

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 225
Fowler, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 225 and its related municipal entity, the Fowler Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), 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 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.

Auditor's Responsibility

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

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

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

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

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity 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 for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity 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 balances of the Municipal Financial Reporting Entity as of June 30, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts and expenditures – actual and budget for the related municipal entity (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 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 also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated April 8, 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 website of the Kansas Department of Administration, at the following link: <http://admin.ks.gov/offices/oar/municipal-services/municipal-audits>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2020 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole, for the year ended June 30, 2019, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

January 13, 2021

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Fund</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>
General funds:		
General	\$ 608	\$ -
Supplemental general	<u>48,099</u>	<u>-</u>
Total general funds	<u>48,707</u>	<u>-</u>
Special purpose funds:		
Preschool-aged at-risk	12,802	-
Driver training	10,456	-
At-risk (K-12)	41,492	-
Bilingual	5,648	-
Capital outlay	483,115	3,893
Special education	37,245	-
Food service	41,272	-
Career and postsecondary education	3,939	-
KPERS special retirement contributions	-	-
Recreation commission	7,625	-
21st century community learning	16,448	-
Gifts and grants	7,387	-
Title I	-	-
Title IV safe & drug free	-	-
REAP	(5,050)	-
Contingency reserve	209,519	-
Textbook and student material	1,665	-
District activity funds	<u>9,704</u>	<u>-</u>
Total special purpose funds	<u>883,267</u>	<u>3,893</u>
Bond and interest fund:		
Bond and interest	<u>211,553</u>	<u>-</u>
Total Unified School District No. 225	1,143,527	3,893
Related municipal entity:		
Fowler Recreation Commission:		
General	<u>40,034</u>	<u>420</u>
Total municipal financial reporting entity (excluding agency funds)	<u>\$ 1,183,561</u>	<u>\$ 4,313</u>

Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
\$ 1,473,348	\$ 1,473,772	\$ 184	\$ -	\$ 184
542,065	519,410	70,754	2,269	73,023
<u>2,015,413</u>	<u>1,993,182</u>	<u>70,938</u>	<u>2,269</u>	<u>73,207</u>
500	-	13,302	-	13,302
-	-	10,456	-	10,456
51,422	64,475	28,439	-	28,439
5,206	-	10,854	-	10,854
171,684	149,856	508,836	49,029	557,865
204,657	136,287	105,615	-	105,615
127,045	163,208	5,109	3,320	8,429
22,535	18,474	8,000	-	8,000
172,938	172,938	-	-	-
39,459	34,000	13,084	-	13,084
70,161	74,078	12,531	12,069	24,600
35,557	42,537	407	-	407
21,507	10,277	11,230	-	11,230
10,723	-	10,723	-	10,723
10,275	5,225	-	-	-
-	83,349	126,170	-	126,170
1,897	127	3,435	-	3,435
61,459	46,187	24,976	-	24,976
<u>1,007,025</u>	<u>1,001,018</u>	<u>893,167</u>	<u>64,418</u>	<u>957,585</u>
<u>174,276</u>	<u>132,570</u>	<u>253,259</u>	<u>-</u>	<u>253,259</u>
3,196,714	3,126,770	1,217,364	66,687	1,284,051
<u>34,484</u>	<u>33,114</u>	<u>41,824</u>	<u>17,797</u>	<u>59,621</u>
<u>\$ 3,231,198</u>	<u>\$ 3,159,884</u>	<u>\$ 1,259,188</u>	<u>\$ 84,484</u>	<u>\$ 1,343,672</u>

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2020

	<u>Ending cash balance</u>
Composition of cash balance:	
Super Now account	\$ 1,218,695
Certificates of deposit	100,000
High School account	26,852
Elementary account	<u>11,618</u>
Total cash	1,357,165
Agency funds	<u>(13,493)</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 1,343,672</u></u>

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

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2020

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 225 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 225 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Fowler Recreation Commission. The Commission oversees recreational activities. Four of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

REGULATORY BASIS FUND TYPES

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

Special Purpose funds – 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 and transfers from other funds) and payment of general long-term debt.

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (i.e. student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. 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.

4. Budgetary Information

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

- a. Preparation of the budget for the succeeding year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. 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 the year ended June 30, 2020.

