



Certified Public Accountants

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS

BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

TOPEKA PUBLIC SCHOOLS
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 BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Education
Topeka Public Schools
Unified School District No. 501:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Topeka Public Schools Unified School District No. 501 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date the financial statements are issued or available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statements and schedules listed under supplementary information in the accompanying table of contents including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BTE&Co, P.A.

February 27, 2023
Topeka, Kansas

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Management’s Discussion and Analysis (MD&A) section of the Topeka Public Schools, Unified School District No. 501 (the District) financial report represents our examination of the District’s financial performance during the year. The MD&A is intended to assist the reader in gaining understanding of how the various statements relate to each other and provide an objective and easily readable analysis of the District’s financial activities.

USING THIS GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) BASED REPORT

The District’s financial statement package for the fiscal year ended June 30, 2022 is comprised of the following significant sections: Independent Auditor’s Report, Management’s Discussion and Analysis (MD&A) (Unaudited), the Basic Financial Statements (Audited), Supplementary Schedules, Combining Statements, the Schedule of Expenditures of Federal Awards, and the Auditors’ Reports on Internal Controls and Compliance. These financial statements include all the accounts for which the District is considered to be financially responsible. The MD&A is intended to serve as an introduction to the District’s basic financial statements.

THE BASIC FINANCIAL STATEMENTS CONSIST OF THE FOLLOWING:

- District-Wide Financial Statements
- Fund Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS:

The District-wide financial statements are designed to provide readers with a broad overview of the District’s finances in a manner similar to a private-sector business. These statements take a much larger view of the District’s finances than do the fund-level statements.

The Statement of Net Position presents information on all of the District’s assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District’s net position changed during the last fiscal year.

The District-wide financial statements are presented using the economic resources measurement focus, which emphasizes the determination of net income and expense on the accrual basis of accounting, as are the accompanying proprietary fund statements. Revenues are recognized when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds or business-type activities distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund’s ongoing operations. The principal operating revenues of the District’s proprietary funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

As a general rule, the effect of inter-fund activity has been eliminated from the District-wide financial statements. Exceptions to this rule are charges between the District’s governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

TOPEKA PUBLIC SCHOOLS, UNIFIED SCHOOL DISTRICT NO. 501 NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current assets						
Cash and investments	\$ 62,651,046	\$ 57,156,745	\$ 6,121,608	\$ 4,753,166	\$ 68,772,654	\$ 61,909,911
Other	110,629,224	11,101,218	474,451	421,573	111,103,675	11,522,791
Total current assets	173,280,270	68,257,963	6,596,059	5,174,739	179,876,329	73,432,702
Noncurrent assets						
Restricted cash and inves	9,674,709	108,338,390	-	-	9,674,709	108,338,390
Leases Receivable	357,393	-	-	-	357,393	-
Capital assets not being depreciated	7,544,876	9,684,704	-	-	7,544,876	9,684,704
Capital assets net of depreciation	208,453,114	210,032,237	1,230,909	1,289,989	209,684,023	211,322,226
Right to use leases assets, net amortization	351,158	-	-	-	351,158	-
Total noncurrent assets	226,381,250	328,055,331	1,230,909	1,289,989	227,612,159	329,345,320
Total assets	399,661,520	396,313,294	7,826,968	6,464,728	407,488,488	402,778,022
Deferred outflows of resources						
Deferred outflows - OPEB	2,424,163	1,408,239	-	-	2,424,163	1,408,239
Deferred outflows - pension	39,011,522	47,417,756	-	-	39,011,522	47,417,756
Total deferred outflows of resources	41,435,685	48,825,995	-	-	41,435,685	48,825,995
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	14,066,005	9,052,383	69,762	486,318	14,135,767	9,538,701
Accrued interest payable	3,870,664	5,693,594	-	-	3,870,664	5,693,594
General obligation bonds payable, current	3,175,000	2,980,000	-	-	3,175,000	2,980,000
Financed payable, current	485,877	478,838	-	-	485,877	478,838
Lease obligation payable, current	129,826	-	-	-	129,826	-
Other current liabilities	13,114,497	11,312,949	110,605	39,146	13,225,102	11,352,095
Total current liabilities	34,841,869	29,517,764	180,367	525,464	35,022,236	30,043,228
Noncurrent liabilities						
General obligation bonds payable, net	251,366,086	254,634,664	-	-	251,366,086	254,634,664
Financed purchase	993,286	1,479,162	-	-	993,286	1,479,162
Lease obligation payable	239,499	-	-	-	239,499	-
Accrued compensated absences	1,413,487	1,666,201	-	-	1,413,487	1,666,201
Net pension liability	126,099,493	169,148,337	-	-	126,099,493	169,148,337
Post employment benefits payable	33,576,139	36,237,610	-	-	33,576,139	36,237,610
Total noncurrent liabilities	413,687,990	463,165,974	-	-	413,687,990	463,165,974
Total liabilities	448,529,859	492,683,738	180,367	525,464	448,710,226	493,209,202
Deferred inflows of resources						
Deferred inflows - leases	469,599	-	-	-	469,599	-
Deferred inflows - OPEB	7,911,470	6,386,546	-	-	7,911,470	6,386,546
Deferred inflows - pension	35,511,001	5,744,139	-	-	35,511,001	5,744,139
Total deferred inflows of resources	43,892,070	12,130,685	-	-	43,892,070	12,130,685
Net Position						
Net investment in capital assets	66,284,574	66,469,277	1,230,909	1,289,989	67,515,483	67,759,266
Restricted for						
Debt Service	5,546,487	6,351,254	-	-	5,546,487	6,351,254
Special Education	6,822,291	6,208,364	-	-	6,822,291	6,208,364
Capital Outlay	2,648,096	3,325,858	-	-	2,648,096	3,325,858
Other	3,375,531	4,096,403	-	-	3,375,531	4,096,403
Unrestricted	(136,001,703)	(146,126,290)	6,415,692	4,649,275	(129,586,011)	(141,477,015)
Total net position	\$ (51,324,724)	\$ (59,675,134)	\$ 7,646,601	\$ 5,939,264	(43,678,123)	(53,735,870)

