

UNIFIED SCHOOL DISTRICT NO. 223
BARNES, KANSAS

INDEPENDENT AUDITOR'S REPORT
REGULATORY BASIS FINANCIAL STATEMENTS

JUNE 30, 2020

BRUNA AUDITING SERVICES LLC
DEREK BRUNA
CERTIFIED PUBLIC ACCOUNTANT
WASHINGTON, KANSAS

Unified School District No. 223
Barnes, Kansas
Financial Statements
For the fiscal year ended June 30, 2020

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 223
Barnes, Kansas 66933

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 223, as of and for the year ended June 30, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my 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 A of the financial statement, the financial statement is prepared by the Unified School District No. 223 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 A 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 Unified School District No. 223 as of June 30, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified 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 Unified School District No. 223 as of June 30, 2020, 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 A.

Other Matters-Supplementary Information

My 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 expenditures-agency funds, and schedules of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds, (Statements 2, 3, and 4 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 A.

I also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 223 as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated November 11, 2019 which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2020 (Statement 3 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 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 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2019, on the basis of accounting described in Note A.

Bruna Auditing Services LLC



Derek Bruna, CPA
December 14, 2020

UNIFIED SCHOOL DISTRICT NO. 223
Barnes, Kansas
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June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Unified School District No. 223 is a municipal Corporation established under Kansas Statute. All USDs in Kansas are required to be audited under K.S.A. 75-1122. The District is governed by an elected seven member board. The financial statements present the financial condition and results of operation of the district. The District's major operations include primary and secondary education for young people. The scope of the entity for financial reporting purposes is designed as those funds for which the District has oversight responsibility and is primarily accountable. Oversight responsibility includes budgetary authority and fiscal management responsibility. Budgetary authority is defined as authority for final approval of budgetary appropriations and revisions. Fiscal management responsibility is control of the collection and disbursement of funds.

The Kansas Municipal Audit and Accounting Guide will be referred to as KMAAG throughout the notes.

Basis of Presentation/Fund Description

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, restricts, or limitations. The following are Regulatory Basis Fund Types:

Governmental Funds

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

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

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

Fiduciary Funds:

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

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

Basis of Accounting-KMAAG Regulatory Basis of Accounting (Formerly Statutory Basis)

The KMAAG regulatory audit requirement of K.S.A. 75-1122 applies to each individual municipality as defined in K.S.A. 75-1117. The KMAAG regulatory financial reporting entity is comprised of the "municipality" as defined in K.S.A. 75-1117, as a minimum, and may also include certain separate legal entities referred to as "related municipal entities" as defined by KMAAG.

The 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

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than those mentioned above.

GAAP Basis Financial Statements - Minimum Requirements. GAAP basis financial statements are financial statements prepared in accordance with "Governmental Accounting and Financial Reporting Standards" as promulgated by the Governmental Accounting Standards Board (GASB). For KMAAG purposes, if GAAP basis financial statements are presented, the basic financial statements and notes must be presented at a minimum. All other supplemental schedules are optional. However, the KMAAG mandatory note disclosures (if applicable) must still be presented even though they might not otherwise be required by GAAP to be included in the notes. KMAAG does not provide an example of GAAP financial statements.

Regulatory Basis Financial Statements - Minimum Requirements. If GAAP basis financial statements are not presented, then: 1) a GAAP waiver resolution must be passed, and 2) regulatory basis financial statements including regulatory-required supplementary information, must be presented. Regulatory basis financial statements are financial statements prepared in accordance with the guidelines of KMAAG. Such financial statements are prepared on a basis of accounting which demonstrates compliance with the cash basis and budget laws of the State of Kansas and prepared in accordance with the prescribed format established by KMAAG.

The regulatory basis financial statement consists of a single basic financial statement which is a summary statement containing all funds and related municipalities included in the financial reporting entity and demonstrating compliance with the cash basis law. The remainder of the required financial information to be presented is considered regulatory-required supplementary information which includes 1) a fund summary schedule containing all funds and showing compliance with the budget law for those funds required to be budgeted, 2) individual fund schedules for all funds except agency funds, with budget comparisons for those funds required to be budgeted, 3) a fund summary schedule, for agency funds only, showing cash balances and changes therein, and 4) special schedules unique to the municipality. Note: Regulatory-required supplementary information are the additional schedules that are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide and are not to be considered as required supplementary information as defined by auditing standards generally accepted in the United States of America. In addition, the KMAAG mandatory note disclosures must be presented and must include all disclosures necessary for fair presentation in accordance with the KMAAG regulatory basis framework. All other schedules that may be presented are optional.

Departure from GAAP

A waiver from the requirement to prepare and audit GAAP basis financial statements is necessary *only if* the municipality decides to present regulatory basis financial statements. A waiver is not required for financial statements that are prepared in accordance with the GAAP basis framework but include certain departures from GAAP. For example, if GAAP financial statements are presented but do not include the management discussion and analysis, this would be a departure from GAAP. However, even lacking the management discussion and analysis required supplementary information, the basic financial statements may still be presented on a GAAP basis framework, thus a waiver would not be required. The District has approved a resolution that is compliance with K.S.A. 75-1120a(c) waiving the annual for application of GAAP for the year ended 6/30/18. This waiver is completed annually and allows the District to use the regulatory basis of accounting.

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balance, 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 generally accepted accounting principles, 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 generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statement.

