

UNIFIED SCHOOL DISTRICT NO. 487
Herington, Kansas

FINANCIAL STATEMENT
WITH
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

UNIFIED SCHOOL DISTRICT NO. 487

**FINANCIAL STATEMENT
WITH
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

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UNIFIED SCHOOL DISTRICT NO. 487

**FINANCIAL STATEMENT
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Independent Auditor's Report

To the Board of Education
Unified School District No. 487
Herington, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 487, Herington, Kansas, 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 2; 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 that 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 the 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 2 of the financial statement, the financial statement is prepared by Unified School District No. 487 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 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 487, as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

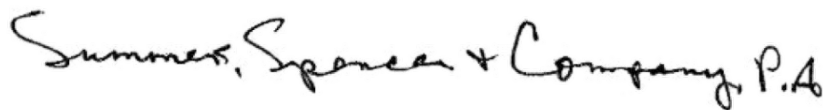
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 487, as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

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 balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, schedule of regulatory basis receipts, expenditures, and unencumbered cash – District activity funds, and schedule of regulatory basis receipts and expenditures – actual and budget – related municipal entities (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 the 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 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 487, Herington, Kansas as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated February 11, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site 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 – actual and budget and the schedules of regulatory basis receipts and expenditures – actual and budget – related municipal entities for the year ended June 30, 2019 (Schedules 2 and 5 as listed in the table of contents) are 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 2.

A handwritten signature in black ink that reads "Summers, Spencer & Company, P.A." The signature is written in a cursive, flowing style.

Summers, Spencer & Company, P.A.

Salina, Kansas

January 16, 2020

UNIFIED SCHOOL DISTRICT NO. 487

Statement 1

**Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)
For the Year Ended June 30, 2019**

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	\$ -	\$ 3,993,939	\$ 3,993,939	\$ -	\$ 625	\$ 625
Supplemental General	83,540	1,268,430	1,265,513	86,457	-	86,457
Special Purpose Funds						
At Risk (4 Year Old)	31,401	67,295	67,535	31,161	-	31,161
At Risk (K-12)	85,656	657,500	662,922	80,234	-	80,234
Virtual Education	16,226	37,254	28,239	25,241	-	25,241
Capital Outlay	709,484	385,267	659,789	434,962	211,232	646,194
Driver Training	12,592	6,240	4,695	14,137	-	14,137
Food Service	63,584	307,487	322,009	49,062	-	49,062
Professional Development	16,579	44,474	32,225	28,828	-	28,828
Parent Education	5,931	75,452	77,473	3,910	1,850	5,760
Special Education	322,798	764,732	775,850	311,680	-	311,680
Career and Postsecondary Education	45,913	282,998	289,862	39,049	3,609	42,658
KPERS Special Retirement Contribution	-	292,784	292,784	-	-	-
Contingency Reserve	215,639	45,000	45,000	215,639	-	215,639
Textbook and Student Material	78,284	30,642	35,739	73,187	-	73,187
Recreation Commission	9,500	71,343	70,000	10,843	-	10,843
Title I	-	99,550	99,550	-	-	-
Title II-A	-	19,113	19,113	-	-	-
REAP	-	32,947	32,947	-	-	-
District Activity Funds	19,800	128,468	128,764	19,504	-	19,504

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

UNIFIED SCHOOL DISTRICT NO. 487

Statement 1

**Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)
For the Year Ended June 30, 2019**

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Bond and Interest Fund						
Bond and Interest	\$ 905,830	\$ 1,101,766	\$ 963,650	\$ 1,043,946	\$ -	\$ 1,043,946
Trust Fund						-
Gifts and Grants	41,772	102,872	121,972	22,672	-	22,672
	<u>2,664,529</u>	<u>9,815,553</u>	<u>9,989,570</u>	<u>2,490,512</u>	<u>217,316</u>	<u>2,707,828</u>
Related Municipal Entities						
Herington Recreation Commission	27,101	90,345	80,618	36,828	-	36,828
Tri-County Arts Association	856	-	-	856	-	856
	<u>27,957</u>	<u>90,345</u>	<u>80,618</u>	<u>37,684</u>	<u>-</u>	<u>37,684</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 2,692,486</u>	<u>\$ 9,905,898</u>	<u>\$ 10,070,188</u>	<u>\$ 2,528,196</u>	<u>\$ 217,316</u>	<u>\$ 2,745,512</u>
Composition of Cash:						
				Checking and Saving Accounts		\$ 2,746,975
				Total Related Municipal Entities		<u>37,684</u>
				Total Cash		2,784,659
				Agency Funds per Schedule 3		<u>(39,147)</u>
				Total Reporting Entity (Excluding Agency Funds)		<u>\$ 2,745,512</u>

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

UNIFIED SCHOOL DISTRICT NO. 487

**NOTES TO THE FINANCIAL STATEMENT
For the Year Ended June 30, 2019**

Note 1 – Reporting Entity

Unified School District No. 487 (the District) is a municipal corporation governed by an elected seven-member Board of Education. The financial statement presents Unified School District No. 487 and its related municipal entities. The related municipal entities are included in the District's financial reporting entity because they were established to benefit the District and/or its constituents.

