

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

Independent Auditors' Reports and
Financial Statement with
Supplementary Information

For the Fiscal Year Ended June 30, 2019

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District #246
Arma, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District #246, Arma, Kansas, a municipality, 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.

Auditors' 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 District'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 #246 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 Unified School District #246, 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 balance of the Unified School District #246 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, schedule of regulatory basis receipts and disbursements-agency funds, and summary schedule of regulatory basis 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Unified School District #246 as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated November 7, 2018, which contained an unmodified opinion on the basic financial statement. The June 30, 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://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 – actual and budget for the year ended June 30, 2019 (Schedule 2 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 June 30, 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 June 30, 2018 basic financial statement. The June 30, 2018 comparative information was subjected to the auditing procedures applied in the audit of the June 30, 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 June 30, 2018 basic financial statement or to the June 30, 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 June 30, 2018 comparative information is fairly stated in all material respects in relation to the June 30, 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

October 14, 2019
Chanute, Kansas

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2019
General	\$ 0.33	\$ 4,154,847.35	\$ 4,154,847.35	\$ 0.33	\$ 527,322.10	\$ 527,322.43
Supplemental General	91,091.89	1,279,492.88	1,324,832.00	45,752.77	59,213.71	104,966.48
Special Purpose Funds:						
4 Year Old At-Risk	-	69,905.16	69,905.16	-	-	-
K-12 At-Risk	-	618,513.54	618,513.54	-	-	-
Capital Outlay	984,528.07	258,192.91	388,275.30	854,445.68	3,157.00	857,602.68
Driver Training	31,565.08	5,658.00	2,509.04	34,714.04	25.00	34,739.04
Food Service	94,524.36	356,836.24	357,808.68	93,551.92	2,826.79	96,378.71
Professional Development	36,094.58	-	1,526.38	34,568.20	89.16	34,657.36
Special Education	416,900.26	794,156.46	777,055.92	434,000.80	-	434,000.80
Vocational Education	303.00	24,659.72	22,861.72	2,101.00	-	2,101.00
Virtual Education	-	18,300.00	18,300.00	-	-	-
Gifts and Grants	3,151.41	156,930.61	108,744.29	51,337.73	61,600.86	112,938.59
KPERs Special Retirement Contributions	-	348,121.44	348,121.44	-	-	-
Contingency Reserve	273,496.25	20,000.00	21,578.54	271,917.71	1,445.83	273,363.54
Textbook and Student Material	29,502.07	11,136.00	12,426.21	28,211.86	6,471.64	34,683.50
Rural and Small School Grant	-	27,722.57	27,722.57	-	20,728.02	20,728.02
Pritchett Trust Grant	4,237.94	-	1,101.72	3,136.22	70.07	3,206.29
Jump Start Grant	-	10,000.00	10,000.00	-	3,182.30	3,182.30
Title I	-	170,382.00	170,382.00	-	25,040.00	25,040.00
Title II - Improving Teacher Quality	-	37,640.00	37,640.00	-	-	-
Title II - Improving Teacher Quality Capital Outlay	-	-	-	-	6,873.04	6,873.04
Title IV	-	17,263.00	17,263.00	-	13,135.69	13,135.69

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

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2019
Project Care	\$ 901.82	\$ 8,367.90	\$ 5,817.12	\$ 3,452.60	\$ -	\$ 3,452.60
Gate Receipts	2,147.04	37,725.18	35,959.51	3,912.71	-	3,912.71
Bond and Interest Funds:						
Bond and Interest	691,803.83	425,601.24	337,167.50	780,237.57	-	780,237.57
Total Reporting Entity	\$ 2,660,247.93	\$ 8,851,452.20	\$ 8,870,358.99	\$ 2,641,341.14	\$ 731,181.21	\$ 3,372,522.35

Composition of Cash

General Checking Account.....	\$ 2,180,609.64
District Petty Cash Checking Accounts.....	3,000.00
Certificate of Deposit.....	1,185,000.00
Activity Checking Accounts.....	67,644.28
Total Cash	3,436,253.92
Less Agency Funds per Schedule 3	(63,731.57)
Total Reporting Entity.....	\$ 3,372,522.35

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

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of Unified School District #246, Arma, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement present Unified School District #246.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the District exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the District. Related municipal entities are not required to be included in the District's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related entity:

Northeast USD 246 Foundation - The economic resources received or held by the related municipal entity are held almost entirely for the direct benefit of the District. The Northeast USD 246 Foundation was formed to promote and foster the educational purposes of the District, and to create a fund to be used for any program, project or enterprise undertaken in the interest of the District. The Foundation acts largely as a fundraising organization, soliciting, receiving, managing and disbursing contributions on behalf of the District. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation board of directors. The Foundation can sue and be sued, and can buy, sell, or lease real property. Separate internal financial statements are available from the Foundation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the Unified School District #246, for the 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 tax 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.

