Chase County Unified School District No. 284
Chase County, Kansas

Regulatory Basis Financial Statement
and Independent Auditors' Report
Year Ended June 30, 2021

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Chase County U.S.D. 284
Chase County, Kansas

Regulatory Basis Financial Statement
Year Ended June 30, 2021

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Independent Auditors' Report

Board of Education
Chase County Unified School District No. 284
Cottonwood Falls, Ks. 66845

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Chase County Unified School District No. 284, Chase County, Kansas, as of and for the year ended June 30, 2021 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement
Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; 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
My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit and Accounting Guide. Those standards and the Kansas Municipal Audit and Accounting Guide require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit includes 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, I 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.

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

Basis for Adverse Opinion on the U.S. Generally Accepted Accounting Principles
As described in Note 1 of the financial statement, the Chase County Unified School District No. 284, Chase County, Kansas, prepared this financial statement to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on the U.S. Generally Accepted Accounting Principles
In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the 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 Chase County Unified School District No. 284, Chase County, Kansas, as of June 30, 2021, or the changes in its financial position or cash flows for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Chase County Unified School District No.284, Chase County, Kansas, as of June 30, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Regulatory – Required Supplementary Information
My audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement), as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, agency funds summary of receipts and disbursements, and district activity funds schedule of receipts and expenditures (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, they are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The supplementary 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 itself, and other addition procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Cindy Jensen CPA

Cindy Jensen, CPA
January 3, 2022

Unified School District No. 284
Chase County, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	$ 0	$ 3,337,277	$ 3,337,277	$ 0	$ 0	$ 0
Supplemental General	55,788	1,047,020	1,003,415	99,393	0	99,393
Special Purpose Funds						
Prre-K At Risk	0	21,476	21,476	0	0	0
At Risk	0	209,011	209,011	0	0	0
Capital Outlay	714,815	515,657	552,409	678,063	141,262	819,325
Food Service	56,279	233,611	231,677	58,213	0	58,213
Professional Development	14,742	854	2,285	13,311	0	13,311
Special Education	316,926	655,994	659,694	313,226	0	313,226
Vocational Education	0	159,240	159,240	0	0	0
KPERS Retirement	0	389,665	389,665	0	0	0
Contingency Reserve	100,000	0	0	100,000	0	100,000
Textbook Rental	239,914	69,653	67,097	242,470	5,723	248,193
Federal Grants	(6,342)	311,200	326,507	(21,649)	0	(21,649)
Kaltenbacher & Misc Grants	41,827	178,761	178,602	41,986	0	41,986
District Activity Funds	67,061	63,933	64,223	66,771	0	66,771
Bond & Interest Fund						
Bond & Interest	1,122,679	1,139,067	1,046,512	1,215,234	0	1,215,234
Total Reporting Entity						
(Excluding Agency Funds)	$ 2,723,689	$ 8,332,419	$ 8,249,090	$ 2,807,018	$ 146,985	$ 2,954,003

District Checking	$ 315,705
District Petty Cash Account	800
Chase Co Jr/Sr High School	54,248
Chase Co Elementary School	38,161
Kansas Municipal Investment Pool	2,607,021
Total Cash & Investments	3,015,935
Less: Agency Funds per Schedule 3	(61,932)
Total Reporting Entity (Excluding Agency Funds)	$ 2,954,003

The accompanying notes are an integral part of this statement.

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Chase County Unified School District No. 284 was organized in accordance with State statutes to provide a system of public education to elementary through high school students. The District is a municipal corporation governed by an elected seven-member board of education. The District's financial statement does not include any related municipal entities.

Regulatory Basis of Funds

The accounts of the District are organized and operated on the basis of funds, which are used to record the District's financial transactions. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Cash and other financial resources are recorded together with all related expenditures. A fund is used to segregate specific activities and for the purpose of attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the District.

General Funds – the chief operating fund. Used to account for all financial 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 revenue sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.

Bond & Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

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 accordance 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.

Note 2 – Stewardship, Compliance, and Accountability

Budgetary Information

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

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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. The Food Service and General funds were amended increasing their budgeted expenditure authority from $217,480 and $3,271,404 to $267,480 and $3,324,861 respectively.

