

**UNIFIED SCHOOL DISTRICT NO. 487**  
**Herington, Kansas**

FINANCIAL STATEMENT  
WITH  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**UNIFIED SCHOOL DISTRICT NO. 487**

**FINANCIAL STATEMENT  
WITH  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

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## Independent Auditor's Report

To the Board of Education  
Unified School District No. 487  
Herington, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 487, Herington, Kansas, 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 2; 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 that 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 the 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 2 of the financial statement, the financial statement is prepared by Unified School District No. 487 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 2 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. 487, 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*

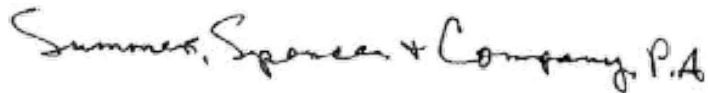
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 487, as of June 30, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

### *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 regulatory basis receipts and disbursements – agency funds, schedule of regulatory basis receipts, expenditures, and unencumbered cash – District activity funds, and schedule of regulatory basis receipts and expenditures – actual and budget – related municipal entities (Schedules 1, 2, 3, 4, and 5 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 the 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 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 487, Herington, Kansas as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated January 16, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget and the schedules of regulatory basis receipts and expenditures – actual and budget – related municipal entities for the year ended June 30, 2020 (Schedules 2 and 5 as listed in the table of contents) are presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2019, on the basis of accounting described in Note 2.



Summers, Spencer & Company, P.A.

Salina, Kansas

January 26, 2021

**UNIFIED SCHOOL DISTRICT NO. 487**

**Statement 1**

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

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>General Funds</b>						
General	\$ -	\$ 4,182,709	\$ 4,182,709	\$ -	\$ -	\$ -
Supplemental General	86,457	1,235,843	1,269,433	52,867	-	52,867
<b>Special Purpose Funds</b>						
At Risk (4 Year Old)	31,161	76,190	72,296	35,055	-	35,055
At Risk (K-12)	80,234	649,654	575,996	153,892	-	153,892
Virtual Education	25,241	91,530	43,170	73,601	-	73,601
Capital Outlay	434,962	452,356	393,721	493,597	64,304	557,901
Driver Training	14,137	5,305	5,451	13,991	-	13,991
Food Service	49,062	341,079	332,962	57,179	-	57,179
Professional Development	28,828	34,387	33,060	30,155	-	30,155
Parent Education	3,910	78,039	79,182	2,767	-	2,767
Special Education	311,680	794,432	766,688	339,424	-	339,424
Career and Postsecondary Education	39,049	274,152	261,991	51,210	-	51,210
KPERS Special Retirement Contribution	-	442,202	442,202	-	-	-
Contingency Reserve	215,639	-	-	215,639	-	215,639
Textbook and Student Material	73,187	61,667	46,456	88,398	-	88,398
Recreation Commission	10,843	81,150	78,000	13,993	-	13,993
Title I	-	98,449	98,449	-	-	-
Title II-A	-	18,064	18,064	-	-	-
Title IV	-	13,750	13,750	-	-	-
REAP	-	37,023	37,023	-	-	-

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

**UNIFIED SCHOOL DISTRICT NO. 487**

**Statement 1**

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

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Elementary & Secondary						
School Emergency Relief	\$ -	\$ 25,000	\$ 114,338	\$ (89,338)	\$ 5,140	\$ (84,198)
District Activity Funds	19,504	201,825	197,736	23,593	-	23,593
Bond and Interest Fund						
Bond and Interest	1,043,946	996,003	866,547	1,173,402	-	1,173,402
Trust Fund						
Gifts and Grants	22,672	127,550	128,932	21,290	-	21,290
	<u>2,490,512</u>	<u>10,318,359</u>	<u>10,058,156</u>	<u>2,750,715</u>	<u>69,444</u>	<u>2,820,159</u>
Related Municipal Entities						
Herington Recreation Commission	36,828	88,899	62,450	63,277	-	63,277
Tri-County Arts Association	856	-	-	856	-	856
	<u>37,684</u>	<u>88,899</u>	<u>62,450</u>	<u>64,133</u>	<u>-</u>	<u>64,133</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 2,528,196</u>	<u>\$ 10,407,258</u>	<u>\$ 10,120,606</u>	<u>\$ 2,814,848</u>	<u>\$ 69,444</u>	<u>\$ 2,884,292</u>
Composition of Cash:						
				Checking and Saving Accounts		\$ 2,863,308
				Total Related Municipal Entities		<u>64,133</u>
				Total Cash		2,927,441
				Agency Funds per Schedule 3		<u>(43,149)</u>
				Total Reporting Entity (Excluding Agency Funds)		<u>\$ 2,884,292</u>

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



**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

**Note 1 – Reporting Entity**

Unified School District No. 487 (the District) is a municipal corporation governed by an elected seven-member Board of Education. The financial statement presents Unified School District No. 487 and its related municipal entities. The related municipal entities are included in the District's financial reporting entity because they were established to benefit the District and/or its constituents.

