

**UNIFIED SCHOOL DISTRICT NO. 342**

McLouth, Kansas

**FINANCIAL STATEMENT**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**

June 30, 2020

VARNEY & ASSOCIATES, CPAs, LLC  
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
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February 22, 2021

Board of Education  
Unified School District No. 342  
McLouth, Kansas

### **Independent Auditor's Report**

We have audited the accompanying summary statement of receipts, expenditures, and unencumbered cash - regulatory basis of Unified School District No. 342 (the District), as of and for the year ended June 30, 2020 and the related notes to the financial statement which collectively comprise the District's basic financial statement as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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 the auditor's judgment, including assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

February 22, 2021  
Unified School District No. 342  
(Continued)

**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 accordance 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 or cash flows thereof for the year then ended.

**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 *Kansas Municipal Audit and Accounting Guide* described in Note 1.

**Report on Regulatory-Required Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the summary statement of receipts, expenditures, and unencumbered cash - regulatory basis (basic financial statement) as a whole. The summary of expenditures-actual and budget - regulatory basis, individual fund schedules of receipts and expenditures - actual and budget - regulatory basis, schedule of receipts and expenditures - regulatory basis - agency funds and schedule of receipts, expenditures and unencumbered cash - activity funds - regulatory basis are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such 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 1.

**Report on Summarized Comparative Information**

The June 30, 2019 actual column presented in the individual fund schedules of receipts and expenditures (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the June 30, 2020 basic financial statement upon which we rendered an unmodified opinion - regulatory basis, dated February 22, 2021. The June 30, 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such prior year comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the prior year basic financial statement. The prior year comparative information was subjected to the auditing procedures applied in the audit of the prior year 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 prior year basic financial statement or to the prior year 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 prior year comparative information is fairly stated in all material respects in relation to the prior year basic financial statement as a whole, on the basis of accounting described in Note 1.

*Varney & Associates, CPAs, LLC*

Certified Public Accountants  
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

<b>GOVERNMENTAL TYPE FUNDS</b>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Funds:							
General Fund	\$ -	\$ -	\$ 4,391,264	\$ 4,391,264	\$ -	\$ 3,155	\$ 3,155
Supplemental General Fund	113,628	-	1,322,424	1,341,837	94,215	240,866	335,081
Special Purpose Funds							
Federal Funds	-	-	165,817	165,817	-	43,691	43,691
Preschool-Aged At-Risk	40,919	-	83,613	83,613	40,919	532	41,451
At-Risk (K-12) Fund	40,000	-	296,325	296,325	40,000	20,901	60,901
Capital Outlay Fund	933,853	-	369,521	290,987	1,012,387	258,447	1,270,834
Driver Training Fund	13,274	-	5,150	1,487	16,937	-	16,937
Food Service Fund	60,012	-	225,454	225,454	60,012	554	60,566
Professional Development Fund	22,834	-	-	-	22,834	143	22,977
Special Education Fund	305,372	-	1,148,481	1,125,996	327,857	9,035	336,892
Vocational Education Fund	13,747	-	152,216	152,216	13,747	7,023	20,770
Gifts and Grants Fund	17,398	-	7,072	3,648	20,822	-	20,822
KPERS Contribution Fund	-	-	448,070	448,070	-	-	-
Contingency Reserve Fund	405,177	-	-	-	405,177	-	405,177
Textbook Rental	114,717	-	28,118	6,845	135,990	5,789	141,779
Recreation Commission	3,818	-	79,520	78,675	4,663	-	4,663
Special Reserve	44,150	-	35,745	35,745	44,150	-	44,150
District Activity Funds	26,055	-	46,827	47,857	25,025	-	25,025

(Continued)

The accompanying notes are an integral part of this financial statement.  
 See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

Bond and Interest Funds							
Bond and Interest	\$ 250,606	\$ -	\$ 283,450	\$ 245,519	\$ 288,537	\$ -	\$ 288,537
Trust Funds							
Scholarships	215,167	-	5,971	9,300	211,838	-	211,838
<b>Total Primary Government</b>	<u>\$ 2,620,727</u>	<u>\$ -</u>	<u>\$ 9,095,038</u>	<u>\$ 8,950,655</u>	<u>\$ 2,765,110</u>	<u>\$ 590,136</u>	<u>\$ 3,355,246</u>
Related Municipal Entity							
McLouth Recreation Commission	601,417	-	88,189	34,334	655,272	-	655,272
<b>Total Reporting Entity (excluding agency funds)</b>	<u>\$ 3,222,144</u>	<u>\$ -</u>	<u>\$ 9,183,227</u>	<u>\$ 8,984,989</u>	<u>\$ 3,420,382</u>	<u>\$ 590,136</u>	<u>\$ 4,010,518</u>