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

A legal operating budget is not required for state and federal grant funds, agency funds and the following special purpose funds:

Gifts and Grants	Textbook and Student Material
Contingency Reserve	District Activity Funds

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.

5. In-Substance Receipt in Transit

The District received \$66,221 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.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

The District did not make mandatory purchases of products or services offered by Kansas industries for the blind and severely disabled. This is a violation of K.S.A. 75-3317 through 75-3322.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. At year end, the Sales Tax-HS fund had a deficit balance of \$1,057.

C. DEPOSITS AND INVESTMENTS

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

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

C. DEPOSITS AND INVESTMENTS (CONTINUED)

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. All deposits were legally secured at June 30, 2020.

At June 30, 2020, the District's carrying amount of deposits was \$1,357,165 and the bank balance was \$1,349,310. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,099,310 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

D. LONG-TERM DEBT

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

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
School building bonds – Series 2009					
Issued January 1, 2009					
In the amount of \$1,940,000					
At interest rate of 3.60 to 4.45%					
Maturing September 1, 2029	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ 1,620
Refunding bonds – Series 2016					
Issued November 1, 2016					
In the amount of \$1,385,000					
At interest rate of 2.00-3.00%					
Maturing September 1, 2029	<u>1,365,000</u>	<u>-</u>	<u>-</u>	<u>1,365,000</u>	<u>40,950</u>
Total general obligation bonds	<u>\$1,455,000</u>	<u>\$ -</u>	<u>\$ 90,000</u>	<u>\$1,365,000</u>	<u>\$ 42,570</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2021	\$ 110,000	\$ 39,300	\$ 149,300
2022	115,000	35,925	150,925
2023	120,000	32,400	152,400
2024	125,000	28,725	153,725
2025	130,000	24,900	154,900
2026-2030	<u>765,000</u>	<u>59,175</u>	<u>824,175</u>
Total	<u>\$ 1,365,000</u>	<u>\$ 220,425</u>	<u>\$ 1,585,425</u>

E. DEFEASED BONDS

On November 1, 2016, the District issued \$1,385,000 in general obligation refunding bonds with interest rates ranging from 2.00% to 3.00% to advance refund \$1,320,000 of outstanding 2009 Series bonds with interest rates ranging from 3.75% to 4.45%. The net proceeds of \$1,352,644 (after payments of \$17,000 in issuance costs, \$12,465 for underwriter's discount, and \$2,891 rounding adjustment) plus an additional \$97,317 of reoffering premiums were used to purchase U.S. Government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments of the 2009 Series bonds. As a result, the refunded portion of the 2009 Series bonds are considered to be defeased and the liability for those bonds has been removed from the long-term debt footnote.

The District advance refunded the callable portion of the 2009 Series bonds to reduce its total debt service payments over the next thirteen years by \$84,644 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$75,353.

F. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project commitments authorized</u>	<u>Cash disbursements and accounts payable to date</u>	<u>Remaining financial commitment</u>
Fire alarm upgrades	<u>\$ 96,226</u>	<u>\$ 48,858</u>	<u>\$ 47,368</u>

G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	Bilingual fund	\$ 1,774	K.S.A. 72-5167
General fund	Special education fund	194,532	K.S.A. 72-5167
General fund	Food service fund	40,000	K.S.A. 72-5167
General fund	Career and postsecondary education fund	<u>16,915</u>	K.S.A. 72-5167
Total general fund		<u>253,221</u>	
Supplemental general fund	At-risk (K-12) fund	51,422	K.S.A. 72-5143
Supplemental general fund	Bilingual fund	3,428	K.S.A. 72-5143
Supplemental general fund	Special education fund	<u>8,964</u>	K.S.A. 72-5143
Total supplemental general fund		<u>63,814</u>	
Total operating transfers		<u>\$ 317,035</u>	

H. 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 the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for insurance premiums, other medical costs, and childcare costs. The plan is administered by an independent company. The District withholds the amounts from the employee's paycheck and remits the withholdings to the plan administrator.

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 was set at 1% for the year ended June 30, 2020.

Compensated absences. The District's policy grants administrative employees compensated absences based on each individual contract. Non-certified personnel receive one day of leave per month worked. Unused leave will be paid at a rate of \$100 per day. There will be no carryover days.

