personnel at two days per year and may accumulate to a total of three days for non-certified staff and four days for certified personnel. In the event of death, retirement, or termination of employment, accumulated sick and personal leave is lost. The District's policy is to recognize the costs of compensated absences when actually paid.

G. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org, by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603), or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

G. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01% for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for the House Bill 2052, Section 37(a), the 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 the 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 \$206,711 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 \$3,107,658. 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.

H. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and medical needs of employees. The District purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded insurance coverage in any of the past three years.

The District has established an internal service fund to account for its medical self-insurance program and has entered into a partially self-funded agreement. This agreement allows the District to assume a limited amount of liability by self-insuring a portion of the employees' medical expenses. Premiums paid for an excess coverage insurance policy cover individual and family claims in excess of \$25,000 and the District is also protected by an aggregate stop-loss protection provision, which limits its liability on total self-insurance claims for a contract period.

Liabilities for unpaid claims are those claims that are unpaid at year end. Changes in the claims liability amount are as follows:

	<u>Beginning of year liability</u>	<u>Claims and changes in estimates</u>	<u>Claim payments</u>	<u>End of year liability</u>
2017-2018	\$ -	\$ 272,816	\$ 247,657	\$ 25,159
2018-2019	25,159	31,442	56,601	-

The partially self-funded agreement was terminated effective September 30, 2018.

I. 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 disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2019.

J. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 8, 2020, the date on which the financial statement was available to be used. Management's evaluation concluded that the following subsequent event is required to be recognized or disclosed in this financial statement:

