

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2020**

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Kennedy
McKee & Company LLP Certified Public Accountants

1100 W. Frontview
P. O. Box 1477
Dodge City, Kansas 67801
Tel. (620) 227-3135
Fax (620) 227-2308
www.kmc-cpa.com

JAMES W. KENNEDY, CPA
ROBERT C. NEIDHART, CPA
PATRICK M. FRIESS, CPA
JOHN W. HENDRICKSON, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 477
Ingalls, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 477 and its related municipal entity, the Ingalls Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2020, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; 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 the 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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 A, the financial statement is prepared by the Municipal Financial Reporting Entity 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity 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 A.

Other Matters

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 (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures, and unencumbered cash - district activity funds, summary of regulatory basis receipts and disbursements - agency funds, and schedule of regulatory basis receipts and expenditures - actual and budget for the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated November 25, 2019, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration, at the following link: <https://admin.ks.gov/offices/oar/municipal-services/municipal-audits>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2020 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 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 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 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 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2019, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

December 3, 2020

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 2,187,438
Supplemental general	46,408	-	792,063
Total general funds	<u>46,408</u>	<u>-</u>	<u>2,979,501</u>
Special purpose funds:			
Preschool-aged at-risk	20,188	-	19,831
At-risk (K-12)	48,216	-	347,048
Bilingual education	2,420	-	25,498
Virtual education	56,353	-	182,000
Capital outlay	442,976	2,900	408,943
Driver training	8,399	-	5,410
Food service	35,956	-	176,143
Professional development	-	-	21,999
Special education	58,435	-	227,417
Career and postsecondary education	-	-	15,000
KPERs special retirement contributions	-	-	266,748
Recreation commission	30,835	-	73,858
Recreation commission special	4,358	-	11,028
Title II improving teacher quality	-	-	2,884
Ingalls Alumni Foundation	44,449	-	8,176
Safe and supportive schools	-	-	4,242
Gifts and grants	41,529	-	78,922
ESSER grant	-	-	-
Contingency reserve	128,067	-	100,000
Student material revolving	13,881	-	14,458
Title I	-	-	21,749
Title IVA student support	-	-	10,910
Federal REAP grant	-	-	3,987
District activity funds	27,143	-	47,569
Total special purpose funds	<u>963,205</u>	<u>2,900</u>	<u>2,073,820</u>
Bond and interest fund:			
Bond and interest	-	-	142,755
Capital project fund:			
Capital projects	853,897	-	-
Total Unified School District No. 477	1,863,510	2,900	5,196,076
Related municipal entity:			
Ingalls Recreation Commission	107,726	-	93,747
Total municipal financial reporting entity (excluding agency funds)	<u>\$ 1,971,236</u>	<u>\$ 2,900</u>	<u>\$ 5,289,823</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
\$ 2,186,504	\$ 934	\$ 34	\$ 968
<u>747,295</u>	<u>91,176</u>	<u>8,110</u>	<u>99,286</u>
<u>2,933,799</u>	<u>92,110</u>	<u>8,144</u>	<u>100,254</u>
19,489	20,530	-	20,530
336,754	58,510	125	58,635
17,899	10,019	-	10,019
199,599	38,754	-	38,754
377,063	477,756	14,710	492,466
5,650	8,159	-	8,159
163,059	49,040	-	49,040
12,546	9,453	-	9,453
223,701	62,151	-	62,151
10,260	4,740	-	4,740
266,748	-	-	-
88,300	16,393	-	16,393
11,053	4,333	-	4,333
2,884	-	-	-
3,864	48,761	-	48,761
4,242	-	-	-
53,950	66,501	300	66,801
18,074	(18,074)	10,631	(7,443)
6,740	221,327	-	221,327
11,287	17,052	-	17,052
21,749	-	-	-
10,910	-	-	-
3,987	-	-	-
<u>50,504</u>	<u>24,208</u>	<u>-</u>	<u>24,208</u>
<u>1,920,312</u>	<u>1,119,613</u>	<u>25,766</u>	<u>1,145,379</u>
<u>60,843</u>	<u>81,912</u>	<u>-</u>	<u>81,912</u>
<u>796,511</u>	<u>57,386</u>	<u>34,431</u>	<u>91,817</u>
5,711,465	1,351,021	68,341	1,419,362
<u>55,222</u>	<u>146,251</u>	<u>-</u>	<u>146,251</u>
<u>\$ 5,766,687</u>	<u>\$ 1,497,272</u>	<u>\$ 68,341</u>	<u>\$ 1,565,613</u>