Reimbursed Expenses

The purpose of these expenditures is to repay the district for amounts remitted on behalf of another party and such expenditures are exempt for the budget law under K.S.A. 79-2934. Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement. The Municipality records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

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2019 Financial Data

Amounts that are shown for 2019 in the accompanying financial statements are included where practical, only to provide a basis for comparison with 2020, and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

Cash and Time Deposits

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost. These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate. Time deposits are carried at cost plus accrued interest. The carrying amount of deposits is separately displayed as cash and investments.

General Fixed Assets

General fixed assets purchased are recorded as expenditures at the time of purchase, except for assets acquired with federally assisted funds. Assets of the School District are not recorded in a permanent set of records.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balance

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

Bonds Payable

Bonds which are outstanding at the end of the fiscal year. There are no bonds payable at fiscal year end.

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 the determination of assessed valuation and the collections of property taxes for all political subdivisions in 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 June 5. The District Treasurer draws all available funds from the County Treasurer's Office at designated times throughout the year.

Budgetary Data

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service fund. The statutes provide for the following sequence and time table in the adoption of the annual operating budget:

- Preparation of the budget for the succeeding calendar year on or before August 1st.
- Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
- Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 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 increase 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 10 days after publication the hearing may be held and the governing body may amend the budget at that time. These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. Delinquent taxes are assessed interest at 9% per annum. This interest is retained by the County.

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

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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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditures authority) lapse at year-end.

A legal operating budget is not required for trust funds, agency funds, and the following special revenue funds: Textbooks and Student Materials, Athletic Gate Receipts and other School Agency/Activity Funds, Fee and User Charges/Clearing Accounts, Contingency Reserve, Employee Benefits, Interest, Title IIA-Teacher Quality, Title I Current and Carryover, Small Rural School Fund, Title IVA, and Federal Funds.

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

Inventories and prepaid expenses which benefit future periods are recorded as an expenditures during the year of purchase. For disclosure purposes, material inventories would be reported as an asset offset by a reserve. The district had no material inventories.

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of revenues, expenditures, and fund balances. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY
Compliance With Kansas Statutes and Other Finance Related Legal Matters

There are no noted violations with such compliance requirements.

K.S.A. 12-1664 authorizes the financing from local sources for expenditures to be reimbursed by the federal government.

NOTE C- DEPOSITS AND INVESTMENTS

Deposits

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk. Cash balances from all funds are combined and invested to the extent available in certificates of deposits and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Municipality's deposits may not be returned to it. State statutes require the Municipality'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%. All deposits were legally secured at June 30, 2020.

At year-end the carrying amount of the district's deposits, including certificates of deposit and money market accounts was \$2,864,437. The district checking account balances were \$2,838,092. Agency and activity accounts \$135,975. Any differences between the carrying amount and the bank balance are outstanding checks and deposits in transit. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining balance 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 third-party custodial agreement signed by all three parties: the district, the pledging bank, and the independent third-party banks holding the securities.

Investment Policy

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

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Investment Pool. The District has no investment policy that would further limit investment choices. Funds of the district were on deposit in interest bearing accounts in banks and Certificates of Deposits issued by banks at June 30, 2020.

The cash of each of the funds of the district is pooled together so that better management of cash and investments can be practiced, resulting in greater earnings accruing to the district. Please refer to Statement 1 to review how the various funds are accruing interest.

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 – investments

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

NOTE D- FRINGE BENEFIT PLAN I.R.C. 125

The District has in place an IRS-IRC Section #125 "Cafeteria" Fringe Benefit Plan. The District shall pay the cost of a single health care premium for each teacher up to and including an amount of \$515.50 per month. No cash-in-lieu arrangements will be considered under any circumstances. Participation in the district group health plan is mandatory to receive this benefit.

Any employee may reduce his/her salary by an amount up to the statutory limit on non-taxable benefits as set forth in the program. Items by which the employee may reduce his/her contract are as follows: Group Medical Insurance, Disability Insurance, Group term life insurance up to \$50,000, Cancer Insurance, Medical Reimbursement, Dependent Care, Dental and Vision Insurance, and Health Savings Accounts. The District provides full family health insurance coverage for the Superintendent and for the principals with the designated common carrier.

The plan year runs from September 1 to August 31st annually. The maximum benefit allowance per employee is \$2750/yr for the year ended June 30, 2020. The maximum for the dependent care reimbursement account is \$5000 annually.

NOTE E- CONTINGENT LIABILITIES

The district has not computed or recorded the potential liability for sick/vacation leave that is available to all full time employees. The amount varies by position. (Please refer to the negotiated agreement for further specification.)

NOTE F- COMPENSATED ABSENCES

The District's policies regarding vacation and sick leave are: Teachers are allowed nine days sick leave accumulative to 90 days and three personal leave, non-accumulative; the Superintendent is allowed 12 days sick leave accumulative to 60 days, three days personal leave, non-accumulative, and 20 days annual vacation leave; the principals are allowed 12 days sick leave accumulative to 60 days and two days personal leave accumulative to three days; the U.S.D. clerk/secretary is allowed 12 days sick leave accumulative to 60 days, three days personal leave, non-accumulative, and 12 days annual leave, non-accumulative; the building secretaries are allowed 10 days sick leave accumulative to 30 days and two days personal leave, non-accumulative; the cooks and teachers' aides are allowed nine days sick leave accumulative to 30 days and two days personal leave, non-accumulative; the custodians are allowed 12 days sick leave accumulative to 60 days, three days personal leave, non-accumulative, and 12 days annual leave, non-accumulative; the maintenance/transportation supervisor is allowed 12 days sick-leave accumulative to 60 days, three days personal leave, non-accumulative, and 12 days annual leave, non-accumulative; the U.S.D. treasurer/central office secretary is allowed 12 days sick leave accumulative to 60 days, three days personal leave, non-accumulative, and 12 days annual leave, non-accumulative; the bus drivers are allowed nine days sick leave accumulative to 30 days and 2 personal days leave, non-accumulative.

