

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

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

**YEAR ENDED JUNE 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Unified School District No. 226  
Meade, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 226 and its related municipal entity, the Meade District Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), 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 A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

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

## **Other Matters**

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts and expenditures – actual and budget of the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated February 27, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 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: <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2019 (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 2018 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 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 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, 2018, on the basis of accounting described in Note A.

*Kennedy McKee & Company LLP*

January 6, 2020

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

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

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 3,285,717
Supplemental general	96,172	1,138	1,140,537
Total general funds	<u>96,172</u>	<u>1,138</u>	<u>4,426,254</u>
Special purpose funds:			
At risk (4-year-old)	22,800	-	38,807
At risk (K-12)	125,000	-	377,000
Bilingual education	30,000	-	24,969
Capital outlay	466,069	1,924	504,837
Driver training	7,856	-	7,110
Food service	35,000	-	323,556
Professional development	30,000	-	37,045
Summer school	-	-	12,000
Special education	130,000	-	465,852
Career and postsecondary education	60,000	-	85,549
KPERs special retirement contribution	-	-	290,621
Recreation commission	28,565	-	61,991
Gifts and donations	10,796	-	11,892
Contingency reserve	299,878	-	40,122
Textbook and student materials revolving	25,000	-	31,227
REAP	-	-	33,109
Title I	-	-	51,232
Title IIA	-	-	9,752
Title IV	-	-	12,180
Roy and Laura Whitehead scholarship	2,140,926	-	33,776
District activity funds	21,838	-	93,564
Total special purpose funds	<u>3,433,728</u>	<u>1,924</u>	<u>2,546,191</u>
Bond and interest fund:			
Bond and interest	597,814	-	340,890
Total Unified School District No. 226	4,127,714	3,062	7,313,335
Related municipal entity:			
Meade District Recreation Commission:			
General	321,023	-	74,186
Total municipal financial reporting entity	<u>\$ 4,448,737</u>	<u>\$ 3,062</u>	<u>\$ 7,387,521</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 3,284,620	\$ 1,097	\$ -	\$ 1,097
<u>1,112,847</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
4,397,467	126,097	-	126,097
38,607	23,000	-	23,000
377,000	125,000	-	125,000
24,969	30,000	-	30,000
477,405	495,425	46,547	541,972
6,891	8,075	-	8,075
323,556	35,000	-	35,000
32,045	35,000	-	35,000
2,000	10,000	-	10,000
425,001	170,851	-	170,851
80,549	65,000	-	65,000
290,621	-	-	-
70,000	20,556	-	20,556
20,885	1,803	-	1,803
-	340,000	-	340,000
34,569	21,658	-	21,658
33,109	-	-	-
51,232	-	-	-
9,752	-	-	-
12,180	-	-	-
20,307	2,154,395	-	2,154,395
<u>92,963</u>	<u>22,439</u>	<u>-</u>	<u>22,439</u>
<u>2,423,641</u>	<u>3,558,202</u>	<u>46,547</u>	<u>3,604,749</u>
<u>375,820</u>	<u>562,884</u>	<u>-</u>	<u>562,884</u>
7,196,928	4,247,183	46,547	4,293,730
<u>60,153</u>	<u>335,056</u>	<u>1,257</u>	<u>336,313</u>
<u>\$ 7,257,081</u>	<u>\$ 4,582,239</u>	<u>\$ 47,804</u>	<u>\$ 4,630,043</u>

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

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

For the Year Ended June 30, 2019

	<u>Ending cash balance</u>
Composition of cash balance:	
Petty cash checking	\$ 1,500
Money market checking	1,215,397
Activity funds - money market	10,503
Activity funds - checking	50,052
Certificates of deposit	900,000
Scholarship fund checking	27,159
Scholarship fund certificate of deposit	<u>2,127,235</u>
Total Unified School District No. 226	4,331,846
Agency funds	<u>(38,116)</u>
Total Unified School District No. 226 (excluding agency funds)	4,293,730
Related municipal entity:	
Meade District Recreation Commission	<u>336,313</u>
Total reporting entity (excluding agency funds)	<u><u>\$ 4,630,043</u></u>

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



**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2019

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. 226 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 226 (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.