Herington Recreation Commission. The Herington Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body, but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A 12-1928.

Tri-County Arts Association. The Tri-County Arts Association is a fund that supports arts in the community.

**Note 2 – Summary of Significant Account Policies**

*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.

Fund Descriptions. 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 revenue sources (other than Capital Projects 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 long-term debt.

Trust Fund – Funds used to report assets held in trust for the benefit of the municipal financial

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

**Note 3 – 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 a 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 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 statements 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 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 and Student Material Fund
Title I Fund	Title II-A Fund
Title IV Fund	REAP Fund
District Activity Funds	
Elementary and Secondary School Emergency Relief Fund	

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

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 4 – 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 deposits 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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2020.

At June 30, 2020, the District's carrying amount of deposits was \$2,927,441 and the bank balance was \$3,108,712. 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 remaining \$2,858,712 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

**Note 5 – In-Substance Receipt in Transit**

The District received \$182,043 in General State Aid and \$53,935 in Supplemental General State Aid subsequent to June 30, 2020, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

**Note 6 – 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 purchased commercial insurance to protect themselves from these risks.

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

**Note 7 – Inter Fund Transfers**

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5167	\$ 76,190
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	506,081
General Fund	Capital Outlay Fund	K.S.A. 72-5167	134,196
General Fund	Food Service Fund	K.S.A. 72-5167	51,018
General Fund	Professional Development Fund	K.S.A. 72-5167	29,326
General Fund	Parent Education Fund	K.S.A. 72-5167	16,000
General Fund	Special Education Fund	K.S.A. 72-5167	735,539
General Fund	Career and Postsecondary Education	K.S.A. 72-5167	210,240
General Fund	Virtual Education Fund	K.S.A. 72-5167	41,530
Supplemental General Fund	Parent Education Fund	K.S.A. 72-5143	168
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	50,000
Supplemental General Fund	Career and Postsecondary Education	K.S.A. 72-5143	30,000
Supplemental General Fund	Textbook and Student Material Fund	K.S.A. 72-5143	50,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	143,573

**Note 8 – Defined Benefit Pension Plan**

General Information about the 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](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.59% and 13.21%, respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

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

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194 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 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 \$442,202 for the year ended June 30, 2020.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the net pension liability reported by KPERS was \$3,833,609. 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. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial 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](http://www.kpers.org) or can be obtained as described above.

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

**Note 9 – 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.

*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 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.

*Termination Benefits.* The District offers early retirement health care benefits for certified employees that are eligible under the criteria defined in the negotiated agreement. The District pays the cost of single premium for each early retiree and the retiree is responsible for the balance. During the year ended June 30, 2020 and 2019, the District paid \$59,928 and \$47,021 under this plan, respectively. Those eligible for this program may receive benefits for up to 10 years but not past the age of 65. The District also pays an early retirement notification bonus. If the early retiree notifies the Board by January 1, the District pays \$100 per year the teacher is employed by the District for four years or more. The amount is \$50 per year if notification takes place by February 1. During the year ended June 30, 2020 and 2019, the District paid \$0 and \$3,900 for this benefit, respectively.

*Compensated Absences.* The District provides compensation for absences. Full-time, twelve month classified employees earn 10 days of vacation leave per year from one to ten years of employment, and 15 days after ten years of continual employment. Vacation leave is non-accumulative, and employees will not be reimbursed for unused vacation time. Classified employees also earn two days personal leave per year. The District reimburses for unused personal leave at the substitute teacher base pay. Classified employees are granted 10 days sick leave each year and may accumulate up to a maximum of 60 days. Employees that are eligible for early retirement will be compensated one-half of accumulated sick leave at their regular hourly wage.

Certified employees earn three personal leave days per year. The District will reimburse for any unused personal days at the end of the contract year at the daily pay rate of substitute teachers. Each full-time teacher will also be credited with 10 days of sick leave per year and may accumulate up to maximum of 60 days. Employees receive no compensation for unused sick leave upon retirement or termination of employment. However, the District will buy back the first three sick days of leave if they are unused. A pool of \$3,000 is split between all employees that have sick leave eligible for buy back.

**Note 10 – Compliance with Statutes**

The unencumbered cash balance in the Elementary & Secondary School Emergency Relief Funding (ESSER) fund was negative \$89,338 at June 30, 2020. The ESSER grant funding is on a reimbursement basis. The

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

District incurred the expenditures of \$89,338 during the year ended June 30, 2020 and the reimbursement was not awarded until the subsequent year. The negative balance was caused by the timing of the reimbursement.

**Note 11 – Refunding Bond**

The District issued General Obligation Refunding Bond Series 2019 in the amount of \$11,130,000. The bond will refund \$8,230,000 of Series 2013 and \$1,670,000 of Series 2014 bonds. The bond proceeds are held in escrow until the bonds can be called. The debt schedule in Note 13 shows the bonds outstanding after the refunded amount is applied to Series 2013 and Series 2014 bonds.

**Note 12 – Subsequent Events**

The District's management has evaluated events and transactions occurring after June 30, 2020 through January 26, 2021. The aforementioned date represents the date the financial statement was available to be issued.