All teachers receive ten days of personal leave annually. Teachers not employed for the entire year will have their leave prorated. Unused leave may be sold back to the District for \$100 per day or may be carried over as sick days. Personal days must be used prior to accessing sick leave. Sick days will be allowed to accumulate up to 60 days. Sick leave may be used for absences of the teachers own illness, or immediate family. Other sick leave may be requested from the Superintendent. Days in excess of 60 will be paid out at a rate of \$25 per day in the last payroll cycle of the school year. Upon retirement, disability, or death, the employee will be paid for unused sick days at a rate of \$25 per day.

I. 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, by writing to KPERs (611 South Kansas, Suite 100; Topeka, KS 66603), or by calling 1-888-275-5737.

I. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

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 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 14.59% and 13.21%, respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million 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 the Senate Bill 109 provided for additional funding for KPERS School group. A payment of \$56 million was paid in fiscal year 2018. This bill also authorized a payment of \$82 million in fiscal year 2019.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$172,938 for the year ended June 30, 2020.

I. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$1,625,596. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

J. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain coverage for commercial property, inland marine, general liability, commercial auto, crime, school leaders' errors and omissions, and umbrella insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Educational Risk Management Pool, LLC (KERMP), a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to KERMP for its property, inland marine, general liability, automobile, crime, school leaders' errors and omissions, and umbrella insurance coverage. The agreement to participate provides that the KERMP will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP management. There have been no significant reductions in coverage from the prior year.

The District continues to carry commercial insurance for workers compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

K. CONTINGENCIES

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

L. CORONAVIRUS (COVID-19)

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. On March 12, 2020, the Governor issued Executive Order No. 20-07 which required school buildings and facilities to close and cease in-person instruction. On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed by Congress and signed into law by the President to provide economic assistance to individuals, businesses, and municipalities affected by the pandemic. In response to the CARES Act, the Governor formed the Strengthening People and Revitalizing Kansas (SPARK) Taskforce to oversee the statewide distribution of CARES Act funding. On June 16, 2020 the State Finance Council approved the SPARK Taskforce's proposal to distribute money to the various counties to help address the health and economic challenges inflicted by COVID-19 based on the county's population and impact from COVID-19. To ensure that all educational and municipal entities within counties receive the Coronavirus Relief Funds, the SPARK Taskforce directed counties to allocate and share Coronavirus Relief Funds with public educational and municipal entities within their counties to help meet their respective health and economic challenges.

While management cannot quantify the financial and other impacts to the District, management believes that an impact on the District's financial position and results of future operations is reasonably possible.

M. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 13, 2021 and does not believe any events have occurred which affect the financial statement as presented except for the ongoing concern regarding the novel stain of coronavirus (COVID-19) as discussed in Note L above.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:						
General	\$ 1,486,060	\$ (12,646)	\$ 358	\$ 1,473,772	\$ 1,473,772	\$ -
Supplemental general	519,410	-	-	519,410	519,410	-
Special purpose funds:						
Preschool-aged at-risk	22,930	-	-	22,930	-	22,930
Driver training	10,456	-	-	10,456	-	10,456
At-risk (K-12)	172,117	-	-	172,117	64,475	107,642
Bilingual	8,045	-	-	8,045	-	8,045
Capital outlay	670,708	-	-	670,708	149,856	520,852
Special education	218,337	-	-	218,337	136,287	82,050
Food service	163,387	-	-	163,387	163,208	179
Career and postsecondary education	18,493	-	-	18,493	18,474	19
KPERs special retirement contributions	203,998	-	-	203,998	172,938	31,060
Recreation commission	34,000	-	-	34,000	34,000	-
Bond and interest fund:						
Bond and interest	132,570	-	-	132,570	132,570	-
	<u>3,660,511</u>	<u>(12,646)</u>	<u>358</u>	<u>3,648,223</u>	<u>2,864,990</u>	<u>783,233</u>
Related municipal entity:						
Fowler Recreation Commission:						
General	42,000	-	-	42,000	33,114	8,886
	<u>\$ 3,702,511</u>	<u>\$ (12,646)</u>	<u>\$ 358</u>	<u>\$ 3,690,223</u>	<u>\$ 2,898,104</u>	<u>\$ 792,119</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State sources:				
State aid	\$ 1,351,920	\$ 1,375,235	\$ 1,383,093	\$ (7,858)
Special education aid	89,617	97,266	102,967	(5,701)
Mineral production tax	1,328	847	-	847
Total receipts	<u>1,442,865</u>	<u>1,473,348</u>	<u>\$ 1,486,060</u>	<u>\$ (12,712)</u>
Expenditures:				
Instruction	603,733	660,510	\$ 584,632	\$ (75,878)
Student support services	4,459	5,568	50,529	44,961
General administration	208,329	284,373	229,750	(54,623)
School administration	153,989	163,322	169,000	5,678
Central services	45	-	100	100
Operations and maintenance	134,056	83,689	191,500	107,811
Student transportation services:				
Vehicle operating services	9,910	22,953	16,225	(6,728)
Vehicle and maintenance services	66	136	100	(36)
Other support services	-	-	2,000	2,000
Operating transfers	327,670	253,221	242,224	(10,997)
Adjustment to comply with legal maximum budget	-	-	(12,646)	(12,646)
Legal general fund budget	1,442,257	1,473,772	1,473,414	(358)
Adjustment for qualifying budget credit	-	-	358	358
Total expenditures	<u>1,442,257</u>	<u>1,473,772</u>	<u>\$ 1,473,772</u>	<u>\$ -</u>
Receipts over (under) expenditures	608	(424)		
Unencumbered cash, beginning of year	-	608		
Unencumbered cash, end of year	<u>\$ 608</u>	<u>\$ 184</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 471,936	\$ 497,548	\$ 463,520	\$ 34,028
Delinquent	6,427	9,448	4,928	4,520
Motor vehicle	26,256	21,475	26,993	(5,518)
Recreational vehicle	378	451	389	62
State aid	19,846	13,037	13,037	-
Interest	-	106	-	106
	<u>524,843</u>	<u>542,065</u>	<u>\$ 508,867</u>	<u>\$ 33,198</u>
Total receipts				
Expenditures:				
Instruction	166,392	154,664	\$ 144,500	\$ (10,164)
Student support services	8,576	1,013	11,000	9,987
Instructional support staff	76	76	300	224
General administration	46,687	77,247	41,505	(35,742)
School administration	10,808	8,899	10,100	1,201
Operations and maintenance	170,932	194,647	175,550	(19,097)
Student transportation services:				
Vehicle operating services	27,636	13,196	27,650	14,454
Supervision	649	13	-	(13)
Vehicle and maintenance services	12,231	5,841	13,500	7,659
Operating transfers	75,539	63,814	95,305	31,491
	<u>519,526</u>	<u>519,410</u>	<u>\$ 519,410</u>	<u>\$ -</u>
Total expenditures				
Receipts over (under) expenditures	5,317	22,655		
Unencumbered cash, beginning of year	42,017	48,099		
Prior year canceled encumbrances	765	-		
	<u>\$ 48,099</u>	<u>\$ 70,754</u>		
Unencumbered cash, end of year				

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

PRESCHOOL-AGED AT-RISK 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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 20,000	\$ -	\$ -	\$ -
Other	-	500	-	500
Transfer from general	<u>2,900</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	22,900	500	<u>\$ -</u>	<u>\$ 500</u>
Expenditures:				
Instruction	<u>21,230</u>	<u>-</u>	<u>\$ 22,930</u>	<u>\$ 22,930</u>
Receipts over (under) expenditures	1,670	500		
Unencumbered cash, beginning of year	<u>11,132</u>	<u>12,802</u>		
Unencumbered cash, end of year	<u>\$ 12,802</u>	<u>\$ 13,302</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS

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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Instruction	-	-	\$ 10,456	\$ 10,456
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>10,456</u>	<u>10,456</u>		
Unencumbered cash, end of year	<u>\$ 10,456</u>	<u>\$ 10,456</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 147,528	\$ -	\$ 80,568	\$ (80,568)
Transfer from supplemental general	<u>52,472</u>	<u>51,422</u>	<u>50,071</u>	<u>1,351</u>
Total receipts	200,000	51,422	<u>\$ 130,639</u>	<u>\$ (79,217)</u>
Expenditures:				
Instruction	<u>179,095</u>	<u>64,475</u>	<u>\$ 172,117</u>	<u>\$ 107,642</u>
Receipts over (under) expenditures	20,905	(13,053)		
Unencumbered cash, beginning of year	<u>20,587</u>	<u>41,492</u>		
Unencumbered cash, end of year	<u>\$ 41,492</u>	<u>\$ 28,439</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

