

UNIFIED SCHOOL DISTRICT NO. 439

SEDGWICK, KANSAS

Financial Statement

For the Year Ended June 30, 2019

Unified School District No. 439
For the Year Ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 439
Sedgwick, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 439, Sedgwick, Kansas (District), as of and for the year ended June 30, 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial 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 1; 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2019, or 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 the District as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2019 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, schedule of regulatory basis receipts and disbursements-agency funds, and the schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the 2019 basic financial statement, but 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 2019 basic financial statement. The 2019 information has been subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 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 2019 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated October 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 web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2019 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 2018 basic financial statement as a whole for the year ended June 30, 2018, on the basis of accounting described in Note 1.

Krudsen, Monroe & Company, LLC

Certified Public Accountants

Newton, Kansas

September 6, 2019

Unified School District No. 439

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	\$ -	-	3,664,621	3,664,621	-	65,962	65,962
Supplemental General	52,077	-	1,167,313	1,169,008	50,382	38,114	88,496
Special Purpose Funds							
At Risk (K-12)	397,171	-	223,673	223,673	397,171	61	397,232
Driver Training	51,699	-	6,655	6,364	51,990	-	51,990
Capital Outlay	1,797,660	-	287,758	399,677	1,685,741	353,951	2,039,692
Food Service	96,143	-	273,594	273,986	95,751	-	95,751
Professional Development	53,153	-	32,509	29,566	56,096	-	56,096
Special Education	895,323	-	776,593	772,334	899,582	908	900,490
Career and Postsecondary Education	326,297	-	229,644	227,015	328,926	-	328,926
KPERS Employer Contribution	-	-	309,591	309,591	-	-	-
Recreation	1,224	-	43,662	44,886	-	-	-
Textbook Revolving	199,997	2,850	62,328	59,616	205,559	4,333	209,892
Contingency Reserve	530,000	-	-	-	530,000	-	530,000
Federal Government Programs	-	-	99,656	99,656	-	-	-
Bond and Interest Fund	125,218	-	2	-	125,220	-	125,220
District Activity Funds							
Activity Gate Receipts	28,430	-	59,583	71,484	16,529	-	16,529
School Projects	11,529	-	42,226	45,555	8,200	-	8,200
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 4,565,921</u>	<u>2,850</u>	<u>7,279,408</u>	<u>7,397,032</u>	<u>4,451,147</u>	<u>463,329</u>	<u>4,914,476</u>
Composition of Cash							
Cash in Bank, Legacy Bank							
Checking account							\$ (46,193)
Money market account							4,933,306
Credit card account							1,000
Petty cash checking							2,250
Activity Funds - High School							36,368
Activity Funds - Grade School							4,792
Total cash							4,931,523
Less Agency Funds (Schedule 3)							17,047
Total Reporting Entity (excluding Agency Funds)							<u>\$ 4,914,476</u>

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

NOTES TO FINANCIAL STATEMENT

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 439, Sedgwick, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 439 (District), a municipality.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies, and other 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 and payment of general long-term debt.

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

Activity Fund – under provisions of K.S.A. 72-8208a, the Board of Education adopted a resolution relating to the school activity funds which results in the activity funds being accounted for under policies and procedures of the Board. In this financial statement, school activity funds of the District are classified as special purpose funds.

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.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Funds, Special Purpose Funds (unless specifically exempted by statute), and the Bond and Interest Fund. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

NOTES TO FINANCIAL STATEMENT

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Preparation of the budget for the succeeding fiscal 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 the 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 Agency Funds, and certain Special Purpose Funds as noted in the presentation of the appropriate Schedules 2, 3 and 4.

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. 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.

Unified School District No. 439

NOTES TO FINANCIAL STATEMENT

June 30, 2019

2. DEPOSITS AND INVESTMENTS (Continued)

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 at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$4,931,523 and the bank balance was \$5,046,960. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$4,796,960 was collateralized with securities held by the pledging financial institution's agents in the District's name.

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$240,808 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.

4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any statutory violations occurring in the year ended June 30, 2019.

