



*Certified Public Accountants*

**SANTA FE TRAIL UNIFIED SCHOOL  
DISTRICT NO. 434  
SCRANTON, KANSAS**

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**FINANCIAL STATEMENT  
YEAR ENDED JUNE 30, 2020**

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 FINANCIAL STATEMENT  
 REGULATORY BASIS  
 Year Ended June 30, 2020

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Santa Fe Trail Unified School District No. 434:

### **Report on the Financial Statement**

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Santa Fe Trail Unified School District No. 434 (the District) as of and for the year ended June 30, 2020 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* (the KMAAG) as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2020, or changes in financial position and cash flows thereof for the year then ended.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District 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 KMAAG described in Note 2.

### **Other Matters**

#### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents are presented for purposes of analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated October 28, 2020 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

*BT&Co., P.A.*

October 28, 2020  
Topeka, Kansas

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND  
 UNENCUMBERED CASH  
 REGULATORY BASIS  
 Year Ended June 30, 2020

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	\$ -	\$ -	\$ 8,598,064	\$ 8,598,064	\$ -	\$ 240,052	\$ 240,052
Supplemental general fund	10,340	-	3,050,494	2,873,067	187,767	145,754	333,521
Special purpose funds:							
Virtual education	-	-	40,471	32,727	7,744	-	7,744
Career and postsecondary education	17,985	-	137,332	147,079	8,238	-	8,238
Special education	536,692	-	2,200,833	2,439,382	298,143	737	298,880
Driver training	26,359	-	6,343	15,206	17,496	-	17,496
Food service	25,724	-	645,264	645,260	25,728	4,806	30,534
Capital outlay	458,262	-	633,846	695,524	396,584	264,597	661,181
Extraordinary school program	37,641	-	36,448	63,531	10,558	6,946	17,504
KPERS special retirement contribution	-	-	902,412	902,376	36	-	36
At-risk (K-12)	-	-	1,260,612	1,252,908	7,704	29,175	36,879
At-risk (4 year-old)	150	-	229,375	226,783	2,742	4,938	7,680
Professional development	34,438	-	67,928	82,058	20,308	18,464	38,772
Gifts and grants	69,888	-	54,524	50,783	73,629	3,087	76,716
Federal grant funds	-	-	183,401	202,401	(19,000)	21,902	2,902
Textbook rental	11,494	-	68,979	65,290	15,183	32,331	47,514
Contingency reserve	150,101	-	-	-	150,101	-	150,101
CARES Act Fund	-	-	117,657	-	117,657	-	117,657
Gate receipts	12,001	-	51,315	52,845	10,471	-	10,471
District activity funds	47,393	-	198,353	188,287	57,459	-	57,459
Bond and interest fund	403,659	-	383,220	365,761	421,118	-	421,118
	<u>\$ 1,842,127</u>	<u>\$ -</u>	<u>\$ 18,866,871</u>	<u>\$ 18,899,332</u>	<u>\$ 1,809,666</u>	<u>\$ 772,789</u>	<u>\$ 2,582,455</u>
Composition of cash:							
Checking accounts							\$ 2,645,550
Agency funds per schedule 3							(63,095)
Total reporting entity (excluding agency funds)							<u>\$ 2,582,455</u>

See accompanying notes to financial statement.

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SCRANTON, KANSAS  
NOTES TO FINANCIAL STATEMENT  
Year Ended June 30, 2020

1 - Municipal Financial Reporting Entity

Santa Fe Trail Unified School District No. 434 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

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

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest, principal and related costs on long-term debt.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurements of operations.

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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The Kansas Municipal Audit and Accounting Guide (the 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 revenues 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 accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund, special purpose funds (unless specifically exempted by statute), and the bond and interest fund. 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 1<sup>st</sup>.
2. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

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 District had no budget amendments 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 budgeted 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 revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.



SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
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A legal operating budget is not required for agency funds or the following special purpose funds: textbook rental, contingency reserve, CARES Act and district activity funds (gate receipts and school projects).

