

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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. 467
Leoti, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 467, 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 Unified School District No. 467 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 Unified School District No. 467 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 Unified School District No. 467 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, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We 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. 467 as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated December 20, 2019, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the 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 for the year ended June 30, 2020 (Schedule 2 as listed in the table of contents) is also 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

December 11, 2020

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 3,322,120
Supplemental general	110,762	2	1,026,260
Total general funds	<u>110,762</u>	<u>2</u>	<u>4,348,380</u>
Special purpose funds:			
At-risk (4-yr-old)	10,341	-	64,405
At-risk (K-12)	49,038	-	277,205
Bilingual education	-	-	167,760
Capital outlay	727,949	-	503,441
Driver training	13,465	-	3,880
Food service	25,861	-	287,532
Professional development	1,317	-	938
Special education	31,885	-	386,486
Career and postsecondary education	-	-	132,532
KPERS special retirement contribution	-	-	455,216
Gifts and grants	184,736	-	207,657
Contingency reserve	315,722	-	-
Textbook and student material revolving	43,325	-	21,678
Title I	-	-	63,742
Migrant	-	-	28,478
ESSER	-	-	4,500
Title II-A teacher quality	-	-	9,921
USDOE REAP	-	-	26,999
Finnup Foundation arts grant	4,020	-	4,020
SPARKS	-	-	-
Elementary lunch - Childs estate	42,632	-	211
District activity funds	51,197	-	80,336
Total special purpose funds	<u>1,501,488</u>	<u>-</u>	<u>2,726,937</u>
Bond and interest funds:			
Bond and interest	368,597	-	364,189
Total reporting entity - excluding agency funds	<u>\$ 1,980,847</u>	<u>\$ 2</u>	<u>\$ 7,439,506</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
\$ 3,322,120	\$ -	\$ 107,679	\$ 107,679
1,114,721	22,303	10,482	32,785
<u>4,436,841</u>	<u>22,303</u>	<u>118,161</u>	<u>140,464</u>
74,746	-	3,171	3,171
326,243	-	19,441	19,441
167,760	-	7,681	7,681
743,764	487,626	-	487,626
4,698	12,647	-	12,647
265,565	47,828	5,528	53,356
2,255	-	-	-
379,113	39,258	-	39,258
132,532	-	7,308	7,308
455,216	-	-	-
253,252	139,141	-	139,141
100,000	215,722	-	215,722
23,684	41,319	-	41,319
78,767	(15,025)	2,524	(12,501)
36,965	(8,487)	1,416	(7,071)
4,500	-	-	-
13,159	(3,238)	-	(3,238)
26,709	290	-	290
4,020	4,020	-	4,020
21,117	(21,117)	-	(21,117)
-	42,843	-	42,843
76,571	54,962	-	54,962
<u>3,190,636</u>	<u>1,037,789</u>	<u>47,069</u>	<u>1,084,858</u>
<u>320,575</u>	<u>412,211</u>	<u>-</u>	<u>412,211</u>
<u>\$ 7,948,052</u>	<u>\$ 1,472,303</u>	<u>\$ 165,230</u>	<u>\$ 1,637,533</u>

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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

For the Year Ended June 30, 2020

Composition of cash balance:

Cash on hand	\$	300
Demand deposits		1,636,253
Certificates of deposit		50,880
		<hr/>
Total cash		1,687,433
Agency funds		(49,900)
		<hr/>
Total reporting entity - excluding agency funds	\$	<u>1,637,533</u>

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

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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. 467 is a municipal corporation governed by an elected seven-member board. This financial statement presents only Unified School District No. 467 which has no related municipal entities.

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 funds – 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 reporting entity in a purely custodial capacity (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 such budget amendments for this year.

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

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 and the following special purpose funds:

- Gifts and Grants
- Contingency Reserve
- Textbook and Student Material Revolving
- Finnup Foundation Arts Grant
- Elementary Lunch – Childs Estate
- 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 \$148,049 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.

K.S.A. 10-130 requires the District to submit bond payments to the State at least twenty days prior to the maturity date. The District submitted a bond payment twelve days prior to the maturity date for the year ended June 30, 2020.

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. Although certain special purpose grant funds overspent their cash balances, according to K.S.A. 12-1664 the District is not prohibited from financing the federal share of a local program from current funds if available.

