

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

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1
<u>FINANCIAL SECTION</u>	
Statement 1 Summary Statement of Receipts, Expenditures, and Unencumbered Cash	4
Notes to the Financial Statement	6
<u>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule 1 Summary of Expenditures - Actual and Budget	15
Schedule 2 Schedule of Receipts and Expenditures	
<u>General Funds</u>	
2-1 General Fund	16
2-2 Supplemental General Fund	17
<u>Special Purpose Funds</u>	
2-3 Preschool-Aged At-Risk Fund	18
2-4 At-Risk (K-12) Fund	19
2-5 Bilingual Education Fund.....	20
2-6 Virtual Education Fund	21
2-7 Capital Outlay Fund	22
2-8 Driver Training Fund	23
2-9 Food Service Fund.....	24
2-10 Professional Development Fund	25
2-11 Special Education Fund	26
2-12 Career and Postsecondary Education Fund.....	27
2-13 KPERS Special Retirement Contributions Fund.....	28
2-14 Recreation Commission Fund	29
2-15 Recreation Commission Special Fund	30
2-16 Non-Budgeted Special Purpose Funds	31
<u>Bond and Interest Fund</u>	
2-17 Bond and Interest Fund.....	32
Schedule 3 Schedule of Receipts, Expenditures, and Unencumbered Cash District Activity Funds.....	33
Schedule 4 Summary of Receipts and Disbursements Agency Funds	34

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
<u>Related Municipal Entity</u>	
Schedule 5	
Schedule of Receipts and Expenditures – Actual and Budget	
Ingalls Recreation Commission	
General Fund.....	35

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INDEPENDENT AUDITOR'S REPORT

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

Adverse and Unmodified Opinions

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, 2022, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity, as of June 30, 2022, 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 accompanying 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, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Municipal Financial Reporting Entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

As discussed in Note A of the financial statement, 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.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the Municipal Financial Reporting Entity's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipal Financial Reporting Entity's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Municipal Financial Reporting Entity's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (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 purposes of additional analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 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, 2021 (not presented herein), and have issued our report thereon dated November 24, 2021, which contained an unmodified opinion on the basic financial statement. The 2021 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/accounts-reports/local-government/municipal-services/municipal-audits>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget for the year ended June 30, 2022 (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 2021 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 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2021, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

November 30, 2022

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

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

For the Year Ended June 30, 2022

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 2,228,291
Supplemental general	181,642	-	791,907
Total general funds	181,642	-	3,020,198
Special purpose funds:			
Preschool-aged at-risk	40,143	-	44,603
At-risk (K-12)	152,290	-	262,772
Bilingual education	11,440	-	16,498
Virtual education	41,505	-	225,962
Capital outlay	417,421	-	395,230
Driver training	18,087	-	5,338
Food service	58,841	-	208,825
Professional development	11,294	-	14,246
Special education	81,380	-	290,085
Career and postsecondary education	4,740	-	-
KPERs special retirement contributions	-	-	282,653
Recreation commission	17,773	-	74,061
Recreation commission special	2,857	-	10,976
Title II improving teacher quality	-	-	3,660
Ingalls Alumni Foundation	62,775	-	12,567
Gifts and grants	113,502	-	108,384
ESSER II	-	-	83,381
ESSER III	-	-	48,820
Contingency reserve	221,989	-	-
Student material revolving	13,993	-	13,928
Title I	-	-	25,627
Title IVA student support	-	-	11,179
Federal REAP grant	-	-	25,347
District activity funds	21,768	-	42,864
Total special purpose funds	1,291,798	-	2,207,006
Bond and interest fund:			
Bond and interest	181,718	-	162,016
Total Unified School District No. 477	1,655,158	-	5,389,220
Related municipal entity:			
Ingalls Recreation Commission	116,625	-	97,174
Total municipal financial reporting entity (excluding agency funds)	\$ 1,771,783	\$ -	\$ 5,486,394