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

All budgets must be filed with the County Clerk by August 25<sup>th</sup>. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on November 1<sup>st</sup>. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20<sup>th</sup> and May 10<sup>th</sup>. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1<sup>st</sup> and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Annual Personal and Sick Leave Benefits

Under terms of the District's personnel policy, employees are granted vacation and sick leave in varying amounts depending upon employee classification and length of service. All eligible employees accrue sick leave at established rates depending on job classification and number of days worked per year. Vacation is accumulated at the rate of ten to thirty days per year depending upon employee's length of service and classification. Leaves are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

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

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
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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; US 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. The District had no investments as of June 30, 2020.

*Custodial credit risk.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2020, \$551,930 of the District's deposits were unsecured.

4 - In-Substance Receipt in Transit

The District received \$ 432,945 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.

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NOTES TO FINANCIAL STATEMENT  
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5 - Long-Term Debt

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

Issue	Interest Rate	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
2013 GO bond issue	1.35-2.35%	05/01/13	\$ 4,600,000	09/01/28	\$ 3,470,000	\$ -	\$ 305,000	\$ 3,165,000	\$ 60,761
Lease purchase agreements:									
Buses - 2		07/01/16	126,350	05/31/21	50,540	-	25,270	25,270	-
Buses - 1		07/01/17	44,700	06/30/22	26,820	-	8,940	17,880	-
Buses - 20		07/01/17	1,194,875	06/30/22	716,925	-	238,975	477,950	-
Buses - 1		07/01/18	46,225	06/30/23	36,980	-	9,245	27,735	-
VAR Resources	0.00%	04/20/19	215,396	08/02/21	-	215,396	71,799	143,597	-
VAR Resources	0.00%	08/25/18	258,438	08/25/20	172,292	-	86,146	86,146	-
Total contractual indebtedness					4,473,557	215,396	745,375	3,943,578	60,761
Early retirement benefits					26,700	22,500	21,450	27,750	-
Total long-term debt					\$ 4,500,257	\$ 237,896	\$ 766,825	\$ 3,971,328	\$ 60,761

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

5 - Long-Term Debt (Continued)

Maturities of long-term debt and interest through maturity are as follows:

	2021	2022	2023	2024	2025	2026-2030	Total
Principal:							
General obligation bonds	\$ 310,000	\$ 320,000	\$ 330,000	\$ 340,000	\$ 350,000	\$ 1,515,000	\$ 3,165,000
Lease purchase agreement - Buses - 2	25,270	-	-	-	-	-	25,270
Lease purchase agreement - Buses - 1	8,940	8,940	-	-	-	-	17,880
Lease purchase agreement - Buses - 20	238,975	238,975	-	-	-	-	477,950
Lease purchase agreement - Buses - 1	9,245	9,245	9,245	-	-	-	27,735
Lease purchase agreement - VAR Resources	71,799	71,798	-	-	-	-	143,597
Lease purchase agreement - VAR Resources	86,146	-	-	-	-	-	86,146
Early retirement benefits	10,050	6,000	4,650	3,750	2,850	450	27,750
<b>Total principal</b>	<b>760,425</b>	<b>654,958</b>	<b>343,895</b>	<b>343,750</b>	<b>352,850</b>	<b>1,515,450</b>	<b>3,971,328</b>
Interest:							
General obligation bonds	56,610	52,358	47,640	42,193	36,065	69,077	303,943
<b>Total principal and interest</b>	<b>\$ 817,035</b>	<b>\$ 707,316</b>	<b>\$ 391,535</b>	<b>\$ 385,943</b>	<b>\$ 388,915</b>	<b>\$ 1,584,527</b>	<b>\$ 4,275,271</b>

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 NOTES TO FINANCIAL STATEMENT  
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6 - Interfund Transfers

