

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

Financial Statement and Regulatory-Required Supplementary
Information with Independent Auditor's Report

For the Year Ended June 30, 2020

MAPES & MILLER LLP
Certified Public Accountants
Quinter, Kansas

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

Financial Statement and Regulatory-Required Supplementary
Information with Independent Auditor's Report

For the Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 316
Selden, Kansas 67757

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 316, as of and for the year ended June 30, 2020, 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; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by Unified School District No. 316 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 316, 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 our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 316, 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 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds, and schedule of receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 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 our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Mapes & Miller LLP

Certified Public Accountants

Quinter, Kansas

November 10, 2020

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2020

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General Fund	\$ 0	0	2,184,536	2,183,832	704	87,914	88,618
Supplemental General Fund	0	0	662,219	647,651	14,568	7,237	21,805
Special Purpose Funds:							
At Risk Fund (4 Year Old)	9,668	0	7,000	7,791	8,877	26	8,903
At Risk Fund (K-12)	110,604	32	286,402	247,091	149,947	25,019	174,966
Bilingual Education Fund	57,296	0	5,439	19,481	43,254	0	43,254
Driver Training Fund	11,066	0	12,580	11,769	11,877	235	12,112
Capital Outlay Fund	598,573	0	124,272	102,134	620,711	36,647	657,358
Food Service Fund	21,455	0	199,816	167,488	53,783	4,684	58,467
Professional Development Fund	17,927	0	7,030	14,517	10,440	0	10,440
Special Education Fund	138,626	0	447,550	522,383	63,793	4,727	68,520
Career and Postsecondary Education Fund	19,205	0	114	18,825	494	0	494
KPERS Special Retirement Contribution Fund	0	0	243,974	243,974	0	0	0
Gifts and Grants Fund	55,814	0	145,412	147,439	53,787	0	53,787
Federal Funds	5,926	0	138,995	146,788	(1,867)	11,054	9,187
Textbook and Student Material Revolving Fund	28,684	0	45,279	41,797	32,166	2,319	34,485
Contingency Reserve Fund	188,608	0	12,867	16,035	185,440	0	185,440
District Activity Funds (Schedule 4)	3,259	0	15,898	14,069	5,088	0	5,088
Bond and Interest Funds:							
Bond and Interest Fund	127	0	0	127	0	0	0
Trust Funds:							
Scholarship Fund	5,484	0	100	1,500	4,084	0	4,084
Total Reporting Entity (Excluding Agency Funds)	\$ 1,272,322	32	4,539,483	4,554,691	1,257,146	179,862	1,437,008

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

Selden, Kansas

Summary Statement of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended June 30, 2020

Composition of Cash:

The Bank - Selden, Kansas		
Checking Accounts	\$	1,000
NOW Account		1,400,320
Certificates of Deposit		<u>109,500</u>
Total Cash		1,510,820
Agency Funds Per Schedule 3		<u>(73,812)</u>
Total Reporting Entity (Excluding Agency Funds)	\$	<u><u>1,437,008</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Notes to the Financial Statement
June 30, 2020

1. Summary of Significant Accounting Policies

(a) Municipal Financial Reporting Entity

Unified School District No. 316, Selden, Kansas, operates as a unified school district in accordance with the laws of the State of Kansas. The District is operated by an elected board of education and provides the following services: education, culture and recreation.

(b) Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2020:

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt 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.

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

Agency Fund – used to report assets held by the District in a purely custodial capacity.

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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

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

(d) Budgetary Information

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

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

The statutes allow the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were budget amendments for the General Fund, At Risk Fund (K-12), KPERS Special Retirement Contribution Fund, and Gifts and Grants Fund for the year ended June 30, 2020.

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, Schedule 2 as listed in the table of contents, are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

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

Textbooks and Student Material Revolving Fund
Contingency Reserve Fund

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

(e) **Reimbursements**

The District 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.

2. Deposits and Investments

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by the 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 June 30, 2020, the District's carrying amount of deposits was \$1,510,820 and the bank balance was \$1,439,879. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance of \$1,189,879 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2020.

3. 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 increase 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 fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% respectively, for 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 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 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 District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$243,974 for the year ended June 30, 2020.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,259,949. 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 District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019. Since KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

4. Other Long-Term Obligations from Operations

(a) Compensated Absences

Sick Leave

Sick leave shall be granted to contractual classified employees in proportion to their employment contract as it relates to hours, days, or months on duty at the rate of one day per month cumulative to sixty (60) days. There is no payment for unused sick leave when an employee ceases employment with the District.

