

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

**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. 477
Ingalls, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 477 and its related municipal entity, the Ingalls Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 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 for the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated January 23, 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://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

November 25, 2019

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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	\$ -	\$ -	\$ 2,022,941
Supplemental general	16,195	4,008	757,448
	<hr/>	<hr/>	<hr/>
Total general funds	16,195	4,008	2,780,389
Special purpose funds:			
At-risk (4 year old)	1	-	40,396
At-risk (K-12)	-	-	307,691
Bilingual education	-	-	17,298
Virtual education	37,209	-	210,640
Capital outlay	532,927	-	308,671
Driver training	3,831	-	4,608
Food service	26,349	-	167,119
Professional development	-	-	-
Special education	38,715	-	251,369
Career and postsecondary education	-	-	-
KPERS special retirement contributions	-	-	167,813
Recreation commission	13,343	-	67,592
Recreation commission special	2,185	-	9,730
Title II improving teacher quality	-	-	3,467
Ingalls Alumni Foundation	48,809	-	6,762
Gifts and grants	38,677	-	36,165
Contingency reserve	128,067	-	-
Student material revolving	9,723	-	26,146
Title I	-	-	24,164
Title IVA student support	-	-	11,080
Federal REAP grant	-	-	19,528
District activity funds	27,991	-	54,624
	<hr/>	<hr/>	<hr/>
Total special purpose funds	907,827	-	1,734,863
Capital project fund:			
Capital projects	-	-	1,594,113
	<hr/>	<hr/>	<hr/>
Total Unified School District No. 477	924,022	4,008	6,109,365
Related municipal entity:			
Ingalls Recreation Commission	92,125	-	69,337
	<hr/>	<hr/>	<hr/>
Total municipal financial reporting entity (excluding agency funds)	<u>\$ 1,016,147</u>	<u>\$ 4,008</u>	<u>\$ 6,178,702</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 2,022,941	\$ -	\$ -	\$ -
731,243	46,408	6,912	53,320
<u>2,754,184</u>	<u>46,408</u>	<u>6,912</u>	<u>53,320</u>
20,209	20,188	-	20,188
259,475	48,216	-	48,216
14,878	2,420	-	2,420
191,496	56,353	-	56,353
398,622	442,976	22,723	465,699
40	8,399	-	8,399
157,512	35,956	3	35,959
-	-	-	-
231,649	58,435	-	58,435
-	-	-	-
167,813	-	-	-
50,100	30,835	-	30,835
7,557	4,358	-	4,358
3,467	-	-	-
11,122	44,449	-	44,449
33,313	41,529	-	41,529
-	128,067	-	128,067
21,988	13,881	-	13,881
24,164	-	-	-
11,080	-	-	-
19,528	-	-	-
55,472	27,143	-	27,143
<u>1,679,485</u>	<u>963,205</u>	<u>22,726</u>	<u>985,931</u>
<u>740,216</u>	<u>853,897</u>	<u>144,185</u>	<u>998,082</u>
5,173,885	1,863,510	173,823	2,037,333
<u>53,736</u>	<u>107,726</u>	<u>-</u>	<u>107,726</u>
<u>\$ 5,227,621</u>	<u>\$ 1,971,236</u>	<u>\$ 173,823</u>	<u>\$ 2,145,059</u>

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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:	
U.S.D. No. 477 accounts:	
Money market account	\$ 1,822,397
NOW account	198,671
High School NOW account	<u>37,514</u>
	2,058,582
Agency funds	<u>(21,249)</u>
Total Unified School District No. 477 (excluding agency funds)	<u>2,037,333</u>
Related municipal entity:	
Ingalls Recreation Commission:	
Checking account	12,622
Savings account	<u>95,104</u>
Total related municipal entity	<u>107,726</u>
Total reporting entity (excluding agency funds)	<u><u>\$ 2,145,059</u></u>

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

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

NOTES TO THE FINANCIAL STATEMENT

June 30, 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. 477 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 477 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Ingalls Recreation Commission. The Commission oversees recreational activities. One of the five members of the governing board is appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift. The financial information included in this report is from the latest accounting year of the Commission, December 31, 2018.