The District made the following interfund transfers during the fiscal year 2020. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	At Risk (4 year old)	K.S.A. 72-6428	\$ 166,211
General	At Risk (K-12)	K.S.A. 72-6428	545,686
General	Virtual education	K.S.A. 72-6428	11,442
General	Food Service	K.S.A. 72-6428	27,538
General	Professional Development	K.S.A. 72-6428	54,870
General	Special Education	K.S.A. 72-6429	2,002,191
General	Career and postsecondary education	K.S.A. 72-6430	52,059
Supplemental general	At Risk (K-12)	K.S.A. 72-6434	714,926
Supplemental general	Virtual education	K.S.A. 72-6435	29,029
Supplemental general	Professional Development	K.S.A. 72-3433	2,031
Supplemental general	Special Education	K.S.A. 72-3434	128,734
Supplemental general	Career and postsecondary education	K.S.A. 72-3435	54,961

7 - 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](http://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 contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and

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

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$ 64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$ 6.4 million 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 \$ 902,376 for the year ended June 30, 2020.

#### Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 8,629,873. 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](http://www.kpers.org) or can be obtained as described above.

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
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NOTES TO FINANCIAL STATEMENT  
(Continued)

8 - Post Employment Benefits

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

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

9 - Early Retirement Benefits

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of fifteen years, must not be age sixty-five or older and must meet one of the following criteria: full retirement qualifications as required by KPERS or acquired eighty-five KPERS retirement points.

Benefits for eligible participants include receiving the longevity payments the employee was eligible for during the last year of employment and the opportunity to remain in the District's group health insurance plan at the employee's cost. These benefits will continue until the participant reaches age sixty-five.

10 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

11 - Statutory Compliance

The District expended monies in excess of the approved budget in the federal grants fund as a result of expenditures for federal grants made in advance of reimbursements.

12 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

area in which the District operates. On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the pandemic.

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the District. Accordingly, while management cannot quantify the financial and other impacts to the District as of June 30, 2020, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.



SUPPLEMENTARY INFORMATION

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL  
 REGULATORY BASIS  
 Year Ended June 30, 2020

	<u>Certified Budget</u>	<u>Adjustments to Comply with Legal Max</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
<u>FUNDS</u>						
General fund	\$ 8,897,731	\$ (352,335)	\$ 52,668	\$ 8,598,064	\$ 8,598,064	\$ -
Supplemental general	2,988,857	(115,790)	-	2,873,067	2,873,067	-
Special purpose funds:						
Virtual education	35,490	-	-	35,490	32,727	(2,763)
Career and postsecondary education	185,385	-	-	185,385	147,079	(38,306)
Special education	3,116,533	-	-	3,116,533	2,439,382	(677,151)
Driver training	38,859	-	-	38,859	15,206	(23,653)
Food service	722,918	-	-	722,918	645,260	(77,658)
Capital outlay	1,000,000	-	-	1,000,000	695,524	(304,476)
Extraordinary school program	117,640	-	-	117,640	63,531	(54,109)
KPERs special retirement contribution	997,181	-	-	997,181	902,376	(94,805)
At-risk (K-12)	1,252,908	-	-	1,252,908	1,252,908	-
At-risk (4 year-old)	232,140	-	-	232,140	226,783	(5,357)
Professional development	110,000	-	-	110,000	82,058	(27,942)
Gifts and grants	109,146	-	-	109,146	50,783	(58,363)
Federal grant funds	183,341	-	-	183,341	202,401	19,060
Bond and interest	365,762	-	-	365,762	365,761	(1)
Totals	<u>\$ 20,353,891</u>	<u>\$ (468,125)</u>	<u>\$ 52,668</u>	<u>\$ 19,938,434</u>	<u>\$ 18,592,910</u>	

