

**GREGG A. NEIS CPA** *Certified Public Accountant*

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November 16, 2016

Board of Education  
Wellsville Unified School District No. 289  
Wellsville, Kansas 66092

In planning and performing my audit of the financial statements of Wellsville Unified School District No. 289 for the fiscal year ended June 30, 2016, in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit Guide, I considered Wellsville Unified School District No. 289 internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, I do not express an opinion on the effectiveness of the Entity's internal control.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

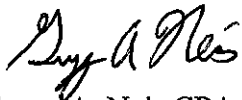
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control that I consider to be material weaknesses, as defined above. However, I noted a certain matter involving the internal controls and their operation that I believe should be brought to your attention.

**Segregation of Duties:**

Due to the small number of office employees, proper separation of duties was difficult. I recommend continuing the checks and balances already in place, such as, Board approval on all transactions, review of the payroll by an employee other than the one that prepares it, requiring three signatures on all checks. Someone independent of the bookkeeping function should reconcile the bank statement.

This communication is intended solely for the information and use of management.



Gregg A. Neis CPA

WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289  
WELLSVILLE, KANSAS

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
AND

INDEPENDENT AUDITORS' REPORTS

**Gregg A. Neis CPA**

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CERTIFIED PUBLIC ACCOUNTANT

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WELLSVILLE UNIFIED SCHOOL DISTRICT NO.289  
WELLSVILLE, KANSAS

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## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

November 16, 2016

Board of Education  
Wellsville Unified School District No. 289  
Wellsville, Kansas 66092

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Wellsville Unified School District No. 289, Wellsville, Kansas, a municipality, as of and for the year ended June 30, 2016, 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

My responsibility is to express an opinion on the financial statement based on my audit. I conducted the 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 I 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, I 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 I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Wellsville Unified School District No. 289, Wellsville, Kansas 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 my 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 Wellsville Unified School District No. 289, Wellsville, Kansas of June 30, 2016, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Wellsville Unified School District No. 289, Wellsville, Kansas as of June 30, 2016, 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 Regulatory Required Supplementary Information

The 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, schedule of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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.

Additional Information

The 2015 actual columns presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, (Schedule 2 as listed in the table of contents) are presented for comparative analysis and are not a required part of the 2015 basic financial statement upon which I rendered an unqualified opinion dated August 27, 2015. The 2015 basic financial statement and my 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 2015 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 2015 basic financial statement.

The 2015 comparative information was subjected to the auditing procedures applied in the audit of the 2015 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 2015 basic financial statement or to the 2015 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the prior year 2015 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.

  
Gregg A. Neis CPA



**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

USD No. 289 is a municipal corporation governed by an elected seven member board. The District as an entity has been defined to include, on a combined basis, (a) USD No. 289, (b) organizations for which USD No. 289 is financially accountable, and (c) other organizations for which the nature and significance of their relationship with USD No. 289 are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. There are currently no organizations which meet the foregoing criteria for being combined in the District's report.

**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 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.

**Departure from Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts (except as noted), cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, temporary notes and compensated absences are not presented in the financial statements. Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase, as required by state statutes.



**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued**

**Regulatory Basis Fund Types**

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.

The following types of funds comprise the financial activities of the District:

**Governmental Funds**

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

Special Purpose Fund - to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Project Fund - to account for resources designated to construct or acquire capital facilities and improvements.

Debt Service Fund - to account for the accumulation of resources for, and the payment of, general long-term obligation principal, interest and related costs.

**Fiduciary Funds**

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

**Assets and Investments**

**Deposits**

At year end the carrying amount of the District's deposits, was \$3,350,281. The bank balance was \$3,546,582. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$3,296,582 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the District, the pledging bank and the independent third-party bank holding the pledged securities.

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Assets and Investments** -Continued

**Investments**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$ 3,365	S&P AAAF/SLT
Kansas Municipal Investment Pool 2015 Bond	<u>157</u>	S&P AAAF/SLT
Total	\$ 3,522	

Kansas statutes authorize the District to invest in U.S. Treasury bills and notes, repurchase agreements, and the State Treasurer's investment pool. All investments must be insured, registered, or held by the District or its agent in the District's name. The District's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered, or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the dealer bank's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the dealer bank. Of the three risk categories, the investments classified in risk Category 1 have the least risk to the municipality.

At June 30, 2016 the District had invested \$ 3,522 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 ten 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.