TOPEKA PUBLIC SCHOOLS, UNIFIED SCHOOL DISTRICT NO. 501 STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Charge for services	\$ 2,169,825	\$ 1,060,331	\$ 780,092	\$ 541,744	\$ 2,949,917	\$ 1,602,075
Federal grants	36,039,536	21,206,915	9,983,337	8,551,837	46,022,873	29,758,752
Other grants and contributions	17,251,651	16,472,411	70,317	39,016	17,321,968	16,511,427
General revenues						
Property taxes	21,734,928	21,829,390	-	-	21,734,928	21,829,390
State aid	130,973,570	132,030,341	63,527	76,733	131,037,097	132,107,074
Other revenue from local sources	1,367,151	1,567,793	-	-	1,367,151	1,567,793
Interest and investment earnings	1,820,636	2,518,664	3,279	1,135	1,823,915	2,519,799
Total revenues	<u>211,357,297</u>	<u>196,685,845</u>	<u>10,900,552</u>	<u>9,210,465</u>	<u>222,257,849</u>	<u>205,896,310</u>
Expenses						
Instruction	112,571,996	117,438,618	-	-	112,571,996	117,438,618
Instructional support	4,797,467	4,881,070	-	-	4,797,467	4,881,070
Student support	24,056,633	19,790,008	-	-	24,056,633	19,790,008
General administration	2,941,555	3,010,023	-	-	2,941,555	3,010,023
School administration	10,567,063	10,781,055	-	-	10,567,063	10,781,055
Business support	3,000,886	3,209,949	-	-	3,000,886	3,209,949
Plant and maintenance	19,985,316	18,602,138	-	-	19,985,316	18,602,138
Transportation	5,699,785	4,516,024	-	-	5,699,785	4,516,024
Central support services	9,875,402	12,437,737	-	-	9,875,402	12,437,737
Other support	185,728	86,719	-	-	185,728	86,719
Student activities	1,315,721	832,340	-	-	1,315,721	832,340
Interest on long term debt	7,502,162	11,126,072	-	-	7,502,162	11,126,072
Textbook/study material	-	-	905,731	1,468,297	905,731	1,468,297
Food service	-	-	8,793,202	7,948,158	8,793,202	7,948,158
Other business-type activities	-	-	1,455	1,455	1,455	1,455
Total expense	<u>202,499,714</u>	<u>206,711,753</u>	<u>9,700,388</u>	<u>9,417,910</u>	<u>212,200,102</u>	<u>216,129,663</u>
Increase (decrease) in net position before transfers	8,857,583	(10,025,908)	1,200,164	(207,445)	10,057,747	(10,233,353)
Transfers	(507,173)	(890,000)	507,173	890,000	-	-
Change in net position	<u>8,350,410</u>	<u>(10,915,908)</u>	<u>1,707,337</u>	<u>682,555</u>	<u>10,057,747</u>	<u>(10,233,353)</u>
Net position, beginning	(59,675,134)	(40,593,328)	5,939,264	5,248,743	(53,735,870)	(35,344,585)
Prior period adjustment	-	(8,165,898)	-	7,966	-	(8,157,932)
Net position, beginning of year restated	<u>(59,675,134)</u>	<u>(48,759,226)</u>	<u>5,939,264</u>	<u>5,256,709</u>	<u>(53,735,870)</u>	<u>(43,502,517)</u>
Net position, ending	<u>\$ (51,324,724)</u>	<u>\$ (59,675,134)</u>	<u>\$7,646,601</u>	<u>\$5,939,264</u>	<u>\$ (43,678,123)</u>	<u>\$ (53,735,870)</u>

FUND FINANCIAL STATEMENTS

Governmental fund financial statements provide more detailed information about the District’s most significant funds—not the District as a whole. A fund is an accounting device and considered to be a separate accounting entity, and is used to keep track of specific sources of funding and spending for a particular purpose. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Funds are used to ensure and demonstrate compliance with financial related legal requirements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in assets and fund balance as a measure of available spendable resources. This means only current

liabilities are generally included on their balance sheets. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred as under accrual accounting; however, debt service expenditures as well as expenditures related to compensated absences are recorded only when payment is due.

District’s Major Governmental Funds:

1. General Fund – Used to account for the general operations of the District and all unrestricted revenues and expenditures not required to be accounted for in other funds.
2. Special Education Fund – Used to account for the revenues and expenditures related to the education and services for District’s special needs programs.
3. Capital Outlay – Used to account for revenues that are primarily utilized for the acquisition, construction, repair, and remodeling of the District’s buildings and facilities.
4. USDE Pass Through Fund – Used to account for the revenues and expenditures related to federal grant programs funded by the United States Department of Education.
5. KPERS Special Retirement Contribution Fund – The Legislature established the KPERS Special Retirement Contribution Fund (51), which is a flow-through fund and unencumbered cash balance is not allowed. Through the 2005 omnibus appropriations bill, the Legislature amended the procedures for the state paying the districts’ employer’s share of KPERS. Participating employers shall certify to the state board, before September 15 of each year, the anticipated total compensation to be paid to employees who are members, or are to become members, during the next fiscal year. KPERS is to certify to KSDE the employer’s share of KPERS on a quarterly basis. KSDE sends the money to the districts which in turn immediately return the funds to KPERS. Reference K.S.A. 74-4939a.
6. Bond and Interest Fund – Used to account for resources accumulated and payments made for principal and interest on long-term debt.

SUPPLEMENTAL FINANCIAL SCHEDULES:

Kansas statutes require that each year the District must provide overseeing state agencies with an audited set of financial statements. Thus, the data presented in the District-wide and Fund financial statements is converted to the budget basis of accounting and provided as supplemental schedules.

Each individual school maintains its activity funds to handle funds raised and expended by its various student groups. These funds are held and controlled by the District for the purpose for which they were raised. Separate supplemental financial statements covering these funds are included in the packet of financial statements.

A separate schedule on federal grants received by the District is also included to assist those outside the District in monitoring the proper handling of grants awarded to the District.

FINANCIAL STATEMENTS ANALYSIS:

As noted earlier, over time net position may serve as a useful indicator of a governmental organization's financial position. At the close of the most recent fiscal year the District's governmental liabilities exceeded assets by (\$51,324,724); business-type assets exceeded liabilities by \$7,646,601 during this period. For the two types of activities combined, the District's total net position was (\$43,678,123), which is a substantial improvement from last year's total net position of (\$53,735,870). The negative net position again is primarily due to our recording of the Kansas Public Employees Retirement System (KPERS) net pension noncurrent liability of \$126,099,493 (decrease of \$43 million compared with FY-2021). Also influencing the FY-2022 net position is GASB 75, which requires state and local employers to report their portion of the state's postemployment benefits (i.e. death and disability) as a noncurrent liability. This totaled \$2,770,147 for FY-2022, compared to \$2,772,311 in FY-2021. District employees are covered under the KPERS plan and the state of Kansas makes all employer pension contributions on behalf of the District.