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
\$ 2,228,291	\$ -	\$ 840	\$ 840
748,055	225,494	8,862	234,356
<u>2,976,346</u>	<u>225,494</u>	<u>9,702</u>	<u>235,196</u>
44,594	40,152	-	40,152
259,114	155,948	-	155,948
17,486	10,452	-	10,452
209,861	57,606	-	57,606
454,101	358,550	65,026	423,576
5,457	17,968	-	17,968
202,076	65,590	507	66,097
11,294	14,246	-	14,246
290,083	81,382	-	81,382
-	4,740	-	4,740
282,653	-	-	-
71,221	20,613	-	20,613
10,776	3,057	-	3,057
3,660	-	-	-
13,815	61,527	-	61,527
125,367	96,519	6,814	103,333
83,381	-	-	-
52,136	(3,316)	-	(3,316)
94,750	127,239	-	127,239
20,405	7,516	670	8,186
25,627	-	-	-
11,179	-	-	-
25,347	-	-	-
43,257	21,375	-	21,375
<u>2,357,640</u>	<u>1,141,164</u>	<u>73,017</u>	<u>1,214,181</u>
<u>134,162</u>	<u>209,572</u>	<u>-</u>	<u>209,572</u>
5,468,148	1,576,230	82,719	1,658,949
<u>77,861</u>	<u>135,938</u>	<u>-</u>	<u>135,938</u>
<u>\$ 5,546,009</u>	<u>\$ 1,712,168</u>	<u>\$ 82,719</u>	<u>\$ 1,794,887</u>

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

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

For the Year Ended June 30, 2022

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 477 accounts:	
Money market account	\$ 1,513,965
NOW account	135,593
High School NOW account	<u>40,152</u>
	1,689,710
Agency funds	<u>(30,761)</u>
Total Unified School District No. 477 (excluding agency funds)	<u>1,658,949</u>
Related municipal entity:	
Ingalls Recreation Commission:	
Checking account	35,352
Savings account	<u>100,586</u>
Total related municipal entity	<u>135,938</u>
Total reporting entity (excluding agency funds)	<u><u>\$ 1,794,887</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, 2022

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, 2021.

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, 2022:

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.

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.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. For the current year, the municipality held a revenue neutral rate hearing on September 13, 2021.

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, agency funds, and the following special purpose funds:

Ingalls Alumni Foundation
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 \$98,546 subsequent to June 30, 2022, and as required by K.S.A. 72-5135 and 72-5145, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

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 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.

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 III fund overspent its cash by \$3,316, 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.

B. COMPLIANCE WITH KANSAS STATUTES (CONTINUED)

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. At year end, the Cheerleaders fund at the High School Activity fund level had a deficit balance of \$135.

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, 2022.

At June 30, 2022, the District's carrying amount of deposits was \$1,692,775 and the bank balance was \$1,820,561. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,570,561 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	Preschool-aged at-risk	\$ 23,473	K.S.A. 72-5167
General	At-risk (K-12)	130,772	K.S.A. 72-5167
General	Bilingual education	700	K.S.A. 72-5167
General	Capital outlay	135,179	K.S.A. 72-5167
General	Special education	<u>180,000</u>	K.S.A. 72-5167
Total general		<u>470,124</u>	
Supplemental general	Preschool-aged at-risk	16,000	K.S.A. 72-5143
Supplemental general	At-risk (K-12)	132,000	K.S.A. 72-5143
Supplemental general	Bilingual education	15,798	K.S.A. 72-5143
Supplemental general	Drivers training	424	K.S.A. 72-5143
Supplemental general	Food service	30,501	K.S.A. 72-5143
Supplemental general	Professional development	14,246	K.S.A. 72-5143
Supplemental general	Special education	<u>101,091</u>	K.S.A. 72-5143
Total supplemental general		<u>310,060</u>	
Total operating transfers		<u>\$ 780,184</u>	

E. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2022 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	\$ -	\$ 80,000	\$1,420,000	\$ 54,162
Finance 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>84,296</u>	<u>-</u>	<u>23,337</u>	<u>60,959</u>	<u>2,663</u>
Total contractual indebtedness	<u>\$1,584,296</u>	<u>\$ -</u>	<u>\$ 103,337</u>	<u>\$1,480,959</u>	<u>\$ 56,825</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>
2023	\$ 85,000	\$ 50,037	\$ 135,037
2024	90,000	45,663	135,663
2025	95,000	41,037	136,037
2026	100,000	36,163	136,163
2027	100,000	31,162	131,162
2028-2032	565,000	101,988	666,988
2033-2035	<u>385,000</u>	<u>17,881</u>	<u>402,881</u>
Total	<u>\$ 1,420,000</u>	<u>\$ 323,931</u>	<u>\$ 1,743,931</u>