**Meade District Recreation Commission.** The Commission oversees recreational activities. Two of the five members of the governing board of the Commission are appointed by the Board of Education, two by the City Council, with one at-large member. 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.

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, 2019:

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.

Bond and Interest fund – used to account for the accumulation of resources (including tax levies and 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).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 funds, special purpose funds (unless specifically exempted by statute), and bond and interest fund. 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.

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. The budgets of the following funds were amended:

<u>Fund</u>	<u>Original budget</u>	<u>Amended budget</u>
General	\$ 3,307,010	\$ 3,353,242
Food service	367,336	387,336

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

A legal operating budget is not required for the following special purpose funds:

- Gifts and donations
- Contingency reserve
- Textbook and student materials revolving
- Federal grants
- Roy and Laura Whitehead scholarship
- District activity

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 \$131,734 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.

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.

K.S.A. 10-130 requires that municipalities remit payments for any bonds or interest to the state fiscal agent at least twenty days before the date of maturity. Two payments were not made in accordance with this statute.

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 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.

### C. DEPOSITS AND INVESTMENTS (CONTINUED)

*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, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$4,331,846 and the bank balance was \$4,569,308. Of the bank balance, \$250,000 was covered by federal depository insurance and \$4,319,308 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

### D. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2019, were as follows:

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
General obligation refunding bonds:					
School building bonds – Series 2012					
Issued April 5, 2012					
In the amount of \$3,810,000					
At interest rates of 2.00% to 3.00%					
Maturing September 1, 2025	\$ 2,845,000	\$ -	\$ 310,000	\$ 2,535,000	\$ 65,820
Capital leases:					
Bus					
Issued January 21, 2016					
In the amount of \$45,000					
At interest rate of 3.00%					
Maturing January 21, 2020	23,163	-	11,411	11,752	693
Activity Bus					
Issued February 1, 2017					
In the amount of \$92,575					
At interest rate of 3.00%					
Maturing February 1, 2021	55,513	-	17,961	37,552	1,660
Total capital leases	78,676	-	29,372	49,304	2,353
Termination benefits:					
Early retirement payable	42,625	-	21,285	21,340	-
Total long-term debt	\$ 2,966,301	\$ -	\$ 360,657	\$ 2,605,644	\$ 68,173

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

	Principal due	Interest due	Total due
2020	\$ 325,000	\$ 56,295	\$ 381,295
2021	335,000	46,395	381,395
2022	350,000	37,870	387,870
2023	360,000	30,545	390,545
2024	375,000	22,595	397,595
2025 - 2026	790,000	18,735	808,735
Total	\$ 2,535,000	\$ 212,435	\$ 2,747,435

D. LONG-TERM DEBT (CONTINUED)

Current maturities of capital leases and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2020	\$ 30,251	\$ 1,475	\$ 31,726
2021	<u>19,053</u>	<u>570</u>	<u>19,623</u>
Total	<u>\$ 49,304</u>	<u>\$ 2,045</u>	<u>\$ 51,349</u>

*Voluntary early retirement program.* Certified personnel may voluntarily elect to retire early. Qualifying personnel must be 61 years old or more on August 31 of the retiring year, have at least fifteen years of service with the school district, and be fully vested in KPERS. The annual rate of retirement compensation is twenty percent of the District's base salary in the year of retirement. Benefits end after five years or when the retiree reaches age 65, whichever comes first.

Current maturities of the voluntary early retirement program are as follows:

2020	\$ 14,220
2021	<u>7,120</u>
Total	<u>\$ 21,340</u>

E. OPERATING LEASES

The District has entered into operating lease agreements for copy machines. The lease payments for the year ended June 30, 2019 were \$18,579. The following is a yearly schedule of future minimum rental payments under the operating leases:

2020	\$ 17,731
2021	<u>1,696</u>
Total	<u>\$ 19,427</u>

F. INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Statutory authority</u>
General fund	At risk (4-year-old) fund	\$ 11,000	K.S.A. 72-5167
General fund	At risk (K-12) fund	123,000	K.S.A. 72-5167
General fund	Food service fund	47,000	K.S.A. 72-5167
General fund	Professional development fund	17,657	K.S.A. 72-5167
General fund	Summer school fund	12,000	K.S.A. 72-5167
General fund	Special education fund	464,652	K.S.A. 72-5167
General fund	Career and postsecondary education fund	7,500	K.S.A. 72-5167
General fund	Contingency reserve fund	40,122	K.S.A. 72-5167
General fund	Textbook and student materials revolving fund	<u>15,000</u>	K.S.A. 72-5167
Total general fund		<u>737,931</u>	