In recent months, the Coronavirus “COVID-19” pandemic in the United States has resulted in school buildings being closed, activities canceled and the temporary closure of operating hours of office. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the District as of this report, management believes that an impact on the District’s financial position and results of future operation is reasonably possible.

**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

**Note 13 – Long-Term Debt**

Changes in long-term liabilities for the District for the fiscal year ended June 30, 2020, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Refunding Bonds									
Series 2013	3.5-5.0%	12/5/2013	\$ 9,700,000	9/1/2041	\$ 9,700,000	\$ -	\$ 8,230,000	\$ 1,470,000	\$ 240,603
Series 2014	3.0-4.25%	1/7/2014	5,770,000	9/1/2028	4,230,000	-	2,065,000	2,165,000	106,241
Series 2019	2.0-3.1%	10/3/2019	11,130,000	9/1/2036	-	11,130,000	-	11,130,000	124,703
Capital Leases									
STEM Curriculum	4.11%	6/25/2018	137,122	7/15/2020	68,812	-	33,713	35,099	2,828
Asbestos Removal	3.00%	4/3/2019	1,400,000	9/1/2028	<u>1,400,000</u>	<u>-</u>	<u>145,000</u>	<u>1,255,000</u>	<u>36,092</u>
Total Contractual Indebtedness					<u>\$ 15,398,812</u>	<u>\$ 11,130,000</u>	<u>\$ 10,473,713</u>	<u>\$ 16,055,099</u>	<u>\$ 510,467</u>



**UNIFIED SCHOOL DISTRICT NO. 487**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended June 30, 2020**

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year								Total
	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2037	
<b>Principal</b>									
Series 2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,000	\$ 575,000	\$ -	\$ 1,470,000
Series 2014	410,000	420,000	430,000	445,000	460,000	-	-	-	2,165,000
Series 2019	295,000	285,000	290,000	295,000	305,000	3,250,000	4,265,000	2,145,000	11,130,000
STEM Curriculum	35,099	-	-	-	-	-	-	-	35,099
Asbestos Removal	125,000	125,000	130,000	135,000	140,000	600,000	-	-	1,255,000
<b>Total Principal</b>	<b>865,099</b>	<b>830,000</b>	<b>850,000</b>	<b>875,000</b>	<b>905,000</b>	<b>4,745,000</b>	<b>4,840,000</b>	<b>2,145,000</b>	<b>16,055,099</b>
<b>Interest</b>									
Series 2013	53,581	53,581	53,581	53,581	53,581	239,996	10,781	-	518,682
Series 2014	61,081	48,631	35,881	22,478	7,763	-	-	-	175,834
Series 2019	300,383	294,511	288,545	282,255	275,579	1,133,761	686,826	66,882	3,328,742
STEM Curriculum	1,443	-	-	-	-	-	-	-	1,443
Asbestos Removal	35,775	32,025	28,200	24,225	20,100	36,450	-	-	176,775
<b>Total Interest</b>	<b>452,263</b>	<b>428,748</b>	<b>406,207</b>	<b>382,539</b>	<b>357,023</b>	<b>1,410,207</b>	<b>697,607</b>	<b>66,882</b>	<b>4,201,476</b>
<b>Total Principal and Interest</b>	<b>\$ 1,317,362</b>	<b>\$ 1,258,748</b>	<b>\$ 1,256,207</b>	<b>\$ 1,257,539</b>	<b>\$ 1,262,023</b>	<b>\$ 6,155,207</b>	<b>\$ 5,537,607</b>	<b>\$ 2,211,882</b>	<b>\$ 20,256,575</b>

**UNIFIED SCHOOL DISTRICT NO. 487**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
June 30, 2020**

**UNIFIED SCHOOL DISTRICT NO. 487**

**Schedule 1**

**Summary of Expenditures - Actual and Budget (Regulatory Basis)  
For the Fiscal Year ended June 30, 2020**

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)
<b>General Funds</b>						
General	\$ 4,273,777	\$ (101,444)	\$ 10,376	\$ 4,182,709	\$ 4,182,709	\$ -
Supplemental General	1,305,499	(36,066)	-	1,269,433	1,269,433	-
<b>Special Purpose Funds</b>						
At Risk (4 Year Old)	97,549	-	-	97,549	72,296	(25,253)
At Risk (K-12)	672,475	-	-	672,475	575,996	(96,479)
Virtual Education	87,300	-	-	87,300	43,170	(44,130)
Capital Outlay	800,000	-	-	800,000	393,721	(406,279)
Driver Training	10,202	-	-	10,202	5,451	(4,751)
Food Service	390,945	-	-	390,945	332,962	(57,983)
Professional Development	47,692	-	-	47,692	33,060	(14,632)
Parent Education	86,939	-	-	86,939	79,182	(7,757)
Special Education	911,445	-	-	911,445	766,688	(144,757)
Career and Postsecondary Education	349,015	-	-	349,015	261,991	(87,024)
KPERS Special Retirement Contribution	495,378	-	-	495,378	442,202	(53,176)
Recreation Commission	78,000	-	-	78,000	78,000	-
Bond and Interest	961,950	-	-	961,950	866,547	(95,403)
<b>Related Municipal Entity</b>						
Herington Recreation Commission	131,328	-	-	131,328	62,450	(68,878)

