UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

Financial Statement and Regulatory-Required Supplementary
Information with Independent Auditor's Report

For the Year Ended June 30, 2022

MAPES & MILLER LLP
Certified Public Accountants
Quinter, Kansas

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas

Financial Statement and Regulatory-Required Supplementary
Information with Independent Auditor's Report

For the Year Ended June 30, 2022

Table of Contents

	Page Number
Independent Auditor's Report	1
Summary Statement of Receipts, Expenditures, and Unencumbered Cash	4
Notes to the Financial Statement	6
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	14
SCHEDULE 2	
Schedule of Receipts and Expenditures – Actual and Budget	
General Funds	15
Special Purpose Funds	17
Trust Funds	25
SCHEDULE 3	
Summary of Receipts and Disbursements	
Agency Funds	26
SCHEDULE 4	
Schedule of Receipts, Expenditures, and Unencumbered Cash	
District Activity Funds	27

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Mapes & Miller LLP
Certified Public Accountants & Business Advisors

230 MAIN, PO BOX 412, QUINTER, KS 67752
PHONE: 785-754-2111 EMAIL: dtilton@mmcpas.net

JOHN D MAPES, CPA, CHTD
DENIS W. MILLER, CPA, PA
THOMAS B. CARPENTER, CPA, PA
DON E. TILTON, CPA, PA
BRIAN S. THOMPSON, CPA, PA
REBECCA A. LIX, CPA, PA
STEPHANIE M. HEIER, CPA, PA

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 316
Selden, Kansas 67757

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 316, as of and for the year ended June 30, 2022, and the related notes to the financial statement.

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 and Unmodified Opinions section of our report, the accompanying 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. 316 as of June 30, 2022, or changes in the financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 316 as of June 30, 2022, 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.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide.* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Unified School District No. 316, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by Unified School District No. 316 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.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Unified School District No. 316's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit 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 Unified School District No. 316's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Unified School District No. 316's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and disbursements-agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary 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.

Mapes & Miller LLP
Certified Public Accountants
Quinter, Kansas

October 31, 2022

UNIFIED SCHOOL DISTRICT NO. 316

Selden, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General Fund	$ 0	0	2,135,453	2,135,453	0	56,660	56,660
Supplemental General Fund	36,230	0	656,941	664,574	28,597	5,119	33,716
Special Purpose Funds:							
Preschool-Aged At-Risk Fund	25,000	0	18,000	12,844	30,156	24	30,180
At Risk Fund (K-12)	89,450	0	238,837	221,757	106,530	13,060	119,590
Bilingual Education Fund	44,830	0	6,325	2,255	48,900	0	48,900
Driver Training Fund	25,127	0	1,586	12,496	14,217	0	14,217
Capital Outlay Fund	659,188	0	55,435	375,606	339,017	179,710	518,727
Food Service Fund	46,060	0	188,329	175,724	58,665	1,441	60,106
Professional Development Fund	11,656	0	14,717	11,656	14,717	0	14,717
Special Education Fund	123,875	0	436,182	453,915	106,142	2,294	108,436
Career and Postsecondary Education Fund	51,529	0	98,298	67,998	81,829	0	81,829
KPERS Special Retirement Contribution Fund	0	0	252,660	252,660	0	0	0
Gifts and Grants Fund	58,478	0	68,046	67,093	59,431	20,273	79,704
Federal Funds	(20,901)	0	207,856	217,674	(30,719)	39,187	8,468
Textbook and Student Material Revolving Fund	43,857	0	41,185	38,264	46,778	100	46,878
Contingency Reserve Fund	213,607	8,328	0	15,874	206,061	0	206,061
District Activity Funds (Schedule 4)	4,180	0	14,705	15,341	3,544	0	3,544
Trust Funds:							
Scholarship Fund	3,584	0	300	1,500	2,384	0	2,384
Total Reporting Entity (Excluding Agency Funds)	$ **1,415,750**	**8,328**	**4,434,855**	**4,742,684**	**1,116,249**	**317,868**	**1,434,117**

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

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Composition of Cash:

The Bank - Selden, Kansas		
Checking Accounts	$	1,000
NOW Account		1,393,365
Certificates of Deposit		109,500
Total Cash		1,503,865
Agency Funds Per Schedule 3		(69,748)
Total Reporting Entity (Excluding Agency Funds)	$	**1,434,117**

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

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Notes to the Financial Statement
June 30, 2022

1. Summary of Significant Accounting Policies

(a) Municipal Financial Reporting Entity

Unified School District No. 316, Selden, Kansas, operates as a unified school district in accordance with the laws of the State of Kansas. The District is operated by an elected board of education and provides the following services: education, culture and recreation. This regulatory financial statement presents only Unified School District No. 316, Selden, Kansas.