At the November 2019 election, the voters approved a general obligation bond issue of \$5,770,000 for an Elementary School addition and tornado shelter. The bonds will be issued as of January 15, 2020 with a final maturity date of September 1, 2033.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**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 maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 2,792,216	\$ (119,535)	\$ 2,672,681	\$ 2,672,681	\$ -
Supplemental general	896,097	(16,631)	879,466	879,466	-
Special purpose funds:					
Capital outlay	558,000	-	558,000	33,458	524,542
Driver training	9,360	-	9,360	5,054	4,306
At risk (K-12)	131,198	-	131,198	131,198	-
Food service	209,845	-	209,845	182,402	27,443
Professional development	11,000	-	11,000	567	10,433
At risk (4-year-old)	139,289	-	139,289	58,821	80,468
Special education	434,162	-	434,162	336,880	97,282
Bilingual	16,000	-	16,000	16,000	-
Recreation commission	118,500	-	118,500	118,500	-
KPERS special retirement contribution	330,976	-	330,976	206,711	124,265
Career and postsecondary education	71,435	-	71,435	54,510	16,925
Bond and interest fund:					
Bond and interest	814,857	-	814,857	813,856	1,001
Total Unified School District No. 381	6,532,935	(136,166)	6,396,769	5,510,104	886,665
Related municipal entity:					
Spearville Recreation Commission: General	588,000	-	588,000	454,592	133,408
Total municipal financial reporting entity	<u>\$ 7,120,935</u>	<u>\$ (136,166)</u>	<u>\$ 6,984,769</u>	<u>\$ 5,964,696</u>	<u>\$ 1,020,073</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State sources:				
Equalization aid	\$ 2,339,501	\$ 2,445,190	\$ 2,493,353	\$ (48,163)
Special education aid	256,623	226,324	296,132	(69,808)
Mineral production tax	1,197	936	2,500	(1,564)
Total receipts	<u>2,597,321</u>	<u>2,672,450</u>	<u>\$ 2,791,985</u>	<u>\$ (119,535)</u>
Expenditures:				
Instruction	1,554,135	1,508,606	\$ 1,669,679	\$ 161,073
Student support services	29,824	37,505	32,400	(5,105)
General administration	188,253	168,123	195,400	27,277
School administration	229,949	246,899	249,680	2,781
Operations and maintenance	209,919	284,714	220,100	(64,614)
Student transportation services	9,269	13,427	10,050	(3,377)
Operating transfers	375,741	413,407	414,907	1,500
Adjustment to comply with legal maximum budget	-	-	(119,535)	(119,535)
Total expenditures	<u>2,597,090</u>	<u>2,672,681</u>	<u>\$ 2,672,681</u>	<u>\$ -</u>
Receipts over (under) expenditures	231	(231)		
Unencumbered cash, beginning of year	<u>-</u>	<u>231</u>		
Unencumbered cash, end of year	<u>\$ 231</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 3,795	\$ 671	\$ 12,664	\$ (11,993)
Current tax	502,053	486,644	463,787	22,857
Delinquent tax	6,680	6,996	1,798	5,198
Motor vehicle tax	43,478	37,787	41,075	(3,288)
Federal aid	150	-	-	-
State aid	335,244	325,666	335,857	(10,191)
Other	212	478	-	478
Total receipts	<u>891,612</u>	<u>858,242</u>	<u>\$ 855,181</u>	<u>\$ 3,061</u>
Expenditures:				
Instruction	188,557	157,081	\$ 204,695	\$ 47,614
Student support services	(224)	(104)	-	104
General administration	47,719	43,432	48,330	4,898
School administration	4,559	4,583	5,400	817
Operations and maintenance	274,411	324,737	281,500	(43,237)
Student transportation services	183,029	154,775	189,400	34,625
Operating transfers	177,104	194,962	166,772	(28,190)
Adjustment to comply with legal maximum budget	-	-	(16,631)	(16,631)
Total expenditures	<u>875,155</u>	<u>879,466</u>	<u>\$ 879,466</u>	<u>\$ -</u>
Receipts over (under) expenditures	16,457	(21,224)		
Unencumbered cash, beginning of year	33,514	49,971		
Prior year canceled encumbrances	-	1,766		
Unencumbered cash, end of year	<u>\$ 49,971</u>	<u>\$ 30,513</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 404	\$ 72	\$ 1,359	\$ (1,287)
Current tax	53,537	112,584	106,946	5,638
Delinquent tax	298	382	191	191
Motor vehicle tax	4,406	4,384	4,378	6
Interest	33,244	60,161	-	60,161
State aid	14,553	21,819	21,640	179
Other	56,074	24,456	-	24,456
Transfer from general fund	44,000	-	44,000	(44,000)
Total receipts	<u>206,516</u>	<u>223,858</u>	<u>\$ 178,514</u>	<u>\$ 45,344</u>
Expenditures:				
Instruction	3,150	-	\$ 51,500	\$ 51,500
Operations and maintenance	-	-	2,500	2,500
Transportation	-	-	45,000	45,000
Other support services	3	-	-	-
Facility acquisition and construction services	<u>96,082</u>	<u>33,458</u>	<u>459,000</u>	<u>425,542</u>
Total expenditures	<u>99,235</u>	<u>33,458</u>	<u>\$ 558,000</u>	<u>\$ 524,542</u>
Receipts over (under) expenditures	107,281	190,400		
Unencumbered cash, beginning of year	272,739	391,383		
Prior year canceled encumbrances	<u>11,363</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 391,383</u>	<u>\$ 581,783</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Fees	\$ 3,200	\$ 4,200	\$ -	\$ 4,200
State aid	1,920	2,352	3,770	(1,418)
Total receipts	<u>5,120</u>	<u>6,552</u>	<u>\$ 3,770</u>	<u>\$ 2,782</u>
Expenditures:				
Instruction	3,664	4,957	\$ 7,360	\$ 2,403
Operations and maintenance	36	97	2,000	1,903
Total expenditures	<u>3,700</u>	<u>5,054</u>	<u>\$ 9,360</u>	<u>\$ 4,306</u>
Receipts over (under) expenditures	1,420	1,498		
Unencumbered cash, beginning of year	<u>10,238</u>	<u>11,658</u>		
Unencumbered cash, end of year	<u>\$ 11,658</u>	<u>\$ 13,156</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general fund	\$ -	\$ 57,275	\$ 57,275	\$ -
Transfer from supplemental general fund	<u>88,709</u>	<u>102,317</u>	<u>73,923</u>	<u>28,394</u>
Total receipts	88,709	159,592	<u>\$ 131,198</u>	<u>\$ 28,394</u>
Expenditures:				
Instruction	<u>138,115</u>	<u>131,198</u>	<u>\$ 131,198</u>	<u>\$ -</u>
Receipts over (under) expenditures	(49,406)	28,394		
Unencumbered cash, beginning of year	<u>49,406</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 28,394</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Charges for services	\$ 92,579	\$ 90,104	\$ 94,475	\$ (4,371)
Federal aid	74,210	73,355	82,797	(9,442)
State aid	2,196	2,170	1,940	230
Transfer from supplemental general fund	8,002	7,296	7,500	(204)
Total receipts	176,987	172,925	<u>\$ 186,712</u>	<u>\$ (13,787)</u>
Expenditures:				
Food service operations	175,862	182,402	<u>\$ 209,845</u>	<u>\$ 27,443</u>
Receipts over (under) expenditures	1,125	(9,477)		
Unencumbered cash, beginning of year	<u>56,594</u>	<u>57,719</u>		
Unencumbered cash, end of year	<u>\$ 57,719</u>	<u>\$ 48,242</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 1,049	\$ 663	<u>\$ 438</u>	<u>\$ 225</u>
Expenditures:				
Instructional support staff	<u>870</u>	<u>567</u>	<u>\$ 11,000</u>	<u>\$ 10,433</u>
Receipts over (under) expenditures	179	96		
Unencumbered cash, beginning of year	<u>14,461</u>	<u>14,640</u>		
Unencumbered cash, end of year	<u>\$ 14,640</u>	<u>\$ 14,736</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