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**General Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Receipts</b>				
Reimbursements	\$ 14,100	\$ 10,376	\$ -	\$ 10,376
Taxes and Shared Revenue				
Mineral Production Tax	-	15	-	15
General State Aid	3,492,653	3,705,783	3,722,574	(16,791)
Special Education Aid	487,186	466,535	551,203	(84,668)
<b>Total Receipts</b>	<u>3,993,939</u>	<u>4,182,709</u>	<u>\$ 4,273,777</u>	<u>\$ (91,068)</u>
<b>Expenditures</b>				
Instruction	957,101	1,043,847	\$ 976,801	\$ 67,046
Student Support Services	81,487	109,537	95,165	14,372
Instructional Support Staff	74,940	74,378	81,749	(7,371)
General Administration	268,595	257,214	274,600	(17,386)
School Administration	267,975	315,391	363,371	(47,980)
Central Services	11,332	6,130	13,000	(6,870)
Operations and Maintenance	718,175	576,092	764,150	(188,058)
Operating Transfers	1,614,334	1,800,120	1,704,941	95,179
Adjustment to Comply with Legal Max	-	-	(101,444)	101,444
Legal General Fund Budget	3,993,939	4,182,709	4,172,333	10,376
Adjustment for Qualifying Budget Credits	-	-	10,376	(10,376)
<b>Total Expenditures</b>	<u>3,993,939</u>	<u>4,182,709</u>	<u>\$ 4,182,709</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-	-	-
Unencumbered Cash, Beginning	-	-	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	-	-

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Supplemental General Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Revenue				
Ad Valorem Tax	\$ 374,763	\$ 393,375	\$ 368,126	\$ 25,249
Delinquent Tax	15,220	8,531	5,927	2,604
Motor Vehicle Tax	35,067	35,157	24,192	10,965
Recreational Vehicle Tax	841	796	449	347
Commercial Vehicle Tax	1,012	897	624	273
Excise Tax	13	10	-	10
State Aid	796,514	797,077	819,723	(22,646)
Operating Transfers	45,000	-	-	-
<b>Total Receipts</b>	<u>1,268,430</u>	<u>1,235,843</u>	<u>\$ 1,219,041</u>	<u>\$ 16,802</u>
<b>Expenditures</b>				
Instruction	586,119	657,088	\$ 627,048	\$ 30,040
Student Support Services	39,780	6,688	16,513	(9,825)
Instructional Support Staff	114,531	135,347	186,658	(51,311)
General Administration	4,966	3,199	-	3,199
School Administration	1,363	1,113	-	1,113
Central Services	-	61,711	73,185	(11,474)
Operations and Maintenance	349	708	500	208
Transportation	154,776	129,838	169,078	(39,240)
Operating Transfers	363,629	273,741	232,517	41,224
Adjustment to Comply with Legal Max	-	-	(36,066)	36,066
<b>Total Expenditures</b>	<u>1,265,513</u>	<u>1,269,433</u>	<u>\$ 1,269,433</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	2,917	(33,590)		
Unencumbered Cash, Beginning	<u>83,540</u>	<u>86,457</u>		
Unencumbered Cash, Ending	<u>\$ 86,457</u>	<u>\$ 52,867</u>		

**At Risk (4 Year Old) Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers	\$ 67,295	\$ 76,190	\$ 73,834	\$ 2,356
Expenditures				
Instruction	41,217	58,902	\$ 66,174	\$ (7,272)
Instructional Support Staff	659	658	725	(67)
Transportation	25,659	12,736	30,650	(17,914)
Total Expenditures	67,535	72,296	\$ 97,549	\$ (25,253)
Receipts Over (Under) Expenditures	(240)	3,894		
Unencumbered Cash, Beginning	31,401	31,161		
Unencumbered Cash, Ending	\$ 31,161	\$ 35,055		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**At Risk (K-12) Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Operating Transfers	\$ 657,500	\$ 649,654	\$ 627,743	\$ 21,911
<b>Expenditures</b>				
Instruction	526,717	471,869	\$ 538,829	\$ (66,960)
Student Support Services	55,465	57,839	59,111	(1,272)
Instructional Support Staff	43,051	3,971	41,740	(37,769)
School Administration	37,689	42,317	32,795	9,522
Total Expenditures	<u>662,922</u>	<u>575,996</u>	<u>\$ 672,475</u>	<u>\$ (96,479)</u>
Receipts Over (Under) Expenditures	(5,422)	73,658		
Unencumbered Cash, Beginning	<u>85,656</u>	<u>80,234</u>		
Unencumbered Cash, Ending	<u>\$ 80,234</u>	<u>\$ 153,892</u>		

