

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

Regulatory Basis Financial Statement and
Independent Auditor's Report

For the Year Ended June 30, 2020

Cindy Jensen, CPA
Certified Public Accountant
Council Grove, KS 66846

Unified School District No. 251
North Lyon County

Regulatory Basis Financial Statement
For the Fiscal Year Ended June 30, 2020

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Independent Auditor's Report

Board of Education
Unified School District No. 251
North Lyon County
Americus, KS 66835

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 251, North Lyon County, Kansas as of and for the year ended June 30, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide as described in Note 1; 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 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, 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.

I believe that the audit evidence I 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, USD 251 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 Unified School District No. 251, North Lyon County, as of June 30, 2020, 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 Unified School District No. 251, North Lyon County 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 1.

Report on 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, but 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 respective 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 my 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 1.



Cindy Jensen, CPA
Certified Public Accountant
February 25, 2021

Unified School District No. 251
North Lyon County

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

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	\$ 1	\$ 3,519,996	\$ 3,519,997	\$ 0	\$ 0	\$ 0
Supplemental General	94,587	1,172,962	1,169,852	97,697	0	97,697
Special Purpose Funds						
At Risk	264,866	367,651	386,187	246,330	0	246,330
Virtual	1,535	0	0	1,535	0	1,535
Capital Outlay	2,426,912	916,979	1,467,865	1,876,026	574,574	2,450,600
Contingency Reserve	150,005	49,614	0	199,619	0	199,619
Driver Training	28,685	20,110	25,878	22,917	0	22,917
Food Service	72,657	215,046	214,406	73,297	0	73,297
Professional Development	26,097	29,455	32,805	22,747	0	22,747
Special Education	339,572	677,199	744,589	272,182	0	272,182
Vocational Education	97,263	186,474	188,694	95,043	0	95,043
KPERS Retirement	0	391,246	391,246	0	0	0
Title I	0	67,172	67,172	0	0	0
Title II	0	27,041	27,041	0	0	0
CARES/SPARK	0	10,000	10,000	0	0	0
Gifts & Grants	36,211	137,119	104,890	68,440	0	68,440
Rural & Small Schools	0	6,758	6,758	0	0	0
Character Education	102	0	0	102	0	102
After School Program	4,765	5,227	6,486	3,506	0	3,506
Textbook Rental	45,085	25,100	18,299	51,886	0	51,886
District Activity Funds	43,075	92,842	102,467	33,450	0	33,450
Trust Funds						
Private Purpose Trust	8,159	589	1,312	7,436	0	7,436
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,639,577</u>	<u>\$ 7,918,580</u>	<u>\$ 8,485,944</u>	<u>\$ 3,072,213</u>	<u>\$ 574,574</u>	<u>\$ 3,646,787</u>

Checking Acct-Kansasland Bank	\$ 509,284
Checking-Kansasland - Flex	\$ 22,104
Money Market-Kansasland	1,296,999
Men's Club Scholarship Savings	905
Men's Club Scholarship CD	5,000
Checking-NLC-Kansasland	13,275
Checking & CD Accounts-Northern Heights-Kansasland	50,697
US Treasury Bills	<u>1,799,618</u>
Total Cash	3,697,882
Less: Agency Funds per Schedule 3	(51,095)
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,646,787</u>

The accompanying notes are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 251 (USD 251), North Lyon County has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The more significant of the district's accounting policies are described below.

Financial Reporting Entity

Unified School District No. 251 was organized in accordance with State Statutes to provide a system of public education to elementary through high school students who reside within the designated District areas. USD No. 251 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 Fund Types

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 regulatory receipt sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

Agency funds – 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 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.

Reimbursements

USD 251 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are treated as a budget credit.

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, cash expenditures, cash and unencumbered cash balances at the date of the financial statement. Accordingly, actual results could differ from those estimates.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Ad Valorem Tax Receipts

The determination of assessed valuations and collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20 prior to the fiscal year for which they are budgeted and the second half is due the following May 10. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year.

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 and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding eighteen month period 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.

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 amendments this year.