(b) Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2022:

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Trust Fund – used to report assets held in trust for the benefit of the District (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the District, scholarship funds, etc.).

Agency Fund – used to report assets held by the District in a purely custodial capacity.

(c) 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.

(d) 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 calendar year on or before August 1st.

2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25th.

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. Starting with the 2022 budget cycle, the District may hold a revenue neutral rate hearing.

The statutes allow the governing body to increase the originally adopted budget for 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 budget amendments for the year ended June 30, 2022.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented, Schedule 2 as listed in the table of contents, for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Contingency Reserve Fund Textbooks and Student Material Revolving Fund

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

(e) Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that received the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

2. Deposits and Investments

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

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

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

Custodial credit risk – deposits. 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 the 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, 2022.

At June 30, 2022, the District's carrying amount of deposits was $1,503,865 and the bank balance was $1,498,381. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and the balance of $1,248,381 was collateralized with securities held by the pledging financial institution's agent 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 District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2022.

3. 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 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 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 and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $252,660 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $1,918,155. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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, 2021. 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.

4. Other Long-Term Obligations from Operations

(a) Compensated Absences

Sick Leave

Sick leave shall be granted to contractual classified employees in proportion to their employment contract as it relates to hours, days, or months on duty at the rate of one day per month cumulative to 60 days. There is no payment for unused sick leave when an employee ceases employment with the District.

Discretionary Leave

Each teacher shall be granted thirteen days of discretionary leave per year. Any unused discretionary leave at year-end becomes accumulated personal sick leave accumulative to a maximum of 480 hours. Any sick leave accumulated beyond 480 hours is donated to the sick leave pool. Sick leave is not payable upon termination and, therefore, has not been estimated or accrued by the District as of June 30, 2022.

Vacation Leave

Full-time, twelve-month classified employees shall accrue vacation time at a rate of one day per month. Employees with more than fifteen years of continuous full-time service will accrue vacation time at the rate of 1.25 days per month. Maximum accumulation of vacation leave is twenty days. Vacation time must be used within two years of accrual. Vacation pay is payable upon termination at the employee's regular daily rate of pay. The amount of accrued vacation pay as of June 30, 2022, was $11,736.

(b) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays $475 per month, or the amount specified in the professional negotiations agreement for each retiree, and each retiree is responsible for the balance. During the year ended June 30, 2022, no retirees participated in this plan. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in the financial statement.

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

(c) Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public 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, 2022.

(d) Termination Benefits

The District provides an early retirement program for certified eligible employees with at least fifteen years of continuous employment with the District. To be eligible the employee must be at least age 60, younger than full social security retirement age, and have a combined total age, including credit for years of service in KPERS, equal to or greater than 85. Those eligible under this program receive 10% of their final year contract for the final year full time service with the District. The early retirement benefit is paid to the retiree in equal monthly payments until the retiree reaches full social security retirement age. The last payment, including any balance due, shall be made in the month the retiree reaches full social security retirement age. As of June 30, 2022, the District did not have any retired employees receiving benefits under this program.

5. Stewardship, Compliance and Accountability

(a) Cash Violation

K.S.A. 10-1113 requires each fund to comply with the cash-basis laws of the State of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The ESSER II and ESSER III Funds incurred indebtedness in excess of available cash. However, K.S.A. 12-1664 allows a deficit unencumbered cash balance for federal aid funds. The deficit is expected to be eliminated when federal grant proceeds are received.