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

Ingalls Recreation Commission
100 Bulldog Drive
Ingalls, KS 67853

2. Basis of Presentation - Fund Accounting

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

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation - Fund Accounting (Continued)

REGULATORY BASIS FUND TYPES (CONTINUED)

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

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

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

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general and special purpose funds (unless specifically exempted by statute). 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. There were no such budget amendments for this year.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

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

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

Ingalls Alumni Foundation
Gifts and Grants
Contingency Reserve
Student Material Revolving
District Activity Funds

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

5. In-Substance Receipt in Transit

The District received \$120,357 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. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds to have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

B. 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 \$2,060,977 and the bank balance was \$2,135,630. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,885,630 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

C. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	At-risk (4-year-old)	\$ 13,000	K.S.A. 72-5167
General	At-risk (K-12)	99,689	K.S.A. 72-5167
General	Capital outlay	54,137	K.S.A. 72-5167
General	Food service	16,427	K.S.A. 72-5167
General	Special education	<u>207,464</u>	K.S.A. 72-5167
Total general		<u>390,717</u>	
Supplemental general	At-risk (4-year-old)	12,000	K.S.A. 72-5143
Supplemental general	At-risk (K-12)	181,002	K.S.A. 72-5143
Supplemental general	Bilingual education	17,298	K.S.A. 72-5143
Supplemental general	Food service	41,243	K.S.A. 72-5143
Supplemental general	Special education	40,907	K.S.A. 72-5143
Supplemental general	Student material revolving	<u>10,000</u>	K.S.A. 72-5143
Total supplemental general		<u>302,450</u>	
Total operating transfers		<u>\$ 693,167</u>	

D. LONG-TERM DEBT

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

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
School building bonds – Series 2019					
Issued February 1, 2019					
In the amount of \$1,500,000					
At an interest rate of 3.0% - 5.0%					
Maturing September 1, 2034					
	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -
Capital lease:					
First Bank – 2019 Activity Bus					
Issued April 12, 2018					
In the amount of \$180,704					
At an interest rate of 2.962%					
Maturing July 1, 2027					
	<u>180,704</u>	<u>-</u>	<u>24,827</u>	<u>155,877</u>	<u>1,173</u>
Total contractual indebtedness	<u>\$ 180,704</u>	<u>\$ 1,500,000</u>	<u>\$ 24,827</u>	<u>\$ 1,655,877</u>	<u>\$ 1,173</u>

D. LONG-TERM DEBT (CONTINUED)

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2020	\$ -	\$ 60,843	\$ 60,843
2021	-	56,163	56,163
2022	80,000	54,163	134,163
2023	85,000	50,037	135,037
2024	90,000	45,662	135,662
2025-2029	510,000	159,313	669,313
2030-2034	605,000	66,887	671,887
2035	<u>130,000</u>	<u>2,031</u>	<u>132,031</u>
Total	<u>\$ 1,500,000</u>	<u>\$ 495,099</u>	<u>\$ 1,995,099</u>

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2020	\$ 21,384	\$ 4,616	\$ 26,000
2021	22,017	3,983	26,000
2022	14,696	3,331	18,027
2023	15,131	2,896	18,027
2024	15,579	2,448	18,027
2025-2028	<u>67,070</u>	<u>5,038</u>	<u>72,108</u>
Total	<u>\$ 155,877</u>	<u>\$ 22,312</u>	<u>\$ 178,189</u>

E. OPERATING LEASES

The District has entered into a sixty month operating lease agreement for five 2019 65 Passenger Route Busses in April 2018. Rental payments for the current year totaled \$73,221. Future minimum rental payments are \$73,221 per year from fiscal year 2020 through fiscal year 2023.

The District has entered into a sixty-six month operating lease agreement for copiers in December 2017. Rental payments for the current year totaled \$18,138. Future minimum rental payments are \$16,235 per year from fiscal year 2020 through fiscal year 2023.

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

2020	\$ 89,456
2021	89,456
2022	89,456
2023	<u>89,456</u>
	<u>\$ 357,824</u>

F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

Death and disability other post-employment benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate 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 and sick pay grants employees' vacation days based on contracts for certified personnel. Non-certified personnel receive ten days of vacation annually after one year of service and fifteen days after ten years of continuous service. Personal leave is granted at three days per year for licensed employees and two days per year for non-licensed employees. Licensed employees are reimbursed for unused personal days at a rate of \$110 per day paid at the end of the school year. Non-licensed employees' unused personal days are rolled into sick leave. When certain conditions are met, accumulated vacation time is paid to the employee upon termination, retirement, or resignation.

