

**UNIFIED SCHOOL DISTRICT NO. 497**  
**Lawrence, Kansas**  
**Financial Statements**  
**For the Year Ended June 30, 2018**

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UNIFIED SCHOOL DISTRICT NO. 497  
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Financial Statements  
For the Year Ended June 30, 2018

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Unified School District No. 497  
Lawrence, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 497, Lawrence, Kansas, (the District), as of and for the year ended June 30, 2018 and the related notes to the financial statement.

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

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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

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

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2018, 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, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, the schedule of regulatory basis receipts, expenditures and unencumbered cash-trust funds, and the schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of the District’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

*Other Matter*

The 2017 Actual column presented in the individual fund financial schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated November 22, 2017. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://da.ks.gov/ar/muniserv>. Such 2017 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 2017 basic financial statements. The 2017 comparative information was subjected to auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statements or to the 2017 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 2017 comparative information is fairly presented in all material respects in relation to the 2017 basic financial statements as a whole, on the basis of accounting described in Note 1.

*Mike Houser: Company PA*

Certified Public Accountants

Lawrence, Kansas  
November 30, 2018

UNIFIED SCHOOL DISTRICT NO. 497  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Types:</b>							
<b>General Funds:</b>							
General Fund	\$ -	\$ -	\$ 74,720,152	\$ 74,711,691	\$ 8,461	\$ 4,591,680	\$ 4,600,141
Supplemental General	1,210,262	-	25,494,545	24,814,676	1,890,131	1,725,051	3,615,182
<b>Special Purpose Funds:</b>							
Adult Basic Education	776,045	-	301,658	407,424	670,279	18,511	688,790
At Risk (4 Year Old)	149,749	-	392,049	440,017	101,781	51,269	153,050
Adult Supplemental Education	25,982	-	-	-	25,982	-	25,982
At Risk (K-12)	-	-	6,927,494	6,927,494	-	709,978	709,978
Bilingual Education	-	-	1,099,302	1,099,302	-	104,949	104,949
Virtual Education	-	-	4,184,988	4,184,988	-	589,565	589,565
Capital Outlay	4,360,646	-	12,373,521	10,922,415	5,811,752	1,643,486	7,455,238
Driver Training	27,646	-	37,062	46,923	17,785	14,653	32,438
Food Service	993,167	-	4,650,715	4,858,559	785,323	36,644	821,967
Professional Development	-	-	514,019	514,019	-	74,545	74,545
Parent Education Program	46,824	-	179,956	176,860	49,920	4,708	54,628
Summer School	79,847	-	33,941	43,279	70,509	14,827	85,336
Special Education	5,427,310	-	25,293,367	25,430,723	5,289,954	2,026,753	7,316,707
Cost of Living	377,463	-	1,140,095	1,181,661	335,897	-	335,897
Career and Postsecondary Education	19,872	-	1,839,858	1,859,730	-	231,526	231,526
KPERS Special Retirement Contribution	-	-	9,129,435	9,129,435	-	-	-
Contingency Reserve	3,671,597	-	-	711,569	2,960,028	1,500	2,961,528
Student Material Revolving	1,039,799	-	841,373	671,100	1,210,072	18,098	1,228,170
Grants	[785,330]	-	3,115,704	2,503,182	[172,808]	258,625	85,817
District Activity	180	-	538,973	539,153	-	-	-
<b>Bond and Interest Funds:</b>							
Bond and Interest	12,853,063	-	13,584,205	12,305,651	14,131,617	-	14,131,617
Special Assessment	494,850	-	4,427	6,467	492,810	-	492,810
<b>Capital Projects Fund:</b>							
Capital Projects	333,001	-	49,842,830	35,778,922	14,396,909	25,132,292	39,529,201
<b>Business Funds:</b>							
School Workers' Compensation Reserve	2,088,418	-	16,158	454,198	1,650,378	2,282	1,652,660
Health Care Services Reserve	2,419,931	-	9,862,143	11,810,359	471,715	994,617	1,466,332
<b>Trust Fund:</b>							
Trusts - Private Purpose	1,165,617	-	1,154,455	521,241	1,798,831	27,081	1,825,912
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<b>\$ 36,775,939</b>	<b>\$ -</b>	<b>\$ 247,272,425</b>	<b>\$ 232,051,038</b>	<b>\$ 51,997,326</b>	<b>\$ 38,272,640</b>	<b>\$ 90,269,966</b>

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



UNIFIED SCHOOL DISTRICT NO. 497  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash (Continued)  
 Regulatory Basis  
 For the Year Ended June 30, 2018

Composition of Cash:

Commerce Bank		
Certificates of Deposit	\$ 3,921	
Checking Accounts	<u>[12]</u>	
Total Commerce Bank		3,909
Central Bank of the Midwest - Checking		28,451
U.S. Bank - Checking		39,814,693
United Missouri Bank - Checking		1,993,579
Kansas Municipal Investment Pool		46,520,616
Cash on Hand		<u>1,644</u>
Total Cash		88,362,892
Less Agency Funds per Schedule 4		<u>1,907,074</u>
Total Reporting Entity (Excluding Agency Funds)		<u><u>\$ 90,269,966</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 497 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District had no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of \$757,515 and \$25,558 are classified as reimbursed expenses in the General Fund and Supplemental General Fund, respectively. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

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

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

Basis of Accounting

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

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2018:

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 regulatory receipts 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.

Capital Projects Fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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 - used to report assets held by a municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, student organization fund, etc.).

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget for the year ended June 30, 2018 was not amended.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, business funds, trust funds, agency funds, and the following special purpose funds: Contingency Reserve, Student Material Revolving and District Activity.

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

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 2 - Deposits and Investments

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

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

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

As of June 30, 2018, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity</u>		<u>Rating</u>
		<u>Less than 1 year</u>		
Certificate of Deposit	\$ 3,921	\$ 3,921		NA
Kansas Municipal Investment Pool	<u>46,520,616</u>	<u>46,520,616</u>		S&P AAAf/S1+
Total fair value	<u>\$ 46,524,537</u>	<u>\$ 46,524,537</u>		

*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. The District's allocation of investments as of June 30, 2018, is as follows:

<u>Investment</u>	<u>Percentage of Investments</u>
Certificate of Deposit	0.01%
Kansas Municipal Investment Pool	<u>99.99%</u>
	<u>100.00%</u>

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods". All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$41,838,355 and the bank balance was \$40,575,918. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$671,818 was covered by federal depository insurance and the balance of \$39,904,100 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 2 - Deposits and Investments (Continued)

*Custodial credit risk – investments (continued).* At June 30, 2018, the District had invested \$46,520,616 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 3 - Substance receipt in transit

The District received \$4,790,572 subsequent to June 30, 2018 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, 2018.

NOTE 4 - Long-Term Debt

Following is a detailed listing of the District long-term liabilities, including capital leases, at June 30, 2018:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Balance June 30, 2018</u>
Paid for by revenues					
General Obligation Bonds					
2012A Refunding	12/15/2012	9/1/2025	2.00%	\$ 9,890,000	\$ 9,190,000
2013A Improvement	8/1/2013	9/1/2033	2.00 - 5.00%	36,000,000	32,775,000
2014A Improvement	12/18/2014	9/1/2034	2.00 - 5.00%	36,000,000	33,025,000
2016A Refunding & Improvement	1/28/2016	9/1/2035	3.378 - 5.00%	44,045,000	34,040,000
2017A Improvement	9/28/2017	9/1/2037	3.00 - 5.00%	43,500,000	43,500,000
Capital Leases					
Energy Savings Equipment	7/12/2006	10/12/2025	4.90%	1,683,575	911,022
Athletics Fields/Equipment - Phase II	4/1/2009	1/15/2019	5.10%	4,250,000	260,000
Technology Equipment	3/24/2016	3/24/2016	0.99%	3,158,178	793,396
Technology Equipment	3/1/2017	3/1/2020	0.90%	2,826,012	1,412,950
Real Estate	7/1/2017	6/15/2027	2.70%	4,837,711	4,405,966
Technology Equipment	2/28/2018	2/28/2021	0.99%	1,429,520	1,066,842
Field Turf	5/22/2018	5/1/2028	3.35%	5,829,030	<u>5,829,030</u>
Total					<u>\$ 167,209,206</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 4 - Long-Term Debt (Continued)