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2020

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 477 accounts:	
Money market account	\$ 1,158,793
NOW account	250,938
High School NOW account	<u>40,020</u>
	1,449,751
Agency funds	<u>(30,389)</u>
Total Unified School District No. 477 (excluding agency funds)	<u>1,419,362</u>
Related municipal entity:	
Ingalls Recreation Commission:	
Checking account	35,963
Savings account	<u>110,288</u>
Total related municipal entity	<u>146,251</u>
Total reporting entity (excluding agency funds)	<u><u>\$ 1,565,613</u></u>

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

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2020

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 477 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 477 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Ingalls Recreation Commission. The Commission oversees recreational activities. One of the five members of the governing board is appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift. The financial information included in this report is from the latest accounting year of the Commission, December 31, 2019.

The financial statement of the Commission may be obtained by writing to:

Ingalls Recreation Commission
100 Bulldog Drive
Ingalls, KS 67853

2. Basis of Presentation - Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

REGULATORY BASIS FUND TYPES

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation - Fund Accounting (Continued)

REGULATORY BASIS FUND TYPES (CONTINUED)

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

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

Agency funds - used to report assets held by the municipal reporting entity in a purely custodial capacity (student organization funds).

3. 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.

4. Budgetary Information

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

- a. Preparation of the budget for the succeeding fiscal year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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 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 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 federal grant funds, capital project funds, agency funds, and the following special purpose funds:

Ingalls Alumni Foundation	Safe and Supportive School
Gifts and Grants	Contingency Reserve
Student Material Revolving	District Activity 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.

5. In-Substance Receipt in Transit

The District received \$115,822 subsequent to June 30, 2020, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the ESSER Grant fund overspent its cash by \$18,074, according to K.S.A. 12-1664, the District is not prohibited from financing the federal share of a local program from current funds, if available.

The District did not make mandatory purchases of products or services offered by Kansas industries for the blind and severely disabled. This is a violation of K.S.A. 75-3317 through 75-3322.

C. 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 to 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.

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

At June 30, 2020, the District's carrying amount of deposits was \$1,452,751 and the bank balance was \$1,529,582. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,279,582 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

D. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	At-risk (K-12)	\$ 99,049	K.S.A. 72-5167
General	Bilingual education	700	K.S.A. 72-5167
General	Capital outlay	148,496	K.S.A. 72-5167
General	Food service	30,000	K.S.A. 72-5167
General	Professional development	20,000	K.S.A. 72-5167
General	Special education	171,996	K.S.A. 72-5167
General	Career and postsecondary education	15,000	K.S.A. 72-5167
General	Contingency reserve	<u>100,000</u>	K.S.A. 72-5167
	Total general	<u>585,241</u>	
Supplemental general	Preschool-aged at-risk	10,000	K.S.A. 72-5143
Supplemental general	At-risk (K-12)	247,999	K.S.A. 72-5143
Supplemental general	Bilingual education	24,798	K.S.A. 72-5143
Supplemental general	Food service	36,243	K.S.A. 72-5143
Supplemental general	Special education	<u>55,000</u>	K.S.A. 72-5143
	Total supplemental general	<u>374,040</u>	
	Total operating transfers	<u>\$ 959,281</u>	

E. LONG-TERM DEBT

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

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
School building bonds – Series 2019					
Issued February 1, 2019					
In the amount of \$1,500,000					
At an interest rate of 3.0% - 5.0%					
Maturing September 1, 2034					
	\$1,500,000	\$ -	\$ -	\$1,500,000	\$ 60,843
Capital lease:					
First Bank – 2019 Activity Bus					
Issued April 12, 2018					
In the amount of \$180,704					
At an interest rate of 2.962%					
Maturing July 1, 2027					
	<u>155,877</u>	<u>-</u>	<u>43,401</u>	<u>112,476</u>	<u>8,599</u>
Total contractual indebtedness	<u>\$1,655,877</u>	<u>\$ -</u>	<u>\$ 43,401</u>	<u>\$1,612,476</u>	<u>\$ 69,442</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2021	\$ -	\$ 56,163	\$ 56,163
2022	80,000	54,163	134,163
2023	85,000	50,036	135,036
2024	90,000	45,662	135,662
2025	95,000	41,038	136,038
2026-2030	530,000	138,763	668,763
2031-2035	<u>620,000</u>	<u>48,431</u>	<u>668,431</u>
Total	<u>\$ 1,500,000</u>	<u>\$ 434,256</u>	<u>\$ 1,934,256</u>