**Composition of Cash**

Checking	\$ 2,102,990
Checking - Activity accounts	120,449
Scholarship Savings	1,700
Money Market	1,015,544
Scholarship Checking	3,884
Scholarship Certificates of Deposit	206,104
Recreation Commission Checking	44,500
Recreation Commission Money Market	610,772
<b>Total Cash</b>	<u>\$ 4,105,943</u>
Less: Agency Funds per Schedule 3	<u>(95,425)</u>
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$ 4,010,518</u>

The accompanying notes are an integral part of this financial statement.  
 See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
June 30, 2020

**Note 1: Summary of Significant Accounting Policies**  
**Municipal Financial Reporting Entity**

Unified School District No. 342, McLouth, Kansas (the District) is a municipal corporation governed by an elected seven-member board. The financial statement presents the District and its related municipal entity, the McLouth Recreation Commission. The McLouth Recreation Commission is included in the District's reporting entity because it was created to benefit the District and/or its constituents.

***McLouth Recreation Commission***

The McLouth Recreation Commission oversees recreational activities. The McLouth Recreation Commission operates as a separate governing body, but the District levies the taxes for the Recreation Commission and the recreation commission has only the powers granted by statute, K.S.A. 12- 1928. The McLouth Recreation Commission cannot purchase real property but can acquire real property by gift.

**Reimbursed Expenses**

Certain expenditures are classified as reimbursed expenses. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934. The following expenditures are classified as reimbursed expenses for the year ended June 30, 2020:

General Fund	\$	15,594
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Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement and related schedules meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

**Basis of Presentation**

***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 balances 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 generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

**Cash and Investments**

Cash consists of checking accounts, savings accounts, and certificates of deposit. The certificates of deposit are carried at cost, which approximates market value.

Cash balances in all funds are considered in determining the amount to be invested and further, unless specifically designated, all investment income is credited to the capital outlay fund.

**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
June 30, 2020

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Fund Descriptions**

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

**Governmental Funds**

**General Fund** is used to account for all unrestricted resources except those required to be accounted for in another fund.

**Special Purpose Funds** are used to account for the proceeds of specific revenue sources (other than major capital projects and tax levies for long-term debt) that are restricted by law or administrative action to expenditure for specified purposes.

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

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

**Trust Fund** is used to report assets held in trust for the benefit of the municipal financial reporting entity.

**Agency Funds** are used to report assets held by the District in a purely custodial capacity.

**Ad Valorem Tax Revenues**

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the District, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

**Note 2: Stewardship, Compliance and Accountability**

**Budgetary Information**

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

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. There were no such amendments this year.



**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
June 30, 2020

**Note 2: Stewardship, Compliance and Accountability (Continued)**  
**Budgetary Information (Continued)**

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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.

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

Textbook Rental Fund	District Activity Funds
Contingency Reserve Fund	Special Reserve Fund
Scholarship Funds	

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

**Compliance with Financial-Related Legal and Contractual Provisions**

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

**Note 3: Deposits and Investments**

As of June 30, 2020, the District had no 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 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 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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not utilize peak periods. All deposits were legally secured at June 30, 2020.

**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
June 30, 2020

**Note 3: Deposits and Investments (Continued)**

At June 30, 2020, the District's carrying amount of deposits was \$3,450,670 and the bank balance was \$3,793,414. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by the federal depository insurance, and the remaining \$3,543,414 was collateralized with securities held by the pledging financial institutions' agents 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 position of an outside party. State statutes require investments to be adequately secured.

*Related Municipal Entity (RME) - McLouth Recreation Commission*

At June 30, 2020, the RME's carrying amount of deposits was \$655,272, and the bank balance was \$656,131. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by the federal depository insurance, and the remaining \$406,131 was collateralized with securities held by the pledging financial institutions' agents in the RME's name.

**Note 4: In-Substance Receipt in Transit**

The District received \$169,068 for general fund and \$41,641 for supplemental general fund subsequent to June 30, 2020, 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, 2020.

**Note 5: Long-Term Debt**

On April 7, 2015, the voters in the District approved the issuance of \$3,425,000 in general obligation bonds (Series 2015) for the purpose of improvements, renovations, and additions to the existing school building and facilities. See the following page for more information related to long-term debt.