Following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Balance</u>	<u>Interest Paid</u>
Paid for by revenues					
General Obligation Bonds					
2012A Refunding	\$ 9,295,000	\$ -	\$ 105,000	\$ 9,190,000	\$ 184,850
2013A Improvement	33,775,000	-	1,000,000	32,775,000	1,294,738
2014A Improvement	33,925,000	-	900,000	33,025,000	1,209,250
2016A Refunding & Improvement	39,315,000	-	5,275,000	34,040,000	1,599,425
2017A Improvement	-	43,500,000	-	43,500,000	737,388
Capital Leases					
Energy Savings Equipment	1,010,507	-	99,485	911,022	49,515
Athletics Fields/Equipment - Phase II	1,010,000	-	750,000	260,000	61,166
Athletics Fields/Equipment - Phase I Refinancing	1,143,616	-	1,143,616	-	16,339
Technology Equipment	1,579,013	-	785,617	793,396	15,632
Technology Equipment	2,109,986	-	697,036	1,412,950	18,990
Real Estate	-	4,837,711	431,745	4,405,966	122,975
Technology Equipment	-	1,429,520	362,678	1,066,842	-
Field Turf	-	5,829,030	-	5,829,030	-
<b>Total</b>	<b>\$ 123,163,122</b>	<b>\$ 55,596,261</b>	<b>\$ 11,550,177</b>	<b>\$ 167,209,206</b>	<b>\$ 5,310,268</b>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year ended June 30,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2019	\$ 8,695,000	\$ 5,710,544	\$ 14,405,544
2020	6,270,000	5,427,794	11,697,794
2021	6,580,000	5,187,870	11,767,870
2022	6,830,000	4,920,670	11,750,670
2023	7,110,000	4,605,093	11,715,093
2024-2028	37,975,000	18,563,313	56,538,313
2029-2033	42,430,000	11,146,145	53,576,145
2034-2038	36,640,000	2,907,027	39,547,027
<b>Total</b>	<b>\$ 152,530,000</b>	<b>\$ 58,468,456</b>	<b>\$ 210,998,456</b>

Annual debt service requirements to maturity for the capital leases are as follows:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2019	\$ 3,681,596	\$ 379,177	\$ 4,060,773
2020	2,080,324	313,934	2,394,258
2021	1,407,028	271,203	1,678,231
2022	1,081,827	233,725	1,315,552
2023	1,116,891	198,661	1,315,552
2024-2028	5,311,540	435,072	5,746,612
<b>Total</b>	<b>\$ 14,679,206</b>	<b>\$ 1,831,772</b>	<b>\$ 16,510,978</b>

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Bond and Interest Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761.

The District is subject to statutes of the State of Kansas which limit the bonded debt outstanding to 14% of the assessed valuation. The District's ratio of outstanding bonded debt to the assessed valuation as of June 30, 2018 was 13.40%.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 5 - Capital Projects

At year-end, capital project authorizations compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures To Date</u>
School Facilities & Technology Upgrade - Phase I	\$ 97,010,450	\$ 96,988,389
School Facilities & Technology Upgrade - Phase II	47,752,116	25,958,090
23rd Street Lease Project	4,795,211	4,871,615
Turf Improvements Lease	<u>5,195,132</u>	<u>4,571,150</u>
Total	<u>\$ 154,752,909</u>	<u>\$ 132,389,244</u>

NOTE 6 - Compensated Absences

It is the District's policy to pay employees' accrued vacation pay upon termination of employment. Administrative and classified employees are eligible for this compensation. As of June 30, 2018, the liability for accrued vacation pay was \$848,533. A current portion, ten days, is reflected in the financial statements as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 99,964
Supplemental General	287,215
Adult Basic Education	8,691
Virtual Education	12,026
Capital Outlay	15,630
Food Service	9,777
Bilingual	1,681
Special Education	18,732
Career and Postsecondary Education	<u>6,563</u>
Total	<u>\$ 460,279</u>

NOTE 7 - Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 7 - Defined Benefit Pension Plan (Continued)

*Contributions (Continued).* The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ended June 30, 2017, received as of June 30<sup>th</sup> was \$304,596,361. Per 2017 Senate Substitution for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year.

The 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 \$9,129,435 for the year ended June 30, 2018.

*Net Pension Liability.* At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$95,039,737. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. 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, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 8 - Termination Benefits

The District also has a plan which covers District employees who voluntarily take early retirement. An employee is eligible for early retirement if such employee is a full time employee, not less than 57 years old and not more than 64 years old, has fifteen years or more of service with the District, and twenty years or more of service credit recognized by the Kansas Public Employees Retirement System (KPERS).

The benefits from this plan are computed using a formula based upon salary, age, and KPERS service credit and are payable over a five year period in January of each year. The cost of this plan in the fiscal year ended June 30, 2018, was \$1,170,232. The outstanding liability reflected in the financial statements for the retirees payable in January, 2019, is as follows:

<u>Fund</u>	<u>Amount</u>
Supplemental General	\$ 1,170,232
Total	<u>\$ 1,170,232</u>

The outstanding liability payable from January, 2019, through January, 2023, is \$3,337,022. Above, only the January, 2018 payment is reflected in the financial statements as an account payable.



UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past fiscal years.

*Workers' Compensation.* The District has established a limited risk management program for workers' compensation. Premiums are paid into the School Workers' Compensation Reserve Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditure reported in the School Workers' Compensation Reserve Fund. As of June 30, 2018, such interfund premiums did not exceed reimbursable expenditures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Actual payment of claims and judgments is reported in the School Workers' Compensation Reserve Fund. Changes in the balance of claims liabilities during the past year are as follows:

Unpaid claims, July 1, 2016	\$ 565,714
Incurred claims (including IBNRs)	156,597
Claim payments and adjustments	<u>[185,460]</u>
Unpaid claims, June 30, 2017	<u>\$ 536,851</u>

NOTE 10 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statements of the District at June 30, 2018.

The District's general obligation bond issues are subject to the arbitrage provisions of Section 148 of the Internal Revenue Code. These provisions include the potential for rebates to the Federal Government of the earnings on the bond proceeds in excess of the yield on the bonds. The amounts of any future rebates due on other bonds or temporary notes have not been determined.

On September 24, 2015, the Universal Service Administrative Company (USAC) rescinded certain e-rate reimbursements received by the District for the 2011-2012 through 2013-2014 funding years and denied e-rate reimbursements for the 2014-2015 through 2015-2016 funding years because of competitive bidding violations. The amount of the District's potential liability due to these rescinded reimbursements is approximately \$500,000. The District has filed an appeal with the Federal Communication Commission, but a response to the appeal had not been received as of the date of the financial statements.

The District is a defendant in various other lawsuits. The outcome of these lawsuits is not presently determinable. However, the resolution of these matters will not likely have a material adverse effect on the financial condition of the District.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 11 - Other Post Employment Benefits

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

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

NOTE 12 - Interfund Transactions

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General	Special Education	K.S.A. 74-6478	\$14,724,317
General	Virtual Education	K.S.A. 74-6478	4,159,832
General	At Risk (4 Year Old)	K.S.A. 74-6478	10,000
General	At Risk (K-12)	K.S.A. 74-6478	6,366,886
General	Health Care Services Reserve	K.S.A. 74-6478	3,135,929
General	School Workers' Compensation Reserve	K.S.A. 74-6478	4,191
Supplemental General	Bilingual Education	K.S.A. 74-6478	1,094,826
Supplemental General	Special Education	K.S.A. 74-6478	7,236,227
Supplemental General	Career and Postsecondary Education	K.S.A. 74-6478	1,815,571
Supplemental General	Health Care Services Reserve	K.S.A. 74-6478	694,279
Supplemental General	School Workers' Compensation Reserve	K.S.A. 74-6478	1,739
Supplemental General	Professional Development	K.S.A. 74-6478	425,769
Supplemental General	Parent Education Program	K.S.A. 74-6478	18,000
Supplemental General	At Risk (4 Year Old)	K.S.A. 74-6478	140,000
		2015 House	
		Substitute for	
Contingency Reserve	At Risk (K-12)	Senate Bill 7	542,839
Capital Outlay	Health Care Services Reserve	K.S.A. 72-8415a	42,442
Adult Basic Education	Health Care Services Reserve	K.S.A. 72-8415a	23,566
Grants	School Workers' Compensation Reserve	K.S.A. 44-505e	4,191
Grants	Health Care Services Reserve	K.S.A. 72-8415a	211,938
Parent Education Program	School Workers' Compensation Reserve	K.S.A. 44-505e	332
Parent Education Program	Health Care Services Reserve	K.S.A. 72-8415a	17,562
Summer School	School Workers' Compensation Reserve	K.S.A. 44-505e	98
Professional Development	School Workers' Compensation Reserve	K.S.A. 44-505e	187
Food Service	Health Care Services Reserve	K.S.A. 72-8415a	291,281
Driver Training	School Workers' Compensation Reserve	K.S.A. 44-505e	91
Bilingual Education	Health Care Services Reserve	K.S.A. 72-8415a	76,880
At Risk (K-12)	School Workers' Compensation Reserve	K.S.A. 44-505e	2,672
At Risk (K-12)	Health Care Services Reserve	K.S.A. 72-8415a	573,658
At Risk (4 Year Old)	Health Care Services Reserve	K.S.A. 72-8415a	38,325
Career and Postsecondary Education	Health Care Services Reserve	K.S.A. 72-8415a	118,899
Virtual Education	School Workers' Compensation Reserve	K.S.A. 44-505e	190
Virtual Education	Health Care Services Reserve	K.S.A. 72-8415a	169,616
Special Education	School Workers' Compensation Reserve	K.S.A. 44-505e	2,431
Special Education	Health Care Services Reserve	K.S.A. 72-8415a	2,214,162
Local Donations	School Workers' Compensation Reserve	K.S.A. 44-505e	36
Total			<u>\$ 44,158,962</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2018

NOTE 13 - Tax-Deferred 403(b) Retirement Plan

The District offers its employees a retirement plan ("Plan") created in accordance with Internal Revenue Code Section 403(b). The Plan, available to all District employees, permits them to save additional funds for retirement. The investment options under the Plan include annuity contracts and/or custodial accounts. Employees may elect to have make contributions of deferred salaries/wages to the Plan to the extent permitted by the Plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Plan participants are 100% vested in any elective deferral contributions made to the Plan as of the date such contribution is made.

