

UNIFIED SCHOOL DISTRICT NO. 211
Norton, Kansas
Financial Statement and Regulatory-Required
Supplementary Information with Independent Auditor's Report
For the Fiscal Year Ended June 30, 2019

MAPES & MILLER LLP
Certified Public Accountants
Norton, Kansas

UNIFIED SCHOOL DISTRICT NO. 211
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For the Fiscal Year Ended June 30, 2019

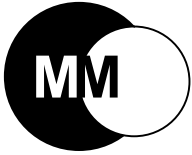
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 211
Norton, Kansas 67654

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 211, Norton, Kansas as of and for the year ended June 30, 2019, 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 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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 1 of the financial statement, the financial statement is prepared by Unified School District No. 211, Norton, Kansas, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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 Unified School District No. 211, Norton, Kansas, as of June 30, 2019, 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 Unified School District No. 211, Norton, Kansas, as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

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 balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds, and schedule of receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3, and 4 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 1.

Mapes & Miller LLP

Certified Public Accountants

Norton, Kansas
February 10, 2020

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General Funds:							
General	\$ 0	0	5,380,956	5,380,956	0	232	232
Supplemental General	131,702	0	1,741,919	1,732,097	141,524	104,683	246,207
Special Purpose Funds:							
At Risk K-12	0	0	453,152	453,152	0	0	0
Bilingual Education	0	0	2,499	0	2,499	0	2,499
Capital Outlay	878,155	0	451,760	432,749	897,166	65,407	962,573
Driver Training	53,622	0	12,499	6,174	59,947	0	59,947
Food Service	95,052	0	373,807	374,980	93,879	0	93,879
Professional Development	47,580	0	10,000	7,639	49,941	0	49,941
Summer School	33,654	0	10,000	8,177	35,477	0	35,477
Special Education	794,846	0	1,235,344	1,365,767	664,423	198	664,621
Career and Postsecondary Education	0	0	110,322	110,322	0	16,070	16,070
KPERs Special Retirement Contribution	0	0	435,170	435,170	0	0	0
Recreation Commission	59,063	0	174,369	180,888	52,544	0	52,544
Federal Funds	0	0	128,207	133,019	(4,812)	2,965	(1,847)
Gifts and Grants	52,512	0	32,543	33,279	51,776	0	51,776
Contingency Reserve	585,210	0	0	0	585,210	0	585,210
Textbook Rental and Student Material Revolving	93,222	0	38,632	17,747	114,107	0	114,107
Outdoor Wildlife Learning Site	101	0	0	101	0	0	0
District Activity	39,000	0	68,426	63,664	43,762	0	43,762
Bond and Interest Funds:							
Bond and Interest	460,104	0	671,649	621,725	510,028	0	510,028
Capital Project Funds:							
Bond Construction	170,420	0	524	15,251	155,693	0	155,693
Trust Funds:							
Eicher Butler Scholarship	490,354	0	11,444	10,000	491,798	9,000	500,798
Louis Welter Scholarship	14,041	0	344	350	14,035	350	14,385
Tansil Scholarship	201,056	0	4,843	4,000	201,899	3,500	205,399
Ford Farber Scholarship	269	0	5	274	0	0	0
Bishop Scholarship	1,000	0	0	0	1,000	0	1,000
Jep Byrum Memorial Scholarship	8,337	0	166	400	8,103	200	8,303
Dave Stuewe Scholarship	9,611	0	263	1,000	8,874	1,000	9,874
Gertrude Steichen Scholarship	16,993	0	392	1,000	16,385	1,000	17,385
Della Connell Scholarship	253,396	0	5,112	7,000	251,508	5,500	257,008
Total Primary Government (Excluding Agency Funds)	\$ 4,489,300	0	11,354,347	11,396,881	4,446,766	210,105	4,656,871

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

UNIFIED SCHOOL DISTRICT NO. 211

STATEMENT 1

Norton, Kansas
Composition of Cash
Regulatory Basis

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For the Fiscal Year Ended June 30, 2019

First State Bank, Norton, Kansas	
Checking Account	\$ 1,500
NOW Accounts	(214,174)
Money Market Accounts	1,489,856
Certificates of Deposit	1,005,636
The Bank	
Savings Account	508,799
Solutions North Bank, Norton, Kansas	
Checking Accounts	4,060
NOW Accounts	488,810
Money Market Account	209,625
Savings Account	1,199,513
Repurchase Agreement	<u>47,963</u>
Total Cash	4,741,588
Agency Funds per Schedule 3	<u>(84,717)</u>
Total Primary Government (Excluding Agency Funds)	\$ <u>4,656,871</u>

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

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

Notes to the Financial Statement

June 30, 2019

1. Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 211, Norton, Kansas operates as a unified school district in accordance with the laws of the State of Kansas. The District is operated by an elected board of education and provides the following services: education, culture and recreation. The regulatory financial statement presents Unified School District No. 281 (the municipality). The following related municipal entity is not included in the financial statement:

Norton Recreation Commission. The Norton Recreation Commission oversees recreational activities. A five-member board is appointed to oversee the operation. Two members of the board are appointed by the District's board with two more members appointed by the City of Norton's council. The remaining member is appointed by the other four members. The District annually levies a tax for the operation of the Commission. Unaudited financial reports for the Norton Recreation Commission are available from the Recreation Commission Director, P.O. Box 96, Norton, Kansas 67654.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the fiscal year ended June 30, 2019:

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

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

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

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

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

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

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 revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. No funds were amended in this manner for the year ended June 30, 2019.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. Any unused budgeted expenditure authority lapses at year-end.