Current maturities of capital lease principal and interest for the next five years and through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2021	\$ -	\$ -	\$ -
2022	14,696	3,331	18,027
2023	15,131	2,896	18,027
2024	15,579	2,448	18,027
2025	16,041	1,986	18,027
2026-2028	<u>51,029</u>	<u>3,052</u>	<u>54,081</u>
Total	<u>\$ 112,476</u>	<u>\$ 13,713</u>	<u>\$ 126,189</u>

F. OPERATING LEASES

The District has entered into a sixty-month operating lease agreement for five 2019 65 Passenger Route Busses in April 2018. Rental payments for the current year totaled \$146,442 (includes the payment for fiscal year 2021). Future minimum rental payments are \$73,221 per year for fiscal year 2022 and 2023.

The District has entered into a sixty-six month operating lease agreement for copiers in December 2017. Rental payments for the current year totaled \$17,546. Future minimum rental payments are \$16,235 per year from fiscal year 2021 through fiscal year 2023.

The following is a yearly schedule of future minimum rental payments under the operating leases:

2021	\$ 16,235
2022	89,456
2023	<u>89,456</u>
	<u>\$ 195,147</u>

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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.

Death and disability other post-employment benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate was set at 1% for the year ended June 30, 2020.

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and childcare expenses. The plan is administered by the health insurance provider. The District withholds the amounts from the employee's paychecks and remits the withholding to the plan administrator.

Compensated absences. The District's policies regarding vacation and sick pay grants employees' vacation days based on contracts for certified personnel. Non-certified personnel receive ten days of vacation annually after one year of service and fifteen days after ten years of continuous service. Personal leave is granted at three days per year for licensed employees and two days per year for non-licensed employees. Licensed employees are reimbursed for unused personal days at a rate of \$110 per day paid at the end of the school year. Non-licensed employees' unused personal days are rolled into sick leave. When certain conditions are met, accumulated vacation time is paid to the employee upon termination, retirement, or resignation.

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

All licensed personnel receive ten days of sick leave annually. Non-licensed personnel receive eight days of sick leave annually. Unused sick days are allowed to accumulate up to ninety days for licensed personnel and ninety days for non-licensed personnel. Policies permit unused sick leave to be reimbursed if the employee has been with the District for more than ten years and retires or resigns at the end of the school year. The District pays for accumulated sick leave at a rate of \$10 per day, which increases by \$10 for every five years of service beyond ten years.

H. DEFINED BENEFIT PENSION PLAN

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

H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194 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 the fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

2018 House Substitute for Senate Bill 109 provided for additional fund 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 \$266,748 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 \$2,432,443. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

I. 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; natural disasters for which the District carries commercial insurance. The workman's compensation insurance coverage was \$1,000,000 per incident in the prior year and was decreased to \$500,000 per incident in the current year. Settled claims have not exceeded coverage in any of the past three years.

J. CONTINGENCIES

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 at June 30, 2020.

K. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project commitments authorized	Cash disbursements and accounts payable to date	Remaining financial commitment
School lighting	\$ 108,416	\$ 108,416	\$ -
HVAC/roof/deck/brick	1,137,138	1,137,138	-
School fire alarm	55,685	55,685	-
Modular building remodel	20,969	12,887	8,082
Security doors	59,835	39,239	20,596
Miscellaneous projects	16,657	16,657	-
	<u>\$ 1,398,700</u>	<u>\$ 1,370,022</u>	<u>\$ 28,678</u>

L. CORONAVIRUS (COVID-19)

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. On March 12, 2020, the Governor issued Executive Order No. 20-07 which required school buildings or facilities to close and cease in-person instruction. On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed by Congress and signed into law by the President to provide economic assistance to individuals, businesses, and municipalities affected by the pandemic. In response to the CARES Act, the Governor formed the Strengthening People and Revitalizing Kansas (SPARK) Taskforce to oversee the statewide distribution of CARES Act funding. On June 16, 2020 the State Finance Council approved the SPARK Taskforce's proposal to distribute money to the various counties to help address the health and economic challenges inflicted by COVID-19 based on the county's population and impact from COVID-19. To ensure that all educational and municipal entities within counties receive the Coronavirus Relief Funds, the SPARK Taskforce directed counties to allocate and share Coronavirus Relief Funds with public educational and municipal entities within their counties to help meet their respective health and economic challenges.