In addition to the elective deferral plan described above, the District offers a Non-Elective Contribution Employer Paid Deferred Benefit 403(b) Plan ("Employer Paid Plan") for each professional employee employed at least half time in the District. This account is separate from any professional employee paid deferred benefit account, and no employee contributions, via salary reduction or otherwise, shall be allowed into the account.

The district will contribute \$60 per month (\$720 annually) into each full-time professional employee's Employer Paid Plan. Professional employees employed on a less than half time basis during a contract year are not eligible to receive contributions into his/her Employer Paid Plan. Contributions will be prorated for professional employees who work less than full time in a certified position.

<u>FTE</u>	<u>Contribution</u>
.95 - 1.00	\$ 60
.85 - .94	54
.75 - .84	48
.65 - .74	42
.55 - .64	36
.50 - .54	30
Less than .50	-

A professional employee's ownership interest in his or her Employer Paid Plan shall vest in yearly increments. A professional employee will receive one year of vesting credit for each contract year completed, starting with the 2008-09 contract year, in which the professional employee is employed at least half time with the district. The following vesting schedule will be used to determine the professional employee's ownership interest in the funds in the account:

Year 1	0%
Year 2	20%
Year 3	40%
Year 4	60%
Year 5	80%
Year 6	100%

District contributions to employees' Employer Paid Plans for the years ending June 30, 2018 and 2017 were \$1,444,693 and \$1,374,700, respectively.

NOTE 14 – Subsequent Event

On September 24, 2018, the District issued Series 2018A General Obligation Bonds in the amount of \$43,500,000. The bonds will be used to finance various capital projects. The District will make the first payment on the bonds on March 1, 2019 and the last payment on September 1, 2037. The interest rate on the bonds ranges from 2.50% to 5.00%.

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 497  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended June 30, 2018

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Positive [Negative]</u>
General Funds:						
General Fund	\$ 75,967,077	\$ [2,291,719]	\$ 1,036,333	\$ 74,711,691	\$ 74,711,691	\$ -
Supplemental General	25,318,297	[529,179]	25,558	24,814,676	24,814,676	-
Special Purpose Funds:						
Adult Basic Education	700,000	-	-	700,000	407,424	292,576
At Risk (4 Year Old)	615,000	-	-	615,000	440,017	174,983
Adult Supplemental Education	25,981	-	-	25,981	-	25,981
At Risk (K-12)	7,134,135	-	-	7,134,135	6,927,494	206,641
Bilingual Education	1,250,000	-	-	1,250,000	1,099,302	150,698
Virtual Education	6,263,175	-	-	6,263,175	4,184,988	2,078,187
Capital Outlay	16,500,000	-	-	16,500,000	10,922,415	5,577,585
Driver Training	105,000	-	-	105,000	46,923	58,077
Food Service	6,000,000	-	-	6,000,000	4,858,559	1,141,441
Professional Development	810,000	-	-	810,000	514,019	295,981
Parent Education Program	280,000	-	-	280,000	176,860	103,140
Summer School	132,000	-	-	132,000	43,279	88,721
Special Education	26,100,000	-	-	26,100,000	25,430,723	669,277
Cost of Living	1,500,000	-	-	1,500,000	1,181,661	318,339
Career and Postsecondary Education	2,600,000	-	-	2,600,000	1,859,730	740,270
KPERs Special Retirement Contribution	10,254,359	-	-	10,254,359	9,129,435	1,124,924
Grants	2,748,000	-	-	2,748,000	2,503,182	244,818
Bond and Interest Funds:						
Bond and Interest	12,497,638	-	-	12,497,638	12,305,651	191,987
Special Assessment	251,000	-	-	251,000	6,467	244,533

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
General Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
<b>Receipts</b>				
State Aid:				
Equalization aid	\$ 56,200,787	\$ 61,224,436	\$ 62,548,577	\$ [1,324,141]
Juvenile detention center	266,558	278,818	-	278,818
KPERS aid	5,944,556	-	-	-
Special education aid	12,156,285	12,450,262	13,418,500	[968,238]
Miscellaneous	14,061	9,121	-	9,121
Reimbursed expenses	689,961	757,515	-	757,515
Transfers in	<u>2,750,000</u>	-	-	-
Total Receipts	<u>78,022,208</u>	<u>74,720,152</u>	<u>\$ 75,967,077</u>	<u>\$ [1,246,925]</u>
<b>Expenditures</b>				
Instruction	28,690,911	28,812,983	\$ 32,983,078	\$ 4,170,095
Student support services	2,688,528	3,158,196	2,799,784	[358,412]
Instructional support	1,923,759	1,991,861	2,424,691	432,830
General administration	220,228	159,033	164,100	5,067
School administration	340,820	345,119	316,022	[29,097]
Operations and maintenance	7,916,492	8,519,793	8,268,397	[251,396]
Transportation	392,340	402,872	316,105	[86,767]
Other supplemental services	2,901,986	2,920,679	1,632,141	[1,288,538]
Transfers out	32,966,548	28,401,155	27,062,759	[1,338,396]
Adjustment to comply with legal max budget	-	-	[2,291,719]	[2,291,719]
Adjustment for qualifying budget credits	-	-	1,036,333	1,036,333
Total Expenditures	<u>78,041,612</u>	<u>74,711,691</u>	<u>\$ 74,711,691</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[19,404]	8,461		
Unencumbered Cash, Beginning	<u>19,404</u>	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 8,461</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Supplemental General Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
<b>Receipts</b>				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 14,849,934	\$ 18,311,423	\$ 17,392,023	\$ 919,400
Delinquent tax	174,473	159,344	231,243	[71,899]
Motor vehicle tax	1,948,567	2,003,304	1,480,534	522,770
Reimbursed expenses	71,347	25,558	-	25,558
State aid	<u>5,775,371</u>	<u>4,994,916</u>	<u>5,004,235</u>	<u>[9,319]</u>
<b>Total Receipts</b>	<u>22,819,692</u>	<u>25,494,545</u>	<u>\$ 24,108,035</u>	<u>\$ 1,386,510</u>
<b>Expenditures</b>				
Instruction	1,268,890	1,243,854	\$ 1,255,220	\$ 11,366
Student support services	201,378	255,457	251,666	[3,791]
Instructional support	1,852,431	2,066,651	2,135,390	68,739
General administration	345,789	392,925	352,822	[40,103]
School administration	4,419,392	4,657,640	5,044,265	386,625
Operations and maintenance	47,364	45,169	60,000	14,831
Transportation	1,871,436	1,796,003	1,900,000	103,997
Other supplemental services	2,731,935	2,930,566	3,006,383	75,817
Transfers out	10,629,914	11,426,411	11,312,551	[113,860]
Adjustment to comply with legal max budget	-	-	[529,179]	[529,179]
Adjustment for qualifying budget credits	-	-	25,558	25,558
<b>Total Expenditures</b>	<u>23,368,529</u>	<u>24,814,676</u>	<u>\$ 24,814,676</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[548,837]	679,869		
Unencumbered Cash, Beginning	<u>1,759,099</u>	<u>1,210,262</u>		
Unencumbered Cash, Ending	<u>\$ 1,210,262</u>	<u>\$ 1,890,131</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Adult Basic Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 253,679	\$ 162,560	\$ 158,020	\$ 4,540
Delinquent tax	3,103	2,620	4,007	[1,387]
Motor vehicle tax	41,215	18,292	13,793	4,499
Federal aid	67,115	42,000	42,000	-
State aid	47,969	69,938	70,000	[62]
Reimbursed expenses	2,797	720	-	720
Miscellaneous	3,082	5,528	10,000	[4,472]
Total Receipts	<u>418,960</u>	<u>301,658</u>	<u>\$ 297,820</u>	<u>\$ 3,838</u>
Expenditures				
Instruction	307,910	313,045	\$ 601,437	\$ 288,392
Student support services	20,035	27,535	32,302	4,767
Instructional support staff	44,467	43,278	66,261	22,983
Transfers out	24,272	23,566	-	[23,566]
Total Expenditures	<u>396,684</u>	<u>407,424</u>	<u>\$ 700,000</u>	<u>\$ 292,576</u>
Receipts Over [Under] Expenditures	22,276	[105,766]		
Unencumbered Cash, Beginning	<u>753,769</u>	<u>776,045</u>		
Unencumbered Cash, Ending	<u>\$ 776,045</u>	<u>\$ 670,279</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
At Risk (4 Year Old) Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Tuition	\$ -	\$ -	\$ 35,000	\$ [35,000]
Miscellaneous	220,871	40,923	300,000	[259,077]
Reimbursed expenses	2,597	1,126	-	1,126
Donations	-	200,000	-	200,000
Transfers in	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total Receipts	<u>373,468</u>	<u>392,049</u>	<u>\$ 485,000</u>	<u>\$ [92,951]</u>
Expenditures				
Instruction	356,879	295,628	\$ 465,650	\$ 170,022
Instructional support staff	-	86,200	117,500	31,300
School administration	75,443	19,864	31,850	11,986
Transfers out	<u>37,879</u>	<u>38,325</u>	<u>-</u>	<u>[38,325]</u>
Total Expenditures	<u>470,201</u>	<u>440,017</u>	<u>\$ 615,000</u>	<u>\$ 174,983</u>
Receipts Over [Under] Expenditures	[96,733]	[47,968]		
Unencumbered Cash, Beginning	<u>246,482</u>	<u>149,749</u>		
Unencumbered Cash, Ending	<u>\$ 149,749</u>	<u>\$ 101,781</u>		