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection account, etc.).

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The (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.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as revenues. In the financial statements and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as cash receipts when received by the District Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time District employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The District's policy is the State of Kansas will fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

Budgetary Information

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The District had no such amendments during the fiscal year, however, the General Fund and Supplemental Fund budgets were decreased to the legal maximum budget based upon final enrollment numbers being lower than originally budgeted.

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

All legal annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenues are recognized when cash is received. Expenditures include cash disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments of 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 fiduciary funds and certain special purpose funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the District was in apparent compliance with Kansas cash basis and budget laws.

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 branch 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 bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2019.

At year-end, the District's carrying amount of deposits was \$3,436,253.92 and the bank balance was \$2,917,364.70. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$503,000.00 was covered by FDIC insurance, \$2,414,364.70 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

4. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
General Obligation Bonds									
Series 2011	3.00% to 4.00%	4/28/2011	\$ 2,955,000.00	9/1/2022	\$ 1,570,000.00	\$ -	\$ 290,000.00	\$ 1,280,000.00	\$ 47,167.50
Capital Leases									
Energy System	2.49%	12/12/2005	612,533.00	12/12/2020	146,164.96	-	146,164.96	-	2,710.85
Total Contractual Indebtedness					<u>\$ 1,716,164.96</u>	<u>\$ -</u>	<u>\$ 436,164.96</u>	<u>\$ 1,280,000.00</u>	<u>\$ 49,878.35</u>

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

Issue	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	Totals
<u>Principal</u>					
General Obligation Bonds					
Series 2011	\$ 300,000.00	\$ 315,000.00	\$ 330,000.00	\$ 335,000.00	\$ 1,280,000.00
Total Principal	<u>300,000.00</u>	<u>315,000.00</u>	<u>330,000.00</u>	<u>335,000.00</u>	<u>1,280,000.00</u>
<u>Interest</u>					
General Obligation Bonds					
Series 2011	36,817.50	26,092.50	16,211.25	5,527.50	84,648.75
Total Interest	<u>36,817.50</u>	<u>26,092.50</u>	<u>16,211.25</u>	<u>5,527.50</u>	<u>84,648.75</u>
Total Principal and Interest	<u>\$ 336,817.50</u>	<u>\$ 341,092.50</u>	<u>\$ 346,211.25</u>	<u>\$ 340,527.50</u>	<u>\$ 1,364,648.75</u>

5. OPERATING LEASES

As of June 30, 2019 the District has entered into a operating leases for various copiers used as office equipment. Total payments for the year ended June 30, 2019 was \$31,838.76. Under the current lease agreements, the future minimum lease rentals are as follows:

2019-2020	\$	15,919.38
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6. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$273,254.00 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.

7. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in 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 1.00% 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.

7. DEFINED BENEFIT PENSION PLAN (Continued)

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 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 \$348,121.44 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 \$4,556,720.00. 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 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.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

Vacation

Only twelve month employees are eligible for the vacation fringe benefit. Earned vacation days are awarded every July 1. Employees receive vacation on the following schedule:

After one year of service	2 weeks per year
After ten years of service	3 weeks per year
After fifteen years of service	4 weeks per year

Vacation may not accrue beyond 40 days if hired before July 1, 2008. Any employee hired after July 1, 2008 may not accrue beyond 15 days.

Sick Leave

Full time twelve month employees are entitled to sick leave at a rate of twelve days per year, with a maximum accumulation of sixty days. Part-time classified employees shall be entitled to sick leave of ten days per year with a maximum accumulation of fifty days. Sick leave

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

above the maximum accumulation remaining at the end of a school year will be paid for at the rate of \$30.00 per day. Sick leave is lost upon termination.

The District accrues a liability for compensated absences which meet the following criteria:

- 1) The District's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
- 2) The obligation relates to rights that vest or accumulate.
- 3) Payment of the compensation is probable.
- 4) The amount can be reasonably estimated.

In accordance with the above criteria, the District has estimated a liability for discretionary leave, which has been earned, but not taken by District employees of \$31,285.78. The District has not estimated a liability for sick leave earned, but not taken, by District employees, as the amounts cannot be reasonably estimated at this time.

Other Post-Employment Benefits

Pursuant to the negotiated agreement, the District continued its early retirement plan. In general, the plan allows a person who has been employed by the District as a full time teacher for the ten most recent consecutive academic years, and who has reached or will reach the age of 53 prior to September 1, the option to retire on or before September 1 at age 53. Benefits which are provided are as follows: 1) paid sick leave up to restrictions as specified in the current negotiated agreement between the district and its employees, 2) a percentage of the last regular salary until the date he or she reaches the age of 65, and 3) \$200.00 per month towards group health insurance until the month in which such person reaches the age of 65. These benefits are paid monthly to the employee that has elected retirement. Upon death of a retiree all provisions will terminate.