Current maturities of finance lease principal and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ -	\$ -	\$ -
2024	24,069	1,931	26,000
2025	24,841	1,159	26,000
2026	<u>12,049</u>	<u>377</u>	<u>12,426</u>
Total	<u>\$ 60,959</u>	<u>\$ 3,467</u>	<u>\$ 64,426</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 \$73,221 and one bus was purchased for \$28,608. There are no future minimum rental payments for fiscal year 2023.

F. OPERATING LEASES (CONTINUED)

The District has entered into a sixty-six month operating lease agreement for copiers in December 2017. Rental payments for the current year totaled \$19,376. Future minimum rental payments are \$16,235 per year for fiscal year 2023.

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

2023	<u>\$ 16,235</u>
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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, 2022.

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.

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 15.59%, and 14.23% respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% respectively, for the fiscal year ended June 30, 2022.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$282,653 for the year ended June 30, 2022.

H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,196,475. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

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. There have been no significant reductions in coverage from the prior year and 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, 2022.

K. CAPITAL PROJECTS

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

	<u>Project commitments authorized</u>	<u>Cash disbursements and accounts payable to date</u>	<u>Remaining financial commitment</u>
Track repair	<u>\$ 189,500</u>	<u>\$ 94,750</u>	<u>\$ 94,750</u>

L. CORONAVIRUS (COVID-19)

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future result of operations. The District is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2023.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the District to assist with the risks and help offset incurred costs of the District.

M. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 30, 2022 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, 2022

<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	\$ 2,392,060	\$ (163,769)	\$ 2,228,291	\$ 2,228,291	\$ -
Supplemental general	792,005	(43,950)	748,055	748,055	-
Special purpose funds:					
Preschool-aged at-risk	90,443	-	90,443	44,594	45,849
At-risk (K-12)	548,885	-	548,885	259,114	289,771
Bilingual education	26,938	-	26,938	17,486	9,452
Virtual education	249,127	-	249,127	209,861	39,266
Capital outlay	682,442	-	682,442	454,101	228,341
Driver training	23,127	-	23,127	5,457	17,670
Food service	246,718	-	246,718	202,076	44,642
Professional development	11,294	-	11,294	11,294	-
Special education	359,144	-	359,144	290,083	69,061
Career and postsecondary education	4,740	-	4,740	-	4,740
KPERS special retirement contributions	323,864	-	323,864	282,653	41,211
Recreation commission	72,220	-	72,220	71,221	999
Recreation commission special	11,000	-	11,000	10,776	224
Bond and interest fund					
Bond and interest	<u>134,162</u>	<u>-</u>	<u>134,162</u>	<u>134,162</u>	<u>-</u>
Total Unified School District No. 477	5,968,169	(207,719)	5,760,450	4,969,224	791,226
Related municipal entity:					
Ingalls Recreation Commission	<u>202,300</u>	<u>-</u>	<u>202,300</u>	<u>77,861</u>	<u>124,439</u>
Total municipal financial reporting entity	<u>\$ 6,170,469</u>	<u>\$ (207,719)</u>	<u>\$ 5,962,750</u>	<u>\$ 5,047,085</u>	<u>\$ 915,665</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
State sources:				
State aid	\$ 1,977,554	\$ 2,056,041	\$ 2,190,960	\$ (134,919)
Special education aid	179,122	169,303	200,000	(30,697)
Mineral production tax	1,208	2,947	1,100	1,847
Total receipts	<u>2,157,884</u>	<u>2,228,291</u>	<u>\$ 2,392,060</u>	<u>\$ (163,769)</u>
Expenditures:				
Instruction	977,675	1,073,025	\$ 1,160,070	\$ 87,045
Student support services	45,604	51,071	54,835	3,764
Instructional support staff	165,701	101,147	99,059	(2,088)
General administration	172,888	161,505	165,853	4,348
School administration	147,816	146,771	155,472	8,701
Operations and maintenance	128,929	145,850	144,263	(1,587)
Student transportation services:				
Vehicle operating services	55,588	59,174	58,121	(1,053)
Vehicle and maintenance services	14,435	19,624	38,923	19,299
Operating transfers	450,182	470,124	515,464	45,340
Adjustment to comply with legal maximum budget	<u>-</u>	<u>-</u>	<u>(163,769)</u>	<u>(163,769)</u>
Total expenditures	<u>2,158,818</u>	<u>2,228,291</u>	<u>\$ 2,228,291</u>	<u>\$ -</u>
Receipts over (under) expenditures	(934)	-		
Unencumbered cash, beginning of year	<u>934</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	\$ 629,081	\$ 621,499	\$ 426,144	\$ 195,355
Delinquent tax	1,989	4,968	4,697	271
Motor vehicle tax	43,835	40,956	39,255	1,701
Commercial vehicle tax	2,912	2,942	2,347	595
Recreational vehicle tax	1,072	956	844	112
State aid:				
Supplemental state aid	130,954	120,586	127,671	(7,085)
Other	33	-	-	-
Total receipts	<u>809,876</u>	<u>791,907</u>	<u>\$ 600,958</u>	<u>\$ 190,949</u>
Expenditures:				
Instruction	124,090	148,860	\$ 164,827	\$ 15,967
Student support services	-	-	3,655	3,655
Instructional support staff	6,564	4,854	10,675	5,821
General administration	29,146	29,682	34,100	4,418
School administration	1,083	1,663	1,250	(413)
Central services	11,453	10,384	12,000	1,616
Operations and maintenance	155,459	179,524	183,600	4,076
Student transportation services:				
Vehicle operating services	35,140	44,840	61,500	16,660
Vehicle and maintenance services	11,115	18,188	12,300	(5,888)
Operating transfers	345,370	310,060	308,098	(1,962)
Adjustment to comply with legal maximum budget	-	-	(43,950)	(43,950)
Total expenditures	<u>719,420</u>	<u>748,055</u>	<u>\$ 748,055</u>	<u>\$ -</u>
Receipts over (under) expenditures	90,456	43,852		
Unencumbered cash, beginning of year	91,176	181,642		
Prior year canceled encumbrances	10	-		
Unencumbered cash, end of year	<u>\$ 181,642</u>	<u>\$ 225,494</u>		

