# UNIFIED SCHOOL DISTRICT NO. 392,
# OSBORNE, KANSAS

FINANCIAL STATEMENT

AND

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 2021

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**For the Year Ended June 30, 2021**

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# INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 392
Osborne, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 392, Osborne, Kansas, a Municipality, as of and for the year ended June 30, 2021 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 A; 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.

*Auditors' Responsibility*
Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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 A of the financial statement, the financial statement is prepared by the Unified School District No. 392, Osborne, 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 our opinion, because of the significance of the matter discussed in the "Basis of 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. 392 as of June 30, 2021, 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. 392 as of June 30, 2021, 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*
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis of 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 (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 A.

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 392, Osborne, Kansas as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated April 15, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 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 https://admin.ks.gov/offices/oar/municipal-services. The 2020 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 (Schedule 2 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 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 comparative 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.

Gudenkauf & Malone, Inc.

Gudenkauf & Malone Inc

October 29, 2021

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

| 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 | $ 680 | $ 43 | $ 2,763,132 | $ 2,758,509 | $ 5,346 | $ 97,980 | $ 103,326 |
| Supplemental General Fund | 57,256 | - | 827,958 | 829,509 | 55,705 | 17,524 | 73,229 |
| Total General Funds | 57,936 | 43 | 3,591,090 | 3,588,018 | 61,051 | 115,504 | 176,555 |
| SPECIAL PURPOSE FUNDS | | | | | | | |
| Capital Outlay Fund | 599,182 | - | 283,159 | 317,248 | 565,093 | 12,345 | 577,438 |
| Driver Training Fund | 15,703 | - | 1,530 | 4,640 | 12,593 | 2,446 | 15,039 |
| Food Service Fund | 27,905 | - | 262,342 | 265,770 | 24,477 | 7,911 | 32,388 |
| Professional Development Fund | - | - | 5,178 | 655 | 4,523 | - | 4,523 |
| Special Education Fund | 99,426 | - | 556,290 | 631,630 | 24,086 | - | 24,086 |
| Vocational Education Fund | 16,377 | - | 86,707 | 73,875 | 29,209 | 6,477 | 35,686 |
| Summer School Fund | - | - | - | - | - | - | - |
| KPERS Fund | - | - | 285,974 | 285,974 | - | - | - |
| Contingency Reserve Fund | 206,591 | - | - | 17,171 | 189,420 | 17,171 | 206,591 |
| Federal Funds | 14,052 | - | 165,904 | 196,899 | (16,943) | 19,314 | 2,371 |
| Gifts & Grants | 12,848 | - | 100,083 | 95,946 | 16,985 | 2,536 | 19,521 |
| At Risk Fund | - | - | 249,691 | 249,691 | - | 2,488 | 2,488 |
| At Risk (4 Year Old) Fund | - | - | 15,018 | 15,018 | - | - | - |
| Bilingual Education Fund | - | - | 1,163 | 1,163 | - | - | - |
| Textbook & Student Revolving Fund | 18,023 | - | 13,488 | 15,175 | 16,336 | - | 16,336 |
| District Activity Funds | 21,758 | - | 49,179 | 43,036 | 27,901 | - | 27,901 |
| Total Special Purpose Funds | 1,031,865 | - | 2,075,706 | 2,213,891 | 893,680 | 70,688 | 964,368 |
| TRUST FUNDS | | | | | | | |
| Scholarship Funds | 105,689 | - | 30,100 | 39,455 | 96,334 | - | 96,334 |
| Loan Funds | 57,808 | - | 4,630 | 10,219 | 52,219 | - | 52,219 |
| Total Trust Funds | 163,497 | - | 34,730 | 49,674 | 148,553 | - | 148,553 |
| Total Reporting Entity (Excluding Agency Funds) | $ 1,253,298 | $ 43 | $ 5,701,526 | $ 5,851,583 | $ 1,103,284 | $ 186,192 | $ 1,289,476 |

| | |
|---|---|
| Cash on Hand | $ 2,000 |
| Cash in Bank | 719,395 |
| Money Markets | 518,751 |
| Certificates of Deposit | 119,300 |
| Total Cash | 1,359,446 |
| Less: Agency Funds Per Schedule 3 | (69,970) |
| Total Reporting Entity (Excluding Agency Funds) | $ 1,289,476 |

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

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**
**NOTES TO THE FINANCIAL STATEMENT**
**For the Year Ended June 30, 2021**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 392 is a municipal corporation governed by an elected seven member board.

The regulatory financial statement presents USD 392 of Osborne, KS, the municipality, and does not include any Related Municipal Entities.

Basis of Accounting

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

The 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.

Regulatory Basis Fund Types

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

The following funds comprise of the regulatory cash basis of accounting:

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.

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.)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

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

| | |
|---|---|
| Contingency Reserve Fund | Textbook & Student Revolving Fund |
| Federal Funds | Gate Receipts |
| School Projects | All Fiduciary Fund Accounts |

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, USD 392 records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis accounting.

Property Taxes

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on property on November 1 of each year. The taxes are due one-half on December 20th and one-half the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current operation of the District and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statement taken as a whole.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statute

K.S.A. 10-1113 requires no indebtedness be created for a fund in excess of available monies in that fund. High School Textbook and Junior High Athletics has a deficit cash balance at the year end.

