

UNIFIED SCHOOL DISTRICT NO. 448

INMAN, KANSAS

FINANCIAL STATEMENT

For the Year Ended June 30, 2013

Unified School District No. 448

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Knudsen Monroe & Company LLC

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 448
Inman, Kansas 67546

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 448, Inman, Kansas, as of and for the year ended June 30, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. 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.

Auditors' Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by Unified School District No. 448 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 Unified School District No. 448 as of June 30, 2013, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 448 as of June 30, 2013, 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 expenditures - actual and budget, the individual fund schedules of cash receipts and expenditures - actual and budget, the schedule of cash receipts and expenditures – fiduciary funds, and the schedule of cash receipts and expenditures - district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic 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.

The 2012 actual columns presented in the individual fund schedules of cash receipts and expenditures - actual and budget (Schedules 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2012 financial statements upon which we rendered an unqualified opinion dated October 12, 2012. The 2012 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://www.da.ks.gov/ar/muniserv/>. Such 2012 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 2012 financial statement. The 2012 comparative information was subjected to the auditing procedures applied in the audit of the 2012 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 financial statement or to the 2012 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2012 comparative information is fairly stated in all material respects in relation to the 2012 financial statement as a whole.

Kruidsen, Almore & Company, LLC

Certified Public Accountants
Newton, Kansas

October 11, 2013

Unified School District No. 448

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

Year ended June 30, 2013

<u>Funds</u>	Unencumbered Cash Balance <u>06/30/12</u>	Prior Year Canceled <u>Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	Unencumbered Cash Balance <u>06/30/13</u>	Accounts Payable and <u>Encumbrances</u>	Cash Balance <u>06/30/13</u>
Governmental Fund Types:							
General Funds:							
General	\$ -	-	3,182,238	3,182,238	-	30,610	30,610
Supplemental general	70,998	-	1,120,406	1,099,155	92,249	693	92,942
Special Purpose Funds:							
At risk (4 Yr Old)	-	-	61,755	61,755	-	-	-
At risk (K-12)	-	-	124,350	124,350	-	-	-
Bilingual education	-	-	6,942	6,942	-	-	-
Capital outlay	487,161	-	494,028	414,894	566,295	5,738	572,033
Driver training	7,499	-	5,771	6,906	6,364	191	6,555
Food service	49,999	-	191,728	218,870	22,857	-	22,857
Professional development	43,000	-	5,340	37,340	11,000	-	11,000
Special education	180,001	-	711,799	781,620	110,180	657	110,837
Vocational education	-	-	137,450	137,450	-	253	253
KPERS special retirement contribution	-	-	240,641	240,641	-	-	-
Contingency reserve	126,691	-	-	30,733	95,958	-	95,958
Recreation	11,875	-	25,617	24,750	12,742	-	12,742
Federal government programs	-	-	72,459	72,459	-	-	-
Activity gate receipts	12,367	-	50,164	51,935	10,596	-	10,596
School projects	10,050	-	13,221	12,568	10,703	-	10,703
Debt Service Fund:							
Bond and interest	434,707	-	443,705	493,851	384,561	-	384,561
Capital Project Fund:							
2012 Bond issue project	4,441,417	-	14,039	1,555,512	2,899,944	472,405	3,372,349
Fiduciary:							
Memorials and gifts	39,073	-	13,315	3,571	48,817	-	48,817
Student organizations	-	-	83,523	83,523	-	35,816	35,816
	<u>\$ 5,914,838</u>	<u>-</u>	<u>6,998,491</u>	<u>8,641,063</u>	<u>4,272,266</u>	<u>546,363</u>	<u>4,818,629</u>

Unified School District No. 448
NOTES TO FINANCIAL STATEMENT
June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Unified School District No. 448 is a Kansas municipality governed by an elected seven-member school board. This financial statement presents only the primary government of the District.

In addition to the primary government, the Inman Recreation Commission qualifies as a related municipal entity of the District. However, the financial activity of this related municipal entity is not included in the accompanying financial statement.