Herington Recreation Commission. The Herington Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body, but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A 12-1928.

Tri-County Arts Association. The Tri-County Arts Association is a fund that supports arts in the community.

Note 2 – Summary of Significant Account Policies

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.

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

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

Special Purpose Fund – Used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Projects 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 long-term debt.

UNIFIED SCHOOL DISTRICT NO. 487

**NOTES TO THE FINANCIAL STATEMENT
For the Year Ended June 30, 2019**

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

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

Note 3 – Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but a 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 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Contingency Reserve Fund
Title I Fund
REAP Fund

Textbook and Student Material Fund
Title II-A Fund
District Activity Funds

UNIFIED SCHOOL DISTRICT NO. 487

NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2019

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.

Note 4 – Deposits and Investments

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

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

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$2,784,659 and the bank balance was \$2,969,695. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$293,960 was covered by federal depository insurance and the remaining \$2,675,735 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Note 5 – In-Substance Receipt in Transit

The District received \$200,230 in General State Aid and \$57,359 in Supplemental General State Aid 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.

Note 6 – 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; and natural disasters. The District has purchased commercial insurance to protect themselves from these risks.

UNIFIED SCHOOL DISTRICT NO. 487

**NOTES TO THE FINANCIAL STATEMENT
For the Year Ended June 30, 2019**

Note 7 – Inter Fund Transfers

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5167	\$ 37,295
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	515,000
General Fund	Capital Outlay Fund	K.S.A. 72-5167	42,498
General Fund	Food Service Fund	K.S.A. 72-5167	30,000
General Fund	Professional Development Fund	K.S.A. 72-5167	20,000
General Fund	Parent Education Fund	K.S.A. 72-5167	15,000
General Fund	Special Education Fund	K.S.A. 72-5167	707,287
General Fund	Career and Postsecondary Education	K.S.A. 72-5167	175,000
General Fund	Contingency Reserve Fund	K.S.A. 72-5167	45,000
General Fund	Virtual Education Fund	K.S.A. 72-5167	27,254
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	10,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	20,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	50,000
Supplemental General Fund	Career and Postsecondary Education	K.S.A. 72-5143	86,129
Supplemental General Fund	Textbook and Student Material Fund	K.S.A. 72-5143	25,000
Supplemental General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5143	30,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	142,500
Contingency Reserve Fund	Supplemental General Fund	K.S.A. 72-5143	45,000

Note 8 – 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 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 at 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.

UNIFIED SCHOOL DISTRICT NO. 487

NOTES TO THE FINANCIAL STATEMENT For the Year Ended June 30, 2019

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$292,784 for the year ended June 30, 2019.

Net Pension Liability

At June 30, 2019, the District's proportionate share of the net pension liability reported by KPERS was \$3,905,806. 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. 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.

Note 9 – 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.

UNIFIED SCHOOL DISTRICT NO. 487

**NOTES TO THE FINANCIAL STATEMENT
For the Year Ended June 30, 2019**

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

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

Termination Benefits. The District offers early retirement health care benefits for certified employees that are eligible under the criteria defined in the negotiated agreement. The District pays the cost of single premium for each early retiree and the retiree is responsible for the balance. During the year ended June 30, 2019, the District paid \$47,021 under this plan. Those eligible for this program may receive benefits for up to 10 years but not past the age of 65. The District also pays an early retirement notification bonus. If the early retiree notifies the Board by January 1, the District pays \$100 per year the teacher is employed by the District for four years or more. The amount is \$50 per year if notification takes place by February 1. During the year ended June 30, 2019, the District paid \$3,900 for this benefit.

Compensated Absences. The District provides compensation for absences. Full-time, twelve month classified employees earn 10 days of vacation leave per year from one to ten years of employment, and 15 days after ten years of continual employment. Vacation leave is non-accumulative, and employees will not be reimbursed for unused vacation time. Classified employees also earn two days personal leave per year. The District reimburses for unused personal leave at the substitute teacher base pay. Classified employees are granted 10 days sick leave each year and may accumulate up to a maximum of 60 days. Employees that are eligible for early retirement will be compensated one-half of accumulated sick leave at their regular hourly wage.