6. In-Substance Receipt in Transit

The District received $75,008 subsequent to June 30, 2022, and as required by K.S.A. 72-5135(d) the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

7. Subsequent Event

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

8. Interfund Transfers

The District's operating transfers for the year ended June 30, 2022, were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk Fund (K-12)	K.S.A. 72-5167	$ 184,475
General Fund	Special Education Fund	K.S.A. 72-5167	400,905
Supplemental General Fund	Preschool-Aged At-Risk Fund	K.S.A. 72-5143	18,000
Supplemental General Fund	At Risk Fund (K–12)	K.S.A. 72-5143	54,362
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	6,325
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	34,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	14,717
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	6,602
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5143	96,986

9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards (KASB) Workers Compensation Fund, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 112 participating members.

The District pays an annual premium to KASB Workers Compensation Fund, Inc., for its workers compensation insurance coverage. The agreement to participate provides that the group will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the management of KASB Workers Compensation Fund, Inc.

The District continues to carry commercial insurance for all other risks of loss, including property, liability, and automobile insurance. The District joined Kansas Educational Risk Management Pool LLC (KERMP) to obtain this coverage. KERMP is a non-profit LLC made up of participating Districts. The agreement to participate provides that the group will be self-sustaining through participating districts' premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Additional premiums may be due if total claims are different than what has been anticipated by the management of KERMP.

10. COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2022. Based on current conditions, Management is unable to reasonably determine the future potential impacts that the COVID-19 outbreak may have on financial conditions and operations.

REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 316

SCHEDULE 1

Selden, Kansas

Summary of Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2022

Funds	Certified Budget	Adjustments 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 Fund	$ 2,250,880	(211,300)	95,873	2,135,453	2,135,453	0
Supplemental General Fund	664,574	0		664,574	664,574	0
Special Purpose Funds:						
Preschool-Aged At-Risk Fund	40,000	0	0	40,000	12,844	(27,156)
At Risk Fund (K-12)	476,222	0	0	476,222	221,757	(254,465)
Bilingual Education Fund	49,830	0	0	49,830	2,255	(47,575)
Driver Training Fund	19,300	0	0	19,300	12,496	(6,804)
Capital Outlay Fund	714,431	0	0	714,431	375,606	(338,825)
Food Service Fund	241,442	0	0	241,442	175,724	(65,718)
Professional Development Fund	11,656	0	0	11,656	11,656	0
Special Education Fund	555,970	0	0	555,970	453,915	(102,055)
Career and Postsecondary Education Fund	118,400	0	0	118,400	67,998	(50,402)
KPERS Special Retirement Contribution Fund	297,359	0	0	297,359	252,660	(44,699)
Gifts and Grants Fund	81,680	0	0	81,680	67,093	(14,587)
Federal Funds	666,866	0	0	666,866	217,674	(449,192)