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 revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

KMAAG Regulatory Basis of Presentation and Definitions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Unified School District No. 448
NOTES TO FINANCIAL STATEMENT
June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following types of funds comprise the financial activities of the District for the year ended June 30, 2013:

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

Special Purpose Funds - to account for the proceeds of specific tax levies, and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Debt Service Fund - to account for the accumulation of resources for and the payment of interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the District.

Fiduciary Funds – to account for assets held in a trustee capacity or as an agent for individuals, other governmental units, private organizations, and/or other funds.

Activity Funds

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

Use of Estimates

The preparation of financial statements in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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), and bond and interest funds. 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 1.
2. Publication in local newspaper on or before August 5 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 on 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

Unified School District No. 448
NOTES TO FINANCIAL STATEMENT
June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

The budget of the general fund of a unified school district is based on estimated enrollment for the district. After the school year has begun, the enrollment for each district is audited by the Kansas Department of Education. This enrollment will determine the legal maximum budget for the district, and if this “legal max” budget is less than the adopted budget, the general fund budget of the district is automatically reduced to the computed amount. If this “legal max” budget is greater than the adopted budget, the District must amend the budget (see prior paragraph) to the “legal max” amount to have the additional budget authority. The District’s general fund budget for the year ended June 30, 2013 was reduced to the “legal max” amount of \$3,128,738.

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

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

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

- Federal government programs
- Contingency reserve
- Activity gate receipts and school projects

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

2. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District’s funds have a main or branch bank in the county in which the District is located 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 investment policy that would further limit interest rate risk.

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

Unified School District No. 448
 NOTES TO FINANCIAL STATEMENT
 June 30, 2013

2. DEPOSITS AND INVESTMENTS (Continued)

As of June 30, 2013, the District's investments included only bank time deposits with a fair value of \$4,810,281, which are not subject to investment ratings.

Concentration of Credit Risk

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated peak periods. All deposits were legally secured at June 30, 2013.

At June 30, 2013, the carrying amount of the District's deposits was \$4,818,629. The bank balance totaled \$4,852,382. The balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance with the remaining \$4,602,382 collateralized with securities and letters of credit held by the pledging financial institutions' agents in the District's name.

Composition of Cash and Investments

The cash of the District at June 30, 2013, consisted of the following accounts with a local financial institution:

Farmers National Bank, Inman	
Time deposits	
NOW account	\$ 1,361,376
Bond issue account	3,393,343
High school activity fund	53,534
Don Kimble memorial account	<u>2,028</u>
Total time deposits	<u>4,810,281</u>
Demand deposits	
TTL account	500
Grade school activity fund	3,581
District petty cash	<u>4,267</u>
Total demand deposits	<u>8,348</u>
Total cash balance	<u><u>\$ 4,818,629</u></u>

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$199,649 for final general and supplemental general state aid subsequent to June 30, 2013, 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 in these funds for the year ended June 30, 2013.

Unified School District No. 448
NOTES TO FINANCIAL STATEMENT
June 30, 2013

4. CAPITAL PROJECTS

In June of 2012, the District issued \$4,535,000 in general obligation bonds to finance capital improvement projects within the District.

Project Authorization

Capital projects authorizations compared to actual expenditures since the beginning of the project are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>	<u>Excess Authorizaton</u>
Parking and school building construction	\$ 4,535,000	1,555,512	2,979,488

5. GENERAL LONG-TERM DEBT

Changes in long-term debt for the District for the year ended June 30, 2013, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturity Date</u>	<u>Balance 06/30/12</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 06/30/13</u>	<u>Interest Paid 06/30/13</u>
General Obligation Bonds:									
Refunding issue									
Series 2004	2.00-3.20%	1/21/2004	2,080,000	9/1/2013	525,000	-	425,000	100,000	9,575
School improvement									
Series 2012	1.40-2.35%	6/1/2012	4,535,000	9/1/2025	4,535,000	-	-	4,535,000	59,276
					5,060,000	-	425,000	4,635,000	68,851
Capital Lease:									
Apple Inc. lease	0.90%	6/14/2011	101,460	7/20/2012	50,503	-	50,503	-	455
Totals					<u>\$ 5,110,503</u>	<u>-</u>	<u>475,503</u>	<u>4,635,000</u>	<u>69,306</u>