After 5 years of consecutive and continuous service in USD #223, teachers who retire in the district under KPERS guidelines shall be paid for unused sick leave up to a maximum of 60 days at the amount of half rate of substitute pay per day for every day of unused sick leave that they may have accumulated at the end of the contract year at which retirement is to take place. In order to receive benefits for payment of unused sick leave, the teacher must notify the central office by the end of their contract period that their intention of retirement will take place the following year.

After 5 years of consecutive and continuous years of service in USD #223, teachers who resign their position, or their contract is terminated shall be paid for unused sick leave up to a maximum of 90 days in the amount of half of substitute pay for every day of unused sick leave that they may have accumulated at the end of the contract year at which the resignation/termination is to take place.

Liability for compensated absences is not reflected in the financial statements.

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NOTE G- DEFINED BENEFIT PENSION PLAN

Plan description

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

Contributions

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

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.59% and 13.21%, respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERs were decreased by \$64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year. The first year payment of \$6.4 million was received in July 2017 and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERs were decreased by \$194.0 million for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

2018 House Substitute for Senate Bill 109 provided for additional funding for KPERs School group. A payment of \$56 million was paid in fiscal year 2018. This bill also authorized a payment of \$82 million in fiscal year 2019.

2019 Senate Bill 9 authorized a payment of \$115 million for the KPERs School group.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The School District is responsible for the employer's portion of the cost for retired District employees. The School District received and remitted amounts equal to the statutory contribution rate, which totaled \$369,634 for the year ended June 30, 2020.

The State of Kansas contributed 14.41% of covered payroll during fiscal year 2020, excluding the Group Death & Disability Insurance rate. During fiscal year 2021, the State of Kansas will contribute 14.23% of covered payroll. The State of Kansas contribution to KPERs due for all school municipalities for the year ending June 30, 2020, was \$593,407,016.

Net Pension Liability

At June 30, 2020, the School District's proportionate share of the collective net pension liability reported by KPERs was \$3,243,236. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The School District's proportion of the net pension liability was based on the ratio of the School District's contributions to KPERs, relative to the total employer and non-employer contributions of the State/School subgroup within KPERs for the fiscal year ended June 30, 2019. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement. The complete actuarial valuation report including all actuarial

UNIFIED SCHOOL DISTRICT NO. 223
Barnes, Kansas
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

NOTE H- RISK FINANCING AND RELATED INSURANCE ISSUES

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 nature disasters. The district continues to carry insurance for all risks of loss including workers compensation. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

NOTE I- FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value amounts for cash and cash equivalents approximate carrying amounts due to the short maturities of these instruments. Financial instruments that subject the district to significant concentration and credit risk consist of cash and cash equivalents. The district places its cash in market interest rate accounts and are insured fully by FDIC coverage and pledged securities with fair market value equal to or greater than its cash and cash equivalents.

NOTE J- FIDUCIARY/TRUST TYPE FUNDS

The District does not currently have any of these funds in their financial statement FYE 6/30/20.

NOTE K- OTHER POST-EMPLOYMENT BENEFITS

As provided by K.S.A 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements. Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

NOTE L- IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$141,179 subsequent to June 30, 2020 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, 2020.

NOTE M- LONG-TERM DEBT

The District is not responsible for any long term debt.

NOTE N- CAPITAL PROJECT COMPLIANCE

The District currently has no capital projects being undertaken.

NOTE O- LITIGATION CONTINGENCIES

The District currently has no litigation contingencies that it is involved in.

NOTE P- COMMITMENT AND CONTINGENCIES

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the District at June 30, 2020.

NOTE Q- SUBSEQUENT EVENTS

These financial statements considered subsequent events through December 14, 2020, the date the financial statements were available to be issued.

NOTE R- RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the district carries insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

UNIFIED SCHOOL DISTRICT NO. 223
 Barnes, Kansas
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

Note S- INTER-FUND TRANSACTIONS

Recurring annual transfers between budgetary funds for the purpose of shifting resources from the fund legally required to receive the revenue, to the fund authorized to expend the revenue, have been segregated from normal revenues and expenditures for reporting purposes are are:

FROM	TO	2019	2020
General	Professional Development	\$ 5,000	794
General	Special Education	636,777	571,323
General	Vocational Ed	227,932	240,347
General	At Risk K-12	155,000	160,000
General	Bilingual	15,000	0
	Totals	1,039,709	972,464
Supplemental General	Special Education	88,553	126,723
Supplemental General	At Risk	75,000	70,000
Supplemental General	Food Service	0	12,000
Supplemental General	Professional Development	5,000	5,000
Supplemental General	Bilingual	10,000	10,000
	Totals	178,553	223,723
Bond	Capital Outlay	1,753	0
	Totals	1,753	0
	Totals	1,220,015	1,196,187

The above transfers are included in the expenditures of the disbursing fund and included in the revenues of the receiving fund as required by the Cash Basis and Budget Laws of Kansas, and for budget comparison purposes.