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
 June 30, 2020

**Note 5: Long-Term Debt (Continued)**

<b>Issue</b>	<b>Interest Rates</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Date of Final Maturity</b>	<b>Balance Beginning of Year</b>	<b>Additions</b>	<b>Reductions/ Payments</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>
General Obligation - Bonds Series 2015	3.0%-3.5%	6/8/15	\$ 3,425,000	9/1/35	<u>\$ 3,115,000</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 2,965,000</u>	<u>\$ 95,519</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
 June 30, 2020

**Note 5: Long-Term Debt (Continued)**

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

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026-2030</u>	<u>2031-2035</u>	<u>2036-2040</u>	<u>Total</u>
<b>Principal</b>									
General Obligation - Bonds Series 2015	\$ 155,000	\$ 155,000	\$ 160,000	\$ 165,000	\$ 165,000	\$ 900,000	\$ 1,035,000	\$ 230,000	\$ 2,965,000
<b>Interest</b>									
General Obligation - Bonds Series 2015	\$ 90,943	\$ 86,293	\$ 81,568	\$ 76,693	\$ 71,743	\$ 280,340	\$ 130,017	\$ 4,025	\$ 821,622
<b>TOTAL PRINCIPAL AND INTEREST</b>	<u>\$ 245,943</u>	<u>\$ 241,293</u>	<u>\$ 241,568</u>	<u>\$ 241,693</u>	<u>\$ 236,743</u>	<u>\$ 1,180,340</u>	<u>\$ 1,165,017</u>	<u>\$ 234,025</u>	<u>\$ 3,786,622</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
 June 30, 2020

**Note 6: Interfund Transfers**

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Preschool-Aged At-Risk Fund	K.S.A. 72-6428	\$ 21,600
General Fund	At-Risk (K-12) Fund	K.S.A. 72-6428	149,456
General Fund	Capital Outlay Fund	K.S.A. 72-6428	102,091
General Fund	Special Education Fund	K.S.A. 72-6428	1,015,455
General Fund	Vocational Education	K.S.A. 72-6428	95,600
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	116,350
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	49,501
Supplemental General Fund	Preschool-Aged At-Risk Fund	K.S.A. 72-6433	56,113
Supplemental General Fund	At-Risk (K-12) Fund	K.S.A. 72-6433	146,858
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6433	56,616
Supplemental General Fund	Special Reserve Fund	K.S.A. 72-6433	35,745
			<u>\$ 1,845,385</u>

**Note 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 the 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 S. Kansas, Suite 100; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

**Contributions**

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.59% and 13.21%, respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 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.

**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
June 30, 2020

**Note 7: Defined Benefit Pension Plan (Continued)**

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 \$448,070 for the year ended June 30, 2020.

**Net Pension Liability**

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$3,869,376. 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 these financial statements.

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

**Note 8: Other Post Employment Benefits**

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.

**Note 9: Compensated Absences**

Employees employed for a twelve month period are allowed 12 days of chargeable sick leave, accumulative to 60 days. Employees employed for a nine month period are allowed 10 days of chargeable sick leave, accumulative to 60 days. Pay for unused sick leave is paid at a rate of \$20 per day after 20 years of service with the District and payment is made in the event of medical disability, death, or retirement.

Employees employed for a twelve month period earn vacation leave each year based on the total number of years of service. Vacation leave must be used during the year it was earned.

**Note 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 it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**UNIFIED SCHOOL DISTRICT NO. 342**  
McLouth, Kansas  
**NOTES TO FINANCIAL STATEMENT (CONTINUED)**  
June 30, 2020

**Note 11: Contingency**

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District.