AT RISK (4-YEAR-OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Donations	\$ -	\$ 132,789	\$ 132,789	\$ -
Transfer from general fund	-	6,500	6,500	-
Total receipts	-	139,289	\$ 139,289	\$ -
Expenditures:				
Instruction	-	55,519	\$ 139,289	\$ 83,770
Instructional support staff	-	3,302	-	(3,302)
Total expenditures	-	58,821	\$ 139,289	\$ 80,468
Receipts over (under) expenditures	-	80,468		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ 80,468		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 1,811	\$ -	\$ -	\$ -
Other	10,913	7,341	-	7,341
Transfer from general fund	319,723	296,132	296,132	-
Transfer from supplemental general fund	20,393	25,000	25,000	-
Total receipts	<u>352,840</u>	<u>328,473</u>	<u>\$ 321,132</u>	<u>\$ 7,341</u>
Expenditures:				
Instruction	371,361	320,002	\$ 434,162	\$ 114,160
General administration	13,365	15,402	-	(15,402)
Operations and maintenance	600	600	-	(600)
Student transportation services	850	876	-	(876)
Total expenditures	<u>386,176</u>	<u>336,880</u>	<u>\$ 434,162</u>	<u>\$ 97,282</u>
Receipts over (under) expenditures	(33,336)	(8,407)		
Unencumbered cash, beginning of year	<u>301,610</u>	<u>268,274</u>		
Unencumbered cash, end of year	<u>\$ 268,274</u>	<u>\$ 259,867</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

BILINGUAL FUND

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

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general fund	\$ 12,018	\$ 11,000	\$ 11,000	\$ -
Transfer from supplemental general fund	-	5,000	5,000	-
Total receipts	12,018	16,000	<u>\$ 16,000</u>	<u>\$ -</u>
Expenditures:				
Instruction	12,018	16,000	<u>\$ 16,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 757	\$ 134	\$ 2,549	\$ (2,415)
Current tax	100,326	106,358	101,202	5,156
Delinquent tax	1,207	718	360	358
Motor vehicle tax	8,209	8,214	8,202	12
Total receipts	110,499	115,424	<u>\$ 112,313</u>	<u>\$ 3,111</u>
Expenditures:				
Transfer to related municipal entity	100,000	118,500	<u>\$ 118,500</u>	<u>\$ -</u>
Receipts over (under) expenditures	10,499	(3,076)		
Unencumbered cash, beginning of year	<u>51,666</u>	<u>62,165</u>		
Unencumbered cash, end of year	<u>\$ 62,165</u>	<u>\$ 59,089</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