Certified employees earn three personal leave days per year. The District will reimburse for any unused personal days at the end of the contract year at the daily pay rate of substitute teachers. Each full-time teacher will also be credited with 10 days of sick leave per year and may accumulate up to maximum of 60 days. Employees receive no compensation for unused sick leave upon retirement or termination of employment. However, the District will buy back the first three sick days of leave if they are unused. A pool of \$3,000 is split between all employees that have sick leave eligible for buy back.

Note 10 – Related Parties

One employee of the District was directly related to a board member during the fiscal year ended June 30, 2019.

Note 11 – Subsequent Events

The District's management has evaluated events and transactions occurring after June 30, 2019 through January 16, 2020. The aforementioned date represents the date the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 487

**NOTES TO THE FINANCIAL STATEMENT
For the Year Ended June 30, 2019**

Note 12 – Long-Term Debt

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Balance End of Year	Interest Paid
General Obligation Refunding Bonds									
Series 2013	3.5-5.0%	12/5/2013	\$ 9,700,000	9/1/2041	\$ 9,700,000	\$ -	\$ -	\$ 9,700,000	\$ 427,625
Series 2014	3.0-4.25%	1/7/2014	5,770,000	9/1/2028	4,615,000	-	385,000	4,230,000	151,025
Capital Leases									
STEM Curriculum	4.11%	6/25/2018	137,122	7/15/2020	102,904	-	34,092	68,812	188
Asbestos Removal	3.00%	4/3/2019	1,400,000	9/1/2028	-	1,400,000	-	1,400,000	-
Total Contractual Indebtedness					<u>\$ 14,417,904</u>	<u>\$ 1,400,000</u>	<u>\$ 419,092</u>	<u>\$ 15,398,812</u>	<u>\$ 578,838</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year									
	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2042	Total
Principal										
Series 2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,000	\$ 2,995,000	\$ 3,695,000	\$ 2,670,000	\$ 9,700,000
Series 2014	395,000	410,000	420,000	430,000	445,000	2,130,000	-	-	-	4,230,000
STEM Curriculum	33,713	35,099	-	-	-	-	-	-	-	68,812
Asbestos Removal	145,000	125,000	125,000	130,000	135,000	740,000	-	-	-	1,400,000
Total Principal	<u>573,713</u>	<u>570,099</u>	<u>545,000</u>	<u>560,000</u>	<u>580,000</u>	<u>3,210,000</u>	<u>2,995,000</u>	<u>3,695,000</u>	<u>2,670,000</u>	<u>15,398,812</u>
Interest										
Series 2013	427,625	427,625	427,625	427,625	427,625	2,132,175	1,800,245	1,085,599	188,931	7,345,075
Series 2014	139,325	127,250	114,800	102,050	88,647	194,215	-	-	-	766,287
STEM Curriculum	2,828	1,443	-	-	-	-	-	-	-	4,271
Asbestos Removal	36,092	35,775	32,025	28,200	24,225	56,550	-	-	-	212,867
Total Interest	<u>605,870</u>	<u>592,093</u>	<u>574,450</u>	<u>557,875</u>	<u>540,497</u>	<u>2,382,940</u>	<u>1,800,245</u>	<u>1,085,599</u>	<u>188,931</u>	<u>8,328,500</u>
Total Principal and Interest	<u>\$ 1,179,583</u>	<u>\$ 1,162,192</u>	<u>\$ 1,119,450</u>	<u>\$ 1,117,875</u>	<u>\$ 1,120,497</u>	<u>\$ 5,592,940</u>	<u>\$ 4,795,245</u>	<u>\$ 4,780,599</u>	<u>\$ 2,858,931</u>	<u>\$ 23,727,312</u>