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 to 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.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

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.

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.

At June 30, 2020, the District's carrying amount of deposits was \$1,687,133 and the bank balance was \$1,702,318. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,452,318 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

D. DEFEASED BONDS

On October 25, 2016, the District issued \$2,900,000 in general obligation bonds with interest rates ranging from 2.00% to 3.00% to advance refund \$2,810,000 of outstanding 2009 Series bonds with interest rates ranging from 3.00% to 5.00%. The net proceeds of \$3,083,473 (after payments of \$38,000 in issuance costs, \$31,900 for underwriter's discount, \$1,215 rounding adjustment, and \$11,010 for insurance premiums) were deposited into an escrow account 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 (Note E).

The District advance refunded the callable portion of the 2009 Series bonds to reduce its total debt service payments over the next 13 years by \$207,917 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$184,978.

E. 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</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 September 1, 2009					
In the amount of \$4,500,000					
At interest rates of 3% - 5%					
Maturing October 1, 2020	\$ 215,000	\$ -	\$ 215,000	\$ -	\$ 5,375
Refunding bonds – Series 2016					
Issued October 25, 2016					
In the amount of \$2,900,000					
At interest rates of 2% - 3%					
Maturing October 1, 2029	<u>2,850,000</u>	<u>-</u>	<u>15,000</u>	<u>2,835,000</u>	<u>85,200</u>
Total general obligation bonds	3,065,000	-	230,000	2,835,000	90,575

E. LONG-TERM DEBT (CONTINUED)

Issue	Balance beginning of year	Additions	Reductions/ net change	Balance end of year	Interest paid
Capital lease: HVAC unit: Issued June 20, 2013 In the amount of \$2,160,420 At interest rates of 2.71%, adjustable up to 4.96% Maturing August 1, 2021	\$ 556,220	\$ -	\$ 235,070	\$ 321,150	\$ 13,473
Total contractual indebtedness	<u>\$3,621,220</u>	<u>\$ -</u>	<u>\$ 465,070</u>	<u>\$3,156,150</u>	<u>\$ 104,048</u>

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

	Principal due	Interest due	Total due
2021	\$ 240,000	\$ 81,450	\$ 321,450
2022	245,000	74,175	319,175
2023	255,000	66,675	321,675
2024	270,000	58,800	328,800
2025	275,000	50,625	325,625
2026-2030	<u>1,550,000</u>	<u>119,850</u>	<u>1,669,850</u>
Total	<u>\$ 2,835,000</u>	<u>\$ 451,575</u>	<u>\$ 3,286,575</u>

Current maturities of capital leases and interest (based on current interest rate of 2.71%) through maturity are as follows:

	Principal due	Interest due	Total due
2021	\$ 241,500	\$ 7,042	\$ 248,542
2022	79,650	1,079	80,729
Total	<u>\$ 321,150</u>	<u>\$ 8,121</u>	<u>\$ 329,271</u>

F. OPERATING LEASES

The District entered into a six-year operating lease agreement for three copiers in July of 2017. Rental payments of \$7,000 are due annually with the first payment beginning in July of 2017. Rental payments for the current year totaled \$7,000.

The District entered into a five-year operating lease agreement for two copiers in June of 2017. Rental payments of \$1,473 are due annually with the first payment beginning in July of 2017. Rental payments for the current year totaled \$1,473.

The District entered into a five-year operating lease agreement for a 2019 Blue Bird Activity bus in January of 2018. Rental payments of \$21,829 are due annually with the first payment beginning in January of 2018. Rental payments for the current year totaled \$21,829.

The District entered into a five-year operating lease agreement for a Bobcat Skid Steer Loader in September 2018. Rental payments of \$6,000 are due annually with the first payment beginning in September 2018. Rental payments for the current year totaled \$6,000.

F. OPERATING LEASES (CONTINUED)

The District entered into a five-year operating lease agreement for a 2019 Blue Bird Activity bus in October 2018. Rental payments of \$27,533 are due annually with the first payment beginning in October 2018. Rental payments for the current year totaled \$27,533.