While management cannot quantify the financial and other impacts to the District, management believes that an impact on the District's financial position and results of future operations is reasonably possible.

M. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 3, 2020 and does not believe any events have occurred which affect the financial statement as presented except for the ongoing concern regarding the novel strain of coronavirus (COVID-19) as discussed in Note L above.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 2,201,587	\$ (15,083)	\$ 2,186,504	\$ 2,186,504	\$ -
Supplemental general	747,295	-	747,295	747,295	-
Special purpose funds:					
Preschool-aged at-risk	45,787	-	45,787	19,489	26,298
At-risk (K-12)	414,463	-	414,463	336,754	77,709
Bilingual education	20,418	-	20,418	17,899	2,519
Virtual education	238,354	-	238,354	199,599	38,755
Capital outlay	664,189	-	664,189	377,063	287,126
Driver training	8,399	-	8,399	5,650	2,749
Food service	163,125	-	163,125	163,059	66
Professional development	12,546	-	12,546	12,546	-
Special education	318,431	-	318,431	223,701	94,730
Career and postsecondary education	10,260	-	10,260	10,260	-
KPERS special retirement contributions	286,957	-	286,957	266,748	20,209
Recreation commission	88,300	-	88,300	88,300	-
Recreation commission special	11,053	-	11,053	11,053	-
Bond and interest fund					
Bond and interest	60,843	-	60,843	60,843	-
 Total Unified School District No. 477	 5,292,007	 (15,083)	 5,276,924	 4,726,763	 550,161
Related municipal entity:					
Ingalls Recreation Commission	170,000	-	170,000	55,222	114,778
 Total municipal financial reporting entity	 <u>\$ 5,462,007</u>	 <u>\$ (15,083)</u>	 <u>\$ 5,446,924</u>	 <u>\$ 4,781,985</u>	 <u>\$ 664,939</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2020		Variance favorable (unfavorable)	
	2019	Actual		Budget
Receipts:				
State sources:				
State aid	\$ 1,859,487	\$ 2,026,300	\$ 1,999,087	\$ 27,213
Special education aid	160,444	159,023	200,000	(40,977)
Mineral production tax	3,010	2,115	2,500	(385)
Total receipts	2,022,941	2,187,438	\$ 2,201,587	\$ (14,149)
Expenditures:				
Instruction	911,483	929,398	\$ 978,911	\$ 49,513
Student support services	39,717	43,978	43,758	(220)
Instructional support staff	187,360	160,994	98,410	(62,584)
General administration	156,121	160,668	164,511	3,843
School administration	173,755	113,085	229,355	116,270
Operations and maintenance	112,108	135,572	151,888	16,316
Student transportation services:				
Vehicle operating services	51,364	50,813	58,750	7,937
Vehicle and maintenance services	316	7,400	31,483	24,083
Operating transfers	390,717	585,241	444,521	(140,720)
Reimbursed expenditures	-	(645)	-	645
Adjustment to comply with legal maximum budget	-	-	(15,083)	(15,083)
Total expenditures	2,022,941	2,186,504	\$ 2,186,504	\$ -
Receipts over (under) expenditures	-	934		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ 934		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2020		Variance favorable (unfavorable)	
	2019	Actual		Budget
Receipts:				
Taxes:				
Ad valorem tax	\$ 569,214	\$ 625,355	\$ 536,252	\$ 89,103
Delinquent tax	5,762	2,932	4,442	(1,510)
Motor vehicle tax	38,962	40,144	37,291	2,853
Commercial vehicle tax	3,032	2,537	1,735	802
Recreational vehicle tax	841	855	862	(7)
State aid:				
Supplemental state aid	139,375	120,240	120,240	-
Other	262	-	65	(65)
Total receipts	757,448	792,063	\$ 700,887	\$ 91,176
Expenditures:				
Instruction	137,679	138,246	\$ 134,612	\$ (3,634)
Student support services	325	-	3,300	3,300
Instructional support staff	13,156	12,167	12,800	633
General administration	21,105	29,109	22,370	(6,739)
School administration	837	520	1,390	870
Central services	10,752	10,409	10,800	391
Operations and maintenance	172,922	135,948	194,812	58,864
Student transportation services:				
Vehicle operating services	52,482	37,688	56,100	18,412
Vehicle and maintenance services	19,535	9,168	18,770	9,602
Operating transfers	302,450	374,040	292,341	(81,699)
Total expenditures	731,243	747,295	\$ 747,295	\$ -
Receipts over (under) expenditures	26,205	44,768		
Unencumbered cash, beginning of year	16,195	46,408		
Prior year canceled encumbrances	4,008	-		
Unencumbered cash, end of year	\$ 46,408	\$ 91,176		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Tuition	\$ 15,396	\$ 9,831	\$ 4,600	\$ 5,231
Transfer from general	13,000	-	19,000	(19,000)
Transfer from supplemental general	12,000	10,000	2,000	8,000
Total receipts	40,396	19,831	<u>\$ 25,600</u>	<u>\$ (5,769)</u>
Expenditures:				
Instruction	20,209	19,489	<u>\$ 45,787</u>	<u>\$ 26,298</u>
Receipts over (under) expenditures	20,187	342		
Unencumbered cash, beginning of year	1	20,188		
Unencumbered cash, end of year	<u>\$ 20,188</u>	<u>\$ 20,530</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 27,000	\$ -	\$ -	\$ -
Transfer from general	99,689	99,049	165,847	(66,798)
Transfer from supplemental general	181,002	247,999	200,400	47,599
Total receipts	<u>307,691</u>	<u>347,048</u>	<u>\$ 366,247</u>	<u>\$ (19,199)</u>
Expenditures:				
Instruction	238,995	314,888	\$ 392,463	\$ 77,575
Student support services	9,762	10,857	10,881	24
Instructional support staff	10,718	11,009	11,119	110
Total expenditures	<u>259,475</u>	<u>336,754</u>	<u>\$ 414,463</u>	<u>\$ 77,709</u>
Receipts over (under) expenditures	48,216	10,294		
Unencumbered cash, beginning of year	<u>-</u>	<u>48,216</u>		
Unencumbered cash, end of year	<u>\$ 48,216</u>	<u>\$ 58,510</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