UNIFIED SCHOOL DISTRICT NO. 223
 Barnes, Kansas
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

Note T-INTER-GOVERNMENTAL ASSISTANCE STATE

<u>Type of Aid</u>	<u>2019</u>	<u>2020</u>
General State Aid	\$ 2,161,744	2,326,836
Supplemental	20,443	0
Reading Success	0	794
Teacher Excellence	1,000	1,000
State Safety	3,675	0
Professional Development	1,896	1,560
State Safety	0	3,120
Mentor Teacher	3,169	3,768
Checkoff	0	40
Safe Schools	8,125	4,055
Technical Ed	1,338	76
State Special Ed	491,780	450,577
School District Mill Levy	511,460	533,174
Food Service	2,156	2,395
KPERS Employer Cont.	239,105	369,634
Totals	3,445,891	3,697,029

Note T-INTER-GOVERNMENTAL ASSISTANCE FEDERAL

<u>Type of Aid</u>	<u>2019</u>	<u>2020</u>
Title I Fund	\$ 49,523	49,060
Academic Enrich	12,111	11,865
Youth Risk Behavior	157	600
Effective Instruction	12,252	9,347
Food Service-Breakfast	16,446	29,770
Food Service-Other	81,256	97,738
Reserve Fund	1,000	50
Totals	172,745	198,430

Federal programs in which the school district participated have specified for what purpose funds are to be expended. All funds unexpended at June 30, 2020 are restricted to federal program specified expenditures.

**REGULATORY - REQUIRED
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 223
Barnes, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

STATEMENT 2

Fund	Statement Number	Certified Budget	Adjustments To Comply With Legal Max	Adjustments Qualifying Budget Credits	Total Budget For Comparison	Expenditures Chargeable To Current Year	Variance Over (Under)
General Funds:							
General Fund	3-1	\$ 3,378,014	\$ (67,427)	\$ 21,183	\$ 3,331,770	\$ 3,331,770	\$ (0)
Supplemental General	3-2	1,035,700	(20,331)	7,072	1,022,441	1,022,441	0
Special Purpose Funds:							
At Risk (K-12)	3-3	238,650	0	0	238,650	230,000	(8,650)
Bilingual Education	3-4	48,900	0	0	48,900	24,229	(24,671)
Capital Outlay	3-5	3,375,000	0	0	3,375,000	2,001,342	(1,373,658)
Driver Training	3-6	28,400	0	0	28,400	8,568	(19,832)
Food Service	3-7	347,500	0	0	347,500	288,224	(59,276)
Professional Development	3-8	27,600	0	0	27,600	14,486	(13,114)
Special Education	3-10	797,179	0	0	797,179	720,850	(76,329)
Career & Post Secondary	3-11	270,000	0	0	270,000	242,840	(27,160)
Gifts and Grants Fund	3-12	84,055	0	0	84,055	23,064	(60,991)
KPERs	3-18	497,644	0	0	497,644	369,634	(128,010)
Bond and Interest Funds:							
Bond And Interest	3-22	0	0	0	0	0	0
TOTALS		\$ 10,128,642	\$ (87,758)	\$ 28,255	\$ 10,069,139	\$ 8,277,448	\$ (1,791,691)

UNIFIED SCHOOL DISTRICT NO. 223

Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-1

GENERAL FUND

	Current Year			
	Prior Year	Actual		Variance Over
	Actual	Actual	Budget	(Under)
	Transactions	Transactions		
Cash Receipts				
Taxes in Process	\$ 0	\$ 0	\$ 0	\$ 0
Current Tax	0	0	0	0
Delinquent Tax	0	0	0	0
State Equilization Aid	2,673,204	2,860,010	2,863,313	(3,303)
Misc	0	0	0	0
KPERS	0	0	0	0
Special Education Aid	491,780	450,577	514,701	(64,124)
Supplemental State Aid	0	0	0	0
Interest on Idle Funds	0	0	0	0
Reimbursements	24,605	21,183	0	21,183
Total Cash Receipts	\$ 3,189,589	\$ 3,331,770	\$ 3,378,014	\$ (46,244)
Expenditures				
Instruction	\$ 1,448,505	\$ 1,650,409	\$ 1,624,670	\$ 25,739
Student Support Services	96,326	102,397	121,200	(18,803)
Instructional Support Staff	68,008	79,717	78,980	737
General Administration	101,678	102,861	108,250	(5,389)
School Administration	93,819	93,865	107,750	(13,885)
Other Central Services/Operations & Maintenance	331,611	317,438	346,600	(29,162)
Student Transportation Services	9,933	12,619	12,430	189
Other Supplemental Service	0	0	0	0
Operating Transfers	1,039,709	972,464	978,134	(5,670)
Adjustment For Legal Max	0	0	(67,427)	67,427
Adjustment for Reimbursements	0	0	21,183	(21,183)
Total Expenditures	\$ 3,189,589	\$ 3,331,770	\$ 3,331,770	\$ (0)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	0	0		
Unencumbered Cash - Ending	\$ 0	\$ 0		