After the above procedures have been followed; the Kansas State Board of Education computes the maximum legal general fund of operating expenses. For the fiscal year ended June 30, 2020, the State calculation of the legal maximum general fund budget was \$3,462,742 and the legal maximum supplemental general fund was \$1,169,853. In accordance with Kansas statutes, a district is penalized state aid equal to the amount expended in excess of the computed statutory limitation plus any qualifying budget credits. The District was within its maximum legal general and supplemental general fund budget authority for the fiscal year ended June 30, 2020.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison 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 basis receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 the following special purpose funds: Contingency Reserve, Title I, Title II, Grants & Donations, Rural and Small Schools, Character Education, Afterschool Program, and Textbook Rental.

Spending in funds, which are not subject to the legal annual operating budget requirements are controlled by federal regulations, by other statutes, or by use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT)

Compliance with Finance-Related Legal and Contractual Obligations

References made herein to the statutes are not intended as interpretations of law, rather are offered for consideration of the Director of Accounts and Reports, Department of Education, and interpretation by the County Attorney and legal representatives of the municipality.

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

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

State and Federal Aid Compliance

The District receives significant financial assistance from 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 require compliance with terms and conditions specified in the grant agreements and are subject to audit by the governmental agency. Any disallowed claim resulting from such audit could become a liability of the General Fund or other applicable fund. However, in the opinion of management, any such disallowed claim would not have a material effect on the financial statements of the District at June 30, 2020.

NOTE 3 - DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories that may be used by the District. The statute requires banks eligible to hold the Government'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 or 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 Government'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 Municipality may invest in any one issuer as long as the investments are adequately secured under 9-1402 and 9-1405. The District's investments at June 30, 2020 consisted of U.S. Treasury bills.

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2020.

At June 30, 2020, the carrying amount of the District's deposits was \$1,898,264 and the bank balance was \$2,065,692. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$342,755 was covered by FDIC insurance and the remaining \$1,722,937 was collateralized by pledged securities held under joint custody receipts issued by banks within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka in the District's name.

Custodial credit risk – investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Municipality 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.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 4 – IN SUBSTANCE RECEIPT IN TRANSIT

The District received \$136,764 in the general fund subsequent to June 30, 2020 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

NOTE 5 – 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. These risks are covered by commercial insurance purchased from independent third parties. Insurance claims have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in prior years.

NOTE 6 - 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 law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 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 contributions 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 on or after Jan 1, 2015. Effective January 1, 2015, Kansas law establishes member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (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 rate was 16.15% and 14.41% for the year ended June 30, 2020.

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

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194.0 million for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

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

2019 Senate Bill 9 authorized 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 \$391,246 for the year ended June 30, 2020.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN (CONT)

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$3,601,289. 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 this financial statement.

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

NOTE 7 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences

Full-time twelve month employees annually earn vacation as follows: One through five years of employment: ten days; six through fifteen years: fifteen days; and sixteen or more years: twenty days. Vacation time is non-accumulative and must be used by July 1st of the following year.

Full-time twelve month employees are granted twelve days of sick leave and all other employees are granted ten days of sick leave on the first day of his/her contract. Up to 60 days may be accumulated. No compensation is provided if the sixty day accumulation is not used. One-half of the accumulated time over sixty days is bought back by the District at the substitute teacher rate for certified staff and at the daily salary rate for classified employees. The balance over sixty days is forfeited.

A sick leave bank was established in 1989 to provide temporary relief from loss of pay due to severe illness, accident or major surgery. Employees may contribute one day of sick leave to the bank per year for use by an employee who qualifies, has used all of his or her sick leave and is selected by a committee. The maximum number of sick leave days which can be held in the sick leave bank is 350 days.

Employees are granted two days of personal leave per school year for the first ten years of employment with a maximum five days accumulation. Employees who have worked for the District eleven years or longer receive three days per year with a maximum six days accumulation. The district recognizes these benefits as paid. No provision has been made for accumulated paid leave in this financial statement.