The following is a yearly schedule of future minimum rental payments under the operating leases through maturity:

2021	\$	63,835
2022		63,835
2023		<u>40,533</u>
Total	\$	<u>168,203</u>

G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	At-risk (K-12)	\$ 65,304	K.S.A. 72-5167
General	Bilingual education	75,000	K.S.A. 72-5167
General	Food service	39,521	K.S.A. 72-5167
General	Special education	369,748	K.S.A. 72-5167
General	Career and postsecondary education	<u>53,587</u>	K.S.A. 72-5167
Total General		<u>603,160</u>	
Supplemental general	At-risk (4-yr-old)	54,310	K.S.A. 72-5143
Supplemental general	At-risk (K-12)	211,901	K.S.A. 72-5143
Supplemental general	Bilingual education	92,760	K.S.A. 72-5143
Supplemental general	Professional development	579	K.S.A. 72-5143
Supplemental general	Career and postsecondary education	<u>74,195</u>	K.S.A. 72-5143
Total Supplemental general		<u>433,745</u>	
Total operating transfers		<u>\$ 1,036,905</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.

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and qualified dependent care expenses. The plan is administered by a third-party administrator. The District withholds the amounts from the employee's paychecks 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 is to recognize the costs of compensated absences when actually paid. District policies address vacation for employees on twelve-month contracts and sick leave for all employees. Employees on twelve-month contracts receive two weeks of vacation per year. All full-time employees receive thirteen to sixteen days of unclassified leave annually. Vacation may be accumulated to twice the employee's annual allotment and sick leave may be accumulated up to ninety days. Employees are paid a reduced rate for unused sick leave in excess of ninety days annually. Upon retirement, termination, or resignation, the District does not pay for any accumulated sick leave or personal leave.

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.

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.

I. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

Per 2017 Senate Substitute for the 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 the fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$455,216 for the year ended June 30, 2020.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$3,955,590. 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; natural disasters, and medical needs of employees. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District has joined together with other school districts in the State to participate in the Kansas Association of School Boards Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

J. RISK MANAGEMENT (CONTINUED)

The District pays an annual premium to the Kansas Association of School Boards for its workers compensation insurance coverage. The agreement to participate provides that the Kansas Association of School Boards Workers Compensation fund will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the Kansas Association of School Boards management.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three 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 is 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 significant 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

The District has evaluated events subsequent of year end through December 11, 2020 and does not believe any events have occurred which affect the financial statement as presented except for the ongoing concern regarding the novel strain of coronavirus (COVID-19) as discussed in Note L above.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 3,409,510	\$ (87,390)	\$ 3,322,120	\$ 3,322,120	\$ -
Supplemental general	1,151,898	(14,783)	1,137,115	1,114,721	22,394
Special purpose funds:					
At-risk (4-yr-old)	82,519	-	82,519	74,746	7,773
At-risk (K-12)	327,247	-	327,247	326,243	1,004
Bilingual education	168,139	-	168,139	167,760	379
Capital outlay	1,238,950	-	1,238,950	743,764	495,186
Driver training	7,250	-	7,250	4,698	2,552
Food service	301,034	-	301,034	265,565	35,469
Professional development	2,255	-	2,255	2,255	-
Special education	424,202	-	424,202	379,113	45,089
Career and postsecondary education	165,478	-	165,478	132,532	32,946
KPERS special retirement contribution	507,098	-	507,098	455,216	51,882
Bond and interest funds:					
Bond and interest	320,575	-	320,575	320,575	-
 Total	 <u>\$ 8,106,155</u>	 <u>\$ (102,173)</u>	 <u>\$ 8,003,982</u>	 <u>\$ 7,309,308</u>	 <u>\$ 694,674</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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)