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

<u>Period ending June 30</u>	<u>G.O. Bonds</u>		<u>Total Principal and Interest</u>
	<u>Principal</u>	<u>Interest</u>	
2014	\$ 300,000	79,135	379,135
2015	320,000	73,635	393,635
2016	325,000	68,798	393,798
2017	335,000	64,015	399,015
2018	340,000	59,290	399,290
2019-2023	1,815,000	216,915	2,031,915
2024-2025	1,200,000	41,780	1,241,780
	<u>\$ 4,635,000</u>	<u>603,568</u>	<u>5,238,568</u>

Unified School District No. 448
 NOTES TO FINANCIAL STATEMENT
 June 30, 2013

5. 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.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 and K.S.A. 74-4921 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members, and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

6. COMPENSATED ABSENCES

The District's personnel policies grant compensated absences in the form of vacation, sick days and personal leave days for each school year. Classified full-time staff meeting length of service requirements are allowed two to three weeks paid vacation which may not be accumulated. Certified staff are not granted paid vacation time. Personal leave and sick days are granted annually to all personnel. The District allows certified staff to accumulate sick days up to 100 days, classified staff up to 65 days. After ten years of service it is the District's policy to pay, at separation of service, \$5 per accumulated day.

The District's liability for unused vacation time and accumulated personal and sick days at June 30, 2013 has not been recorded in these financial statements.

7. INTERFUND TRANSFERS

Operating transfers during the year ended June 30, 2013, were as follows:

	Transfer to		Transfer from	
		Total	General	Supplemental General
At Risk (4 Yr Old)	\$	61,755	-	61,755
At Risk (K-12)		124,350	43,051	81,299
Bilingual Education		6,942	-	6,942
Professional Development		4,940	-	4,940
Special Education		705,466	494,040	211,426
Vocational Education		129,482	-	129,482
		<u>\$ 1,032,935</u>	<u>537,091</u>	<u>495,844</u>

Unified School District No. 448
NOTES TO FINANCIAL STATEMENT
June 30, 2013

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in Kansas Association of School Boards (KASB) Risk Management Services, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to KASB Risk Management Services for its workers compensation insurance coverage. The agreement to participate provides that KASB Risk Management Services will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$300,000 for each insured event.

The District continues to carry commercial insurance for all other risks of loss, including liability, property, inland marine, linebacker, and fleet coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

9. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Budget Violations - The District was not in compliance with K.S.A. 79-2935, which limits fund expenditures to the appropriated budget, in the Food Service, Professional Development, and Special Education funds.

10. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2013, to determine the need for any adjustments to and/or disclosures within the audited financial statements. Management has performed their analysis through October 11, 2013, which is the date at which the financial statements were available to be issued.

UNIFIED SCHOOL DISTRICT NO. 448
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2013

Unified School District No. 448

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General	\$ 3,214,709	(85,971)	53,501	3,182,239	3,182,238	(1)
Supplemental general	1,124,721	(28,160)	2,594	1,099,155	1,099,155	-
Special Purpose Funds:						
At risk (4 Yr Old)	67,500	-	-	67,500	61,755	(5,745)
At risk (K-12)	125,000	-	-	125,000	124,350	(650)
Bilingual education	11,750	-	-	11,750	6,942	(4,808)
Capital outlay	122,500	-	469,393	591,893	414,894	(176,999)
Driver training	9,185	-	-	9,185	6,906	(2,279)
Food service	207,500	-	-	207,500	218,870	11,370
Professional development	32,500	-	-	32,500	37,340	4,840
Special education	724,355	-	-	724,355	781,620	57,265
Vocational education	150,000	-	-	150,000	137,450	(12,550)
KPERS special retirement contribution	260,075	-	-	260,075	240,641	(19,434)
Recreation	24,750	-	-	24,750	24,750	-
Debt Service Fund:						
Bond and interest	493,901	-	-	493,901	493,851	(50)
	<u>\$ 6,568,446</u>	<u>(114,131)</u>	<u>525,488</u>	<u>6,979,803</u>	6,830,762	<u>(149,041)</u>
Add expenditures of unbudgeted funds						
Special purpose					167,695	
Capital project					1,555,512	
Fiduciary					<u>87,094</u>	
Total expenditures, Statement 1					<u>\$ 8,641,063</u>	