**Virtual Education Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Reimbursements	\$ 10,000	\$ 50,000	\$ 50,000	\$ -
Operating Transfers	<u>27,254</u>	<u>41,530</u>	<u>23,645</u>	<u>17,885</u>
Total Receipts	<u>37,254</u>	<u>91,530</u>	<u>\$ 73,645</u>	<u>\$ 17,885</u>
Expenditures				
Instruction	<u>28,239</u>	<u>43,170</u>	<u>\$ 87,300</u>	<u>\$ (44,130)</u>
Receipts Over (Under) Expenditures	9,015	48,360		
Unencumbered Cash, Beginning	<u>16,226</u>	<u>25,241</u>		
Unencumbered Cash, Ending	<u>\$ 25,241</u>	<u>\$ 73,601</u>		



UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Capital Outlay Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Revenue:				
Ad Valorem Tax	\$ 170,009	\$ 172,091	\$ 166,564	\$ 5,527
Delinquent Tax	4,429	3,035	2,679	356
Motor Vehicle Tax	14,991	15,254	-	15,254
Recreational Vehicle Tax	360	345	-	345
Commercial Vehicle Tax	433	397	271	126
Revenue from Local Sources	3,636	2,030	-	2,030
Interest	46,941	23,053	10,523	12,530
State Aid	101,970	101,955	102,537	(582)
Operating Transfers	42,498	134,196	107,677	26,519
<b>Total Receipts</b>	<u>385,267</u>	<u>452,356</u>	<u>\$ 390,251</u>	<u>\$ 62,105</u>
<b>Expenditures</b>				
Instruction	90,749	32,346	\$ 250,000	\$ (217,654)
Student Support Services	1,160	2,925	25,000	(22,075)
Instructional Support Staff	2,160	7,273	-	7,273
School Administration	15,848	12,819	25,000	(12,181)
Operations and Maintenance	222,111	67,714	200,000	(132,286)
Transportation	127,360	89,565	150,000	(60,435)
Building Improvements	200,401	-	150,000	(150,000)
Lease Principal Payment	-	145,000	-	145,000
Lease Interest Payment	-	36,079	-	36,079
<b>Total Expenditures</b>	<u>659,789</u>	<u>393,721</u>	<u>\$ 800,000</u>	<u>\$ (406,279)</u>
Receipts Over (Under) Expenditures	(274,522)	58,635		
Unencumbered Cash, Beginning	<u>709,484</u>	<u>434,962</u>		
Unencumbered Cash, Ending	<u>\$ 434,962</u>	<u>\$ 493,597</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**Driver Training Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
State Aid	\$ 3,675	\$ 2,470	\$ 2,600	\$ (130)
Revenue from Local Sources	2,565	2,835	-	2,835
Operating Transfers	-	-	3,000	(3,000)
<b>Total Receipts</b>	<u>6,240</u>	<u>5,305</u>	<u>\$ 5,600</u>	<u>\$ (295)</u>
<b>Expenditures</b>				
Instruction	4,491	4,902	\$ 9,737	\$ (4,835)
Vehicle Operations	204	549	465	84
<b>Total Expenditures</b>	<u>4,695</u>	<u>5,451</u>	<u>\$ 10,202</u>	<u>\$ (4,751)</u>
Receipts Over (Under) Expenditures	1,545	(146)		
Unencumbered Cash, Beginning	<u>12,592</u>	<u>14,137</u>		
Unencumbered Cash, Ending	<u>\$ 14,137</u>	<u>\$ 13,991</u>		