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Receipts:			
Mineral Production Tax	$ **1,678**	650	1,028
State General Aid	**1,800,189**	1,919,797	(119,608)
State Special Education Aid	**237,713**	330,433	(92,720)
State Reimbursement - Mentor Aid	**1,575**	0	1,575
Reimbursements	**94,298**	0	94,298
Total Receipts	**2,135,453**	2,250,880	(115,427)
Expenditures:			
Instruction	**966,145**	961,000	5,145
Student Support Services	**60,134**	500	59,634
Instructional Support Staff	**0**	300	(300)
General Administration	**110,382**	132,500	(22,118)
School Administration	**150,876**	131,000	19,876
Central Services	**84,772**	85,700	(928)
Operations and Maintenance	**13,733**	133,865	(120,132)
Vehicle Operating Services	**71,471**	82,510	(11,039)
Vehicle Service & Maintenance Services	**4,211**	3,700	511
Student Transportation Services - Supervision	**7,841**	0	7,841
Other Support Services	**80,508**	81,600	(1,092)
Transfer to At Risk Fund (K-12)	**184,475**	307,772	(123,297)
Transfer to Special Education Fund	**400,905**	330,433	70,472
Adjustment to Comply with Legal Max	**0**	(211,300)	211,300
Legal General Fund Budget	**2,135,453**	2,039,580	95,873
Adjustments for Qualifying Budget Credits			
State Reimbursement - Mentor Aid		1,575	(1,575)
Reimbursements	**0**	94,298	(94,298)
Total Expenditures	**2,135,453**	2,135,453	0
Receipts Over (Under) Expenditures	**0**		
Unencumbered Cash, Beginning	**0**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **0**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Receipts:			
Ad Valorem Property Tax			
Tax in Process	$ **15,223**	9,280	5,943
Current Tax	**524,741**	511,460	13,281
Delinquent Tax	**4,474**	4,043	431
Motor Vehicle Tax	**28,162**	25,278	2,884
Recreational Vehicle Tax	**1,174**	760	414
Commercial Vehicle Tax	**2,288**	1,410	878
Supplemental State Aid	**80,879**	81,539	(660)
Total Receipts	**656,941**	633,770	23,171
Expenditures:			
Instruction	**54,698**	47,000	7,698
Student Support Services	**160**	21,000	(20,840)
Instructional Support Staff	**868**	700	168
General Administration	**231,863**	95,000	136,863
School Administration	**14,275**	10,500	3,775
Operations and Maintenance	**91,348**	152,138	(60,790)
Vehicle Operating Services	**26,744**	18,000	8,744
Vehicle Services & Maintenance Services	**13,123**	8,000	5,123
Other Support Services	**503**	0	503
Transfer to Preschool-Aged At-Risk Fund	**18,000**	15,000	3,000
Transfer to At Risk Fund (K-12)	**54,362**	79,000	(24,638)
Transfer to Bilingual Education Fund	**6,325**	5,000	1,325
Transfer to Driver Training Fund	**0**	15,000	(15,000)
Transfer to Food Service Fund	**34,000**	55,000	(21,000)
Transfer to Professional Development Fund	**14,717**	0	14,717
Transfer to Special Education Fund	**6,602**	93,662	(87,060)
Transfer to Career and Postsecondary Education Fund	**96,986**	55,000	41,986
Adjustment to Comply with Legal Max	**0**	(5,426)	5,426
Total Expenditures	**664,574**	664,574	0
Receipts Over (Under) Expenditures	**(7,633)**		
Unencumbered Cash, Beginning	**36,230**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **28,597**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Preschool-Aged At-Risk Fund			
Receipts:			
Transfer from Supplemental General Fund	$ **18,000**	15,000	3,000
Expenditures:			
Instruction	**12,844**	39,700	(26,856)
Instructional Support Staff	**0**	300	(300)
Total Expenditures	**12,844**	40,000	(27,156)
Receipts Over (Under) Expenditures	**5,156**		
Unencumbered Cash, Beginning	**25,000**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **30,156**		
At Risk Fund (K-12)			
Transfer from General Fund	$ **184,475**	307,772	(123,297)
Transfer from Supplemental General Fund	**54,362**	79,000	(24,638)
Total Receipts	**238,837**	386,772	(147,935)
Expenditures:			
Instruction	**207,840**	401,722	(193,882)
Student Support Staff	**13,917**	74,500	(60,583)
Total Expenditures	**221,757**	476,222	(254,465)
Receipts Over (Under) Expenditures	**17,080**		
Unencumbered Cash, Beginning	**89,450**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **106,530**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Bilingual Education Fund			
Receipts:			
Transfer from Supplemental General Fund	$ **6,325**	5,000	1,325
Expenditures:			
Instruction	**2,255**	49,830	(47,575)
Receipts Over (Under) Expenditures	**4,070**		
Unencumbered Cash, Beginning	**44,830**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **48,900**		
Driver Training Fund			
Receipts:			
State Safety Aid	$ **1,586**	2,280	(694)
Transfer from Supplemental General Fund	**0**	15,000	(15,000)
Total Receipts	**1,586**	17,280	(15,694)
Expenditures:			
Instruction	**12,496**	18,300	(5,804)
Operations & Maintenance	**0**	1,000	(1,000)
Total Expenditures	**12,496**	19,300	(6,804)
Receipts Over (Under) Expenditures	**(10,910)**		
Unencumbered Cash, Beginning	**25,127**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **14,217**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Capital Outlay Fund			
Receipts:			
Ad Valorem Property Tax			
Tax in Process	**$ 1,271**	780	491
Current Tax	**39,742**	42,127	(2,385)
Delinquent Tax	**360**	506	(146)
Motor Vehicle Tax	**2,392**	3,246	(854)
Recreational Vehicle Tax	**99**	98	1
Commercial Vehicle Tax	**191**	182	9
Interest on Idle Funds	**4,706**	1,500	3,206
Other Revenue From Local Source	**6,674**	4,300	2,374
Total Receipts	**55,435**	52,739	2,696
Expenditures:			
Instruction	**3,655**	70,000	(66,345)
Operations and Maintenance	**267,619**	450,516	(182,897)
Transportation	**96,852**	0	96,852
Vehicle Services & Maintenance Services	**0**	181,415	(181,415)
Building Improvements	**6,418**	10,000	(3,582)
Other	**1,062**	2,500	(1,438)
Total Expenditures	**375,606**	714,431	(338,825)
Receipts Over (Under) Expenditures	**(320,171)**		
Unencumbered Cash, Beginning	**659,188**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	**$ 339,017**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
Food Service Fund			
Receipts:			
Federal Aid	**$ 143,422**	120,360	23,062
State Aid	**1,031**	879	152
Food Service	**9,876**	19,143	(9,267)
Transfer from Supplemental General Fund	**34,000**	55,000	(21,000)
Total Receipts	**188,329**	195,382	(7,053)
Expenditures:			
Food Service Operations	**175,724**	241,442	(65,718)
Receipts Over (Under) Expenditures	**12,605**		
Unencumbered Cash, Beginning	**46,060**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	**$ 58,665**		
Professional Development Fund			
Receipts:			
Transfer from Supplemental General Fund	**$ 14,717**	0	14,717
Expenditures:			
Instructional Support Staff	**11,581**	11,656	(75)
School Administration	**75**	0	75
Total Expenditures	**11,656**	11,656	0
Receipts Over (Under) Expenditures	**3,061**		
Unencumbered Cash, Beginning	**11,656**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	**$ 14,717**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