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, 2020.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government 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 government under this program.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2020

NOTE 8 - TRANSFERS

Interfund transfers during the fiscal year ended June 30, 2020 consisted of the following:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Statute</u>
General	Driver Training	\$ 15,000	72-5167
General	Food Service	1,477	72-5167
General	Professional Dev	25,000	72-5167
General	Special Ed	670,568	72-5167
General	Vocational Ed	130,000	72-5167
General	Contingency Res	49,614	72-5167
General	At Risk	180,000	72-5167
Supplemental General	At Risk	176,169	72-5143

NOTE 9 – CAPITAL PROJECTS

The District made secure entrance improvements to Northern Heights High School and to NLC Schools during the summer of 2019. The total project cost was \$773,581 including approved change orders. The project was completed in fiscal year 2019-2020.

The District contracted with Senne Company for summer projects in the amount of \$509,071 including change orders. Disbursements and accounts payable from the inception to June 30, 2020 on the project are \$106,459, with an additional \$402,612 of construction costs encumbered at June 30, 2020.

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

Unified School District No. 251
North Lyon County

Schedule 1

Schedule of Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds						
General	\$ 3,500,891	\$ (38,149)	\$ 57,255	\$ 3,519,997	\$ 3,519,997	\$ 0
Supplemental General	1,183,895	(14,042)	0	1,169,853	1,169,852	(1)
Special Purpose Funds						
At Risk	509,866			509,866	386,187	(123,679)
Virtual	0			0	0	0
Capital Outlay	3,942,019			3,942,019	1,467,865	(2,474,154)
Driver Training	65,366			65,366	25,878	(39,488)
Food Service	256,608			256,608	214,406	(42,202)
Professional Development	58,447			58,447	32,805	(25,642)
Special Education	1,089,157			1,089,157	744,589	(344,568)
Vocational Education	268,743			268,743	188,694	(80,049)
KPERs Retirement	480,465			480,465	391,246	(89,219)

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-A

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

GENERAL FUND

	Actual	Budget	Variance Over (Under)
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 858	\$ 0	\$ 858
State Aid	2,986,231	3,061,090	(74,859)
Special Ed Pass Through	475,652	439,800	35,852
Reimbursed & misc income	<u>57,255</u>	<u>0</u>	<u>57,255</u>
Total Receipts	3,519,996	3,500,890	19,106
Expenditures			
Instruction	1,217,784	1,276,699	(58,915)
Student Support	191,547	197,500	(5,953)
Instructional Support	70,063	96,748	(26,685)
General Administration	241,479	232,000	9,479
School Administration	441,951	433,700	8,251
Central Services	110,064	112,050	(1,986)
Operations & Maintenance	165,955	164,300	1,655
Other Supplemental Serv/Community Ser	9,494	28,000	(18,506)
Operating Transfers	1,071,660	959,894	111,766
Adjustment to Comply with Legal Max	<u>0</u>	<u>(38,149)</u>	<u>38,149</u>
Total legal general fund budget	3,519,997	3,462,742	57,255
Adjustment for qualifying budget credits	<u>0</u>	<u>57,255</u>	<u>(57,255)</u>
Total Expenditures	<u>3,519,997</u>	<u>\$ 3,519,997</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(1)		
Unencumbered Cash, July 1	<u>1</u>		
Unencumbered Cash, June 30	<u>\$ 0</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-B

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

SUPPLEMENTAL GENERAL FUND

	Actual	Budget	Variance Over (Under)
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 1,172,962	\$ 1,089,308	\$ 83,654
State Aid	0	0	0
Transfer from Contingency Reserve	0	0	0
Total Receipts	1,172,962	1,089,308	83,654
Expenditures			
Instruction	368,759	297,312	71,447
General Administration	88,645	53,000	35,645
Operations & Maintenance	208,459	251,883	(43,424)
Student Transportation	327,820	318,700	9,120
Operating Transfers	176,169	263,000	(86,831)
Adjustment to Comply with Legal Max	0	(14,042)	14,042
Total legal supplemental general fund budget	<u>1,169,852</u>	<u>1,169,853</u>	<u>(1)</u>
Adjustment for qualifying budget credits	0	0	0
Total Expenditures	<u>1,169,852</u>	<u>\$ 1,169,853</u>	<u>\$ (1)</u>
Receipts Over (Under) Expenditures	3,110		
Unencumbered Cash, July 1	<u>94,587</u>		
Unencumbered Cash, June 30	<u>\$ 97,697</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-C