The Federal Funds shows a negative ending unencumbered cash balance at year end. K.S.A. 10-1116a provides that under certain situations, a fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis law of the State of Kansas. This fund met the criteria under the statute, therefore, is not deem to be in violation of the Kansas cash basis law.

K.S.A. 10-815 requires checks outstanding for two or more years to be canceled and restored to the fund originally charged. There is one check outstanding in the high school activity fund and two checks in the district checking account that are over two years old.

K.S.A. 75-4302a states that elected officers, appointed public officers, and certain employees have filed written reports disclosing substantial interest. At the time of the audit, not all elected/appointed officers had filed substantial interest forms with the county.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

USD 392 is not aware of any other statutory violations.

NOTE C - DEPOSITS & 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 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, 2021.

At June 30, 2021, the District's carrying amount of deposits was $1,359,447, and the bank balance was $1,350,367. The difference between the carrying amount and the bank balance is outstanding checks and deposits. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $656,387 was covered by federal depository insurance and $693,980 was collateralized with line of credit and securities held by the pledging financial institutions' 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.

NOTE D - IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $141,028 subsequent to June 30, 2021 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, 2021.

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**
**NOTES TO THE FINANCIAL STATEMENT**
**For the Year Ended June 30, 2021**

NOTE E - INTERFUND TRANSFERS

Operating transfers were as follows:

| From | To | Regulatory Authority | Amount |
|---|---|---|---|
| General Fund | Professional Development | KSA 72-5167 | $ 5,000 |
| General Fund | Bilingual Education | KSA 72-5167 | 914 |
| General Fund | Special Education | KSA 72-5167 | 415,298 |
| General Fund | At Risk (4 Yr. Old) | KSA 72-5167 | 9,000 |
| General Fund | At Risk | KSA 72-5167 | 194,640 |
| Supplemental General Fund | Special Education | KSA 72-5143 | 113,733 |
| Supplemental General Fund | Food Service | KSA 72-5143 | 1,000 |
| Supplemental General Fund | Vocational Education | KSA 72-5143 | 75,438 |
| Supplemental General Fund | At Risk | KSA 72-5143 | 55,051 |
| Supplemental General Fund | At Risk (4 Yr. Old) | KSA 72-5143 | 6,018 |
| Supplemental General Fund | Bilingual Education | KSA 72-5143 | 249 |

NOTE F – SCHOLARSHIP AND LOAN FUND

The District administers various funs established by private girts and bequests for the purpose of making scholarship grants and loans to graduates of Osborne High School for further education.

J. Erle and Mary H. Clark Scholarship – Two separate trust funds were established by gifts from J. Erle and Mary H. Clark estates of $25,000 each. The terms of the gift instruments establishing these fund provide that the original principal balance shall remain intact and the income from the investments, as defined therein, shall be available for scholarship grants in accordance with the gift instruments. The accompanying financial statements do not include the following investments at June 30, 2021 of the J. Erle and Mary H. Clark Scholarship Funds. The District records annual distributions made from these trust funds as revenue to the Scholarship Fund.

| | Shares Owned | Current Market Value | Prior Year Market Value |
|---|---|---|---|
| American Funds Service Company | | | |
| Washington Mutual Investors Fund | 8,614.089 | $ 482,131 | $ 367,407 |
| Delaware Investments, Inc. | | | |
| Delaware Large Cap Value Fund | 7,514.819 | 182,535 | 150,728 |
| Total Portfolio Value | | $ 664,666 | $ 518,135 |

NOTE G - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

*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 District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this 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.

NOTE G - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - CONTINUED

*Death and Disability Other Post Employment Benefits.* As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term 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, 2021.

*Compensated Absences.*

- Classified (non-teachers)
  - Current Leave (Sick) – Cooks, bus drivers, and teacher aides will be given ten (10) days of sick leave per year, accumulated to 40 days. Twelve month employees will receive twelve (12) days per year, accumulative to 60 days. If the employee leaves the employment of the district for any reason, no payment will be made for unused sick leave.
  - Vacation – Full-time classified employees may be granted a paid vacation each year. Twelve month employees will receive two weeks (10 days) paid vacation if they have worked one year from date of employment. Vacation doesn't accumulate, if the employee doesn't use the vacation during the school year, they lose it.
- Certified (teachers)
  - Discretionary Leave – Each full-time teacher shall start each school year with thirteen (13) full days of discretionary leave credit. Part-time teachers shall be credited with discretionary leave in proportion to their contract time. Teachers will maintain a separate balance of accumulated sick leave. Accumulated sick leave shall be used after all discretionary leave has been exhausted. At the end of the school year, unused discretionary leave may be carried forward as accumulated sick leave.
  - Sick Leave – A teacher who is hired after the beginning of the duty year shall receive the standard allotment of sick days less one day for each month or major of a month missed. Likewise, a teacher who leaves the district before the duty year shall forfeit one day of sick leave for each month or major part of a month for months of the contract not served. If the annual allotment of sick leave has been used, the teacher's final pay shall be docked at their daily rate of pay for sick leave not earned. Absences for ½ a day or less shall be charged as ½ of a day. Absences for less than a day but for more than ½ day shall be charged as a full day. Unused sick leave shall be allowed to accumulate to a maximum of 80 days.
  - Compensation for Unused Sick Leave - At the end of the school year, any teacher who has accumulated over eighty (80) days will be reimbursed for each day above (80) days at the rate of $25 per day. No teacher will be reimbursed for more than thirteen (13) days of paid time off. This will be paid by the end of June of the current school year.
    - When resigning or leaving the district, a teacher shall be compensated for unused sick leave. To be eligible, the teacher must have accumulated seventy (70) days of sick leave and have a minimum of ten (10) years experience in the district. Payment will be $15 for each day of unused sick leave with a maximum payment of $1,200.
    - A teacher that is terminated from employment, excluding RIF, will not be eligible for compensation of unused sick leave.
    - When retiring from the district a teacher shall be compensated for unused sick leave. To be eligible, the individual must have a minimum of twenty (20) years experience in the district. Payment will be $70 for each day of unused sick leave with a maximum payment of $5,600.