**Ad Valorem Tax Revenue**

The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's Office annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the District by January 20 to help finance the current year's budget. The second half is due May 10 and distributed to the District by June 20. The County Treasurer's Office remits the funds to the District at designated times throughout the year.

**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 debt service funds.

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**Budgetary Information – Continued**

The statutes provide the following sequence and timetable in the adoption of the legal annual budget:

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

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.

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.

All legal annual operating budgets are prepared using the modified accrual basis of accounting modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

Textbook Rental Fund	Gift and Grant Funds
Contingency Reserve Fund	District Activity Funds
Federal and State Grant Funds	

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

**NOTE 2 - 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.

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 2 - DEFINED BENEFIT PENSION PLAN - Continued**

That report may be obtained by writing KPERS (611 South Kansas Avenue; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

*Funding Policy* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective 1/1/2015 KPERS has three benefit structures and funding depends on employee hire dates, Tier 1 employees hired before 7/1/2009, Tier 2 are hired between 7/1/2009 and 1/1/2015, Tier 3 hired after 1/1/2015. Tier 1 and 2 members contribute 5% and 6% respectively to 1/1/2015. After 1/1/2015 all tiers contribute 6%. 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. Kansas' contributions to KPERS for Wellsville Unified School District No. 289 employees for the years ending June 30, 2016, 2015, 2014 were \$367,406, \$438,684 and \$463,113 respectively, equal to the required contributions for each year.

*Net Pension Liability:* KPERS has determined the District's proportionate share of the net pension liability is \$ 6,984,633 as of June 30, 2015. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The complete actuarial valuation report may be obtained from the web site of KPERS at the following link [www.kpers.org](http://www.kpers.org).

**NOTE 3 – LONG TERM DEBT**

The following schedule shows the changes in long-term debt and related maturities.

Issue and Date	Interest Rate	Original Amount	Balance 7/1/2015	Additions	Principal Payments	Balance 6/30/2016	Interest Paid
6/15/2005 Refunding General Obligation Bonds	3.88%	\$5,320,000	\$540,000	-	\$540,000	\$ -	\$ 81,285
4/25/2011 Refunding General Obligation Bonds	2.00%	\$505,000	\$360,000	-	\$50,000	\$310,000	\$ 8,538
6/15/2015 Refunding General Obligation Bonds	1.50%	\$3,740,000	\$3,740,000		\$0	\$3,740,000	\$40,123
Capital Lease Energy System 10/06/2006	4.50%	\$441,408	\$241,941	-	\$30,285	\$211,656	\$10,798
<b>Total Indebtedness</b>		<b>\$10,006,408</b>	<b>\$4,881,941</b>	<b>\$0</b>	<b>\$620,285</b>	<b>\$4,261,656</b>	<b>\$140,743</b>

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 3 – LONG TERM DEBT - Continued**

Maturity Schedule	Principal Due	Interest Due
2017	\$ 676,583	\$ 69,025
2018	693,004	57,566
2019	704,490	45,693
2020	721,042	33,375
2021	727,664	20,724
2022	<u>738,873</u>	<u>10,055</u>
	<u>\$ 4,261,656</u>	<u>\$ 236,438</u>

**NOTE 4- OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

**Compensated Absences**

Discretionary leave of 11 days for 9 month employees and 15 days for 12 month employees are allocated to employees at the beginning of the school year. A certified employee who works for the district for 9 continuous years and leaves the district, or becomes permanently disabled and unable to work, or dies during the current contract year, shall be eligible to receive \$40.00 per day for a maximum of 90 days if a donation of 10 days to the leave bank has been made during their employment. A classified employee who works for the district and leaves with proper resignation will be compensated for earned number of leave days up to 90 at \$30.00 per day. Upon retiring from the district, payment of \$30.00 will be paid if employee worked for the district for 5 years and had a donation to the leave bank of 10 days throughout the employment time period. A school administrator employee who works for the district and leaves with proper resignation will be compensated for earned number of leave days up to 24 at \$50.00 per day.

The District accrues a liability for compensated absences which meet the following criteria:

- 1) The District's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
- 2) The obligation relates to rights that vest or accumulate.
- 3) Payment of the compensation is probable.
- 4) The amount can be reasonably estimated.

In accordance with the above criteria, the District has estimated a liability for discretionary leave, which has been earned, but not taken by District employees of \$70,105.