BILINGUAL 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ -	\$ 4	\$ -	\$ 4
Transfer from general	6,844	1,774	1,774	-
Transfer from supplemental general	4,156	3,428	623	2,805
Total receipts	11,000	5,206	<u>\$ 2,397</u>	<u>\$ 2,809</u>
Expenditures:				
Instruction	11,662	-	<u>\$ 8,045</u>	<u>\$ 8,045</u>
Receipts over (under) expenditures	(662)	5,206		
Unencumbered cash, beginning of year	6,310	5,648		
Unencumbered cash, end of year	<u>\$ 5,648</u>	<u>\$ 10,854</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2020		Variance favorable (unfavorable)	
	2019	Actual		Budget
Receipts:				
Taxes:				
Ad valorem	\$ 136,895	\$ 149,451	\$ 138,796	\$ 10,655
Delinquent	1,415	1,721	1,432	289
Motor vehicle	4,438	6,006	7,872	(1,866)
Recreational vehicle	63	107	113	(6)
State aid	-	2,588	-	2,588
Interest	4,067	4,328	-	4,328
Other	7,200	7,483	-	7,483
	<u>154,078</u>	<u>171,684</u>	<u>\$ 148,213</u>	<u>\$ 23,471</u>
Total receipts				
Expenditures:				
Instruction	18,373	37,616	\$ 100,000	\$ 62,384
Student support services	-	-	85,708	85,708
Operations and maintenance	112,686	5,130	257,000	251,870
Student transportation services:				
Vehicle and maintenance services	-	-	63,000	63,000
Other student transportation services	-	27,370	90,000	62,630
Facility acquisition and construction services	53,757	79,740	75,000	(4,740)
	<u>184,816</u>	<u>149,856</u>	<u>\$ 670,708</u>	<u>\$ 520,852</u>
Total expenditures				
Receipts over (under) expenditures	(30,738)	21,828		
Unencumbered cash, beginning of year	513,853	483,115		
Prior year canceled encumbrances	-	3,893		
	<u>\$ 483,115</u>	<u>\$ 508,836</u>		
Unencumbered cash, end of year				

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ 2,331	\$ 1,161	\$ -	\$ 1,161
Transfer from general	100,576	194,532	102,967	91,565
Transfer from supplemental general	18,911	8,964	-	8,964
Total receipts	121,818	204,657	<u>\$ 102,967</u>	<u>\$ 101,690</u>
Expenditures:				
Instruction	127,435	136,287	<u>\$ 218,337</u>	<u>\$ 82,050</u>
Receipts over (under) expenditures	(5,617)	68,370		
Unencumbered cash, beginning of year	42,862	37,245		
Unencumbered cash, end of year	<u>\$ 37,245</u>	<u>\$ 105,615</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Charges for services	\$ 35,084	\$ 23,062	\$ 33,351	\$ (10,289)
Federal aid	63,415	59,520	59,853	(333)
State aid	730	692	668	24
Other	34	3,771	-	3,771
Transfer from general	60,000	40,000	40,000	-
Total receipts	<u>159,263</u>	<u>127,045</u>	<u>\$ 133,872</u>	<u>\$ (6,827)</u>
Expenditures:				
Operations and maintenance	495	80	\$ 500	\$ 420
Food service operations	155,295	163,128	162,887	(241)
Total expenditures	<u>155,790</u>	<u>163,208</u>	<u>\$ 163,387</u>	<u>\$ 179</u>
Receipts over (under) expenditures	3,473	(36,163)		
Unencumbered cash, beginning of year	<u>37,799</u>	<u>41,272</u>		
Unencumbered cash, end of year	<u>\$ 41,272</u>	<u>\$ 5,109</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