UNIFIED SCHOOL DISTRICT NO. 487

**REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION
June 30, 2019**

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 1

**Summary of Expenditures - Actual and Budget (Regulatory Basis)
For the Fiscal 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	\$ 4,210,807	\$ (230,968)	\$ 14,100	\$ 3,993,939	\$ 3,993,939	\$ -
Supplemental General	1,334,287	(68,774)	-	1,265,513	1,265,513	-
Special Purpose Funds						
At Risk (4 Year Old)	95,401	-	-	95,401	67,535	(27,866)
At Risk (K-12)	866,853	-	-	866,853	662,922	(203,931)
Virtual Education	50,000	-	-	50,000	28,239	(21,761)
Capital Outlay	970,000	-	-	970,000	659,789	(310,211)
Driver Training	11,737	-	-	11,737	4,695	(7,042)
Food Service	365,337	-	-	365,337	322,009	(43,328)
Professional Development	32,383	-	-	32,383	32,225	(158)
Parent Education	89,358	-	-	89,358	77,473	(11,885)
Special Education	916,326	-	-	916,326	775,850	(140,476)
Career and Postsecondary Education	359,132	-	-	359,132	289,862	(69,270)
KPERS Special Retirement Contribution	459,005	-	-	459,005	292,784	(166,221)
Recreation Commission	70,000	-	-	70,000	70,000	-
Bond and Interest	963,651	-	-	963,651	963,650	(1)
Related Municipal Entity						
Herington Recreation Commission	113,601	-	-	113,601	80,618	(32,983)

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Reimbursements	\$ 13,554	\$ 14,100	\$ -	\$ 14,100
General State Aid	3,363,110	3,492,653	3,660,505	(167,852)
Special Education Aid	419,788	487,186	550,302	(63,116)
Total Receipts	3,796,452	3,993,939	\$ 4,210,807	\$ (216,868)
Expenditures				
Instruction	786,129	957,101	\$ 914,484	\$ 42,617
Student Support Services	76,879	81,487	146,746	(65,259)
Instructional Support Staff	77,316	74,940	92,467	(17,527)
General Administration	247,493	268,595	271,717	(3,122)
School Administration	249,380	267,975	236,818	31,157
Central Services	12,915	11,332	16,000	(4,668)
Operations and Maintenance	619,718	718,175	728,350	(10,175)
Transportation	1,315	-	-	-
Operating Transfers	1,725,307	1,614,334	1,804,225	(189,891)
Adjustment to Comply with Legal Max	-	-	(230,968)	230,968
Legal General Fund Budget	3,796,452	3,993,939	3,979,839	14,100
Adjustment for Qualifying Budget Credits	-	-	14,100	(14,100)
Total Expenditures	3,796,452	3,993,939	\$ 3,993,939	\$ -
Receipts Over (Under) Expenditures	-	-	-	-
Unencumbered Cash, Beginning	-	-	-	-
Unencumbered Cash, Ending	\$ -	\$ -	-	-

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Receipts				
Taxes and Shared Revenue				
Ad Valorem Tax	\$ 367,730	\$ 374,763	\$ 350,676	\$ 24,087
Delinquent Tax	13,301	15,220	5,874	9,346
Motor Vehicle Tax	43,600	35,067	37,706	(2,639)
Recreational Vehicle Tax	975	841	849	(8)
Commercial Vehicle Tax	1,250	1,012	1,168	(156)
Excise Tax	64	13	-	13
State Aid	733,691	796,514	839,800	(43,286)
Operating Transfers	150,000	45,000	45,000	-
Total Receipts	<u>1,310,611</u>	<u>1,268,430</u>	<u>\$ 1,281,073</u>	<u>\$ (12,643)</u>
Expenditures				
Instruction	697,992	586,119	\$ 588,682	\$ (2,563)
Student Support Services	34,232	39,780	52,917	(13,137)
Instructional Support Staff	65,403	114,531	115,548	(1,017)
General Administration	157	4,966	5,249	(283)
School Administration	1,477	1,363	12,998	(11,635)
Operations and Maintenance	-	349	-	349
Transportation	131,266	154,776	146,740	8,036
Operating Transfers	326,639	363,629	412,153	(48,524)
Adjustment to Comply with Legal Max	-	-	(68,774)	68,774
Total Expenditures	<u>1,257,166</u>	<u>1,265,513</u>	<u>\$ 1,265,513</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	53,445	2,917		
Unencumbered Cash, Beginning	<u>30,095</u>	<u>83,540</u>		
Unencumbered Cash, Ending	<u>\$ 83,540</u>	<u>\$ 86,457</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers	\$ 69,099	\$ 67,295	\$ 65,000	\$ 2,295
Expenditures				
Instruction	42,357	41,217	\$ 70,300	\$ (29,083)
Instructional Support Staff	684	659	800	(141)
Transportation	22,580	25,659	24,301	1,358
Total Expenditures	65,621	67,535	\$ 95,401	\$ (27,866)
Receipts Over (Under) Expenditures	3,478	(240)		
Unencumbered Cash, Beginning	27,923	31,401		
Unencumbered Cash, Ending	\$ 31,401	\$ 31,161		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers	\$ 677,734	\$ 657,500	\$ 781,196	\$ (123,696)
Expenditures				
Instruction	533,215	526,717	\$ 726,342	\$ (199,625)
Student Support Services	53,085	55,465	27,188	28,277
Instructional Support Staff	76	43,051	44,210	(1,159)
School Administration	43,016	37,689	69,113	(31,424)
Total Expenditures	<u>629,392</u>	<u>662,922</u>	<u>\$ 866,853</u>	<u>\$ (203,931)</u>
Receipts Over (Under) Expenditures	48,342	(5,422)		
Unencumbered Cash, Beginning	<u>37,314</u>	<u>85,656</u>		
Unencumbered Cash, Ending	<u>\$ 85,656</u>	<u>\$ 80,234</u>		