**Note 12: Subsequent Events**

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

***REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION***



**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

<u>Funds</u>	<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>
<b>Governmental Type Funds:</b>						
General Fund	\$ 4,549,118	\$ (173,448)	\$ 15,594	\$ 4,391,264	\$ 4,391,264	\$ -
Supplemental General Fund	1,394,565	(52,728)	-	1,341,837	1,341,837	-
Special Purpose Funds						
Federal Funds	166,637	-	-	166,637	165,817	(820)
Preschool-Aged At-Risk	102,370	-	-	102,370	83,613	(18,757)
At-Risk (K-12) Fund	335,283	-	-	335,283	296,325	(38,958)
Capital Outlay Fund	935,000	-	-	935,000	290,987	(644,013)
Driver Training Fund	14,350	-	-	14,350	1,487	(12,863)
Food Service Fund	281,578	-	-	281,578	225,454	(56,124)
Professional Development Fund	10,000	-	-	10,000	-	(10,000)
Special Education Fund	1,243,733	-	-	1,243,733	1,125,996	(117,737)
Vocational Education	176,803	-	-	176,803	152,216	(24,587)
Gifts and Grants	77,398	-	-	77,398	12,808	(64,590)
KPERs Contribution Fund	490,346	-	-	490,346	448,070	(42,276)
Recreation Commission	78,675	-	-	78,675	78,675	-
Bond and Interest Fund	245,519	-	-	245,519	245,519	-
Related Municipal Entity						
McLouth Recreation Commission	629,100	-	-	629,100	34,334	(594,766)
<b>Total Funds</b>	<u>\$ 10,730,475</u>	<u>\$ (226,176)</u>	<u>\$ 15,594</u>	<u>\$ 10,519,893</u>	<u>\$ 8,894,402</u>	<u>\$ (1,625,491)</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>CASH RECEIPTS AND TRANSFERS</b>				
State Sources				
Equalization aid	\$ 3,374,386	\$ 3,533,214	\$ 3,622,631	\$ (89,417)
Special education services	814,300	842,344	926,487	(84,143)
Mineral production tax	55	112	-	112
Local Sources				
Reimbursed expenses	16,120	15,594	-	15,594
<b>Total Receipts</b>	<u>\$ 4,204,861</u>	<u>\$ 4,391,264</u>	<u>\$ 4,549,118</u>	<u>\$ (157,854)</u>
<b>EXPENDITURES</b>				
Instruction	\$ 1,714,204	\$ 1,898,090	\$ 1,907,425	\$ (9,335)
Student support services	216,972	224,049	247,231	(23,182)
Instructional support staff	6,696	3,881	5,403	(1,522)
General administration	153,567	158,556	165,030	(6,474)
School administration	354,603	350,946	371,637	(20,691)
Central services	86,481	91,564	84,515	7,049
Operations and maintenance	258,096	279,840	293,661	(13,821)
Student transportation service	-	136	-	136
Transfers out	1,414,242	1,384,202	1,474,216	(90,014)
Adjustment to comply with legal max	-	-	(173,448)	173,448
Legal general fund budget	<u>\$ 4,204,861</u>	<u>\$ 4,391,264</u>	<u>\$ 4,375,670</u>	<u>\$ 15,594</u>
Adjustment for qualifying budget credits	-	-	15,594	(15,594)
<b>Total Expenditures</b>	<u>\$ 4,204,861</u>	<u>\$ 4,391,264</u>	<u>\$ 4,391,264</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	-	-		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SUPPLEMENTAL GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Ad Valorem property tax	\$ 617,197	\$ 591,072	\$ 540,799	\$ 50,273
Delinquent tax	16,298	14,218	6,289	7,929
County Sources				
Motor vehicle tax	91,527	87,505	85,547	1,958
Recreational vehicle tax	1,792	1,606	1,551	55
Commercial vehicle tax	8,394	7,692	1,870	5,822
State Sources			-	
Equalization aid	598,228	620,331	644,707	(24,376)
<b>Total Receipts</b>	<u>\$ 1,333,436</u>	<u>\$ 1,322,424</u>	<u>\$ 1,280,763</u>	<u>\$ 41,661</u>
<b>EXPENDITURES</b>				
Instruction	\$ 305,875	\$ 178,798	\$ 246,218	\$ (67,420)
Student support services	5,521	4,671	5,054	(383)
Instructional support staff	121,886	117,792	123,595	(5,803)
General administration	61,189	47,496	58,728	(11,232)
School administration	54,902	30,328	43,646	(13,318)
Central services	4,913	8,324	4,050	4,274
Operations and maintenance	297,593	264,350	323,052	(58,702)
Student transportation service	253,029	228,895	306,089	(77,194)
Transfers out	230,721	461,183	284,133	177,050
Adjustment to comply with legal max	-	-	(52,728)	52,728
<b>Total Expenditures</b>	<u>\$ 1,335,629</u>	<u>1,341,837</u>	<u>\$ 1,341,837</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (2,193)	\$ (19,413)		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>115,821</u>	<u>113,628</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 113,628</u>	<u>\$ 94,215</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**FEDERAL FUNDS**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Federal sources				
Title I	\$ 69,270	\$ 68,622	\$ 68,611	\$ 11
Title IIA	15,135	15,412	15,417	(5)
Title IV	-	12,609	12,609	-
Rural education achievement program	67,427	69,174	70,000	(826)
School preparedness	13,089			
<b>Total Receipts</b>	<u>\$ 164,921</u>	<u>\$ 165,817</u>	<u>\$ 166,637</u>	<u>\$ (820)</u>
<b>EXPENDITURES</b>				
Instruction	\$ 137,456	\$ 142,075	\$ 150,776	\$ (8,701)
Student support services	701	689	-	689
Instructional support staff	26,764	23,053	15,861	7,192
<b>Total Expenditures</b>	<u>\$ 164,921</u>	<u>\$ 165,817</u>	<u>\$ 166,637</u>	<u>\$ (820)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	-	-		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**PRESCHOOL-AGED AT-RISK FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Fees	\$ 4,750	\$ 5,900	\$ -	\$ 5,900
Transfers in				
General fund	38,377	21,600	85,878	(64,278)
Supplemental general fund	-	56,113	-	56,113
<b>Total Cash Receipts</b>	<u>\$ 43,127</u>	<u>\$ 83,613</u>	<u>\$ 85,878</u>	<u>\$ (2,265)</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 36,404	\$ 77,404	\$ 90,923	\$ (13,519)
Student transportation services	6,723	6,209	11,447	(5,238)
<b>Total Expenditures</b>	<u>\$ 43,127</u>	<u>\$ 83,613</u>	<u>\$ 102,370</u>	<u>\$ (18,757)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>40,919</u>	<u>40,919</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 40,919</u>	<u>\$ 40,919</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**AT-RISK (K-12) FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Reimbursed expenses	\$ -	\$ 11	\$ 10,000	\$ (9,989)
Transfers in				
General fund	182,811	149,456	208,629	(59,173)
Supplemental general fund	116,654	146,858	116,654	30,204
<b>Total Cash Receipts</b>	<u>\$ 299,465</u>	<u>\$ 296,325</u>	<u>\$ 335,283</u>	<u>\$ (38,958)</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 298,574	\$ 296,325	\$ 329,828	\$ (33,503)
Student transportation services	891	-	5,455	(5,455)
<b>Total Expenditures</b>	<u>\$ 299,465</u>	<u>\$ 296,325</u>	<u>\$ 335,283</u>	<u>\$ (38,958)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>40,000</u>	<u>40,000</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 40,000</u>	<u>\$ 40,000</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**CAPITAL OUTLAY FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Ad Valorem property tax	\$ 159,372	\$ 171,517	\$ 164,190	\$ 7,327
Delinquent tax	2,762	3,046	1,658	1,388
Investment income	8,348	8,072	-	8,072
Reimbursed expenses	8,202	1,757	-	1,757
County Sources				
Motor vehicle tax	13,072	15,348	15,416	(68)
Recreation vehicle tax	256	302	280	22
Commercial vehicle tax	1,209	1,410	337	1,073
Capital outlay	56,260	65,978	65,977	1
Transfers in				
General fund	-	102,091	-	102,091
<b>Total Receipts</b>	<u>\$ 249,481</u>	<u>\$ 369,521</u>	<u>\$ 247,858</u>	<u>\$ 121,663</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Operations and maintenance	\$ 99,735	\$ 105,950	\$ 300,000	\$ (194,050)
Facilities acquisition and construction	149,189	185,037	635,000	(449,963)
<b>Total Reimbursements</b>	<u>\$ 248,924</u>	<u>\$ 290,987</u>	<u>\$ 935,000</u>	<u>\$ (644,013)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 557	\$ 78,534		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>933,296</u>	<u>933,853</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 933,853</u>	<u>\$ 1,012,387</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**DRIVER TRAINING FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Other revenue from local source	\$ 2,995	\$ 1,900	\$ -	\$ 1,900
State Sources				
State safety aid	3,675	3,250	3,900	(650)
<b>Total Receipts</b>	<u>\$ 6,670</u>	<u>\$ 5,150</u>	<u>\$ 3,900</u>	<u>\$ 1,250</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 5,177	\$ 1,462	\$ 13,550	\$ (12,088)
Operations and maintenance	880	25	800	(775)
<b>Total Expenditures</b>	<u>\$ 6,057</u>	<u>\$ 1,487</u>	<u>\$ 14,350</u>	<u>\$ (12,863)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 613	\$ 3,663		
<b>UNENCUMBERED CASH- BEGINNING</b>	<u>12,661</u>	<u>13,274</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 13,274</u>	<u>\$ 16,937</u>		