The District has employees eligible for compensated absence pay who have accumulated a total of 468 days of unused sick leave as of and for the year ended June 30, 2021 The estimated liability of unused sick leave at June 30, 2021 is $7,020.

NOTE H - DEFINED BENEFIT PENSION PLAN (KPERS)

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 S. Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23% for the fiscal year ended June 30, 2021.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the 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. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

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 $122,308 for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was $2,992,434. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. 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

NOTE H - DEFINED BENEFIT PENSION PLAN (KPERS) – CONTINUED

the State/School subgroup with KPERS for the fiscal year ended June 30, 2020. Since 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 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 I - CLAIMS AND JUDGEMENTS

The District participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government.

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 continues to carry commercial insurance for these potential risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

During the ordinary course of its operations, the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the District.

NOTE J - RELATED PARTY TRANSACTIONS

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures on related party transactions do not include compensation arrangements, expense allowance and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

| | 2020-2021 |
|---|---|
| City of Osborne<br>Jackie Gourley, a board member, is an employee | $101,634 |
| Midway Coop, Inc.<br>Shana Guttery, a board member, has an interest in it | 30,602 |
| Mille Welding, Inc<br>Jamie Billings, a spouse of a board member, is an employee | 12,012 |

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**
**NOTES TO THE FINANCIAL STATEMENT**
**For the Year Ended June 30, 2021**

NOTE K – (COVID-19)

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Municipality's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Municipality is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021.

NOTE L - CRF & CARES ACT FUNDING

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK's first round distribution was to local governments in the amount of $400 million. The Municipality received CRF in the amount of $44,670 during 2020. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at https://covid.ks.gov/.

NOTE M – LONG-TERM DEBT

Changes in long-term liabilities for the entity for the year ended June 30, 2021 were as follows:

| Issue | Interest Rates | Date of Issue | Amount of Issue | Final Maturity | Beginning of Year | Additions | Reductions/ Payments | End of Year | Interest Paid |
|---|---|---|---|---|---|---|---|---|---|
| General Obligation Bond | | | | | | | | | |
| Remodel | 0.00% | 4/1/2020 | $640,000 | 2/1/2025 | $ 640,000 | $ - | $128,000 | $ 512,000 | $ - |
| Total Long-Term Debt | | | | | $ 640,000 | $ - | $128,000 | $ 512,000 | $ - |

Current maturities of long-term debt and interest for the next four years through maturity are as follows:

| | FYE 6/30/22 | FYE 6/30/23 | FYE 6/30/24 | FYE 6/30/25 | Total |
|---|---|---|---|---|---|
| PRINCIPAL | | | | | |
| General Obligation Bond | $ 128,000 | $ 128,000 | $ 128,000 | $ 128,000 | $ 512,000 |
| TOTAL PRINCIPAL | $ 128,000 | $ 128,000 | $ 128,000 | $ 128,000 | $ 512,000 |

NOTE N – SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED

JUNE 30, 2021

**Schedule 1**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

| Funds | Certified Budget | Adjustment to Comply with Legal Max | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance Over (Under) |
|---|---|---|---|---|---|---|
| GENERAL FUNDS | | | | | | |
| General Fund | $ 2,894,918 | $ (149,863) | $ 18,227 | $ 2,763,282 | $ 2,758,509 | $ (4,773) |
| Supplemental General Fund | 874,785 | (45,267) | - | 829,518 | 829,509 | (9) |
| Total General Funds | 3,769,703 | (195,130) | 18,227 | 3,592,800 | 3,588,018 | (4,782) |
| SPECIAL PURPOSE FUNDS | | | | | | |
| Capital Outlay Fund | 840,000 | - | - | 840,000 | 317,248 | (522,752) |
| KPERS Fund | 319,565 | - | - | 319,565 | 285,974 | (33,591) |
| Summer School Fund | - | - | - | - | - | - |
| Food Service Fund | 275,000 | - | - | 275,000 | 265,770 | (9,230) |
| Professional Development Fund | 16,000 | - | - | 16,000 | 655 | (15,345) |
| Driver Training Fund | 16,200 | - | - | 16,200 | 4,640 | (11,560) |
| Special Education Fund | 650,000 | - | - | 650,000 | 631,630 | (18,370) |
| Vocational Education Fund | 73,875 | - | - | 73,875 | 73,875 | - |
| At Risk Fund | 341,026 | - | - | 341,026 | 249,691 | (91,335) |
| At Risk (4 Year Old) Fund | 16,000 | - | - | 16,000 | 15,018 | (982) |
| Bilingual Education | 8,310 | - | - | 8,310 | 1,163 | (7,147) |
| Total Special Purpose Funds | 2,555,976 | - | - | 2,555,976 | 1,845,664 | (710,312) |
| All Funds | $ 6,325,679 | $ (195,130) | $ 18,227 | $ 6,148,776 | $ 5,433,682 | $ (715,094) |