Early retirement incentive payments included in expenditures for the year ended, June 30, 2019, were \$116,106.00. As of June 30, 2019 the future early retirement incentive payments are expected to be as follows:

<u>Year Ending June 30</u>	<u>Amount</u>	<u>Number of Participants</u>
2020	\$ 90,036.44	13
2021	67,123.00	11
2022	46,900.00	8
2023	62,261.00	10
2024	54,694.00	10
2025-2034	370,139.00	various

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

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

9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District manages these risks of loss through the purchase of various insurance policies.

10. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and state grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

11. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	K-12 At-Risk	K.S.A. 72-5167	\$ 58,054.37
General	Capital Outlay	K.S.A. 72-5167	19,307.40
General	Special Education	K.S.A. 72-5167	650,972.00
General	Virtual Education	K.S.A. 72-5167	18,300.00
General	Vocational Education	K.S.A. 72-5167	1,316.72
General	Contingency Reserve	K.S.A. 72-5167	20,000.00
Supplemental General	Special Education	K.S.A. 72-5143	125,000.00
Supplemental General	Food Service	K.S.A. 72-5143	15,000.00
Supplemental General	4 Year Old At-Risk	K.S.A. 72-5143	38,055.16
Supplemental General	K-12 At-Risk	K.S.A. 72-5143	560,459.17
Supplemental General	Vocational Education	K.S.A. 72-5143	21,242.00

12. SUBSEQUENT EVENTS

The District evaluated events and transactions occurring subsequent to June 30, 2019. There were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT #246
 Arma, Kansas
 (Budgeted Funds Only)
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Fiscal Year Ended June 30, 2019

Funds	Certified Budget	Adjustments to Comply with Legal Maximum	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	\$ 4,257,477.00	\$ (111,463.00)	\$ 8,833.35	\$ 4,154,847.35	\$ 4,154,847.35	\$ -
Supplemental General	1,352,211.00	(27,379.00)	-	1,324,832.00	1,324,832.00	-
Special Purpose Funds:						
4 Yr. Old At-Risk	80,000.00	-	-	80,000.00	69,905.16	(10,094.84)
K-12 At-Risk	645,000.00	-	-	645,000.00	618,513.54	(26,486.46)
Capital Outlay	705,000.00	-	-	705,000.00	388,275.30	(316,724.70)
Driver Training	6,750.00	-	-	6,750.00	2,509.04	(4,240.96)
Food Service	418,000.00	-	-	418,000.00	357,808.68	(60,191.32)
Professional Development	10,000.00	-	-	10,000.00	1,526.38	(8,473.62)
Special Education	801,963.00	-	-	801,963.00	777,055.92	(24,907.08)
Vocational Education	81,500.00	-	-	81,500.00	22,861.72	(58,638.28)
Virtual Education	40,000.00	-	-	40,000.00	18,300.00	(21,700.00)
KPERs Special Retirement Contributions	581,781.00	-	-	581,781.00	348,121.44	(233,659.56)
Bond and Interest Funds:						
Bond and Interest	337,178.00	-	-	337,178.00	337,167.50	(10.50)

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
General State Aid	\$ 3,477,831.00	\$ 3,620,042.00	\$ 3,687,838.00	\$ (67,796.00)
Special Education Aid	495,462.00	525,972.00	569,639.00	(43,667.00)
Other Receipts				
Reimbursed Expenses	6,101.43	8,833.35	-	8,833.35
Total Receipts	3,979,394.43	4,154,847.35	\$ 4,257,477.00	\$ (102,629.65)
Expenditures				
Instruction	1,837,023.04	1,960,250.70	\$ 1,933,088.00	\$ 27,162.70
Support Services				
Student Support	140,964.75	143,071.22	146,500.00	(3,428.78)
Instructional Support	185,011.15	194,419.86	193,650.00	769.86
General Administration	291,005.80	318,539.17	307,500.00	11,039.17
School Administration	229,627.76	211,968.12	235,900.00	(23,931.88)
Operations and Maintenance	282,162.21	282,780.62	327,450.00	(44,669.38)
Vehicle Operating Services	258,552.71	275,867.17	273,750.00	2,117.17
Operating Transfers to:				
K-12 At-Risk Fund	160,150.58	58,054.37	160,000.00	(101,945.63)