F. INTERFUND TRANSACTIONS (CONTINUED)

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Statutory authority</u>
Supplemental general fund	At risk (4-year-old) fund	\$ 23,527	K.S.A. 72-5143
Supplemental general fund	At risk (K-12) fund	254,000	K.S.A. 72-5143
Supplemental general fund	Bilingual education fund	24,969	K.S.A. 72-5143
Supplemental general fund	Food service fund	29,861	K.S.A. 72-5143
Supplemental general fund	Professional development fund	15,342	K.S.A. 72-5143
Supplemental general fund	Career and postsecondary education fund	<u>78,049</u>	K.S.A. 72-5143
Total supplemental general fund		<u>425,748</u>	
Total operating transfers		<u>\$1,163,679</u>	

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

*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.

*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 permit an annual vacation of two weeks with pay to those employees assigned to twelve-month positions. The Superintendent is entitled to an annual vacation of one month. Policies prohibit payment for vacation time in lieu of time off. Sick leave for all employees may be accumulated at the rate of ten days per year up to a total accumulation of sixty days. An amount is paid in August to teachers for any accumulation beyond sixty days at \$30 per day. In the event of death, resignation, or termination of employment for all employees, unused vacation time and accumulated sick leave are lost. Upon retirement after twenty years of employment by the District, a teacher may be reimbursed for up to thirty days of the teacher's accumulated and unused sick leave at a rate of \$30 per day.

## 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](http://www.kpers.org), 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 16.38% and 12.01% for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for the House Bill 2052, Section 37(a), the 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 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 the 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 \$290,621 for the year ended June 30, 2019.

## H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

### Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$4,152,916. 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 non-employer 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 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 publically available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

## I. 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, 2019.

## J. 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, and medical needs of employees. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District has joined together with other school districts in the State to participate in the Kansas Association of School Boards Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to the Kansas Association of School Boards for its workers compensation insurance coverage. The agreement to participate provides that the Kansas Association of School Boards Workers Compensation fund will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the Kansas Association of School Boards management.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.