CAREER AND POSTSECONDARY EDUCATION

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 2,825	\$ 5,620	\$ 1,578	\$ 4,042
Transfer from general	9,822	16,915	16,915	-
Total receipts	12,647	22,535	<u>\$ 18,493</u>	<u>\$ 4,042</u>
Expenditures:				
Instruction	8,708	18,474	<u>\$ 18,493</u>	<u>\$ 19</u>
Receipts over (under) expenditures	3,939	4,061		
Unencumbered cash, beginning of year	-	3,939		
Unencumbered cash, end of year	<u>\$ 3,939</u>	<u>\$ 8,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTIONS 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 120,068	\$ 172,938	\$ 203,998	\$ (31,060)
Expenditures:				
Instruction	77,225	109,674	\$ 145,998	\$ 36,324
Student support services	48	-	5,000	5,000
General administration	16,199	24,252	9,000	(15,252)
School administration	11,894	18,753	15,000	(3,753)
Operations and maintenance	9,419	11,576	15,000	3,424
Student transportation services	891	3,170	7,000	3,830
Food service operations	4,392	5,513	7,000	1,487
Total expenditures	120,068	172,938	\$ 203,998	\$ 31,060
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem	\$ 34,388	\$ 37,297	\$ 34,627	\$ 2,670
Delinquent	435	634	358	276
Motor vehicle	1,690	1,501	1,964	(463)
Recreational vehicle	24	27	28	(1)
Total receipts	36,537	39,459	<u>\$ 36,977</u>	<u>\$ 2,482</u>
Expenditures:				
Community service operations	34,000	34,000	<u>\$ 34,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	2,537	5,459		
Unencumbered cash, beginning of year	<u>5,088</u>	<u>7,625</u>		
Unencumbered cash, end of year	<u>\$ 7,625</u>	<u>\$ 13,084</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2020

	21st century community learning	Gifts and grants	Title I
Receipts:			
Federal aid	\$ 70,161	\$ 17,325	\$ 21,507
State aid	-	17,325	-
Other	-	907	-
	<u>70,161</u>	<u>35,557</u>	<u>21,507</u>
Total receipts			
Expenditures:			
Instruction	74,078	42,537	10,277
General administration	-	-	-
	<u>74,078</u>	<u>42,537</u>	<u>10,277</u>
Total expenditures			
Receipts over (under) expenditures	(3,917)	(6,980)	11,230
Unencumbered cash (deficit), beginning of year	<u>16,448</u>	<u>7,387</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ 12,531</u>	<u>\$ 407</u>	<u>\$ 11,230</u>

See Independent Auditor's Report.

Schedule 2-13

Title IV safe & drug free	REAP	Contingency reserve	Textbook and student material	Total
\$ 10,723	\$ 10,275	\$ -	\$ -	\$ 129,991
-	-	-	-	17,325
-	-	-	1,897	2,804
<u>10,723</u>	<u>10,275</u>	<u>-</u>	<u>1,897</u>	<u>150,120</u>
-	5,225	-	127	132,244
-	-	83,349	-	83,349
<u>-</u>	<u>5,225</u>	<u>83,349</u>	<u>127</u>	<u>215,593</u>
10,723	5,050	(83,349)	1,770	(65,473)
-	(5,050)	209,519	1,665	229,969
<u>\$ 10,723</u>	<u>\$ -</u>	<u>\$ 126,170</u>	<u>\$ 3,435</u>	<u>\$ 164,496</u>