5. OPERATING LEASE

The District entered into lease agreements for printers and copiers for periods up to 60 months. Payments, including overage charges of \$24,792 were made in fiscal year 2019. Operating lease obligations for subsequent years are as follows:

2020	\$	8,325
2021		8,325
2022		8,325
2023		8,325
2024		6,242
		<u>39,542</u>

NOTES TO FINANCIAL STATEMENT

June 30, 2019

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Total
General	At Risk (K-12)	K.S.A. 72-5167	\$ 46,233
General	Capital Outlay	K.S.A. 72-5167	24,515
General	Food Service	K.S.A. 72-5167	30,859
General	Special Education	K.S.A. 72-5167	469,027
General	Career and Postsecondary Education	K.S.A. 72-5167	1,281
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	177,265
Supplemental General	Professional Development	K.S.A. 72-5143	30,000
Supplemental General	Special Education	K.S.A. 72-5143	300,000
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	190,000
Supplemental General	Textbook Revolving	K.S.A. 72-5143	35,000
			<u>\$ 1,304,180</u>

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

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 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.

Compensated Absences

The District's personnel policies grant compensated absences in the form of vacation, sick days and personal leave days for each school year. Classified full-time staff receive ten days paid vacation during the first two years of employment. After two years of continuous service, full-time staff receive fifteen days paid vacation. Unused vacation time may not be accumulated.

Both certified and classified employees receive a maximum of twelve days per year sick leave and an additional two days for personal business. Sick leave may be accumulated to 60 days (45 days for ten-month classified employees). Compensation may be paid to certified staff upon retirement for a portion of the unused accumulation, if specific requirements are met.

NOTES TO FINANCIAL STATEMENT

June 30, 2019

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

The District's liability for compensated absences at June 30, 2019, has not been recorded in this financial statement.

8. 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 statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERs were decreased by \$64,130,234 for the fiscal year 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 \$309,591 for the year ended June 30, 2019.

NOTES TO FINANCIAL STATEMENT

June 30, 2019

8. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$4,576,290. 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 publicly available on the website at www.kpers.org or can be obtained as described above.

9. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2019, the District purchased food service supplies from a company partially owned by a Board member. At June 30, 2019, there were no amounts past due to this vendor. Total payments to this vendor during the year ended June 30, 2019, were \$8,371.

During the year ended June 30, 2019, the District purchased office equipment and maintenance services from a local company where a family member of a Board member was the sales representative. At June 30, 2019, there were no amounts past due to this vendor. Total payments to this vendor during the year ended June 30, 2019, were \$18,569.

The District is the taxing authority for the Sedgwick Recreation Commission which operates recreational programs within the District. During the fiscal year ended June 30, 2019, the District levied a total tax of 2.0 mills for the Recreation Commission Fund, which in turn is appropriated to the Sedgwick Recreation Commission for its operations. There is an informal agreement between the District and the Recreation Commission for use of District facilities when they are not otherwise being used by the District. The financial activity of the Sedgwick Recreation Commission is not included in this financial statement.

10. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

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; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from June 30, 2018 to June 30, 2019, and there were no settlements that exceeded insurance coverage in the past three years.

NOTES TO FINANCIAL STATEMENT

June 30, 2019

10. CLAIMS AND JUDGMENTS (Continued)

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the District.

11. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2019, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through September 6, 2019, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 439
SEDGWICK, KANSAS
REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

Unified School District No. 439

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

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	\$ 3,848,877	(200,337)	16,081	3,664,621	3,664,621	-
Supplemental General	1,231,513	(62,505)	-	1,169,008	1,169,008	-
SPECIAL PURPOSE FUNDS						
At Risk (K-12)	512,700	-	-	512,700	223,673	(289,027)
Driver Training	46,600	-	-	46,600	6,364	(40,236)
Capital Outlay	1,590,000	-	-	1,590,000	399,677	(1,190,323)
Food Service	480,314	-	-	480,314	273,986	(206,328)
Professional Development	43,100	-	-	43,100	29,566	(13,534)
Special Education	1,201,000	-	-	1,201,000	772,334	(428,666)
Career and Postsecondary Education	419,830	-	-	419,830	227,015	(192,815)
KPERS Employer Contribution	498,811	-	-	498,811	309,591	(189,220)
Recreation	45,879	-	-	45,879	44,886	(993)
BOND AND INTEREST FUND	125,218	-	-	125,218	-	(125,218)

Unified School District No. 439

General Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
GENERAL				
RECEIPTS				
General state aid	\$ 3,085,308	3,179,513	3,283,750	(104,237)
Special education state aid	441,459	469,027	565,126	(96,099)
Reimbursements - Fees	3,416	-	-	-
Reimbursements - Grants and other	<u>10,701</u>	<u>16,081</u>	<u>-</u>	<u>16,081</u>
Total receipts	3,540,884	3,664,621	<u>3,848,876</u>	<u>(184,255)</u>
EXPENDITURES, page 13	<u>3,543,403</u>	<u>3,664,621</u>		
Receipts over (under) expenditures	(2,519)	-		
UNENCUMBERED CASH, beginning	2,224	-		
Prior Year Cancelled Encumbrances	<u>295</u>	<u>-</u>		
UNENCUMBERED CASH, ending	<u>\$ -</u>	<u>-</u>		