After the above procedures have been followed, the Kansas State Board of Education computes what the maximum legal general fund budget of operating expenses can be. For the fiscal year ended June 30, 2021, the State calculation of the legal maximum general fund budget was $3,305,215 and the supplemental general fund was $1,003,415. In accordance with Kansas statutes, a district will be penalized state aid equal to the amount expended in excess of the computed statutory limitation plus any qualifying budget credits.

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

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

A legal operating budget is not required for capital project funds, trust funds, and certain other special purpose funds as noted in the presentation of the appropriate Schedule 2. Spending in funds, which are not subject to the legal annual operating budget requirement, is controlled by federal regulations, other statutes, or by use of internal spending limits established by the governing body.

Property Tax Receipts

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuation and the County Clerk spreads the annual assessment onto the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. Property taxes are levied by the Kansas counties in which the School District resides on November 1 and are payable in 2 installments on December 20 and May 10 of the subsequent year. The counties collect and distribute in the succeeding year all property taxes collected for the District.

Note 2 – Stewardship, Compliance, and Accountability (Cont.)

Use of Estimates

The preparation of a financial statement in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect the reported amounts of cash receipts, expenditures, and cash and unencumbered cash balances at the date of the financial statement. Accordingly, actual results could differ from those estimates.

Compliance with Finance-Related Legal and Contractual Obligations

References made herein to statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, and interpretation by the legal representative of the District.

K.S.A. 9-1402 requires that the district deposits be adequately secured at all times. The District deposits were undersecured for short times at the during the year.

Management is not aware of any other regulatory violations for the period covered by the audit.

Note 3 – Deposits and Investments

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

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

Concentration of Credit Risk

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

Custodial Credit Risk – Deposits

The risk that in the event of a bank failure, the District's deposits may not be entirely 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 of Topeka, except during designated peak periods when required coverage is 50%. The District has no designated peak periods. All deposits were legally secured at June 30, 2021.

Note 3 – Deposits and Investments (Cont)

At June 30, 2021, the District's carrying amount of deposits, including certificates of deposit was $408,914 and the bank balance was $652,924. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $344,107 was covered by FDIC insurance, and $308,817 was collateralized with securities held by the pledging financial institutions' agents in USD 284's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2021, the District had $2,607,021 invested in the State's municipal investment pool with maturities of less than one year. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10% of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note 4 – Defined Benefit Pension Plan

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas laws establish and amend benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas St. 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 contributions rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

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

Note 4 – Defined Benefit Pension Plan (Cont.)

The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1.0% contribution rate for the Death and Disability Program) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021.

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

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The State of Kansas is required to contribute the statutory required employer 's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $389,665 for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was $3,867,024. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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.

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Note 5 – Other Long-Term Obligations from Operations

Compensated Absences

The District's policies for certified staff under the master agreement allow for sick leave and personal leave. At the beginning of each school year, each certified staff member is credited with 7 days of sick leave. The unused portion of sick leave shall accumulate from year to year to a maximum of 40 days. The 40 days are in addition to the 10 days sick/discretionary leave credited at the beginning of each year. After accumulating 40 days of sick leave, the 10 current unused sick leave days granted for that year will be remunerated at the rate of $25 per day. Upon retirement, $25 reimbursement per day will be granted for unused sick leave if the employee has been in the District fifteen years or more and is eligible for retirement under KPERS. At the beginning of each school year, each certified staff member is also credited with 3 days of discretionary leave. The unused portion of discretionary leave shall accumulate from year to year as sick leave and be included in the maximum 40 days accumulation of sick leave.

The District's policies for classified staff under the handbook allow for sick leave, personal leave, and vacation leave. Each twelve-month classified employee shall be granted annually twelve days of sick leave which may be accumulated to a total of fifty days. Custodial and clerical employees not on a twelve-month contract, bus drivers, and lunchroom employees shall be granted annually ten days of sick leave which may be accumulated to a total of fifty days. Classified personnel are also granted two days of personal leave per year. Unused personal leave may be carried over annually, not to exceed five days. Accumulated personal leave in excess of five days will be compensated at a rate equal to 50% of the employee's compensation rate at the end of the contract year. Classified full-time employees on a twelve-month contract will be granted paid vacation time based upon years of service. All days from the previous year must be used by June 30th of the following year or the time will be lost.