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Adult Supplemental Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Instruction	-	-	\$ 25,981	\$ 25,981
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 25,981</u>	<u>\$ 25,981</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>25,982</u>	<u>25,982</u>		
Unencumbered Cash, Ending	<u>\$ 25,982</u>	<u>\$ 25,982</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
At Risk (K-12) Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 4,845,190	\$ 6,909,725	\$ 7,034,135	\$ [124,410]
Miscellaneous	-	-	100,000	[100,000]
Reimbursed expenses	<u>28,989</u>	<u>17,769</u>	<u>-</u>	<u>17,769</u>
Total Receipts	<u>4,874,179</u>	<u>6,927,494</u>	<u>\$ 7,134,135</u>	<u>\$ [206,641]</u>
Expenditures				
Instruction	4,384,551	6,128,406	\$ 7,042,735	\$ 914,329
Instructional support staff	35,315	222,758	91,400	[131,358]
Transfers out	<u>454,313</u>	<u>576,330</u>	<u>-</u>	<u>[576,330]</u>
Total Expenditures	<u>4,874,179</u>	<u>6,927,494</u>	<u>\$ 7,134,135</u>	<u>\$ 206,641</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Bilingual Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 1,747,275	\$ 1,094,826	\$ 1,250,000	\$ [155,174]
Reimbursed expenses	<u>9,494</u>	<u>4,476</u>	<u>-</u>	<u>4,476</u>
Total Receipts	<u>1,756,769</u>	<u>1,099,302</u>	<u>\$ 1,250,000</u>	<u>\$ [150,698]</u>
Expenditures				
Instruction	1,380,477	822,068	\$ 801,949	\$ [20,119]
Student support services	110,035	121,199	134,491	13,292
Instructional support	119,574	79,155	313,560	234,405
Transfers out	<u>146,683</u>	<u>76,880</u>	<u>-</u>	<u>[76,880]</u>
Total Expenditures	<u>1,756,769</u>	<u>1,099,302</u>	<u>\$ 1,250,000</u>	<u>\$ 150,698</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Virtual Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Reimbursed expenses	\$ 23,300	\$ 25,156	\$ 40,000	\$ [14,844]
Transfers in	<u>4,576,937</u>	<u>4,159,832</u>	<u>6,223,175</u>	<u>[2,063,343]</u>
Total Receipts	<u>4,600,237</u>	<u>4,184,988</u>	<u>\$ 6,263,175</u>	<u>\$ [2,078,187]</u>
Expenditures				
Instruction	3,842,525	3,355,881	\$ 5,488,969	\$ 2,133,088
Instructional support	7,680	8,074	20,000	11,926
School administration	543,893	598,396	700,411	102,015
Operations and maintenance	40,382	48,709	53,795	5,086
Transportation	1,730	-	-	-
Other supplemental services	4,842	4,122	-	[4,122]
Transfers out	<u>159,185</u>	<u>169,806</u>	<u>-</u>	<u>[169,806]</u>
Total Expenditures	<u>4,600,237</u>	<u>4,184,988</u>	<u>\$ 6,263,175</u>	<u>\$ 2,078,187</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Capital Outlay Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
<b>Receipts</b>				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 8,213,077	\$ 8,579,352	\$ 8,377,993	\$ 201,359
Delinquent tax	78,575	80,299	128,387	[48,088]
Motor vehicle tax	959,360	966,261	719,555	246,706
Investment income	13,410	14,974	15,000	[26]
Reimbursed expenses	144,186	29,373	-	29,373
Lease proceeds	2,705,916	1,450,798	-	1,450,798
Miscellaneous	212,246	617,397	3,010,000	[2,392,603]
State aid	678,091	615,523	621,600	[6,077]
Flood control	19,038	19,544	-	19,544
<b>Total Receipts</b>	<u>13,023,899</u>	<u>12,373,521</u>	<u>\$ 12,872,535</u>	<u>\$ [499,014]</u>
<b>Expenditures</b>				
Instruction	4,618,924	1,805,727	\$ 4,070,000	\$ 2,264,273
Student support services	2,095	1,137	25,000	23,863
Instructional support	43,395	-	165,000	165,000
General administration	23,492	23,453	25,000	1,547
School administration	55,782	39,538	25,000	[14,538]
Operations and maintenance	406,944	396,225	500,000	103,775
Central support services	1,051,907	747,534	1,025,000	277,466
Other support services	175,232	157,777	150,000	[7,777]
Facility acquisition and construction services	6,672,917	7,708,582	10,515,000	2,806,418
Transfers out	45,234	42,442	-	[42,442]
<b>Total Expenditures</b>	<u>13,095,922</u>	<u>10,922,415</u>	<u>\$ 16,500,000</u>	<u>\$ 5,577,585</u>
Receipts Over [Under] Expenditures	[72,023]	1,451,106		
Unencumbered Cash, Beginning	<u>4,432,669</u>	<u>4,360,646</u>		
Unencumbered Cash, Ending	<u>\$ 4,360,646</u>	<u>\$ 5,811,752</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Driver Training Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 16,534	\$ 17,152	\$ 20,300	\$ [3,148]
Charges for services	<u>20,670</u>	<u>19,910</u>	<u>56,872</u>	<u>[36,962]</u>
Total Receipts	<u>37,204</u>	<u>37,062</u>	<u>\$ 77,172</u>	<u>\$ [40,110]</u>
Expenditures				
Instruction	31,212	38,661	\$ 81,500	\$ 42,839
Instructional support	6,506	1,383	2,500	1,117
Operations and maintenance	7,386	6,788	21,000	14,212
Transfers out	<u>86</u>	<u>91</u>	<u>-</u>	<u>[91]</u>
Total Expenditures	<u>45,190</u>	<u>46,923</u>	<u>\$ 105,000</u>	<u>\$ 58,077</u>
Receipts Over [Under] Expenditures	[7,986]	[9,861]		
Unencumbered Cash, Beginning	<u>35,632</u>	<u>27,646</u>		
Unencumbered Cash, Ending	<u>\$ 27,646</u>	<u>\$ 17,785</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Food Service Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 2,746,732	\$ 2,678,044	\$ 2,843,352	\$ [165,308]
State aid	46,516	48,820	46,440	2,380
Charges for services	1,958,403	1,923,714	3,110,209	[1,186,495]
Investment income	<u>74</u>	<u>137</u>	<u>100</u>	<u>37</u>
Total Receipts	<u>4,751,725</u>	<u>4,650,715</u>	<u>\$ 6,000,101</u>	<u>\$ [1,349,386]</u>
Expenditures				
Food service operation	4,527,795	4,567,278	\$ 6,000,000	\$ 1,432,722
Transfers out	<u>257,703</u>	<u>291,281</u>	<u>-</u>	<u>[291,281]</u>
Total Expenditures	<u>4,785,498</u>	<u>4,858,559</u>	<u>\$ 6,000,000</u>	<u>\$ 1,141,441</u>
Receipts Over [Under] Expenditures	[33,773]	[207,844]		
Unencumbered Cash, Beginning	<u>1,026,940</u>	<u>993,167</u>		
Unencumbered Cash, Ending	<u>\$ 993,167</u>	<u>\$ 785,323</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Professional Development Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous	\$ -	\$ 759	\$ 110,000	\$ [109,241]
State aid	-	87,491	-	87,491
Transfers in	<u>421,468</u>	<u>425,769</u>	<u>700,000</u>	<u>[274,231]</u>
Total Receipts	<u>421,468</u>	<u>514,019</u>	<u>\$ 810,000</u>	<u>\$ [295,981]</u>
Expenditures				
Instructional support	409,359	488,716	\$ 810,000	\$ 321,284
Student support services	169	-	-	-
Other supplemental services	-	3,600	-	[3,600]
School administration	11,863	21,516	-	[21,516]
Transfers out	<u>77</u>	<u>187</u>	<u>-</u>	<u>[187]</u>