Schedule 2-1

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**GENERAL FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Taxes and Shared Revenue: | | | | |
| Mineral Tax | $ 1,514 | $ 778 | $ - | $ 778 |
| General State Aid | 2,216,031 | 2,344,814 | 2,469,708 | (124,894) |
| Special Education Aid | 347,912 | 399,313 | 422,101 | (22,788) |
| Other Receipts and Reimbursements | 20,892 | 18,227 | - | 18,227 |
| Total Cash Receipts | 2,586,349 | 2,763,132 | 2,891,809 | (128,677) |
| Expenditures and Transfers Subject to Legal Max Budget | | | | |
| Instruction | 789,742 | 1,172,083 | 1,008,035 | 164,048 |
| Student Support Services | 105,513 | 100,235 | 104,200 | (3,965) |
| Instructional Support Services | 32,212 | 39,410 | 36,470 | 2,940 |
| General Administration | 177,401 | 179,316 | 164,638 | 14,678 |
| School Administration | 210,394 | 206,489 | 214,350 | (7,861) |
| Operations and Maintenance | 271,809 | 287,090 | 310,275 | (23,185) |
| Student Transportation | 196,678 | 149,034 | 196,950 | (47,916) |
| Operating Transfers | 813,128 | 624,852 | 860,000 | (235,148) |
| Total Expenditures and Transfers Subject to Legal Max Budget | 2,596,877 | 2,758,509 | 2,894,918 | (136,409) |
| Adjustment for Qualifying Budget Credits | - | - | 18,227 | (18,227) |
| Adjustment to Comply with Legal Max Budget | - | - | (149,863) | 149,863 |
| Legal General Fund Budget | 2,596,877 | 2,758,509 | $ 2,763,282 | $ (4,773) |
| Receipts Over (Under) Expenditures | (10,528) | 4,623 | | |
| Unencumbered Cash, Beginning | 11,087 | 680 | | |
| Prior Year Cancelled Encumbrances | 121 | 43 | | |
| Unencumbered Cash, Ending | $ 680 | $ 5,346 | | |

Schedule 2-2

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**SUPPLEMENTAL GENERAL FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Taxes and Shared Revenue: | | | | |
| Ad Valorem Tax | $ 610,714 | $ 600,223 | $ 627,880 | $ (27,657) |
| Delinquent Tax | 7,906 | 8,113 | 4,852 | 3,261 |
| Motor Vehicle Tax & Truck Tax | 46,096 | 46,222 | 44,542 | 1,680 |
| RV Tax | 1,244 | 1,475 | 1,437 | 38 |
| Other Tax | 2,272 | 2,372 | 2,514 | (142) |
| Supplemental State Aid | 154,275 | 169,553 | 178,806 | (9,253) |
| Total Cash Receipts | 822,507 | 827,958 | 860,031 | (32,073) |
| Expenditures and Transfers | | | | |
| Instructional | 589,043 | 406,912 | 607,268 | (200,356) |
| Student Support | 25,956 | 25,950 | 9,336 | 16,614 |
| Instructional Support | 8,941 | 9,561 | 28,008 | (18,447) |
| General Administration | 27,075 | 29,991 | 30,263 | (272) |
| School Administration | 57,609 | 48,007 | 40,300 | 7,707 |
| Operations and Maintenance | 38,671 | 16,738 | 54,113 | (37,375) |
| Transportation | 22,335 | 40,861 | 16,357 | 24,504 |
| Operating Transfers | 35,981 | 251,489 | 89,140 | 162,349 |
| Total Expenditures and Transfers | 805,611 | 829,509 | 874,785 | (45,276) |
| Adjustment to Comply with Legal Max Budget | - | - | (45,267) | 45,267 |
| Legal Supplemental General Fund Budget | 805,611 | 829,509 | $ 829,518 | $ (9) |
| Receipts Over (Under) Expenditures | 16,896 | (1,551) | | |
| Unencumbered Cash, Beginning | 40,360 | 57,256 | | |
| Unencumbered Cash, Ending | $ 57,256 | $ 55,705 | | |