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State equalization aid	\$ 7,117,891	\$ 7,022,085	\$ (95,806)
State special education aid	1,779,840	1,523,311	(256,529)
Other reimbursements	-	52,668	52,668
	<u>\$ 8,897,731</u>	<u>8,598,064</u>	<u>\$ (299,667)</u>
Expenditures, encumbrances, and transfers:			
Instruction	\$ 3,884,900	3,279,482	\$ (605,418)
Student support services	509,000	380,105	(128,895)
Instructional support staff	296,000	269,702	(26,298)
General administration	255,000	203,349	(51,651)
School administration	657,000	657,240	240
Operations and maintenance	765,000	529,460	(235,540)
Other supplemental services	385,000	372,231	(12,769)
Transportation	91,000	46,498	(44,502)
Transfers to other funds	2,054,831	2,859,997	805,166
Adjustment for Qualifying Budget Credits	52,668		(52,668)
Budget adjustment to comply with legal maximum	(352,335)		352,335
	<u>\$ 8,598,064</u>	<u>8,598,064</u>	<u>\$ -</u>
Cash receipts over expenditures, encumbrances, and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ -	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
SUPPLEMENTAL GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	\$ 106,973	\$ -	\$ (106,973)
Ad valorem current tax	972,343	1,215,411	243,068
Ad valorem delinquent tax	14,540	22,659	8,119
Motor vehicle tax	141,771	129,214	(12,557)
Recreational vehicle tax	3,535	3,040	(495)
Commercial vehicle tax	1,811	-	(1,811)
Supplemental state aid	1,747,884	1,680,170	(67,714)
	\$ 2,988,857	3,050,494	\$ 61,637
Expenditures, encumbrances, and transfers:			
Instruction	\$ 124,270	356,885	\$ 232,615
Student support services	-	14,500	14,500
Instructional support staff	-	45,927	45,927
General administration	-	51,017	51,017
Operations and maintenance	560,000	660,131	100,131
Student transportation services	-	754,237	754,237
Other supplemental services	-	60,689	60,689
Transfers to other funds	2,304,587	929,681	(1,374,906)
Budget adjustment to comply with legal maximum	(115,790)		115,790
	\$ 2,873,067	2,873,067	\$ -
Cash receipts over expenditures encumbrances, and transfers		177,427	
Unencumbered cash, beginning		10,340	
Unencumbered cash, ending		\$ 187,767	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
VIRTUAL EDUCATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ -	\$ 11,442	\$ 11,442
Transfer from supplemental general fund	35,490	29,029	(6,461)
Total transfers	\$ 35,490	40,471	\$ 4,981
Expenditures:			
Instruction	\$ 35,490	32,727	\$ (2,763)
Transfers over expenditures		7,744	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ 7,744	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
CAREER AND POSTSECONDARY EDUCATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Transfer from general fund	\$ -	\$ 52,059	\$ 52,059
Transfer from supplemental general fund	150,000	54,961	(95,039)
State aid	17,400	30,312	12,912
	\$ 167,400	137,332	\$ (30,068)
Expenditures:			
Instruction	\$ 142,000	128,093	\$ (13,907)
Transportation	43,385	17,636	(25,749)
Student support services	-	1,350	1,350
	\$ 185,385	147,079	\$ (38,306)
Cash receipts and transfers under expenditures		(9,747)	
Unencumbered cash, beginning		17,985	
Unencumbered cash, ending		\$ 8,238	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
SPECIAL EDUCATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Local revenues	\$ -	\$ 12,718	\$ 12,718
Medicaid	-	57,190	57,190
Transfer from general fund	1,779,840	2,002,191	222,351
Transfer from supplemental general fund	800,000	128,734	(671,266)
Total cash receipts and transfers	\$ 2,579,840	2,200,833	\$ (379,007)
Expenditures and encumbrances:			
Instruction	\$ 2,736,940	2,179,481	\$ (557,459)
Student support services	27,000	10,424	(16,576)
Operations and maintenance	4,000	645	(3,355)
Student transportation services	348,593	248,832	(99,761)
Total expenditures and encumbrances	\$ 3,116,533	2,439,382	\$ (677,151)
Cash receipts and transfers under expenditures and encumbrances		(238,549)	
Unencumbered cash, beginning		536,692	
Unencumbered cash, ending		\$ 298,143	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
DRIVER TRAINING FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts:			
State aid	\$ 6,500	\$ 5,850	\$ (650)
Local sources	6,000	493	(5,507)
	<u>\$ 12,500</u>	<u>6,343</u>	<u>\$ (6,157)</u>
Expenditures:			
Instruction	\$ 21,859	13,909	\$ (7,950)
Operations and maintenance	17,000	1,297	(15,703)
	<u>\$ 38,859</u>	<u>15,206</u>	<u>\$ (23,653)</u>
Cash receipts under expenditures		(8,863)	
Unencumbered cash, beginning		<u>26,359</u>	
Unencumbered cash, ending		<u>\$ 17,496</u>	