The noncurrent portion of the District's total assets typically reflects its investment in capital assets (e.g., land, buildings and equipment) less any accumulated depreciation. Noncurrent assets for FY-22 were \$101,733,161 lower compared to the prior year, primarily due to the upcoming fiscal year 2023 maturities of \$ 98,663,703 in escrow account investments, causing them to be classified as current assets in FY-22 vs non-current FY-21.

1. The District's total assets increased by 1.17% (\$4,710,466) during fiscal year 2022. The prevalent factor for the increase is reflected in Current assets cash and investments for Governmental and Business-Type Activities. Also of note, refunded bond principal payments are not recorded as defeased until the crossover date. Because there is no defeasance until the crossover date, assets held in trust by the escrow agent are reported as current or noncurrent assets based on their maturity with restricted cash and investments. For FY-2022 this was \$108,338,412. Also of note is the new GASB 87 requirement concerning reporting of leases, which added \$823,969 of current and non-current assets to FY-22 total assets.
2. The District's non-current liabilities decreased by \$49,477,984 (10.7%) during the year ended June 30, 2022. The District's proportionate share of state KPERS net pension liability decreased substantially by \$43,048,844 (25.5%). Also of note is a \$3,268,578 (1.3%) drop in general obligation bonds payable and a \$2,661,471 (7.3%) decline in post employment benefits payable.
3. Total liabilities decreased by \$44,498,976 (9.0%) during the year ended June 30, 2022 for reasons noted in #2 above, primarily the decrease in District's proportionate share of KPERS pension of \$43,048,844.
4. Combined current and non-current accrued compensated absences (sick pay and vacation) increased (1.1%) from \$2,735,255 in 2021 to \$2,765,393 at year ended June 30, 2022.
5. The District's Total-Liabilities for 2022 are approximately 1.1 times Total-Assets compared with 1.22 for FY-21. The recording of the KPERS Net pension liability remains an important factor impacting this ratio. Removing the \$126,099,493 KPERS liability brings the Total-Debt to Total-Assets ratio down to 79%. Setting aside the crossover refinancing of 2014A GO debt further lowers the FY-22 ratio to 73%.
6. The District's Bonded-Debt on June 30, 2022 was approximately 116% of Capital Assets (FY-2021 was 77.3%). Setting aside the crossover refinancing of 2014A GO debt lowers the ratio to 66%. The District Moody's credit profile, affirmed August 22, 2022, is Aa3 for General Obligation bond debt. The Moody's rating(s) for the City of Topeka and State of Kansas respectively are Aa3 and Aa2 stable. Moody's Aa rated debt obligations are judged to be of high quality and subject to very low credit risk.

7. The Statement of Activities provides further insight to the District's 2022 net position. The District's total revenues increased to \$222,257,849 in FY-22 from FY-21's \$205,896,310. Combined revenues from State aid and Federal grants were \$15,194,144 (9.4%) higher in 2022 versus 2021; the majority of increase in revenues were from federal FY-22 COVID aid. The District experienced a 1.8% (\$3,929,561) decline in total expenses to \$212,200,102. The above activities resulted in a positive change in Net Position before transfers of \$10,057,747 for FY-2022, compared to a FY-2021 negative change in Net Position of (\$10,233,353).
8. The Statement of Activities also reflects a stable picture in revenue from property tax collections: \$21,734,928 for FY-2022 versus \$21,829,390 for FY-2021 collections. Final tax rates experienced a decrease of (1.33) mills to 48.385 for FY-22 versus 49.716 for FY-2021. Assessed valuation of property for the district increased 5.0% January 1, 2021 for the General Fund to \$622,948,964 and total valuation up 3.9% to \$712,590,658 versus FY-21 of \$685,920,302.
9. The District's Current Ratio was 5.14 in 2022 compared to 2.44 in 2021. The substantial increase in Current Ratio is due to the \$98,663,703 in maturing escrow funds reported FY-22 as a current assets per above. Backing out the maturing escrow funds, the District's current ratio is 2.32. The current ratio is a measure of an entity's ability to meet current obligations on time and to have funds readily available for current and upcoming operations.
10. Another ratio similar to the current ratio is the "quick ratio". This ratio is similar to the current ratio but focuses more on cash and cash equivalents for the satisfaction of maturing debt. The District's Quick Ratio was 1.96 in 2022 compared to 2.06 in 2021. The ratio indicates the District has adequate cash or cash equivalents (not inventory) in excess of the amount needed to pay its currently maturing liabilities.

Fund Financial Statement Analysis

1. General: General Fund (State Code 06) Final FY-2022 Legal Max budget authority was \$101,292,866. Comparable FY-2021 Legal Max General Fund budget authority was \$102,221,778. Even with a 3.0 % increase in per pupil State Foundation Aid in FY-22 of \$4,706 compared to FY-21 of \$4,569, the District's Legal Max General Fund budget authority for 2022 declined by 1%, primarily due to continued declining enrollment. The following is the District's audited "Full Time Equivalent" (F.T.E.) student enrollment numbers for the past three years (excluding weightings, 4-Yr. Old At-Risk and Virtual students); FY-2022 was 11,775.0, FY-2021 was 11,949.3, FY-2020 was 12,475.1.

The District adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for FY-2011. This adoption resulted in the following funds being combined with the General Fund on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances: Supplemental General, Professional Development, Summer School, Pepsi Exclusivity, Internal Service Reserve, Federal Program Overhead, Sports Park Operations, Payroll Liability Clearing, Self-Insurance Reserve, Risk Management, and the Contingency Reserve. Because of further school funding law changes, the At-Risk K-12, At-Risk 4-Year Old, Bilingual Education, and Career and Postsecondary Education Funds are also combined and reported in the General Fund (Balance Sheet Governmental Funds) as opposed to being listed as Special Revenue Funds. General Fund combining schedules are included at the end of the financial statements.