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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		<u>2022</u>		
	<u>2021</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Tuition	\$ 16,063	\$ 5,130	\$ 9,800	\$ (4,670)
Transfer from general	30,600	23,473	26,500	(3,027)
Transfer from supplemental general	<u>2,900</u>	<u>16,000</u>	<u>14,000</u>	<u>2,000</u>
Total receipts	49,563	44,603	<u>\$ 50,300</u>	<u>\$ (5,697)</u>
Expenditures:				
Instruction	<u>29,950</u>	<u>44,594</u>	<u>\$ 90,443</u>	<u>\$ 45,849</u>
Receipts over (under) expenditures	19,613	9		
Unencumbered cash, beginning of year	<u>20,530</u>	<u>40,143</u>		
Unencumbered cash, end of year	<u>\$ 40,143</u>	<u>\$ 40,152</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		<u>2022</u>		
	<u>2021</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from general	\$ 84,005	\$ 130,772	\$ 183,000	\$ (52,228)
Transfer from supplemental general	<u>271,000</u>	<u>132,000</u>	<u>215,000</u>	<u>(83,000)</u>
Total receipts	<u>355,005</u>	<u>262,772</u>	<u>\$ 398,000</u>	<u>\$ (135,228)</u>
Expenditures:				
Instruction	238,627	248,490	\$ 502,485	\$ 253,995
Student support services	11,234	10,624	23,200	12,576
Instructional support staff	<u>11,364</u>	<u>-</u>	<u>23,200</u>	<u>23,200</u>
Total expenditures	<u>261,225</u>	<u>259,114</u>	<u>\$ 548,885</u>	<u>\$ 289,771</u>
Receipts over (under) expenditures	93,780	3,658		
Unencumbered cash, beginning of year	<u>58,510</u>	<u>152,290</u>		
Unencumbered cash, end of year	<u>\$ 152,290</u>	<u>\$ 155,948</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		<u>2022</u>		
	<u>2021</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from general	\$ 4,700	\$ 700	\$ 700	\$ -
Transfer from supplemental general	<u>12,600</u>	<u>15,798</u>	<u>14,798</u>	<u>1,000</u>
Total receipts	<u>17,300</u>	<u>16,498</u>	<u>\$ 15,498</u>	<u>\$ 1,000</u>
Expenditures:				
Instruction	-	10,972	\$ 9,288	\$ (1,684)
Instructional support staff	<u>15,879</u>	<u>6,514</u>	<u>17,650</u>	<u>11,136</u>
Total expenditures	<u>15,879</u>	<u>17,486</u>	<u>\$ 26,938</u>	<u>\$ 9,452</u>
Receipts over (under) expenditures	1,421	(988)		
Unencumbered cash, beginning of year	<u>10,019</u>	<u>11,440</u>		
Unencumbered cash, end of year	<u>\$ 11,440</u>	<u>\$ 10,452</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Fees	\$ 196,000	\$ 210,000	\$ 210,000	\$ -
Other	7,500	15,962	7,500	8,462
Total receipts	<u>203,500</u>	<u>225,962</u>	<u>\$ 217,500</u>	<u>\$ 8,462</u>
Expenditures:				
Instruction	135,503	140,455	\$ 174,799	\$ 34,344
Instructional support staff	47,378	48,784	51,600	2,816
General administration	17,868	20,622	-	(20,622)
School administration	-	-	22,728	22,728
Total expenditures	<u>200,749</u>	<u>209,861</u>	<u>\$ 249,127</u>	<u>\$ 39,266</u>
Receipts over (under) expenditures	2,751	16,101		
Unencumbered cash, beginning of year	<u>38,754</u>	<u>41,505</u>		
Unencumbered cash, end of year	<u>\$ 41,505</u>	<u>\$ 57,606</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	\$ 218,309	\$ 215,424	\$ 147,400	\$ 68,024
Delinquent tax	682	1,696	1,627	69
Motor vehicle tax	14,591	13,717	13,583	134
Recreational vehicle tax	368	331	292	39
Commercial vehicle tax	1,004	1,019	812	207
Interest	1,363	1,664	-	1,664
Other	31,319	26,200	20,000	6,200
Transfer from general	60,000	135,179	61,000	74,179
Total receipts	<u>327,636</u>	<u>395,230</u>	<u>\$ 244,714</u>	<u>\$ 150,516</u>
Expenditures:				
Instruction	36,753	46,009	\$ 57,500	\$ 11,491
General administration	953	829	5,671	4,842
School administration	658	431	7,223	6,792
Operations and maintenance	158,206	204,336	178,760	(25,576)
Student transportation services:				
Vehicle operating services	175,633	185,189	156,000	(29,189)
Vehicle and maintenance services	9,506	17,307	76,450	59,143
Other support services	-	-	500	500
Facility acquisition and construction	6,262	-	200,338	200,338
Total expenditures	<u>387,971</u>	<u>454,101</u>	<u>\$ 682,442</u>	<u>\$ 228,341</u>
Receipts over (under) expenditures	(60,335)	(58,871)		
Unencumbered cash, beginning of year	<u>477,756</u>	<u>417,421</u>		
Unencumbered cash, end of year	<u>\$ 417,421</u>	<u>\$ 358,550</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		<u>2022</u>		
	<u>2021</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
State aid	\$ 2,040	\$ 2,074	\$ 2,040	\$ 34
Other	7,950	2,840	-	2,840
Transfer from supplemental general	<u>-</u>	<u>424</u>	<u>3,000</u>	<u>(2,576)</u>
Total receipts	9,990	5,338	<u>\$ 5,040</u>	<u>\$ 298</u>
Expenditures:				
Instruction	<u>62</u>	<u>5,457</u>	<u>\$ 23,127</u>	<u>\$ 17,670</u>
Receipts over (under) expenditures	9,928	(119)		
Unencumbered cash, beginning of year	<u>8,159</u>	<u>18,087</u>		
Unencumbered cash, end of year	<u>\$ 18,087</u>	<u>\$ 17,968</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Charges for services	\$ 13,767	\$ 5,569	\$ 6,800	\$ (1,231)
Federal aid	150,249	171,624	142,233	29,391
State aid	1,467	1,131	1,010	121
Other	-	-	10,000	(10,000)
Transfer from general	20,430	-	1,500	(1,500)
Transfer from supplemental general	27,207	30,501	26,300	4,201
Total receipts	213,120	208,825	\$ 187,843	\$ 20,982
Expenditures:				
Operations and maintenance	-	-	\$ 38,568	\$ 38,568
Food service operations	203,319	202,076	208,150	6,074
Total expenditures	203,319	202,076	\$ 246,718	\$ 44,642
Receipts over (under) expenditures	9,801	6,749		
Unencumbered cash, beginning of year	49,040	58,841		
Unencumbered cash, end of year	\$ 58,841	\$ 65,590		