(Continued)



SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
FOOD SERVICE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	\$ 4,715	\$ 5,408	\$ 693
Federal aid	372,330	432,460	60,130
Local revenues	213,881	179,858	(34,023)
Miscellaneous	60,000	-	(60,000)
Interest	46,000	-	(46,000)
Transfer from general	50,000	27,538	(22,462)
Total cash receipts and transfers	\$ 746,926	645,264	\$ (101,662)
Expenditures and encumbrances:			
Food service operation	\$ 722,918	645,260	\$ (77,658)
Cash receipts and transfers over expenditures and encumbrances		4	
Unencumbered cash, beginning		25,724	
Unencumbered cash, ending		\$ 25,728	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
CAPITAL OUTLAY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem current tax	\$ 334,022	\$ 364,490	\$ 30,468
Ad valorem delinquent tax	6,488	9,914	3,426
Motor vehicle tax	63,744	58,187	(5,557)
Recreational vehicle tax	1,589	1,367	(222)
Commercial vehicle tax	814	-	(814)
Interest on idle funds	-	13,240	13,240
Miscellaneous	50,000	8,404	(41,596)
State aid	178,421	178,244	(177)
	\$ 635,078	633,846	\$ (1,232)
Expenditures and encumbrances:			
Instruction equipment	\$ 208,000	158,638	\$ (49,362)
Instructional support equipment	200,000	144,062	(55,938)
General administration	-	3,655	3,655
School administration equipment	250,000	24,954	(225,046)
Operations and maintenance	170,000	172,867	2,867
Site and building improvements	172,000	191,348	19,348
	\$ 1,000,000	695,524	\$ (304,476)
Cash receipts under expenditures and encumbrances		(61,678)	
Unencumbered cash, beginning		458,262	
Unencumbered cash, ending		\$ 396,584	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
EXTRAORDINARY SCHOOL PROGRAM FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Fees	\$ 80,000	\$ 36,448	\$ (43,552)
Expenditures and encumbrances:			
Instruction	\$ 117,640	63,531	\$ (54,109)
Cash receipts under expenditures and encumbrances		(27,083)	
Unencumbered cash, beginning		37,641	
Unencumbered cash, ending		\$ 10,558	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	\$ 997,181	\$ 902,412	\$ (94,769)
Expenditures:			
Instruction	\$ 700,000	584,290	\$ (115,710)
Student support services	100,000	63,164	(36,836)
Instructional support staff	20,000	27,072	7,072
General administration	20,000	27,073	7,073
School administration	50,000	72,191	22,191
Other support services	20,000	27,073	7,073
Operations and maintenance	40,000	54,140	14,140
Transportation	17,000	2,255	(14,745)
Food service operations	30,181	45,118	14,937
Total expenditures	\$ 997,181	902,376	\$ (94,805)
Cash receipts over expenditures		36	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ 36	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
AT-RISK FUND (K-12)  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ -	\$ 545,686	\$ 545,686
Transfer from supplemental general fund	1,252,908	714,926	(537,982)
Total transfers	\$ 1,252,908	1,260,612	\$ 7,704
Expenditures and encumbrances:			
Instruction	\$ 1,252,908	1,252,908	\$ -
Transfers over expenditures and encumbrances		7,704	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ 7,704	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
AT-RISK FUND (4 YEAR-OLD)  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Local revenues	\$ 57,000	\$ 63,164	\$ 6,164
Transfer from general fund	174,991	166,211	(8,780)
	\$ 231,991	229,375	\$ (2,616)
Expenditures and encumbrances:			
Instruction	\$ 163,000	163,011	\$ 11
Student transportation services	69,140	63,772	(5,368)
	\$ 232,140	226,783	\$ (5,357)
Cash receipts and transfers over expenditures and encumbrances		2,592	
Unencumbered cash, beginning		150	
Unencumbered cash, ending		\$ 2,742	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
PROFESSIONAL DEVELOPMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	\$ 9,375	\$ 11,027	\$ 1,652
Transfer from general fund	-	54,870	54,870
Transfer from supplemental general fund	66,189	2,031	(64,158)
	\$ 75,564	67,928	\$ (7,636)
Expenditures and encumbrances:			
Instructional support staff	\$ 93,200	57,543	\$ (35,657)
Other support services	16,800	24,515	7,715
	\$ 110,000	82,058	\$ (27,942)
Cash receipts and transfers under expenditures and encumbrances		(14,130)	
Unencumbered cash, beginning		34,438	
Unencumbered cash, ending		\$ 20,308	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
GIFTS AND GRANTS FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts:			
Contributions	\$ 20,000	\$ 31,000	\$ 11,000
Local revenues	19,257	19,257	-
Federal aid	-	4,267	4,267
	<u>39,257</u>	<u>54,524</u>	<u>15,267</u>
Total cash receipts	<u>\$ 39,257</u>	<u>54,524</u>	<u>\$ 15,267</u>
Expenditures and encumbrances:			
Instruction	\$ 109,146	48,913	\$ (60,233)
Transportation	-	1,870	1,870
	<u>109,146</u>	<u>50,783</u>	<u>(58,363)</u>
Total expenditures and encumbrances	<u>\$ 109,146</u>	<u>50,783</u>	<u>\$ (58,363)</u>
Cash receipts over expenditures and encumbrances		3,741	
Unencumbered cash, beginning		<u>69,888</u>	
Unencumbered cash, ending		<u>\$ 73,629</u>	