Supplemental General Fund: In 2006, the Kansas Legislature increased the maximum level of budget authority in school districts' Supplemental General or Local Option Budget (LOB) Funds from 27% of the General Fund to 31% of the General Fund. Again, in 2014, legislation raised the allowable maximum to 33%. The District was able to pass a Resolution authorizing its LOB up to the 33% max. The District's Supplemental General Fund adopted authority was the max 33% for FY-2022. Total expenditures and

transfers for FY-2022 were \$32,996,694 (Legal Max), slightly lower than FY-2021 Legal Max of \$33,843,390. State aid for the Supplemental General Fund was \$20,979,298 for FY-2022, and the District received \$21,612,389 of LOB state aid FY-2021. Local tax revenues generated from the LOB mill levy collected \$12,506,618 during FY-2022 vs. \$12,327,922 during FY-2021. FY-2022 LOB mill rate was 16.352 vs. 16.644 for FY-2021.

2. **At-Risk K-12 Fund:** Rules governing K-12 At-Risk dollars allow for carrying over unused funds from one fiscal year to another, the unused budget authority is allowed to remain in the fund for use in subsequent years. The District’s K-12 At-Risk fund balance was \$777 (\$4,490 GAAP) at the end of fiscal year 2022. This fund balance was down (\$3.2 million net change) from fiscal year 2020’s carryover balance of \$3,204,514. This decrease was strategic due to legislative changes that require 100% of FY-22 At-Risk state aid be transferred from the General Fund to the At-Risk Fund, while maintaining the proportionate share transfer requirement from the LOB for FY-22.
3. **USDE Pass Through Fund:** This fund was created to account for federal grants from USDE. Most of our federal grants operate on a reimbursement of expenditures method. This fund normally has a zero fund balance (GAAP) at the end of the fiscal year as grant revenue equals grant expenditures.
4. **Special Education Fund:** The District transferred \$21,141,368 (\$16,726,252 in Categorical SPED Aid) from its General Fund and \$12,129,453 from its Supplemental General Fund to the Special Education Fund during Fiscal Year 2022 (\$33,270,821 total – up 1.2%) to cover the costs associated with providing required services (compared with \$32,891,374 in FY-2021). Expenditures were up 3.3% or \$1.2M for FY-2022 at \$40.1 million. The FY-2022 ending fund balance of \$6,879,692 (GAAP) was higher (by \$553,911 or 8.8%) from the fiscal year 2021 carryover balance of \$6,325,781. Special needs student FTE remains stable compared with other district weighted student categories.
5. **Capital Outlay Fund:** The District’s mill levy to support the operations of the Capital Outlay Fund was 7.999 mills for Fiscal Year 2022, an increase of .28 mills from 7.716 in FY- 2021. The Capital Outlay Fund supports building maintenance, remodel and repair projects, as well as District-wide technology initiatives. The fund’s revenue stream for FY-22 was enhanced because of legislation passed in 2008 creating a state aid program to assist Kansas school districts in addressing their maintenance and repair needs. The District received \$3,221,709 in this type of assistance from the State in FY-22. Including encumbrances, the FY-22 ending fund balance of \$7,874,447 was 9.3% higher (by \$672,874) when compared with FY-21 ending fund balance of \$7,201,573. A sample of the largest budgeted capital outlay maintenance and technology projects during FY-2022 are as follows:

Ross Elem. Door & Window Replacement – 1013222	\$ 500,000
Eisenhower Middle Roof Replacement – 1032622	\$ 325,000
Eisenhower Middle HVAC Phase I Replace - 1020122	\$ 300,000
Chase Middle HVAC Replace - 1010122	\$ 300,000
Ross Uni-vent Replace - 1040122	\$ 225,000
Topeka West High Ceiling Light Replace – 1010722	\$ 212,500
Highland Park High Roof Replace - 1012622	\$ 210,000
Jardine Middle Asphalt Track – 1029622	\$ 200,000
Topeka West High ADA Ramp – 1012822	\$ 190,000
Landon Asphalt Replacement - 1010222	\$ 180,000
Service Center Boiler Replacement – 1010522	\$ 175,000
Topeka High Sound & Lighting Replace – 1019822	\$ 165,000
Topeka West High Upgrade Fire Alarm – 1011322	\$ 135,000

Forty-one (41) Major Maintenance projects with a total estimated cost of \$4,835,000 were budgeted for FY-2022 - similar work for prior year FY-21 was budgeted at \$3,106,000.

6. Bond Fund: In April of 2014, voters unanimously approved a ballot giving the District authorization to issue general obligation bonds in an amount not exceeding \$143,000,000. On July 8, 2014 the District issued \$110,000,000 of Series 2014A general obligation bonds to finance needed capital improvements. Interest rates on the bonds average 3.862% with a maturity date of September 1, 2044. At the same time, the District issued \$8,160,000 of Series 2014B taxable general obligation bonds to retire certain outstanding general obligation bonds with a maturity date of August 1, 2020. On April 19, 2016, the District issued the final \$33,000,000 of its authorized General Obligation Bonds; the average interest rate for the 2016 issue was 3.124% (historically low bond rates) with a maturity date of September 1, 2044. As of June 30, 2022, the District issued Purchase Orders totaling over \$146 million (included are the original 2014 bond proceeds, plus premium and interest earned) utilizing Bond funds, 100% of the original bond issue of \$143 million dollars. For FY-2022, focus was on finalizing the 2014 issue. Fund balance including encumbrances on June 30, 2022 was \$0.
7. The District's FY-2022 Textbook Revolving Fund Net Position of \$2,144,046 reflects a decrease of (\$127,632) from the FY-2021 Net Position of \$2,271,678. Total expenditures for FY-2022 decreased to \$905,731 vs. expenditures of \$1,468,297 during FY-2021. Transfer(s) from the General Fund and LOB totaling \$507,173 were made to the Textbook Revolving Fund during FY-2022.
8. Food Service Fund: The District's Food Service operations finished the year with another very positive change in Net Position of \$1,805,947 compared with the FY-2021 positive change in Net Position of 1,036,995. Food Service revenues were strong in both FY-2022 & FY-2021 as students returned to in-person classes and USDA guidelines made ALL students eligible for free meals regardless of socio-economic status; this USDA guideline remained in place for the entire FY-2022 school year. USDA meal reimbursements to districts for all of the FY-2022 school year remained on Summer Meal Program reimbursement rates, which are substantially higher than standard year meal reimbursements. Food Service revenues are comprised of Operating (Charges for services) and Nonoperating (Federal & State reimbursements) payments. Combined revenues for FY-2022 totaled \$10,629,626 compared to FY-2021 combined revenues of \$8,994,508. Operating expenses were \$8,823,679 for FY-2022, compared to FY-2021 operating expenses of \$7,957,513, increasing by \$866,166. The almost 11% increase in Operating expenses for FY-2022 is due primarily to supply chain issues and the substantial inflationary increases in food supplies and fuel experienced by everyone.