The District has also established a sick leave bank for certified and administrator/classified staff members. At the beginning each school year, each staff member has the option of donating a maximum of 2 days of their sick leave to the Sick Leave bank. The maximum number of unused days in the Sick Leave bank shall be 165 days. When a donor member leaves the District, his/her days are withdrawn from the Sick Leave bank. Only those who donate days are eligible to draw unused days from the bank upon application and approval by the screening committee.

The District recognizes these benefits as paid; therefore, no provision for accumulated leave has been made in these financial statements. Compensated absence payments are made from the fund that corresponds to the employee's duties.

Other Post-Employment Benefits

As provided by K.S.A.12-5040, the District allows retirees to participate in the group health insurance plan. The District pays a portion of the premium for each eligible retiree and the retiree is responsible for the balance. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Death & Disability Other Post Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2021.

Note 6 – I.R.C. Section 125 Flexible Benefit Plan

The Board adopted, by resolution, a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the District are eligible to participate in the Plan beginning the first day of the month following their employment. Each participant may elect to reduce his or her salary by an elected amount per month to purchase benefits offered through the Plan. In addition, the District contributes $540 per month to the fringe benefit package for health insurance for full-time employees.

Note 7 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Insurance claims for the preceding 3 years have not exceeded insurance coverage. There were no significant reductions in insurance coverage from coverage in prior years.

Note 8 – Transfers

Transfers between budgetary funds are for the purpose of shifting resources from the fund legally required to receive the revenue to the fund authorized to expend the revenues. Operating transfers during the fiscal year ended June 30, 2021 consisted of the following:

Transfer from:	Transfer to:	Authority	Amount
General	Pre-K At Risk	72-5167	$21,476
General	At Risk	72-5167	59,011
General	Special Ed	72-5167	642,023
General	Food Service	72-5167	20,000
General	Vocational Ed	72-5167	38,850
Supplemental Gen	Textbook	72-5143	40,000
Supplemental Gen	Special Ed	72-5143	8,340
Supplemental Gen	Vocational Ed	72-5143	110,000
Supplemental Gen	At Risk	72-5143	150,000

Note 9 – Contingencies

The District receives significant financial assistance for numerous Federal and State governmental agencies in the form of grants and state 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 statements of the District at June 30, 2021.

Note 10 – In-Substance Receipt in Transit

The District received $184,494 subsequent to June 30, 2021 and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2021.

Note 11 – General Long-Term Debt

General Obligation Bonds - The District issued General Obligation bonds Series 2016 in December 2016 in the amount of $9,480,000, and again in March 2017 the District issued General Obligation bonds Series 2017 in the amount of $2,520,000. These bond issues are to provide the funding source to make additions and renovations to both attendance centers in the District. The first interest payment was made on March 1, 2018 with semi-annual interest and principal payments due until the final payment scheduled September 1, 2032. Bond payments are levied and paid from the Bond & Interest fund.

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

	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning	Additions	Reductions/ Payments	Balance End of Yr	Interest Paid
General Obligation Bonds:									
Series 2016	3-4%	12/29/2016	$ 9,480,000	9/1/2032	$9,480,000	$0	$0	$9,480,000	$304,612
Series 2017	4%	3/1/2017	2,520,000	9/1/2022	1,520,000	0	695,000	825,000	46,900
Total contractual indebtedness					$11,000,000	$0	$695,000	$10,305,000	$351,512

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

	Ser 2016 Principal	Ser 2016 Interest	Ser 2016 Total	Ser 2017 Principal	Ser 2017 Interest	Ser 2017 Total
2022	$ 0	$ 304,612	$ 304,612	715,000	18,700	$ 733,700
2023	620,000	295,313	915,313	110,000	2,200	112,200
2024	745,000	274,837	1,019,837	0	0	0
2025	775,000	252,038	1,027,038	0	0	0
2026	805,000	228,337	1,033,337	0	0	0
2027-2031	4,505,000	752,425	5,257,425	0	0	0
2032-2033	2,030,000	80,344	2,110,344	0	0	0
Total Principal & Interest	$ 9,480,000	$ 2,187,906	$ 11,667,906	$ 825,000	$ 20,900	$ 845,900

Note 12 – SPARK & ESSER

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK's first round distribution was to local governments in the amount of $400 million. The District received CRF in the amount of $167,585 during 2021 from Chase County. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found a https://covid.ks.gov/.