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

	<u>Statutory Authority for Exemption</u>
Title I	K.S.A. 12-1663
Title II, Part A	K.S.A. 12-1663
Title IV, Part A	K.S.A. 12-1663
Gifts & Grants	K.S.A. 79-2925
Gardner Memorial Library	K.S.A. 79-2925
Contingency Reserve	K.S.A. 72-6426
Textbook Rental and Student Material Revolving	K.S.A. 72-8250
Outdoor Wildlife Learning Site	K.S.A. 79-2925
High School Athletics	K.S.A. 72-8208a
Junior High Athletics	K.S.A. 72-8208a
Junior High Music	K.S.A. 72-8208a

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

Reimbursed Expenditures

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

2. Stewardship, Compliance and Accountability

Cash Violation. K.S.A. 10-1113 requires each fund to comply with the cash basis laws of Kansas. That is no commitments or indebtedness should be incurred unless there is available cash in the fund. The Title IV Part A federal fund incurred indebtedness in excess of the available cash balance. However, K.S.A. 12-1664 allows a deficit unencumbered cash balance for federal aid funds when the deficit is expected to be eliminated in future years as grant proceeds are received.

3. Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the municipality 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 the funds. In addition, K.S.A 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated any "peak periods" with eligible depositories. All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$4,741,588 and the bank balance was \$4,966,052. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$755,650 was covered by federal depository insurance and \$4,210,402 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments. For an investment, there is the risk that in the event of the failure of the issuer or counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At June 30, 2019, the District had no investments except for certificates of deposit which are considered to be a component of deposits.

4. In-Substance Receipt in Transit

The District received \$316,460 subsequent to June 30, 2019, 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, 2019.

5. Capital Projects

Capital Project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Bond Construction Project	\$ 10,065,621	\$ 9,909,928

6. Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year. The first year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

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 \$435,170 for the year ended June 30, 2019.

Net Pension Liability. At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$5,892,143. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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 nonemployer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2018.

Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements. The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

7. Other Long-Term Obligations

Compensated Absences

Sick Leave. The employees of Unified School District No. 211 are allowed twelve days of sick leave per year. This can be carried over and accumulated to eighty days. Unused sick leave in excess of the eighty days maximum accumulation will be bought back by the District at the rate of \$38.00 per day for certified employees and at a rate of one hour for every four hours of entitlement for classified employees payable on August 20 for employees returning to the District or under contract at that time. No payment for unused sick leave is made when an employee terminates employment with the District unless the employee is retiring or is disabled. When an employee retires from the District or is disabled, 25 percent of all unused sick leave shall be purchased at full salary.

Vacation Pay. The superintendent is allowed fifteen days of vacation per year. Vacation time is allowed for the following classified employees: maintenance director, maintenance and grounds assistant, clerk, treasurer, unified office secretary, and twelve-month custodial. Vacation time is based on years of continuous employment according to the following schedule:

<u>Years of Employment</u>	<u>Vacation Days</u>
Zero to 1 year	.833 days per month
After 1 to 6 years	10 days per year or .833 days per month
After 7 to 9 years	11 days per year or .9166 days per month
After 10 to 12 years	12 days per year or 1.0 days per month
After 13 to 15 years	13 days per year or 1.083 days per month
After 16 or more years	15 days per year or 1.25 days per month

Early Retirement Program

Faculty members of the District who may find it necessary or desirable to retire from employment with the District prior to normal retirement age may elect to take early retirement under the terms set out in Article XVIII of the negotiated agreement. Early retirement is entirely voluntary and at the discretion of eligible faculty members. Eligibility for full benefits is determined as follows:

1. Currently a certified faculty member or administrator.
2. Not less than 60 years of age and not more than 64 years of age as of September 1 of the year of selection.
3. Fifteen (15) years or more of service with the District as of May 15, 2010. This fixed benefit plan will expire with the departure/retirement of this group of people.

Faculty members electing the reduced retirement benefit must meet requirement 1 and 3 above in addition to the following requirement:

1. Eligible for retirement with the Kansas Public Employees Retirement System (KPERS) or age 55.

Any faculty member wishing to retire at the end of a contract year must file for benefits by May 1st of that contract year. A faculty member who takes early retirement is entitled to receive annually from the District a sum of money equal to the teachers' highest salary while employed by the District less the base salary from the District's salary schedule multiplied by 40% for full benefit. The difference between the teachers' highest salary while employed by the District less the base salary from the District's salary schedule shall be multiplied by 90% and divided by 60 to determine the monthly amount for reduced benefit. The reduced benefit will cease to be paid after 60 months or when the participant reaches 65 or is Medicare qualified, whichever is sooner.