Unified School District No. 439

General Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
EXPENDITURES				
Instruction	\$ 1,737,171	1,763,333	1,807,500	(44,167)
Student support services	65,949	154,426	118,300	36,126
Instructional support staff	131,833	148,730	143,700	5,030
General administration	135,557	141,779	252,290	(110,511)
School administration	305,519	298,701	331,850	(33,149)
Other supplemental services	36,568	38,010	41,707	(3,697)
Operations and maintenance	374,539	437,344	414,265	23,079
Student transportation services	103,694	84,088	95,250	(11,162)
Vehicle operating & maintenance services	18,372	26,295	27,000	(705)
Transfer to				
At Risk (K-12)	-	46,233	51,889	(5,656)
Capital Outlay	192,212	24,515	-	24,515
Food Service	-	30,859	-	30,859
Special Education	441,459	469,027	565,126	(96,099)
Career and Postsecondary Education	530	1,281	-	1,281
	<u>3,543,403</u>	<u>3,664,621</u>	<u>3,848,877</u>	<u>(184,256)</u>
Adjustment to comply with legal max	-	-	(200,337)	200,337
Legal maximum budget	3,543,403	3,664,621	3,648,540	16,081
Budget adjustments				
Qualifying budget credits	-	-	16,081	(16,081)
Total expenditures	<u>\$ 3,543,403</u>	<u>3,664,621</u>	<u>3,664,621</u>	<u>-</u>