(Continued)



SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
FEDERAL GRANT FUNDS  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Title I	Title II A	Total Actual	Budget	Variance - Over (Under)
Cash receipts:					
Federal aid	\$ 156,976	\$ 26,425	\$ 183,401	\$ 183,341	\$ 60
Expenditures and encumbrances:					
Instruction	156,976	42	157,018	\$ 171,000	\$ (13,982)
Instructional support staff	-	45,383	45,383	12,341	33,042
Total expenditures and encumbrances	156,976	45,425	202,401	\$ 183,341	\$ 19,060
Cash receipts under expenditures	-	(19,000)	(19,000)		
Unencumbered cash, beginning	-	-	-		
Unencumbered cash, ending	\$ -	\$ (19,000)	\$ (19,000)		

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 SUMMER SCHOOL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
 REGULATORY BASIS  
 (Continued)  
 Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Transfer from general fund	\$ 50,000	\$ -	\$ (50,000)
Transfers over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
BOND AND INTEREST FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem current tax	\$ 149,177	\$ 163,553	\$ 14,376
Ad valorem delinquent tax	2,230	4,050	1,820
Motor vehicle tax	23,258	21,264	(1,994)
Recreational vehicle tax	579	500	(79)
Commercial vehicle tax	298	-	(298)
State aid	193,854	193,853	(1)
	<u>\$ 369,396</u>	<u>383,220</u>	<u>\$ 13,824</u>
Total cash receipts			
Expenditures:			
Principal	\$ 305,000	305,000	\$ -
Interest expense	60,762	60,761	(1)
	<u>\$ 365,762</u>	<u>365,761</u>	<u>\$ (1)</u>
Total expenditures			
Cash receipts over expenditures		17,459	
Unencumbered cash, beginning		<u>403,659</u>	
Unencumbered cash, ending		<u>\$ 421,118</u>	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
TEXTBOOK RENTAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