		Actual	Budget	Variance Over (Under)
Special Education Fund				
Receipts:				
Other Revenue From Local Source	$	**10,377**	0	10,377
Federal Aid		**18,298**	8,000	10,298
Transfer from General Fund		**400,905**	330,433	70,472
Transfer from Supplemental General Fund		**6,602**	93,662	(87,060)
Total Receipts		**436,182**	432,095	4,087
Expenditures:				
Instruction		**453,915**	555,970	(102,055)
Receipts Over (Under) Expenditures		**(17,733)**		
Unencumbered Cash, Beginning		**123,875**		
Prior Year Cancelled Encumbrances		**0**		
Unencumbered Cash, Ending	$	**106,142**		
Career and Postsecondary Education Fund				
Receipts:				
Other Revenue From Local Source	$	**1,312**	11,871	(10,559)
Transfer from Supplemental General Fund		**96,986**	55,000	41,986
Total Receipts		**98,298**	66,871	31,427
Expenditures:				
Instruction		**66,498**	118,400	(51,902)
Instructional Support Staff		**1,500**	0	1,500
Total Expenditures		**67,998**	118,400	(50,402)
Receipts Over (Under) Expenditures		**30,300**		
Unencumbered Cash, Beginning		**51,529**		
Prior Year Cancelled Encumbrances		**0**		
Unencumbered Cash, Ending	$	**81,829**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance Over (Under)
KPERS Special Retirement Contribution Fund			
Receipts:			
State Aid	$ **252,660**	297,359	(44,699)
Expenditures:			
Instruction	**189,495**	241,515	(52,020)
General Administration	**10,106**	8,935	1,171
School Administration	**22,740**	20,104	2,636
Operation and Maintenance	**12,633**	11,168	1,465
Student Transportation Services	**7,580**	6,702	878
Food Service	**10,106**	8,935	1,171
Total Expenditures	**252,660**	297,359	(44,699)
Receipts Over (Under) Expenditures	**0**		
Unencumbered Cash, Beginning	**0**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **0**		
Gifts and Grants Fund			
Receipts:			
Other Revenue From Local Source	$ **68,046**	30,000	38,046
Expenditures:			
Instruction	**28,171**	56,680	(28,509)
Operations & Maintenance	**34,467**	25,000	9,467
Other Support Services	**4,455**	0	4,455
Total Expenditures	**67,093**	81,680	(14,587)
Receipts Over (Under) Expenditures	**953**		
Unencumbered Cash, Beginning	**58,478**		
Prior Year Cancelled Encumbrances	**0**		
Unencumbered Cash, Ending	$ **59,431**		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Federal Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Rural Enhancement Grant	Title I	Title II	Character Education	ESSER II	ESSER III	Total	Budget	Variance Over (Under)
Receipts:									
Federal Aid	$ 16,891	65,047	5,247	0	120,671	0	207,856	676,476	(468,620)
Expenditures:									
Instruction	10,148	64,866	0	0	108,264	0	183,278	606,866	(423,588)
Student Support Services	0	181	2,823	0	0	0	3,004	5,000	(1,996)
Instructional Support Staff	0	0	2,424	0	0	0	2,424	25,000	(22,576)
Operations & Maintenance	0	0	0	0	0	28,968	28,968	30,000	(1,032)
Total Expenditures	10,148	65,047	5,247	0	108,264	28,968	217,674	666,866	(449,192)
Receipts Over (Under) Expenditures	6,743	0	0	0	12,407	(28,968)	(9,818)		
Unencumbered Cash, Beginning	(6,740)	0	0	500	(14,661)	0	(20,901)		
Prior Year Cancelled Encumbrances	0	0	0	0	0	0	0		
Unencumbered Cash, Ending	$ 3	0	0	500	(2,254)	(28,968)	(30,719)		