	2020		Variance favorable (unfavorable)	
	2019	Actual		Budget
Receipts:				
State sources:				
State aid	\$ 2,892,085	\$ 3,072,730	\$ 3,089,863	\$ (17,133)
Special education aid	242,910	235,367	300,000	(64,633)
Mineral production tax	19,647	14,023	19,647	(5,624)
Total receipts	3,154,642	3,322,120	\$ 3,409,510	\$ (87,390)
Expenditures:				
Instruction	1,688,575	1,601,671	\$ 1,753,819	\$ 152,148
Student support services	87,689	84,408	77,756	(6,652)
Instructional support staff	92,372	95,162	106,901	11,739
General administration	195,029	204,210	204,300	90
School administration	16,183	17,007	16,620	(387)
Central services	89,943	86,368	85,785	(583)
Operations and maintenance	175,372	428,939	306,800	(122,139)
Operations and maintenance - transportation	4,791	4,027	5,100	1,073
Student transportation services:				
Supervision	20,947	16,834	21,625	4,791
Vehicle operating services	143,545	124,882	155,000	30,118
Vehicle and maintenance services	46,633	54,069	50,900	(3,169)
Other student transportation services	1,583	1,383	1,600	217
Operating transfers	591,980	603,160	623,304	20,144
Adjustment to comply with legal maximum budget	-	-	(87,390)	(87,390)
Total expenditures	3,154,642	3,322,120	\$ 3,322,120	\$ -
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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:				
Tax in process	\$ 19,044	\$ 16,532	\$ 51,917	\$ (35,385)
Current tax	1,052,701	923,374	936,519	(13,145)
Delinquent tax	10,260	6,683	3,670	3,013
Motor vehicle tax	79,965	78,796	75,539	3,257
Recreational vehicle tax	889	875	768	107
State aid	25,999	-	-	-
Total receipts	<u>1,188,858</u>	<u>1,026,260</u>	<u>\$ 1,068,413</u>	<u>\$ (42,153)</u>
Expenditures:				
Instruction	38,285	49,860	\$ 40,645	\$ (9,215)
Student support services	935	913	900	(13)
Instructional support staff	3,939	3,707	5,150	1,443
General administration	-	30	-	(30)
School administration	331,765	338,042	330,584	(7,458)
Central services	65,408	66,495	67,105	610
Operations and maintenance	250,115	218,217	173,600	(44,617)
Operations and maintenance - transportation	-	-	79,218	79,218
Other support services	4,534	3,712	4,500	788
Operating transfers	455,436	433,745	450,196	16,451
Adjustment to comply with legal maximum budget	-	-	(14,783)	(14,783)
Total expenditures	<u>1,150,417</u>	<u>1,114,721</u>	<u>\$ 1,137,115</u>	<u>\$ 22,394</u>
Receipts over (under) expenditures	38,441	(88,461)		
Unencumbered cash, beginning of year	72,321	110,762		
Prior year cancelled encumbrances	-	2		
Unencumbered cash, end of year	<u>\$ 110,762</u>	<u>\$ 22,303</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

AT-RISK (4-YR-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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Tuition	\$ 11,600	\$ 10,095	\$ 12,000	\$ (1,905)
Transfer from supplemental general	<u>64,741</u>	<u>54,310</u>	<u>60,178</u>	<u>(5,868)</u>
Total receipts	76,341	64,405	<u>\$ 72,178</u>	<u>\$ (7,773)</u>
Expenditures:				
Instruction	<u>66,000</u>	<u>74,746</u>	<u>\$ 82,519</u>	<u>\$ 7,773</u>
Receipts over (under) expenditures	10,341	(10,341)		
Unencumbered cash, beginning of year	<u>-</u>	<u>10,341</u>		
Unencumbered cash, end of year	<u>\$ 10,341</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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	\$ 71,952	\$ 65,304	\$ 65,304	\$ -
Transfer from supplemental general	<u>303,498</u>	<u>211,901</u>	<u>212,085</u>	<u>(184)</u>
Total receipts	375,450	277,205	<u>\$ 277,389</u>	<u>\$ (184)</u>
Expenditures:				
Instruction	<u>326,412</u>	<u>326,243</u>	<u>\$ 327,247</u>	<u>\$ 1,004</u>
Receipts over (under) expenditures	49,038	(49,038)		
Unencumbered cash, beginning of year	<u>-</u>	<u>49,038</u>		
Unencumbered cash, end of year	<u>\$ 49,038</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