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to: (Continued)				
Special Education Fund	\$ 513,572.45	\$ 650,972.00	\$ 569,639.00	\$ 81,333.00
Virtual Education Fund	29,138.00	18,300.00	35,000.00	(16,700.00)
Vocational Education Fund	2,236.68	1,316.72	75,000.00	(73,683.28)
Contingency Reserve	-	20,000.00	-	20,000.00
Capital Outlay Fund	49,969.64	19,307.40	-	19,307.40
Total Certified Budget			4,257,477.00	(102,629.65)
Adjustments to Budget				
Adjustment to Comply with Legal Maximum Budget			(111,463.00)	111,463.00
Adjustment for Qualifying Budget Credits			8,833.35	(8,833.35)
Total Expenditures	3,979,414.77	4,154,847.35	\$ 4,154,847.35	\$ -
Receipts Over (Under) Expenditures	(20.34)	-		
Unencumbered Cash, Beginning	20.67	0.33		
Unencumbered Cash, Ending	\$ 0.33	\$ 0.33		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

SUPPLEMENTAL GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 344,362.85	\$ 295,476.73	\$ 332,860.00	\$ (37,383.27)
Delinquent Tax	14,086.25	16,407.93	7,776.00	8,631.93
County Sources				
Motor Vehicle Tax	97,298.78	91,472.26	90,748.00	724.26
Commercial Vehicle Tax	1,233.54	1,147.59	910.00	237.59
Recreational Vehicle Tax	1,507.83	1,361.70	1,166.00	195.70
16 & 20 M Truck Tax	2,847.83	2,284.67	-	2,284.67
State Sources				
Supplemental State Aid	901,711.00	871,342.00	889,349.00	(18,007.00)
Total Receipts	1,363,048.08	1,279,492.88	\$ 1,322,809.00	\$ (43,316.12)
Expenditures				
Instruction	193,891.81	151,383.85	\$ 196,211.00	\$ (44,827.15)
Support Services				
Instructional Support	48,580.24	63,191.88	50,000.00	13,191.88
School Administration	125,130.69	174,918.86	129,500.00	45,418.86
Operations and Maintenance	207,816.59	175,581.08	221,500.00	(45,918.92)
Operating Transfers to:				
Food Service Fund	27,000.00	15,000.00	20,000.00	(5,000.00)
Special Education Fund	211,856.31	125,000.00	200,000.00	(75,000.00)
Vocational Education Fund	-	21,242.00	10,000.00	11,242.00
4 Year Old At-Risk Fund	62,464.83	38,055.16	75,000.00	(36,944.84)
K-12 At-Risk Fund	439,460.53	560,459.17	450,000.00	110,459.17
Total Certified Budget			1,352,211.00	(27,379.00)
Adjustments to Budget				
Adjustment to Comply with Legal Maximum Budget			(27,379.00)	27,379.00
Total Expenditures	1,316,201.00	1,324,832.00	\$ 1,324,832.00	\$ -
Receipts Over (Under) Expenditures	46,847.08	(45,339.12)		
Unencumbered Cash, Beginning	44,244.81	91,091.89		
Unencumbered Cash, Ending	\$ 91,091.89	\$ 45,752.77		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

4 YEAR OLD AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Miscellaneous	\$ -	\$ 31,850.00	\$ 5,000.00	\$ 26,850.00
Operating Transfers from Supplemental General Fund	62,464.83	38,055.16	75,000.00	(36,944.84)
Total Receipts	62,464.83	69,905.16	\$ 80,000.00	\$ (10,094.84)
Expenditures				
Instruction	62,464.83	69,905.16	\$ 80,000.00	\$ (10,094.84)
Total Expenditures	62,464.83	69,905.16	\$ 80,000.00	\$ (10,094.84)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

K-12 AT-RISK FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Miscellaneous Receipts	\$ -	\$ -	\$ 35,000.00	\$ (35,000.00)
Operating Transfers from				
General Fund	160,150.58	58,054.37	160,000.00	(101,945.63)
Supplemental General Fund	439,460.53	560,459.17	450,000.00	110,459.17
Total Receipts	599,611.11	618,513.54	\$ 645,000.00	\$ (26,486.46)
Expenditures				
Instruction	599,611.11	618,513.54	\$ 645,000.00	\$ (26,486.46)
Total Expenditures	599,611.11	618,513.54	\$ 645,000.00	\$ (26,486.46)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