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID19 has had on elementary and secondary schools. It is being allocated to the District's in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated $36,758 for ESSER I, $157,157 for ESSER II, and $352,952 for ESSER III. As of June 30, 2021 the District received and spent $36,758 of ESSER I and spent $21,649 of ESSER II funds.

Note 13 – COVID-19

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

Note 14 – Subsequent Events

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

Regulatory – Required Supplementary Information

Unified School District No. 284
Chase County, Kansas

Schedule 1

Schedule of Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds						
General	$ 3,324,861	$ (19,646)	$ 32,062	$ 3,337,277	$ 3,337,277	$ 0
Supplemental General	1,003,415	0	0	1,003,415	1,003,415	0
Special Purpose Funds						
Pre-K At Risk	21,476			21,476	21,476	0
At Risk	212,000			212,000	209,011	(2,989)
Capital Outlay	1,383,800			1,383,800	552,409	(831,391)
Food Service	267,480			267,480	231,677	(35,803)
Professional Development	15,000			15,000	2,285	(12,715)
Special Education	693,560			693,560	659,694	(33,866)
Vocational Education	170,000			170,000	159,240	(10,760)
KPERS Retirement	433,547			433,547	389,665	(43,882)
Bond & Interest Fund						
Bond & Interest	1,055,000			1,055,000	1,046,512	(8,488)

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-A

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

GENERAL FUND

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
State Aid	$ 2,891,697	$ 2,889,583	$ 2,114
Special Ed Pass Through	413,518	435,278	(21,760)
Reimbursements	32,062	0	32,062
Total Receipts	3,337,277	3,324,861	12,416
Expenditures			
Instruction	1,729,884	1,747,457	(17,573)
Student Support	58,652	63,480	(4,828)
Instructional Support	30,203	30,050	153
General Administration	166,298	177,038	(10,740)
School Administration	133,510	164,500	(30,990)
Operations & Maintenance	135,309	170,500	(35,191)
Transportation	302,061	308,600	(6,539)
Operating Transfers	781,360	663,236	118,124
Adjustment to Comply with Legal Max	0	(19,646)	19,646
Total legal general fund budget	3,337,277	3,305,215	32,062
Adjustment for qualifying budget credits	0	32,062	(32,062)
Total Expenditures	3,337,277	$ 3,337,277	$ 0
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	0		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-B

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

SUPPLEMENTAL GENERAL FUND

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
County Tax Receipts	$ 1,047,020	$ 94,805	$ 952,215
State Aid	0	0	0
Other Receipts	0	0	0
Total Receipts	1,047,020	94,805	952,215
Expenditures			
Instruction	215,898	209,600	6,298
Student Support	78,824	78,000	824
General Administration	105,000	105,000	0
School Administration	177,322	179,000	(1,678)
Operations & Maintenance	118,031	120,000	(1,969)
Operating Transfers	308,340	311,815	(3,475)
Adjustment to Comply with Legal Max	0	0	0
Total legal supplemental general fund budget	1,003,415	1,003,415	0
Adjustment for qualifying budget credits	0	0	0
Total Expenditures	1,003,415	$ 1,003,415	$ 0
Receipts Over (Under) Expenditures	43,605		
Unencumbered Cash, July 1	55,788		
Unencumbered Cash, June 30	$ 99,393		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-C

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

PRE-K AT RISK

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	$ 0	$ 0	$ 0
Operating Transfers	21,476	21,476	0
Total Receipts	21,476	21,476	0
Expenditures			
Instruction	21,476	21,476	0
Student Support	0	0	0
Total Expenditures	21,476	$ 21,476	$ 0
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	$ 0		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-D

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

AT RISK

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	$ 0	$ 0	$ 0
Operating Transfers	209,011	212,000	(2,989)
Total Receipts	209,011	212,000	(2,989)
Expenditures			
Instruction	186,226	212,000	(25,774)
Student Support	22,785	0	22,785
Total Expenditures	209,011	$ 212,000	$ (2,989)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	$ 0		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-E

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

CAPITAL OUTLAY

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
County Tax Receipts	$ 477,546	$ 441,940	$ 35,606
Other Receipts	38,111	100,000	(61,889)
Operating Transfers	0	0	0
Total Receipts	515,657	541,940	(26,283)
Expenditures			
Instruction	188,889	412,000	(223,111)
Operations & Maintenance	152,322	261,800	(109,478)
Transportation	141,262	210,000	(68,738)
Facility Acquisition & Construction	69,936	500,000	(430,064)
Other	0	0	0
Total Expenditures	552,409	$ 1,383,800	$ (831,391)
Receipts Over (Under) Expenditures	(36,752)		
Unencumbered Cash, July 1	714,815		
Unencumbered Cash, June 30	$ 678,063		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-F