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

AT RISK

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Other Receipts	\$ 11,482	\$ 0	\$ 11,482
Operating Transfers	<u>356,169</u>	<u>245,000</u>	<u>111,169</u>
Total Receipts	367,651	245,000	122,651
Expenditures			
Instruction	386,187	509,866	(123,679)
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>386,187</u>	<u>\$ 509,866</u>	<u>\$ (123,679)</u>
Receipts Over (Under) Expenditures	(18,536)		
Unencumbered Cash, July 1	<u>264,866</u>		
Unencumbered Cash, June 30	<u>\$ 246,330</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-D

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

VIRTUAL

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Other Receipts	\$ 0	\$ 0	\$ 0
Operating Transfers	0	0	0
	<hr/>	<hr/>	<hr/>
Total Receipts	0	0	0
Expenditures			
Instruction	0	0	0
Other	0	0	0
Total Expenditures	<hr/>	<hr/>	<hr/>
	0	\$ -	\$ -
		<hr/>	<hr/>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	<hr/>	1,535	
Unencumbered Cash, June 30	<hr/>	\$ 1,535	

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-E

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

CAPITAL OUTLAY

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 794,486	\$ 754,550	\$ 39,936
Other Receipts	122,493	0	122,493
Operating Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	916,979	754,550	162,429
Expenditures			
Capital Outlay	1,467,865	3,942,019	(2,474,154)
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>1,467,865</u>	<u>\$ 3,942,019</u>	<u>\$ (2,474,154)</u>
Receipts Over (Under) Expenditures	(550,886)		
Unencumbered Cash, July 1	<u>2,426,912</u>		
Unencumbered Cash, June 30	<u>\$ 1,876,026</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-F

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2020

CONTINGENCY RESERVE

	<u>Current Year Actual</u>
Receipts:	
Operating Transfers	\$ 49,614
Other Receipts	<u>0</u>
Total Receipts	49,614
Expenditures	
Transfer to Supplemental General	0
Other	<u>0</u>
Total Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	49,614
Unencumbered Cash, July 1	<u>150,005</u>
Unencumbered Cash, June 30	<u><u>\$ 199,619</u></u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-G

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

DRIVER TRAINING

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
State Aid	\$ 2,730	\$ 4,680	\$ (1,950)
Other Receipts	2,380	0	2,380
Operating Transfers	<u>15,000</u>	<u>32,000</u>	<u>(17,000)</u>
Total Receipts	20,110	36,680	(16,570)
Expenditures			
Instruction	24,739	39,101	(14,362)
Vehicle Operation	<u>1,139</u>	<u>26,265</u>	<u>(25,126)</u>
Total Expenditures	<u>25,878</u>	<u>\$ 65,366</u>	<u>\$ (39,488)</u>
Receipts Over (Under) Expenditures	(5,768)		
Unencumbered Cash, July 1	<u>28,685</u>		
Unencumbered Cash, June 30	<u>\$ 22,917</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-H

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

FOOD SERVICE

	Actual	Budget	Variance Over (Under)
Receipts:			
State Aid	\$ 2,138	\$ 1,480	\$ 658
Federal Aid	126,329	91,494	34,835
Meal Receipts	66,702	90,977	(24,275)
Other Receipts	18,400	0	18,400
Operating Transfers	1,477	0	1,477
Total Receipts	215,046	183,951	31,095
Expenditures			
Food Service	214,406	256,608	(42,202)
Other	0	0	0
Total Expenditures	214,406	\$ 256,608	\$ (42,202)
Receipts Over (Under) Expenditures	640		
Unencumbered Cash, July 1	72,657		
Unencumbered Cash, June 30	\$ 73,297		

See accompanying auditor's report.

Unified School District No. 251
 North Lyon County

Schedule 2-1

Schedule of Receipts and Expenditures-Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

PROFESSIONAL DEVELOPMENT

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Other Receipts	\$ 4,455	\$ 4,376	\$ 79
Operating Transfers	<u>25,000</u>	<u>28,000</u>	<u>(3,000)</u>
Total Receipts	29,455	32,376	(2,921)
Expenditures			
Professional Development	32,805	58,447	(25,642)
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>32,805</u>	<u>\$ 58,447</u>	<u>\$ (25,642)</u>
Receipts Over (Under) Expenditures	(3,350)		
Unencumbered Cash, July 1	<u>26,097</u>		
Unencumbered Cash, June 30	<u>\$ 22,747</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-J