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 Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 242,654	\$ 206,711	\$ 330,976	\$ (124,265)
Expenditures:				
Instruction	169,857	144,698	\$ 228,476	\$ 83,778
Student support services	7,280	6,201	30,000	23,799
General administration	16,986	14,470	19,000	4,530
School administration	26,692	22,738	30,000	7,262
Operations and maintenance	12,133	10,336	13,500	3,164
Food service operations	9,706	8,268	10,000	1,732
Total expenditures	<u>242,654</u>	<u>206,711</u>	<u>\$ 330,976</u>	<u>\$ 124,265</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ 2,400	\$ -	\$ -	\$ -
Transfer from supplemental general fund	<u>60,000</u>	<u>55,349</u>	<u>55,349</u>	<u>-</u>
Total receipts	62,400	55,349	<u>\$ 55,349</u>	<u>\$ -</u>
Expenditures:				
Instruction	<u>50,984</u>	<u>54,510</u>	<u>\$ 71,435</u>	<u>\$ 16,925</u>
Receipts over (under) expenditures	11,416	839		
Unencumbered cash, beginning of year	<u>34,609</u>	<u>46,025</u>		
Unencumbered cash, end of year	<u>\$ 46,025</u>	<u>\$ 46,864</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2019

	<u>Contingency reserve</u>	<u>Textbook and student materials revolving</u>	<u>REAP - rural education achievement</u>
Receipts:			
Fees	\$ -	\$ 14,742	\$ -
Federal aid	-	-	34,797
State aid	-	-	-
Donations	-	-	-
Wind farm allocation	-	-	-
Transfer from general fund	42,500	-	-
	<u>42,500</u>	<u>-</u>	<u>-</u>
Total receipts	<u>42,500</u>	<u>14,742</u>	<u>34,797</u>
Expenditures:			
Instruction	-	28,843	34,797
Other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>28,843</u>	<u>34,797</u>
Receipts over (under) expenditures	42,500	(14,101)	-
Unencumbered cash, beginning of year	<u>182,489</u>	<u>28,843</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ 224,989</u>	<u>\$ 14,742</u>	<u>\$ -</u>

See Independent Auditor's Report.

<u>Title I</u>	<u>Title IIA</u>	<u>Gifts and grants</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 14,742
39,002	3,916	-	77,715
-	-	6,057	6,057
-	-	62,702	62,702
-	-	442,523	442,523
-	-	-	42,500
<u>39,002</u>	<u>3,916</u>	<u>511,282</u>	<u>646,239</u>
39,002	3,916	158,777	265,335
-	-	25	25
<u>39,002</u>	<u>3,916</u>	<u>158,802</u>	<u>265,360</u>
-	-	352,480	380,879
-	-	808,125	1,019,457
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,160,605</u>	<u>\$ 1,400,336</u>

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

BOND AND INTEREST FUND

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

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

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,586	\$ 241	\$ 4,473	\$ (4,232)
Current tax	180,010	186,133	177,490	8,643
Delinquent tax	2,590	1,402	645	757
Motor vehicle tax	17,235	16,505	16,341	164
Wind farm allocation	398,148	444,716	444,716	-
State aid	218,148	154,633	154,633	-
Total receipts	<u>817,717</u>	<u>803,630</u>	<u>\$ 798,298</u>	<u>\$ 5,332</u>
Expenditures:				
Debt service:				
Principal	575,000	600,000	\$ 600,000	\$ -
Interest	232,956	213,856	213,857	1
Bond fees	-	-	1,000	1,000
Total expenditures	<u>807,956</u>	<u>813,856</u>	<u>\$ 814,857</u>	<u>\$ 1,001</u>
Receipts over (under) expenditures	9,761	(10,226)		
Unencumbered cash, beginning of year	<u>486,800</u>	<u>496,561</u>		
Unencumbered cash, end of year	<u>\$ 496,561</u>	<u>\$ 486,335</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SPECIAL RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