Total Expenditures	<u>421,468</u>	<u>514,019</u>	<u>\$ 810,000</u>	<u>\$ 295,981</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Parent Education Program Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 121,271	\$ 125,769	\$ 141,538	\$ [15,769]
Miscellaneous	25,064	36,187	75,053	[38,866]
Transfers in	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Total Receipts	<u>164,335</u>	<u>179,956</u>	<u>\$ 234,591</u>	<u>\$ [54,635]</u>
Expenditures				
Support services	161,115	158,416	\$ 275,000	\$ 116,584
Instructional support staff	1,045	550	5,000	4,450
Transfers out	<u>17,778</u>	<u>17,894</u>	<u>-</u>	<u>[17,894]</u>
Total Expenditures	<u>179,938</u>	<u>176,860</u>	<u>\$ 280,000</u>	<u>\$ 103,140</u>
Receipts Over [Under] Expenditures	[15,603]	3,096		
Unencumbered Cash, Beginning	<u>62,427</u>	<u>46,824</u>		
Unencumbered Cash, Ending	<u>\$ 46,824</u>	<u>\$ 49,920</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Summer School Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 42,915	\$ 33,941	\$ 52,154	\$ [18,213]
Total Receipts	<u>42,915</u>	<u>33,941</u>	<u>\$ 52,154</u>	<u>\$ [18,213]</u>
Expenditures				
Instruction	37,499	43,181	\$ 132,000	\$ 88,819
Transfers out	<u>86</u>	<u>98</u>	<u>-</u>	<u>[98]</u>
Total Expenditures	<u>37,585</u>	<u>43,279</u>	<u>\$ 132,000</u>	<u>\$ 88,721</u>
Receipts Over [Under] Expenditures	5,330	[9,338]		
Unencumbered Cash, Beginning	<u>74,517</u>	<u>79,847</u>		
Unencumbered Cash, Ending	<u>\$ 79,847</u>	<u>\$ 70,509</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Special Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 30,252	\$ 21,800	\$ 10,000	\$ 11,800
Federal aid	2,304,376	2,576,100	3,111,835	[535,735]
Reimbursed expenses	963,009	734,923	-	734,923
Transfers in	<u>20,089,433</u>	<u>21,960,544</u>	<u>20,500,000</u>	<u>1,460,544</u>
Total Receipts	<u>23,387,070</u>	<u>25,293,367</u>	<u>\$ 23,621,835</u>	<u>\$ 1,671,532</u>
Expenditures				
Instruction	14,041,670	15,229,156	\$ 17,231,490	\$ 2,002,334
Student support services	3,599,893	3,839,254	4,314,067	474,813
Instructional support staff	1,005,415	1,064,018	1,302,943	238,925
Operations and maintenance	13,450	13,555	26,500	12,945
Vehicle operating services	2,763,023	3,062,527	3,200,000	137,473
Other supplemental services	5,156	5,620	25,000	19,380
Transfers out	<u>2,043,899</u>	<u>2,216,593</u>	<u>-</u>	<u>[2,216,593]</u>
Total Expenditures	<u>23,472,506</u>	<u>25,430,723</u>	<u>\$ 26,100,000</u>	<u>\$ 669,277</u>
Receipts Over [Under] Expenditures	[85,436]	[137,356]		
Unencumbered Cash, Beginning	<u>5,512,746</u>	<u>5,427,310</u>		
Unencumbered Cash, Ending	<u>\$ 5,427,310</u>	<u>\$ 5,289,954</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Cost of Living Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 1,454,533	\$ 961,823	\$ 969,618	\$ [7,795]
Delinquent tax	12,498	13,566	22,724	[9,158]
Motor vehicle tax	<u>157,260</u>	<u>164,706</u>	<u>130,194</u>	<u>34,512</u>
Total Receipts	<u>1,624,291</u>	<u>1,140,095</u>	<u>\$ 1,122,536</u>	<u>\$ 17,559</u>
Expenditures				
State payment	<u>1,307,199</u>	<u>1,181,661</u>	<u>\$ 1,500,000</u>	<u>\$ 318,339</u>
Total Expenditures	<u>1,307,199</u>	<u>1,181,661</u>	<u>\$ 1,500,000</u>	<u>\$ 318,339</u>
Receipts Over [Under] Expenditures	317,092	[41,566]		
Unencumbered Cash, Beginning	<u>60,371</u>	<u>377,463</u>		
Unencumbered Cash, Ending	<u>\$ 377,463</u>	<u>\$ 335,897</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Career and Postsecondary Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Reimbursed expenses	\$ 24,862	\$ 4,013	\$ 10,000	\$ [5,987]
State aid	3,768	6,118	3,480	2,638
Miscellaneous	3,795	14,156	67,871	[53,715]
Transfers in	<u>1,863,924</u>	<u>1,815,571</u>	<u>2,500,000</u>	<u>[684,429]</u>
Total Receipts	<u>1,896,349</u>	<u>1,839,858</u>	<u>\$ 2,581,351</u>	<u>\$ [741,493]</u>
Expenditures				
Instruction	1,462,564	1,526,528	\$ 2,331,857	\$ 805,329
Student support services	7,316	-	25,000	25,000
Instructional support	235,781	169,830	189,643	19,813
Central services	-	-	2,500	2,500
Operations and maintenance	41,592	44,473	51,000	6,527
Transfers out	<u>129,224</u>	<u>118,899</u>	<u>-</u>	<u>[118,899]</u>
Total Expenditures	<u>1,876,477</u>	<u>1,859,730</u>	<u>\$ 2,600,000</u>	<u>\$ 740,270</u>
Receipts Over [Under] Expenditures	19,872	[19,872]		
Unencumbered Cash, Beginning	<u>-</u>	<u>19,872</u>		
Unencumbered Cash, Ending	<u>\$ 19,872</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
KPERS Special Retirement Contribution Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ -	\$ 9,129,435	\$ 10,254,359	\$ [1,124,924]
Transfers in	<u>5,944,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>5,944,556</u>	<u>9,129,435</u>	<u>\$ 10,254,359</u>	<u>\$ [1,124,924]</u>
Expenditures				
Instruction	4,155,945	6,155,214	\$ 6,913,656	\$ 758,442
Student support services	416,389	734,659	825,183	90,524
Instructional support	318,962	611,210	686,523	75,313
General administration	35,765	40,684	45,697	5,013
School administration	370,129	607,342	682,178	74,836
Operations and maintenance	258,990	319,919	359,339	39,420
Other supplemental services	207,735	383,726	431,009	47,283
Food service	<u>180,641</u>	<u>276,681</u>	<u>310,774</u>	<u>34,093</u>
Total Expenditures	<u>5,944,556</u>	<u>9,129,435</u>	<u>\$ 10,254,359</u>	<u>\$ 1,124,924</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Contingency Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Instruction	-	9,935
General administration	-	130,242
Other supplemental services	13,590	28,553
Transfers out	<u>2,750,000</u>	<u>542,839</u>
Total Expenditures	<u>2,763,590</u>	<u>711,569</u>
Receipts Over [Under] Expenditures	[2,763,590]	[711,569]
Unencumbered Cash, Beginning	6,408,308	3,671,597
Prior Year Cancelled Encumbrances	<u>26,879</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 3,671,597</u>	<u>\$ 2,960,028</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Student Material Revolving Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 837,431	\$ 841,373
Total Receipts	<u>837,431</u>	<u>841,373</u>
Expenditures		
Instruction	<u>749,556</u>	<u>671,100</u>
Total Expenditures	<u>749,556</u>	<u>671,100</u>
Receipts Over [Under] Expenditures	87,875	170,273
Unencumbered Cash, Beginning	<u>951,924</u>	<u>1,039,799</u>
Unencumbered Cash, Ending	<u>\$ 1,039,799</u>	<u>\$ 1,210,072</u>