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

SPECIAL EDUCATION

	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Other Receipts	\$ 49,295	\$ 6,631	\$ 10,000	\$ (3,369)
Operating Transfers	715,598	670,568	739,585	(69,017)
Total Receipts	764,893	677,199	749,585	(72,386)
Expenditures				
Instruction	703,921	725,776	1,058,157	(332,381)
Transportation	19,547	18,813	31,000	(12,187)
Total Expenditures	723,468	744,589	\$ 1,089,157	\$ (344,568)
Receipts Over (Under) Expenditures	41,425	(67,390)		
Unencumbered Cash, July 1	298,147	339,572		
Unencumbered Cash, June 30	\$ 339,572	\$ 272,182		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-K

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

VOCATIONAL EDUCATION

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Other Receipts	\$ 48,549	\$ 0	\$ 48,549
State Aid	7,925	6,480	1,445
Operating Transfers	<u>130,000</u>	<u>165,000</u>	<u>(35,000)</u>
Total Receipts	186,474	171,480	14,994
Expenditures			
Instruction	177,094	248,743	(71,649)
Transportation	<u>11,600</u>	<u>20,000</u>	<u>(8,400)</u>
Total Expenditures	<u>188,694</u>	<u>\$ 268,743</u>	<u>\$ (80,049)</u>
Receipts Over (Under) Expenditures	(2,220)		
Unencumbered Cash, July 1	<u>97,263</u>		
Unencumbered Cash, June 30	<u>\$ 95,043</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-L

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

KPERS RETIREMENT

	Actual	Budget	Variance Over (Under)
Receipts:			
KPERs Employer Contributions	\$ 391,246	\$ 480,465	\$ (89,219)
Transfer from General	0	0	0
Total Receipts	391,246	480,465	(89,219)
Expenditures			
KPERs Employee Benefits	391,246	480,465	(89,219)
Other	0	0	0
Total Expenditures	391,246	\$ 480,465	\$ (89,219)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	\$ 0		

See accompanying auditor's report.

Unified School District No. 251
 North Lyon County
 Schedule 2-M Schedule 2-M
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>TITLE I</u>	<u>TITLE IIA</u>	<u>CARES/ SPARK</u>
Receipts:			
Federal Aid	\$ 67,172	\$ 27,041	\$ 10,000
Other Receipts	0	0	0
	<hr/>	<hr/>	<hr/>
Total Receipts	67,172	27,041	10,000
Expenditures			
Instruction	67,172	27,041	10,000
Other	0	0	0
	<hr/>	<hr/>	<hr/>
Total Expenditures	67,172	27,041	10,000
Receipts Over (Under) Expenditures	0	0	0
Unencumbered Cash, July 1	<hr/>	<hr/>	<hr/>
	0	0	0
Unencumbered Cash, June 30	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 0	\$ 0	\$ 0

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-N

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2020

GIFTS AND GRANTS

	<u>Current Year Actual</u>
Receipts:	
Federal Aid	\$ 0
Other Receipts	<u>137,119</u>
Total Receipts	137,119
Expenditures	
Student support	104,890
Other	<u>0</u>
Total Expenditures	<u>104,890</u>
Receipts Over (Under) Expenditures	32,229
Unencumbered Cash, July 1	<u>36,211</u>
Unencumbered Cash, June 30	<u><u>\$ 68,440</u></u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-O

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2020

	<u>RURAL & SMALL SCHOOLS</u>	<u>CHARACTER EDUCATION</u>	<u>AFTERSCHOOL PROGRAM</u>	<u>TEXTBOOK RENTAL</u>
Receipts:				
Federal Aid	\$ 6,758	\$ 0	\$ 0	\$ 0
Fees & Donations	0	0	5,227	25,100
Transfers from Other Funds	0	0	0	0
Total Receipts	<u>6,758</u>	<u>0</u>	<u>5,227</u>	<u>25,100</u>
Expenditures				
Salaries, supplies & services	<u>6,758</u>	<u>0</u>	<u>6,486</u>	<u>18,299</u>
Total Expenditures	<u>6,758</u>	<u>0</u>	<u>6,486</u>	<u>18,299</u>
Receipts Over (Under) Expenditures	0	0	(1,259)	6,801
Unencumbered Cash, July 1	<u>0</u>	<u>102</u>	<u>4,765</u>	<u>45,085</u>
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 102</u>	<u>\$ 3,506</u>	<u>\$ 51,886</u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-P