**Other Post Employment Benefits:**  
**Early retirement incentive:**

The district had a plan which covered certified employees who voluntarily take early retirement. The plan was in the certified employee negotiated agreement which covered fiscal years from July 1, 2012 and expired June 30, 2014. Any certified employee was eligible for early retirement if such person was a full time employee, had at least nine years of full time service, and was eligible for retirement benefits under KPERS. Benefits are payable for a period of five years or until the recipient reaches 65 years of age, whichever may first occur. The Plan does not issue a separate, publicly available report.

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 4 - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - Continued**

Funded Status and Funding Progress: Since the year of implementation the Plan was not funded, therefore, there is no funded status of the Plan. The Plan is funded as obligations occur.

Early retirement incentive payments included in expenditures for the year ended June 30, 2016, were \$52,365. As of June 30, 2016 the future early retirement incentive payments are expected to be as follows.

Year Ending June 30	Amount	Number of Participants
2017	\$ 41,389	5
2018	32,112	4
2019	20,870	3

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

**NOTE 5 - INTERFUND TRANSACTIONS**

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Supplemental General Fund	K.S.A. 72-6428	\$ 804,628
General Fund	At Risk (K-12) Fund	K.S.A. 72-6428	68,628
General Fund	Food Service Fund	K.S.A. 72-6428	15,000
General Fund	KPERS Special Retirement	K.S.A. 72-6428	367,406
General Fund	Contingency Reserve Fund	K.S.A. 72-6428	21,904
General Fund	Vocational Education Fund	K.S.A. 72-6428	90,000
General Fund	Special Education Fund	K.S.A. 72-6428	<u>1,036,472</u>
Total General Fund Transfers			<u>\$ 2,404,038</u>
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-6433	275,994
Supplemental General Fund	Food Service	K.S.A. 72-6433	25,000
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6433	117,090
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	<u>289,448</u>
Total Supplemental General Fund Transfers			<u>\$ 707,532</u>

**WELLSVILLE UNIFIED SCHOOL DISTRICT NO. 289**  
**WELLSVILLE, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 2016

**NOTE 6 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Statutory Violation**

The District's expenditures in the Recreation Commission, Recreation Commission Employee Benefits, and the Bond & Interest Funds for the fiscal year ended June 30, 2016 exceeded the adopted budgets a violation of KSA 79-2935.

Management was not aware any other statutory violations.

**Depository Securities**

All monies were adequately secured during the fiscal year ending June 2016.

**NOTE 7- CONTINGENCIES AND COMMITMENTS**

In the normal course of operations, the District participates in various federal and state grant programs. The grant programs are often subject to additional audit by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

**NOTE 8- RISK MANAGEMENT AND LITIGATION**

The District is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, error and omissions, injuries to employees, and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance in any of these past three years.

**NOTE 9- IN SUBSTANCE RECEIPT IN TRANSIT**

The District received \$ 438,775 subsequent to June 30, 2016 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, 2016.

**NOTE 10- DATE OF MANAGEMENT'S OF REVIEW**

Subsequent events were evaluated through November 16, 2016 which is the date financial statements were available to be issued.

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS

**Summary of Expenditures – Actual and Budget**  
Regulatory Basis

For the Year Ended June 30, 2016

Funds	Certified Budget	Adjustment to Adjustment for		Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Favorable (Unfavorable)
		Comply with Legal Max	Qualifying Budget Credits			
<b>Governmental Type Funds:</b>						
General	\$6,743,680	\$ (204,459)	\$ 13,045	\$6,552,266	\$6,552,266	\$ -
Supplemental general	1,833,608	-	-	1,833,608	1,833,608	-
<b>Special Purpose Funds</b>						
Capital outlay	800,000	-	-	800,000	390,473	409,527
Driver training	16,435	-	-	16,435	9,724	6,711
Food service	418,520	-	-	418,520	413,143	5,377
At risk (K-12)	253,116	-	-	253,116	170,933	82,183
Special education	1,245,068	-	-	1,245,068	1,238,528	6,540
Vocational education	208,950	-	4,104	213,054	212,511	543
Recreation commission	200,000	-	-	200,000	222,108	(22,108)
Recreation commission employee benefits	11,000	-	-	11,000	14,395	(3,395)
KPERS Special Retirement	529,711	-	-	529,711	367,406	162,305
<b>Debt Service Fund:</b>						
Bond and Interest	719,946	-	-	719,946	732,496	(12,550)