UNIFIED SCHOOL DISTRICT NO. 223

Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-2

SUPPLEMENTAL GENERAL FUND

	Prior Year Actual Transactions	Current Year		
		Actual Transactions	Budget	Variance Over (Under)
Cash Receipts				
Ad Valorem	\$ 26,278	\$ 41,177	\$ 30,185	\$ 10,992
Current Tax	853,696	940,899	0	940,899
Delinquent Tax	5,450	5,846	9,024	(3,178)
Motor Vehicle Tax - 16/20 Truck	68,099	75,417	65,583	9,834
Misc	250	0	0	0
RV/Comm Tax	12,272	721	4,502	(3,781)
State Aid	20,443	0	0	0
Reimbursement	5,295	7,072	0	7,072
Transfers	0	0	0	0
Total Cash Receipts	\$ 991,783	\$ 1,071,132	\$ 109,294	\$ 961,838
Expenditures				
Instruction	\$ 178,803	\$ 153,056	\$ 175,000	\$ (21,944)
School Administration	91,000	138,508	128,000	10,508
General Administration	127,500	95,550	95,550	0
Support Service	0	0	0	0
Central Services	3,582	3,146	8,000	(4,854)
Operation and Maintenance	224,191	230,976	297,500	(66,524)
Transportation	213,955	177,482	246,500	(69,018)
Operating Transfers	178,553	223,723	85,150	138,573
Adjustment for Reimbursements	0	0	7,072	(7,072)
Adjustment For Legal Max	0	0	(20,331)	20,331
Total Expenditures	\$ 1,017,584	\$ 1,022,441	\$ 1,022,441	\$ 0
Receipts Over (Under) Expenditures	(25,801)	48,691		
Unencumbered Cash - Beginning	107,595	81,794		
Unencumbered Cash - Ending	\$ 81,794	\$ 130,485		

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SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis
For The Year Ended June 30, 2020
(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-3

AT RISK (K-12) FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Other Revenue	\$	\$ 0	\$ 10,000	\$ (10,000)
Transfer	230,000	230,000	228,650	1,350
Total Cash Receipts	<u>230,000</u>	<u>230,000</u>	<u>238,650</u>	<u>(8,650)</u>
Expenditures				
Instruction	230,000	230,000	238,650	(8,650)
Transportation	0	0	0	0
Total Expenditures	<u>230,000</u>	<u>230,000</u>	<u>238,650</u>	<u>(8,650)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	0	0		
Unencumbered Cash - Ending	<u>0</u>	<u>0</u>		

UNIFIED SCHOOL DISTRICT NO. 223
 Barnes, Kansas
 SCHEDULE OF RECEIPTS AND EXPENDITURES
 ACTUAL AND BUDGET
 Regulatory Basis
 For The Year Ended June 30, 2020
 (With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-4

BILINGUAL EDUCATION

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Local Source	0	0	15,000	(15,000)
Transfer from General	15,000	0	10,000	(10,000)
Transfer from Supp General	10,000	10,000	10,000	0
Total Cash Receipts	<u>25,000</u>	<u>10,000</u>	<u>35,000</u>	<u>(25,000)</u>
Expenditures				
Instruction	28,264	24,229	48,900	(24,671)
Total Expenditures	<u>28,264</u>	<u>24,229</u>	<u>48,900</u>	<u>(24,671)</u>
Receipts Over (Under) Expenditures	\$ (3,264)	(14,229)		
Unencumbered Cash - Beginning	18,243	14,979		
Unencumbered Cash - Ending	<u>14,979</u>	<u>750</u>		

UNIFIED SCHOOL DISTRICT NO. 223
Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis

For The Year Ended June 30, 2020
(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-5

CAPITAL OUTLAY

	Current Year			Variance Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Ad Volorem Tax	\$ 9,969	\$ 18,619	\$ 13,871	\$ 4,748
Ad Volorem In Process	385,917	423,925	443,899	(19,974)
Delinquent Tax	1,982	2,486	6,121	(3,635)
Local Sources	0	0	3,000,000	(3,000,000)
Motor Vehicle Tax	25,743	25,225	39,398	(14,173)
Rec Vehicle Tax	296	283	393	(110)
Commercial/16-20	4,363	4,516	2,310	2,206
Interest on Idle Funds	0	12,682	0	12,682
Misc Receipts	12,482	18,988	0	18,988
Insurance Receipts	169	2,798,316	0	2,798,316
Transfers	1,753	0	500	(500)
State Aid	0	0	0	0
E-rate Receipts	1,603	0	0	0
Total Cash Receipts	444,277	3,305,040	3,506,492	(201,452)
Expenditures				
Instruction	21,514	29,735	250,000	(220,265)
Support Services	0	0	0	0
General Administration	0	0	0	0
Operations & Maintenance	162,101	1,519,529	2,400,000	(880,471)
Transportation	30,785	280,219	350,000	(69,781)
Architect/Engineering	2,026	0	25,000	(25,000)
Building Additions	122,790	171,859	350,000	(178,141)
Other	0	0	0	0
Total Expenditures	339,216	2,001,342	3,375,000	(1,373,658)
Receipts Over (Under) Expenditures	105,061	1,303,698		
Unencumbered Cash - Beginning	694,806	799,867		
Unencumbered Cash - Ending	\$ 799,867	2,103,565		

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SCHEDULE OF RECEIPTS AND EXPENDITURES

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For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-6