Unified School District No. 439

General Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
SUPPLEMENTAL GENERAL				
RECEIPTS				
Taxes				
Tax in process	\$ 6,639	11,333	13,932	(2,599)
Current tax	345,474	294,601	313,263	(18,662)
Delinquent tax	9,132	10,259	2,738	7,521
Motor vehicle tax	47,578	54,230	51,808	2,422
Recreational vehicle tax	900	1,029	1,049	(20)
State aid	807,300	795,861	838,414	(42,553)
Reimbursements	995	-	-	-
Total receipts	<u>1,218,018</u>	<u>1,167,313</u>	<u>1,221,204</u>	<u>(53,891)</u>
EXPENDITURES				
Instruction	180,570	237,599	226,500	11,099
Student support services	49,635	38,702	59,960	(21,258)
Instructional support staff	22,596	6,155	88,040	(81,885)
General administration	109,209	105,622	-	105,622
Operations and maintenance	28,893	48,665	30,000	18,665
Transfer to				
At Risk (K-12)	250,000	177,265	170,013	7,252
Food Service	36,925	-	75,000	(75,000)
Professional Development	20,000	30,000	30,000	-
Special Education	265,000	300,000	350,000	(50,000)
Career and Postsecondary Education	175,000	190,000	127,000	63,000
Textbook Revolving	37,500	35,000	75,000	(40,000)
	<u>1,175,328</u>	<u>1,169,008</u>	<u>1,231,513</u>	<u>(62,505)</u>
Budget adjustments				
Legal maximum budget	-	-	(62,505)	62,505
Total expenditures	<u>1,175,328</u>	<u>1,169,008</u>	<u>1,169,008</u>	<u>-</u>
Receipts over (under) expenditures	42,690	(1,695)		
UNENCUMBERED CASH, beginning	<u>9,387</u>	<u>52,077</u>		
UNENCUMBERED CASH, ending	<u>\$ 52,077</u>	<u>50,382</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
AT RISK (K-12)				
RECEIPTS				
Reimbursements	\$ -	175	-	175
Transfer from				
General	-	46,233	51,889	(5,656)
Supplemental General	<u>250,000</u>	<u>177,265</u>	<u>170,013</u>	<u>7,252</u>
Total receipts	250,000	223,673	<u>221,902</u>	<u>1,771</u>
EXPENDITURES				
Instruction	<u>233,151</u>	<u>223,673</u>	<u>512,700</u>	<u>(289,027)</u>
Receipts over (under) expenditures	16,849	-		
UNENCUMBERED CASH, beginning	380,299	397,171		
Prior Year Cancelled Encumbrances	<u>23</u>	<u>-</u>		
UNENCUMBERED CASH, ending	<u>\$ 397,171</u>	<u>397,171</u>		
DRIVER TRAINING				
RECEIPTS				
State aid	\$ 4,096	4,557	5,850	(1,293)
Other	<u>2,183</u>	<u>2,098</u>	<u>-</u>	<u>2,098</u>
Total receipts	<u>6,279</u>	<u>6,655</u>	<u>5,850</u>	<u>805</u>
EXPENDITURES				
Instructional salaries and benefits	<u>5,396</u>	<u>6,364</u>	<u>46,600</u>	<u>(40,236)</u>
Receipts over (under) expenditures	883	291		
UNENCUMBERED CASH, beginning	<u>50,816</u>	<u>51,699</u>		
UNENCUMBERED CASH, ending	<u>\$ 51,699</u>	<u>51,990</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CAPITAL OUTLAY				
RECEIPTS				
Taxes				
Tax in process	\$ 356	577	552	25
Current tax	17,774	79,203	75,830	3,373
Delinquent tax	1,422	1,297	139	1,158
Motor vehicle tax	8,014	2,854	2,735	119
Recreational vehicle tax	159	54	56	(2)
State aid	11,518	51,151	51,665	(514)
Interest	69,417	111,838	-	111,838
Other	66,796	16,269	-	16,269
Transfer from General	192,212	24,515	-	24,515
Total receipts	<u>367,668</u>	<u>287,758</u>	<u>130,977</u>	<u>156,781</u>
EXPENDITURES				
Instruction equipment	24,117	450	150,000	(149,550)
Student support services	19,890	-	-	-
Operations and maintenance	-	-	340,000	(340,000)
Student transportation	26,851	-	-	-
Building improvements	50,139	366,321	350,000	16,321
Facility acquisition and construction	37,956	32,906	750,000	(717,094)
Total expenditures	<u>158,953</u>	<u>399,677</u>	<u>1,590,000</u>	<u>(1,190,323)</u>
Receipts over (under) expenditures	208,715	(111,919)		
UNENCUMBERED CASH, beginning	<u>1,588,945</u>	<u>1,797,660</u>		
UNENCUMBERED CASH, ending	<u>\$ 1,797,660</u>	<u>1,685,741</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
FOOD SERVICE				
RECEIPTS				
Lunch and breakfast sales	\$ 123,282	122,045	156,745	(34,700)
Federal aid	115,820	117,466	149,346	(31,880)
State aid	2,743	2,731	3,080	(349)
Other	3,026	493	-	493
Transfer from				
General	-	30,859	-	30,859
Supplemental General	36,925	-	75,000	(75,000)
Total receipts	<u>281,796</u>	<u>273,594</u>	<u>384,171</u>	<u>(110,577)</u>
EXPENDITURES				
Operations and maintenance	27,808	27,036	45,800	(18,764)
Food service operation				
Salaries and benefits	95,814	81,718	103,456	(21,738)
Food and supplies	163,399	164,752	250,000	(85,248)
Capital outlay and other	1,662	480	81,058	(80,578)
Total expenditures	<u>288,683</u>	<u>273,986</u>	<u>480,314</u>	<u>(206,328)</u>
Receipts over (under) expenditures	(6,887)	(392)		
UNENCUMBERED CASH, beginning	<u>103,030</u>	<u>96,143</u>		
UNENCUMBERED CASH, ending	<u>\$ 96,143</u>	<u>95,751</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
PROFESSIONAL DEVELOPMENT				
RECEIPTS				
State aid	\$ 2,731	2,509	3,750	(1,241)
Transfer from Supplemental General	20,000	30,000	30,000	-
Total receipts	<u>22,731</u>	<u>32,509</u>	<u>33,750</u>	<u>(1,241)</u>
EXPENDITURES				
Instructional support				
Salaries and benefits	5,262	4,157	16,100	(11,943)
Purchased professional services				
Technical services	13,765	16,452	20,000	(3,548)
Supplies	595	8,957	7,000	1,957
Total expenditures	<u>19,622</u>	<u>29,566</u>	<u>43,100</u>	<u>(13,534)</u>
Receipts over (under) expenditures	3,109	2,943		
UNENCUMBERED CASH, beginning	<u>50,044</u>	<u>53,153</u>		
UNENCUMBERED CASH, ending	<u>\$ 53,153</u>	<u>56,096</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
SPECIAL EDUCATION				
RECEIPTS				
Medicaid administrative reimbursement	\$ 6,867	5,620	-	5,620
Other	2,190	1,946	-	1,946
Transfer from				
General	441,459	469,027	565,126	(96,099)
Supplemental General	<u>265,000</u>	<u>300,000</u>	<u>350,000</u>	<u>(50,000)</u>
Total receipts	<u>715,516</u>	<u>776,593</u>	<u>915,126</u>	<u>(138,533)</u>
EXPENDITURES				
Special Education Coop	678,720	727,387	950,000	(222,613)
Supplies	182	2,659	15,000	(12,341)
Salary and other	<u>47,811</u>	<u>42,288</u>	<u>236,000</u>	<u>(193,712)</u>
Total expenditures	<u>726,713</u>	<u>772,334</u>	<u>1,201,000</u>	<u>(428,666)</u>
Receipts over (under) expenditures	(11,197)	4,259		
UNENCUMBERED CASH, beginning	893,870	895,323		
Prior Year Cancelled Encumbrances	<u>12,650</u>	-		
UNENCUMBERED CASH, ending	<u>\$ 895,323</u>	<u>899,582</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CAREER AND POSTSECONDARY EDUCATION				
RECEIPTS				
Federal aid	\$ 1,685	2,073	-	2,073
State aid	-	3,192	3,888	(696)
Grants and other	39,488	33,098	-	33,098
Transfer from				
General	530	1,281	-	1,281
Supplemental General	<u>175,000</u>	<u>190,000</u>	<u>127,000</u>	<u>63,000</u>
Total receipts	<u>216,703</u>	<u>229,644</u>	<u>130,888</u>	<u>98,756</u>
EXPENDITURES				
Instruction				
Salaries and benefits	168,834	188,078	178,230	9,848
Purchased professional services	-	303	32,000	(31,697)
Supplies and other	14,552	16,330	160,000	(143,670)
Equipment	9,098	19,065	40,000	(20,935)
Instructional support staff	562	-	1,000	(1,000)
Student transportation services	<u>6,423</u>	<u>3,239</u>	<u>8,600</u>	<u>(5,361)</u>
Total expenditures	<u>199,469</u>	<u>227,015</u>	<u>419,830</u>	<u>(192,815)</u>
Receipts over (under) expenditures	17,234	2,629		
UNENCUMBERED CASH, beginning	<u>309,063</u>	<u>326,297</u>		
UNENCUMBERED CASH, ending	<u>\$ 326,297</u>	<u>328,926</u>		