**Food Service Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
State Aid	\$ 2,648	\$ 2,519	\$ 2,312	\$ 207
Federal Aid	198,485	231,087	216,417	14,670
Revenue from Local Sources	66,354	56,455	73,164	(16,709)
Operating Transfers	<u>40,000</u>	<u>51,018</u>	<u>50,000</u>	<u>1,018</u>
Total Receipts	<u>307,487</u>	<u>341,079</u>	<u>\$ 341,893</u>	<u>\$ (814)</u>
<b>Expenditures</b>				
Operations and Maintenance	355	566	\$ 7,250	\$ (6,684)
Food Service Operation	<u>321,654</u>	<u>332,396</u>	<u>383,695</u>	<u>(51,299)</u>
Total Expenditures	<u>322,009</u>	<u>332,962</u>	<u>\$ 390,945</u>	<u>\$ (57,983)</u>
Receipts Over (Under) Expenditures	(14,522)	8,117		
Unencumbered Cash, Beginning	<u>63,584</u>	<u>49,062</u>		
Unencumbered Cash, Ending	<u>\$ 49,062</u>	<u>\$ 57,179</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Professional Development Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 4,474	\$ 5,061	\$ 4,375	\$ 686
Operating Transfers	40,000	29,326	35,000	(5,674)
Total Receipts	<u>44,474</u>	<u>34,387</u>	<u>\$ 39,375</u>	<u>\$ (4,988)</u>
Expenditures				
Instructional Support Staff	<u>32,225</u>	<u>33,060</u>	<u>\$ 47,692</u>	<u>\$ (14,632)</u>
Receipts Over (Under) Expenditures	12,249	1,327		
Unencumbered Cash, Beginning	<u>16,579</u>	<u>28,828</u>		
Unencumbered Cash, Ending	<u>\$ 28,828</u>	<u>\$ 30,155</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Parent Education Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
State Aid	\$ 47,452	\$ 48,796	\$ 48,796	\$ -
Revenue from Local Sources	13,000	13,075	13,000	75
Operating Transfers	<u>15,000</u>	<u>16,168</u>	<u>21,500</u>	<u>(5,332)</u>
Total Receipts	<u>75,452</u>	<u>78,039</u>	<u>\$ 83,296</u>	<u>\$ (5,257)</u>
<b>Expenditures</b>				
Student Support Services	74,244	78,164	\$ 84,241	\$ (6,077)
Instructional Support Staff	<u>3,229</u>	<u>1,018</u>	<u>2,698</u>	<u>(1,680)</u>
Total Expenditures	<u>77,473</u>	<u>79,182</u>	<u>\$ 86,939</u>	<u>\$ (7,757)</u>
Receipts Over (Under) Expenditures	(2,021)	(1,143)		
Unencumbered Cash, Beginning	<u>5,931</u>	<u>3,910</u>		
Unencumbered Cash, Ending	<u>\$ 3,910</u>	<u>\$ 2,767</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Special Education Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Revenue from Local Sources	\$ 7,445	\$ 8,893	\$ -	\$ 8,893
Operating Transfers	<u>757,287</u>	<u>785,539</u>	<u>676,203</u>	<u>109,336</u>
Total Receipts	<u>764,732</u>	<u>794,432</u>	<u>\$ 676,203</u>	<u>\$ 118,229</u>
<b>Expenditures</b>				
Instruction	718,197	717,141	\$ 843,091	\$ (125,950)
Operations and Maintenance	44	61	-	61
Transportation	<u>57,609</u>	<u>49,486</u>	<u>68,354</u>	<u>(18,868)</u>
Total Expenditures	<u>775,850</u>	<u>766,688</u>	<u>\$ 911,445</u>	<u>\$ (144,757)</u>
Receipts Over (Under) Expenditures	(11,118)	27,744		
Unencumbered Cash, Beginning	<u>322,798</u>	<u>311,680</u>		
Unencumbered Cash, Ending	<u>\$ 311,680</u>	<u>\$ 339,424</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Career and Postsecondary Education Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Revenue from Local Sources	\$ 9,965	\$ -	\$ 10,000	\$ (10,000)
State Aid	7,754	21,103	4,500	16,603
Federal Aid	4,150	12,809	4,500	8,309
Operating Transfers	<u>261,129</u>	<u>240,240</u>	<u>318,856</u>	<u>(78,616)</u>
Total Receipts	<u>282,998</u>	<u>274,152</u>	<u>\$ 337,856</u>	<u>\$ (63,704)</u>
<b>Expenditures</b>				
Instruction	264,753	240,417	\$ 323,238	\$ (82,821)
Transportation	<u>25,109</u>	<u>21,574</u>	<u>25,777</u>	<u>(4,203)</u>
Total Expenditures	<u>289,862</u>	<u>261,991</u>	<u>\$ 349,015</u>	<u>\$ (87,024)</u>
Receipts Over (Under) Expenditures	(6,864)	12,161		
Unencumbered Cash, Beginning	<u>45,913</u>	<u>39,049</u>		
Unencumbered Cash, Ending	<u>\$ 39,049</u>	<u>\$ 51,210</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

KPERS Special Retirement Contribution Fund  
 Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 292,784	\$ 442,202	\$ 495,378	\$ (53,176)
Expenditures				
Employee Benefits	292,784	442,202	\$ 495,378	\$ (53,176)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		



UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Contingency Reserve Fund  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Operating Transfers	\$ 45,000	\$ -
Expenditures		
Operating Transfers	<u>45,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>215,639</u>	<u>215,639</u>
Unencumbered Cash, Ending	<u>\$ 215,639</u>	<u>\$ 215,639</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Textbook and Student Material Fund  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Textbook Rental	\$ 5,642	\$ 11,667
Operating Transfers	<u>25,000</u>	<u>50,000</u>
Total Receipts	<u>30,642</u>	<u>61,667</u>
Expenditures		
Textbook and Materials	<u>35,739</u>	<u>46,456</u>
Receipts Over (Under) Expenditures	(5,097)	15,211
Unencumbered Cash, Beginning	<u>78,284</u>	<u>73,187</u>
Unencumbered Cash, Ending	<u>\$ 73,187</u>	<u>\$ 88,398</u>