BILINGUAL 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Transfer from general	\$ -	\$ 700	\$ 700	\$ -
Transfer from supplemental general	17,298	24,798	17,298	7,500
Total receipts	<u>17,298</u>	<u>25,498</u>	<u>\$ 17,998</u>	<u>\$ 7,500</u>
Expenditures:				
Instruction	8,613	8,610	\$ 9,385	\$ 775
Student support services	-	-	4,705	4,705
Instructional support staff	6,265	9,289	6,328	(2,961)
Total expenditures	<u>14,878</u>	<u>17,899</u>	<u>\$ 20,418</u>	<u>\$ 2,519</u>
Receipts over (under) expenditures	2,420	7,599		
Unencumbered cash, beginning of year	<u>-</u>	<u>2,420</u>		
Unencumbered cash, end of year	<u>\$ 2,420</u>	<u>\$ 10,019</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

VIRTUAL 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)

	2018	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Fees	\$ 161,000	\$ 182,000	\$ 182,000	\$ -
Other	49,640	-	-	-
Total receipts	<u>210,640</u>	<u>182,000</u>	<u>\$ 182,000</u>	<u>\$ -</u>
Expenditures:				
Instruction	114,056	119,314	\$ 151,904	\$ 32,590
Instructional support staff	57,804	53,238	65,300	12,062
General administration	19,636	27,047	21,150	(5,897)
Total expenditures	<u>191,496</u>	<u>199,599</u>	<u>\$ 238,354</u>	<u>\$ 38,755</u>
Receipts over (under) expenditures	19,144	(17,599)		
Unencumbered cash, beginning of year	<u>37,209</u>	<u>56,353</u>		
Unencumbered cash, end of year	<u>\$ 56,353</u>	<u>\$ 38,754</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 194,391	\$ 216,195	\$ 185,314	\$ 30,881
Delinquent tax	1,465	985	1,518	(533)
Motor vehicle tax	13,142	13,588	12,635	953
Recreational vehicle tax	284	290	292	(2)
Commercial vehicle tax	1,023	865	588	277
State aid	8,080	-	-	-
Interest	1,853	1,822	1,800	22
Other	34,296	26,702	-	26,702
Transfer from general	54,137	148,496	19,066	129,430
Total receipts	<u>308,671</u>	<u>408,943</u>	<u>\$ 221,213</u>	<u>\$ 187,730</u>
Expenditures:				
Instruction	25,118	49,190	\$ 222,049	\$ 172,859
General administration	-	67	-	(67)
School administration	-	791	-	(791)
Operations and maintenance	190,006	109,800	227,350	117,550
Student transportation services:				
Vehicle operating services	127,465	198,442	165,000	(33,442)
Vehicle and maintenance services	53,669	18,773	49,790	31,017
Facility acquisition and construction	2,364	-	-	-
Total expenditures	<u>398,622</u>	<u>377,063</u>	<u>\$ 664,189</u>	<u>\$ 287,126</u>
Receipts over (under) expenditures	(89,951)	31,880		
Unencumbered cash, beginning of year	532,927	442,976		
Prior year canceled encumbrances	-	2,900		
Unencumbered cash, end of year	<u>\$ 442,976</u>	<u>\$ 477,756</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 2,058	\$ 2,210	\$ -	\$ 2,210
Other	2,550	3,200	-	3,200
Total receipts	4,608	5,410	<u>\$ -</u>	<u>\$ 5,410</u>
Expenditures:				
Instruction	40	5,650	<u>\$ 8,399</u>	<u>\$ 2,749</u>
Receipts over (under) expenditures	4,568	(240)		
Unencumbered cash, beginning of year	<u>3,831</u>	<u>8,399</u>		
Unencumbered cash, end of year	<u>\$ 8,399</u>	<u>\$ 8,159</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Charges for services	\$ 56,537	\$ 43,753	\$ 41,505	\$ 2,248
Federal aid	51,695	64,736	51,933	12,803
State aid	1,217	1,411	988	423