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

G. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

G. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

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% 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 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 dollars per year. The first-year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in 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 \$167,813 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 \$2,335,995. 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.

G. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

H. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

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. CAPITAL PROJECTS

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

	Project commitments authorized	Cash disbursements and accounts payable to date	Remaining financial commitment
School lighting	\$ 92,109	\$ 82,109	\$ 10,000
HVAC/roof/deck/brick	1,123,498	483,349	640,149
School fire alarm	55,685	36,147	19,538
District office relocation	40,431	40,431	-
Security doors	32,569	32,569	-
Miscellaneous projects	13,721	13,721	-
	<u>\$ 1,358,013</u>	<u>\$ 688,326</u>	<u>\$ 669,687</u>

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 25, 2019, 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. 477
INGALLS, KANSAS**

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

For the Year Ended June 30, 2019

Funds	Certified budget	Adjustment to comply with legal maximum budget	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General funds:					
General	\$ 2,090,414	\$ (67,473)	\$ 2,022,941	\$ 2,022,941	\$ -
Supplemental general	741,170	(9,927)	731,243	731,243	-
Special purpose funds:					
At-risk (4-year-old)	20,972	-	20,972	20,209	763
At-risk (K-12)	284,691	-	284,691	259,475	25,216
Bilingual education	25,900	-	25,900	14,878	11,022
Virtual education	215,950	-	215,950	191,496	24,454
Capital outlay	911,183	-	911,183	398,622	512,561
Driver training	5,894	-	5,894	40	5,854
Food service	191,191	-	191,191	157,512	33,679
Professional development	2,501	-	2,501	-	2,501
Special education	367,318	-	367,318	231,649	135,669
Career and postsecondary education	1,000	-	1,000	-	1,000
KPERS special retirement contributions	254,623	-	254,623	167,813	86,810
Recreation commission	68,355	-	68,355	50,100	18,255
Recreation commission special	11,400	-	11,400	7,557	3,843
Total Unified School District No. 477	5,192,562	(77,400)	5,115,162	4,253,535	861,627
Related municipal entity: Ingalls Recreation Commission	184,300	-	184,300	53,736	130,564
Total municipal financial reporting entity	<u>\$ 5,376,862</u>	<u>\$ (77,400)</u>	<u>\$ 5,299,462</u>	<u>\$ 4,307,271</u>	<u>\$ 992,191</u>

See Independent Auditor's Report.

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

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	Actual	2019 Budget	Variance favorable (unfavorable)
Receipts:				
State sources:				
State aid	\$ 1,829,457	\$ 1,859,487	\$ 1,888,314	\$ (28,827)
Special education aid	169,271	160,444	200,000	(39,556)
Mineral production tax	2,269	3,010	2,100	910
Total receipts	<u>2,000,997</u>	<u>2,022,941</u>	<u>\$ 2,090,414</u>	<u>\$ (67,473)</u>
Expenditures:				
Instruction	833,448	911,483	\$ 934,521	\$ 23,038
Student support services	53,179	39,717	45,220	5,503
Instructional support staff	184,715	187,360	140,063	(47,297)
General administration	137,250	156,121	152,594	(3,527)
School administration	171,923	173,755	187,054	13,299
Operations and maintenance	107,067	112,108	156,527	44,419
Student transportation services:				
Vehicle operating services	58,632	51,364	62,223	10,859
Vehicle and maintenance services	9,093	316	720	404
Operating transfers	445,690	390,717	411,492	20,775
Adjustment to comply with legal maximum budget	-	-	(67,473)	(67,473)
Total expenditures	<u>2,000,997</u>	<u>2,022,941</u>	<u>\$ 2,022,941</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