Discretionary Leave

Each teacher shall be granted thirteen (13) days of discretionary leave per year. Any unused discretionary leave at year-end becomes accumulated personal sick leave accumulative to a maximum of 480 hours. Any sick leave accumulated beyond 480 hours is donated to the sick leave pool. Sick leave is not payable upon termination and, therefore, has not been estimated or accrued by the District as of June 30, 2020.

Vacation Leave

Full-time, twelve-month classified employees shall accrue vacation time at a rate of one (1) day per month. Employees with more than fifteen (15) years of continuous full-time service will accrue vacation time at the rate of 1.25 days per month. Maximum accumulation of vacation leave is twenty (20) days. Vacation time must be used within two years of accrual. Vacation pay is payable upon termination at the employee's regular daily rate of pay. The amount of accrued vacation pay as of June 30, 2020, was \$12,109.

(b) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays \$475 per month, or the amount specified in the professional negotiations agreement for each retiree, and each retiree is responsible for the balance. During the year ended June 30, 2020, no retirees participated in this plan. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in the financial statement.

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. There is no cost to the District under this program.

(c) Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2020.

(d) Termination Benefits

The District provides an early retirement program for certified eligible employees with at least fifteen years of continuous employment with the District. To be eligible the employee must be at least age 60, younger than full social security retirement age, and have a combined total age, including credit for years of service in KPERS, equal to or greater than 85. Those eligible under this program receive 10% of their final year contract for the final year full time service with the District. The early retirement benefit is paid to the retiree in equal monthly payments until the retiree reaches full social security retirement age. The last payment, including any balance due, shall be made in the month the retiree reaches full social security retirement age. As of June 30, 2020, the District did not have any retired employees receiving benefits under this program.

5. Stewardship, Compliance and Accountability**(a) Deposits adequately secured**

K.S.A. 9-1402 and K.S.A. 9-1405 require the District's deposits in financial institutions to be covered entirely, at any given time, by the federal depository insurance or by collateral held under a joint custody receipt. The bank balances from July 15, 2019 through October 30, 2019 were not adequately secured.

(b) Cash Violation

K.S.A. 10-1113 requires each fund to comply with the cash-basis laws of the State of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The Federal Grants Fund incurred indebtedness in excess of the available cash balance by \$1,867. However, K.S.A. 12-1664 allows a deficit unencumbered cash balance for federal aid funds. The deficit was eliminated when the ESSER funding was received. Details for the ESSER funding is provided in Note 9 – Subsequent Event.

6. Interfund Transfers

The District's operating transfers for the year ended June 30, 2020, were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk Fund (4 Year Old)	K.S.A. 72-5167	\$ 7,000
General Fund	At Risk Fund (K-12)	K.S.A. 72-5167	73,821
General Fund	Capital Outlay Fund	K.S.A. 72-5167	50,000
General Fund	Driver Training Fund	K.S.A. 72-5167	9,850
General Fund	Food Service Fund	K.S.A. 72-5167	31,474
General Fund	Special Education Fund	K.S.A. 72-5167	383,089
General Fund	Contingency Reserve Fund	K.S.A. 72-5167	12,867
General Fund	Career & Postsecondary Education Fund	K.S.A. 72-5167	114
Supplemental General Fund	At Risk Fund (K-12)	K.S.A. 72-5143	212,581
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	5,439
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	55,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	5,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	40,000
Supplemental General Fund	Textbook and Student Material Revolving Fund	K.S.A. 72-5143	22,327

7. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards (KASB) Workers Compensation Fund, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 111 participating members.

The District pays an annual premium to KASB Workers Compensation Fund, Inc., for its workers compensation insurance coverage. The agreement to participate provides that the group will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the management of KASB Workers Compensation Fund, Inc.

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

8. In-Substance Receipt in Transit

The District received \$118,342 subsequent to June 30, 2020, and as required by K.S.A. 72-5135(d) the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

9. Subsequent Event

On March 11, 2020, the Novel Coronavirus Disease, COVID-19, was declared a pandemic by the World Health Organization. On March 12, 2020, Kansas Governor Laura Kelly issued Executive Order No. 20-07 which required schools to close facilities and cease in-person instruction. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES) was passed by Congress and signed into law by President Trump to provide economic assistance to those affected by the pandemic.

On May 11, 2020, the District was awarded \$29,091 in ESSER funds. The District received funds totaling \$6,837 for fiscal year 2020 COVID-19 expenditures. The reimbursements were received on July 16, 2020 and August 6, 2020.