Budgetary Highlights

1. The District saw its adopted total state budget amount for all funds increase substantially to \$290,905,674 (excludes Transfers of \$63,041,603) in FY-2022 from \$227,847,037 (excludes Transfers of \$60,509,914) in FY-2021. The increase in net USD budget authority is largely attributable to a substantial increase (up \$61.9M) in Federal Grants budget authority adopted for FY-22 of \$77,717,399, which again is largely related to COVID relief ESSER grant awards.
2. The District's Total Assessed Valuation has experienced an average growth of 3.4% for the previous three budget cycles; 2019 Total Assessed Valuation for FY-2020 was \$666.5 million, 2020 was \$685.9 million & 2021 valuations grew to \$712.5 million. During the same three budget cycles Total Mill levies decreased by over 2.1 mills; 2020 Total Mill Levy was 50.563, 2021 was 49.716, and 2022 Levies fell to 48.385.
3. The District's Board passed Resolution 15-39 on June 16, 2015 adopting the ability to increase its local option budget authority by an additional 3% (from 30% to 33%). The adopted LOB percentage for the past three fiscal years is as follows: FY-2020 32.9%, FY-2021 33.0%, and FY-2022 33%. The District continues

to leverage the LOB percentage in efforts to maximize state aid and adequately fund all instructional programs while keeping its total mill levy stable.

Capital Assets and Debt Administration

1. The District's FY-2022 long-term bonded debt liability decreased by (\$2,980,000) from FY-2021; FY-2022 Year-end bonded debt Principal owed was \$146,460,000 (excluding crossover-refunding securities held in irrevocable trust). The District's Bond & Interest / Debt Service Fund (Code 62) had an ending cash balance of \$6,687,915.

The crossover refunded bonds noted above resulted in an economic gain of \$4,833,933 and a reduction of five years and approximately \$20,000,000 in future debt service payments.

This report's intent is to provide a descriptive overview of USD 501's FY-2022 financial position. Please address any requests for information or questions concerning this report to the Chief Financial Officer – Board Treasurer, 624 SW 24th Street, Topeka, Kansas 66611-1294.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and investments	\$ 62,651,046	\$ 6,121,608	\$ 68,772,654
Restricted cash and investments	98,663,703	-	98,663,703
Due from other governmental units	1,319,663	697	1,320,360
Interest receivable	716,629	-	716,629
State aid receivables	9,813,461	-	9,813,461
Leases receivable	115,418	-	115,418
Internal balances	(71,577)	71,577	-
Inventory of materials and supplies	71,927	402,177	474,104
Total current assets	173,280,270	6,596,059	179,876,329
Noncurrent assets:			
Restricted cash and investments	9,674,709	-	9,674,709
Leases receivable	357,393	-	357,393
Capital assets:			
Capital assets not being depreciated	7,544,876	-	7,544,876
Capital assets, net of accumulated depreciation	208,453,114	1,230,909	209,684,023
Right to use leased assets, net of accumulated amortization	351,158	-	351,158
Total noncurrent assets	226,381,250	1,230,909	227,612,159
Total assets	399,661,520	7,826,968	407,488,488
Deferred outflows of resources:			
Deferred outflows - OPEB	2,424,163	-	2,424,163
Deferred outflows - pension	39,011,522	-	39,011,522
Total deferred outflows of resources	41,435,685	-	41,435,685
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	14,066,005	69,762	14,135,767
Accrued interest payable	3,870,664	-	3,870,664
Estimated insurance claims	662,099	-	662,099
Payroll liabilities	8,123,191	-	8,123,191
Unearned revenue	2,977,301	110,605	3,087,906
General obligation bonds payable	3,175,000	-	3,175,000
Financed purchase	485,877	-	485,877
Lease obligation payable	129,826	-	129,826
Accrued compensated absences	1,351,906	-	1,351,906
Total current liabilities	34,841,869	180,367	35,022,236
Noncurrent liabilities:			
General obligation bonds payable, net	251,366,086	-	251,366,086
Financed purchase	993,286	-	993,286
Lease obligation payable	239,499	-	239,499
Accrued compensated absences	1,413,487	-	1,413,487
Net pension liability	126,099,493	-	126,099,493
Total OPEB liability	33,576,139	-	33,576,139
Total noncurrent liabilities	413,687,990	-	413,687,990
Total liabilities	448,529,859	180,367	448,710,226
Deferred inflows of resources:			
Deferred inflows - leases	469,599	-	469,599
Deferred inflows - OPEB	7,911,470	-	7,911,470
Deferred inflows - pension	35,511,001	-	35,511,001
Total deferred inflows of resources	43,892,070	-	43,892,070
Net position:			
Net investment in capital assets	66,284,574	1,230,909	67,515,483
Restricted for:			
Debt service	5,546,487	-	5,546,487
Special education	6,822,291	-	6,822,291
Capital outlay	2,648,096	-	2,648,096
Other	3,375,531	-	3,375,531
Unrestricted	(136,001,703)	6,415,692	(129,586,011)
Total net position	\$ (51,324,724)	\$ 7,646,601	\$ (43,678,123)