Virtual 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Reimbursements	\$ -	\$ 10,000	\$ -	\$ 10,000
Operating Transfers	38,089	27,254	41,225	(13,971)
Total Receipts	<u>38,089</u>	<u>37,254</u>	<u>\$ 41,225</u>	<u>\$ (3,971)</u>
Expenditures				
Instruction	<u>38,119</u>	<u>28,239</u>	<u>\$ 50,000</u>	<u>\$ (21,761)</u>
Receipts Over (Under) Expenditures	(30)	9,015		
Unencumbered Cash, Beginning	<u>16,256</u>	<u>16,226</u>		
Unencumbered Cash, Ending	<u>\$ 16,226</u>	<u>\$ 25,241</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad Valorem Tax	\$ 157,531	\$ 170,009	\$ 164,257	\$ 5,752
Delinquent Tax	2,187	4,429	2,507	1,922
Motor Vehicle Tax	5,099	14,991	16,090	(1,099)
Recreational Vehicle Tax	118	360	362	(2)
Commercial Vehicle Tax	424	433	499	(66)
Revenue from Local Sources	50	3,636	-	3,636
Interest	32,303	46,941	-	46,941
State Aid	87,742	101,970	102,715	(745)
Operating Transfers	63,582	42,498	25,000	17,498
Total Receipts	<u>349,036</u>	<u>385,267</u>	<u>\$ 311,430</u>	<u>\$ 73,837</u>
Expenditures				
Instruction	64,065	90,749	\$ 175,000	\$ (84,251)
Student Support Services	2,320	1,160	15,000	(13,840)
Instructional Support Staff	1,115	2,160	30,000	(27,840)
School Administration	-	15,848	50,000	(34,152)
Operations and Maintenance	37,102	222,111	-	222,111
Transportation	78,585	127,360	200,000	(72,640)
Building Improvements	-	200,401	500,000	(299,599)
Lease Payments	34,017	-	-	-
Total Expenditures	<u>217,204</u>	<u>659,789</u>	<u>\$ 970,000</u>	<u>\$ (310,211)</u>
Receipts Over (Under) Expenditures	131,832	(274,522)		
Unencumbered Cash, Beginning	<u>577,652</u>	<u>709,484</u>		
Unencumbered Cash, Ending	<u>\$ 709,484</u>	<u>\$ 434,962</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 2,560	\$ 3,675	\$ 3,250	\$ 425
Revenue from Local Sources	3,375	2,565	-	2,565
Operating Transfers	3,000	-	3,000	(3,000)
Total Receipts	<u>8,935</u>	<u>6,240</u>	<u>\$ 6,250</u>	<u>\$ (10)</u>
Expenditures				
Instruction	5,465	4,491	\$ 10,037	\$ (5,546)
Vehicle Operations	648	204	1,700	(1,496)
Total Expenditures	<u>6,113</u>	<u>4,695</u>	<u>\$ 11,737</u>	<u>\$ (7,042)</u>
Receipts Over (Under) Expenditures	2,822	1,545		
Unencumbered Cash, Beginning	<u>9,770</u>	<u>12,592</u>		
Unencumbered Cash, Ending	<u>\$ 12,592</u>	<u>\$ 14,137</u>		