Schedule 2-3

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**CAPITAL OUTLAY FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash receipts | | | | |
| Taxes and Shared Revenue: | | | | |
| Ad Valorem Property Taxes | $ 247,076 | $ 260,547 | $ 261,046 | $ (499) |
| Delinquent Tax | 2,863 | 3,049 | 2,945 | 104 |
| Motor Vehicle Tax & Truck Tax | 16,648 | 18,125 | 26,187 | (8,062) |
| RV Tax | 455 | 582 | 845 | (263) |
| Other Tax | 768 | 856 | 1,479 | (623) |
| Other Revenue | - | - | 114 | (114) |
| Bonds | 640,000 | - | - | - |
| Total Cash Receipts | 907,810 | 283,159 | 292,616 | (9,457) |
| Expenditures | | | | |
| Instructional Support Staff | 81,004 | 2,880 | 100,000 | (97,120) |
| Transportation Property | - | - | 120,000 | (120,000) |
| Operations & Maintenance Property | 64,000 | 179,516 | 70,000 | 109,516 |
| Bond Principal | - | 128,000 | - | 128,000 |
| Building Improvements, Engineer & Site | 1,138,882 | 6,852 | 550,000 | (543,148) |
| Total Expenditures | 1,283,886 | 317,248 | 840,000 | (522,752) |
| Adjustment for Qualifying Budget Credits | - | - | - | - |
| Capital Outlay Budget | 1,283,886 | 317,248 | $ 840,000 | $ (522,752) |
| Receipts Over (Under) Expenditures | (376,076) | (34,089) | | |
| Unencumbered Cash, Beginning | 975,258 | 599,182 | | |
| Unencumbered Cash, Ending | $ 599,182 | $ 565,093 | | |

Schedule 2-4

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**DRIVER TRAINING FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| State Safety Aid | $ 2,860 | $ 1,530 | $ 1,125 | $ 405 |
| Other Revenue | 2,400 | - | - | - |
| Total Cash Receipts | 5,260 | 1,530 | 1,125 | 405 |
| Expenditures | | | | |
| Instruction | 7,375 | 3,568 | 5,950 | (2,382) |
| Operations & Maintenance | 34 | 1,072 | 10,250 | (9,178) |
| Total Expenditures | 7,409 | 4,640 | $ 16,200 | $ (11,560) |
| Receipts Over (Under) Expenditures | (2,149) | (3,110) | | |
| Unencumbered Cash, Beginning | 17,852 | 15,703 | | |
| Unencumbered Cash, Ending | $ 15,703 | $ 12,593 | | |

Schedule 2-5

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**FOOD SERVICE FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 1,876 | $ 2,463 | $ 1,174 | $ 1,289 |
| Federal Aid | 136,148 | 223,620 | 162,929 | 60,691 |
| Other Revenues | | | | |
| Charges for Services - Students | 69,407 | 29,468 | 54,232 | (24,764) |
| Charges for Services - Other | 20,450 | 5,483 | - | 5,483 |
| Interest on Idle Funds | 114 | 252 | - | 252 |
| Reimbursements | 2,403 | 56 | - | 56 |
| Transfer From Supplemental General | - | 1,000 | - | 1,000 |
| Transfer From General Fund | - | - | 20,000 | (20,000) |
| Total Cash Receipts | 230,398 | 262,342 | 238,335 | 24,007 |
| Expenditures | | | | |
| Food Service Salaries | 109,216 | 117,476 | 112,580 | 4,896 |
| Food Service Costs | 136,196 | 148,294 | 162,220 | (13,926) |
| Operations and Maintenance of Plant | 126 | - | 200 | (200) |
| Total Expenditures | 245,538 | 265,770 | $ 275,000 | $ (9,230) |
| Receipts Over (Under) Expenditures | (15,140) | (3,428) | | |
| Unencumbered Cash, Beginning | 43,045 | 27,905 | | |
| Unencumbered Cash, Ending | $ 27,905 | $ 24,477 | | |

Schedule 2-6

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**PROFESSIONAL DEVELOPMENT FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Intergovernmental Revenues | | | | |
| State and Local Aid | $ 823 | $ 178 | $ 2,250 | $ (2,072) |
| Transfer From General Fund | 3,167 | 5,000 | 15,000 | (10,000) |
| Total Cash Receipts | 3,990 | 5,178 | 17,250 | (12,072) |
| Expenditures | | | | |
| Instruction | 2,410 | 570 | - | 570 |
| Instruction Support Service | 2,238 | 85 | 16,000 | (15,915) |
| Total Expenditures | 4,648 | 655 | $ 16,000 | $ (15,345) |
| Receipts Over (Under) Expenditures | (658) | 4,523 | | |
| Unencumbered Cash, Beginning | 658 | - | | |
| Unencumbered Cash, Ending | $ - | $ 4,523 | | |

Schedule 2-7

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**SPECIAL EDUCATION FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Transfer From General Fund | $ 523,220 | $ 415,298 | $ 500,000 | $ (84,702) |
| Transfer From Supplemental General | 14,870 | 113,733 | - | 113,733 |
| Transfer from Summer School | 21,787 | - | - | - |
| Reimbursements | 25,467 | 27,259 | - | 27,259 |
| Other Local Revenue | 2,246 | - | - | - |
| Total Cash Receipts | 587,590 | 556,290 | 500,000 | 56,290 |
| Expenditures | | | | |
| Other Support Services | 100 | 320 | - | 320 |
| Instruction | 543,109 | 611,405 | 617,926 | (6,521) |
| Student Transportation | 18,481 | 19,905 | 32,074 | (12,169) |
| Total Expenditures | 561,690 | 631,630 | $ 650,000 | $ (18,370) |
| Receipts Over (Under) Expenditures | 25,900 | (75,340) | | |
| Unencumbered Cash, Beginning | 73,526 | 99,426 | | |
| Unencumbered Cash, Ending | $ 99,426 | $ 24,086 | | |