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants		Governmental Activities	Business-Type Activities	Total
			Federal Grants	Other Grants and Contributions			
Governmental activities:							
Instruction	\$ 112,571,996	\$ 61,783	\$ 25,845,337	\$ 17,251,651	\$ (69,413,225)		\$ (69,413,225)
Instructional support	4,797,467	-	35,243	-	(4,762,224)		(4,762,224)
Student support	24,056,633	-	6,524,082	-	(17,532,551)		(17,532,551)
General administration	2,941,555	-	-	-	(2,941,555)		(2,941,555)
School administration	10,567,063	-	-	-	(10,567,063)		(10,567,063)
Business support	3,000,886	165,173	-	-	(2,835,713)		(2,835,713)
Operations and maintenance	19,985,316	367,013	-	-	(19,618,303)		(19,618,303)
Transportation	5,699,785	-	-	-	(5,699,785)		(5,699,785)
Central support services	9,875,402	-	3,634,874	-	(6,240,528)		(6,240,528)
Other support	185,728	-	-	-	(185,728)		(185,728)
Student activities	1,315,721	1,575,856	-	-	260,135		260,135
Interest on long-term debt	7,502,162	-	-	-	(7,502,162)		(7,502,162)
Total governmental activities	202,499,714	2,169,825	36,039,536	17,251,651	(147,038,702)		(147,038,702)
Business-type activities:							
Other business-type activities	9,700,388	780,092	9,983,337	70,317		\$ 1,133,358	1,133,358
Total District (forward)	\$ 212,200,102	\$ 2,949,917	\$ 46,022,873	\$ 17,321,968	\$ (147,038,702)	\$ 1,133,358	\$ (145,905,344)

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
Year Ended June 30, 2022

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Net (expense) revenue and changes in net position brought forward	\$ (147,038,702)	\$ 1,133,358	\$ (145,905,344)
General revenues:			
Property taxes	21,734,928	-	21,734,928
State aid	130,973,570	63,527	131,037,097
Other revenue from local sources	1,367,151	-	1,367,151
Interest and investment earnings	1,820,636	3,279	1,823,915
Transfers	(507,173)	507,173	-
Total general revenues	155,389,112	573,979	155,963,091
Change in net position	8,350,410	1,707,337	10,057,747
Net position, beginning of year	(59,675,134)	5,939,264	(53,735,870)
Net position, end of year	\$ (51,324,724)	\$ 7,646,601	\$ (43,678,123)

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General*	Special Education	Capital Outlay	USDE Pass Through
<u>ASSETS</u>				
Cash and investments	\$ 22,780,011	\$ 8,785,247	\$ 8,633,783	\$ 3,762,532
Restricted cash and investments	-	-	-	-
Due from other funds	570,598	-	-	-
Due from other governmental units	-	47,025	-	470,515
State aid receivables	5,205,279	-	-	-
Leases receivable	115,482	-	357,329	-
Interest receivable	93	-	712	-
Inventory of materials and supplies	71,927	-	-	-
Total assets	<u>\$ 28,743,390</u>	<u>\$ 8,832,272</u>	<u>\$ 8,991,824</u>	<u>\$ 4,233,047</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,964,497	\$ 1,952,580	\$ 762,785	\$ 1,547,661
Due to other funds	-	-	-	-
Payroll liabilities	8,123,191	-	-	-
Unearned revenue	-	-	-	2,685,386
Total liabilities	<u>13,087,688</u>	<u>1,952,580</u>	<u>762,785</u>	<u>4,233,047</u>
Deferred inflows of resources:				
Deferred inflows - leases	<u>115,007</u>	<u>-</u>	<u>354,592</u>	<u>-</u>
Fund balances:				
Non-spendable:				
Inventories	71,927	-	-	-
Restricted	-	6,822,291	2,648,096	-
Assigned	8,816,769	57,401	5,226,351	-
Unassigned	6,651,999	-	-	-
Total fund balances	<u>15,540,695</u>	<u>6,879,692</u>	<u>7,874,447</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 28,743,390</u>	<u>\$ 8,832,272</u>	<u>\$ 8,991,824</u>	<u>\$ 4,233,047</u>

* See the General Fund Combining Balance Sheet on pages 88-91.

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
(Continued)
June 30, 2022

	KPERs Special Retirement Contribution	Bond and Interest	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 6,687,915	\$ 3,694,859	\$ 54,344,347
Restricted cash and investments	-	108,338,412	-	108,338,412
Due from other funds	-	-	-	570,598
Due from other governmental units	-	-	802,123	1,319,663
State aid receivables	4,608,182	-	-	9,813,461
Leases receivable	-	-	-	472,811
Interest receivable	-	715,824	-	716,629
Inventory of materials and supplies	-	-	-	71,927
Total assets	<u>\$ 4,608,182</u>	<u>\$ 115,742,151</u>	<u>\$ 4,496,982</u>	<u>\$ 175,647,848</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,608,182	\$ -	\$ 230,300	\$ 14,066,005
Due to other funds	-	-	570,598	570,598
Payroll liabilities	-	-	-	8,123,191
Unearned revenue	-	-	291,915	2,977,301
Total liabilities	<u>4,608,182</u>	<u>-</u>	<u>1,092,813</u>	<u>25,737,095</u>
Deferred inflows of resources:				
Deferred inflows - leases	-	-	-	469,599
Fund balances:				
Non-spendable:				
Inventories	-	-	-	71,927
Restricted	-	115,742,151	3,375,531	128,588,069
Assigned	-	-	28,638	14,129,159
Unassigned	-	-	-	6,651,999
Total fund balances	<u>-</u>	<u>115,742,151</u>	<u>3,404,169</u>	<u>149,441,154</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,608,182</u>	<u>\$ 115,742,151</u>	<u>\$ 4,496,982</u>	<u>\$ 175,647,848</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2022

Total fund balances - governmental funds		\$ 149,441,154
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$ 361,482,239 and the accumulated depreciation is \$ 145,133,091.		216,349,148
Internal service funds are used by the District to charge the costs of dental insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		7,573,023
Long-term liabilities and the related deferred inflows and outflows are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2022 are:		
General obligation bonds payable	\$ (252,785,000)	
Unamortized bond premium	(1,756,086)	
Accrued interest payable	(3,870,664)	
Accrued compensated absences	(2,765,393)	
Financed purchase	(1,479,163)	
Lease obligation payable	(369,325)	
Total OPEB liability	(33,576,139)	
Net pension liability	(126,099,493)	
Deferred outflows - OPEB	2,424,163	
Deferred inflows - OPEB	(7,911,470)	
Deferred outflows - pension	39,011,522	
Deferred inflows - pension	(35,511,001)	
		(424,688,049)
Total net position - governmental activities		\$ (51,324,724)