These benefits will be paid monthly on the regular payday set by the District. A faculty member taking early retirement has the option to maintain health insurance coverage through the District's health insurance program. All early retirement benefits, including the option to maintain health insurance automatically terminate at the time the faculty member reaches age 65 or is eligible for Medicare. In the event of death of the retiree, the monthly benefit will be paid to the deceased's named beneficiary for a period of twelve months, or until the end of the benefit's life, whichever is sooner. The District's liability for faculty members approved for early retirement was \$10,822 as of June 30, 2019 and is presented as a component of long-term debt in Note 12.

Employer Paid 403(b) Savings Plan

To reward the longevity of the USD 211 teaching staff the District offers its employees an employer paid 403(b) savings plan. A system of tiered contributions has been implemented based on the employee's years of service. The following tiers are agreed to:

<u>Years of Employment</u>	<u>Contribution Amount</u>
Years 1 to 5	\$400 per year
Years 6 to 10	\$425 per year
Years 11 to 15	\$450 per year
Years 16 to 20	\$475 per year
Years 21 to 25	\$500 per year
Years 25+	\$550 per year

A 10 year vesting schedule will be utilized:

<u>Years of Employment</u>	<u>Ownership %</u>
1 to 5 years	0% ownership
6 years	20% ownership
7 years	40% ownership
8 years	60% ownership
9 years	80% ownership
10 years	100% ownership

If a participant terminates service before being fully vested, their unvested funds shall be forfeited. Forfeitures shall be used to reduce employer contributions. During the fiscal year, the District contributed \$33,240 to the 403(b) savings plan. A participant is eligible for distribution only after leaving employment of the USD 211 by retirement or obtaining another position.

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 premium regardless of age. However, the cost of this subsidy has not been quantified for 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. There is no cost to the District under this program.

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 is set at 1% for the year ended June 30, 2019.

8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters for which the District purchases commercial insurance.

During the year ended June 30, 2019, the District did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

9. Claims and Judgments

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

During the ordinary course of its operation the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

10. Interfund Transfers

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	Special Education	K.S.A. 72-6428	\$ 827,926
General	At Risk K-12	K.S.A. 72-6428	129,425
General	Career and Postsecondary Education	K.S.A. 72-6428	85,686
General	Food Service	K.S.A. 72-6428	30,000
General	Driver Training	K.S.A. 72-6428	10,000
Supplemental General	Special Education	K.S.A. 72-6433	295,331
Supplemental General	Career and Postsecondary Education	K.S.A. 72-6433	19,200
Supplemental General	Food Service	K.S.A. 72-6433	17,127
Supplemental General	Textbook Revolving	K.S.A. 72-6433	10,000
Supplemental General	Summer School	K.S.A. 72-6433	10,000
Supplemental General	At Risk K-12	K.S.A. 72-6433	323,727
Supplemental General	Professional Development	K.S.A. 72-6433	10,000
Supplemental General	Bilingual Education	K.S.A. 72-6433	2,499

11. Lease Obligations

On June 17, 2017, the district entered into agreements with Eakes Office Solutions to lease 6 Sharp copying machines. The agreements call for payments of \$671 through June 17, 2022. Payments totaling \$8,052 were made during the fiscal year ending June 30, 2019. The amounts due under these agreements in future periods are as follows:

Year	Payment
2019-2020	8,052
2020-2021	8,052
2021-2022	8,052
Total	24,156

12. Long-term Debt

Changes in long-term liabilities for Unified School District No. 211, Norton, Kansas for the year ended June 30, 2019 were as follows:

Issue	Interest Rates	Date Issued	Amount of Original Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Lease Purchase Agreements:									
Energy Lease Purchase	4.75%	07/27/11	1,035,923	01/27/27	720,600	0	66,259	654,341	34,135
2 2016 IC/CE School Buses	2.75%	03/04/15	149,524	07/27/15	30,704	0	30,704	0	844
2007 Van Hool Motor Coach	3.25%	09/21/15	169,330	09/21/18	58,247	0	58,247	0	1,909
Total Total Lease Purchases					809,551	0	155,210	654,341	36,888
General Obligation Bonds:									
School Building Bonds Series 2015	2.00-3.50%	5/1/2015	9,725,000	9/1/2035	9,240,000	0	360,000	8,880,000	261,725
Early Retirement Program (Note 7)	N/A	N/A	N/A	N/A	21,482	0	10,660	10,822	0
Total Long-term Debt					\$10,071,033	0	525,870	9,545,163	298,613

Current maturities for long-term debt for Unified School District No. 211, Norton, Kansas for the next five years and in five-year increments after that are as follows:

	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	Total
PRINCIPAL									
Lease Purchase Agreements:									
Energy Lease Purchase	\$ 68,887	72,509	76,029	79,640	83,423	273,853	0	0	654,341
2 2016 IC/IE School Buses	0	0	0	0	0	0	0	0	0
2007 Van Hool Motor Coach	0	0	0	0	0	0	0	0	0
General Obligation Bonds:									
School Construction Bond Series 2015	375,000	390,000	405,000	415,000	435,000	2,440,000	3,010,000	1,410,000	8,880,000
Total Principal	443,887	462,509	481,029	494,640	518,423	2,713,853	3,010,000	1,410,000	9,534,341
INTEREST									
Lease Purchase Agreements:									
Energy Lease Purchase	31,507	27,885	24,365	20,754	16,971	26,413	0	0	147,895
2 2016 IC/IE School Buses	0	0	0	0	0	0	0	0	0
2007 Van Hool Motor Coach	0	0	0	0	0	0	0	0	0
General Obligation Bonds:									
School Construction Bond Series 2015	254,375	246,725	238,775	230,575	221,531	929,313	515,869	49,875	2,687,038
Total Interest	285,882	274,610	263,140	251,329	238,502	955,726	515,869	49,875	2,834,933
Total Principal and Interest	\$ 729,769	737,119	744,169	745,969	756,925	3,669,579	3,525,869	1,459,875	12,369,274
Early Retirement Program	9,276	1,546	0	0	0	0	0	0	10,822