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



WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS

**General Fund**

Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis

For the year ended June 30, 2016

(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year		Variance Favorable (Unfavorable)	Prior Year Actual
	Budget	Actual		
<b>Cash Receipts</b>				
Taxes	\$ -	\$ -		\$ 1,979
State equalization aid	4,541,588	4,541,588	-	4,568,180
State supplemental general aid	804,628	804,628	-	-
State special education aid	767,635	767,635	-	794,521
State KPERS aid	367,406	367,406		
State capital outlay aid	57,701	57,701		
Reimbursements	-	13,045	13,045	10,624
<b>Total Cash Receipts</b>	<u>6,538,958</u>	<u>6,552,003</u>	<u>13,045</u>	<u>5,375,304</u>
<b>Expenditures</b>				
Instruction	3,181,401	3,025,065	156,336	3,218,849
Student support services	115,711	127,186	(11,475)	107,587
Instruction support staff	96,725	83,979	12,746	80,500
General administration	206,562	166,380	40,182	161,548
School administration	473,350	471,796	1,554	463,756
Central services administration	78,625	108,286	(29,661)	
Operations and maintenance	6,964	4,439	2,525	118,639
Student transportation	201,970	161,097	40,873	186,627
Architect/Engineer services				
Operating transfers out	2,382,372	2,404,038	21,666	1,037,571
Adjustment to comply with legal max	(204,459)		(204,459)	
<b>Total Legal expenditures</b>	<u>6,539,221</u>	<u>6,552,266</u>	<u>(13,045)</u>	<u>5,375,077</u>
Adjustment for qualifying budget credits	13,045	-	13,045	-
<b>Total Expenditures</b>	<u>\$6,552,266</u>	<u>6,552,266</u>	<u>\$ -</u>	<u>5,375,077</u>
<b>Receipts Over (Under) Expenditures</b>		<u>(263)</u>		<u>227</u>
<b>Unencumbered Cash Balance - Beginning</b>		263		-
<b>Prior Year Cancelled Encumbrance</b>		-		36
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ -</u>		<u>\$ 263</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Supplemental General Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Cash Receipts</b>				
Taxes	\$1,010,660	\$1,115,821	\$ 105,161	\$ 923,547
State equalization aid		-	-	804,661
Operating transfers in	804,661	804,628	(33)	
Interest on Idle Funds		-	-	-
<b>Total Cash Receipts</b>	<u>1,815,321</u>	<u>1,920,449</u>	<u>105,128</u>	<u>1,728,208</u>
<b>Expenditures</b>				
Instruction	15,900	67,461	(51,561)	22,283
Student support services	24,025	42,068	(18,043)	23,481
Instruction support staff	165,500	159,716	5,784	160,779
School administration			-	
Operations and maintenance	884,848	856,831	28,017	856,765
Student transportation	-	-	-	-
Operating transfers out	743,335	707,532	35,803	770,226
Adjustment to comply with legal max		-	-	-
<b>Total Legal expenditures</b>	<u>\$1,833,608</u>	<u>1,833,608</u>	<u>\$ -</u>	<u>1,833,534</u>
<b>Receipts Over (Under) Expenditures</b>		<u>86,841</u>		<u>(105,326)</u>
<b>Unencumbered Cash Balance - Beginning</b>		<u>18,437</u>		<u>123,763</u>
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 105,278</u>		<u>\$ 18,437</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Capital Outlay Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Cash Receipts</b>				
Taxes	\$ 412,950	\$ 448,684	\$ 35,734	\$ 441,605
Investment income	1,500	1,899	399	1,460
State capital outlay aid	-	-	-	63,986
Operating transfers in	58,000			
Miscellaneous revenues		34,008	34,008	12,275
<b>Total Cash Receipts</b>	472,450	484,591	12,141	519,326
<b>Expenditures</b>				
Instruction	85,000	83,022	1,978	74,573
Student support services			-	
Instruction support staff	145,000	10,617	134,383	80,034
General administration	5,000	-	5,000	1,690
School administration	10,000	1,069	8,931	
Operations and maintenance	73,000	12,067	60,933	1,100
Transportation	100,000	118,356	(18,356)	106,674
Other support services	7,000		7,000	
Facility acquisition and construction services	50,000	43,841	6,159	119,592
Other Building services	325,000	121,501	203,499	55,683
Operating transfers out	-	-	-	-
<b>Total Legal expenditures</b>	\$ 800,000	390,473	\$ 409,527	439,346
<b>Receipts Over (Under) Expenditures</b>		94,118		79,980
<b>Unencumbered Cash Balance - Beginning</b>		703,915		623,935
<b>Prior Year Cancelled Encumbrance</b>		-		-
<b>Unencumbered Cash Balance - Ending</b>		\$ 798,033		\$ 703,915