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	General*	Special Education	Capital Outlay	USDE Pass Through
Revenues:				
Property taxes	\$ 12,506,618	\$ -	\$ 6,083,299	\$ -
Local sources	17,820	-	-	-
Charges for services	465,030	-	56,918	-
State aid	105,545,912	16,733,415	3,221,709	-
Federal aid	-	7,421,407	-	24,037,859
Interest	3,660	-	67,585	-
Miscellaneous	462,949	-	-	-
Total revenues	119,001,989	24,154,822	9,429,511	24,037,859
Expenditures:				
Current:				
Instruction	57,391,208	25,421,769	757,690	14,603,671
Student support	5,659,312	9,975,480	615,414	5,864,168
Instructional support	3,255,050	1,471,226	37,686	35,243
General administration	2,710,270	-	-	-
School administration	9,515,401	983,341	-	-
Business support	1,353,396	18,055	(87,720)	-
Operations and maintenance	12,525,921	212,458	3,595,412	-
Transportation	3,675,220	1,982,186	-	-
Central support services	4,743,917	-	1,360,200	3,534,777
Other support	170,923	-	-	-
Student activities	(227,456)	-	-	-
On behalf expenditures:				
KPERS	-	-	-	-
Debt service:				
Principal	40,520	80,263	34,765	-
Interest and other charges	679	702	235	-
Capital outlay	-	-	2,464,455	-
Total expenditures	100,814,361	40,145,480	8,778,137	24,037,859
Excess (deficiency) of revenues over (under) expenditures	18,187,628	(15,990,658)	651,374	-
Other financing sources (uses):				
Transfers in	-	16,544,569	-	-
Transfers out	(19,351,742)	-	-	-
Sale of capital assets	-	-	20,420	-
Insurance reimbursements	-	-	1,080	-
Total other financing sources (uses)	(19,351,742)	16,544,569	21,500	-
Net change in fund balances	(1,164,114)	553,911	672,874	-
Fund balance, beginning of year	16,704,809	6,325,781	7,201,573	-
Fund balance, end of year	<u>\$ 15,540,695</u>	<u>\$ 6,879,692</u>	<u>\$ 7,874,447</u>	<u>\$ -</u>

* See the General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balances on pages 92-95.

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
(Continued)
Year Ended June 30, 2022

	KPERs Special Retirement Contribution	Bond and Interest	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ -	\$ 3,054,706	\$ 90,305	\$ 21,734,928
Local sources	-	-	1,430,789	1,448,609
Charges for services	-	-	1,575,856	2,097,804
State aid	16,721,336	4,952,150	520,384	147,694,906
Federal aid	-	-	4,580,270	36,039,536
Interest	-	1,733,328	447	1,805,020
Miscellaneous	-	67,366	-	530,315
Total revenues	<u>16,721,336</u>	<u>9,807,550</u>	<u>8,198,051</u>	<u>211,351,118</u>
Expenditures:				
Current:				
Instruction	-	-	4,694,000	102,868,338
Student support	-	-	2,026,396	24,140,770
Instructional support	-	-	9,734	4,808,939
General administration	-	-	238,436	2,948,706
School administration	-	-	125,322	10,624,064
Business support	-	-	-	1,283,731
Operations and maintenance	-	-	131,357	16,465,148
Transportation	-	-	-	5,657,406
Central support services	-	-	144,826	9,783,720
Other support	-	-	-	170,923
Student activities	-	-	1,541,245	1,313,789
On behalf expenditures:				
KPERs	16,721,336	-	-	16,721,336
Debt service:				
Principal	-	2,980,000	-	3,135,548
Interest and other charges	-	9,417,053	-	9,418,669
Capital outlay	-	-	275,835	2,740,290
Total expenditures	<u>16,721,336</u>	<u>12,397,053</u>	<u>9,187,151</u>	<u>212,081,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,589,503)</u>	<u>(989,100)</u>	<u>(730,259)</u>
Other financing sources (uses):				
Transfers in	-	-	800,000	17,344,569
Transfers out	-	-	-	(19,351,742)
Sale of capital assets	-	-	-	20,420
Insurance reimbursements	-	-	-	1,080
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>800,000</u>	<u>(1,985,673)</u>
Net change in fund balances	<u>-</u>	<u>(2,589,503)</u>	<u>(189,100)</u>	<u>(2,715,932)</u>
Fund balance, beginning of year	<u>-</u>	<u>118,331,654</u>	<u>3,593,269</u>	<u>152,157,086</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 115,742,151</u>	<u>\$ 3,404,169</u>	<u>\$ 149,441,154</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

Net change in fund balances - governmental funds	\$ (2,715,932)
The change in net position reported for governmental activities in the statement of activities is different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense and amortization expense of \$ 8,621,214 is more than capital outlays of \$ 5,355,299. Losses on disposals of \$ 101,878 are taken into consideration as well.	(3,367,793)
The repayment of the principal of long-term debt (e.g., bonds, financed purchases) consumes the current financial resources of governmental funds, however, has no effect on net position.	3,614,385
The issuance of long-term debt (capital leases) provides current financial resources to governmental funds, however, has no effect on net position.	(524,873)
Governmental funds report the effect of premiums, discounts, and similar items when debt is issued. These amounts are deferred and amortized in the statement of activities.	93,578
Internal service funds are used by the District to charge the costs of dental insurance and workers' compensation insurance to individual funds.	2,430,034
Due to the difference between accrual and modified accrual basis of accounting, some expenses recorded in the statement of activities are recorded in different periods in the governmental funds. These expenses include compensated absences, other post employment benefits, net pension liability, and accrued interest payable.	<u>8,821,011</u>
Change in net position of governmental activities	<u><u>\$ 8,350,410</u></u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022

	Business-Type Activities Nonmajor Proprietary Funds	Governmental Activities Internal Service Funds
<u>ASSETS</u>		
Current assets:		
Cash and investments	\$ 6,121,608	\$ 8,306,699
Inventory of supplies and materials, at cost	402,177	-
Due from other governmental units	697	-
Total current assets	6,524,482	8,306,699
Noncurrent assets:		
Furniture, fixtures, and equipment	2,273,165	-
Less accumulated depreciation	(1,042,256)	-
Total noncurrent assets	1,230,909	-
Total assets	\$ 7,755,391	\$ 8,306,699
<u>LIABILITIES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 69,762	\$ -
Unearned revenue	110,605	-
Estimated insurance claims	-	662,099
Total liabilities	180,367	662,099
Net position:		
Investment in capital assets	1,230,909	-
Unrestricted	6,344,115	7,644,600
Total net position	7,575,024	7,644,600
Total liabilities and net position	\$ 7,755,391	\$ 8,306,699
Total net position	\$ 7,575,024	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	71,577	
Net position of business-type activities	\$ 7,646,601	