CAPITAL OUTLAY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 75,001.73	\$ 78,033.73	\$ 74,746.00	\$ 3,287.73
Deliquent Tax	2,175.05	3,365.07	1,694.00	1,671.07
County Sources				
Motor Vehicle Tax	19,527.83	19,878.83	19,718.00	160.83
Recreational Vehicle Tax	304.26	295.88	254.00	41.88
16/20 M Tax	543.09	493.40	-	493.40
Commercial Vehicle Tax	265.23	249.67	197.00	52.67
State Sources				
Capital Outlay State Aid	47,008.00	47,118.00	47,113.00	5.00
Other Receipts				
Interest on Idle Funds	16,123.46	23,923.53	-	23,923.53
Miscellaneous Receipts	103,222.57	65,527.40	-	65,527.40
Operating Transfers from General Fund				
	49,969.64	19,307.40	-	19,307.40
Total Receipts	314,140.86	258,192.91	\$ 143,722.00	\$ 114,470.91
Expenditures				
Instruction	6,092.17	4,320.77	\$ 135,000.00	\$ (130,679.23)
Support Services				
School Administration	-	53.98	-	53.98
Instructional Support	5,088.00	-	50,000.00	(50,000.00)
Operations and Maintenance	28,705.71	149,300.81	75,000.00	74,300.81
Vehicle Operating Services	85,000.00	25,887.00	120,000.00	(94,113.00)
Facility Acquisition and Construction Services				
Building Improvements	60,846.85	208,712.74	325,000.00	(116,287.26)
Total Expenditures	185,732.73	388,275.30	\$ 705,000.00	\$ (316,724.70)
Receipts Over (Under) Expenditures	128,408.13	(130,082.39)		
Unencumbered Cash, Beginning	856,119.94	984,528.07		
Unencumbered Cash, Ending	\$ 984,528.07	\$ 854,445.68		

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

DRIVER TRAINING FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Student Receipts	\$ -	\$ -	\$ 1,000.00	\$ (1,000.00)
Miscellaneous	1,950.00	3,600.00	-	3,600.00
State Sources				
State Aid	2,432.00	2,058.00	2,340.00	(282.00)
Total Receipts	4,382.00	5,658.00	\$ 3,340.00	\$ 2,318.00
Expenditures				
Instruction	3,394.68	2,250.15	\$ 6,250.00	\$ (3,999.85)
Support Services				
Vehicle Operating Services	186.99	258.89	500.00	(241.11)
Total Expenditures	3,581.67	2,509.04	\$ 6,750.00	\$ (4,240.96)
Receipts Over (Under) Expenditures	800.33	3,148.96		
Unencumbered Cash, Beginning	30,764.75	31,565.08		
Unencumbered Cash, Ending	\$ 31,565.08	\$ 34,714.04		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

FOOD SERVICE FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Food Service Sales	\$ 51,989.85	\$ 49,727.46	\$ 62,481.00	\$ (12,753.54)
Miscellaneous Receipts	2,697.52	2,025.15	10,000.00	(7,974.85)
State Sources				
Food Service Aid	2,885.37	2,805.61	2,351.00	454.61
Federal Sources				
Child Nutrition Aid	287,002.30	286,819.67	237,741.00	49,078.67
Other Reciepts				
Reimburse Expense	-	458.35	-	458.35
Operating Transfers from:				
Supplemental General Fund	27,000.00	15,000.00	20,000.00	(5,000.00)
Total Receipts	371,575.04	356,836.24	\$ 332,573.00	\$ 24,263.24
Expenditures				
Support Services				
Operations and Maintenance	-	-	\$ 3,500.00	\$ (3,500.00)
Operation of Non- Instructional Services				
Food Service Operations	371,437.91	357,808.68	414,500.00	(56,691.32)
Total Expenditures	371,437.91	357,808.68	\$ 418,000.00	\$ (60,191.32)
Receipts Over (Under) Expenditures	137.13	(972.44)		
Unencumbered Cash, Beginning	94,387.23	94,524.36		
Unencumbered Cash, Ending	<u>\$ 94,524.36</u>	<u>\$ 93,551.92</u>		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

PROFESSIONAL DEVELOPMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
Professional Development Aid	\$ -	\$ -	\$ 313.00	\$ (313.00)
Total Receipts	-	-	\$ 313.00	\$ (313.00)
Expenditures				
Support Services				
Instructional Support	2,147.69	1,526.38	\$ 10,000.00	\$ (8,473.62)
Total Expenditures	2,147.69	1,526.38	\$ 10,000.00	\$ (8,473.62)
Receipts Over (Under) Expenditures	(2,147.69)	(1,526.38)		
Unencumbered Cash, Beginning	38,242.27	36,094.58		
Unencumbered Cash, Ending	\$ 36,094.58	\$ 34,568.20		

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

SPECIAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Miscellaneous Receipts	\$ -	\$ 250.00	\$ -	\$ 250.00
Federal Sources				
Federal Grants	2,867.00	17,934.46	-	17,934.46
Operating Transfers from:				
General Fund	513,572.45	650,972.00	569,639.00	81,333.00
Supplemental General Fund	211,856.31	125,000.00	200,000.00	(75,000.00)
Total Receipts	728,295.76	794,156.46	\$ 769,639.00	\$ 24,517.46
Expenditures				
Instruction	639,164.00	671,055.48	\$ 692,413.00	\$ (21,357.52)
Support Services				
Instructional Support	1,000.00	1,296.99	2,500.00	(1,203.01)
Vehicle Operating Services	89,373.48	104,703.45	107,050.00	(2,346.55)
Total Expenditures	729,537.48	777,055.92	\$ 801,963.00	\$ (24,907.08)
Receipts Over (Under) Expenditures	(1,241.72)	17,100.54		
Unencumbered Cash, Beginning	418,141.98	416,900.26		
Unencumbered Cash, Ending	\$ 416,900.26	\$ 434,000.80		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

VOCATIONAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
CTE Transportation Aid	\$ -	\$ 2,101.00	\$ 864.00	\$ 1,237.00
Federal Sources				
Federal Grants	303.00	-	-	-
Operating Transfers from				
General Fund	2,236.68	1,316.72	75,000.00	(73,683.28)
Supplemental Fund	-	21,242.00	10,000.00	11,242.00
Total Receipts	2,539.68	24,659.72	\$ 85,864.00	\$ (61,204.28)
Expenditures				
Instruction	2,236.68	22,861.72	\$ 81,500.00	\$ (58,638.28)
Total Expenditures	2,236.68	22,861.72	\$ 81,500.00	\$ (58,638.28)
Receipts Over (Under) Expenditures	303.00	1,798.00		
Unencumbered Cash, Beginning	-	303.00		
Unencumbered Cash, Ending	\$ 303.00	\$ 2,101.00		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

VIRTUAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Source				
Miscellaneous	\$ -	\$ -	\$ 5,000.00	\$ (5,000.00)
Operating Transfers from General Fund	29,138.00	18,300.00	35,000.00	(16,700.00)
Total Receipts	29,138.00	18,300.00	\$ 40,000.00	\$ (21,700.00)
Expenditures				
Instruction	29,138.00	18,300.00	\$ 40,000.00	\$ (21,700.00)
Total Expenditures	29,138.00	18,300.00	\$ 40,000.00	\$ (21,700.00)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

GIFTS AND GRANTS FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
State Sources		
Safe and Secure Grant	\$ -	\$ 8,638.00
Local Source		
Miscellaneous	19,282.00	148,292.61
Total Receipts	19,282.00	156,930.61
Expenditures		
Instructional Support	16,130.59	100,106.29
Operations and Maintenance	-	8,638.00
Total Expenditures	16,130.59	108,744.29
Receipts Over (Under) Expenditures	3,151.41	48,186.32
Unencumbered Cash, Beginning	-	3,151.41
Unencumbered Cash, Ending	\$ 3,151.41	\$ 51,337.73

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

KPERS SPECIAL RETIREMENT CONTRIBUTIONS FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
State Sources				
KPERS Aid	\$ 409,013.42	\$ 348,121.44	\$ 581,781.00	\$ (233,659.56)
Total Receipts	409,013.42	348,121.44	\$ 581,781.00	\$ (233,659.56)
Expenditures				
Instruction	249,778.52	215,042.18	\$ 367,238.00	\$ (152,195.82)
Support Services				
Student Support	16,520.46	13,052.04	19,705.00	(6,652.96)
Instructional Support	19,455.07	16,450.07	25,598.00	(9,147.93)
General Administration	22,045.64	17,771.52	26,762.00	(8,990.48)
School Administration	35,559.17	31,946.90	48,870.00	(16,923.10)
Operations and Maintenance	29,909.96	23,596.44	34,907.00	(11,310.56)
Student Transportation Services	21,267.28	17,804.45	34,034.00	(16,229.55)
Food Service	14,477.32	12,457.84	24,667.00	(12,209.16)
Total Expenditures	409,013.42	348,121.44	\$ 581,781.00	\$ (233,659.56)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

CONTINGENCY RESERVE FUND

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from General Fund	\$ -	\$ 20,000.00
Total Receipts	-	20,000.00
Expenditures		
Support Services Operations and Maintenance	21,094.81	21,578.54
Total Expenditures	21,094.81	21,578.54
Receipts Over (Under) Expenditures	(21,094.81)	(1,578.54)
Unencumbered Cash, Beginning	294,591.06	273,496.25
Unencumbered Cash, Ending	\$ 273,496.25	\$ 271,917.71

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas
TEXTBOOK AND STUDENT MATERIAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Rental Fees	\$ 10,824.02	\$ 11,136.00
Total Receipts	10,824.02	11,136.00
Expenditures		
Instruction	2,145.02	12,426.21
Total Expenditures	2,145.02	12,426.21
Receipts Over (Under) Expenditures	8,679.00	(1,290.21)
Unencumbered Cash, Beginning	20,823.07	29,502.07
Unencumbered Cash, Ending	\$ 29,502.07	\$ 28,211.86