Unified School District No. 448

General Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
GENERAL FUND				
Receipts				
Tax in process	\$ 17,378	19,579	7,515	12,064
Current tax	543,666	559,088	530,784	28,304
Delinquent tax	3,885	6,716	14,188	(7,472)
Mineral production tax	-	211	-	211
General state aid	2,058,903	2,049,103	2,115,467	(66,364)
State special education aid	489,028	494,040	546,755	(52,715)
Federal education jobs aid	1,482	-	-	-
Reimbursements	53,880	53,501	-	53,501
	<u>3,168,222</u>	<u>3,182,238</u>	<u>3,214,709</u>	<u>(32,471)</u>
Expenditures				
Instruction	1,568,990	1,498,221	1,587,954	(89,733)
Student support services	701	18,579	500	18,079
Instructional support staff	120	6,559	2,000	4,559
General administration	196,869	199,273	189,500	9,773
School administration	197,931	202,962	199,000	3,962
Operation and maintenance	499,160	521,741	482,500	39,241
Student transportation services	134,035	120,636	126,500	(5,864)
Other supplemental services	81,388	77,176	80,000	(2,824)
Operating transfers	489,028	537,091	546,755	(9,664)
	<u>3,168,222</u>	<u>3,182,238</u>	<u>3,214,709</u>	<u>(32,471)</u>
Adjustment to comply with legal max	-	-	(85,971)	85,971
Adjustment for qualifying budget credits	-	-	53,501	(53,501)
Total expenditures	<u>3,168,222</u>	<u>3,182,238</u>	<u>3,182,239</u>	<u>(1)</u>
Receipts over (under) expenditures	-	-	-	-
Unencumbered cash, beginning	-	-	-	-
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