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 2,863	\$ 2,648	\$ 2,392	\$ 256
Federal Aid	223,660	198,485	209,038	(10,553)
Revenue from Local Sources	64,355	66,354	65,323	1,031
Operating Transfers	22,221	40,000	25,000	15,000
Total Receipts	<u>313,099</u>	<u>307,487</u>	<u>\$ 301,753</u>	<u>\$ 5,734</u>
Expenditures				
Operations and Maintenance	2,801	355	\$ 3,700	\$ (3,345)
Food Service Operation	313,373	321,654	361,637	(39,983)
Total Expenditures	<u>316,174</u>	<u>322,009</u>	<u>\$ 365,337</u>	<u>\$ (43,328)</u>
Receipts Over (Under) Expenditures	(3,075)	(14,522)		
Unencumbered Cash, Beginning	<u>66,659</u>	<u>63,584</u>		
Unencumbered Cash, Ending	<u>\$ 63,584</u>	<u>\$ 49,062</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 2,140	\$ 4,474	\$ 1,625	\$ 2,849
Operating Transfers	15,000	40,000	15,000	25,000
Total Receipts	<u>17,140</u>	<u>44,474</u>	<u>\$ 16,625</u>	<u>\$ 27,849</u>
Expenditures				
Instructional Support Staff	<u>12,656</u>	<u>32,225</u>	<u>\$ 32,383</u>	<u>\$ (158)</u>
Receipts Over (Under) Expenditures	4,484	12,249		
Unencumbered Cash, Beginning	<u>12,095</u>	<u>16,579</u>		
Unencumbered Cash, Ending	<u>\$ 16,579</u>	<u>\$ 28,828</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Parent 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 46,686	\$ 47,452	\$ 46,686	\$ 766
Revenue from Local Sources	13,000	13,000	18,000	(5,000)
Operating Transfers	20,000	15,000	20,000	(5,000)
Total Receipts	<u>79,686</u>	<u>75,452</u>	<u>\$ 84,686</u>	<u>\$ (9,234)</u>
Expenditures				
Student Support Services	74,986	74,244	\$ 86,158	\$ (11,914)
Instructional Support Staff	2,923	3,229	3,200	29
Total Expenditures	<u>77,909</u>	<u>77,473</u>	<u>\$ 89,358</u>	<u>\$ (11,885)</u>
Receipts Over (Under) Expenditures	1,777	(2,021)		
Unencumbered Cash, Beginning	<u>4,154</u>	<u>5,931</u>		
Unencumbered Cash, Ending	<u>\$ 5,931</u>	<u>\$ 3,910</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Revenue from Local Sources	\$ 5,252	\$ 7,445	\$ -	\$ 7,445
Federal Aid	2,399	-	-	-
Operating Transfers	727,521	757,287	900,000	(142,713)
Total Receipts	<u>735,172</u>	<u>764,732</u>	<u>\$ 900,000</u>	<u>\$ (135,268)</u>
Expenditures				
Instruction	625,385	718,197	\$ 830,721	\$ (112,524)
Instructional Support Staff	260	-	-	-
Operations and Maintenance	-	44	600	(556)
Transportation	66,587	57,609	85,005	(27,396)
Total Expenditures	<u>692,232</u>	<u>775,850</u>	<u>\$ 916,326</u>	<u>\$ (140,476)</u>
Receipts Over (Under) Expenditures	42,940	(11,118)		
Unencumbered Cash, Beginning	<u>279,858</u>	<u>322,798</u>		
Unencumbered Cash, Ending	<u>\$ 322,798</u>	<u>\$ 311,680</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Revenue from Local Sources	\$ 4,800	\$ 9,965	\$ 9,639	\$ 326
State Aid	-	7,754	-	7,754
Federal Aid	2,233	4,150	-	4,150
Operating Transfers	228,318	261,129	295,957	(34,828)
Total Receipts	<u>235,351</u>	<u>282,998</u>	<u>\$ 305,596</u>	<u>\$ (22,598)</u>
Expenditures				
Instruction	227,137	264,753	\$ 299,768	\$ (35,015)
Transportation	4,570	25,109	59,364	(34,255)
Total Expenditures	<u>231,707</u>	<u>289,862</u>	<u>\$ 359,132</u>	<u>\$ (69,270)</u>
Receipts Over (Under) Expenditures	3,644	(6,864)		
Unencumbered Cash, Beginning	<u>42,269</u>	<u>45,913</u>		
Unencumbered Cash, Ending	<u>\$ 45,913</u>	<u>\$ 39,049</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 340,964	\$ 292,784	\$ 459,005	\$ (166,221)
Expenditures				
Employee Benefits	340,964	292,784	\$ 459,005	\$ (166,221)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Contingency 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)

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Receipts		
Operating Transfers	\$ 150,000	\$ 45,000
Expenditures		
Operating Transfers	<u>150,000</u>	<u>45,000</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>215,639</u>	<u>215,639</u>
Unencumbered Cash, Ending	<u>\$ 215,639</u>	<u>\$ 215,639</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Textbook and Student Material 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)