BILINGUAL 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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 69,977	\$ 75,000	\$ 75,000	\$ -
Transfer from supplemental general	<u>43,365</u>	<u>92,760</u>	<u>93,139</u>	<u>(379)</u>
Total receipts	113,342	167,760	<u>\$ 168,139</u>	<u>\$ (379)</u>
Expenditures:				
Instruction	<u>113,342</u>	<u>167,760</u>	<u>\$ 168,139</u>	<u>\$ 379</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Tax in process	\$ 6,679	\$ 6,580	\$ 11,184	\$ (4,604)
Current tax	428,308	430,503	431,451	(948)
Delinquent tax	3,759	2,505	1,460	1,045
Motor vehicle tax	29,552	28,930	27,619	1,311
Recreational vehicle tax	324	326	281	45
Interest	21,651	24,544	20,000	4,544
Insurance/restitution proceeds	9,691	-	-	-
Other	3,749	10,053	20,000	(9,947)
Total receipts	<u>503,713</u>	<u>503,441</u>	<u>\$ 511,995</u>	<u>\$ (8,554)</u>
Expenditures:				
Instruction	53,261	17,730	\$ 50,000	\$ 32,270
Operations and maintenance	199,135	48,088	72,000	23,912
Transportation	85,662	49,362	90,000	40,638
Other support services	260,852	255,316	906,950	651,634
Facility acquisition and construction services	<u>127,321</u>	<u>373,268</u>	<u>120,000</u>	<u>(253,268)</u>
Total expenditures	<u>726,231</u>	<u>743,764</u>	<u>\$ 1,238,950</u>	<u>\$ 495,186</u>
Receipts over (under) expenditures	(222,518)	(240,323)		
Unencumbered cash, beginning of year	<u>950,467</u>	<u>727,949</u>		
Unencumbered cash, end of year	<u>\$ 727,949</u>	<u>\$ 487,626</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 2,646	\$ 2,080	\$ 2,210	\$ (130)
Tuition	1,300	1,800	1,800	-
Total receipts	<u>3,946</u>	<u>3,880</u>	<u>\$ 4,010</u>	<u>\$ (130)</u>
Expenditures:				
Instruction	5,986	4,448	\$ 6,950	\$ 2,502
Vehicle operations, maintenance	-	250	300	50
Total expenditures	<u>5,986</u>	<u>4,698</u>	<u>\$ 7,250</u>	<u>\$ 2,552</u>
Receipts over (under) expenditures	(2,040)	(818)		
Unencumbered cash, beginning of year	<u>15,505</u>	<u>13,465</u>		
Unencumbered cash, end of year	<u>\$ 13,465</u>	<u>\$ 12,647</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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:				
Federal aid	\$ 123,895	\$ 166,565	\$ 134,236	\$ 32,329
State aid	2,492	2,921	2,080	841
Charges for services	88,485	78,525	86,914	(8,389)
Other	-	-	31,944	(31,944)
Transfer from general	20,000	39,521	20,000	19,521
Total receipts	<u>234,872</u>	<u>287,532</u>	<u>\$ 275,174</u>	<u>\$ 12,358</u>
Expenditures:				
Operations and maintenance	8,829	1,531	\$ 8,500	\$ 6,969
Food service operations	231,627	264,034	292,534	28,500
Total expenditures	<u>240,456</u>	<u>265,565</u>	<u>\$ 301,034</u>	<u>\$ 35,469</u>
Receipts over (under) expenditures	(5,584)	21,967		
Unencumbered cash, beginning of year	31,445	25,861		
Unencumbered cash, end of year	<u>\$ 25,861</u>	<u>\$ 47,828</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 1,666	\$ 359	\$ 938	\$ (579)
Transfer from supplemental general	266	579	-	579
Total receipts	1,932	938	<u>\$ 938</u>	<u>\$ -</u>
Expenditures:				
Instructional support staff	1,946	2,255	<u>\$ 2,255</u>	<u>\$ -</u>
Receipts over (under) expenditures	(14)	(1,317)		
Unencumbered cash, beginning of year	<u>1,331</u>	<u>1,317</u>		
Unencumbered cash, end of year	<u>\$ 1,317</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ 4,745	\$ 6,933	\$ 5,000	\$ 1,933
Other	-	9,805	-	9,805
Transfer from general	342,140	369,748	375,000	(5,252)
Transfer from supplemental general	-	-	12,316	(12,316)
Total receipts	<u>346,885</u>	<u>386,486</u>	<u>\$ 392,316</u>	<u>\$ (5,830)</u>
Expenditures:				
Instruction	<u>352,812</u>	<u>379,113</u>	<u>\$ 424,202</u>	<u>\$ 45,089</u>
Receipts over (under) expenditures	(5,927)	7,373		
Unencumbered cash, beginning of year	<u>37,812</u>	<u>31,885</u>		
Unencumbered cash, end of year	<u>\$ 31,885</u>	<u>\$ 39,258</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ 2,832	\$ 2,898	\$ 5,000	\$ (2,102)
Federal aid	-	1,852	-	1,852
Transfer from general	87,911	53,587	88,000	(34,413)
Transfer from supplemental general	43,566	74,195	72,478	1,717
Total receipts	134,309	132,532	<u>\$ 165,478</u>	<u>\$ (32,946)</u>
Expenditures:				
Instruction	134,309	132,532	<u>\$ 165,478</u>	<u>\$ 32,946</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 303,069	\$ 455,216	\$ 507,098	\$ (51,882)
Expenditures:				
Instruction	195,681	289,592	\$ 320,000	\$ 30,408
Student support services	4,898	7,656	10,000	2,344
Instructional support staff	7,027	10,880	20,000	9,120
General administration	11,883	21,186	20,000	(1,186)
School administration	26,622	43,646	40,000	(3,646)
Central services	14,442	19,115	25,000	5,885
Operations and maintenance	25,025	36,586	40,000	3,414
Student transportation services	10,757	16,538	20,000	3,462
Food service operations	6,734	10,017	12,098	2,081
Total expenditures	303,069	455,216	\$ 507,098	\$ 51,882
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2020