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Driver Training Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<u>Current Year</u>			Prior Year Actual
	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)	
<b>Cash Receipts</b>				
State safety aid	\$ 2,508	\$ 2,992	\$ 484	\$ 4,464
Operating transfers in	-	-	-	-
Charges for services	13,500	11,500	(2,000)	11,120
<b>Total Cash Receipts</b>	<u>16,008</u>	<u>14,492</u>	<u>(1,516)</u>	<u>15,584</u>
<b>Expenditures</b>				
Instruction	13,935	9,724	4,211	9,926
Vehicle Operations	2,500	-	2,500	-
<b>Total Legal expenditures</b>	<u>\$ 16,435</u>	<u>9,724</u>	<u>\$ 6,711</u>	<u>9,926</u>
<b>Receipts Over (Under) Expenditures</b>		<u>4,768</u>		<u>5,658</u>
<b>Unencumbered Cash Balance - Beginning</b>		20,378		14,720
<b>Prior Year Cancelled Encumbrance</b>				-
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 25,146</u>		<u>\$ 20,378</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Food Service Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<u>Current Year</u>			Prior Year Actual
	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)	
<b>Cash Receipts</b>				
Federal aid	\$ 156,947	\$ 158,011	\$ 1,064	\$ 165,891
State aid	3,633	4,277	644	3,991
Operating transfers in		40,000	40,000	25,000
Investment income			-	
Charges for services	218,492	226,945	8,453	195,150
<b>Total Cash Receipts</b>	<u>379,072</u>	<u>429,233</u>	<u>50,161</u>	<u>390,032</u>
<b>Expenditures</b>				
Operations and maintenance	4,000	7,509	(3,509)	1,360
Food service operations	414,520	405,634	8,886	385,084
<b>Total Legal expenditures</b>	<u>\$ 418,520</u>	<u>413,143</u>	<u>\$ 5,377</u>	<u>386,444</u>
<b>Receipts Over (Under) Expenditures</b>		<u>16,090</u>		<u>3,588</u>
<b>Unencumbered Cash Balance - Beginning</b>		39,348		35,760
<b>Prior Year Cancelled Encumbrance</b>		-		-
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 55,438</u>		<u>\$ 39,348</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**At Risk (K-12) Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance- Favorable (Unfavorable)	
<b>Cash Receipts</b>				
Operating transfers in	\$ 318,335	\$ 344,622	\$ 26,287	\$ 313,500
Miscellaneous revenues	-	-	-	-
<b>Total Cash Receipts</b>	<u>318,335</u>	<u>344,622</u>	<u>26,287</u>	<u>313,500</u>
<b>Expenditures</b>				
Instruction	124,330	75,297	49,033	184,192
Student support services	128,786	95,636	33,150	125,528
<b>Total Legal expenditures</b>	<u>\$ 253,116</u>	<u>170,933</u>	<u>\$ 82,183</u>	<u>309,720</u>
<b>Receipts Over (Under) Expenditures</b>		<u>173,689</u>		<u>3,780</u>
<b>Unencumbered Cash Balance - Beginning</b>		42,022		38,242
<b>Prior Year Cancelled Encumbrance</b>		-		-
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 215,711</u>		<u>\$ 42,022</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Special Education Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Cash Receipts</b>				
Operating transfers in	\$1,200,000	\$1,325,920	\$ 125,920	\$ 1,267,262
Miscellaneous revenues	20,000	4,835	(15,165)	6,461
<b>Total Cash Receipts</b>	<u>1,220,000</u>	<u>1,330,755</u>	<u>110,755</u>	<u>1,273,723</u>
<b>Expenditures</b>				
Instruction	1,180,983	1,189,610	(8,627)	1,201,644
Student support services		-	-	37
Student transportation services	62,385	47,123	15,262	67,043
Operations and maintenance	1,700	1,795	(95)	1,663
<b>Total Legal expenditures</b>	<u>\$1,245,068</u>	<u>1,238,528</u>	<u>\$ 6,540</u>	<u>1,270,387</u>
<b>Receipts Over (Under) Expenditures</b>		<u>92,227</u>		<u>3,336</u>
<b>Unencumbered Cash Balance - Beginning</b>		<u>116,753</u>		<u>113,417</u>
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 208,980</u>		<u>\$ 116,753</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Vocational Education Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance- Favorable (Unfavorable)	
<b>Cash Receipts</b>				
State CTE transportation aid	\$ 4,410	\$ 3,024	\$ (1,386)	\$ 5,906
Carl Perkins Grant SEK Coop		-	-	1,859
Operating transfers in	200,000	207,090	7,090	180,131
Miscellaneous revenues	-	4,104	4,104	
Total Cash Receipts	204,410	214,218	9,808	187,896
<b>Expenditures</b>				
Instruction	190,500	208,465	(17,965)	171,761
Student transportation services	18,450	4,046	14,404	17,824
Total Legal expenditures	\$ 208,950	212,511	(3,561)	189,585
Adjustment for qualifying budget credits	4,104	-	4,104	-
Total Expenditures	\$ 213,054	212,511	\$ 543	(1,689)
<b>Receipts Over (Under) Expenditures</b>		1,707		(1,689)
<b>Unencumbered Cash Balance - Beginning</b>		33,293		34,982
<b>Prior Year Cancelled Encumbrance</b>		-		-
<b>Unencumbered Cash Balance - Ending</b>		\$ 35,000		\$ 33,293