13. Subsequent Events

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

**UNIFIED SCHOOL DISTRICT NO. 211
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

UNIFIED SCHOOL DISTRICT NO. 211
 Norton, Kansas
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
For the Fiscal Year Ended June 30, 2019

SCHEDULE 1

Description	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General Funds:						
General	\$ 5,535,285	(167,433)	13,104	5,380,956	5,380,956	0
Supplemental General	1,767,880	(35,783)	0	1,732,097	1,732,097	0
Special Purpose Funds:						
At Risk K-12	460,258	0	0	460,258	453,152	(7,106)
Bilingual Education	0	0	0	0	0	0
Capital Outlay	1,252,895	0	0	1,252,895	432,749	(820,146)
Driver Training	19,787	0	0	19,787	6,174	(13,613)
Food Service	479,353	0	0	479,353	374,980	(104,373)
Professional Development	31,078	0	0	31,078	7,639	(23,439)
Summer School	9,340	0	0	9,340	8,177	(1,163)
Special Education	1,775,227	0	0	1,775,227	1,365,767	(409,460)
Career and Postsecondary Education	129,059	0	0	129,059	110,322	(18,737)
KPERS Special Retirement Contribution	741,555	0	0	741,555	435,170	(306,385)
Recreation Commission	181,000	0	0	181,000	180,888	(112)
Federal Funds	152,796	0	0	152,796	133,019	*
Gifts and Grants	87,803	0	0	87,803	33,279	*
Bond and Interest	621,725	0	0	621,725	621,725	0

* Exempt from Budget Law.

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 1

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Mineral Tax	\$ 4,522	0	4,522
State Equalization Aid	4,539,887	4,581,353	(41,466)
State Special Education Aid	815,960	953,932	(137,972)
Federal Aid (PL 382)	4,341	0	4,341
Miscellaneous Reimbursements	13,104	0	13,104
In Lieu of Taxes	<u>3,142</u>	<u>0</u>	<u>3,142</u>
 Total Receipts	 <u>5,380,956</u>	 <u>5,535,285</u>	 <u>(154,329)</u>
Expenditures:			
Instruction	2,483,015	2,437,178	45,837
Student Support Services	204,718	200,374	4,344
Instructional Support Staff	277,439	284,022	(6,583)
General Administration	201,406	199,809	1,597
School Administration	412,512	435,288	(22,776)
Operations and Maintenance	441,090	450,946	(9,856)
Student Transportation Services	223,156	271,930	(48,774)
Other Supplemental Services	54,583	57,083	(2,500)
Transfer to Special Education	827,926	953,932	(126,006)
Transfer to Driver Training	10,000	0	10,000
Transfer to At Risk K-12	129,425	124,723	4,702
Transfer to Career and Postsecondary Education	85,686	100,000	(14,314)
Transfer to Food Service	30,000	20,000	10,000
Adjustment to Comply With Legal Max			
Legal General Fund Budget	<u>0</u>	<u>(167,433)</u>	<u>167,433</u>
 Total Legal General Fund Budget	 <u>5,380,956</u>	 <u>5,367,852</u>	 <u>13,104</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>13,104</u>	<u>(13,104)</u>
 Total Expenditures	 <u>5,380,956</u>	 <u>5,380,956</u>	 <u>0</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 2

Supplemental General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	Actual	Budget	Variance Over (Under)
Receipts:			
Tax in Process	\$ 23,264	2,967	20,297
Current Tax	913,432	923,746	(10,314)
Delinquent Tax	12,271	26,501	(14,230)
Motor Vehicle Tax	94,446	75,011	19,435
Recreational Vehicle Tax	1,955	1,786	169
Commercial Vehicle Tax	2,985	3,102	(117)
In Lieu of Taxes	3,152	0	3,152
State Aid	690,414	704,677	(14,263)
Total Receipts	1,741,919	1,737,790	4,129
Expenditures:			
Instruction	293,312	406,679	(113,367)
Instructional Support Staff	6,482	17,000	(10,518)
General Administration	52,497	65,500	(13,003)
School Administration	28,338	67,500	(39,162)
Operations and Maintenance	332,953	394,359	(61,406)
Student Transportation Services	107,944	130,000	(22,056)
Other Supplemental Services	222,687	215,799	6,888
Transfer to Food Service	17,127	20,000	(2,873)
Transfer to Special Education	295,331	26,449	268,882
Transfer to Career and Postsecondary Education	19,200	29,059	(9,859)
Transfer to Summer School	10,000	0	10,000
Transfer to Bilingual Education	2,499	0	2,499
Transfer to Driver Training	0	10,000	(10,000)
Transfer to Professional Development	10,000	0	10,000
Transfer to Textbook & Student Materials Revolving	10,000	50,000	(40,000)
Transfer to At-Risk K-12	323,727	335,535	(11,808)
Adjustment to Comply With Legal Max			
Legal Supplemental General Fund Budget	0	(35,783)	35,783
Total Legal Supplemental General Fund Budget	1,732,097	1,732,097	0
Receipts Over (Under) Expenditures	9,822		
Unencumbered Cash, Beginning	131,702		
Unencumbered Cash, Ending	\$ 141,524		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 3