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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		<u>2022</u>		
	<u>2021</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
State aid	\$ 1,910	\$ -	\$ -	\$ -
Transfer from general	8,000	-	-	-
Transfer from supplemental general	<u>-</u>	<u>14,246</u>	<u>-</u>	<u>14,246</u>
Total receipts	9,910	14,246	<u><u>\$ -</u></u>	<u><u>\$ 14,246</u></u>
Expenditures:				
Instructional support staff	<u>8,069</u>	<u>11,294</u>	<u><u>\$ 11,294</u></u>	<u><u>\$ -</u></u>
Receipts over (under) expenditures	1,841	2,952		
Unencumbered cash, beginning of year	<u>9,453</u>	<u>11,294</u>		
Unencumbered cash, end of year	<u><u>\$ 11,294</u></u>	<u><u>\$ 14,246</u></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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ 3,040	\$ 5,729	\$ -	\$ 5,729
Other	2,127	3,265	-	3,265
Transfer from general	241,785	180,000	242,764	(62,764)
Transfer from supplemental general	31,663	101,091	35,000	66,091
Total receipts	278,615	290,085	<u>\$ 277,764</u>	<u>\$ 12,321</u>
Expenditures:				
Instruction	259,386	290,083	<u>\$ 359,144</u>	<u>\$ 69,061</u>
Receipts over (under) expenditures	19,229	2		
Unencumbered cash, beginning of year	62,151	81,380		
Unencumbered cash, end of year	<u>\$ 81,380</u>	<u>\$ 81,382</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Instruction	-	-	\$ 4,740	\$ 4,740
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	4,740	4,740		
Unencumbered cash, end of year	\$ 4,740	\$ 4,740		