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

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2019		Variance favorable (unfavorable)	
	2018	Actual		Budget
Receipts:				
Taxes:				
Ad valorem tax	\$ 534,292	\$ 569,214	\$ 546,399	\$ 22,815
Delinquent tax	2,151	5,762	4,119	1,643
Motor vehicle tax	41,075	38,962	38,195	767
Commercial vehicle tax	880	3,032	2,007	1,025
Recreational vehicle tax	805	841	752	89
State aid:				
Supplemental state aid	68,619	139,375	141,267	(1,892)
Other	65	262	35	227
Total receipts	<u>647,887</u>	<u>757,448</u>	<u>\$ 732,774</u>	<u>\$ 24,674</u>
Expenditures:				
Instruction	140,954	137,679	\$ 156,600	\$ 18,921
Student support services	2,140	325	4,655	4,330
Instructional support staff	13,818	13,156	14,375	1,219
General administration	21,522	21,105	24,400	3,295
School administration	1,234	837	2,400	1,563
Central services	10,430	10,752	10,500	(252)
Operations and maintenance	184,263	172,922	182,208	9,286
Student transportation services:				
Vehicle operating services	52,607	52,482	54,500	2,018
Vehicle and maintenance services	11,085	19,535	11,800	(7,735)
Operating transfers	263,447	302,450	279,732	(22,718)
Adjustment to comply with legal maximum budget	-	-	(9,927)	(9,927)
Total expenditures	<u>701,500</u>	<u>731,243</u>	<u>\$ 731,243</u>	<u>\$ -</u>
Receipts over (under) expenditures	(53,613)	26,205		
Unencumbered cash, beginning of year	69,808	16,195		
Prior year canceled encumbrances	-	4,008		
Unencumbered cash, end of year	<u>\$ 16,195</u>	<u>\$ 46,408</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 477
INGALLS, 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:				
Tuition	\$ 4,508	\$ 15,396	\$ 5,971	\$ 9,425
Transfer from general	15,000	13,000	13,000	-
Transfer from supplemental general	475	12,000	2,000	10,000
Total receipts	19,983	40,396	<u>\$ 20,971</u>	<u>\$ 19,425</u>
Expenditures:				
Instruction	19,982	20,209	<u>\$ 20,972</u>	<u>\$ 763</u>
Receipts over (under) expenditures	1	20,187		
Unencumbered cash, beginning of year	-	1		
Unencumbered cash, end of year	<u>\$ 1</u>	<u>\$ 20,188</u>		

See Independent Auditor's Report.

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

AT-RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ -	\$ 27,000	\$ -	\$ 27,000
Transfer from general	51,842	99,689	83,589	16,100
Transfer from supplemental general	173,452	181,002	201,102	(20,100)
Total receipts	<u>225,294</u>	<u>307,691</u>	<u>\$ 284,691</u>	<u>\$ 23,000</u>
Expenditures:				
Instruction	203,204	238,995	\$ 261,945	\$ 22,950
Student support services	11,690	9,762	12,014	2,252
Instructional support staff	10,400	10,718	10,732	14
Total expenditures	<u>225,294</u>	<u>259,475</u>	<u>\$ 284,691</u>	<u>\$ 25,216</u>
Receipts over (under) expenditures	-	48,216		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 48,216</u>		

See Independent Auditor's Report.

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

BILINGUAL EDUCATION FUND

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

For the Year Ended June 30, 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:				
Transfer from general	\$ 9,278	\$ -	\$ 15,900	\$ (15,900)
Transfer from supplemental general	<u>-</u>	<u>17,298</u>	<u>10,000</u>	<u>7,298</u>
Total receipts	<u>9,278</u>	<u>17,298</u>	<u>\$ 25,900</u>	<u>\$ (8,602)</u>
Expenditures:				
Instruction	765	8,613	\$ 18,337	\$ 9,724
Student support services	-	-	7,563	7,563
Instructional support staff	<u>8,514</u>	<u>6,265</u>	<u>-</u>	<u>(6,265)</u>
Total expenditures	<u>9,279</u>	<u>14,878</u>	<u>\$ 25,900</u>	<u>\$ 11,022</u>
Receipts over (under) expenditures	(1)	2,420		
Unencumbered cash, beginning of year	<u>1</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 2,420</u>		

See Independent Auditor's Report.

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

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Fees	\$ 147,000	\$ 161,000	\$ 161,000	\$ -
Other	50,000	49,640	49,640	-
Total receipts	<u>197,000</u>	<u>210,640</u>	<u>\$ 210,640</u>	<u>\$ -</u>
Expenditures:				
Instruction	84,656	114,056	\$ 135,200	\$ 21,144
Instructional support staff	56,219	57,804	58,400	596
General administration	18,916	19,636	-	(19,636)
School administration	-	-	22,350	22,350
Total expenditures	<u>159,791</u>	<u>191,496</u>	<u>\$ 215,950</u>	<u>\$ 24,454</u>
Receipts over (under) expenditures	37,209	19,144		
Unencumbered cash, beginning of year	<u>-</u>	<u>37,209</u>		
Unencumbered cash, end of year	<u>\$ 37,209</u>	<u>\$ 56,353</u>		

See Independent Auditor's Report.