Management has evaluated subsequent events through November 10, 2020, which is the date the financial statement is available to be issued.

REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

SCHEDULE 1

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General Fund	\$ 2,199,812	(32,826)	16,846	2,183,832	2,183,832	0
Supplemental General Fund	647,467	0	184	647,651	647,651	0
Special Purpose Funds:						
At Risk Fund (4 Year Old)	12,900	0	0	12,900	7,791	(5,109)
At Risk Fund (K-12)	280,000	0	0	280,000	247,091	(32,909)
Bilingual Education Fund	63,690	0	0	63,690	19,481	(44,209)
Driver Training Fund	12,366	0	0	12,366	11,769	(597)
Capital Outlay Fund	345,000	0	0	345,000	102,134	(242,866)
Food Service Fund	184,070	0	0	184,070	167,488	(16,582)
Professional Development Fund	17,179	0	0	17,179	14,517	(2,662)
Special Education Fund	524,908	0	0	524,908	522,383	(2,525)
Career and Postsecondary Education Fund	20,405	0	0	20,405	18,825	(1,580)
KPERS Special Retirement Contribution Fund	244,083	0	0	244,083	243,974	(109)
Gifts and Grants Fund	175,000	0	0	175,000	25,744	*
Federal Funds	130,940	0	0	130,940	146,788	**
Bond and Interest Funds:						
Bond and Interest Fund	0	0	127	127	127	0

* Exempt from budget law per K.S.A. 72-8210

** Exempt from budget law per K.S.A. 12-1663

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2020

SCHEDULE 2

Page 1

	Actual	Budget	Variance Over (Under)
Receipts:			
Mineral Production Tax	\$ 1,488	0	1,488
State General Aid	1,848,363	1,849,212	(849)
State Special Education Aid	317,725	350,600	(32,875)
State Aid - Career and Technical Education	114	0	114
Reimbursements	16,846	0	16,846
	<u>2,184,536</u>	<u>2,199,812</u>	<u>(15,276)</u>
Total Receipts			
Expenditures:			
Instruction	1,061,036	1,107,516	(46,480)
Student Support Services	294	453	(159)
Instructional Support Staff	5,509	4,800	709
General Administration	103,618	139,500	(35,882)
School Administration	111,969	107,880	4,089
Central Services	81,363	77,300	4,063
Operations and Maintenance	169,911	141,550	28,361
Vehicle Operating Services	6,511	5,000	1,511
Vehicle Service & Maintenance Services	0	625	(625)
Student Transportation Services - Supervision	74,087	66,000	8,087
Other Support Services	1,319	0	1,319
Transfer to At Risk Fund (4 Year Old)	7,000	0	7,000
Transfer to At Risk Fund (K-12)	73,821	65,380	8,441
Transfer to Capital Outlay Fund	50,000	50,000	0
Transfer to Driver Training Fund	9,850	0	9,850
Transfer to Food Service Fund	31,474	50,000	(18,526)
Transfer to Special Education Fund	383,089	382,608	481
Transfer to Contingency Reserve Fund	12,867	0	12,867
Transfer to Career & Postsecondary Education Fund	114	1,200	(1,086)
Adjustment to Comply with Legal Max	0	(32,826)	32,826
	<u>2,183,832</u>	<u>2,166,986</u>	<u>16,846</u>
Legal General Fund Budget	2,183,832	2,166,986	16,846
Adjustments for Qualifying Budget Credits			
Reimbursements	0	16,846	(16,846)
	<u>2,183,832</u>	<u>2,183,832</u>	<u>0</u>
Total Expenditures			
Receipts Over (Under) Expenditures	704		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	0		
	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>704</u>		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