**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**FOOD SERVICE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<b>Prior Year Actual</b>	<b>Current Year</b>		<b>Variance - Over (Under)</b>
		<b>Actual</b>	<b>Budget</b>	
<b>RECEIPTS</b>				
Local Sources				
Charges for services	\$ 88,395	\$ 58,159	\$ 80,004	\$ (21,845)
Investment income	151	127	-	127
Miscellaneous	1,780	1,969	2,157	(188)
State Sources				
School food assistance	2,192	2,098	1,778	320
Federal Sources				
National school lunch/breakfast program	112,805	113,600	108,865	4,735
Transfers in				
General fund	25,235	-	38,151	(38,151)
Supplemental general fund	-	49,501	8,614	40,887
<b>Total Receipts</b>	<u>\$ 230,558</u>	<u>\$ 225,454</u>	<u>\$ 239,569</u>	<u>\$ (14,115)</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Food service operations	\$ 229,582	\$ 224,788	\$ 280,478	\$ (55,690)
Operations and maintenance	976	666	1,100	(434)
<b>Total Expenditures</b>	<u>\$ 230,558</u>	<u>\$ 225,454</u>	<u>\$ 281,578</u>	<u>\$ (56,124)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH- BEGINNING</b>	<u>60,012</u>	<u>60,012</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 60,012</u>	<u>\$ 60,012</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**PROFESSIONAL DEVELOPMENT FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<b>Prior Year Actual</b>	<b>Current Year</b>		<b>Variance - Over (Under)</b>
		<b>Actual</b>	<b>Budget</b>	
<b>RECEIPTS</b>				
State Sources				
Professional Development Aid	\$ 734	\$ -	\$ 1,250	\$ (1,250)
<b>EXPENDITURES AND TRANSFERS</b>				
Instructional support staff	\$ 5,000	\$ -	\$ 10,000	\$ (10,000)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (4,266)	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	27,100	22,834		
<b>UNENCUMBERED CASH - ENDING</b>	\$ 22,834	\$ 22,834		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Other revenue from local sources	\$ 6,457	\$ 16,676	\$ -	\$ 16,676
Transfers in				
General	988,975	1,015,455	973,073	42,382
Supplemental general fund	90,379	116,350	116,350	-
<b>Total Receipts</b>	<u>\$ 1,085,811</u>	<u>\$ 1,148,481</u>	<u>\$ 1,089,423</u>	<u>\$ 59,058</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 1,037,036	\$ 1,066,490	\$ 1,126,457	\$ (59,967)
Vehicle operating services	48,775	59,506	117,276	(57,770)
<b>Total Expenditures</b>	<u>\$ 1,085,811</u>	<u>\$ 1,125,996</u>	<u>\$ 1,243,733</u>	<u>\$ (117,737)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ 22,485		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>305,372</u>	<u>305,372</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 305,372</u>	<u>\$ 327,857</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**VOCATIONAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Miscellaneous	\$ 150	\$ -	\$ -	\$ -
Transfers in				
General fund	141,500	95,600	123,485	(27,885)
Supplemental general fund	23,688	56,616	42,515	14,101
<b>Total Receipts</b>	<u>\$ 165,338</u>	<u>\$ 152,216</u>	<u>\$ 166,000</u>	<u>\$ (13,784)</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 159,078	\$ 147,278	\$ 170,503	\$ (23,225)
Operations and maintenance	6,260	4,938	6,300	(1,362)
<b>Total Expenditures</b>	<u>\$ 165,338</u>	<u>\$ 152,216</u>	<u>\$ 176,803</u>	<u>\$ (24,587)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>13,747</u>	<u>13,747</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 13,747</u>	<u>\$ 13,747</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**GIFTS AND GRANTS FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Other Revenue from Local Sources	\$ 7,986	\$ 7,072	\$ 50,000	\$ (42,928)
State Sources				
State aid	-	9,160	10,000	(840)
<b>Total Receipts</b>	<u>\$ 7,986</u>	<u>\$ 16,232</u>	<u>\$ 60,000</u>	<u>\$ (43,768)</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 3,254	\$ 3,648	\$ 67,398	\$ (63,750)
Operations and maintenance	-	9,160	10,000	(840)
<b>Total Expenditures</b>	<u>\$ 3,254</u>	<u>\$ 12,808</u>	<u>\$ 77,398</u>	<u>\$ (64,590)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 4,732	\$ 3,424		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>12,666</u>	<u>17,398</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 17,398</u>	<u>\$ 20,822</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**KPERS SPECIAL RETIREMENT CONTRIBUTION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
State aid	\$ 282,958	\$ 448,070	\$ 490,346	\$ (42,276)
<b>EXPENDITURES AND TRANSFERS</b>				
Instruction	\$ 174,163	\$ 278,407	\$ 307,077	\$ (28,670)
Student support services	16,426	25,424	25,660	(236)
Instructional support staff	6,899	10,540	10,881	(341)
General administration	12,865	19,149	18,870	279
School administration	26,242	42,644	43,716	(1,072)
Central services	6,288	9,450	8,925	525
Operations and maintenance	19,702	32,203	33,462	(1,259)
Student transportation services	14,586	21,999	29,471	(7,472)
Food service operations	5,787	8,254	12,284	(4,030)
<b>Total Expenditures</b>	\$ 282,958	\$ 448,070	\$ 490,346	\$ (42,276)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	-	-		
<b>UNENCUMBERED CASH - ENDING</b>	\$ -	\$ -		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**CONTINGENCY RESERVE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>RECEIPTS</b>		
Transfers In		
General Fund	\$ -	\$ -
<b>EXPENDITURES AND TRANSFERS</b>		
Supplies, repairs and equipment	\$ -	\$ -
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>405,177</u>	<u>405,177</u>
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 405,177</u>	<u>\$ 405,177</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**TEXTBOOK RENTAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>RECEIPTS</b>		
Local Sources		
Charge for services	<u>\$ 29,162</u>	<u>\$ 28,118</u>
<b>EXPENDITURES AND TRANSFERS</b>		
Instruction	<u>\$ 96,936</u>	<u>\$ 6,845</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ (67,774)</u>	<u>\$ 21,273</u>
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>182,491</u>	<u>114,717</u>
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ 114,717</u></u>	<u><u>\$ 135,990</u></u>