## K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 6, 2020, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

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

For the Year Ended June 30, 2019

<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	\$ 3,353,242	\$ (68,622)	\$ 3,284,620	\$ 3,284,620	\$ -
Supplemental general	1,184,708	-	1,184,708	1,112,847	71,861
Special purpose funds:					
At risk (4-year-old)	40,000	-	40,000	38,607	1,393
At risk (K-12)	377,000	-	377,000	377,000	-
Bilingual education	37,000	-	37,000	24,969	12,031
Capital outlay	982,183	-	982,183	477,405	504,778
Driver training	14,256	-	14,256	6,891	7,365
Food service	387,336	-	387,336	323,556	63,780
Professional development	33,817	-	33,817	32,045	1,772
Summer school	18,000	-	18,000	2,000	16,000
Special education	602,040	-	602,040	425,001	177,039
Career and postsecondary education	95,500	-	95,500	80,549	14,951
KPERS special retirement contribution	462,405	-	462,405	290,621	171,784
Recreation commission	70,000	-	70,000	70,000	-
Bond and interest fund:					
Bond and interest	377,570	-	377,570	375,820	1,750
<b>Total Unified School District No. 226</b>	<b>8,035,057</b>	<b>(68,622)</b>	<b>7,966,435</b>	<b>6,921,931</b>	<b>1,044,504</b>
Related municipal entity:					
Meade District Recreation Commission: General	75,500	-	75,500	60,153	15,347
<b>Total municipal financial reporting   entity</b>	<b>\$ 8,110,557</b>	<b>\$ (68,622)</b>	<b>\$ 8,041,935</b>	<b>\$ 6,982,084</b>	<b>\$ 1,059,851</b>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid:				
Equalization aid	\$ 2,756,567	\$ 2,988,588	\$ 3,002,202	\$ (13,614)
Special education aid	288,424	286,979	342,040	(55,061)
Mineral production tax	8,103	10,150	9,000	1,150
Total receipts	<u>3,053,094</u>	<u>3,285,717</u>	<u>\$ 3,353,242</u>	<u>\$ (67,525)</u>
Expenditures:				
Instruction	1,667,755	1,792,170	\$ 1,852,447	\$ 60,277
Student support services	22,837	4,254	25,762	21,508
Instructional support staff	62,269	66,786	67,647	861
General administration	180,769	207,495	245,170	37,675
School administration	209,503	235,028	231,019	(4,009)
Central services	2,559	2,236	-	(2,236)
Operations and maintenance	1,665	1,736	4,500	2,764
Student transportation services	182,214	205,874	236,436	30,562
Other support services	21,633	31,110	25,021	(6,089)
Transfers to other funds	702,570	737,931	665,240	(72,691)
Adjustment to comply with legal maximum budget	-	-	(68,622)	(68,622)
Total expenditures	<u>3,053,774</u>	<u>3,284,620</u>	<u>\$ 3,284,620</u>	<u>\$ -</u>
Receipts over (under) expenditures	(680)	1,097		
Unencumbered cash, beginning of year	<u>680</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 1,097</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**SUPPLEMENTAL GENERAL FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 8,493	\$ 13,561	\$ 912	\$ 12,649
Current tax	1,060,627	1,066,456	1,065,064	1,392
Delinquent tax	6,078	7,788	15,295	(7,507)
Motor vehicle tax	17,326	51,723	47,204	4,519
Recreational vehicle tax	465	1,009	1,025	(16)
Other	122	-	-	-
Total receipts	<u>1,093,111</u>	<u>1,140,537</u>	<u>\$ 1,129,500</u>	<u>\$ 11,037</u>
Expenditures:				
Instruction	122,440	125,312	\$ 235,141	\$ 109,829
Instructional support staff	2,348	-	-	-
General administration	8,682	11,855	12,791	936
School administration	16,805	20,996	21,187	191
Operations and maintenance	432,027	528,936	681,589	152,653
Transfers to other funds	531,581	425,748	234,000	(191,748)
Total expenditures	<u>1,113,883</u>	<u>1,112,847</u>	<u>\$ 1,184,708</u>	<u>\$ 71,861</u>
Receipts over (under) expenditures	(20,772)	27,690		
Unencumbered cash, beginning of year	116,944	96,172		
Prior year canceled encumbrances	-	1,138		
Unencumbered cash, end of year	<u>\$ 96,172</u>	<u>\$ 125,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**AT RISK (4-YEAR-OLD) FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 1,740	\$ -	\$ 2,000	\$ (2,000)
Other	-	4,280	-	4,280
Transfers:				
General fund	-	11,000	15,200	(4,200)
Supplemental general fund	21,987	23,527	-	23,527
Total receipts	<u>23,727</u>	<u>38,807</u>	<u>\$ 17,200</u>	<u>\$ 21,607</u>
Expenditures:				
Instruction	24,187	38,607	\$ 40,000	\$ 1,393
Refund to state	1,740	-	-	-
Total expenditures	<u>25,927</u>	<u>38,607</u>	<u>\$ 40,000</u>	<u>\$ 1,393</u>
Receipts over (under) expenditures	(2,200)	200		
Unencumbered cash, beginning of year	<u>25,000</u>	<u>22,800</u>		
Unencumbered cash, end of year	<u>\$ 22,800</u>	<u>\$ 23,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**AT RISK (K-12) FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfers:				
General fund	\$ 140,000	\$ 123,000	\$ 150,000	\$ (27,000)
Supplemental general fund	189,020	254,000	102,000	152,000
Total receipts	<u>329,020</u>	<u>377,000</u>	<u>\$ 252,000</u>	<u>\$ 125,000</u>
Expenditures:				
Instruction	289,480	353,615	\$ 349,181	\$ (4,434)
Student support services	519	1,165	5,326	4,161
School administration	22,021	22,220	22,493	273
Total expenditures	<u>312,020</u>	<u>377,000</u>	<u>\$ 377,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	17,000	-		
Unencumbered cash, beginning of year	<u>108,000</u>	<u>125,000</u>		
Unencumbered cash, end of year	<u>\$ 125,000</u>	<u>\$ 125,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**BILINGUAL EDUCATION FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfers:				
Supplemental general fund	\$ 27,275	\$ 24,969	<u>\$ 7,000</u>	<u>\$ 17,969</u>
Expenditures:				
Instruction	<u>22,275</u>	<u>24,969</u>	<u>\$ 37,000</u>	<u>\$ 12,031</u>
Receipts over (under) expenditures	5,000	-		
Unencumbered cash, beginning of year	<u>25,000</u>	<u>30,000</u>		
Unencumbered cash, end of year	<u>\$ 30,000</u>	<u>\$ 30,000</u>		

See Independent Auditor's Report.