Schedule 2-8

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**VOCATIONAL EDUCATION FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Transfer From General | $ 14,893 | $ - | $ 60,000 | $ (60,000) |
| Transfer From Supplemental General | 5,484 | 75,438 | - | 75,438 |
| Interest Earned on Idle Funds | 4,584 | 823 | - | 823 |
| Other Income | 6,046 | 10,446 | - | 10,446 |
| Total Cash Receipts | 31,007 | 86,707 | 60,000 | 26,707 |
| Expenditures | | | | |
| Instruction | 30,767 | 63,387 | 73,875 | (10,488) |
| Operations and Maintenance | 9,446 | 10,488 | - | 10,488 |
| Total Expenditures | 40,213 | 73,875 | $ 73,875 | $ - |
| Receipts Over (Under) Expenditures | (9,206) | 12,832 | | |
| Unencumbered Cash, Beginning | 25,583 | 16,377 | | |
| Unencumbered Cash, Ending | $ 16,377 | $ 29,209 | | |

Schedule 2-9

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**KPERS FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| KPERS Aid | $ 292,695 | $ 285,974 | $ 319,565 | $ (33,591) |
| Total Receipts | 292,695 | 285,974 | 319,565 | (33,591) |
| Expenditures | | | | |
| KPERS Benefits | 292,695 | 285,974 | 319,565 | (33,591) |
| Total Expenditures | 292,695 | 285,974 | $ 319,565 | $ (33,591) |
| Receipts Over (Under) Expenditures | - | - | | |
| Unencumbered Cash, Beginning | - | - | | |
| Unencumbered Cash, Ending | $ - | $ - | | |

Schedule 2-10

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**SUMMER SCHOOL FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Cash Receipts | $ - | $ - | $ - | $ - |
| Total Cash Receipts | - | - | - | - |
| Expenditures | | | | |
| Instruction | - | - | - | - |
| Transfers | 21,787 | - | - | - |
| Total Expenditures | 21,787 | - | $ - | $ - |
| Receipts Over (Under) Expenditures | (21,787) | - | | |
| Unencumbered Cash, Beginning | 21,787 | - | | |
| Unencumbered Cash, Ending | $ - | $ - | | |

Schedule 2-11

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**CONTINGENCY RESERVE FUND**

| | 2020 Actual | 2021 Actual |
|---|---|---|
| Cash Receipts | | |
| Transfer From General | $ - | $ - |
| Total Cash Receipts | - | - |
| Expenditures | - | 17,171 |
| Total Expenditures | - | 17,171 |
| Receipts Over (Under) Expenditures | - | (17,171) |
| Unencumbered Cash, Beginning | 206,591 | 206,591 |
| Unencumbered Cash, Ending | $ 206,591 | $ 189,420 |

Schedule 2-12

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**FEDERAL FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget* | Variance Over (Under) |
| Cash Receipts | | | | |
| Title I | $ 68,631 | $ 141,689 | $ 75,000 | $ 66,689 |
| Title II -A | 12,111 | 11,603 | 13,000 | (1,397) |
| Title IV - A | 12,170 | 12,612 | 13,000 | (388) |
| Total Cash Receipts | 92,912 | 165,904 | 101,000 | 64,904 |
| Expenditures | | | | |
| Title I | 56,984 | 172,684 | 94,000 | 78,684 |
| Title II - A | 12,111 | 11,603 | 13,000 | (1,397) |
| Title IV - A | 12,474 | 12,612 | 13,000 | (388) |
| Total Expenditures | 81,569 | 196,899 | $ 120,000 | $ 76,899 |
| Receipts Over (Under) Expenditures | 11,343 | (30,995) | | |
| Unencumbered Cash, Beginning | 2,709 | 14,052 | | |
| Unencumbered Cash, Ending | $ 14,052 | $ (16,943) | | |

*Amounts provided in "Budget" column are for district comparative purposes only, as this fund is exempt from budgetary regulation as stated in K.S.A. 12-1663. Therefore, these funds are not included on Schedule 1 as budgeted funds.

**Schedule 2-13**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**GIFTS AND GRANTS FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget* | Variance Over (Under) |
| Cash Receipts | | | | |
| G.A.P.S. Grant | $ 43,909 | $ 12,551 | $ - | $ 12,551 |
| Community Foundation Grant | 43,701 | 3,840 | - | 3,840 |
| Gifts | - | 132 | - | 132 |
| STEM Grants | 6,000 | 3,569 | - | 3,569 |
| Sensory Path | 1,130 | - | - | - |
| State of Kansas - Pre-K Pilot | 58,850 | 42,000 | 42,000 | - |
| SPARKS- Security | - | 37,991 | - | 37,991 |
| Interest Earned on Idle Funds | 7,104 | - | - | - |
| Other Local | - | - | 50,000 | (50,000) |
| Total Cash Receipts | 160,694 | 100,083 | 92,000 | 8,083 |
| Expenditures | | | | |
| Instruction | 72,524 | 54,798 | 101,000 | (46,202) |
| Instruction Support Staff | 4,102 | 511 | - | 511 |
| Operations & Maintenance | 40,000 | - | - | - |
| SPARKS - Security | - | 39,253 | - | 39,253 |
| G.A.P.S. Grant | 43,879 | 1,384 | - | 1,384 |
| Total Expenditures | 160,505 | 95,946 | $ 101,000 | $ (5,054) |
| Receipts Over (Under) Expenditures | 189 | 4,137 | | |
| Unencumbered Cash, Beginning | 12,659 | 12,848 | | |
| Unencumbered Cash, Ending | $ 12,848 | $ 16,985 | | |