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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ 256,019	\$ 282,653	\$ 323,864	\$ (41,211)
Expenditures:				
Instruction	166,309	175,405	\$ 200,000	\$ 24,595
Student support services	7,222	8,611	8,000	(611)
Instructional support staff	28,210	30,915	33,000	2,085
General administration	8,262	10,942	9,000	(1,942)
School administration	14,873	19,072	19,000	(72)
Operations and maintenance	17,068	21,092	24,864	3,772
Student transportation services	6,807	7,125	15,000	7,875
Food service operations	7,268	9,491	15,000	5,509
Total expenditures	256,019	282,653	\$ 323,864	\$ 41,211
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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	\$ 68,101	\$ 67,183	\$ 46,069	\$ 21,114
Delinquent tax	213	530	508	22
Motor vehicle tax	4,694	4,425	4,242	183
Recreational vehicle tax	115	103	91	12
Commercial vehicle tax	313	318	254	64
Windfarm donations	1,494	1,502	4,414	(2,912)
Total receipts	74,930	74,061	<u>\$ 55,578</u>	<u>\$ 18,483</u>
Expenditures:				
Community service operations	73,550	71,221	<u>\$ 72,220</u>	<u>\$ 999</u>
Receipts over (under) expenditures	1,380	2,840		
Unencumbered cash, beginning of year	16,393	17,773		
Unencumbered cash, end of year	<u>\$ 17,773</u>	<u>\$ 20,613</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	\$ 10,266	\$ 9,953	\$ 6,939	\$ 3,014
Delinquent tax	32	79	77	2
Motor vehicle tax	693	659	634	25
Recreational vehicle tax	17	15	14	1
Commercial vehicle tax	46	48	38	10
Windfarm donations	225	222	500	(278)
Total receipts	11,279	10,976	<u>\$ 8,202</u>	<u>\$ 2,774</u>
Expenditures:				
Community service operations	12,755	10,776	<u>\$ 11,000</u>	<u>\$ 224</u>
Receipts over (under) expenditures	(1,476)	200		
Unencumbered cash, beginning of year	4,333	2,857		
Unencumbered cash, end of year	<u>\$ 2,857</u>	<u>\$ 3,057</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, 2022