	Prior Year Actual	Current Year Actual
Receipts		
Textbook Rental	\$ 6,650	\$ 5,642
Operating Transfers	<u>37,381</u>	<u>25,000</u>
Total Receipts	<u>44,031</u>	<u>30,642</u>
Expenditures		
Textbook and Materials	<u>-</u>	<u>35,739</u>
Receipts Over (Under) Expenditures	44,031	(5,097)
Unencumbered Cash, Beginning	<u>34,253</u>	<u>78,284</u>
Unencumbered Cash, Ending	<u>\$ 78,284</u>	<u>\$ 73,187</u>

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenue				
Ad Valorem Tax	\$ 61,921	\$ 62,418	\$ 61,139	\$ 1,279
Delinquent Tax	1,994	3,020	990	2,030
Motor Vehicle Tax	6,157	5,598	6,034	(436)
Recreational Vehicle Tax	129	136	136	-
Commercial Vehicle Tax	189	169	-	169
Excise Tax	10	2	187	(185)
Total Receipts	<u>70,400</u>	<u>71,343</u>	<u>\$ 68,486</u>	<u>\$ 2,857</u>
Expenditures				
Appropriations	<u>70,000</u>	<u>70,000</u>	<u>\$ 70,000</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	400	1,343		
Unencumbered Cash, Beginning	<u>9,100</u>	<u>9,500</u>		
Unencumbered Cash, Ending	<u>\$ 9,500</u>	<u>\$ 10,843</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Title I 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)

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Receipts		
Federal Aid	\$ 101,277	\$ 99,550
	<u> </u>	<u> </u>
Expenditures		
Instruction and Administration	104,488	99,550
	<u> </u>	<u> </u>
Receipts Over (Under) Expenditures	(3,211)	-
Unencumbered Cash, Beginning	<u>3,211</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Title II-A 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)

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Receipts		
Federal Aid	\$ 16,397	\$ 19,113
	<u> </u>	<u> </u>
Expenditures		
Instruction and Administration	16,397	19,113
	<u> </u>	<u> </u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u> </u>	<u> </u>
Unencumbered Cash, Ending	\$ <u> </u>	\$ <u> </u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

REAP 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>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Federal Aid	\$ 33,000	\$ 32,947
Expenditures		
Instruction	<u>33,000</u>	<u>32,947</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenue				
Ad Valorem Tax	\$ 448,086	\$ 479,822	\$ 465,143	\$ 14,679
Delinquent Tax	14,947	18,117	7,156	10,961
Motor Vehicle Tax	50,474	42,639	45,866	(3,227)
Recreational Vehicle Tax	1,129	1,024	1,033	(9)
Commercial Vehicle Tax	1,498	1,232	1,422	(190)
Excise Tax	71	15	-	15
State Aid	511,477	558,917	558,917	-
Total Receipts	<u>1,027,682</u>	<u>1,101,766</u>	<u>\$ 1,079,537</u>	<u>\$ 22,229</u>
Expenditures				
Principal	375,000	385,000	\$ 385,000	\$ -
Interest	590,050	578,650	578,651	(1)
Total Expenditures	<u>965,050</u>	<u>963,650</u>	<u>\$ 963,651</u>	<u>\$ (1)</u>
Receipts Over (Under) Expenditures	62,632	138,116		
Unencumbered Cash, Beginning	<u>843,198</u>	<u>905,830</u>		
Unencumbered Cash, Ending	<u>\$ 905,830</u>	<u>\$ 1,043,946</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Gifts and Grants 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)

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Receipts		
Gifts and Grants	\$ 127,695	\$ 102,338
Interest on Idle Funds	14	24
Miscellaneous Revenue	<u>465</u>	<u>510</u>
Total Receipts	<u>128,174</u>	<u>102,872</u>
 Expenditures		
Instruction and Programs	<u>102,896</u>	<u>121,972</u>
 Receipts Over (Under) Expenditures	25,278	(19,100)
 Unencumbered Cash, Beginning	<u>16,494</u>	<u>41,772</u>
 Unencumbered Cash, Ending	<u>\$ 41,772</u>	<u>\$ 22,672</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 3

Agency Funds
 Summary of Receipts and Disbursements (Regulatory Basis)
 For the Year Ended June 30, 2019