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

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 180,271	\$ 194,391	\$ 186,681	\$ 7,710
Delinquent tax	711	1,465	1,390	75
Motor vehicle tax	10,620	13,142	12,885	257
Recreational vehicle tax	203	284	254	30
Commercial vehicle tax	271	1,023	677	346
State aid	-	8,080	8,084	(4)
Interest	-	1,853	-	1,853
Other	72,138	34,296	140,000	(105,704)
Transfer from general	166,182	54,137	9,900	44,237
Total receipts	<u>430,396</u>	<u>308,671</u>	<u>\$ 359,871</u>	<u>\$ (51,200)</u>
Expenditures:				
Instruction	46,196	25,118	\$ 50,821	\$ 25,703
Student support services	-	-	25,100	25,100
Operations and maintenance	147,429	190,006	124,394	(65,612)
Student transportation services:				
Vehicle operating services	25,020	127,465	224,000	96,535
Vehicle and maintenance services	47,135	53,669	81,656	27,987
Facility acquisition and construction	2,391	2,364	405,212	402,848
Total expenditures	<u>268,171</u>	<u>398,622</u>	<u>\$ 911,183</u>	<u>\$ 512,561</u>
Receipts over (under) expenditures	162,225	(89,951)		
Unencumbered cash, beginning of year	<u>370,702</u>	<u>532,927</u>		
Unencumbered cash, end of year	<u>\$ 532,927</u>	<u>\$ 442,976</u>		

See Independent Auditor's Report.

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

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 2,176	\$ 2,058	\$ 2,730	\$ (672)
Other	2,250	2,550	-	2,550
Total receipts	4,426	4,608	<u>\$ 2,730</u>	<u>\$ 1,878</u>
Expenditures:				
Instruction	3,712	40	<u>\$ 5,894</u>	<u>\$ 5,854</u>
Receipts over (under) expenditures	714	4,568		
Unencumbered cash, beginning of year	<u>3,117</u>	<u>3,831</u>		
Unencumbered cash, end of year	<u>\$ 3,831</u>	<u>\$ 8,399</u>		

See Independent Auditor's Report.

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

FOOD SERVICE FUND

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

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Charges for services	\$ 59,316	\$ 56,537	\$ 62,381	\$ (5,844)
Interest	1,037	-	-	-
Federal aid	52,338	51,695	65,278	(13,583)
State aid	1,299	1,217	1,440	(223)
Other	-	-	6,000	(6,000)
Transfer from general	6,500	16,427	6,500	9,927
Transfer from supplemental general	50,006	41,243	19,630	21,613
Total receipts	170,496	167,119	\$ 161,229	\$ 5,890
Expenditures:				
Operations and maintenance	-	-	\$ 25,316	\$ 25,316
Food service operations	164,173	157,512	165,875	8,363
Total expenditures	164,173	157,512	\$ 191,191	\$ 33,679
Receipts over (under) expenditures	6,323	9,607		
Unencumbered cash, beginning of year	20,026	26,349		
Unencumbered cash, end of year	\$ 26,349	\$ 35,956		

See Independent Auditor's Report.

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

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 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>\$ 2,501</u>	<u>\$ (2,501)</u>
Expenditures:				
Instructional support staff	<u>-</u>	<u>-</u>	<u>\$ 2,501</u>	<u>\$ 2,501</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. 477
INGALLS, 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)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Federal aid	\$ 1,217	\$ -	\$ -	\$ -
Other	1,686	2,998	-	2,998
Transfer from general	196,888	207,464	281,603	(74,139)
Transfer from supplemental general	39,514	40,907	47,000	(6,093)
Total receipts	<u>239,305</u>	<u>251,369</u>	<u>\$ 328,603</u>	<u>\$ (77,234)</u>
Expenditures:				
Instruction	251,908	231,623	\$ 367,318	\$ 135,695
Instructional support staff	-	26	-	(26)
Total expenditures	<u>251,908</u>	<u>231,649</u>	<u>\$ 367,318</u>	<u>\$ 135,669</u>
Receipts over (under) expenditures	(12,603)	19,720		
Unencumbered cash, beginning of year	<u>51,318</u>	<u>38,715</u>		
Unencumbered cash, end of year	<u>\$ 38,715</u>	<u>\$ 58,435</u>		

See Independent Auditor's Report.