\* This fund is not required to be budgeted.



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Grants Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
<b>Receipts</b>				
Federal Aid:				
Title I	\$ 1,732,625	\$ 2,533,939	\$ 2,601,637	\$ [67,698]
Title II A - Improving Teacher Quality	274,656	320,839	430,856	[110,017]
Carl Perkins Vocational Act Program Improvement	93,233	44,488	-	44,488
Title III-English as a Second Language	30,825	48,626	71,296	[22,670]
Title IV	-	5,249	-	5,249
Johnson O'Malley Grant	<u>146,896</u>	<u>141,732</u>	-	<u>141,732</u>
Total Federal Aid	2,278,235	3,094,873	3,103,789	[8,916]
Other Receipts:				
Other grants and donations	<u>16,613</u>	<u>20,831</u>	<u>432,446</u>	<u>[411,615]</u>
Total Receipts	<u>2,294,848</u>	<u>3,115,704</u>	<u>\$ 3,536,235</u>	<u>\$ [420,531]</u>
<b>Expenditures</b>				
Instruction	2,123,352	1,703,054	\$ 1,965,000	\$ 261,946
Student support services	118,249	159,824	108,000	[51,824]
Instructional support staff	224,043	284,157	675,000	390,843
General administration	7,869	7,223	-	[7,223]
Transportation	91,982	132,795	-	[132,795]
Transfers out	<u>274,095</u>	<u>216,129</u>	-	<u>[216,129]</u>
Total Expenditures	<u>2,839,590</u>	<u>2,503,182</u>	<u>\$ 2,748,000</u>	<u>\$ 244,818</u>
Receipts Over [Under] Expenditures	[544,742]	612,522		
Unencumbered Cash, Beginning	<u>[240,588]</u>	<u>[785,330]</u>		
Unencumbered Cash, Ending	<u>\$ [785,330]</u>	<u>\$ [172,808]</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Bond and Interest Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	\$ 9,874,937	\$ 11,452,726	\$ 11,195,396	\$ 257,330
Delinquent tax	104,855	100,377	154,200	[53,823]
Motor vehicle tax	1,220,052	1,219,761	898,247	321,514
State aid	1,099,822	809,778	874,485	[64,707]
Investment income	264	1,563	-	1,563
Miscellaneous	10	-	-	-
Total Receipts	<u>12,299,940</u>	<u>13,584,205</u>	<u>\$ 13,122,328</u>	<u>\$ 461,877</u>
Expenditures				
Bond principal	9,595,000	7,280,000	\$ 7,280,000	\$ -
Interest	4,788,158	5,025,651	5,217,638	191,987
Total Expenditures	<u>14,383,158</u>	<u>12,305,651</u>	<u>\$ 12,497,638</u>	<u>\$ 191,987</u>
Receipts Over [Under] Expenditures	[2,083,218]	1,278,554		
Unencumbered Cash, Beginning	<u>14,936,281</u>	<u>12,853,063</u>		
Unencumbered Cash, Ending	<u>\$ 12,853,063</u>	<u>\$ 14,131,617</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Special Assessment Fund  
Regulatory Basis  
For the Year Ended June 30, 2018  
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 59,337	\$ 1,180	\$ 550	\$ 630
Delinquent tax	505	423	941	[518]
Motor vehicle tax	5,932	2,824	2,471	353
Reimbursed expenses	<u>8,584</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>74,358</u>	<u>4,427</u>	<u>\$ 3,962</u>	<u>\$ 465</u>
Expenditures				
Capital outlay	<u>14,462</u>	<u>6,467</u>	<u>\$ 251,000</u>	<u>\$ 244,533</u>
Total Expenditures	<u>14,462</u>	<u>6,467</u>	<u>\$ 251,000</u>	<u>\$ 244,533</u>
Receipts Over [Under] Expenditures	59,896	[2,040]		
Unencumbered Cash, Beginning	<u>434,954</u>	<u>494,850</u>		
Unencumbered Cash, Ending	<u>\$ 494,850</u>	<u>\$ 492,810</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Capital Projects Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 36,199	\$ 90,196
Lease proceeds	-	2,023,587
Bond proceeds	-	43,500,000
Bond premium	-	4,167,862
Reimbursements	-	61,185
Total Receipts	<u>36,199</u>	<u>49,842,830</u>
Expenditures		
Instruction	-	829,312
Instructional support staff	-	148,927
Operations and maintenance	443,399	900
Business services	-	152,434
Food service operation	162,792	-
Building repair and remodeling	<u>912,652</u>	<u>34,647,349</u>
Total Expenditures	<u>1,518,843</u>	<u>35,778,922</u>
Receipts Over [Under] Expenditures	[1,482,644]	14,063,908
Unencumbered Cash, Beginning	<u>1,815,645</u>	<u>333,001</u>
Unencumbered Cash, Ending	<u>\$ 333,001</u>	<u>\$ 14,396,909</u>

\* These funds are not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
School Workers' Compensation Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ 180,985	\$ 16,158
Reimbursed expenses	<u>3,579</u>	<u>-</u>
Total Receipts	<u>184,564</u>	<u>16,158</u>
Expenditures		
Instruction	246,666	197,670
General administration	13,101	256,528
Operations and maintenance	<u>59</u>	<u>-</u>
Total Expenditures	<u>259,826</u>	<u>454,198</u>
Receipts Over [Under] Expenditures	[75,262]	[438,040]
Unencumbered Cash, Beginning	<u>2,163,680</u>	<u>2,088,418</u>
Unencumbered Cash, Ending	<u>\$ 2,088,418</u>	<u>\$ 1,650,378</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Health Care Services Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 1,675,111	\$ 2,253,606
Transfers in	<u>7,351,917</u>	<u>7,608,537</u>
Total Receipts	<u>9,027,028</u>	<u>9,862,143</u>
 Expenditures		
Group insurance	<u>11,149,612</u>	<u>11,810,359</u>
Total Expenditures	<u>11,149,612</u>	<u>11,810,359</u>
 Receipts Over [Under] Expenditures	 [2,122,584]	 [1,948,216]
 Unencumbered Cash, Beginning	 <u>4,542,515</u>	 <u>2,419,931</u>
 Unencumbered Cash, Ending	 <u>\$ 2,419,931</u>	 <u>\$ 471,715</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Trust Funds  
Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Unencumbered Cash <u>Balance</u>	Prior Year Cancelled Encumbrances	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash <u>Balance</u>	Outstanding Encumbrances and Accounts Payable	Ending Cash <u>Balance</u>
Lawrence Public Schools							
Memorial Funds	\$ 221,324	\$ -	\$ 1,500	\$ 2,400	\$ 220,424	\$ -	\$ 220,424
Local Donations Fund	<u>944,293</u>	<u>-</u>	<u>1,152,955</u>	<u>518,841</u>	<u>1,578,407</u>	<u>27,081</u>	<u>1,605,488</u>
Total Other Private Purpose							
Trust Funds	<u>\$ 1,165,617</u>	<u>\$ -</u>	<u>\$ 1,154,455</u>	<u>\$ 521,241</u>	<u>\$ 1,798,831</u>	<u>\$ 27,081</u>	<u>\$ 1,825,912</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Cash	Receipts	Disbursements	Ending Cash
	Balance			Balance
<b>ELEMENTARY SCHOOLS</b>				
Broken Arrow Elementary				
Lost Library Books	\$ -	\$ 79	\$ 79	\$ -
Total Broken Arrow Activity Funds	-	79	79	-
Cordley Elementary				
Library Media	-	56	56	-
Instructional Enhancement	37	1,530	1,567	-
Yearbook	-	1,797	1,797	-
Total Cordley Activity Funds	37	3,383	3,420	-
Deerfield Elementary				
Library Funds	-	90	90	-
Coke Machine	-	261	261	-
Yearbook	-	3,738	3,738	-
Total Deerfield Activity Funds	-	4,089	4,089	-
Hillcrest Elementary				
Library Media	-	156	156	-
Pop Machine	-	536	536	-
Total Hillcrest Activity Funds	-	692	692	-
Kennedy Elementary				
Library Media	-	56	56	-
Total Kennedy Activity Funds	-	56	56	-
Langston Hughes Elementary				
Field Trips	-	6,336	6,336	-
Library Media	-	223	223	-
Recorder Fund	-	321	321	-
Total Langston Hughes Activity Funds	-	6,880	6,880	-
Prairie Park Elementary				
Student Council	-	3,152	3,152	-
Chess Club	-	2,992	2,992	-
Total Prairie Park Activity Funds	-	6,144	6,144	-
Quail Run Elementary				
Yearbook	-	2,038	2,038	-
Coke Machine	-	229	229	-
Field Trips	-	1,963	1,963	-
Library	-	36	36	-
Total Quail Run Activity Funds	-	4,266	4,266	-
Sunflower Elementary				
Student Council	-	1,960	1,960	-
Choir	-	1,649	1,649	-
Library Fund	-	16	16	-
Pop Machine Money	-	573	573	-
Picture Fund	-	2,563	2,563	-
Total Sunflower Activity Funds	-	6,761	6,761	-
Total Elementary School Activity Funds	37	32,350	32,387	-
<b>MIDDLE SCHOOLS</b>				
Central Middle School				
Chess Club	58	-	58	-
Excalibur	6,511	1,601	8,112	-
Freshman Fund	197	-	197	-
Garden Club	760	-	760	-
Builder's Club	8	-	8	-
History Day	1,393	-	1,393	-
Pep Club	61	-	61	-
Black Leadership Group	148	-	148	-
Science Olympiad	247	-	247	-
Model UN / Gifted	182	750	932	-
Math Olympiad	22	-	22	-
P.E. Department	-	12	12	-
Volleyball Program	-	19	19	-
Wrestling Program	-	207	207	-
Boys Basketball Program	-	627	627	-
Girls Basketball Program	-	241	241	-
Football Program	-	885	885	-
Opportunity Central	-	20,091	20,091	-
Speech and Drama	2,666	2,178	4,844	-
Student Council	1,424	1,509	2,933	-
Red Ribbon	310	-	310	-
National Junior Honor Society	329	-	329	-
Library Book Fair Sales	-	516	516	-
Yearbook	3,464	4,277	7,741	-
Total Central Middle School Activity Funds	17,780	32,913	50,693	-



UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Cash			Ending Cash
	Balance	Receipts	Disbursements	
<b>MIDDLE SCHOOLS (Continued)</b>				
South Middle School				
Junior Players	\$ 4,441	\$ 1,951	\$ 6,392	\$ -
International Club	713	-	713	-
Adventure Club	800	366	1,166	-
Student Council	10,077	18,917	28,994	-
Reasons to Believe	-	500	500	-
Yearbook	1,115	4,213	5,328	-
South Singers	1,014	2,951	3,965	-
Cheerleaders	2,687	1,227	3,914	-
Band	51	-	51	-
Orchestra	2,255	-	2,255	-
Black Male Brothers	467	-	467	-
Women of Color	188	-	188	-
Garden Club	346	-	346	-
Cougar Grrrrr Power	213	-	213	-
Honor the Circle	158	-	158	-
S4EE (Students for Equity Excellence)	500	2,238	2,738	-
Cougar Fun Run-Elective	465	-	465	-
6th Grade Titans	86	886	972	-
6th Grade Olympians	178	854	1,032	-
7th Grade Explorers	92	1,157	1,249	-
7th Grade Navigators	6	1,157	1,163	-
8th Grade Super 8	282	4,259	4,541	-
8th Grade XLR8TRs	-	2,438	2,438	-
Library	-	435	435	-
Art	617	299	916	-
<b>Total South Middle School Activity Funds</b>	<b>26,751</b>	<b>43,848</b>	<b>70,599</b>	<b>-</b>
Southwest Middle School				
Student Council	12,748	9,778	22,526	-
Stucco-Bulldog Help	360	-	360	-
CIT3 Rewards	869	1,131	2,000	-
Ike's Inventory	1,917	-	1,917	-
Chess Club	1,535	-	1,535	-
Destination Imagination	-	100	100	-
Tech Club	-	100	100	-
Math Club	444	-	444	-
Garden Fund	3,879	7,991	11,870	-
Future City Group	2,055	900	2,955	-
AVID	106	-	106	-
RISE Club	-	100	100	-
Smoothie Club	-	200	200	-
International Club	-	79	79	-
Volleyball/Girls BB	-	17	17	-
Game Shirts/Athletic Programs	-	434	434	-
BelCanto	-	17,859	17,859	-
Yearbook	-	14,242	14,242	-
6th Grade Activities	-	1,247	1,247	-
Seventh Grade Activities	-	535	535	-
Drama	-	4,041	4,041	-
Eighth Grade Activities	-	8,791	8,791	-
Enrichment	-	2,130	2,130	-
ER	-	1,359	1,359	-
SW Business Partners	-	99	99	-
Band	-	5,298	5,298	-
Orchestra	-	746	746	-
Library Book Fair/Fines	-	2,553	2,553	-
<b>Total Southwest Middle School Activity Funds</b>	<b>23,913</b>	<b>79,730</b>	<b>103,643</b>	<b>-</b>
West Middle School				
Avid	-	546	546	-
Cheerleading Club	95	347	442	-
Speech and Drama	4,430	12,040	16,470	-
Student Council	2,817	11,980	14,797	-
Yearbook	1,648	10,225	11,873	-
Chorale	2,925	6,528	6,737	2,716
Instrumental Music	387	1,566	1,953	-
Morgenroth Band	66	3,355	3,421	-
Library Book Fund	14	-	14	-
Track	528	-	528	-
Gifted	312	873	1,185	-
Principal's Fund	100	-	100	-
Basketball Fund	-	84	84	-
8th Grade Boys Basketball Fund	410	-	410	-
8th Grade Football Fund	100	-	100	-
Magazine Fundraiser	-	11,023	11,023	-
8th Grade Team Activities	445	-	445	-
7th Grade Team Activities	974	-	974	-
6th Grade Team Activities	737	-	737	-
Scholastic Book Fair	-	590	590	-
Concessions	-	2,588	2,588	-
8th Grade Volleyball	161	-	161	-
8th Grade Worlds of Fun	1,535	7,118	8,653	-
7th Grade Fundraising	24	-	24	-
Written and Illustrated	45	-	45	-
Tennis	14	-	14	-
7th Grade Field Trips	-	2,100	2,100	-
Popsicles for Charity	-	600	600	-
Warhawk Invite	-	2,899	2,899	-
Craft Club	50	125	175	-
<b>Total West Middle School Activity Funds</b>	<b>17,817</b>	<b>74,587</b>	<b>89,688</b>	<b>2,716</b>
<b>Total Middle School Activity Funds</b>	<b>86,261</b>	<b>231,078</b>	<b>314,623</b>	<b>2,716</b>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Cash			Ending Cash
	Balance	Receipts	Disbursements	Balance
HIGH SCHOOLS				
Lawrence High School				
American Indian Club	\$ 91	\$ 2,082	\$ 1,442	\$ 731
At Risk	400	-	400	-
Auto/Power Mech Club	941	-	941	-
AVID	1	28	29	-
Black Student Association	-	93	35	58
Chess Club	1,182	-	25	1,157
DECA Club	240	-	-	240
Dungeons and Dragons	-	192	82	110
Environmental/Recycle Club	354	220	299	275
Facility Improvement	1,521	968	239	2,250
FCCLA	377	-	-	377
French Club	316	309	625	-
French Chicago Trip	250	2,227	2,477	-
Future Farmers of America	307	2,059	1,175	1,191
Gay & Straight/Total Equality Alliance	340	141	255	226
GCTL/FYI	2,266	38	1,151	1,153
Geography Club	135	-	-	135
Graffiti Magazine	-	147	-	147
Habitat for Humanity Club	474	415	-	889
HALO - Hispanic American Leadership Org	435	670	1,085	20
Harry Potter Club	202	-	28	174
International Club	1,402	-	25	1,377
Jewelry Shop	589	-	-	589
Latin Club	16	-	-	16
Media Club	455	97	552	-
Mud Volleyball	-	1,302	993	309
Musical Festival	-	5,540	5,540	-
National Art Honor Society	106	-	7	99
National Honor Society	-	1,093	168	925
Pink Out	300	1,150	1,209	241
Rome Trip	1,792	149	-	1,941
Slam/Spoken Word Poetry Club	45	-	-	45
Spanish Club	7	60	-	67
SPED-ED Room	46	60	35	71
Spirit Squad Booster	596	1,753	1,775	574
Student Council	5,999	22,887	19,438	9,448
Theater Drama Club	-	2,033	2,033	-
Walt Whitman Fund	277	-	-	277
Yoga and Mindfulness Club	-	200	8	192
Young Democrats	63	-	63	-
Young Feminists	-	362	272	90
After Prom	-	5,858	5,858	-
Baseball Program	-	18,519	18,519	-
Boys Basketball Program	-	5,123	5,123	-
Boys Soccer Program	-	18,026	18,026	-
Cap N Gown	-	8,910	8,910	-
Cross Country Program	-	4,136	4,136	-
Gala	-	10,585	10,585	-
Girls Basketball Program	-	2,090	2,090	-
Girls Soccer Program	-	1,387	1,387	-
Heart of a Lion/Parking	-	3,565	3,565	-
History Day Competition	-	1,161	1,161	-
Intramurals	-	258	258	-
LHS Strength and Conditioning	-	1,361	1,361	-
Link Crew	-	62	62	-
Model UN	-	11,524	11,524	-
Music Student Accounts	-	82,375	82,375	-
Paws for Pals/Can We Talk	-	7,096	7,096	-
Softball Program	-	10,366	10,366	-
Tennis Program	-	1,000	1,000	-
Testing	-	41,193	41,193	-
Volleyball Program	-	18,886	18,886	-
Woodshop Projects	-	20	20	-
Total Lawrence High Activity Funds	21,525	299,776	295,907	25,394

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Cash			Ending Cash
	Balance	Receipts	Disbursements	Balance
HIGH SCHOOLS (Continued)				
Free State High School				
Advanced Placement/Knowledge Master	\$ 1,000	\$ -	\$ -	\$ 1,000
Anime	136	-	-	136
Art Club	-	780	559	221
Badminton Club	4	-	-	4
Bike Club	42	-	-	42
Book Club	140	-	-	140
Business Professionals	791	-	-	791
Chess Club	522	-	320	202
Class of 2001	500	-	-	500
Class of 2006	500	-	-	500
Class of 2008	500	-	-	500
Class of 2009	500	-	-	500
Class of 2010	500	-	-	500
Class of 2012	500	-	-	500
Class of 2013	500	-	-	500
Class of 2014	103	-	-	103
Class of 2015	500	-	-	500
Class of 2016	500	-	-	500
Class of 2017	-	500	-	500
Class of 2019	243	-	-	243
Class of 2020	535	-	-	535
Computer Club	344	-	-	344
Cup Cake Club	567	-	-	567
Diversity Club	154	-	-	154
Environmental Club	69	-	-	69
Family Career & Community Leaders of America	420	7,145	5,885	1,680
Fellowship of Christian Athletes	264	-	-	264
Film Club/Firebird Productions	4,708	14	852	3,870
Free State Yoga Club	10	1	-	11
French Club	198	-	-	198
Future Farmers of America	3,917	5,907	8,405	1,419
FYI	246	98	126	218
Geography Club	2	-	-	2
Girl Up	-	72	-	72
JAG - Jobs for American's Graduate	122	60	177	5
Key Club	825	1,502	1,636	691
Latin Club	6	-	-	6
Lawrence Free Poetry Club	2,879	1,780	4,093	566
National Honor Society	11,462	10,611	4,928	17,145
Native American Club	156	110	-	266
Philosophy Club	17	-	-	17
Pre-Med Club	100	-	-	100
Random Acts of Kindness	495	-	-	495
Science Olympiad	652	1,000	1,146	506
Spanish Club	6	-	-	6
STEP	16	176	71	121
Student Council	13,443	30,654	27,792	16,305
Sweater Club	34	-	-	34
Thespians	2,150	13,346	13,865	1,631
Tolkien Club	312	-	9	303
VICA/CIT	1,228	-	-	1,228
Writers Club	551	-	-	551
YARC-Youth Against Rape Culture	46	-	-	46
Young Democrats Club	97	-	-	97
Young Explorers Club	12	144	14	142
Baseball Account	-	42,204	42,204	-
Cap & Gown Rental	-	7,142	7,142	-
Camera Rental & Repair	-	187	187	-
Model UN	-	16,645	16,645	-
Free State Football	-	10,169	10,169	-
Free State Boys Soccer	-	23,541	23,541	-
Fellowship of Christian Students	-	400	400	-
Free State Girls Soccer	-	12,114	12,114	-
Free State Girls Basketball	-	12,773	12,773	-
Parking Fines	-	5,592	5,592	-
Free State Boys Basketball	-	15,471	15,471	-
Student Planners	-	15	15	-
Free State Cross Country/Track	-	76,807	76,807	-
Free State Boys Tennis	-	1,996	1,996	-
Free State Girls Tennis	-	956	956	-
Golf	-	2,159	2,159	-
Girls Golf	-	2,421	2,421	-
Grounds Beautification	-	317	317	-
Subtotals to Schedule 4, page 5 of 5	<u>53,524</u>	<u>304,809</u>	<u>300,787</u>	<u>57,546</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2018