At Risk K-12 Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Transfer from General	\$ 129,425	124,723	4,702
Transfer from Supplemental General	<u>323,727</u>	<u>335,535</u>	<u>(11,808)</u>
Total Receipts	<u>453,152</u>	<u>460,258</u>	<u>(7,106)</u>
Expenditures:			
Instruction	<u>453,152</u>	<u>460,258</u>	<u>(7,106)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 4

Bilingual Education Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Transfer from Supplemental General	\$ 2,499	0	2,499
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>2,499</u>	<u>0</u>	<u>2,499</u>
Expenditures:			
Instruction	0	0	0
Instructional Support Staff	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	2,499		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>2,499</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 5

Capital Outlay Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Tax in Process	\$ 6,388	749	5,639
Current Tax	286,833	271,111	15,722
Delinquent Tax	3,415	7,281	(3,866)
Motor Vehicle Tax	26,518	21,114	5,404
Recreational Vehicle Tax	550	503	47
Commercial Vehicle Tax	929	874	55
In Lieu of Taxes	866	0	866
Interest on Idle Funds	36,244	0	36,244
Other Revenue from Local Sources	16,083	0	16,083
State Aid	72,074	73,109	(1,035)
Federal Aid	<u>1,860</u>	<u>0</u>	<u>1,860</u>
 Total Receipts	 <u>451,760</u>	 <u>374,741</u>	 <u>77,019</u>
Expenditures:			
Instruction	31,234	120,000	(88,766)
Student Support Services	0	100,000	(100,000)
Instructional Support Staff	0	317,895	(317,895)
General Administration	4,042	0	4,042
School Administration	16,715	10,000	6,715
Other Supplemental Services	0	25,000	(25,000)
Operations and Maintenance	19,530	80,000	(60,470)
Transportation	160,129	400,000	(239,871)
Facilities Acquisition and Construction	<u>201,099</u>	<u>200,000</u>	<u>1,099</u>
 Total Expenditures	 <u>432,749</u>	 <u>1,252,895</u>	 <u>(820,146)</u>
 Receipts Over (Under) Expenditures	 19,011		
Unencumbered Cash, Beginning	<u>878,155</u>		
 Unencumbered Cash, Ending	 \$ <u>897,166</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 6

Driver Training Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Other Revenue from Local Sources	\$ 0	2,500	(2,500)
State Aid	2,499	5,200	(2,701)
Transfer from General	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total Receipts	<u>12,499</u>	<u>17,700</u>	<u>(5,201)</u>
Expenditures:			
Instruction	5,910	18,069	(12,159)
Operations and Maintenance	<u>264</u>	<u>1,718</u>	<u>(1,454)</u>
Total Expenditures	<u>6,174</u>	<u>19,787</u>	<u>(13,613)</u>
Receipts Over (Under) Expenditures	6,325		
Unencumbered Cash, Beginning	<u>53,622</u>		
Unencumbered Cash, Ending	\$ <u>59,947</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 7

Food Service Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Federal Aid	\$ 184,688	188,610	(3,922)
State Aid	3,989	3,337	652
Food Service	138,003	152,354	(14,351)
Transfer from General	30,000	20,000	10,000
Transfer from Supplemental General	<u>17,127</u>	<u>20,000</u>	<u>(2,873)</u>
Total Receipts	<u>373,807</u>	<u>384,301</u>	<u>(10,494)</u>
Expenditures:			
Operations and Maintenance	10,722	14,000	(3,278)
Food Service Operations	<u>364,258</u>	<u>465,353</u>	<u>(101,095)</u>
Total Expenditures	<u>374,980</u>	<u>479,353</u>	<u>(104,373)</u>
Receipts Over (Under) Expenditures	(1,173)		
Unencumbered Cash, Beginning	<u>95,052</u>		
Unencumbered Cash, Ending	\$ <u>93,879</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 8

Professional Development Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Transfer from Supplemental General	\$ 10,000	0	10,000
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Expenditures:			
Instructional Support Staff	7,639	18,578	(10,939)
Other Supplemental Services	<u>0</u>	<u>12,500</u>	<u>(12,500)</u>
Total Expenditures	<u>7,639</u>	<u>31,078</u>	<u>(23,439)</u>
Receipts Over (Under) Expenditures	2,361		
Unencumbered Cash, Beginning	<u>47,580</u>		
Unencumbered Cash, Ending	\$ <u>49,941</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 9

Summer School Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Transfer from Supplemental General	\$ 10,000	<u>0</u>	<u>10,000</u>
Expenditures:			
Instruction	8,101	8,840	(739)
Student Support Services	<u>76</u>	<u>500</u>	<u>(424)</u>
Total Expenditures	<u>8,177</u>	<u>9,340</u>	<u>(1,163)</u>
Receipts Over (Under) Expenditures	1,823		
Unencumbered Cash, Beginning	<u>33,654</u>		
Unencumbered Cash, Ending	\$ <u>35,477</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 10