Student Organization Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Herington High School				
Seniors	\$ -	\$ 9,076	\$ 8,837	\$ 239
Juniors	519	4,301	4,105	715
Sophomores	1,166	1,865	-	3,031
Freshman	2,417	3,205	2,589	3,033
Cheerleaders	264	11,562	10,903	923
CTSO	206	32,920	32,937	189
FBLA	1,915	9,161	8,097	2,979
FCCLA	502	5,845	5,358	989
FFA	2,014	15,199	10,003	7,210
HOSA	4,317	9,936	11,416	2,837
Library	700	142	161	681
Student Council	5,051	267	269	5,049
Engineer Ink	3,075	13,222	13,132	3,165
National Honor Society	949	238	248	939
Vocal Music Club	208	-	-	208
Dance Team	447	3,954	3,414	987
Drama Club	-	1,761	13	1,748
Forensics Club	396	-	113	283
Subtotal Herington High School	24,146	122,654	111,595	35,205
Herington Middle School				
Interest	-			-
8th Grade	1,162	4,107	3,325	1,944
Student Council	3,639	8,068	9,730	1,977
Subtotal Herington Middle School	4,801	12,175	13,055	3,921
Total Student Organization Funds	28,947	134,829	124,650	39,126
Sales Tax	-	11,094	11,073	21
Total Agency Funds	\$ 28,947	\$ 145,923	\$ 135,723	\$ 39,147

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 4

District Activity Funds
 Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)
 For the Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Herington High School						
Athletics	\$ 5,409	\$ 29,178	\$ 30,850	\$ 3,737	\$ -	\$ 3,737
Band	2,776	7,032	6,904	2,904	-	2,904
Banner Fund	436	-	112	324	-	324
Scholars Bowl	417	-	-	417	-	417
Subtotal Herington High School	<u>9,038</u>	<u>36,210</u>	<u>37,866</u>	<u>7,382</u>	<u>-</u>	<u>7,382</u>
Herington Middle School						
Athletics	<u>35</u>	<u>17,152</u>	<u>16,974</u>	<u>213</u>	<u>-</u>	<u>213</u>
Subtotal Gate Receipts	<u>9,073</u>	<u>53,362</u>	<u>54,840</u>	<u>7,595</u>	<u>-</u>	<u>7,595</u>
School Projects						
Herington High School	6,493	66,502	68,496	4,499	-	4,499
Herington Middle School	1,028	970	213	1,785	-	1,785
Herington Elementary School	<u>3,206</u>	<u>7,634</u>	<u>5,215</u>	<u>5,625</u>	<u>-</u>	<u>5,625</u>
Subtotal School Projects	<u>10,727</u>	<u>75,106</u>	<u>73,924</u>	<u>11,909</u>	<u>-</u>	<u>11,909</u>
Total District Activity Funds	<u>\$ 19,800</u>	<u>\$ 128,468</u>	<u>\$ 128,764</u>	<u>\$ 19,504</u>	<u>\$ -</u>	<u>\$ 19,504</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 5

Related Municipal Entity
Herington Recreation Commission
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended June 30, 2019
(With comparative Actual Totals for the Prior Fiscal Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Unified School District No. 487	\$ 70,000	\$ 70,000	\$ 70,000	\$ -
Interest	242	439	-	439
Fees and User Charges	16,649	19,906	16,500	3,406
Total Cash Receipts	<u>86,891</u>	<u>90,345</u>	<u>\$ 86,500</u>	<u>\$ 3,845</u>
Expenditures				
Salaries and Payroll Taxes	51,348	42,941	\$ 54,000	\$ (11,059)
Utilities	2,911	4,153	4,000	153
Maintenance and Supplies	5,541	5,882	8,500	(2,618)
Programs and Activities	13,638	18,133	17,000	1,133
Insurance	3,003	3,031	4,000	(969)
Miscellaneous	2,008	2,333	2,400	(67)
Capital Outlay	8,371	4,145	23,701	(19,556)
Total Expenditures	<u>86,820</u>	<u>80,618</u>	<u>\$ 113,601</u>	<u>\$ (32,983)</u>
Receipts Over (Under) Expenditures	71	9,727		
Unencumbered Cash, Beginning	<u>27,030</u>	<u>27,101</u>		
Unencumbered Cash, Ending	<u>\$ 27,101</u>	<u>\$ 36,828</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 5

Related Municipal Entity
 Tri-County Arts Association
 Schedule of Receipts and Expenditures (Regulatory Basis)
 For the Year Ended June 30, 2019
 (With comparative Actual Totals for the Prior Fiscal Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts		
Activities and Other	\$ 474	\$ -
	<u> </u>	<u> </u>
Expenditures		
Activities and Other	91	-
	<u> </u>	<u> </u>
Receipts Over (Under) Expenditures	383	-
	<u> </u>	<u> </u>
Unencumbered Cash, Beginning	473	856
	<u> </u>	<u> </u>
Unencumbered Cash, Ending	<u>\$ 856</u>	<u>\$ 856</u>