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 152,256	\$ 164,652	\$ 153,173	\$ 11,479
Delinquent	1,910	2,866	1,586	1,280
Motor vehicle	7,393	6,621	8,712	(2,091)
Recreational vehicle	107	137	125	12
Total receipts	<u>161,666</u>	<u>174,276</u>	<u>\$ 163,596</u>	<u>\$ 10,680</u>
Expenditures:				
Debt service:				
Principal	85,000	90,000	\$ 90,000	\$ -
Interest	<u>45,890</u>	<u>42,570</u>	<u>42,570</u>	<u>-</u>
Total expenditures	<u>130,890</u>	<u>132,570</u>	<u>\$ 132,570</u>	<u>\$ -</u>
Receipts over (under) expenditures	30,776	41,706		
Unencumbered cash, beginning of year	<u>180,777</u>	<u>211,553</u>		
Unencumbered cash, end of year	<u>\$ 211,553</u>	<u>\$ 253,259</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Fund</u>	Beginning unencumbered cash balance (deficit)	<u>Receipts</u>	<u>Expenditures</u>	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
Activities	\$ (2,556)	\$ 13,716	\$ 10,599	\$ 561	\$ -	\$ 561
High school projects:						
Device insurance	-	130	130	-	-	-
Meals - students	141	-	141	-	-	-
Concessions	-	11,206	11,206	-	-	-
College classes	-	120	120	-	-	-
DC trip 2020	-	21,049	9,325	11,724	-	11,724
Yearbook	-	35	35	-	-	-
Miscellaneous	1,059	30	-	1,089	-	1,089
Total high school projects	<u>1,200</u>	<u>32,570</u>	<u>20,957</u>	<u>12,813</u>	<u>-</u>	<u>12,813</u>
Grade school projects:						
Meals	-	9,934	9,934	-	-	-
Adults and guests	1	318	319	-	-	-
Adults - summer food program	-	65	65	-	-	-
Pre K snacks	-	466	466	-	-	-
Pre K out of district tuition	-	500	500	-	-	-
Pre-school tuition	-	100	100	-	-	-
Device insurance	(155)	990	835	-	-	-
Miscellaneous	811	660	420	1,051	-	1,051
Jump for heart	19	-	-	19	-	19
Lifetouch commission	1,853	-	-	1,853	-	1,853
Field trip	5,717	1,380	1,341	5,756	-	5,756
Donations/school supplies	128	-	-	128	-	128
Returned check fees	2	-	-	2	-	2
GS library books	2,543	760	651	2,652	-	2,652
Vending sales	81	-	-	81	-	81
Music sales	60	-	-	60	-	60
Total grade school projects	<u>11,060</u>	<u>15,173</u>	<u>14,631</u>	<u>11,602</u>	<u>-</u>	<u>11,602</u>
Total school projects	<u>12,260</u>	<u>47,743</u>	<u>35,588</u>	<u>24,415</u>	<u>-</u>	<u>24,415</u>
Total district activity funds	<u>\$ 9,704</u>	<u>\$ 61,459</u>	<u>\$ 46,187</u>	<u>\$ 24,976</u>	<u>\$ -</u>	<u>\$ 24,976</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

AGENCY FUNDS

**SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Fund</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student organization funds:				
Football-HS	\$ -	\$ 50	\$ 50	\$ -
Speech/drama/Junior/Senior play	-	123	123	-
STUCO	430	650	474	606
JH Stuco	49	520	228	341
PBL	50	500	500	50
HS cheerleading	875	1,822	2,211	486
JH cheerleading	79	1,238	1,295	22
Trap shooting	5,513	5,577	3,213	7,877
FFA	3,507	2,425	2,322	3,610
FBLA	1,542	-	-	1,542
Class of 19	-	571	571	-
Total student organization funds	<u>12,045</u>	<u>13,476</u>	<u>10,987</u>	<u>14,534</u>
Clearing funds:				
Sales tax-HS	(2,982)	1,925	-	(1,057)
Sales tax-GS	16	120	120	16
Total clearing funds	<u>(2,966)</u>	<u>2,045</u>	<u>120</u>	<u>(1,041)</u>
Total agency funds	<u>\$ 9,079</u>	<u>\$ 15,521</u>	<u>\$ 11,107</u>	<u>\$ 13,493</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**FOWLER RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Appropriation from Unified School District No. 225	\$ 34,000	\$ 34,000	\$ 40,000	\$ (6,000)
Miscellaneous	800	484	2,000	(1,516)
Total receipts	<u>34,800</u>	<u>34,484</u>	<u>\$ 42,000</u>	<u>\$ (7,516)</u>
Expenditures:				
Salaries	4,695	3,017	\$ 5,000	\$ 1,983
Community service operations	<u>22,559</u>	<u>30,097</u>	<u>37,000</u>	<u>6,903</u>
Total expenditures	<u>27,254</u>	<u>33,114</u>	<u>\$ 42,000</u>	<u>\$ 8,886</u>
Receipts over (under) expenditures	7,546	1,370		
Unencumbered cash, beginning of year	32,488	40,034		
Prior year canceled encumbrances	<u>-</u>	<u>420</u>		
Unencumbered cash, end of year	<u>\$ 40,034</u>	<u>\$ 41,824</u>		

See Independent Auditor's Report.