DRIVER TRAINING

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid	\$ 3,675	\$ 3,120	\$ 3,250	\$ (130)
Local Source	0	0	10,000	(10,000)
Reimbursements	0	0	0	0
Miscellaneous	2,100	1,500	0	1,500
Operating Transfers	0	0	500	(500)
Total Cash Receipts	<u>5,775</u>	<u>4,620</u>	<u>13,750</u>	<u>(9,130)</u>
Expenditures				
Instruction	110	8,118	9,700	(1,582)
Vehicle Operating & Maintenance	511	450	18,000	(17,550)
Support Services	0	0	700	(700)
Total Expenditures	<u>621</u>	<u>8,568</u>	<u>28,400</u>	<u>(19,832)</u>
Receipts Over (Under) Expenditures	5,154	(3,948)		
Unencumbered Cash - Beginning	<u>24,487</u>	<u>29,641</u>		
Unencumbered Cash - Ending	<u>29,641</u>	<u>25,693</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-7

FOOD SERVICE FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Federal Aid	\$ 0	\$ 127,509	\$ 98,014	\$ 29,495
State Aid	99,858	2,395	1,914	481
Meals	151,292	119,592	153,179	(33,587)
Interest	23,975	23,040	30,000	(6,960)
Grant	0	0	0	0
Miscellaneous	703	650	10,000	(9,350)
Transfer	0	12,000	1,000	11,000
Total Cash Receipts	<u>275,828</u>	<u>285,186</u>	<u>294,107</u>	<u>(8,921)</u>
Expenditures				
Operations & Maintenance	0	0	12,000	(12,000)
Food Service Operations	273,551	288,224	335,500	(47,276)
Total Expenditures	<u>273,551</u>	<u>288,224</u>	<u>347,500</u>	<u>(59,276)</u>
Receipts Over (Under) Expenditures	2,277	(3,038)		
Unencumbered Cash - Beginning	88,341	90,618		
Unencumbered Cash - Ending	\$ <u>90,618</u>	<u>87,580</u>		

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Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-8

PROFESSIONAL DEVELOPMENT FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Other Revenue	\$ 0	\$ 175	\$ 5,000	\$ (4,825)
State Aid	1,896	1,560	3,125	(1,565)
Transfer General	5,000	794	500	294
Transfer Supplemental/ LOB	5,000	5,000	500	4,500
Total Cash Receipts	<u>11,896</u>	<u>7,529</u>	<u>9,125</u>	<u>(1,596)</u>
Expenditures				
Instructional Support Staff	16,696	14,486	27,600	(13,114)
Total Expenditures	<u>16,696</u>	<u>14,486</u>	<u>27,600</u>	<u>(13,114)</u>
Receipts Over (Under) Expenditures	(4,800)	(6,957)		
Unencumbered Cash - Beginning	<u>34,998</u>	<u>30,198</u>		
Unencumbered Cash - Ending	\$ <u>30,198</u>	\$ <u>23,241</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis
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(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-9

FEDERAL FUNDS

TITLE IV A

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts	\$ <u>12,111</u>	\$ <u>11,865</u>
Cash Disbursements	<u>12,111</u>	<u>11,865</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-10

SPECIAL EDUCATION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Sources	\$ 491,780	\$ 450,577	\$ 0	\$ 450,577
Federal Sources	6,831	12,464	15,000	(2,536)
Interest	21,009	8,525	30,000	(21,475)
Miscellaneous	0	0	0	0
Transfer	233,550	120,746	571,634	(450,888)
Operating Transfers/ LOB	0	126,723	0	126,723
Total Cash Receipts	<u>753,170</u>	<u>719,035</u>	<u>616,634</u>	<u>102,401</u>
Expenditures				
Instruction	668,521	661,548	714,729	(53,181)
Operations/Maintenance	6,780	3,251	8,000	(4,749)
Transportation	56,521	56,051	74,450	(18,399)
Total Expenditures	<u>731,822</u>	<u>720,850</u>	<u>797,179</u>	<u>(76,329)</u>
Receipts Over (Under) Expenditures	21,348	(1,815)		
Unencumbered Cash - Beginning	<u>192,750</u>	<u>214,098</u>		
Unencumbered Cash - Ending	\$ <u>214,098</u>	<u>212,283</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-11

CAREER AND POST SECONDARY EDUCATION

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Miscellaneous/Reimb	\$ 3,494	\$ 0	\$ 20,000	\$ (20,000)
Federal	3,094	2,493	10,000	(7,507)
Transfer from General	227,932	240,347	240,000	347
Total Cash Receipts	<u>234,520</u>	<u>242,840</u>	<u>270,000</u>	<u>(27,160)</u>
Expenditures				
Instruction	234,520	242,840	270,000	(27,160)
Total Expenditures	<u>234,520</u>	<u>242,840</u>	<u>270,000</u>	<u>(27,160)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	0	0		
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET
Regulatory Basis
For The Year Ended June 30, 2020
(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-12

GIFTS AND GRANTS

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts				
State Aid			4,055	
Contributions & Donations	\$ 27,708	\$ 26,483	\$ 75,000	\$ (48,517)
Total Cash Receipts	<u>27,708</u>	<u>26,483</u>	<u>79,055</u>	<u>(48,517)</u>
Expenditures				
Instructional & Educational Mat	19,357	23,064	80,000	(56,936)
Operations & Maintenance			4,055	
Total Expenditures	<u>19,357</u>	<u>23,064</u>	<u>84,055</u>	<u>(56,936)</u>
Receipts Over (Under) Expenditures	8,351	3,419		
Unencumbered Cash - Beginning	<u>19,029</u>	<u>27,380</u>		
Unencumbered Cash - Ending	\$ <u>27,380</u>	\$ <u>30,799</u>		