Unified School District No. 448

General Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
SUPPLEMENTAL GENERAL FUND				
Receipts				
Tax in process	\$ 22,207	24,743	11,002	13,741
Current tax	654,308	700,035	697,751	2,284
Delinquent tax	4,984	9,179	17,163	(7,984)
Vehicle tax	65,470	76,238	71,096	5,142
Supplemental state aid	334,678	307,617	319,511	(11,894)
Reimbursements	4,867	2,594	-	2,594
	<u>1,086,514</u>	<u>1,120,406</u>	<u>1,116,523</u>	<u>3,883</u>
Expenditures				
Instruction	504,360	592,148	529,221	62,927
Student support services	38,135	11,163	21,000	(9,837)
Operations and maintenance	182	-	-	-
Operating transfers	539,243	495,844	574,500	(78,656)
	<u>1,081,920</u>	<u>1,099,155</u>	<u>1,124,721</u>	<u>(25,566)</u>
Adjustment to comply with legal max	-	-	(28,160)	28,160
Adjustment for qualifying budget credits	-	-	2,594	(2,594)
Total expenditures	<u>1,081,920</u>	<u>1,099,155</u>	<u>1,099,155</u>	<u>-</u>
Receipts over (under) expenditures	4,594	21,251		
Unencumbered cash, beginning	<u>66,404</u>	<u>70,998</u>		
Unencumbered cash, ending	<u>\$ 70,998</u>	<u>92,249</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
AT RISK FUND (4 YR OLD)				
Receipts				
Transfers from other funds	\$ 59,090	61,755	67,500	(5,745)
Expenditures				
Instruction				
Salaries and benefits	56,788	60,868	65,000	(4,132)
Other	2,302	887	2,500	(1,613)
	<u>59,090</u>	<u>61,755</u>	<u>67,500</u>	<u>(5,745)</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>		
AT RISK FUND (K-12)				
Receipts				
Transfers from other funds	\$ 112,666	124,350	125,000	(650)
Expenditures				
Instruction				
Salaries and benefits	101,166	116,850	112,500	4,350
Other	11,500	7,500	12,500	(5,000)
	<u>112,666</u>	<u>124,350</u>	<u>125,000</u>	<u>(650)</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>		
BILINGUAL EDUCATION FUND				
Receipts				
Transfers from other funds	\$ 11,543	6,942	11,750	(4,808)
Expenditures				
Instruction				
Salaries and benefits	11,543	6,942	11,750	(4,808)
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
CAPITAL OUTLAY FUND				
Receipts				
Current tax	\$ -	11,961	11,380	581
Delinquent tax	68	117	-	117
Interest	4,693	4,716	5,000	(284)
Sale of property and other	2,779	7,841	3,000	4,841
Reimbursements - insurance proceeds	-	469,393	-	469,393
	<u>7,540</u>	<u>494,028</u>	<u>19,380</u>	<u>474,648</u>
Expenditures				
Equipment and furniture	19,114	50,648	25,000	25,648
Construction and remodeling	-	364,246	35,000	329,246
Architectual services and other	-	-	62,500	(62,500)
	<u>19,114</u>	<u>414,894</u>	<u>122,500</u>	<u>292,394</u>
Adjustment for qualifying budget credits	-	-	469,393	(469,393)
Total expenditures	<u>19,114</u>	<u>414,894</u>	<u>591,893</u>	<u>(176,999)</u>
Receipts over (under) expenditures	(11,574)	79,134		
Unencumbered cash, beginning	<u>498,735</u>	<u>487,161</u>		
Unencumbered cash, ending	<u>\$ 487,161</u>	<u>566,295</u>		
DRIVER TRAINING FUND				
Receipts				
State aid	\$ 2,538	1,767	3,150	(1,383)
Other	4,692	4,004	5,000	(996)
Transfers from other funds	704	-	1,000	(1,000)
	<u>7,934</u>	<u>5,771</u>	<u>9,150</u>	<u>(3,379)</u>
Expenditures				
Instruction				
Salaries and benefits	6,882	5,785	8,500	(2,715)
Other	1,200	1,121	685	436
	<u>8,082</u>	<u>6,906</u>	<u>9,185</u>	<u>(2,279)</u>
Receipts over (under) expenditures	(148)	(1,135)		
Unencumbered cash, beginning	<u>7,647</u>	<u>7,499</u>		
Unencumbered cash, ending	<u>\$ 7,499</u>	<u>6,364</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
FOOD SERVICE FUND				
Receipts				
Lunch sales	\$ 122,750	119,332	128,720	(9,388)
Federal aid	66,907	69,634	58,213	11,421