**Recreation Commission Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
<b>Taxes and Shared Revenue</b>				
Ad Valorem Tax	\$ 62,418	\$ 73,566	\$ 70,996	\$ 2,570
Delinquent Tax	3,020	1,371	992	379
Motor Vehicle Tax	5,598	5,926	4,069	1,857
Recreational Vehicle Tax	136	134	75	59
Commercial Vehicle Tax	169	151	105	46
Excise Tax	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>
<b>Total Receipts</b>	<u>71,343</u>	<u>81,150</u>	<u>\$ 76,237</u>	<u>\$ 4,913</u>
<b>Expenditures</b>				
Appropriations	<u>70,000</u>	<u>78,000</u>	<u>\$ 78,000</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	1,343	3,150		
Unencumbered Cash, Beginning	<u>9,500</u>	<u>10,843</u>		
Unencumbered Cash, Ending	<u>\$ 10,843</u>	<u>\$ 13,993</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**Title I Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year Actual
	<u>          </u>	<u>          </u>
Receipts		
Federal Aid	\$ 99,550	\$ 98,449
	<u>          </u>	<u>          </u>
Expenditures		
Instruction and Administration	99,550	98,449
	<u>          </u>	<u>          </u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>          </u>	<u>          </u>
	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**Title II-A Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Federal Aid	\$ 19,113	\$ 18,064
Expenditures		
Instruction and Administration	<u>19,113</u>	<u>18,064</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Title IV Fund  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year Actual
	<u>          </u>	<u>          </u>
Receipts		
Federal Aid	\$ 14,163	\$ 13,750
	<u>          </u>	<u>          </u>
Expenditures		
Instruction and Administration	6,389	4,398
Instructional Support	6,148	7,483
School Administration	1,626	1,869
Total Expenditures	<u>14,163</u>	<u>13,750</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

REAP Fund  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Federal Aid	\$ 32,947	\$ 37,023
Expenditures		
Instruction	<u>32,947</u>	<u>37,023</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

Elementary & Secondary School Emergency Relief Fund  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ -	\$ 25,000
Expenditures		
Instruction	-	679
Student Support Services	-	10,607
Instructional Support Staff	-	600
General Administration	-	28
Operations & Maintenance	-	73,730
Transportation	-	750
Food Service Operations	-	27,944
Total Expenditures	-	114,338
Receipts Over (Under) Expenditures	-	(89,338)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ (89,338)



UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**Bond and Interest Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
<b>Taxes and Shared Revenue</b>				
Ad Valorem Tax	\$ 479,822	\$ 441,624	\$ 427,872	\$ 13,752
Delinquent Tax	18,117	10,480	7,564	2,916
Motor Vehicle Tax	42,639	43,315	29,927	13,388
Recreational Vehicle Tax	1,024	980	555	425
Commercial Vehicle Tax	1,232	1,125	548,312	(547,187)
Excise Tax	15	13	771	(758)
State Aid	558,917	493,932	-	493,932
Unused Cost of Issuance	-	4,534	-	4,534
<b>Total Receipts</b>	<u>1,101,766</u>	<u>996,003</u>	<u>1,015,001</u>	<u>\$ (18,998)</u>
<b>Expenditures</b>				
Principal	385,000	395,000	\$ 395,000	\$ -
Interest	<u>578,650</u>	<u>471,547</u>	<u>566,950</u>	<u>(95,403)</u>
<b>Total Expenditures</b>	<u>963,650</u>	<u>866,547</u>	<u>\$ 961,950</u>	<u>\$ (95,403)</u>
Receipts Over (Under) Expenditures	138,116	129,456		
Unencumbered Cash, Beginning	<u>905,830</u>	<u>1,043,946</u>		
Unencumbered Cash, Ending	<u>\$ 1,043,946</u>	<u>\$ 1,173,402</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 2

**Gifts and Grants Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)**

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Gifts and Grants	\$ 102,338	\$ 127,492
Interest on Idle Funds	24	18
Miscellaneous Revenue	510	40
Total Receipts	<u>102,872</u>	<u>127,550</u>
 Expenditures		
Instruction and Programs	<u>121,972</u>	<u>128,932</u>
 Receipts Over (Under) Expenditures	(19,100)	(1,382)
 Unencumbered Cash, Beginning	<u>41,772</u>	<u>22,672</u>
 Unencumbered Cash, Ending	<u>\$ 22,672</u>	<u>\$ 21,290</u>

**UNIFIED SCHOOL DISTRICT NO. 487**

**Schedule 3**

**Agency Funds  
Summary of Receipts and Disbursements (Regulatory Basis)  
For the Year Ended June 30, 2020**

<u>Student Organization Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
<b>Herington High School</b>				
Seniors	\$ 239	\$ 6,177	\$ 3,566	\$ 2,850
Juniors	715	7,827	5,972	2,570
Sophomores	3,031	807	-	3,838
Freshman	3,033	2,384	3,097	2,320
Cheerleaders	923	4,132	2,366	2,689
CTSO	189	10,725	10,566	348
FBLA	2,979	4,492	6,233	1,238
FCCLA	989	2,643	2,933	699
FFA	7,210	6,642	7,957	5,895
HOSA	2,837	1,950	748	4,039
Library	681	-	-	681
Student Council	5,049	350	1,244	4,155
Engineer Ink	3,165	9,997	11,456	1,706
National Honor Society	939	-	252	687
Vocal Music Club	208	-	-	208
Dance Team	987	1,424	1,363	1,048
Drama Club	1,748	3,997	1,686	4,059
Forensics Club	283	-	35	248
Subtotal Herington High School	<u>35,205</u>	<u>63,547</u>	<u>59,474</u>	<u>39,278</u>
<b>Herington Middle School</b>				
Cheerleaders	-	1,787	1,191	596
8th Grade	1,944	2,931	3,001	1,874
Student Council	1,977	8,535	9,133	1,379
Subtotal Herington Middle School	<u>3,921</u>	<u>13,253</u>	<u>13,325</u>	<u>3,849</u>
<b>Total Student Organization Funds</b>	<u>39,126</u>	<u>76,800</u>	<u>72,799</u>	<u>43,127</u>
 Sales Tax	 <u>21</u>	 <u>10,692</u>	 <u>10,691</u>	 <u>22</u>
 <b>Total Agency Funds</b>	 <u>\$ 39,147</u>	 <u>\$ 87,492</u>	 <u>\$ 83,490</u>	 <u>\$ 43,149</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 4