Special Education Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Reimbursements	\$ 112,087	0	112,087
Transfer from General	827,926	953,932	(126,006)
Transfer from Supplemental General	<u>295,331</u>	<u>26,449</u>	<u>268,882</u>
 Total Receipts	 <u>1,235,344</u>	 <u>980,381</u>	 <u>254,963</u>
Expenditures:			
Instruction	1,363,866	1,512,403	(148,537)
Instructional Support Staff	0	105,000	(105,000)
Operations & Maintenance	0	106,315	(106,315)
Student Transportation Services	<u>1,901</u>	<u>51,509</u>	<u>(49,608)</u>
 Total Expenditures	 <u>1,365,767</u>	 <u>1,775,227</u>	 <u>(409,460)</u>
Receipts Over (Under) Expenditures	(130,423)		
Unencumbered Cash, Beginning	<u>794,846</u>		
Unencumbered Cash, Ending	\$ <u>664,423</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 11

Career and Postsecondary Education Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Transfer from Supplemental General	\$ 19,200	29,059	(9,859)
Transfer from General	85,686	100,000	(14,314)
Reimbursements	<u>5,436</u>	<u>0</u>	<u>5,436</u>
Total Receipts	<u>110,322</u>	<u>129,059</u>	<u>(18,737)</u>
Expenditures:			
Instruction	109,478	125,559	(16,081)
Operations & Maintenance	<u>844</u>	<u>3,500</u>	<u>(2,656)</u>
Total Expenditures	<u>110,322</u>	<u>129,059</u>	<u>(18,737)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>		

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

SCHEDULE 2

Page 12

KPERS Special Retirement Contribution Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
State Aid	\$ 435,170	<u>741,555</u>	<u>(306,385)</u>
Expenditures:			
Instruction	261,102	444,933	(183,831)
Student Support	17,407	29,662	(12,255)
Instructional Support	21,758	37,078	(15,320)
General Administration	13,055	22,247	(9,192)
School Administration	30,462	51,909	(21,447)
Other Supplemental Services	26,110	44,493	(18,383)
Operations and Maintenance	30,462	51,909	(21,447)
Student Transportation Services	17,407	29,662	(12,255)
Food Service	<u>17,407</u>	<u>29,662</u>	<u>(12,255)</u>
Total Expenditures	<u>435,170</u>	<u>741,555</u>	<u>(306,385)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

Page 13

Recreation Commission Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Tax in Process	\$ 2,292	278	2,014
Current Tax	156,445	147,878	8,567
Delinquent Tax	1,568	2,649	(1,081)
Motor Vehicle Tax	13,123	10,255	2,868
Recreational Vehicle Tax	268	244	24
Commercial Vehicle Tax	358	424	(66)
In Lieu of Taxes	<u>315</u>	<u>0</u>	<u>315</u>
Total Receipts	<u>174,369</u>	<u>161,728</u>	<u>12,641</u>
Expenditures:			
Community Service Operations	<u>180,888</u>	<u>181,000</u>	<u>(112)</u>
Receipts Over (Under) Expenditures	(6,519)		
Unencumbered Cash, Beginning	<u>59,063</u>		
Unencumbered Cash, Ending	\$ <u>52,544</u>		

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

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Bond and Interest Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Tax in Process	\$ 10,990	1,284	9,706
Current Tax	457,024	432,303	24,721
Delinquent Tax	5,522	12,648	(7,126)
Motor Vehicle Tax	44,852	35,748	9,104
Recreational Vehicle Tax	933	852	81
Commercial Vehicle Tax	1,608	1,479	129
In Lieu of Taxes	1,506	0	1,506
State Aid	<u>149,214</u>	<u>149,214</u>	<u>0</u>
 Total Receipts	 <u>671,649</u>	 <u>633,528</u>	 <u>38,121</u>
 Expenditures:			
Principal	360,000	360,000	0
Interest	<u>261,725</u>	<u>261,725</u>	<u>0</u>
 Total Expenditures	 <u>621,725</u>	 <u>621,725</u>	 <u>0</u>
 Receipts Over (Under) Expenditures	 49,924		
Unencumbered Cash, Beginning	<u>460,104</u>		
 Unencumbered Cash, Ending	 \$ <u>510,028</u>		

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

Federal Funds

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Title I</u>	<u>Title II Part A</u>	<u>Title IV Part A</u>	<u>Total</u>	<u>Budget*</u>	<u>Variance Over (Under)</u>
Receipts:						
Federal Aid	\$ 94,105	25,098	9,004	128,207	<u>152,796</u>	<u>(24,589)</u>
Expenditures:						
Instruction	94,105	29,910	9,004	133,019	152,796	(19,777)
Total Expenditures	<u>94,105</u>	<u>29,910</u>	<u>9,004</u>	<u>133,019</u>	<u>152,796</u>	<u>(19,777)</u>
Receipts Over (Under) Expenditures	0	(4,812)	0	(4,812)		
Unencumbered Cash, Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>	<u><u>(4,812)</u></u>	<u><u>0</u></u>	<u><u>(4,812)</u></u>		

* Exempt from Budget Law per K.S.A. 12-1663.