SCHEDULE 2
Page 2

Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 7,933	16,936	(9,003)
Current Tax	488,701	466,718	21,983
Delinquent Tax	5,905	2,349	3,556
Motor Vehicle Tax	27,311	26,948	363
Recreational Vehicle Tax	756	745	11
Commercial Vehicle Tax	1,501	1,811	(310)
Watercraft Tax	200	0	200
Miscellaneous	0	200	(200)
Supplemental State Aid	129,728	131,760	(2,032)
Reimbursements	184	0	184
	<u>662,219</u>	<u>647,467</u>	<u>14,752</u>
Expenditures:			
Instruction	49,520	99,613	(50,093)
Student Support Services	244	0	244
Instructional Support Staff	684	2,400	(1,716)
General Administration	126,550	166,000	(39,450)
School Administration	8,397	20,000	(11,603)
Central Services	9,861	12,257	(2,396)
Operations and Maintenance	86,520	134,000	(47,480)
Vehicle Services and Maintenance Services	11,263	16,100	(4,837)
Student Transportation Services - Supervision	14,200	73,000	(58,800)
Other Student Transportation Services	0	500	(500)
Other Support Services	65	1,500	(1,435)
Transfer to At Risk Fund (4 Year Old)	0	6,654	(6,654)
Transfer to At Risk Fund (K-12)	212,581	89,033	123,548
Transfer to Bilingual Education Fund	5,439	6,410	(971)
Transfer to Food Service Fund	55,000	0	55,000
Transfer to Professional Development Fund	5,000	0	5,000
Transfer to Special Education Fund	40,000	0	40,000
Transfer to Textbook and Student Material Revolving Fund	22,327	20,000	2,327
	<u>647,651</u>	<u>647,467</u>	184
Legal Supplemental General Fund Budget	647,651	647,467	184
Adjustments for Qualifying Budget Credits			
Reimbursements	0	184	(184)
	<u>647,651</u>	<u>647,651</u>	<u>0</u>
Receipts Over (Under) Expenditures	14,568		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	0		
	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>14,568</u>		

**UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas**

SCHEDULE 2
Page 3

Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
At Risk Fund (4 Year Old)			
Receipts:			
Transfer from General Fund	\$ 7,000	0	7,000
Transfer from Supplemental General Fund	<u>0</u>	<u>6,654</u>	<u>(6,654)</u>
Total Receipts	<u>7,000</u>	<u>6,654</u>	<u>346</u>
Expenditures:			
Instruction	<u>7,791</u>	<u>12,900</u>	<u>(5,109)</u>
Receipts Over (Under) Expenditures	(791)		
Unencumbered Cash, Beginning	9,668		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>8,877</u>		
 At Risk Fund (K-12)			
Transfer from General Fund	\$ 73,821	65,380	8,441
Transfer from Supplemental General Fund	<u>212,581</u>	<u>104,033</u>	<u>108,548</u>
Total Receipts	<u>286,402</u>	<u>169,413</u>	<u>116,989</u>
Expenditures:			
Instruction	244,967	261,000	(16,033)
Instructional Support Staff	<u>2,124</u>	<u>19,000</u>	<u>(16,876)</u>
Total Expenditures	<u>247,091</u>	<u>280,000</u>	<u>(32,909)</u>
Receipts Over (Under) Expenditures	39,311		
Unencumbered Cash, Beginning	110,604		
Prior Year Cancelled Encumbrances	<u>32</u>		
Unencumbered Cash, Ending	\$ <u>149,947</u>		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

SCHEDULE 2
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Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Bilingual Education Fund			
Receipts:			
Transfer from Supplemental General Fund	\$ 5,439	6,410	(971)
Expenditures:			
Instruction	19,481	63,690	(44,209)
Receipts Over (Under) Expenditures	(14,042)		
Unencumbered Cash, Beginning	57,296		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>43,254</u>		
 Driver Training Fund			
Receipts:			
State Safety Aid	\$ 2,730	1,300	1,430
Transfer from General Fund	9,850	0	9,850
Total Receipts	<u>12,580</u>	<u>1,300</u>	<u>11,280</u>
Expenditures:			
Instruction	11,769	12,366	(597)
Receipts Over (Under) Expenditures	811		
Unencumbered Cash, Beginning	11,066		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>11,877</u>		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

SCHEDULE 2
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Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over <u>(Under)</u>
Capital Outlay Fund			
Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 670	1,137	(467)
Current Tax	42,105	40,553	1,552
Delinquent Tax	418	197	221
Motor Vehicle Tax	2,275	2,242	33
Recreational Vehicle Tax	63	62	1
Commercial Vehicle Tax	127	151	(24)
Interest on Idle Funds	20,269	35,000	(14,731)
Other Revenue From Local Source	8,218	23,000	(14,782)
Transfer from Bond and Interest Fund - Residual Equity	127	0	127
Transfer from General Fund	50,000	50,000	0
	<u>124,272</u>	<u>152,342</u>	<u>(28,070)</u>
 Total Receipts			
Expenditures:			
Instruction	3,936	10,000	(6,064)
Central Services	0	25,000	(25,000)
Operations and Maintenance	75,710	85,000	(9,290)
Transportation	0	100,000	(100,000)
Land Improvement	0	75,000	(75,000)
Site Improvement	22,488	0	22,488
Other	0	50,000	(50,000)
	<u>102,134</u>	<u>345,000</u>	<u>(242,866)</u>
 Total Expenditures			
Receipts Over (Under) Expenditures	22,138		
Unencumbered Cash, Beginning	598,573		
Prior Year Cancelled Encumbrances	0		
	<u>620,711</u>		
Unencumbered Cash, Ending	\$ 620,711		

**UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas**

SCHEDULE 2
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Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Food Service Fund			
Receipts:			
Federal Aid	\$ 84,216	79,144	5,072
State Aid	1,304	975	329
Food Service	27,822	39,196	(11,374)
Transfer from General Fund	31,474	50,000	(18,526)
Transfer from Supplemental General Fund	55,000	0	55,000
	<u>199,816</u>	<u>169,315</u>	<u>30,501</u>
Expenditures:			
Food Service Operations	167,488	184,070	(16,582)
	<u>32,328</u>		
Receipts Over (Under) Expenditures	21,455		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>53,783</u>		
Professional Development Fund			
Receipts:			
State Aid	\$ 2,030	2,500	(470)
Interest on Idle Funds	0	2,000	(2,000)
Transfer from Supplemental General Fund	5,000	0	5,000
	<u>7,030</u>	<u>4,500</u>	<u>2,530</u>
Expenditures:			
Instructional Support Staff	14,517	17,179	(2,662)
	<u>(7,487)</u>		
Receipts Over (Under) Expenditures	17,927		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>10,440</u>		

UNIFIED SCHOOL DISTRICT NO. 316
 Selden, Kansas

SCHEDULE 2
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Special Purpose Funds
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Special Education Fund			
Receipts:			
Other Revenue From Local Source	\$ 24,461	10,000	14,461
Medicaid	0	4,500	(4,500)
Transfer from General Fund	383,089	382,608	481
Transfer from Supplemental General Fund	40,000	0	40,000
	<u>447,550</u>	<u>397,108</u>	<u>50,442</u>
Total Receipts			
Expenditures:			
Instruction	522,383	524,908	(2,525)
Receipts Over (Under) Expenditures			
	(74,833)		
Unencumbered Cash, Beginning	138,626		
Prior Year Cancelled Encumbrances	0		
	<u>63,793</u>		
Unencumbered Cash, Ending	\$		
Career and Postsecondary Education Fund			
Receipts:			
Transfer from General Fund	\$ 114	1,200	(1,086)
Expenditures:			
Instruction	18,825	20,405	(1,580)
Receipts Over (Under) Expenditures			
	(18,711)		
Unencumbered Cash, Beginning	19,205		
Prior Year Cancelled Encumbrances	0		
	<u>494</u>		
Unencumbered Cash, Ending	\$		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

SCHEDULE 2
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Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
KPERS Special Retirement Contribution Fund			
Receipts:			
State Aid	\$ <u>243,974</u>	<u>244,083</u>	<u>(109)</u>
Expenditures:			
Instruction	182,980	150,000	32,980
General Administration	9,759	35,000	(25,241)
School Administration	21,958	19,000	2,958
Operation and Maintenance	12,199	16,000	(3,801)
Student Transportation Services	7,319	11,000	(3,681)
Food Service	9,759	13,083	(3,324)
Total Expenditures	<u>243,974</u>	<u>244,083</u>	<u>(109)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		
Gifts and Grants Fund			
Receipts:			
Other Revenue From Local Source	\$ <u>145,412</u>	<u>138,000</u>	<u>7,412</u>
Expenditures:			
Instruction	25,744	165,000	(139,256)
Facilities Acquisition and Construction	121,695	0	121,695
Operations & Maintenance	0	10,000	(10,000)
Total Expenditures	<u>147,439</u>	<u>175,000</u>	<u>(27,561)</u>
Receipts Over (Under) Expenditures	(2,027)		
Unencumbered Cash, Beginning	55,814		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>53,787</u>		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
 Special Purpose Funds
 Federal Funds
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	Title I - Migrant	Rural Enhancement Grant	Title I	Title II-A	Title II-D - ARRA	Title IV-A
Receipts:						
Federal Aid	\$ 42,000	41,675	34,300	5,229	0	4,525
Expenditures:						
Instruction	41,700	39,962	26,538	5,229	0	0
Student Support Services	0	0	7,761	0	0	1,025
Instructional Support Staff	0	0	0	0	0	3,500
Student Transportation Services	300	0	0	0	0	0
Other	0	0	94	48	160	944
 Total Expenditures	 42,000	 39,962	 34,393	 5,277	 160	 5,469
Receipts Over (Under) Expenditures	0	1,713	(93)	(48)	(160)	(944)
Unencumbered Cash, Beginning	0	(1,713)	94	48	160	944
Prior Year Cancelled Encumbrances	0	0	0	0	0	0
Unencumbered Cash, Ending	\$ 0	0	1	0	0	0