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

FOOD SERVICE

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Student & Adult Sales	$ 17,859	$ 77,117	$ (59,258)
State Aid	4,850	1,476	3,374
Federal Aid	190,902	80,092	110,810
Operating Transfers	20,000	63,000	(43,000)
Total Receipts	233,611	221,685	11,926
Expenditures			
Food Service Operation	231,677	267,480	(35,803)
Other	0	0	0
Total Expenditures	231,677	$ 267,480	$ (35,803)
Receipts Over (Under) Expenditures	1,934		
Unencumbered Cash, July 1	56,279		
Unencumbered Cash, June 30	$ 58,213		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-G

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

PROFESSIONAL DEVELOPMENT

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Operating Transfers	$ 0	$ 5,000	$ (5,000)
Other Receipts	854	2,250	(1,396)
Total Receipts	854	7,250	(6,396)
Expenditures			
Instructional Staff Support	1,819	15,000	(13,181)
Other	466	0	466
Total Expenditures	2,285	$ 15,000	$ (12,715)
Receipts Over (Under) Expenditures	(1,431)		
Unencumbered Cash, July 1	14,742		
Unencumbered Cash, June 30	$ 13,311		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-H

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

SPECIAL EDUCATION

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	$ 5,631	$ 1,000	$ 4,631
Operating Transfers	650,363	563,575	86,788
Total Receipts	655,994	564,575	91,419
Expenditures			
Instruction	635,041	622,760	12,281
Transportation	24,653	70,800	(46,147)
Total Expenditures	659,694	$ 693,560	$ (33,866)
Receipts Over (Under) Expenditures	(3,700)		
Unencumbered Cash, July 1	316,926		
Unencumbered Cash, June 30	$ 313,226		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-I

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

VOCATIONAL EDUCATION

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	$ 10,390	$ 10,000	$ 390
Operating Transfers	148,850	160,000	(11,150)
Total Receipts	159,240	170,000	(10,760)
Expenditures			
Instruction	159,240	170,000	(10,760)
Other	0	0	0
Total Expenditures	159,240	$ 170,000	$ (10,760)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	$ 0		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-J

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

KPERS RETIREMENT

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	$ 0	$ 0	$ 0
State Receipts	389,665	433,547	(43,882)
Total Receipts	389,665	433,547	(43,882)
Expenditures			
KPERS retirement	389,665	433,547	(43,882)
Other	0	0	0
Total Expenditures	389,665	$ 433,547	$ (43,882)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	$ 0		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-K

Schedule of Receipts and Expenditures-Actual
Regulatory Basis
For the Year Ended June 30, 2021

CONTINGENCY RESERVE

	Current Year Actual
Receipts:	
Other Receipts	$ 0
Operating Transfers	0
Total Receipts	0
Expenditures	
Instruction	0
Transportation	0
Total Expenditures	0
Receipts Over (Under) Expenditures	0
Unencumbered Cash, July 1	100,000
Unencumbered Cash, June 30	$ 100,000

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-L

Schedule of Receipts and Expenditures-Actual
Regulatory Basis
For the Year Ended June 30, 2021

TEXTBOOK RENTAL

	Current Year Actual
Receipts:	
Rental fees & books	$ 29,653
Operating Transfers	40,000
Total Receipts	69,653
Expenditures	
Instruction	67,097
Other	0
Total Expenditures	67,097
Receipts Over (Under) Expenditures	2,556
Unencumbered Cash, July 1	239,914
Unencumbered Cash, June 30	$ 242,470

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-M

Schedule of Receipts and Expenditures-Actual
Regulatory Basis
For the Year Ended June 30, 2021