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

SCHEDULE 2

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Gifts and Grants Funds

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	<u>Gifts & Grants</u>	<u>Gardner Memorial Library</u>	<u>Totals</u>	<u>Budget*</u>	<u>Variance Favorable (Unfavorable)</u>
Receipts:					
Interest on Idle Funds	\$ 0	273	273	0	273
Donations	<u>32,270</u>	<u>0</u>	<u>32,270</u>	<u>35,190</u>	<u>(2,920)</u>
 Total Receipts	 <u>32,270</u>	 <u>273</u>	 <u>32,543</u>	 <u>35,190</u>	 <u>(2,647)</u>
Expenditures:					
Instruction	<u>33,279</u>	<u>0</u>	<u>33,279</u>	<u>87,803</u>	<u>(54,524)</u>
Receipts Over (Under) Expenditures	(1,009)	273	(736)		
Unencumbered Cash, Beginning	<u>38,877</u>	<u>13,635</u>	<u>52,512</u>		
Unencumbered Cash, Ending	\$ <u>37,868</u>	<u>13,908</u>	<u>51,776</u>		

* Exempt from Budget Law per K.S.A. 79-2925 and K.S.A. 12-16,111.

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

Any Non-budgeted Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

SCHEDULE 2

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	<u>Contingency</u>	<u>Textbook</u>
	<u>Reserve</u>	<u>Rental and</u>
		<u>Student</u>
		<u>Material</u>
		<u>Revolving</u>
Receipts:		
Transfer from Supplemental General Fund	\$ 0	10,000
Fees	<u>0</u>	<u>28,632</u>
Total Receipts	<u><u>0</u></u>	<u><u>38,632</u></u>
Expenditures:		
Transfer to General Fund	0	0
Instruction	<u>0</u>	<u>17,747</u>
Total Expenditures	<u>0</u>	<u>17,747</u>
Receipts Over (Under) Expenditures	0	20,885
Unencumbered Cash, Beginning	<u>585,210</u>	<u>93,222</u>
Unencumbered Cash, Ending	\$ <u><u>585,210</u></u>	<u><u>114,107</u></u>

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

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Any Non-budgeted Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	Outdoor Wildlife Learning Site	Bond Construction
	<u> </u>	<u> </u>
Receipts:		
Bond Proceeds	\$ 0	0
Accrued Interest	<u>0</u>	<u>524</u>
Total Receipts	<u>0</u>	<u>524</u>
Expenditures:		
Instruction		
Project Costs	101	15,251
Cost of Issuance	<u>0</u>	<u>0</u>
Total Expenditures	<u>101</u>	<u>15,251</u>
Receipts Over (Under) Expenditures	(101)	(14,727)
Unencumbered Cash, Beginning	<u>101</u>	<u>170,420</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>	<u><u>155,693</u></u>

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

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Any Non-budgeted Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	Eicher Butler Scholarship	Louis Welter Scholarship	Tansil Scholarship
Receipts:			
Donations	\$ 0	0	0
Interest on Idle Funds	<u>11,444</u>	<u>344</u>	<u>4,843</u>
Total Receipts	<u>11,444</u>	<u>344</u>	<u>4,843</u>
Expenditures:			
Scholarships	<u>10,000</u>	<u>350</u>	<u>4,000</u>
Receipts Over (Under) Expenditures	1,444	(6)	843
Unencumbered Cash, Beginning	<u>490,354</u>	<u>14,041</u>	<u>201,056</u>
Unencumbered Cash, Ending	\$ <u><u>491,798</u></u>	<u><u>14,035</u></u>	<u><u>201,899</u></u>

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

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Any Non-budgeted Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	Ford Farber Scholarship	Bishop Scholarship	Jep Byrum Memorial Scholarship
Receipts:			
Donations	\$ 0	0	0
Interest	<u>5</u>	<u>0</u>	<u>166</u>
 Total Receipts	 <u>5</u>	 <u>0</u>	 <u>166</u>
 Expenditures:			
Scholarships	<u>274</u>	<u>0</u>	<u>400</u>
 Receipts Over (Under) Expenditures	 (269)	 0	 (234)
Unencumbered Cash, Beginning	<u>269</u>	<u>1,000</u>	<u>8,337</u>
 Unencumbered Cash, Ending	 \$ <u><u>0</u></u>	 <u><u>1,000</u></u>	 <u><u>8,103</u></u>

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 2

Norton, Kansas

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Any Non-budgeted Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

	Dave Stuewe Scholarship	Gertrude Steichen Scholarship	Della Connell Scholarship
Receipts:			
Interest	\$ 263	392	5,112
Donations	<u>0</u>	<u>0</u>	<u>0</u>
 Total Receipts	 <u>263</u>	 <u>392</u>	 <u>5,112</u>
 Expenditures:			
Norton County Community Foundation	0	0	0
Scholarships	<u>1,000</u>	<u>1,000</u>	<u>7,000</u>
 Total Expenditures	 <u>1,000</u>	 <u>1,000</u>	 <u>7,000</u>
 Receipts Over (Under) Expenditures	 (737)	 (608)	 (1,888)
Unencumbered Cash, Beginning	<u>9,611</u>	<u>16,993</u>	<u>253,396</u>
 Unencumbered Cash, Ending	 <u>\$ 8,874</u>	 <u>16,385</u>	 <u>251,508</u>