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2020

TRUST FUNDS

	<u>ALUMNI</u>	<u>MEN'S CLUB</u>	<u>NHHS Sheeley</u>	<u>NHHS Pruitt</u>	<u>NHHS Mundy</u>	<u>TOTAL</u>
Receipts:						
Donations	\$ 0	\$ 0	\$ 0	\$ 530	\$ 0	\$ 530
Other Receipts	0	59	0	0	0	59
Transfers In	0	0	0	0	0	0
Total Receipts	0	59	0	530	0	589
Expenditures						
Scholarships	0	0	300	0	0	300
Other	1,012	0	0	0	0	1,012
Total Expenditures	1,012	0	300	0	0	1,312
Receipts Over (Under) Expendit	(1,012)	59	(300)	530	0	(723)
Unencumbered Cash, July 1	1,012	5,846	301	270	730	8,159
Unencumbered Cash, June 30	\$ -	\$ 5,905	\$ 1	\$ 800	\$ 730	\$ 7,436

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 3

Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2020

AGENCY FUNDS

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
NHHS:				
Classes of 2009-2018	\$ 2,083	\$ 0	\$ 0	\$ 2,083
Class of 2019	673	390	0	1,063
Class of 2020	1,912	69	194	1,787
Class of 2021	2,167	1,483	2,534	1,116
Class of 2022	1,420	526	200	1,746
Class of 2023	0	2,541	0	2,541
Art Club	188	0	12	176
FBLA	2,861	575	817	2,619
FCCLA	1,260	3,666	2,354	2,572
FFA	8,876	2,438	11,334	(20)
Shooting Sports	0	750	0	750
National Honor Society	4,333	46	12	4,367
Quiz Bowl	34	198	165	67
HOSA	869	28	0	897
Student Council	561	1,924	1,825	660
Weight Lifting Club	188	0	12	176
	<u>27,425</u>	<u>14,634</u>	<u>19,459</u>	<u>22,600</u>
NLC:				
8th Grade	3,115	3,771	1,357	5,529
FBLA	13	0	0	13
Pep Club	122	922	1,044	0
Sales tax	0	1,103	1,103	0
Stuco	1,145	332	628	849
	<u>4,395</u>	<u>6,128</u>	<u>4,132</u>	<u>6,391</u>
Flex plan	<u>0</u>	<u>33,712</u>	<u>11,608</u>	<u>22,104</u>
Total Agency Funds	<u>\$ 31,820</u>	<u>\$ 54,474</u>	<u>\$ 35,199</u>	<u>\$ 51,095</u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 4

Schedule of Receipts and Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2020

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						
Northern Heights HS	\$ 9,427	\$ 25,333	\$ 29,065	\$ 5,695	\$ 0	\$ 5,695
NLC	4,308	10,504	11,595	3,217	0	3,217
	<u>13,735</u>	<u>35,837</u>	<u>40,660</u>	<u>8,912</u>	<u>0</u>	<u>8,912</u>
School Projects						
NHHS						
Yearbook	13,061	1,188	939	13,310	0	13,310
Concessions	8,875	9,770	13,307	5,338	0	5,338
Student Activities	478	19,107	18,741	844	0	844
Drama/Forensics	863	503	391	975	0	975
Library	102	21	179	(56)	0	(56)
Music	870	23,933	24,343	460	0	460
NLC						
Yearbook	857	8	864	1	0	1
Concessions	3,585	2,198	2,675	3,108	0	3,108
Music	649	277	368	558	0	558
	<u>29,340</u>	<u>57,005</u>	<u>61,807</u>	<u>24,538</u>	<u>0</u>	<u>24,538</u>
Total Activity Funds	<u>\$ 43,075</u>	<u>\$ 92,842</u>	<u>\$ 102,467</u>	<u>\$ 33,450</u>	<u>\$ 0</u>	<u>\$ 33,450</u>

See accompanying auditor's report.