**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**CAPITAL OUTLAY FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2019		Variance favorable (unfavorable)
	2018	Actual	
Receipts:			
Taxes:			
Ad valorem property:			
Tax in process	\$ 3,241	\$ 6,033	\$ 402
Current tax	471,894	464,799	623
Delinquent tax	2,432	3,602	(3,203)
Motor vehicle tax	20,933	20,824	1,888
Recreational vehicle tax	434	415	3
Other	72,827	9,164	(16,219)
Transfers:			
General fund	26,606	-	-
Total receipts	<u>598,367</u>	<u>504,837</u>	<u>\$ (11,277)</u>
Expenditures:			
Instruction	276,267	185,587	\$ 415,000
General administration	3,074	3,227	26,773
Operations and maintenance	84,591	63,979	13,204
Transportation	31,725	121,070	118,930
Facility acquisition and construction services	<u>123,029</u>	<u>103,542</u>	<u>220,000</u>
Total expenditures	<u>518,686</u>	<u>477,405</u>	<u>\$ 982,183</u>
Receipts over (under) expenditures	79,681	27,432	
Unencumbered cash, beginning of year	386,388	466,069	
Prior year canceled encumbrances	<u>-</u>	<u>1,924</u>	
Unencumbered cash, end of year	<u>\$ 466,069</u>	<u>\$ 495,425</u>	

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**DRIVER TRAINING FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 2,048	\$ 4,410	\$ 3,900	\$ 510
Other	4,300	2,700	2,500	200
Total receipts	<u>6,348</u>	<u>7,110</u>	<u>\$ 6,400</u>	<u>\$ 710</u>
Expenditures:				
Instruction	5,033	6,326	\$ 9,669	\$ 3,343
Vehicle operations, maintenance	-	565	4,587	4,022
Total expenditures	<u>5,033</u>	<u>6,891</u>	<u>\$ 14,256</u>	<u>\$ 7,365</u>
Receipts over (under) expenditures	1,315	219		
Unencumbered cash, beginning of year	<u>6,541</u>	<u>7,856</u>		
Unencumbered cash, end of year	<u>\$ 7,856</u>	<u>\$ 8,075</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**FOOD SERVICE FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 125,626	\$ 122,193	\$ 147,406	\$ (25,213)
State aid	2,304	1,957	1,940	17
Charges for services	91,695	86,362	92,990	(6,628)
Interest	22,998	35,703	20,000	15,703
Other	450	480	-	480
Transfers:				
General fund	72,432	47,000	90,000	(43,000)
Supplemental general fund	16,130	29,861	-	29,861
Total receipts	<u>331,635</u>	<u>323,556</u>	<u>\$ 352,336</u>	<u>\$ (28,780)</u>
Expenditures:				
Operations and maintenance	11,000	6,000	\$ 16,000	\$ 10,000
Food service operations	310,635	317,556	371,336	53,780
Total expenditures	<u>321,635</u>	<u>323,556</u>	<u>\$ 387,336</u>	<u>\$ 63,780</u>
Receipts over (under) expenditures	10,000	-		
Unencumbered cash, beginning of year	<u>25,000</u>	<u>35,000</u>		
Unencumbered cash, end of year	<u>\$ 35,000</u>	<u>\$ 35,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 4,389	\$ 4,046	\$ 3,817	\$ 229
Transfers:				
General fund	-	17,657	-	17,657
Supplemental general fund	<u>36,930</u>	<u>15,342</u>	<u>-</u>	<u>15,342</u>
Total receipts	41,319	37,045	<u>\$ 3,817</u>	<u>\$ 33,228</u>
Expenditures:				
Instructional support staff	<u>26,319</u>	<u>32,045</u>	<u>\$ 33,817</u>	<u>\$ 1,772</u>
Receipts over (under) expenditures	15,000	5,000		
Unencumbered cash, beginning of year	<u>15,000</u>	<u>30,000</u>		
Unencumbered cash, end of year	<u>\$ 30,000</u>	<u>\$ 35,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