Cash receipts:	
Fees	\$ 68,979
Expenditures and encumbrances:	
Instruction	<u>65,290</u>
Cash receipts over expenditures and encumbrances	3,689
Unencumbered cash, beginning	<u>11,494</u>
Unencumbered cash, ending	<u>\$ 15,183</u>

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
CONTINGENCY RESERVE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

Unencumbered cash, beginning	<u>\$ 150,101</u>
Unencumbered cash, ending	<u><u>\$ 150,101</u></u>

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
CARES ACT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

Cash receipts:	
Federal	\$ 117,657
Unencumbered cash, beginning	<u>-</u>
Unencumbered cash, ending	<u><u>\$ 117,657</u></u>

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 STUDENT ORGANIZATION FUNDS  
 SUMMARY OF RECEIPTS AND DISBURSEMENTS  
 REGULATORY BASIS  
 Year Ended June 30, 2020

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Balance, June 30
High School:				
Art Club	\$ 486	\$ 1,000	\$ 335	\$ 1,151
Band boosters	678	178	178	678
Bovay tech fund	92	55	-	147
Cheerleaders	4,787	5,757	6,469	4,075
Class of 2020	796	2,282	2,419	659
Class of 2021	830	1,314	646	1,498
Class of 2022	792	746	-	1,538
Class of 2023	-	651	-	651
Debate/forensics	429	363	488	304
Drama	-	82	-	82
Drill team	1,139	2,986	3,309	816
FACS/BCBS	1,000	-	-	1,000
FBLA	1,108	6,254	6,711	651
Green team	1,229	2,750	729	3,250
KAYS	2,938	1,062	793	3,207
Kitchen	230	-	-	230
Memorial funds	6,882	9,369	13,305	2,946
Miscellaneous	238	115	45	308
National honor society	4,627	1,727	2,602	3,752
Sales tax	375	10,307	10,442	240
Scholar's bowl	182	-	-	182
Student council	9,377	15,514	15,185	9,706
Students in need	2,441	(25)	77	2,339
Trap team	-	2,055	-	2,055
Thunderstruck spirit club	2,735	7,871	6,808	3,798
Trail pride	1	1,573	1,035	539
Vocal music	333	492	-	825
Subtotal High School	<u>43,725</u>	<u>74,478</u>	<u>71,576</u>	<u>46,627</u>
Overbrook Attendance Center:				
Sales tax	2	11	11	2
Book club	-	827	-	827
Subtotal Overbrook Attendance Center	<u>\$ 2</u>	<u>\$ 838</u>	<u>\$ 11</u>	<u>\$ 829</u>

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
STUDENT ORGANIZATION FUNDS  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Balance, June 30
Carbondale Attendance Center:				
Cheerleaders	\$ 36	\$ -	\$ -	\$ 36
FCA	272	-	-	272
FBLA-jr.	846	1,894	2,444	296
Gifted	100	-	-	100
Just say no club	955	-	-	955
K.C.'s fitness	1,132	-	-	1,132
Pep club	102	1,371	845	628
Principal's fund	782	121	589	314
Sales tax	20	2,769	2,779	10
Scholarships	300	-	-	300
Science/ecology club	185	-	-	185
Student council	6,349	6,868	8,172	5,045
Theatre	3	-	-	3
6th grade store	3,068	-	1,318	1,750
7th grade	282	-	-	282
8th grade	1,350	6,582	3,601	4,331
Subtotal Carbondale Attendance Center	15,782	19,605	19,748	15,639
Total all funds	\$ 59,509	\$ 94,921	\$ 91,335	\$ 63,095



SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
 SCRANTON, KANSAS  
 GATE RECEIPTS  
 SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
 REGULATORY BASIS  
 Year Ended June 30, 2020