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
 Special Purpose Funds
 Federal Funds
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	Title III	Character Education	Migrant Summer Program	ESSER (Cares Act)	Total	Budget	Variance Over (Under)
Receipts:							
Federal Aid	\$ 0	0	0	11,266	138,995	125,013	13,982
Expenditures:							
Instruction	0	0	0	0	113,429	114,125	(696)
Student Support Services	0	0	0	0	8,786	15,815	(7,029)
Instructional Support Staff	0	0	0	18,103	21,603	1,000	20,603
Student Transportation Services	0	0	0	0	300	0	300
Other	1,424	0	0	0	2,670	0	2,670
 Total Expenditures	 1,424	 0	 0	 18,103	 146,788	 130,940	 15,848
Receipts Over (Under) Expenditures	(1,424)	0	0	(6,837)	(7,793)		
Unencumbered Cash, Beginning	1,424	500	4,469	0	5,926		
Prior Year Cancelled Encumbrances	0	0	0	0	0		
Unencumbered Cash, Ending	\$ 0	500	4,469	(6,837)	(1,867)		

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

Special Purpose Funds

Schedule of Receipts and Expenditures

Regulatory Basis

For the Year Ended June 30, 2020

	<u>Actual</u>
Textbook and Student Material Revolving Fund	
Receipts:	
Fees	\$ 15,354
Miscellaneous	7,598
Transfer from Supplemental General Fund	<u>22,327</u>
Total Receipts	<u>45,279</u>
Expenditures:	
Instruction	41,006
Instructional Support Staff	<u>791</u>
Total Expenditures:	<u>41,797</u>
Receipts Over (Under) Expenditures	3,482
Unencumbered Cash, Beginning	28,684
Prior Year Cancelled Encumbrances	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 32,166</u>
 Contingency Reserve Fund	
Receipts	
Transfer from General Fund	<u>\$ 12,867</u>
Expenditures	
Instruction	<u>16,035</u>
Receipts Over (Under) Expenditures	(3,168)
Unencumbered Cash, Beginning	188,608
Prior Year Cancelled Encumbrances	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 185,440</u>

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

SCHEDULE 2
Page 12

Bond and Interest Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Bond and Interest Fund			
Receipts	\$ <u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Transfer to Capital Outlay Fund - Residual Equity	127	0	127
Adjustments for Qualifying Budget Credits			
Residual Equity Transfer	<u>0</u>	<u>127</u>	<u>(127)</u>
Total Expenditures	<u>127</u>	<u>127</u>	<u>0</u>
Receipts Over (Under) Expenditures	(127)		
Unencumbered Cash, Beginning	127		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>		

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

Trust Funds

Schedule of Receipts and Expenditures

Regulatory Basis

For the Year Ended June 30, 2020

SCHEDULE 2

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	<u>Actual</u>
Scholarship Fund	
Receipts	
Donations	\$ <u>100</u>
Expenditures	
Scholarships	<u>1,500</u>
Receipts Over (Under) Expenditures	(1,400)
Unencumbered Cash, Beginning	5,484
Prior Year Cancelled Encumbrances	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>4,084</u></u>

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2020

SCHEDULE 3

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School:				
National Honor Society	\$ 5,604	5,561	4,235	6,930
Pep Club	5,956	2,865	5,578	3,243
Dance Team	1,012	1,693	1,121	1,584
Varsity Club	5,125	4,440	4,280	5,285
Student Council	6,664	1,170	1,275	6,559
Yearbook	17,269	5,926	4,249	18,946
Class of 2020	25,613	28,758	54,371	0
Class of 2021	7,590	24,533	8,091	24,032
Class of 2022	1,995	13,379	9,394	5,980
Class of 2023	63	1,190	0	1,253
Sales Tax	46	4,032	4,078	0
Total Agency Funds	\$ 76,937	93,547	96,672	73,812

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

District Activity Funds

Schedule of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2020

SCHEDULE 4

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Athletics	\$ 3,259	15,898	14,069	5,088	0	5,088
Total District Activity Funds	\$ 3,259	15,898	14,069	5,088	0	5,088