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



WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Recreation Commission Funds**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Recreation Commission Fund</b>				
<b>Cash Receipts</b>				
Taxes	\$ 193,033	\$ 206,289	\$ 13,256	\$ 110,318
Miscellaneous revenues	-	-	-	-
Total Cash Receipts	<u>193,033</u>	<u>206,289</u>	<u>13,256</u>	<u>110,318</u>
<b>Expenditures</b>				
Community service operations	200,000	222,108	(22,108)	110,000
Total Legal expenditures	<u>\$ 200,000</u>	<u>222,108</u>	<u>\$ (22,108)</u>	<u>110,000</u>
<b>Receipts Over (Under) Expenditures</b>		<u>(15,819)</u>		<u>318</u>
<b>Unencumbered Cash Balance - Beginning</b>		<u>15,819</u>		<u>15,501</u>
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ -</u>		<u>\$ 15,819</u>
<b>Recreation Commission Employee Benefit Fund</b>				
<b>Cash Receipts</b>				
Taxes	\$ 10,300	\$ 11,066	\$ 766	\$ 10,739
Miscellaneous revenues	-	-	-	-
Total Cash Receipts	<u>10,300</u>	<u>11,066</u>	<u>766</u>	<u>10,739</u>
<b>Expenditures</b>				
Community service operations	11,000	14,395	(3,395)	11,000
Total Legal expenditures	<u>\$ 11,000</u>	<u>14,395</u>	<u>\$ (3,395)</u>	<u>11,000</u>
<b>Receipts Over (Under) Expenditures</b>		<u>(3,329)</u>		<u>(261)</u>
<b>Unencumbered Cash Balance - Beginning</b>		<u>3,329</u>		<u>3,590</u>
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ -</u>		<u>\$ 3,329</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**KPERS Special Retirement Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Cash Receipts</b>				
KPERS special contribution	\$ 529,711	\$ 367,406	\$ (162,305)	\$ 438,684
<b>Total Cash Receipts</b>	529,711	367,406	(162,305)	438,684
<b>Expenditures</b>				
Instruction	336,407	233,331	103,076	286,443
Student support services	25,589	17,747	7,842	17,796
Instruction support staff	21,363	14,817	6,546	18,039
General administration	17,850	12,381	5,469	14,480
School administration	45,292	31,414	13,878	37,292
Operations and maintenance	5,792	4,018	1,774	31,468
Transportation	44,175	30,640	13,535	14,318
Other support services	15,158	10,514	4,644	4,773
Food service	18,085	12,544	5,541	14,075
<b>Total Legal expenditures</b>	\$ 529,711	367,406	\$ 162,305	438,684
<b>Receipts Over (Under) Expenditures</b>		-		-
<b>Unencumbered Cash Balance - Beginning</b>		-		-
<b>Unencumbered Cash Balance - Ending</b>		\$ -		\$ -