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

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 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:				
Transfer from general	\$ -	\$ -	<u>\$ 1,000</u>	<u>\$ (1,000)</u>
Expenditures:				
Instruction	<u>-</u>	<u>-</u>	<u>\$ 1,000</u>	<u>\$ 1,000</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. 477
INGALLS, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTIONS 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	\$ 190,943	\$ 167,813	\$ 254,623	\$ (86,810)
Expenditures:				
Instruction	112,504	105,891	\$ 140,000	\$ 34,109
Student support services	6,742	4,582	13,000	8,418
Instructional support staff	25,350	20,147	17,000	(3,147)
General administration	6,589	5,500	14,323	8,823
School administration	14,258	11,685	20,000	8,315
Operations and maintenance	12,993	8,556	30,000	21,444
Student transportation services	6,508	6,492	10,300	3,808
Food service operations	5,999	4,960	10,000	5,040
Total expenditures	190,943	167,813	\$ 254,623	\$ 86,810
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

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

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 56,332	\$ 60,747	\$ 58,329	\$ 2,418
Delinquent tax	227	643	434	209
Motor vehicle tax	4,083	4,107	4,027	80
Recreational vehicle tax	80	89	79	10
Commercial vehicle tax	91	320	212	108
Windfarm donations	1,635	1,686	1,600	86
Total receipts	62,448	67,592	<u>\$ 64,681</u>	<u>\$ 2,911</u>
Expenditures:				
Community service operations	50,100	50,100	<u>\$ 68,355</u>	<u>\$ 18,255</u>
Receipts over (under) expenditures	12,348	17,492		
Unencumbered cash, beginning of year	995	13,343		
Unencumbered cash, end of year	<u>\$ 13,343</u>	<u>\$ 30,835</u>		

See Independent Auditor's Report.

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

RECREATION COMMISSION SPECIAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 8,363	\$ 8,969	\$ 8,628	\$ 341
Delinquent tax	33	91	65	26
Motor vehicle tax	606	610	597	13
Recreational vehicle tax	12	13	12	1
Commercial vehicle tax	13	47	31	16
Total receipts	9,027	9,730	<u>\$ 9,333</u>	<u>\$ 397</u>
Expenditures:				
Community service operations	7,557	7,557	<u>\$ 11,400</u>	<u>\$ 3,843</u>
Receipts over (under) expenditures	1,470	2,173		
Unencumbered cash, beginning of year	715	2,185		
Unencumbered cash, end of year	<u>\$ 2,185</u>	<u>\$ 4,358</u>		

See Independent Auditor's Report.

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

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2019

	Title II improving teacher quality	Ingalls Alumni Foundation	Gifts and grants	Contingency reserve
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Receipts:				
Rental fees and books	\$ -	\$ -	\$ -	\$ -
Federal aid	3,467	-	-	-
State aid	-	-	4,447	-
Contributions and donations	-	6,762	1,512	-
Windfarm donations	-	-	30,206	-
Transfer from supplemental general	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total receipts	3,467	6,762	36,165	-
Expenditures:				
Instruction	3,467	-	26,750	-
Student support services	-	-	314	-
Instructional support staff	-	-	2,188	-
General administration	-	-	686	-
School administration	-	-	686	-
Operations and maintenance	-	-	1,539	-
Vehicle operating services	-	-	350	-
Food service operations	-	-	800	-
Community services	-	11,122	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	3,467	11,122	33,313	-
Receipts over (under) expenditures	-	(4,360)	2,852	-
Unencumbered cash, beginning of year	-	48,809	38,677	128,067
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 44,449</u>	<u>\$ 41,529</u>	<u>\$ 128,067</u>

See Independent Auditor's Report.

<u>Student material revolving</u>	<u>Title I</u>	<u>Title IVA student support</u>	<u>Federal REAP grant</u>	<u>Total</u>
\$ 16,146	\$ -	\$ -	\$ -	\$ 16,146
-	24,164	11,080	19,528	58,239
-	-	-	-	4,447
-	-	-	-	8,274
-	-	-	-	30,206
10,000	-	-	-	10,000
<u>26,146</u>	<u>24,164</u>	<u>11,080</u>	<u>19,528</u>	<u>127,312</u>
21,988	10,161	11,080	19,528	92,974
-	-	-	-	314
-	14,003	-	-	16,191
-	-	-	-	686
-	-	-	-	686
-	-	-	-	1,539
-	-	-	-	350
-	-	-	-	800
-	-	-	-	11,122
<u>21,988</u>	<u>24,164</u>	<u>11,080</u>	<u>19,528</u>	<u>124,662</u>
4,158	-	-	-	2,650
9,723	-	-	-	225,276
<u>\$ 13,881</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 227,926</u>

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

CAPITAL PROJECTS FUND

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

See Independent Auditor's Report.