SUMMER SCHOOL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfers:				
General fund	\$ -	\$ 12,000	<u>\$ 18,000</u>	<u>\$ (6,000)</u>
Expenditures:				
Instruction	-	2,000	<u>\$ 18,000</u>	<u>\$ 16,000</u>
Receipts over (under) expenditures	-	10,000		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 10,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**SPECIAL EDUCATION FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ 2,022	\$ -	\$ -	\$ -
Other	7,561	1,200	-	1,200
Transfers:				
General fund	288,424	464,652	392,040	72,612
Supplemental general fund	<u>147,850</u>	<u>-</u>	<u>80,000</u>	<u>(80,000)</u>
Total receipts	<u>445,857</u>	<u>465,852</u>	<u>\$ 472,040</u>	<u>\$ (6,188)</u>
Expenditures:				
Instruction	420,598	417,368	\$ 577,540	\$ 160,172
Vehicle operating service	<u>7,259</u>	<u>7,633</u>	<u>24,500</u>	<u>16,867</u>
Total expenditures	<u>427,857</u>	<u>425,001</u>	<u>\$ 602,040</u>	<u>\$ 177,039</u>
Receipts over (under) expenditures	18,000	40,851		
Unencumbered cash, beginning of year	<u>112,000</u>	<u>130,000</u>		
Unencumbered cash, end of year	<u>\$ 130,000</u>	<u>\$ 170,851</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Other	\$ -	\$ -	\$ 10,500	\$ (10,500)
Transfers:				
General fund	-	7,500	-	7,500
Supplemental general fund	74,952	78,049	25,000	53,049
Total receipts	<u>74,952</u>	<u>85,549</u>	<u>\$ 35,500</u>	<u>\$ 50,049</u>
Expenditures:				
Instruction	69,952	80,549	\$ 94,300	\$ 13,751
Student transportation services	-	-	1,200	1,200
Total expenditures	<u>69,952</u>	<u>80,549</u>	<u>\$ 95,500</u>	<u>\$ 14,951</u>
Receipts over (under) expenditures	5,000	5,000		
Unencumbered cash, beginning of year	<u>55,000</u>	<u>60,000</u>		
Unencumbered cash, end of year	<u>\$ 60,000</u>	<u>\$ 65,000</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**KPERS SPECIAL RETIREMENT CONTRIBUTION FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	<u>\$ 337,128</u>	<u>\$ 290,621</u>	<u>\$ 462,405</u>	<u>\$ (171,784)</u>
Expenditures:				
Instruction	233,057	200,006	\$ 325,405	\$ 125,399
Student support services	2,427	145	4,500	4,355
Instructional support staff	7,012	5,929	12,000	6,071
General administration	18,980	16,100	23,000	6,900
School administration	29,027	25,197	35,000	9,803
Central services	34	203	1,000	797
Operations and maintenance	23,970	21,622	29,000	7,378
Student transportation services	9,305	8,486	13,500	5,014
Other support services	2,562	2,645	5,000	2,355
Food service operations	10,754	10,288	14,000	3,712
Total expenditures	<u>337,128</u>	<u>290,621</u>	<u>\$ 462,405</u>	<u>\$ 171,784</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.



**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 405	\$ 755	\$ 50	\$ 705
Current tax	59,001	58,100	58,041	59
Delinquent tax	316	481	851	(370)
Motor vehicle tax	2,616	2,603	2,357	246
Recreational vehicle tax	54	52	51	1
Total receipts	62,392	61,991	<u>\$ 61,350</u>	<u>\$ 641</u>
Expenditures:				
Community service operations	60,000	70,000	<u>\$ 70,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	2,392	(8,009)		
Unencumbered cash, beginning of year	<u>26,173</u>	<u>28,565</u>		
Unencumbered cash, end of year	<u>\$ 28,565</u>	<u>\$ 20,556</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended June 30, 2019

	Gifts and donations	Contingency reserve	Textbook and student materials revolving
Receipts:			
Fees	\$ -	\$ -	\$ 16,227
Federal aid	-	-	-
Interest	-	-	-
Other	11,892	-	-
Transfer from general fund	-	40,122	15,000
Total receipts	11,892	40,122	31,227
Expenditures:			
Instruction	20,885	-	34,569
General administration	-	-	-
Scholarships	-	-	-
Total expenditures	20,885	-	34,569
Receipts over (under) expenditures	(8,993)	40,122	(3,342)
Unencumbered cash, beginning of year	10,796	299,878	25,000
Unencumbered cash, end of year	\$ 1,803	\$ 340,000	\$ 21,658

See Independent Auditor's Report.