Transfer from general	16,427	30,000	6,500	23,500
Transfer from supplemental general	41,243	36,243	26,243	10,000
Total receipts	167,119	176,143	<u>\$ 127,169</u>	<u>\$ 48,974</u>
Expenditures:				
Food service operations	157,512	163,059	<u>\$ 163,125</u>	<u>\$ 66</u>
Receipts over (under) expenditures	9,607	13,084		
Unencumbered cash, beginning of year	26,349	35,956		
Unencumbered cash, end of year	<u>\$ 35,956</u>	<u>\$ 49,040</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ -	\$ 1,999	\$ 1,394	\$ 605
Transfer from general	-	20,000	11,152	8,848
Total receipts	-	21,999	<u>\$ 12,546</u>	<u>\$ 9,453</u>
Expenditures:				
Instructional support staff	-	12,546	<u>\$ 12,546</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	9,453		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 9,453</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ 2,998	\$ 421	\$ 1,600	\$ (1,179)
Transfer from general	207,464	171,996	211,996	(40,000)
Transfer from supplemental general	40,907	55,000	46,400	8,600
Total receipts	<u>251,369</u>	<u>227,417</u>	<u>\$ 259,996</u>	<u>\$ (32,579)</u>
Expenditures:				
Instruction	231,623	223,677	\$ 318,331	\$ 94,654
Instructional support staff	26	24	100	76
Total expenditures	<u>231,649</u>	<u>223,701</u>	<u>\$ 318,431</u>	<u>\$ 94,730</u>
Receipts over (under) expenditures	19,720	3,716		
Unencumbered cash, beginning of year	<u>38,715</u>	<u>58,435</u>		
Unencumbered cash, end of year	<u>\$ 58,435</u>	<u>\$ 62,151</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

CAREER AND POSTSECONDARY 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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ -	\$ 15,000	<u>\$ 10,260</u>	<u>\$ 4,740</u>
Expenditures:				
Instruction	-	10,260	<u>\$ 10,260</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	4,740		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 4,740</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTIONS 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 167,813	\$ 266,748	\$ 286,957	\$ (20,209)
Expenditures:				
Instruction	105,891	174,865	\$ 155,652	\$ (19,213)
Student support services	4,582	7,610	12,305	4,695
Instructional support staff	20,147	28,532	23,000	(5,532)
General administration	5,500	8,570	15,000	6,430
School administration	11,685	14,518	21,000	6,482
Operations and maintenance	8,556	19,120	23,000	3,880
Student transportation services	6,492	6,051	19,000	12,949
Food service operations	4,960	7,482	18,000	10,518
Total expenditures	167,813	266,748	\$ 286,957	\$ 20,209
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 60,747	\$ 67,487	\$ 57,863	\$ 9,624
Delinquent tax	643	310	474	(164)
Motor vehicle tax	4,107	4,246	3,950	296
Recreational vehicle tax	89	90	91	(1)
Commercial vehicle tax	320	270	184	86
Windfarm donations	1,686	1,455	-	1,455
Total receipts	67,592	73,858	<u>\$ 62,562</u>	<u>\$ 11,296</u>
Expenditures:				
Community service operations	50,100	88,300	<u>\$ 88,300</u>	<u>\$ -</u>
Receipts over (under) expenditures	17,492	(14,442)		
Unencumbered cash, beginning of year	13,343	30,835		
Unencumbered cash, end of year	<u>\$ 30,835</u>	<u>\$ 16,393</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