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

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended June 30, 2019

<u>Funds</u>	Beginning unencumbered cash balance	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
Activities	\$ 3,466	\$ 9,658	\$ 7,848	\$ 5,276	\$ -	\$ 5,276
Officials and referees	648	9,352	9,978	22	-	22
Clearing	-	1,269	1,269	-	-	-
Total gate receipts	<u>4,114</u>	<u>20,279</u>	<u>19,095</u>	<u>5,298</u>	<u>-</u>	<u>5,298</u>
School projects:						
Student supplies	-	3,545	3,545	-	-	-
Library	1,661	1,504	1,568	1,597	-	1,597
Drug monies	9	-	-	9	-	9
TEAM	2,565	15,806	15,776	2,595	-	2,595
Yearbook	19,642	13,490	15,488	17,644	-	17,644
Total school projects	<u>23,877</u>	<u>34,345</u>	<u>36,377</u>	<u>21,845</u>	<u>-</u>	<u>21,845</u>
Total district activity	<u>\$ 27,991</u>	<u>\$ 54,624</u>	<u>\$ 55,472</u>	<u>\$ 27,143</u>	<u>\$ -</u>	<u>\$ 27,143</u>

See Independent Auditor's Report.

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

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2019

<u>Funds</u>	Beginning cash balance (deficit)	Receipts	Disbursements	Ending cash balance
Student activity funds:				
Music	\$ 467	\$ 837	\$ 436	\$ 868
Cheerleaders	(150)	8,075	7,303	622
KAY	15	1,313	1,168	160
I-Club	2,743	5,753	5,241	3,255
Men's athletics	(33)	439	313	93
STUCO	(124)	5,884	5,236	524
Dance team	-	3,885	3,525	360
Pass. Set. Cure	233	1,408	1,517	124
Middle School STUCO	49	605	423	231
JH cheerleaders	506	1,499	1,955	50
Junior high	558	4,082	4,064	576
Class of '17	818	-	-	818
Class of '18	222	-	-	222
Class of '19	1,768	-	573	1,195
Class of '20	1,379	27,870	28,189	1,060
Class of '21	225	-	12	213
Total student activity funds	8,676	61,650	59,955	10,371
Clearing funds:				
Sales tax	-	5,481	5,481	-
Payroll clearing	3,704	26,549	27,600	2,653
Flexible benefits	1,780	36,341	29,896	8,225
Total clearing funds	5,484	68,371	62,977	10,878
Total agency funds	\$ 14,160	\$ 130,021	\$ 122,932	\$ 21,249

See Independent Auditor's Report.

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

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

GENERAL FUND

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

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2018		Variance favorable (unfavorable)
	2017	Actual	
Receipts:			
Appropriation from Unified School District No. 477:			
Recreation commission	\$ 62,551	\$ 58,833	\$ 63,600
Recreation commission special	8,996	8,491	11,400
Pool admissions	175	163	200
Interest	190	196	110
Baseball fees	975	1,600	500
Miscellaneous	1,029	54	1,200
	<u>73,916</u>	<u>69,337</u>	<u>\$ 77,010</u>
			<u>\$ (7,673)</u>
Expenditures:			
Baseball expenses	11,213	11,955	\$ 17,000
Pool expenses	4,814	4,722	10,000
Payroll and taxes	26,308	26,803	30,000
Utilities	3,209	3,677	2,300
Capital outlay	39,781	1,362	120,000
Miscellaneous	4,341	5,217	5,000
	<u>89,666</u>	<u>53,736</u>	<u>\$ 184,300</u>
			<u>\$ 130,564</u>
Receipts over (under) expenditures	(15,750)	15,601	
Unencumbered cash, beginning of year	107,875	92,125	
Unencumbered cash, end of year	<u>\$ 92,125</u>	<u>\$ 107,726</u>	

See Independent Auditor's Report.