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
KPERS EMPLOYER CONTRIBUTION				
RECEIPTS				
State aid	\$ 365,362	309,591	498,811	(189,220)
EXPENDITURES				
Instruction	242,700	203,842	322,874	(119,032)
Student support services	12,200	17,255	25,504	(8,249)
Instructional support services	13,818	12,218	23,353	(11,135)
General administration	18,214	15,733	23,938	(8,205)
School administration	32,567	25,323	40,996	(15,673)
Other supplemental services	3,940	3,337	5,334	(1,997)
Operations and maintenance	19,705	15,679	27,438	(11,759)
Student transportation services	11,831	9,109	15,883	(6,774)
Food service operations	10,387	7,095	13,491	(6,396)
Total expenditures	365,362	309,591	498,811	(189,220)
Receipts over (under) expenditures	-	-	-	-
UNENCUMBERED CASH, beginning	-	-	-	-
UNENCUMBERED CASH, ending	\$ -	-	-	-

Unified School District No. 439

Special Purpose Funds

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
RECREATION				
RECEIPTS				
Taxes				
Tax in process	\$ 700	1,154	1,409	(255)
Current tax	35,188	35,608	34,461	1,147
Delinquent tax	1,083	1,149	279	870
Motor vehicle tax	5,600	5,644	5,397	247
Recreational vehicle tax	107	107	109	(2)
Other revenue from local sources	-	-	3,000	(3,000)
Total receipts	42,678	43,662	44,655	(993)
EXPENDITURES				
Appropriation to recreation commission	43,200	44,886	45,879	(993)
Receipts over (under) expenditures	(522)	(1,224)		
UNENCUMBERED CASH, beginning	1,746	1,224		
UNENCUMBERED CASH, ending	\$ 1,224	-		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
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>
TEXTBOOK REVOLVING		
RECEIPTS		
Reimbursements, fees and activities	\$ 15,315	27,328
Transfer from Supplemental General	<u>37,500</u>	<u>35,000</u>
Total receipts	52,815	62,328
EXPENDITURES		
Textbooks and workbooks	<u>51,065</u>	<u>59,616</u>
Receipts over (under) expenditures	1,750	2,712
UNENCUMBERED CASH, beginning	198,247	199,997
Canceled prior year encumbrances	<u>-</u>	<u>2,850</u>
UNENCUMBERED CASH, ending	<u>\$ 199,997</u>	<u>205,559</u>
 CONTINGENCY RESERVE		
RECEIPTS		
	\$ -	-
EXPENDITURES		
	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>530,000</u>	<u>530,000</u>
UNENCUMBERED CASH, ending	<u>\$ 530,000</u>	<u>530,000</u>