**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**RECREATION COMMISSION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Ad Valorem property tax	\$ 64,799	\$ 68,588	\$ 65,585	\$ 3,003
Delinquent tax	1,582	1,440	662	778
County Sources				
Motor vehicle tax	8,715	8,574	8,408	166
Recreation vehicle tax	170	159	152	7
Commercial vehicle tax	800	759	184	575
<b>Total Receipts</b>	<u>\$ 76,066</u>	<u>\$ 79,520</u>	<u>\$ 74,991</u>	<u>\$ 4,529</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Community service operations	\$ 74,450	\$ 78,675	\$ 78,675	\$ -
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 1,616	\$ 845		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>2,202</u>	<u>3,818</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 3,818</u>	<u>\$ 4,663</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**BOND AND INTEREST FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Local Sources				
Ad Valorem property tax	\$ 170,975	\$ 163,008	\$ 156,214	\$ 6,794
Delinquent tax	3,361	3,700	1,750	1,950
Investment income	690	849	-	849
County Sources				
Motor vehicle tax	23,005	22,628	22,208	420
Recreational vehicle tax	451	420	403	17
Commercial vehicle tax	2,112	2,003	485	1,518
State Sources				
School district capital improvement	85,006	90,842	90,842	-
<b>Total Receipts</b>	<u>\$ 285,600</u>	<u>\$ 283,450</u>	<u>\$ 271,902</u>	<u>\$ 11,548</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Principal	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Interest	100,019	95,519	95,519	-
<b>Total Expenditures</b>	<u>\$ 250,019</u>	<u>\$ 245,519</u>	<u>\$ 245,519</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 35,581	\$ 37,931		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>215,025</u>	<u>250,606</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 250,606</u>	<u>\$ 288,537</u>		