	<u>Gifts and grants</u>	<u>Contingency reserve</u>	<u>Textbook and student material revolving</u>	<u>Title I</u>	<u>Migrant</u>
Receipts:					
Federal aid	\$ 68,388	\$ -	\$ -	\$ 63,742	\$ 28,478
Interest	-	-	-	-	-
User charges	-	-	21,678	-	-
Other grants	137,402	-	-	-	-
Donations	1,867	-	-	-	-
Total receipts	<u>207,657</u>	<u>-</u>	<u>21,678</u>	<u>63,742</u>	<u>28,478</u>
Expenditures:					
Instruction	-	-	23,684	78,767	36,965
Operations and maintenance	-	100,000	-	-	-
Other expense	253,252	-	-	-	-
Total expenditures	<u>253,252</u>	<u>100,000</u>	<u>23,684</u>	<u>78,767</u>	<u>36,965</u>
Receipts over (under) expenditures	(45,595)	(100,000)	(2,006)	(15,025)	(8,487)
Unencumbered cash, beginning of year	<u>184,736</u>	<u>315,722</u>	<u>43,325</u>	<u>-</u>	<u>-</u>
Unencumbered cash (deficit), end of year	<u>\$ 139,141</u>	<u>\$ 215,722</u>	<u>\$ 41,319</u>	<u>\$ (15,025)</u>	<u>\$ (8,487)</u>

See Independent Auditor's Report.

<u>ESSER</u>	<u>Title II-A teacher quality</u>	<u>USDOE REAP</u>	<u>Finnup Foundation arts grant</u>	<u>SPARKS</u>	<u>Elementary lunch - Childs estate</u>	<u>Total</u>
\$ 4,500	\$ 9,921	\$ 26,999	\$ -	\$ -	\$ -	\$ 202,028
-	-	-	-	-	211	211
-	-	-	-	-	-	21,678
-	-	-	4,020	-	-	141,422
-	-	-	-	-	-	1,867
<u>4,500</u>	<u>9,921</u>	<u>26,999</u>	<u>4,020</u>	<u>-</u>	<u>211</u>	<u>367,206</u>
4,500	13,159	26,709	4,020	2,991	-	190,795
-	-	-	-	18,126	-	118,126
-	-	-	-	-	-	253,252
<u>4,500</u>	<u>13,159</u>	<u>26,709</u>	<u>4,020</u>	<u>21,117</u>	<u>-</u>	<u>562,173</u>
-	(3,238)	290	-	(21,117)	211	(194,967)
-	-	-	4,020	-	42,632	590,435
<u>\$ -</u>	<u>\$ (3,238)</u>	<u>\$ 290</u>	<u>\$ 4,020</u>	<u>\$ (21,117)</u>	<u>\$ 42,843</u>	<u>\$ 395,468</u>