<u>REAP</u>	<u>Title I</u>	<u>Title IIA</u>	<u>Title IV</u>	<u>Roy and Laura Whitehead scholarship</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,227
33,109	51,232	9,752	12,180	-	106,273
-	-	-	-	33,776	33,776
-	-	-	-	-	11,892
-	-	-	-	-	55,122
<u>33,109</u>	<u>51,232</u>	<u>9,752</u>	<u>12,180</u>	<u>33,776</u>	<u>223,290</u>
33,109	51,232	9,752	12,180	-	161,727
-	-	-	-	3,182	3,182
-	-	-	-	17,125	17,125
<u>33,109</u>	<u>51,232</u>	<u>9,752</u>	<u>12,180</u>	<u>20,307</u>	<u>182,034</u>
-	-	-	-	13,469	41,256
-	-	-	-	2,140,926	2,476,600
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,154,395</u>	<u>\$ 2,517,856</u>

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**BOND AND INTEREST FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,646	\$ 3,737	\$ 247	\$ 3,490
Current tax	292,288	322,983	322,501	482
Delinquent tax	1,426	2,521	4,215	(1,694)
Motor vehicle tax	13,960	11,415	10,345	1,070
Recreational vehicle tax	280	234	225	9
Total receipts	<u>309,600</u>	<u>340,890</u>	<u>\$ 337,533</u>	<u>\$ 3,357</u>
Expenditures:				
Debt service:				
Principal	300,000	310,000	\$ 310,000	\$ -
Interest	73,470	65,820	65,820	-
Bond fees	20	-	1,750	1,750
Total expenditures	<u>373,490</u>	<u>375,820</u>	<u>\$ 377,570</u>	<u>\$ 1,750</u>
Receipts over (under) expenditures	(63,890)	(34,930)		
Unencumbered cash, beginning of year	<u>661,704</u>	<u>597,814</u>		
Unencumbered cash, end of year	<u>\$ 597,814</u>	<u>\$ 562,884</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS

For the Year Ended June 30, 2019

Funds	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
High school:						
Athletics	\$ 1,725	\$ 55,231	\$ 53,699	\$ 3,257	\$ -	\$ 3,257
Sports special	298	1,347	1,524	121	-	121
School play	4,256	3,353	4,271	3,338	-	3,338
Forensics	606	2,867	2,468	1,005	-	1,005
Elementary school:						
Athletics	1,367	7,879	8,915	331	-	331
Subtotal gate receipts	<u>8,252</u>	<u>70,677</u>	<u>70,877</u>	<u>8,052</u>	<u>-</u>	<u>8,052</u>
School projects:						
High school:						
Library	1,135	5,844	5,520	1,459	-	1,459
Band	629	150	500	279	-	279
Biology class	293	-	55	238	-	238
Concessions set-up	512	660	128	1,044	-	1,044
Drivers education	(8)	57	34	15	-	15
Special projects	168	1,052	966	254	-	254
Scholar's bowl	627	55	-	682	-	682
Scholarship donations	699	-	-	699	-	699
Science club	893	390	240	1,043	-	1,043
Yearbook	-	1,134	1,134	-	-	-
Wood shop	3,925	4,006	4,394	3,537	-	3,537
Vocational	-	682	682	-	-	-
Yearbook design	371	-	19	352	-	352
Elementary school:						
Band supplies	-	225	225	-	-	-
Memory book	3,102	999	2,521	1,580	-	1,580
Music	362	200	-	562	-	562
Library	389	7,433	5,668	2,154	-	2,154
Outdoor classroom	489	-	-	489	-	489
Subtotal school projects	<u>13,586</u>	<u>22,887</u>	<u>22,086</u>	<u>14,387</u>	<u>-</u>	<u>14,387</u>
Total district activity funds	<u>\$ 21,838</u>	<u>\$ 93,564</u>	<u>\$ 92,963</u>	<u>\$ 22,439</u>	<u>\$ -</u>	<u>\$ 22,439</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**AGENCY FUNDS**