RECREATION COMMISSION SPECIAL 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)

	2019	2020		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 8,969	\$ 10,083	\$ 8,587	\$ 1,496
Delinquent tax	91	46	70	(24)
Motor vehicle tax	610	629	585	44
Recreational vehicle tax	13	13	13	-
Commercial vehicle tax	47	41	27	14
Other	-	216	-	216
Total receipts	9,730	11,028	<u>\$ 9,282</u>	<u>\$ 1,746</u>
Expenditures:				
Community service operations	7,557	11,053	<u>\$ 11,053</u>	<u>\$ -</u>
Receipts over (under) expenditures	2,173	(25)		
Unencumbered cash, beginning of year	<u>2,185</u>	<u>4,358</u>		
Unencumbered cash, end of year	<u>\$ 4,358</u>	<u>\$ 4,333</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2020

	Title II improving teacher quality	Ingalls Alumni Foundation	Safe and supportive schools	Gifts and grants	ESSER grant
Receipts:					
Rental fees and books	\$ -	\$ -	\$ -	\$ -	\$ -
Federal aid	2,884	-	-	-	-
State aid	-	-	4,242	-	-
Contributions and donations	-	8,176	-	6,191	-
Windfarm donations	-	-	-	33,051	-
Community Wellness Center donations	-	-	-	39,680	-
Transfer from general	-	-	-	-	-
	<u>2,884</u>	<u>8,176</u>	<u>4,242</u>	<u>78,922</u>	<u>-</u>
Total receipts					
Expenditures:					
Instruction	2,884	-	-	53,950	10,630
Instructional support staff	-	-	-	-	-
Operations and maintenance	-	-	4,242	-	1,577
Student transportation services	-	-	-	-	1,142
Food service operations	-	-	-	-	4,725
Community services	-	3,864	-	-	-
	<u>2,884</u>	<u>3,864</u>	<u>4,242</u>	<u>53,950</u>	<u>18,074</u>
Total expenditures					
Receipts over (under) expenditures	-	4,312	-	24,972	(18,074)
Unencumbered cash, beginning of year	-	44,449	-	41,529	-
	<u>-</u>	<u>44,449</u>	<u>-</u>	<u>41,529</u>	<u>-</u>
Unencumbered cash (deficit), end of year	<u>\$ -</u>	<u>\$ 48,761</u>	<u>\$ -</u>	<u>\$ 66,501</u>	<u>\$ (18,074)</u>

See Independent Auditor's Report.

<u>Contingency reserve</u>	<u>Student material revolving</u>	<u>Title I</u>	<u>Title IVA student support</u>	<u>Federal REAP grant</u>	<u>Total</u>
\$ -	\$ 14,458	\$ -	\$ -	\$ -	\$ 14,458
-	-	21,749	10,910	3,987	39,530
-	-	-	-	-	4,242
-	-	-	-	-	14,367
-	-	-	-	-	33,051
-	-	-	-	-	39,680
<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
<u>100,000</u>	<u>14,458</u>	<u>21,749</u>	<u>10,910</u>	<u>3,987</u>	<u>245,328</u>
4,740	11,287	8,006	10,910	3,987	106,394
-	-	13,743	-	-	13,743
2,000	-	-	-	-	7,819
-	-	-	-	-	1,142
-	-	-	-	-	4,725
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,864</u>
<u>6,740</u>	<u>11,287</u>	<u>21,749</u>	<u>10,910</u>	<u>3,987</u>	<u>137,687</u>
93,260	3,171	-	-	-	107,641
<u>128,067</u>	<u>13,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,926</u>
<u>\$ 221,327</u>	<u>\$ 17,052</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 335,567</u>

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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)

	<u>2019</u>	<u>2020</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem tax	\$ -	\$ 142,755	<u>\$ 119,980</u>	<u>\$ 22,775</u>
Expenditures:				
Debt service:				
Interest	-	60,843	<u>\$ 60,843</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	81,912		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 81,912</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