*Amounts provided in "Budget" column are for district comparative purposes only, as this fund is exempt from budgetary regulation as stated in K.S.A. 12-1663. Therefore, these funds are not included on Schedule 1 as budgeted funds.

Schedule 2-14

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**AT RISK FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Transfer From General | $ 247,345 | $ 194,640 | $ 260,000 | $ (65,360) |
| Transfer From Supplemental General | 15,627 | 55,051 | 80,830 | (25,779) |
| Total Cash Receipts | 262,972 | 249,691 | 340,830 | (91,139) |
| Expenditures | | | | |
| Instruction | 280,716 | 249,691 | 341,026 | (91,335) |
| Total Expenditures | 280,716 | 249,691 | $ 341,026 | $ (91,335) |
| Receipts Over (Under) Expenditures | (17,744) | - | | |
| Unencumbered Cash, Beginning | 17,744 | - | | |
| Unencumbered Cash, Ending | $ - | $ - | | |

Schedule 2-15

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**AT RISK (4 YEAR OLD) FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Transfer From General | $ 16,192 | $ 9,000 | $ - | $ 9,000 |
| Transfer From Supplemental | - | 6,018 | - | 6,018 |
| Federal Funds | - | - | 5,000 | (5,000) |
| Total Cash Receipts | 16,192 | 15,018 | 5,000 | 10,018 |
| Expenditures | | | | |
| Instruction | 16,192 | 15,018 | 16,000 | (982) |
| Total Expenditures | 16,192 | 15,018 | $ 16,000 | $ (982) |
| Receipts Over (Under) Expenditures | - | - | | |
| Unencumbered Cash, Beginning | - | - | | |
| Unencumbered Cash, Ending | $ - | $ - | | |

Schedule 2-16

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**BILINGUAL EDUCATION FUND**

| | | 2021 | | |
|---|---|---|---|---|
| | 2020 Actual | Actual | Budget | Variance Over (Under) |
| Cash Receipts | | | | |
| Transfer From General | $ 8,312 | $ 1,163 | $ - | $ 1,163 |
| Transfer From Supplemental General | - | - | 8,310 | (8,310) |
| Total Cash Receipts | 8,312 | 1,163 | 8,310 | (7,147) |
| Expenditures | | | | |
| Instruction | 8,312 | 1,163 | 8,310 | (7,147) |
| Total Expenditures | 8,312 | 1,163 | $ 8,310 | $ (7,147) |
| Receipts Over (Under) Expenditures | - | - | | |
| Unencumbered Cash, Beginning | - | - | | |
| Unencumbered Cash, Ending | $ - | $ - | | |

**Schedule 2-17**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES**
**Regulatory Basis**
**For the Year Ended June 30, 2021**
**(With comparative actual totals for the prior year ended June 30, 2020)**

**TEXTBOOK & STUDENT MATERIAL FUND**

| | 2020 Actual | 2021 Actual |
|---|---|---|
| Cash Receipts | | |
| Book Rental Fees | $ 7,919 | $ 13,488 |
| Total Cash Receipts | 7,919 | 13,488 |
| Expenditures | | |
| Textbooks Purchases | 1,547 | 15,175 |
| Total Expenditures | 1,547 | 15,175 |
| Receipts Over (Under) Expenditures | 6,372 | (1,687) |
| Unencumbered Cash, Beginning | 11,651 | 18,023 |
| Unencumbered Cash, Ending | $ 18,023 | $ 16,336 |

**Schedule 2-18**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

**SCHOLARHIP FUND**

| | Beginning Cash | Donations | Scholarship | Ending Cash |
|---|---|---|---|---|
| J. Erie & Mary H. Clark | $ 4,755 | $ 26,000 | $ 27,000 | $ 3,755 |
| Osborne Cattlemen's Assoc. | 2 | - | - | 2 |
| L. Mock | 54,252 | 1,600 | 8,085 | 47,767 |
| Frost | 11,000 | - | 800 | 10,200 |
| M. Watson | 30,827 | 1,500 | 2,570 | 29,757 |
| Rita Lehmkuhl | 1,853 | - | - | 1,853 |
| Community Marketplace | - | 1,000 | 1,000 | - |
| OHS Class of 1947 | 3,000 | - | - | 3,000 |
| Total Scholarship Fund | $ 105,689 | $ 30,100 | $ 39,455 | $ 96,334 |