State aid	2,809	2,726	2,524	202
Other	44	36	-	36
Transfers from other funds	10,336	-	11,750	(11,750)
	<u>202,846</u>	<u>191,728</u>	<u>201,207</u>	<u>(9,479)</u>
Expenditures				
Food service operations				
Salaries and benefits	87,179	95,003	88,000	7,003
Food and supplies	110,118	119,888	113,000	6,888
Equipment	3,439	1,591	3,500	(1,909)
Other	2,889	2,388	3,000	(612)
	<u>203,625</u>	<u>218,870</u>	<u>207,500</u>	<u>11,370</u>
Receipts over (under) expenditures	(779)	(27,142)		
Unencumbered cash, beginning	<u>50,778</u>	<u>49,999</u>		
Unencumbered cash, ending	<u>\$ 49,999</u>	<u>22,857</u>		
PROFESSIONAL DEVELOPMENT FUND				
Receipts				
Other	\$ 600	400	-	400
Transfers from other funds	30,959	4,940	32,500	(27,560)
	<u>31,559</u>	<u>5,340</u>	<u>32,500</u>	<u>(27,160)</u>
Expenditures				
Instructional support				
Salaries and benefits	27,492	29,959	8,000	21,959
Purchased services and other	4,067	7,381	24,500	(17,119)
	<u>31,559</u>	<u>37,340</u>	<u>32,500</u>	<u>4,840</u>
Receipts over (under) expenditures	-	(32,000)		
Unencumbered cash, beginning	<u>43,000</u>	<u>43,000</u>		
Unencumbered cash, ending	<u>\$ 43,000</u>	<u>11,000</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET *
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
SPECIAL EDUCATION FUND				
Receipts				
Transfers from other funds	\$ 665,326	705,466	721,755	(16,289)
Other	5,329	6,333	-	6,333
	<u>670,655</u>	<u>711,799</u>	<u>721,755</u>	<u>(9,956)</u>
Expenditures				
Instruction				
Payments to Special Education Coop	642,153	758,432	703,355	55,077
Student Transportation				
Salaries and benefits	21,364	16,100	21,000	(4,900)
Other	6,732	7,088	-	7,088
	<u>670,249</u>	<u>781,620</u>	<u>724,355</u>	<u>57,265</u>
Receipts over (under) expenditures	406	(69,821)		
Unencumbered cash, beginning	<u>179,595</u>	<u>180,001</u>		
Unencumbered cash, ending	<u>\$ 180,001</u>	<u>110,180</u>		
VOCATIONAL EDUCATION FUND				
Receipts				
Transfers from other funds	\$ 137,647	129,482	150,000	(20,518)
Reimbursements - grants and other	1,381	7,968	-	7,968
	<u>139,028</u>	<u>137,450</u>	<u>150,000</u>	<u>(12,550)</u>
Expenditures				
Instruction				
Salaries and benefits	130,410	127,324	145,000	(17,676)
Tuition	2,934	-	-	-
Supplies	2,903	6,545	2,500	4,045
Equipment	1,298	2,164	1,250	914
Other	1,483	1,417	1,250	167
	<u>139,028</u>	<u>137,450</u>	<u>150,000</u>	<u>(12,550)</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning	<u>-</u>	<u>-</u>		
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET *
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
KPERS EMPLOYER				
CONTRIBUTION FUND				
Receipts				
State KPERS aid	\$ 274,253	240,641	<u>260,075</u>	<u>(19,434)</u>
Expenditures				
Employee benefits	<u>274,253</u>	<u>240,641</u>	<u>260,075</u>	<u>(19,434)</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>		
CONTINGENCY RESERVE FUND				
Receipts	\$ -	-		
Expenditures				
Salaries	-	<u>30,733</u>	NOT APPLICABLE	
Receipts over (under) expenditures	-	(30,733)		
Unencumbered cash, beginning	<u>126,691</u>	<u>126,691</u>		
Unencumbered cash, ending	<u>\$ 126,691</u>	<u>95,958</u>		
RECREATION FUND				
Receipts				
Tax in process	\$ 748	822	344	478
Current tax	21,733	21,918	20,875	1,043
Delinquent tax	176	319	570	(251)
Vehicle tax	<u>2,208</u>	<u>2,558</u>	<u>2,385</u>	<u>173</u>
	24,865	25,617	<u>24,174</u>	<u>1,443</u>
Expenditures				
Appropriation to recreation commission	<u>23,800</u>	<u>24,750</u>	<u>24,750</u>	<u>-</u>
Receipts over (under) expenditures	1,065	867		
Unencumbered cash, beginning	<u>10,810</u>	<u>11,875</u>		
Unencumbered cash, ending	<u>\$ 11,875</u>	<u>12,742</u>		