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 3

Norton, Kansas

Agency Funds

Summary of Receipts and Disbursements

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organization Funds:				
Senior High:				
Class of 2012	\$ 1,040	0	0	1,040
Class of 2013	555	0	0	555
Class of 2014	218	0	0	218
Class of 2015	813	0	0	813
Class of 2016	1,438	0	0	1,438
Class of 2017	893	0	0	893
Class of 2018	2,422	0	111	2,311
Class of 2019	864	111	398	577
Class of 2020	30	8,088	7,594	524
Class of 2021	0	441	0	441
F.F.A.	24,720	49,617	54,990	19,347
FCCLA	1,920	1,784	2,806	898
Yearbook	4,690	20,158	17,544	7,304
Concessions	6,546	33,887	30,042	10,391
KAYS	4,700	10,856	10,531	5,025
Blue Crew	1,493	17,900	18,492	901
National Honor Society	147	279	287	139
Forensics	353	3,813	3,759	407
Model United Nations	0	910	910	0
Scholars Bowl	396	550	468	478
Student Advisory Council	2,397	8,159	8,051	2,505
Drama Club	1,767	542	566	1,743
Art Projects Club	207	0	0	207
Vocal Music Club	2,276	8,205	5,277	5,204
Students Against Drunk Driving	3,487	2,261	2,952	2,796
Dance Club	0	10,753	10,013	740
NCSTV Club	2,900	384	515	2,769
Band Club	870	0	30	840
Building Trades Construction	1,422	5,985	5,564	1,843
Youth Entrepreneur Challenge	250	250	0	500
Junior High:				
Student Council	2,629	5,274	4,379	3,524
KAYS	3,861	15,461	14,991	4,331
Pep Club	99	0	38	61
Concessions	394	0	0	394
Total Student Organization Funds	75,797	205,668	200,308	81,157
Other Agency Funds:				
Employee Benefits	1,856	4,204	2,500	3,560
Total Agency Funds	\$ 77,653	209,872	202,808	84,717

UNIFIED SCHOOL DISTRICT NO. 211

SCHEDULE 4

Norton, Kansas

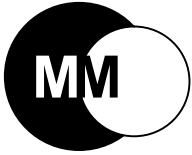
District Activity Funds

Schedule of Receipts, Expenditures and Unencumbered Cash

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
High School Athletics	\$ 29,249	0	50,511	46,773	32,987	0	32,987
Junior High Athletics	6,997	0	15,179	14,502	7,674	0	7,674
Junior High Music	<u>2,754</u>	<u>0</u>	<u>2,736</u>	<u>2,389</u>	<u>3,101</u>	<u>0</u>	<u>3,101</u>
 Total District Activity Funds	\$ <u>39,000</u>	<u>0</u>	<u>68,426</u>	<u>63,664</u>	<u>43,762</u>	<u>0</u>	<u>43,762</u>



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REPORT ON FEDERAL FINANCIAL ASSISTANCE

Board of Education
Unified School District No. 211
Norton, Kansas 67654

We have audited the financial statement of Unified School District No. 211, Norton, Kansas, as of and for the year ended June 30, 2019, and have issued our report thereon dated February 10, 2020. Our audit was performed for the purpose of forming an opinion on the financial statement taken as a whole. The accompanying schedule of Federal Financial Assistance is presented for purposes of additional analysis as requested by the Kansas State Department of Education and is not a required part of the financial statement of Unified School District No. 211, Norton, Kansas. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

This report is intended solely for the information and use of the governing body and management of the Unified School District No. 211, Norton, Kansas, and the Kansas State Department of Education and other federal and state agencies to whose jurisdiction the District is subject, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Board of Education, is a matter of public record.

Mapes & Miller LLP
Certified Public Accountants

UNIFIED SCHOOL DISTRICT NO. 211

Norton, Kansas

Schedule of Federal Financial Assistance

For the Fiscal Year Ended June 30, 2019

	<u>Federal CFDA Number</u>	<u>Beginning Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Balance</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>						
Passed through State Department of Education:						
Team Nutrition Grants	10.574	0	0	200	200	0
National School Breakfast Program	10.553	0	0	25,994	25,994	0
National School Lunch Program	10.555	0	0	<u>158,694</u>	<u>158,694</u>	0
Total U. S. Department of Agriculture		<u>0</u>	<u>0</u>	<u>184,888</u>	<u>184,888</u>	<u>0</u>
<u>U. S. DEPARTMENT OF EDUCATION</u>						
Direct Programs:						
Impact Aid (PL382)	84.041	0	0	6,201	6,201	0
Passed through State Department of Education:						
Title I Low Income	84.010	0	0	94,105	94,105	0
Title IIA Improving Teacher Quality	84.367	0	0	25,098	29,910	(4,812)
Title IVA Student Support and Academic Enrichment	84.424	0	0	<u>9,004</u>	<u>9,004</u>	0
Total U. S. Department of Education		<u>0</u>	<u>0</u>	<u>134,408</u>	<u>139,220</u>	<u>(4,812)</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE	\$	<u>0</u>	<u>0</u>	<u>319,296</u>	<u>324,108</u>	<u>(4,812)</u>