**SUMMARY OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS**

For the Year Ended June 30, 2019

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student organization funds:				
High school:				
Cheerleaders	\$ 1,088	\$ 7,052	\$ 6,765	\$ 1,375
Basketball - boys	154	2,137	1,845	446
Basketball - girls	722	-	40	682
SWKS Classic BB	372	-	-	372
Volleyball	906	1,845	2,179	572
Football	128	2,149	1,630	647
Cross country	557	-	-	557
Tennis - girls	22	1,155	512	665
Tennis - boys	643	414	617	440
Golf	616	-	-	616
Track	-	855	855	-
Graduated class balances	429	251	680	-
Class of 2018	554	-	251	303
Class of 2019	1,896	16	1,757	155
Class of 2020	3,722	2,391	4,159	1,954
Class of 2021	3,396	1,037	98	4,335
Class of 2022	-	6,357	3,271	3,086
Trap club	2,561	7,238	5,563	4,236
Kayettes	789	1,583	1,137	1,235
Key club	1,088	817	638	1,267
M club	383	1,033	875	541
Student council	1,985	1,936	1,082	2,839
FBLA	1,587	405	-	1,992
Skills USA	500	11,064	10,741	823
After prom	-	1,218	1,218	-
Madrigals	213	-	-	213
National honor society	259	663	698	224
Safe program	158	800	352	606
Art	513	245	256	502
Service learning	83	-	-	83
Concessions	459	36,939	35,435	1,963
Jr. high concessions	477	3,000	3,477	-
Subtotal high school	<u>26,260</u>	<u>92,600</u>	<u>86,131</u>	<u>32,729</u>
Elementary school:				
Cheerleaders	1,472	2,133	2,479	1,126
Pep club	72	-	-	72
Student fund	4,624	1,799	2,234	4,189
Subtotal elementary school	<u>6,168</u>	<u>3,932</u>	<u>4,713</u>	<u>5,387</u>
Subtotal student organization funds	32,428	96,532	90,844	38,116
Clearing fund:				
Health/life insurance	-	37,728	37,728	-
Total agency funds	<u>\$ 32,428</u>	<u>\$ 134,260</u>	<u>\$ 128,572</u>	<u>\$ 38,116</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 226  
MEADE, KANSAS**

**MEADE DISTRICT RECREATION COMMISSION  
(A RELATED MUNICIPAL ENTITY)**

**GENERAL FUND**

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

For the Year Ended June 30, 2019  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2019		Variance favorable (unfavorable)
	2018	Actual	
<b>Receipts:</b>			
Appropriation from Unified School District No. 226	\$ 60,000	\$ 70,000	\$ 10,000
Interest	1,140	1,396	396
Other	3,360	2,790	2,690
<b>Total receipts</b>	<b>64,500</b>	<b>74,186</b>	<b>\$ 13,086</b>
<b>Expenditures:</b>			
Printing/advertising	72	60	\$ 300
Accounting	1,630	1,747	2,000
Salaries and taxes	12,374	15,347	16,200
Administration	70	127	1,000
Insurance	4,522	5,392	6,000
Baseball activities and improvements	6,499	20,959	11,500
Basketball activities	3,695	2,443	7,000
Golf activities	2,000	1,500	2,000
Football activities	3,378	2,903	6,000
Repairs and maintenance	962	1,965	2,000
Equipment, building and improvements	1,570	411	8,000
Donations	1,300	1,800	3,800
Volleyball activities	2,480	2,815	3,500
Other activities	250	2,000	5,000
Miscellaneous	476	684	1,200
<b>Total expenditures</b>	<b>41,278</b>	<b>60,153</b>	<b>\$ 75,500</b>
Receipts over (under) expenditures	23,222	14,033	
Unencumbered cash, beginning of year	297,801	321,023	
<b>Unencumbered cash, end of year</b>	<b>\$ 321,023</b>	<b>\$ 335,056</b>	

See Independent Auditor's Report.