UNIFIED SCHOOL DISTRICT NO. 223
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SCHEDULE OF RECEIPTS AND EXPENDITURES
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Regulatory Basis
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(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-13

INTEREST

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts		
Interest Holding	\$ <u> 0</u>	\$ <u> 0</u>
Total Cash Receipts	<u> 0</u>	<u> 0</u>
Expenditures		
Transfer to Vo Ag	0	0
Transfer to Food Service	0	0
Transfer to Sp Ed	0	0
Transfer to Capital Outlay	0	0
Bilingual	<u> 0</u>	<u> 0</u>
Total Expenditures	<u> 0</u>	<u> 0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u> 0</u>	<u> 0</u>
Unencumbered Cash - Ending	\$ <u> 0</u>	\$ <u> 0</u>

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STATEMENT 3-14

TITLE I C MIGRANT

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Federal Aid	\$ <u>0</u>	\$ <u>0</u>
Total Cash Receipts	<u>0</u>	<u>0</u>
Expenditures		
Instruction	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

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SCHEDULE OF RECEIPTS AND EXPENDITURES
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Regulatory Basis
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STATEMENT 3-15

TITLE I - CURRENT

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Federal	\$ <u>49,523</u>	\$ <u>49,060</u>
Total Cash Receipts	<u><u>49,523</u></u>	<u><u>49,060</u></u>
Expenditures		
Instruction	<u>49,523</u>	<u>49,060</u>
Total Expenditures	<u><u>49,523</u></u>	<u><u>49,060</u></u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

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STATEMENT 3-16

TITLE I CARRYOVER

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Intergovernmental Revenue	\$ 0	\$ 0
Federal	<u>0</u>	<u>0</u>
Total Cash Receipts	<u><u>0</u></u>	<u><u>0</u></u>
Expenditures		
Instruction	0	0
Support Service	<u>0</u>	<u>0</u>
Total Expenditures	<u><u>0</u></u>	<u><u>0</u></u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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SCHEDULE OF RECEIPTS AND EXPENDITURES
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STATEMENT 3-17

FEDERAL FUNDS

TITLE II A

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts	\$ <u>12,252</u>	\$ <u>9,347</u>
Cash Disbursements	<u>12,252</u>	<u>9,347</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>

UNIFIED SCHOOL DISTRICT NO. 223

Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-18

KPERS

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts Flow Through	\$ 239,105	\$ 369,634	\$ 497,644	\$ (128,010)
Total Cash Receipts	<u>239,105</u>	<u>369,634</u>	<u>497,644</u>	<u>(128,010)</u>
Expenditures Instruction	239,105	369,634	497,644	(128,010)
Total Expenditures	<u>239,105</u>	<u>369,634</u>	<u>497,644</u>	<u>(128,010)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash - Beginning	0	0		
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>0</u>		

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STATEMENT 3-19

CONTINGENCY RESERVE

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts/Transfer	\$ <u> 0</u>	\$ <u> 0</u>
Expenditures	<u> 0</u>	<u> 0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u> 185,000</u>	<u> 185,000</u>
Unencumbered Cash - Ending	\$ <u> 185,000</u>	\$ <u> 185,000</u>

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SCHEDULE OF RECEIPTS AND EXPENDITURES
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(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-20

TEXTBOOK & STUDENT MATERIAL REVOLVING

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Textbook Rental & Fees	<u>22,140</u>	<u>20,183</u>
Total Cash Receipts	<u><u>22,140</u></u>	<u><u>20,183</u></u>
Expenditures		
Textbooks Materials & Supplies	<u>32,555</u>	<u>21,200</u>
Total Expenditures	<u><u>32,555</u></u>	<u><u>21,200</u></u>
Receipts Over (Under) Expenditures	(10,415)	(1,017)
Unencumbered Cash - Beginning	<u>50,087</u>	<u>39,672</u>
Unencumbered Cash - Ending	\$ <u><u>39,672</u></u>	\$ <u><u>38,655</u></u>

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SCHEDULE OF RECEIPTS AND EXPENDITURES
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(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-21

SMALL RURAL SCHOOLS

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Small Rural School	\$ <u>16,143</u>	\$ <u>36,535</u>
Total Cash Receipts	<u><u>16,143</u></u>	<u><u>36,535</u></u>
Expenditures		
School Improvement/Equipment	<u>16,143</u>	<u>36,535</u>
Total Expenditures	<u><u>16,143</u></u>	<u><u>36,535</u></u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

UNIFIED SCHOOL DISTRICT NO. 223

Barnes, Kansas

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 3-22

BOND AND INTEREST FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Motor Vehicle Tax	\$ 0	\$ 0	\$ 0	\$ 0
RV/Comm/16-20 Tax	0	0	0	0
Back Taxes	171	41	0	41
Ad Valorem Taxes	0	0	0	0
State Aid	0	0	0	0
Miscellaneous	0	0	0	0
Total Cash Receipts	<u>171</u>	<u>41</u>	<u>0</u>	<u>41</u>
Expenditures				
Bond Principal	0	0	0	0
Bond Interest	0	0	0	0
Transfer	1,753	0	0	0
Bond Fees	0	0	0	0
Total Expenditures	<u>1,753</u>	<u>0</u>	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	(1,582)	41		
Unencumbered Cash - Beginning	<u>1,582</u>	<u>0</u>		
Unencumbered Cash - Ending	\$ <u>0</u>	\$ <u>41</u>		