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
Gate receipts:							
Carbondale Attendance Center	\$ 792	\$ -	\$ 5,968	\$ 7,364	\$ (604)	\$ -	\$ (604)
High School	11,209	-	45,347	45,481	11,075	-	11,075
Total gate receipts	<u>\$ 12,001</u>	<u>\$ -</u>	<u>\$ 51,315</u>	<u>\$ 52,845</u>	<u>\$ 10,471</u>	<u>\$ -</u>	<u>\$ 10,471</u>

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
DISTRICT ACTIVITY FUNDS  
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS  
Year Ended June 30, 2020

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
School projects:							
Carbondale Attendance Center:							
Book fairs	\$ 2,485	\$ -	\$ 3,124	\$ 3,096	\$ 2,513	\$ -	\$ 2,513
Enrollment fees/textbooks	-	-	13,503	13,298	205	-	205
Fire funds	223	-	-	-	223	-	223
Lunch account	111	-	49,837	49,758	190	-	190
Pencils	497	-	-	-	497	-	497
Fund raisers	7,722	-	9,066	9,744	7,044	-	7,044
P.E. funds	954	-	1,002	-	1,956	-	1,956
School pictures	2,607	-	227	-	2,834	-	2,834
Student supplies	1,587	-	4,977	4,960	1,604	-	1,604
Yearbook	2,372	-	1,591	1,113	2,850	-	2,850
Subtotal Carbondale Attendance Center	18,558	-	83,327	81,969	19,916	-	19,916
Overbrook Attendance Center:							
Book fairs	385	-	2,401	2,402	384	-	384
District passes	-	-	50	50	-	-	-
Enrollment fees/textbooks	-	-	14,647	14,607	40	-	40
Library	110	-	16	44	82	-	82
Lunch account	(2,657)	-	34,758	31,649	452	-	452
Miscellaneous	1	-	-	-	1	-	1
Overbrook staff	706	-	470	989	187	-	187
Principal's booster club	2,040	-	345	560	1,825	-	1,825
School fund	13,011	-	673	1,081	12,603	-	12,603
Yearbooks	2,807	-	1,279	950	3,136	-	3,136
Subtotal Overbrook Attendance Center	\$ 16,403	\$ -	\$ 54,639	\$ 52,332	\$ 18,710	\$ -	\$ 18,710

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434  
SCRANTON, KANSAS  
DISTRICT ACTIVITY FUNDS  
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS  
(Continued)  
Year Ended June 30, 2020

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
High School:							
Charger shop	\$ 2,198	\$ -	\$ 1,288	\$ 999	\$ 2,487	\$ -	\$ 2,487
Chromebook fee	-	-	4,027	3,790	237	-	237
Enrollment fees/textbooks	353	-	7,090	3,801	3,642	-	3,642
Ice Cream	-	-	166	-	166	-	166
Library	1,023	-	45	512	556	-	556
Lunch account	(20)	-	36,648	36,142	486	-	486
Renaissance	237	-	2,870	2,629	478	-	478
Science department	400	-	570	601	369	-	369
Special services fund	345	-	600	270	675	-	675
Student supplies	4,786	-	3,416	3,426	4,776	-	4,776
Summer School	-	-	225	225	-	-	-
Yearbooks	3,110	-	3,442	1,591	4,961	-	4,961
Subtotal High School	12,432	-	60,387	53,986	18,833	-	18,833
Total School Project Funds	\$ 47,393	\$ -	\$ 198,353	\$ 188,287	\$ 57,459	\$ -	\$ 57,459



Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education  
Santa Fe Trail Unified School District No. 434:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Santa Fe Trail Unified School District No. 434 (the District) which comprises the summary statement of regulatory basis receipts, expenditures and unencumbered cash as of June 30, 2020 and the related notes to the financial statement and have issued our report thereon dated October 28, 2020. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BT&Co, P.A.*

October 28, 2020  
Topeka, Kansas