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Contingency Reserve Fund**  
Schedule of Receipts and Expenditures – Actual Only\*  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
<b>Cash Receipts</b>		
Operating transfers in	<u>\$ 21,904</u>	<u>\$ 21,904</u>
Total Cash Receipts	<u>21,904</u>	<u>21,904</u>
<b>Expenditures</b>		
Operations and maintenance	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	21,904	21,904
<b>Unencumbered Cash Balance - Beginning</b>	<u>202,018</u>	<u>180,114</u>
<b>Unencumbered Cash Balance - Ending</b>	<u>\$ 223,922</u>	<u>\$ 202,018</u>

*\*This fund is not required to be budgeted.*

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Textbook Rental Fund**  
Schedule of Receipts and Expenditures – Actual Only\*  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
<b>Cash Receipts</b>		
Charges for services	<u>\$ 41,700</u>	<u>\$ 37,748</u>
Total Cash Receipts	<u>41,700</u>	<u>37,748</u>
<b>Expenditures</b>		
Instruction	<u>26,490</u>	<u>98,537</u>
Total expenditures	<u>26,490</u>	<u>98,537</u>
<b>Receipts Over (Under) Expenditures</b>	15,210	(60,789)
<b>Unencumbered Cash Balance - Beginning</b>	<u>-</u>	<u>60,789</u>
<b>Unencumbered Cash Balance - Ending</b>	<u>\$ 15,210</u>	<u>\$ -</u>

*\*This fund is not required to be budgeted.*

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Federal and State Grant Funds**  
Schedule of Receipts and Expenditures – Actual Only\*  
Regulatory Basis  
For the year ended June 30, 2016

	Title I	Title II	Total
<b>Revenues</b>			
State grant	\$ -	\$ -	\$ -
Federal aid	80,500	18,892	99,392
Total revenues	<u>80,500</u>	<u>18,892</u>	<u>99,392</u>
<b>Expenditures</b>			
Instruction	80,500	20,832	101,332
Student support services			
Instruction support staff			
Total expenditures	<u>80,500</u>	<u>20,832</u>	<u>101,332</u>
<b>Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>(1,940)</u>	<u>(1,940)</u>
<b>Unencumbered Cash Balance - Beginning</b>	<u>-</u>	<u>1,940</u>	<u>-</u>
<b>Unencumbered Cash Balance - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,940)</u>

Note: These funds are not required to be budgeted.

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Bond and Intrest Fund**  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the year ended June 30, 2016  
(With Comparative Actual Amounts for the Year Ended June 30, 2015)

	Current Year		Variance- Favorable (Unfavorable)	Prior Year Actual
	Budget	Actual		
<b>Cash Receipts</b>				
Taxes	\$ 470,966	\$ 507,066	\$ 36,100	\$ 686,155
State aid	223,183	227,074	3,891	225,362
Refinance proceeds		3,684	3,684	14,294
Investment income	-	138	138	34
<b>Total Cash Receipts</b>	<u>694,149</u>	<u>737,962</u>	<u>43,813</u>	<u>925,845</u>
<b>Expenditures</b>				
Bond Principal	\$ 590,000	\$ 590,000	\$ -	\$ 570,000
Bond Interest	129,946	129,945	1	181,208
Bond Commission and Fees	-	12,551	(12,551)	-
<b>Total Legal expenditures</b>	<u>\$ 719,946</u>	<u>732,496</u>	<u>\$ (12,550)</u>	<u>751,208</u>
<b>Receipts Over (Under) Expenditures</b>		<u>5,466</u>		<u>174,637</u>
<b>Unencumbered Cash Balance - Beginning</b>		<u>1,323,193</u>		<u>1,148,556</u>
<b>Unencumbered Cash Balance - Ending</b>		<u>\$ 1,328,659</u>		<u>\$1,323,193</u>

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS  
**Expendable Trust Funds**  
Schedule of Receipts and Expenditures – Actual Only\*  
Regulatory Basis  
For the year ended June 30, 2016

	High School Memorial Scholarship	Swearingen Memorial	Grade School Teacher	Gifts and Grants	Total
<b>Revenues</b>					
Miscellaneous revenues	<u>          </u>	<u>\$ -</u>	<u>\$ 1,082</u>	<u>\$ -</u>	<u>\$ 1,082</u>
<b>Expenditures</b>					
Instruction			-	1,783	1,783
Facility acquisition and construction services					-
Student activities	<u>1,000</u>	<u>          </u>	<u>3,753</u>	<u>          </u>	<u>4,753</u>
Total expenditures	<u>1,000</u>	<u>-</u>	<u>3,753</u>	<u>1,783</u>	<u>6,536</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(1,000)</u>	<u>-</u>	<u>(2,671)</u>	<u>(1,783)</u>	<u>(5,454)</u>
<b>Unencumbered Cash Balance - Beginning</b>	<u>7,700</u>	<u>214</u>	<u>10,408</u>	<u>11,754</u>	<u>30,076</u>
<b>Unencumbered Cash Balance - Ending</b>	<u>\$ 6,700</u>	<u>\$ 214</u>	<u>\$ 7,737</u>	<u>\$ 9,971</u>	<u>\$ 24,622</u>

Note: These funds are not required to be budgeted.