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2019

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

	Current Year					Total
	Prior Year Total	Title I ESEA	Title II-A ESEA	Title IVA Drug Free	Small Rural Schools	
FEDERAL GOVERNMENT PROGRAMS						
RECEIPTS						
Federal aid	\$ 100,448	42,831	7,809	12,011	37,005	99,656
EXPENDITURES						
Salaries and benefits	91,166	42,831	-	2,771	36,903	82,505
Supplies and other	9,282	-	7,809	9,240	102	17,151
Total expenditures	100,448	42,831	7,809	12,011	37,005	99,656
Receipts over (under) expenditures	-	-	-	-	-	-
UNENCUMBERED CASH, beginning	-	-	-	-	-	-
UNENCUMBERED CASH, ending	\$ -	-	-	-	-	-

Unified School District No. 439

Bond and Interest Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2019

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
BOND AND INTEREST				
RECEIPTS				
Taxes				
Delinquent tax	\$ 20	2	<u>-</u>	<u>2</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>125,218</u>	<u>(125,218)</u>
Receipts over (under) expenditures	20	2		
UNENCUMBERED CASH, beginning	<u>125,198</u>	<u>125,218</u>		
UNENCUMBERED CASH, ending	<u>\$ 125,218</u>	<u>125,220</u>		

Unified School District No. 439

Agency Funds

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2019

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
STUDENT ORGANIZATIONS				
High School - Classes				
Administrative	\$ 2,464	2,747	3,159	2,052
Seniors	351	59	-	410
Juniors	410	4,613	4,764	259
Sophomores	1,520	2,724	3,916	328
Freshmen	1,477	1,501	1,477	1,501
High School - Clubs				
TSA	349	-	-	349
FCCLA	1,516	-	322	1,194
Dance Team	944	2,104	2,060	988
Spirit Squad	3,042	4,070	6,191	921
Junior High Spirit Squad	647	1,456	981	1,122
Student Council	3,182	4,580	5,027	2,735
Spanish Club	507	-	-	507
Art Class	242	250	317	175
Band Club	1,580	1,819	3,212	187
STW	729	-	-	729
Junior High Quiz Bowl	242	615	523	334
National Honor Society	926	474	385	1,015
FCA	9	-	-	9
Sedg-What	42	-	-	42
Leadership Team	431	-	-	431
Odyssey of the Mind	12	-	-	12
German	163	-	-	163
CHAMPS	124	-	-	124
Nerd Herd	44	-	36	8
Yearbook	-	422	-	422
Grade School - Clubs				
Yearbook	1,391	935	1,911	415
Total Student Organizations	<u>\$ 22,344</u>	<u>28,369</u>	<u>34,281</u>	<u>16,432</u>
GIFTS AND GRANTS	<u>\$ -</u>	<u>615</u>	<u>-</u>	<u>615</u>
SALES TAX	<u>\$ -</u>	<u>7,184</u>	<u>7,184</u>	<u>-</u>

Unified School District No. 439

District Activity Funds

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2019

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Activity Gate Receipts						
High School						
Athletics	\$ 20,702	42,332	51,704	11,330	-	11,330
Concessions	5,377	14,643	16,569	3,451	-	3,451
Musicals	2,351	2,608	3,211	1,748	-	1,748
Total Activity Gate Receipts	<u>\$ 28,430</u>	<u>59,583</u>	<u>71,484</u>	<u>16,529</u>	<u>-</u>	<u>16,529</u>
 School Projects						
High School	\$ 5,893	37,994	40,064	3,823	-	3,823
Grade School	5,636	4,232	5,491	4,377	-	4,377
Total School Projects	<u>\$ 11,529</u>	<u>42,226</u>	<u>45,555</u>	<u>8,200</u>	<u>-</u>	<u>8,200</u>