FEDERAL GRANTS

	Title I	Title IIA	Title V	ESSER I	ESSER II	REAP	CARES	Total Federal Grants
Receipts:								
Federal Aid	$ 46,858	$ 10,351	$ 12,028	$ 36,758	$ 0	$ 25,593	$ 167,584	$ 299,172
REAP funds	0	12,028	0	0	0	0	0	12,028
Total Receipts	46,858	22,379	12,028	36,758	0	25,593	167,584	311,200
Expenditures								
Program expenditures	46,858	22,379	0	36,758	21,649	25,593	161,242	314,479
REAP funds	0	0	12,028	0	0	0		12,028
Total Expenditures	46,858	22,379	12,028	36,758	21,649	25,593	161,242	326,507
Receipts Over (Under) Expendit	0	0	0	0	(21,649)	0	6,342	(15,307)
Unencumbered Cash, July 1	0	0	0	0	0	0	(6,342)	(6,342)
Unencumbered Cash, June 30	$ 0	$ 0	$ 0	$ 0	$ (21,649)	$ 0	$ 0	$ (21,649)

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-N

Schedule of Receipts and Expenditures-Actual
Regulatory Basis
For the Year Ended June 30, 2021

KALTENBACHER AND MISCELLANEOUS GRANTS

	Current Year Actual
Receipts:	
Contributions	$ 178,761
Other Receipts	0
Total Receipts	178,761
Expenditures	
Grant expenditures	178,602
Other	0
Total Expenditures	178,602
Receipts Over (Under) Expenditures	159
Unencumbered Cash, July 1	41,827
Unencumbered Cash, June 30	$ 41,986

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 2-O

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

BOND AND INTEREST

	Current Year		
	Actual	Budget	Variance Over (Under)
Receipts:			
County Tax Receipts	$ 1,139,067	$ 1,044,867	$ 94,200
Other Receipts	0	0	0
Total Receipts	1,139,067	1,044,867	94,200
Expenditures			
Principal, Interest, and fees	1,046,512	1,055,000	(8,488)
Other	0	0	0
Total Expenditures	1,046,512	$ 1,055,000	$ (8,488)
Receipts Over (Under) Expenditures	92,555		
Unencumbered Cash, July 1	1,122,679		
Unencumbered Cash, June 30	$ 1,215,234		

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 3

Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2021

AGENCY FUNDS

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Chase County High School/Middle				
Class of 2026	$ 0	$ 642	$ 0	$ 642
Class of 2025	0	800	0	800
Class of 2024	0	2,743	0	2,743
Class of 2023	79	6,594	2,500	4,173
Class of 2022	2,308	6,788	5,659	3,437
Class of 2021	5,680	15	5,695	0
Class of 2018	485	0	485	0
FBLA	2,427	2,114	1,178	3,363
FCA	0	307	71	236
Cheerleaders	4,187	8,528	11,543	1,172
TSA	235	0	105	130
Kay Club	1,264	4,750	4,757	1,257
National Honor Society	1,520	598	835	1,283
Newspaper	166	0	0	166
Pompon	0	4,261	3,095	1,166
Quill & Scroll	23	269	0	292
Spanish Club	717	208	319	606
Student Council	1,724	1,400	2,466	658
Yearbook	210	19,114	17,754	1,570
Prin/counselor	1,898	0	0	1,898
Sales tax	0	2,907	2,907	0
Middle School Kay	768	6,583	5,692	1,659
Middle School Stuco	3,469	0	2,599	870
Total Student Organizations	27,160	68,621	67,660	28,121
Insurance Clearing	0	8,219	5,523	2,696
Recreation Commission	23,798	181,567	174,250	31,115
Total Agency Funds	$ 50,958	$ 258,407	$ 247,433	$ 61,932

See accompanying Auditors' report.

Unified School District No. 284
Chase County, Kansas

Schedule 4

Schedule of Receipts and Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

DISTRICT ACTIVITY FUNDS

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts/Athletics						
CCHS/CCMS	$ 11,146	$ 40,080	$ 41,288	$ 9,938	$ 0	$ 9,938
	11,146	40,080	41,288	9,938	0	9,938
School Projects						
Photo Fund	4,692	1,786	3,995	2,483	0	2,483
CCHS/CCMS						
Ag	10,769	78	834	10,013	0	10,013
Honors Banquet	3,226	0	218	3,008	0	3,008
Musical	2,162	0	0	2,162	0	2,162
Voices	5	1,000	0	1,005	0	1,005
CCES						
Activity	35,061	20,989	17,888	38,162	0	38,162
	55,915	23,853	22,935	56,833	0	56,833
Total Activity Funds	$ 67,061	$ 63,933	$ 64,223	$ 66,771	$ 0	$ 66,771

See accompanying Auditors' report.