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas
RURAL AND SMALL SCHOOL GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Grants	\$ 16,694.43	\$ 27,722.57
Total Receipts	16,694.43	27,722.57
Expenditures		
Instruction	16,694.43	27,722.57
Total Expenditures	16,694.43	27,722.57
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas
PRITCHETT TRUST GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Local Grants	\$ 8,333.90	\$ -
Total Receipts	8,333.90	-
Expenditures		
Support Services		
General Administration	17,977.12	1,101.72
Total Expenditures	17,977.12	1,101.72
Receipts Over (Under) Expenditures	(9,643.22)	(1,101.72)
Unencumbered Cash, Beginning	13,881.16	4,237.94
Unencumbered Cash, Ending	\$ 4,237.94	\$ 3,136.22

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

JUMP START GRANT FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Local Grants	\$ -	\$ 10,000.00
Total Receipts	-	10,000.00
Expenditures		
Instruction	-	10,000.00
Total Expenditures	-	10,000.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

TITLE I FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 172,069.00	\$ 170,382.00
Total Receipts	172,069.00	170,382.00
Expenditures		
Instruction	172,069.00	170,382.00
Total Expenditures	172,069.00	170,382.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

TITLE II - IMPROVING TEACHER QUALITY FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 35,017.00	\$ 37,640.00
Total Receipts	35,017.00	37,640.00
Expenditures		
Instruction	35,017.00	37,640.00
Total Expenditures	35,017.00	37,640.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

TITLE II - IMPROVING TEACHER QUALITY CARRYOVER FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 8,449.00	\$ -
Total Receipts	8,449.00	-
Expenditures		
Instruction	8,449.00	-
Total Expenditures	8,449.00	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

TITLE IV

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Federal Aid	\$ 4,839.00	\$ 17,263.00
Total Receipts	4,839.00	17,263.00
Expenditures		
Instruction	4,839.00	14,106.09
Support Services		
Student Support	-	3,156.91
Total Expenditures	4,839.00	17,263.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas

PROJECT CARE FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Payments From Parents	\$ 5,335.55	\$ 8,367.90
Total Receipts	5,335.55	8,367.90
Expenditures		
Support Services		
Student Support	6,459.96	5,817.12
Total Expenditures	6,459.96	5,817.12
Receipts Over (Under) Expenditures	(1,124.41)	2,550.78
Unencumbered Cash, Beginning	2,026.23	901.82
Unencumbered Cash, Ending	\$ 901.82	\$ 3,452.60

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

BOND AND INTEREST FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Local Sources				
Ad Valorem Tax	\$ 132,502.52	\$ 190,872.78	\$ 182,471.00	\$ 8,401.78
Delinquent Tax	8,044.67	5,679.74	2,993.00	2,686.74
County Sources				
Motor Vehicle Tax	27,855.86	35,042.12	34,759.00	283.12
Commercial Vehicle Tax	456.76	440.60	349.00	91.60
Recreational Vehicle Tax	441.44	521.60	447.00	74.60
16 & 20M Truck	732.09	858.40	-	858.40
State Sources				
State Aid	198,074.00	192,186.00	192,186.00	-
Total Receipts	368,107.34	425,601.24	\$ 413,205.00	\$ 12,396.24
Expenditures				
Debt Service				
Principal	280,000.00	290,000.00	\$ 290,000.00	\$ -
Bond Fee	-	-	10.00	(10.00)
Interest	55,717.50	47,167.50	47,168.00	(0.50)
Total Expenditures	335,717.50	337,167.50	\$ 337,178.00	\$ (10.50)
Receipts Over (Under) Expenditures	32,389.84	88,433.74		
Unencumbered Cash, Beginning	659,413.99	691,803.83		
Unencumbered Cash, Ending	\$ 691,803.83	\$ 780,237.57		

UNIFIED SCHOOL DISTRICT #246
Arma, Kansas
AGENCY FUNDS
Schedule of Receipts and Disbursements
Regulatory Basis
For the Fiscal Year Ended June 30, 2019