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

	<u>2018</u>	<u>2019</u>
Receipts:		
Charges for services	\$ 273,702	\$ 50,129
Expenditures:		
General administration	<u>272,816</u>	<u>31,442</u>
Receipts over (under) expenditures	886	18,687
Unencumbered cash, beginning of year	<u>-</u>	<u>886</u>
Unencumbered cash, end of year	<u>\$ 886</u>	<u>\$ 19,573</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
Gate receipts:						
Athletics	\$ 2,503	\$ 41,162	\$ 42,760	\$ 905	\$ -	\$ 905
Forensics	708	620	824	504	-	504
Total gate receipts	<u>3,211</u>	<u>41,782</u>	<u>43,584</u>	<u>1,409</u>	<u>-</u>	<u>1,409</u>
School projects:						
Student incentive	68	1,065	1,133	-	-	-
Art department	2,080	1,895	2,182	1,793	-	1,793
Yearbook	497	10,417	10,759	155	-	155
Quiz bowl	608	185	793	-	-	-
Woods department	26	8,946	8,672	300	-	300
Business department	3,802	1,790	4,359	1,233	-	1,233
Memorial pictures	168	70	-	238	-	238
Concession equipment	2,471	650	1,090	2,031	-	2,031
Total school projects	<u>9,720</u>	<u>25,018</u>	<u>28,988</u>	<u>5,750</u>	<u>-</u>	<u>5,750</u>
Total district activity funds	<u>\$ 12,931</u>	<u>\$ 66,800</u>	<u>\$ 72,572</u>	<u>\$ 7,159</u>	<u>\$ -</u>	<u>\$ 7,159</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2019

<u>Funds</u>	Beginning cash balance (deficit)	Receipts	Disbursements	Ending cash balance
Student organization funds:				
Class of 2018	\$ 1,617	\$ -	\$ 1,617	\$ -
Class of 2019	8,880	789	9,669	-
Class of 2020	9,999	8,452	11,310	7,141
Class of 2021	2,142	17,436	12,447	7,131
Class of 2022	-	13,851	8,493	5,358
Volleyball	283	4,736	4,955	64
HS mens basketball	68	-	-	68
Track and field	105	4,295	4,314	86
Baseball	386	3,497	3,527	356
Softball	533	3,921	3,649	805
HS girls basketball	79	3,577	3,656	-
Music/choir fund	221	1,333	1,342	212
National honor society	5,301	6,135	5,940	5,496
HS cheerleaders	6,463	16,728	17,398	5,793
Drill team	2,604	7,236	8,566	1,274
Dance team	(150)	-	(150)	-
Pep club	183	-	-	183
Student council	616	500	941	175
MS student council	633	394	263	764
JH cheerleaders	482	5,763	3,130	3,115
	<u>\$ 40,445</u>	<u>\$ 98,643</u>	<u>\$ 101,067</u>	<u>\$ 38,021</u>
Total agency funds	<u>\$ 40,445</u>	<u>\$ 98,643</u>	<u>\$ 101,067</u>	<u>\$ 38,021</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SPEARVILLE RECREATION COMMISSION
SPEARVILLE, KANSAS**

GENERAL FUND

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

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

	2019		Variance favorable (unfavorable)	
	2018	Actual		Budget
Receipts:				
Transfer from USD 381	\$ 100,000	\$ 100,000	\$ 106,758	\$ (6,758)
Charges and sales	11,343	12,050	12,000	50
Interest	1,083	1,938	500	1,438
Donations and pool rental	600	1,595	500	1,095
Other miscellaneous income	65	429	-	429
Grant income	328,473	56,765	55,000	1,765
Youth athletic programs	8,929	10,160	9,000	1,160
Transfer	8,214	-	-	-
Total receipts	458,707	182,937	\$ 183,758	\$ (821)
Expenditures:				
Pool maintenance/improvements	6,539	2,836	\$ 40,000	\$ 37,164
Park maintenance/improvements	8,590	2,271	40,000	37,729
Youth athletic programs	11,374	9,191	20,000	10,809
Salaries	50,539	56,332	55,000	(1,332)
Capital purchases	4,560	5,244	15,000	9,756
Insurance	9,724	14,090	15,000	910
Ball field maintenance/improvements	5,633	9,605	30,000	20,395
Concession expense	3,724	3,185	6,000	2,815
Utilities	9,754	7,818	15,000	7,182
Park project	15,904	-	8,000	8,000
Ballfield project	-	329,568	330,000	432
Payroll taxes	4,211	4,309	6,000	1,691
Advertising	69	-	-	-
Travel	448	433	-	(433)
Other	2,553	9,710	8,000	(1,710)
Total expenditures	133,622	454,592	\$ 588,000	\$ 133,408
Receipts over (under) expenditures	325,085	(271,655)		
Unencumbered cash, beginning of year	86,398	411,483		
Unencumbered cash, end of year	<u>\$ 411,483</u>	<u>\$ 139,828</u>		

See Independent Auditor's Report.