CAPITAL PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	<u>2019</u>	<u>2020</u>
Receipts:		
Bond proceeds	\$ 1,500,000	\$ -
Bond premium	94,113	-
Total receipts	<u>1,594,113</u>	<u>-</u>
Expenditures:		
Building improvements	684,279	796,511
Costs of Issuance	55,937	-
Total expenditures	<u>740,216</u>	<u>796,511</u>
Receipts over (under) expenditures	853,897	(796,511)
Unencumbered cash, beginning of year	<u>-</u>	<u>853,897</u>
Unencumbered cash, end of year	<u><u>\$ 853,897</u></u>	<u><u>\$ 57,386</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended June 30, 2020

<u>Funds</u>	Beginning unencumbered cash balance	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
Activities	\$ 5,276	\$ 8,384	\$ 6,894	\$ 6,766	\$ -	\$ 6,766
Officials and referees	22	9,978	9,709	291	-	291
Clearing	-	383	383	-	-	-
Total gate receipts	<u>5,298</u>	<u>18,745</u>	<u>16,986</u>	<u>7,057</u>	<u>-</u>	<u>7,057</u>
School projects:						
Student supplies	-	1,583	1,583	-	-	-
Library	1,597	1,888	2,017	1,468	-	1,468
Drug monies	9	-	-	9	-	9
TEAM	2,595	13,327	14,595	1,327	-	1,327
Yearbook	17,644	12,026	15,323	14,347	-	14,347
Total school projects	<u>21,845</u>	<u>28,824</u>	<u>33,518</u>	<u>17,151</u>	<u>-</u>	<u>17,151</u>
Total district activity	<u>\$ 27,143</u>	<u>\$ 47,569</u>	<u>\$ 50,504</u>	<u>\$ 24,208</u>	<u>\$ -</u>	<u>\$ 24,208</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2020

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student activity funds:				
FCCLS	\$ -	\$ 453	\$ 197	\$ 256
Music	868	3,163	3,771	260
Cheerleaders	622	9,313	9,935	-
KAY	160	2,913	2,967	106
I-Club	3,255	6,046	6,938	2,363
Men's athletics	93	180	224	49
National Honor Society	-	1,481	152	1,329
STUCO	524	3,323	3,840	7
Dance team	360	3,550	3,812	98
Pass. Set. Cure	124	3,699	3,482	341
Middle School STUCO	231	37	-	268
JH cheerleaders	50	2,564	2,372	242
Junior high	576	305	635	246
Class of '17	818	-	818	-
Class of '18	222	-	222	-
Class of '19	1,195	-	509	686
Class of '20	1,060	-	270	790
Class of '21	213	30,934	22,375	8,772
Total student activity funds	10,371	67,961	62,519	15,813
Clearing funds:				
Sales tax	-	4,827	4,827	-
Payroll clearing	2,653	22,377	22,970	2,060
Flexible benefits	8,225	31,188	26,897	12,516
Total clearing funds	10,878	58,392	54,694	14,576
Total agency funds	\$ 21,249	\$ 126,353	\$ 117,213	\$ 30,389

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, KANSAS**

**INGALLS RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2019		Variance favorable (unfavorable)
	2018	Actual	
Receipts:			
Appropriation from Unified School District No. 477:			
Recreation commission	\$ 58,833	\$ 67,592	\$ 63,600
Recreation commission special	8,491	9,729	11,400
Pool admissions	163	75	200
Interest	196	222	150
Baseball fees	1,600	1,000	1,600
Miscellaneous	54	129	1,000
Donations	-	15,000	-
	<u>69,337</u>	<u>93,747</u>	<u>\$ 77,950</u>
			<u>\$ 15,797</u>
Expenditures:			
Baseball expenses	11,955	13,503	\$ 15,000
Pool expenses	4,722	6,411	10,000
Payroll and taxes	26,803	19,126	30,000
Utilities	3,677	2,380	3,500
Capital outlay	1,362	5,454	108,000
Miscellaneous	5,217	3,348	3,500
Donations	-	5,000	-
	<u>53,736</u>	<u>55,222</u>	<u>\$ 170,000</u>
			<u>\$ 114,778</u>
Receipts over (under) expenditures	15,601	38,525	
Unencumbered cash, beginning of year	92,125	107,726	
Unencumbered cash, end of year	<u>\$ 107,726</u>	<u>\$ 146,251</u>	

See Independent Auditor's Report.