	Title II improving teacher quality	Ingalls Alumni Foundation	Gifts and grants	ESSER II
Receipts:				
Rental fees and books	\$ -	\$ -	\$ -	\$ -
Federal aid	3,660	-	2,738	83,381
State aid	-	-	15,000	-
Contributions and donations	-	12,567	41,140	-
Miscellaneous	-	-	15,429	-
Windfarm donations	-	-	34,077	-
	<u>3,660</u>	<u>12,567</u>	<u>108,384</u>	<u>83,381</u>
Total receipts	<u>3,660</u>	<u>12,567</u>	<u>108,384</u>	<u>83,381</u>
Expenditures:				
Instruction	-	-	13,045	29,278
Student support services	-	-	-	28,273
Instructional support staff	3,660	-	-	9,697
General administration	-	-	-	2,670
School administration	-	-	-	1,505
Operations and maintenance	-	-	112,322	8,187
Vehicle operating services	-	-	-	539
Vehicle and maintenance services	-	-	-	1,077
Food service operations	-	-	-	2,155
Facility acquisition and construction	-	-	-	-
Community services	-	13,815	-	-
	<u>3,660</u>	<u>13,815</u>	<u>125,367</u>	<u>83,381</u>
Total expenditures	<u>3,660</u>	<u>13,815</u>	<u>125,367</u>	<u>83,381</u>
Receipts over (under) expenditures	-	(1,248)	(16,983)	-
Unencumbered cash, beginning of year	-	62,775	113,502	-
Unencumbered cash (deficit), end of year	<u>\$ -</u>	<u>\$ 61,527</u>	<u>\$ 96,519</u>	<u>\$ -</u>

See Independent Auditor's Report.

ESSER III	Contingency reserve	Student material revolving	Title I	Title IVA student support	Federal REAP grant	Total
\$ -	\$ -	\$ 13,928	\$ -	\$ -	\$ -	\$ 13,928
48,820	-	-	25,627	11,179	25,347	200,752
-	-	-	-	-	-	15,000
-	-	-	-	-	-	53,707
-	-	-	-	-	-	15,429
-	-	-	-	-	-	34,077
<u>48,820</u>	<u>-</u>	<u>13,928</u>	<u>25,627</u>	<u>11,179</u>	<u>25,347</u>	<u>332,893</u>
43,964	-	20,405	-	11,179	25,347	143,218
4,288	-	-	-	-	-	32,561
-	-	-	25,627	-	-	38,984
2,153	-	-	-	-	-	4,823
1,731	-	-	-	-	-	3,236
-	-	-	-	-	-	120,509
-	-	-	-	-	-	539
-	-	-	-	-	-	1,077
-	-	-	-	-	-	2,155
-	94,750	-	-	-	-	94,750
-	-	-	-	-	-	13,815
<u>52,136</u>	<u>94,750</u>	<u>20,405</u>	<u>25,627</u>	<u>11,179</u>	<u>25,347</u>	<u>455,667</u>
(3,316)	(94,750)	(6,477)	-	-	-	(122,774)
-	221,989	13,993	-	-	-	412,259
<u>\$ (3,316)</u>	<u>\$ 127,239</u>	<u>\$ 7,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,485</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, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	\$ 152,579	\$ 150,796	\$ 103,336	\$ 47,460
Delinquent tax	209	354	1,136	(782)
Motor vehicle tax	2,582	9,921	9,479	442
Commercial vehicle tax	530	713	566	147
Recreational vehicle tax	68	232	203	29
Total receipts	155,968	162,016	\$ 114,720	\$ 47,296
Expenditures:				
Debt service:				
Principal	-	80,000	\$ 80,000	\$ -
Interest	56,162	54,162	54,162	-
Total expenditures	56,162	134,162	\$ 134,162	\$ -
Receipts over (under) expenditures	99,806	27,854		
Unencumbered cash, beginning of year	81,912	181,718		
Unencumbered cash, end of year	\$ 181,718	\$ 209,572		