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

WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS

**District Activity Funds**

Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis

For the year ended June 30, 2016

Funds	Beginning Unencumbered Cash		Expenditures	Ending Unencumbered Cash		Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
	Cash Balance	Receipts		Cash Balance	Cash Balance		
HS Gate Receipts	\$ 10,820	\$ 56,682	\$ 51,209	\$ 16,293	\$ -	\$ -	16,293
MS Gate Receipts	4,053	6,623	6,750	3,926	-	-	3,926
High School Projects	16,335	65,360	63,229	18,466	-	-	18,466
High School FBIA Project	-	-	-	-	-	-	-
MS School Projects	842	151	136	857	-	-	857
Grade School Projects	62,755	52,917	40,421	75,251	-	-	75,251
MS Yearbook	1,326	1,280	1,330	1,276	-	-	1,276
HS Yearbook	4,318	2,795	3,729	3,384	-	-	3,384
<b>Total District Activity Funds</b>	<b>\$ 100,449</b>	<b>\$ 185,808</b>	<b>\$ 166,804</b>	<b>\$ 119,453</b>	<b>\$ -</b>	<b>\$ -</b>	<b>119,453</b>

Note: These funds are not required to be budgeted.

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



WELLSVILLE UNIFIED SCHOOL DISTRICT NO 289  
WELLSVILLE, KANSAS

**Agency Funds**

Summary of Receipts and Expenditures – Regulatory Basis

For the year ended June 30, 2016

	Beginning Bank Balance	Cash Receipts	Cash Disbursement	Ending Cash Balance
<b>Wellsville High and Middle School</b>				
<b>Student Organization Accounts</b>				
Boys Basketball	\$ 1,368	\$ 2,583	\$ 1,250	\$ 2,701
Baseball	2,357	6,778	8,260	875
Girls Basketball	-	3,652	2,570	1,082
Wrestling and Weightlifters	167	3,305	2,128	1,344
Business	2,682	1,103	1,625	2,160
Band and Vocal Club	3,825	19,045	21,927	943
Cheerleaders	1,352	24,644	25,518	478
MS Cheerleaders	827	2,412	457	2,782
Seniors	1,120	2,208	2,884	444
Juniors	2,458	5,514	5,471	2,501
Sophmores/Freshman	2,393	982	1,831	1,544
MS Class Pride	2,234	1,283	1,351	2,166
Cross Country	1,446	1,472	1,257	1,661
Drama Fund	1,986	872	531	2,327
Dance Team	1,007	5,775	2,684	4,098
F.B.L.A.	18,485	46,116	42,076	22,525
F.F.A./AG Program	1,966	3,239	3,023	2,182
MS Athletics	617	110	100	627
Art Club	109	2,888	1,702	1,295
Kays	-	1,556	1,106	450
Kids R US	2,369	2,429	2,200	2,598
Math Team	372			372
National Honor Society	1,333			1,333
Student Advisory Council	987	5,003	5,150	840
MS Student Advisory Council	1,248	1,002	920	1,330
SADD	221			221
MS SADD	119			119
MS Music and Science Club	1,514	311	438	1,387
Scholars Bowl	485	405	308	582
Volleyball	1,733	633	909	1,457
Softball	11	3,443	674	2,780
Football	1,810	4,970	4,812	1,968
Boys Track	-	275	150	125
Girls Track	74	506	439	141
	<u>58,675</u>	<u>154,514</u>	<u>143,751</u>	<u>69,438</u>
<b>Payroll Clearing</b>				
<b>General Agency</b>				
Payroll Deductions	<u>6,787</u>	<u>-</u>	<u>4,816</u>	<u>1,971</u>
<b>Total Agency Funds</b>	<u>\$ 65,462</u>	<u>\$ 154,514</u>	<u>\$ 148,567</u>	<u>\$ 71,409</u>

The accompanying notes to financial statements are an Integral part of this statement.