SCHEDULE OF RECEIPTS AND EXPENDITURES

ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020

(With Comparative Actual Totals for Prior Year Ended June 30, 2019)

STATEMENT 4

SCHOOL ACTIVITY FUNDS

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances & A/P	Ending Cash Balance
Hanover High School							
Organizations/Classes							
Freshman	\$ 77		126	0	203		203
Sophomores	136		115	0	251		251
Juniors	4,081		12,737	10,077	6,741		6,741
Seniors	196		570	(664)	1,430		1,430
Art Club	656		135	0	791		791
Yearbook	1,751		3,214	4,764	201		201
Music	314		185	245	254		254
Cheerleaders	546		7,995	7,327	1,214		1,214
FBLA	5,425		19,968	20,135	5,258		5,258
FFA	20,360		16,445	15,618	21,187		21,187
FCCLA	2,649		0	0	2,649		2,649
H-Club	176		2,350	2,421	105		105
Jr. High Cheerleaders	401		0	0	401		401
HS Scholar Bowl	199		0	0	199		199
National Honor Society	697		309	227	779		779
Junior High FBLA	333		0	0	333		333
Student Council	729		399	722	406		406
Thespian	1,071				1,071		1,071
Subtotal Hanover Agency Funds	\$ 39,795	0	64,548	60,872	43,471	0	43,471
Student Activities	\$ 14,781		51,625	48,193	18,213		18,213
Athletic Fee	630		910	1,350	190		190
Weight Room	84		2,077	2,050	111		111
Wildcat Scholarship	0		1,000	1,000	0		0
Revolving/Clearing Accounts			0				
Lunch	146		29,353	29,353	146		146
Library	0		3	3	0		0
Sales Tax			1,506				1,506
Textbooks	0		1,777	1,767	10		10
Revolving Music	0		191	191	0		0
Revolving Vo-Ag	0		1,860	1,860	0		0
Revolving Wood	0		170	170	0		0
Revolving Art	0		200	200	0		0
Petty Cash	(0)		1,587	1,587	(0)		(0)
Student - Act Petty Cash	0		3,188	3,188	0		0
Subtotal Hanover Activity Funds	15,642	0	95,447	90,912	18,671	0	20,177
Total Hanover Activity/Agency	55,437	0	159,995	151,784	62,142	0	63,648

This is not a budgeted fund
.See Accountant's Report and Accompanying Notes

SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET

Regulatory Basis

For The Year Ended June 30, 2020
(With Comparative Actual Totals for Prior Year Ended June 30, 2019)
SCHOOL ACTIVITY FUNDS

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash Balance	STATEMENT 4 (Continued)	
						Add Outstanding Encumbrances & A/P	Ending Cash Balance
Linn High School							
Yearbook	15,253		7,380	4,666	17,967		17,967
National Honor Society Alumni	60		0	60	0		0
Bulldog Scholarship	7,803		7,646	7,550	7,899		7,899
National Honor Society	1,538		3,559	510	4,587		4,587
Scholars Bowl	231		0	0	231		231
Class of 2019	331		0	0	331		331
Class of 2018	1,996		0	0	1,996		1,996
Class of 2021	6,588		7,922	9,473	5,037		5,037
Class of 2020	3,773		0	1,713	2,060		2,060
Class of 2022	822		7,447	3,620	4,649		4,649
Class of 2023	0		4,082	1,698	2,384		2,384
Class of 2009	0		0	0	0		0
Art Club	388		1,586	661	1,313		1,313
Linn Music	266		332	305	293		293
FBLA	4,912		7,246	7,684	4,474		4,474
FFA	2,813		11,271	8,024	6,060		6,060
FCCLA	1,925		7,507	7,561	1,871		1,871
L-Club	1,037		1,114	1,275	876		876
Jr. High Cheerleaders	410		0	0	410		410
Pepclub/Cheerleaders	623		1,678	1,199	1,102		1,102
Student Council	1,475		1,257	1,435	1,297		1,297
Thespian	978		930	585	1,323		1,323
Subtotal Linn Agency Funds	\$ 53,221	0	70,957	58,019	66,159	0	66,159
Administrative Activities	\$ 3,820		12,089	10,233	5,676		5,676
Athletic Fee	582		3,710	3,478	814		814
Revolving/Clearing Accounts							
Lunch	0		38,519	38,841	(322)		(322)
Textbooks	0		8,465	8,465	0		0
Revolving Music	0		285	285	0		0
Revolving Yo-Ag	0		320	320	0		0
Revolving Wood	0		67	67	0		0
Revolving Art	(0)		440	440	(0)		(0)
Petty Cash	0		1,660	1,660	0		0
Student - Act Petty Cash	0		2,124	2,124	0		0
Subtotal Linn Activity Funds	4,402	0	67,679	65,913	6,168	0	6,168
Total Linn Activity/Agency	57,623	0	138,636	123,932	72,327	0	72,327

This is not a budgeted fund.
See Accountant's Report and Accompanying Notes