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, 2022

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
Gate receipts:						
Activities	\$ 8,241	\$ 11,739	\$ 10,123	\$ 9,857	\$ -	\$ 9,857
Officials and referees	-	14,920	14,904	16	-	16
Total gate receipts	8,241	26,659	25,027	9,873	-	9,873
School projects:						
Student supplies	-	1,369	1,369	-	-	-
Library	1,669	2,130	2,021	1,778	-	1,778
Drug monies	9	-	-	9	-	9
Yearbook	11,849	12,706	14,840	9,715	-	9,715
Total school projects	13,527	16,205	18,230	11,502	-	11,502
Total district activity	<u>\$ 21,768</u>	<u>\$ 42,864</u>	<u>\$ 43,257</u>	<u>\$ 21,375</u>	<u>\$ -</u>	<u>\$ 21,375</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, 2022

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student activity funds:				
FCCLA	\$ 676	\$ 2,772	\$ 3,323	\$ 125
Music	407	-	50	357
Cheerleaders	-	14,687	14,822	(135)
FFA	-	20,268	17,450	2,818
I-Club	3,183	8,923	9,766	2,340
Men's athletics	49	1,079	1,124	4
National Honor Society	1,317	3,470	3,398	1,389
HS volleyball	158	988	952	194
Senior sports banners	-	515	515	-
STUCO	988	410	889	509
Dance team	231	698	859	70
Pass. Set. Cure	260	2,793	2,703	350
Middle School STUCO	379	83	280	182
JH cheerleaders	103	7,295	6,092	1,306
HS golf	30	1,720	295	1,455
Junior high	202	420	420	202
Class of '19	686	-	177	509
Class of '20	705	-	177	528
Class of '21	1,367	-	221	1,146
Class of '22	2,542	-	832	1,710
Class of '23	-	30,364	26,941	3,423
Class of '24	92	204	-	296
Total student activity funds	<u>13,375</u>	<u>96,689</u>	<u>91,286</u>	<u>18,778</u>
Clearing funds:				
Sales tax	-	4,731	4,731	-
Payroll clearing	2,217	21,857	23,152	922
Flexible benefits	13,340	23,750	26,029	11,061
Total clearing funds	<u>15,557</u>	<u>50,338</u>	<u>53,912</u>	<u>11,983</u>
Total agency funds	<u>\$ 28,932</u>	<u>\$ 147,027</u>	<u>\$ 145,198</u>	<u>\$ 30,761</u>

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, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		Variance
	2020	Actual	Budget	favorable (unfavorable)
Receipts:				
Appropriation from Unified				
School District No. 477:				
Recreation commission	\$ 73,907	\$ 78,109	\$ 68,000	\$ 10,109
Recreation commission special	11,028	11,752	12,000	(248)
Pool admissions	190	200	200	-
Interest	184	51	200	(149)
Baseball fees	200	1,050	1,000	50
Miscellaneous	61	3,012	150	2,862
Donations	4,000	3,000	-	3,000
Total receipts	<u>89,570</u>	<u>97,174</u>	<u>\$ 81,550</u>	<u>\$ 15,624</u>
Expenditures:				
Baseball expenses	7,453	9,115	\$ 15,000	\$ 5,885
Pool expenses	2,958	4,745	10,000	5,255
Payroll and taxes	22,190	25,791	20,000	(5,791)
Utilities	2,350	3,633	3,000	(633)
Capital outlay	77,484	28,884	150,000	121,116
Miscellaneous	6,761	5,693	4,300	(1,393)
Total expenditures	<u>119,196</u>	<u>77,861</u>	<u>\$ 202,300</u>	<u>\$ 124,439</u>
Receipts over (under) expenditures	(29,626)	19,313		
Unencumbered cash, beginning of year	<u>146,251</u>	<u>116,625</u>		
Unencumbered cash, end of year	<u>\$ 116,625</u>	<u>\$ 135,938</u>		

See Independent Auditor's Report.