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SPECIAL RESERVE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>RECEIPTS</b>		
Transfers in		
General Fund	\$ 37,344	\$ -
Supplemental General	-	35,745
	<u>\$ 37,344</u>	<u>\$ 35,745</u>
<b>EXPENDITURES AND TRANSFERS</b>		
Instruction	\$ 21,933	\$ 30,383
School administration	11,261	5,362
<b>Total Expenditures</b>	<u>\$ 33,194</u>	<u>\$ 35,745</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 4,150	\$ -
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>40,000</u>	<u>44,150</u>
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ 44,150</u></u>	<u><u>\$ 44,150</u></u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**SCHOLARSHIP FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Wellman Memorial</u>	<u>Cook Scholarship</u>	<u>Campbell Scholarship</u>	<u>Edmonds Scholarship</u>	<u>Braksick Scholarship</u>	<u>Bogard Scholarship</u>	<u>Kelly Scholarship</u>	<u>Totals</u>
<b>RECEIPTS</b>								
Local Sources								
Investment income	\$ 80	\$ -	\$ 47	\$ 3,827	\$ 1,179	\$ 84	\$ -	\$ 5,217
Other revenue from local source	-	-	-	-	-	754	-	754
<b>Total Receipts</b>	<u>\$ 80</u>	<u>\$ -</u>	<u>\$ 47</u>	<u>\$ 3,827</u>	<u>\$ 1,179</u>	<u>\$ 838</u>	<u>\$ -</u>	<u>\$ 5,971</u>
<b>EXPENDITURES</b>								
Scholarships	\$ 800	\$ -	\$ 300	\$ 5,700	\$ 2,000	\$ 500	\$ -	\$ 9,300
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (720)	\$ -	\$ (253)	\$ (1,873)	\$ (821)	\$ 338	\$ -	\$ (3,329)
<b>UNENCUMBERED CASH - BEGINNING</b>	16,558	1,315	6,673	82,574	94,489	13,408	150	215,167
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 15,838</u>	<u>\$ 1,315</u>	<u>\$ 6,420</u>	<u>\$ 80,701</u>	<u>\$ 93,668</u>	<u>\$ 13,746</u>	<u>\$ 150</u>	<u>\$ 211,838</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**AGENCY FUNDS**  
**SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Beginning Cash Balance</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Ending Cash Balance</b>
Student Activity Funds:				
Acts	\$ 33	\$ -	\$ -	\$ 33
Art Club	363	420	614	169
Band fund	2,447	36,933	30,033	9,347
Baseball	1,988	983	370	2,601
Boys basketball	410	502	728	184
CCCC	171	-	-	171
Chorus	5,507	-	503	5,004
Class of 2005	303	-	-	303
Class of 2006	280	-	-	280
Class of 2007	759	-	-	759
Class of 2008	136	-	-	136
Class of 2009	305	-	-	305
Class of 2010	129	-	-	129
Class of 2011	113	-	-	113
Class of 2012	490	-	490	-
Class of 2014	103	-	-	103
Class of 2015	89	-	-	89
Class of 2017	102	-	-	102
Class of 2018	946	-	631	315
Class of 2020	2,278	1,091	40	3,329
Class of 2021	3,847	1,580	2,106	3,321
Class of 2022	1,844	1,469	754	2,559
Class of 2023	756	2,165	1,004	1,917
Class of 2024	-	4,721	2,392	2,329
Cross Country	222	5,996	4,088	2,130
Dance	1,129	2,546	3,091	584
Disc golf club	178	-	-	178
Elementary school student council	1,254	494	1,179	569
Entrepreneurship class	750	2,581	2,335	996
FBLA	1,159	3,786	1,531	3,414
FCA	214	-	-	214
FCCLA	420	1,027	821	626
FFA	14,059	19,326	21,071	12,314
Football	9,160	7,187	3,452	12,895
Foreign language	1,287	-	285	1,002
Forensics	2,342	1,621	1,425	2,538
Girls basketball	175	1,027	1,186	16
High school cheerleaders	791	4,677	4,008	1,460
High school pep club	293	-	-	293
High school student council	2,726	4,296	3,863	3,159
Life skills	626	-	205	421
Middle school boys basketball	198	842	1,038	2
Middle school girls basketball	408	458	454	412