	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Agency Funds				
Student Organizations				
High School				
Art	\$ 130.69	\$ -	\$ -	\$ 130.69
Band	92.90	-	-	92.90
Business	200.54	-	-	200.54
Language Fund	960.13	-	-	960.13
LMC	42.57	-	-	42.57
Newspaper	22.61	-	-	22.61
Jeans Fund	182.87	118.00	-	300.87
Fees/Repairs	291.00	5,077.50	5,268.50	100.00
Vocal	968.35	688.00	998.89	657.46
Yearbook	1,329.76	5,671.70	3,828.12	3,173.34
Culinary Arts	294.84	420.00	213.00	501.84
Football	566.78	2,920.60	3,353.63	133.75
S.A.F.E	51.38	255.00	33.45	272.93
Baseball	4,241.05	1,697.00	2,465.91	3,472.14
Softball	110.00	2,926.06	2,982.73	53.33
Cheerleaders	1,171.64	536.00	1,392.57	315.07
Basketball - Boys	73.90	-	-	73.90
Basketball - Girls	7.56	504.60	483.64	28.52
Spanish Club	607.22	3,368.00	3,040.52	934.70
Volleyball	27.12	-	-	27.12
Food Pantry	5,941.27	897.50	999.79	5,838.98
FCCLA	325.20	2,256.87	2,007.86	574.21
National Honor	174.43	3,895.50	3,186.00	883.93
Student Council	1,391.57	1,790.68	1,849.76	1,332.49
Chess Club	562.80	-	-	562.80
FACS Work & Family	66.00	-	-	66.00
Track	561.52	1,042.00	924.50	679.02
Keys	1,839.88	994.41	1,871.54	962.75
Beef Council	80.05	-	-	80.05
Intro to Business	532.22	1,693.10	1,969.85	255.47
Forensics	217.77	-	-	217.77
Viking Industry	592.82	12,777.55	11,106.86	2,263.51
Awards	135.16	-	-	135.16
Scholars Bowl	4.51	-	-	4.51
Class of 2018	916.14	371.30	1,287.44	-
Cube Account	195.46	-	91.17	104.29
Class of 2019	190.62	19,971.14	18,810.78	1,350.98
Class of 2020	-	9,025.19	8,002.24	1,022.95
Class of 2017	623.48	-	-	623.48

Schedule 3 (Continued)

UNIFIED SCHOOL DISTRICT #246
 Arma, Kansas
AGENCY FUNDS
 Schedule of Receipts and Disbursements
 Regulatory Basis
 For the Fiscal Year Ended June 30, 2019

	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Agency Funds				
Student Organizations				
High School (Continued)				
Bedene Memorial	\$ 53.00	\$ 500.00	\$ 500.00	\$ 53.00
Grad Classes	20.98	-	-	20.98
Hutchison Memorial	104.73	-	-	104.73
Blazic Dual	-	3,632.00	3,466.91	165.09
Respect Committ	8.35	-	-	8.35
Revolving	750.62	199.13	-	949.75
Ales Scholarship	250.00	-	-	250.00
Simone Memorial	2,000.00	1,000.00	1,000.00	2,000.00
Wayneberg Arthur	8,500.00	-	500.00	8,000.00
Northeast Education	86.19	-	-	86.19
Falletti Memorial	204.44	2,000.00	1,200.00	1,004.44
Shifflet Memorial	50.00	-	50.00	-
Bulot Family Scholarship	500.00	-	500.00	-
Van Leeuwen Memorial	30.00	1,000.00	1,000.00	30.00
Nancy R. Brown	250.00	250.00	250.00	250.00
Mary Cleland Shcolarship	3,250.00	-	250.00	3,000.00
Rowland Scholarship	-	1,000.00	1,000.00	-
Jazmin Nunn Scholarship	-	250.00	-	250.00
Class of 1967 Scholarship	670.00	-	670.00	-
Bogina Memorial	3,005.00	-	300.00	2,705.00
A Friend of Arma	-	5,000.00	-	5,000.00
Elementary School				
Sales Tax	44.85	384.43	417.10	12.18
Yearbook	2,595.21	1,577.10	1,689.11	2,483.20
Cheerleaders	1,223.69	-	-	1,223.69
Study Ambassador	67.55	-	-	67.55
Chrome Book Insurance	-	2,447.50	2,447.50	-
Library	817.78	155.00	426.15	546.63
Band	28.12	-	-	28.12
Box Tops for Ed	350.02	-	-	350.02
Northeast Education Foundation	1,621.30	-	-	1,621.30
Lois Loeffler Memorial	1,660.00	-	-	1,660.00
Revolving	2,296.31	4,783.35	4,841.37	2,238.29
Student Clothing	142.60	500.00	232.43	410.17
School Fees	-	1,765.00	1,765.00	-
Student Incentive	298.85	109.12	-	407.97
Life Skills	33.99	-	-	33.99
Elementary Students	122.85	566.12	370.80	318.17
	<u>\$ 56,760.24</u>	<u>\$ 106,016.45</u>	<u>\$ 99,045.12</u>	<u>\$ 63,731.57</u>
Totals	\$ 56,760.24	\$ 106,016.45	\$ 99,045.12	\$ 63,731.57

UNIFIED SCHOOL DISTRICT #246

Arma, Kansas

DISTRICT ACTIVITY FUNDS

Summary of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Fiscal Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2019
Gate Receipts						
High School	\$ 46.94	\$ 33,751.91	\$ 31,700.01	\$ 2,098.84	\$ -	\$ 2,098.84
Middle School	2,100.10	3,973.27	4,259.50	1,813.87	-	1,813.87
Total District Activity Funds	\$ 2,147.04	\$ 37,725.18	\$ 35,959.51	\$ 3,912.71	\$ -	\$ 3,912.71