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
HIGH SCHOOLS (Continued)				
Free State High School				
Subtotals from Schedule 4, page 4 of 5	\$ 53,524	\$ 304,809	\$ 300,787	\$ 57,546
LINK	-	1,754	1,754	-
SLEIPS	-	7,695	7,695	-
Shop Projects/Schwager	-	331	331	-
Free State Football (Additional)	-	74	74	-
Free State Softball	-	30,307	30,307	-
Testing Fund	-	49,866	49,866	-
Jewelry/Metal	-	415	415	-
Band Program (Additional)	-	32,318	32,318	-
Baseball (Additional)	-	1,769	1,769	-
Gay/Straight Alliance	-	111	111	-
Special Track Program	-	8,933	8,933	-
Free State Wrestling	-	5,088	5,088	-
Volleyball	-	19,640	19,640	-
Winter Classic Program	-	2,800	2,800	-
Firebird Pride	-	37	37	-
The Early Bird	-	1,021	1,021	-
Renaissance Committee	-	273	273	-
Faculty FS Gear	-	2,562	2,562	-
Free State General Activities	-	341	341	-
Bowling	-	6,473	6,473	-
Girls Swim/Dive	-	7,430	7,430	-
Boys Swim/Dive	-	7,828	7,828	-
River City Baseball	-	42,411	42,411	-
Band Trip 2016-2017	-	3,188	3,188	-
Choir Trip 2017-18	-	28,657	28,657	-
Orchestra Trip 2018-2019	-	63,870	63,870	-
Band Travel 2019-2020	-	3,168	3,168	-
Total Free State High Activity Funds	<u>53,524</u>	<u>633,169</u>	<u>629,147</u>	<u>57,546</u>
Total High School Activity Funds	<u>75,049</u>	<u>932,945</u>	<u>925,054</u>	<u>82,940</u>
Total Student Activity Funds	<u>161,347</u>	<u>1,196,373</u>	<u>1,272,064</u>	<u>85,656</u>
OTHER AGENCY FUNDS				
Sales Tax Fund	5,302	54,007	43,235	16,074
School and District Accounts	6,478	86,525	89,279	3,724
Payroll Clearing Fund	[896,132]	90,836,229	91,959,592	[2,019,495]
Concessions Fund	6,815	806	654	6,967
Total Other Agency Funds	<u>[877,537]</u>	<u>90,977,567</u>	<u>92,092,760</u>	<u>[1,992,730]</u>
Total Agency Funds	<u>\$ [716,190]</u>	<u>\$ 92,173,940</u>	<u>\$ 93,364,824</u>	<u>\$ [1,907,074]</u>

UNIFIED SCHOOL DISTRICT NO. 497  
 District Activity Funds  
 Schedule of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended June 30, 2018

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Lawrence High School							
Activity Tickets and Other	\$ -	\$ -	\$ 13,905	\$ 13,905	\$ -	\$ -	\$ -
Athletics	-	-	98,780	98,780	-	-	-
Band	-	-	11,582	11,582	-	-	-
Theater/Showtime	-	-	32,363	32,363	-	-	-
Free State High School							
Activity Tickets and Other	-	-	31,125	31,125	-	-	-
Athletics	180	-	194,415	194,595	-	-	-
Band	-	-	3,632	3,632	-	-	-
Encore	-	-	65,342	65,342	-	-	-
Vocal	-	-	59,495	59,495	-	-	-
Central Middle School							
Gate Receipts	-	-	3,126	3,126	-	-	-
South Middle School							
Gate Receipts	-	-	5,448	5,448	-	-	-
Southwest Middle School							
Gate Receipts	-	-	14,733	14,733	-	-	-
West Middle School							
Gate Receipts	-	-	5,027	5,027	-	-	-
<b>Total District Activity Funds</b>	<u>\$ 180</u>	<u>\$ -</u>	<u>\$ 538,973</u>	<u>\$ 539,153</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Restated Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Interior</u>					
477 Cluster:					
Indian Education Assistance to Schools	15.130	\$ 9,200	\$ 141,732	\$ 132,536	\$ 18,396
Total Direct U.S. Department of Interior		<u>9,200</u>	<u>141,732</u>	<u>132,536</u>	<u>18,396</u>
<u>U.S. Department of Education</u>					
Passed Through Kansas State Department of Education					
Special Education (IDEA) Cluster:					
Special Education Grants to States	84.027	-	2,409,197	2,409,197	-
Special Education Discretionary	84.027	[25,707]	101,350	76,744	[1,101]
Special Education Preschool Grants	84.173	-	65,553	65,553	-
Subtotal Special Education (IDEA) Cluster		<u>[25,707]</u>	<u>2,576,100</u>	<u>2,551,494</u>	<u>[1,101]</u>
Title I Grants to Local Educational Agencies	84.010	[695,416]	2,532,097	1,895,248	[58,567]
Vocational Education Basic Grants to States	84.048	12,794	44,488	82,203	[24,921]
Homeless Child	84.196	-	1,842	1,842	-
English Language Acquisition Grants	84.365	[12,345]	48,626	41,577	[5,296]
Improving Teacher Quality State Grants	84.367	[102,467]	320,839	281,918	[63,546]
Title IV Student Support Academic Enrichment	84.424	-	5,249	42,457	[37,208]
Passed Through Kansas Board of Regents					
Adult Education	84.002	-	42,000	42,000	-
Total U.S. Department of Education Passed Through Kansas State Department of Education and Kansas Board of Regents		<u>[823,141]</u>	<u>5,571,241</u>	<u>4,938,739</u>	<u>[190,639]</u>
<u>U.S. Department of Health and Human Services</u>					
Passed Through Kansas State Department of Education					
TANF Cluster:					
Temporary Assistance for Needy Families	93.558	-	17,869	17,869	-
Subtotal TANF Cluster		-	<u>17,869</u>	<u>17,869</u>	-
Youth Risk Behavior Survey	93.079	-	745	745	-
Total U.S. Department of Health and Human Services Passed Through Kansas Department of Education		-	<u>18,614</u>	<u>18,614</u>	-
<u>U.S. Department of Agriculture</u>					
Passed Through Kansas State Department of Education					
Child Nutrition Cluster:					
School Breakfast Program	10.553	-	441,673	441,673	-
National School Lunch Program	10.555	-	2,081,233	2,081,233	-
Summer Food Service Program for Children	10.559	-	145,701	145,701	-
Subtotal Child Nutrition Cluster		-	<u>2,668,607</u>	<u>2,668,607</u>	-
Team Nutrition Training Grant	10.574	-	4,250	4,250	-
Farm to School Grant	10.575	-	5,187	13,662	[8,475]
Total U.S. Department of Agriculture Passed Through Kansas Department of Education		-	<u>2,678,044</u>	<u>2,686,519</u>	<u>[8,475]</u>
Total		<u>\$ [813,941]</u>	<u>\$ 8,409,631</u>	<u>\$ 7,776,408</u>	<u>\$ [180,718]</u>

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2018

1. Organization

Unified School District No. 497, Lawrence, Kansas, (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the schedule of Expenditures of Federal Awards.

2. Basis of Presentation

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

3. Local Government Contributions

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

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2018.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2018

6. Pass Through Numbers

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

UNIFIED SCHOOL DISTRICT NO. 497  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2018

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173 84.010	Special Education (IDEA) Cluster Title I

Dollar threshold used to distinguish between type A and type B programs:	<u>\$750,000</u>
Auditee qualified as low-risk auditee?	___ Yes <u>X</u> No



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2018

Section II - Financial Statement Findings

None Noted

Section III - Federal Award Findings and Questioned Costs

None Noted



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

Board of Education  
Unified School District No. 497  
Lawrence, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the Unified School District No. 497, (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2018.

**Internal Control Over Financial Reporting**

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

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

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

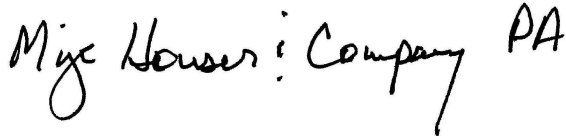
Compliance and Other Matters

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

However, we noted certain other matters that we reported to management of the District in a separate letter dated November 30, 2018.

Purpose of this Report

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

A handwritten signature in black ink that reads "Mike Houser: Company PA". The signature is written in a cursive, slightly slanted style.

Lawrence, KS  
November 30, 2018

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

Board of Education  
Unified School District No. 497  
Lawrence, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Unified School District No. 497, (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018. The District's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

*Mize Houser & Company PA*

Lawrence, KS  
November 30, 2018