**Schedule 2-19**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

**LOAN FUND**

| | Beginning Cash | Donations | Loan | Ending Cash |
|---|---|---|---|---|
| Anis/Anonymous | $ 566 | $ - | $ 200 | $ 366 |
| Ray and Mona Elliot | 2,000 | - | 500 | 1,500 |
| Gregory Memorial | 1,910 | 549 | 500 | 1,959 |
| Woodie Hilsinger | 322 | - | - | 322 |
| J. Dean Lerew | 3,808 | - | 400 | 3,408 |
| Randy Phalen Memorial | 1,763 | - | - | 1,763 |
| Jennie Beisner Chesney | 4,546 | 4 | - | 4,550 |
| Ruby Swander | 26,882 | 1,000 | 1,000 | 26,882 |
| Sollenberger | 16,011 | 3,077 | 7,619 | 11,469 |
| Total Loan Fund | $ 57,808 | $ 4,630 | $ 10,219 | $ 52,219 |

**Schedule 3**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY OF RECEIPTS AND DISBURSEMENTS**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

**AGENCY FUNDS**
**STUDENT ORGANIZATIONS**

| | Beginning Cash Balance | Receipts | Disbursements | Ending Cash Balance |
|---|---|---|---|---|
| High School: | | | | |
| Art Club | $ 1,299 | $ 800 | $ 342 | $ 1,757 |
| Band and Music Club | 1,288 | 2,314 | 1,504 | 2,098 |
| Cheerleaders | 7,930 | 3,928 | 7,747 | 4,111 |
| Class of 2020 | 1,561 | - | 1,561 | - |
| Class of 2021 | 5,959 | - | 5,022 | 937 |
| Class of 2022 | - | 12,039 | 9,540 | 2,499 |
| Class of 2023 | 85 | - | - | 85 |
| FACS | 790 | 605 | 650 | 745 |
| FCCLA | 13,968 | 9,701 | 8,208 | 15,461 |
| FFA | - | 29,220 | 11,818 | 17,402 |
| Forensics | 497 | - | 20 | 477 |
| Kays | 6,119 | 2,689 | 3,277 | 5,531 |
| Scholar Bowl | 823 | 320 | 332 | 811 |
| National Honor Society | 379 | 217 | 119 | 477 |
| Pep Club | - | 1,500 | - | 1,500 |
| Football Club | 3,513 | 385 | 776 | 3,122 |
| Vocal Club | 778 | 35 | 149 | 664 |
| Video Club | 371 | - | 50 | 321 |
| Yearbook/Media | 415 | 8,695 | 3,727 | 5,383 |
| Student Council | 443 | 2,292 | 1,787 | 948 |
| Interest | 53 | 26 | - | 79 |
| Text Books | - | 7,245 | 7,253 | (8) |
| Total High School | 46,271 | 82,011 | 63,882 | 64,400 |
| Junior High: | | | | |
| Cheerleading | 1,643 | 1,525 | 1,483 | 1,685 |
| Scholar Bowl | 237 | 160 | 207 | 190 |
| Total Junior High | 1,880 | 1,685 | 1,690 | 1,875 |
| Elementary School: | | | | |
| Book Rental | (330) | 11,822 | 11,407 | 85 |
| Music Club | 2 | 28 | 28 | 2 |
| Student Council | 3,201 | 1,457 | 1,050 | 3,608 |
| Total Elementary School | 2,873 | 13,307 | 12,485 | 3,695 |
| Sales Tax | | | | |
| Tax | - | 3,625 | 3,625 | - |
| Total Sales Tax | - | 3,625 | 3,625 | - |
| Total Student Organization Funds | $ 51,024 | $ 100,628 | $ 81,682 | $ 69,970 |

**Schedule 4**

**UNIFIED SCHOOL DISTRICT NO. 392, OSBORNE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**
**Regulatory Basis**
**For the Year Ended June 30, 2021**

**DISTRICT ACTIVITY FUNDS**

| Funds | Beginning Cash Balance | Receipts | Expenditures | Ending Cash Balance |
|---|---|---|---|---|
| Fees and User Charges | | | | |
| Industrial Arts | $ 1,298 | $ 3,558 | $ 1,302 | $ 3,554 |
| Total Fees and User Charges | 1,298 | 3,558 | 1,302 | 3,554 |
| Athletics Gate Receipts: | | | | |
| High School: | | | | |
| Athletics | 15,102 | 28,088 | 27,620 | 15,570 |
| Junior High | | | | |
| Athletics | 2,085 | 2,142 | 4,429 | (202) |
| Elementary School | | | | |
| Athletics | - | 671 | 650 | 21 |
| Total Athletics Gate Receipts | 17,187 | 30,901 | 32,699 | 15,389 |
| School Projects: | | | | |
| High School: | | | | |
| Project Fund | 1,553 | 695 | 491 | 1,757 |
| Grade School: | | | | |
| PTO | (39) | 240 | - | 201 |
| PBIS | - | 10,070 | 5,468 | 4,602 |
| Box Top Project | 1,181 | 155 | - | 1,336 |
| Library Project | 578 | 3,560 | 3,076 | 1,062 |
| Total School Projects | 3,273 | 14,720 | 9,035 | 8,958 |
| Total District Activity Funds | $ 21,758 | $ 49,179 | $ 43,036 | $ 27,901 |