Unified School District No. 448

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET *
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2013			2012 Total
	Title I ESEA	Title II-A Teacher Quality	REAP Grant	
FEDERAL GOVERNMENT PROGRAMS				
Receipts				
Federal aid	\$ 26,408	9,260	36,791	72,459
Expenditures				
Salaries and benefits	25,908	9,260	36,791	71,959
Equipment	-	-	-	-
Purchased contractual services	-	-	-	1,054
Supplies and other	500	-	-	500
	<u>26,408</u>	<u>9,260</u>	<u>36,791</u>	<u>72,459</u>
Receipts over (under) expenditures	-	-	-	-
Unencumbered cash, beginning	-	-	-	-
Unencumbered cash, ending	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

* Legally adopted budget not applicable

Unified School District No. 448

Debt Service Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
BOND AND INTEREST FUND				
Receipts				
Tax in process	\$ 10,501	13,085	5,800	7,285
Current tax	346,034	314,389	299,404	14,985
Delinquent tax	2,622	4,884	9,076	(4,192)
Vehicle tax	31,402	37,269	34,907	2,362
Accrued interest on bond issue	5,928	-	-	-
State aid	72,349	74,078	74,078	-
	<u>468,836</u>	<u>443,705</u>	<u>423,265</u>	<u>20,440</u>
Expenditures				
Principal	405,000	425,000	425,000	-
Interest	27,763	68,851	68,851	-
Commissions and fees	2	-	50	(50)
	<u>432,765</u>	<u>493,851</u>	<u>493,901</u>	<u>(50)</u>
Receipts over (under) expenditures	36,071	(50,146)		
Unencumbered cash, beginning	<u>398,636</u>	<u>434,707</u>		
Unencumbered cash, ending	<u>\$ 434,707</u>	<u>384,561</u>		

Unified School District No. 448

Capital Project Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
2012 BOND ISSUE PROJECT FUND				
Receipts				
Bond proceeds	\$ 4,535,000	-		
Interest	4	14,039		
	<u>4,535,004</u>	<u>14,039</u>		
Expenditures				
Architectual services and other	-	219,166		
Equipment and furnishings	-	26,361		
Parking lot construction	20,591	290,643		
Inman Elementary School construction	-	436,865		
Auditorium construction	-	565,580		
Commissions and fees	72,996	16,897		
	<u>93,587</u>	<u>1,555,512</u>		
			NOT APPLICABLE	
Receipts over (under) expenditures	4,441,417	(1,541,473)		
Unencumbered cash, beginning	-	4,441,417		
Unencumbered cash, ending	<u>\$ 4,441,417</u>	<u>2,899,944</u>		

Unified School District No. 448

Fiduciary Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	<u>2013</u>	<u>2012</u>
MEMORIALS AND GIFTS		
Receipts	\$ 13,315	19,373
Expenditures	<u>3,571</u>	<u>2,682</u>
Receipts over (under) expenditures	9,744	16,691
Cash balance, beginning	<u>39,073</u>	<u>22,382</u>
Cash balance, ending	<u>\$ 48,817</u>	<u>39,073</u>

Unified School District No. 448

School Activity Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS

Year ended June 30, 2013

(With comparative actual amounts for the year ended June 30, 2012)

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Balance</u>
GATE RECEIPTS				
High school activities	\$ 12,012	49,136	50,660	10,488
Grade school activities	<u>355</u>	<u>1,028</u>	<u>1,275</u>	<u>108</u>
Totals to Statement 1	<u>\$ 12,367</u>	<u>50,164</u>	<u>51,935</u>	<u>10,596</u>
 SCHOOL PROJECTS				
High school				
Scholarships	\$ 2,210	1,786	1,169	2,827
Other	6,450	6,560	7,901	5,109
Grade school				
Box top fund	837	3,363	1,809	2,391
Yearbook	373	1,432	1,583	222
Other	<u>180</u>	<u>80</u>	<u>106</u>	<u>154</u>
Totals to Statement 1	<u>\$ 10,050</u>	<u>13,221</u>	<u>12,568</u>	<u>10,703</u>
 STUDENT ORGANIZATIONS				
High school	\$ 32,565	77,774	75,229	35,110
Grade school	<u>1,793</u>	<u>5,749</u>	<u>6,836</u>	<u>706</u>
Total cash basis activity	34,358	83,523	82,065	35,816
Adjustments for encumbrances				
June 30, 2012	(34,358)	-	(34,358)	-
June 30, 2013	<u>-</u>	<u>-</u>	<u>35,816</u>	<u>(35,816)</u>
Totals to Statement 1	<u>\$ -</u>	<u>83,523</u>	<u>83,523</u>	<u>-</u>