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, 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:				
Tax in process	\$ 4,099	\$ 4,643	\$ 8,627	\$ (3,984)
Current tax	299,681	338,828	343,573	(4,745)
Delinquent tax	3,117	1,918	1,025	893
Motor vehicle tax	24,358	18,587	17,735	852
Recreational vehicle tax	247	213	181	32
Total receipts	<u>331,502</u>	<u>364,189</u>	<u>\$ 371,141</u>	<u>\$ (6,952)</u>
Expenditures:				
Debt service:				
Interest	101,250	90,575	\$ 90,575	\$ -
Principal	215,000	230,000	230,000	-
Total expenditures	<u>316,250</u>	<u>320,575</u>	<u>\$ 320,575</u>	<u>\$ -</u>
Receipts over (under) expenditures	15,252	43,614		
Unencumbered cash, beginning of year	<u>353,345</u>	<u>368,597</u>		
Unencumbered cash, end of year	<u>\$ 368,597</u>	<u>\$ 412,211</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

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
Gate receipts:						
Junior - Senior High School:						
Athletics general	\$ 994	\$ 41,126	\$ 31,023	\$ 11,097	\$ -	\$ 11,097
JH athletic fund	-	4,774	4,774	-	-	-
Musical	4,982	3,472	5,668	2,786	-	2,786
Subtotal gate receipts	5,976	49,372	41,465	13,883	-	13,883
School projects:						
Junior - Senior High School:						
Yearbook	10,157	6,345	5,443	11,059	-	11,059
Athletic uniforms	810	-	810	-	-	-
Class competition	1,843	800	829	1,814	-	1,814
Teacher activity	340	418	605	153	-	153
Library	3,828	347	42	4,133	-	4,133
Concessions	4,224	14,519	18,658	85	-	85
Activity tickets	-	664	664	-	-	-
Contingency	10,000	-	-	10,000	-	10,000
Scholarship	6,592	71	300	6,363	-	6,363
Forensics	25	-	-	25	-	25
Scholar's bowl	701	479	433	747	-	747
Elementary:						
Library	1,995	115	-	2,110	-	2,110
Box tops	651	310	460	501	-	501
Education donations	2,646	-	-	2,646	-	2,646
Student activity	1,409	6,896	6,862	1,443	-	1,443
Subtotal school projects	45,221	30,964	35,106	41,079	-	41,079
Total district activity funds	\$ 51,197	\$ 80,336	\$ 76,571	\$ 54,962	\$ -	\$ 54,962

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 467
LEOTI, KANSAS**

AGENCY FUNDS

**SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds:				
Junior - Senior High School:				
Class of 2018	\$ 626	\$ -	\$ -	\$ 626
Class of 2020	1,471	422	1,449	444
Class of 2021	3,559	4,765	3,548	4,776
Class of 2022	1,458	1,231	-	2,689
Class of 2023	-	3,415	85	3,330
JH girls basketball	929	-	-	929
Drama	359	2,313	2,096	576
Band	2,052	1,137	817	2,372
Cheerleaders junior high	7	720	717	10
Cheerleaders high school	1,349	1,912	2,081	1,180
Future Farmers of America	5,346	22,202	18,938	8,610
Kays	4,961	3,485	3,864	4,582
Vocal	360	1,016	245	1,131
Pep club	1,732	3,081	1,205	3,608
Student council	1,543	6,645	5,117	3,071
HS Golf	-	103	-	103
JH student council	3,685	5,059	3,297	5,447
Bio II trip	616	550	275	891
Boys BB	155	-	116	39
Girls BB	1,175	-	-	1,175
JH volleyball	1,035	3,974	3,196	1,813
HS volleyball	74	259	259	74
HS powerlifting	646	3,545	2,926	1,265
National Honor Society	166	3,304	3,440	30
Mystery literature	-	2,050	1,252	798
Film as literature	-	354	282	72
JH boys basketball	-	274	180	94
HS football	-	2,219	2,219	-
HS wrestling	-	150	-	150
Total student organization funds	33,304	74,185	57,604	49,885
Clearing funds:				
Junior - Senior High School sales tax	176	4,130	4,291	15
Elementary sales tax	8	10	18	-
Credit card clearing	-	8,295	8,295	-
Total clearing funds	184	12,435	12,604	15
Total agency funds	\$ 33,488	\$ 86,620	\$ 70,208	\$ 49,900

See Independent Auditor's Report.