(continued)

## UNIFIED SCHOOL DISTRICT NO. 342

McLouth, Kansas

## AGENCY FUNDS

## SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)

Regulatory Basis

For the Year Ended June 30, 2020

	<b>Beginning Cash Balance</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Ending Cash Balance</b>
Student activity funds continued:				
Middle school pep club and cheerleaders	\$ 2,866	\$ 1,045	\$ 3,452	\$ 459
Middle school scholars	329	313	256	386
Middle school student council	1,683	2,367	3,244	806
Middle school track	777	-	-	777
Middle school volleyball	92	992	554	530
National Honor Society	78	373	373	78
Power lifting	7,220	6,678	5,311	8,587
QPA	6	-	-	6
Safe prom	356	2,190	-	2,546
Scholars bowl	629	60	251	438
Science olympiad	538	-	-	538
Softball	1,184	410	-	1,594
Sunshine fund	159	341	30	470
Track	215	-	192	23
Volleyball	204	1,735	1,249	690
Watchdog	358	550	631	277
YADA	396	-	-	396
<b>Total Student Activity Funds</b>	<b>\$ 73,002</b>	<b>\$ 119,057</b>	<b>\$ 98,288</b>	<b>\$ 95,422</b>
Fees and users charges				
Yearbook	\$ -	\$ 2,302	\$ 2,302	\$ -
Miscellaneous	-	5,700	5,700	-
<b>Total Fees and User Charges</b>	<b>\$ -</b>	<b>\$ 8,002</b>	<b>\$ 8,002</b>	<b>\$ -</b>
Other agency funds:				
Sales tax	\$ 223	\$ 5,105	\$ 5,325	\$ 3
<b>Total Agency Fund</b>	<b>\$ 73,225</b>	<b>\$ 132,164</b>	<b>\$ 111,615</b>	<b>\$ 95,425</b>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**DISTRICT ACTIVITY FUNDS**  
**SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Beginning Unencumbered Cash Balance</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Unencumbered and Accounts Payable</u>	<u>Ending Cash Balance</u>
District activity funds:						
Gate receipts	\$ 1	\$ 32,013	\$ 32,014	\$ -	\$ -	\$ -
Concessions	26,054	14,814	15,843	25,025	-	25,025
<b>Total District Activity Funds</b>	<u>\$ 26,055</u>	<u>\$ 46,827</u>	<u>\$ 47,857</u>	<u>\$ 25,025</u>	<u>\$ -</u>	<u>\$ 25,025</u>

**UNIFIED SCHOOL DISTRICT NO. 342**  
 McLouth, Kansas  
**RELATED MUNICIPAL ENTITY - RECREATION COMMISSION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<b>Prior Year Actual</b>	<b>Current Year</b>		<b>Variance - Over (Under)</b>
		<b>Actual</b>	<b>Budget</b>	
<b>RECEIPTS</b>				
Taxes received from school district	\$ 74,450	\$ 78,675	\$ 75,145	\$ 3,530
Interest on idle funds	2,452	2,524	-	2,524
Other revenue from local sources	8,830	6,990	-	6,990
<b>Total Receipts</b>	<u>\$ 85,732</u>	<u>\$ 88,189</u>	<u>\$ 75,145</u>	<u>\$ 13,044</u>
<b>EXPENDITURES AND TRANSFERS</b>				
Community service operations	\$ 40,678	\$ 34,334	\$ 629,100	\$ (594,766)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 45,054	\$ 53,855		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>556,363</u>	<u>601,417</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 601,417</u>	<u>\$ 655,272</u>		