District Activity Funds  
 Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)  
 For the Year Ended June 30, 2020

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>						
Herington High School						
Athletics	\$ 3,737	\$ 37,133	\$ 36,842	\$ 4,028	\$ -	\$ 4,028
Band	2,904	6,689	5,117	4,476	-	4,476
Banner Fund	324	-	-	324	-	324
Scholars Bowl	417	-	-	417	-	417
Subtotal Herington High School	<u>7,382</u>	<u>43,822</u>	<u>41,959</u>	<u>9,245</u>	<u>-</u>	<u>9,245</u>
Herington Middle School						
Athletics	<u>213</u>	<u>12,088</u>	<u>12,072</u>	<u>229</u>	<u>-</u>	<u>229</u>
Subtotal Gate Receipts	<u>7,595</u>	<u>55,910</u>	<u>54,031</u>	<u>9,474</u>	<u>-</u>	<u>9,474</u>
<b>School Projects</b>						
Herington High School	4,499	65,365	62,404	7,460	-	7,460
Herington Middle School	1,785	366	145	2,006	-	2,006
Herington Elementary School	<u>5,625</u>	<u>2,773</u>	<u>3,745</u>	<u>4,653</u>	<u>-</u>	<u>4,653</u>
Subtotal School Projects	<u>11,909</u>	<u>68,504</u>	<u>66,294</u>	<u>14,119</u>	<u>-</u>	<u>14,119</u>
<b>Revolving Funds</b>						
Herington High School	-	29,907	29,907	-	-	-
Herington Middle School	-	20,920	20,920	-	-	-
Herington Elementary School	<u>-</u>	<u>26,584</u>	<u>26,584</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal Revolving Funds	<u>-</u>	<u>77,411</u>	<u>77,411</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total District Activity Funds</b>	<u>\$ 19,504</u>	<u>\$ 201,825</u>	<u>\$ 197,736</u>	<u>\$ 23,593</u>	<u>\$ -</u>	<u>\$ 23,593</u>

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 5

**Related Municipal Entity**  
**Herington Recreation Commission**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended June 30, 2020**  
**(With comparative Actual Totals for the Prior Fiscal Year Ended June 30, 2019)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Unified School District No. 487	\$ 70,000	\$ 78,000	\$ 78,000	\$ -
Interest	439	381	-	381
Fees and User Charges	19,906	10,518	16,500	(5,982)
<b>Total Cash Receipts</b>	<u>90,345</u>	<u>88,899</u>	<u>\$ 94,500</u>	<u>\$ (5,601)</u>
<b>Expenditures</b>				
Salaries and Payroll Taxes	42,941	38,044	\$ 54,000	\$ (15,956)
Utilities	4,153	2,792	5,000	(2,208)
Maintenance and Supplies	5,882	6,274	8,500	(2,226)
Programs and Activities	18,133	7,657	20,000	(12,343)
Insurance	3,031	3,041	4,000	(959)
Miscellaneous	2,333	2,350	2,400	(50)
Capital Outlay	4,145	2,292	37,428	(35,136)
<b>Total Expenditures</b>	<u>80,618</u>	<u>62,450</u>	<u>\$ 131,328</u>	<u>\$ (68,878)</u>
Receipts Over (Under) Expenditures	9,727	26,449		
Unencumbered Cash, Beginning	<u>27,101</u>	<u>36,828</u>		
Unencumbered Cash, Ending	<u>\$ 36,828</u>	<u>\$ 63,277</u>		

UNIFIED SCHOOL DISTRICT NO. 487

Schedule 5

Related Municipal Entity  
 Tri-County Arts Association  
 Schedule of Receipts and Expenditures (Regulatory Basis)  
 For the Year Ended June 30, 2020  
 (With comparative Actual Totals for the Prior Fiscal Year Ended June 30, 2019)

	Prior Year Actual	Current Year Actual
	<u>          </u>	<u>          </u>
Cash Receipts		
Activities and Other	\$ -	\$ -
Expenditures		
Activities and Other	<u>          </u> -	<u>          </u> -
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>          856</u>	<u>          856</u>
Unencumbered Cash, Ending	<u>          856</u>	<u>          856</u>