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Special Purpose Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022

	Actual
Textbook and Student Material Revolving Fund	
Receipts:	
Fees	$ **14,792**
Miscellaneous	**26,393**
Total Receipts	**41,185**
Expenditures:	
Instruction	**37,988**
Instructional Support Staff	**276**
Total Expenditures	**38,264**
Receipts Over (Under) Expenditures	**2,921**
Unencumbered Cash, Beginning	**43,857**
Prior Year Cancelled Encumbrances	**0**
Unencumbered Cash, Ending	$ **46,778**
Contingency Reserve Fund	
Receipts	$ **0**
Expenditures	
Instruction	**15,874**
Receipts Over (Under) Expenditures	**(15,874)**
Unencumbered Cash, Beginning	**213,607**
Prior Year Cancelled Encumbrances	**8,328**
Unencumbered Cash, Ending	$ **206,061**

UNIFIED SCHOOL DISTRICT NO. 316
Selden, Kansas
Trust Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022

	Actual
Scholarship Fund	
Receipts	
Donations	**$ 300**
Expenditures	
Scholarships	**1,500**
Receipts Over (Under) Expenditures	**(1,200)**
Unencumbered Cash, Beginning	**3,584**
Prior Year Cancelled Encumbrances	**0**
Unencumbered Cash, Ending	**$ 2,384**

UNIFIED SCHOOL DISTRICT NO. 316 SCHEDULE 3

Selden, Kansas

Agency Funds

Summary of Receipts and Disbursements

Regulatory Basis

For the Year Ended June 30, 2022

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School:				
National Honor Society	$ 3,328	800	1,338	2,790
Drama/Forensics	857	1,157	747	1,267
FFA	3,779	4,966	5,797	2,948
Cheerleaders	3,692	6,542	6,664	3,570
Dance Team	1,434	2,051	1,274	2,211
Varsity Club	2,956	6,234	4,330	4,860
Student Council	6,495	2,097	4,053	4,539
Yearbook	18,510	4,305	6,322	16,493
Class of 2022	25,629	24,078	49,707	0
Class of 2023	5,548	31,369	17,793	19,124
Class of 2024	1,969	12,238	7,064	7,143
Class of 2025	215	7,108	3,157	4,166
Class of 2026	0	105	54	51
Sales Tax	327	5,789	5,864	252
Middle School:				
Cheerleaders	304	813	783	334
Total Agency Funds	$ 75,043	109,652	114,947	69,748

UNIFIED SCHOOL DISTRICT NO. 316

SCHEDULE 4

Selden, Kansas

District Activity Funds

Schedule of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Athletics	$ 4,180	14,705	15,341	3,544	0	3,544
Total District Activity Funds	$ 4,180	14,705	15,341	3,544	0	3,544