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2022

	Business-Type Activities <u>Nonmajor Proprietary Funds</u>	Governmental Activities <u>Internal Service Funds</u>
Operating revenues:		
Charges for services	\$ 780,092	\$ 2,911,982
Other	-	72,024
Total operating revenues	<u>780,092</u>	<u>2,984,006</u>
Operating expenses:		
Instruction	905,731	13,669
Student support services	2,351	-
Business support	275,694	1,221,989
Central support services	-	803,453
Operations and maintenance	84,415	-
Transportation	252	-
Depreciation	82,876	-
Food service	8,379,546	-
Total operating expenses	<u>9,730,865</u>	<u>2,039,111</u>
Operating income (loss)	<u>(8,950,773)</u>	<u>944,895</u>
Nonoperating revenues:		
Interest	3,279	15,616
State aid	63,527	-
Federal aid	9,983,337	-
Miscellaneous	70,317	-
Transfers in	507,173	1,500,000
Total nonoperating revenues	<u>10,627,633</u>	<u>1,515,616</u>
Change in net position	1,676,860	2,460,511
Net position, beginning of year	<u>5,898,164</u>	<u>5,184,089</u>
Net position, end of year	<u>\$ 7,575,024</u>	<u>\$ 7,644,600</u>
Change in net position	\$ 1,676,860	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>30,477</u>	
Change in net position of business-type activities	<u>\$ 1,707,337</u>	

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2022

	Business-Type Activities	Governmental Activities
	Proprietary Non-Major Funds	Internal Service Funds
Cash flows from operating activities:		
Received from user charges	\$ 780,092	\$ 2,911,982
Received from other sources	-	72,024
Payments to employees for services	(3,258,565)	(882,748)
Payments to suppliers for goods and services	(6,827,721)	(1,545,050)
Net cash from operating activities	<u>(9,306,194)</u>	<u>556,208</u>
Cash flows from noncapital financing activities:		
Nonoperating grants received	10,117,663	-
Miscellaneous receipts	70,317	-
Transfers from other funds	507,173	1,500,000
Net cash from noncapital financing activities	<u>10,695,153</u>	<u>1,500,000</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(23,796)	-
Cash flows from investing activities:		
Interest received	3,279	15,616
Net change in cash and investments	1,368,442	2,071,824
Cash and investments, beginning	4,753,166	6,234,875
Cash and investments, ending	<u>\$ 6,121,608</u>	<u>\$ 8,306,699</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ (8,950,773)	\$ 944,895
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	82,876	-
Changes in assets and liabilities:		
Inventory of supplies and materials	(21,741)	-
Accounts payable and accrued liabilities	(416,556)	-
Estimated insurance claims	-	(388,687)
Net cash from operating activities	<u>\$ (9,306,194)</u>	<u>\$ 556,208</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

1 - Summary of Significant Accounting Policies

The financial statements of Topeka Public Schools Unified School District No. 501 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the District are described below.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. In evaluating the District's financial reporting entity, management has considered all potential component units and has determined there are no component units over which the District is financially accountable. Financial accountability is based primarily on nonoperational or financial relationships with the District (as distinct from legal relationships). These financial statements include all the accounts for which the District is considered to be financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to students who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of the fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means the balance is collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the reporting period. Expenditures are recorded when the related fund liability is incurred, except for debt service payments, claims and judgments, and compensated absences, which are recognized as expenditures only when a payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources and uses.

The District reports the following major governmental funds:

General Fund, which is used to account for the general operations of the District and all unrestricted revenues and expenditures not required to be accounted for in other funds.

Special Education Fund, which is used to account for the revenues and expenditures related to the education and services for special education within the District.

Capital Outlay Fund, which is used to account for revenues that are primarily utilized for the acquisition, construction, repair, and remodeling of the District’s buildings.

USDE Pass Through Fund, which is used to account for the revenues and expenditures related to federal grants received from the United States Department of Education.

KPERS Special Retirement Contribution Fund, which is used to account for the inflow and outflow of the State of Kansas’ share of the public employee retirement system contributions.

Bond and Interest Fund, which is used to account for resources accumulated and payments made for principal and interest on long-term debt.

Additionally, the District reports the following fund types:

Other Proprietary Funds, which are used to account for all monies received and expended attributable to the District’s textbook and study material programs, breakfast and lunch programs, and Kanza Café program.

Internal Service Funds, which account for dental insurance, Flex 125 spending, workers’ compensation insurance, and health insurance provided to other departments on a cost-reimbursement basis.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s proprietary funds are charges to students for sales and services. Operating expenses for enterprise funds include the cost of

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

sales and services, administrative expenses, and depreciation on capital assets. All revenue and expense transactions not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by unrestricted resources as needed.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Statement of Cash Flows

For the purposes of the statement of cash flows for the proprietary funds, cash and investments with an original maturity of three months or less are considered to be cash equivalents.

Inventory

Inventory is valued at the lower of cost, using the first-in, first-out (FIFO) method, or market. In the government-wide and proprietary type fund financial statements, the cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed. In the governmental fund type financial statements, the cost is recorded as an expenditure at the time individual inventory items are purchased rather than when consumed.

Investments

Investments include U.S. Treasury securities, certificates of deposit, and money deposited in the State of Kansas Municipal Investment Pool (MIP). The U.S. Treasury securities and MIP are recorded at fair value. The fair value of the District's position in the MIP is the same as the value of the pool shares. Certificates of deposit are recorded at cost.

Capital Assets

Capital assets, which include land, buildings, furniture, vehicles, fixtures, equipment, and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The term capital assets includes tangible assets such as property, plant, and equipment as well as intangible assets such as easements, water rights, and software. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major additions and improvements are capitalized.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the capital assets. The following table represents the District's capitalization thresholds and standards for useful lives of capital assets:

Asset Type	Capitalization Threshold	Useful Life
Buildings and Improvements	\$ 50,000	40 years
Land and Improvements	50,000	40 years
Vehicles	5,000	15 years
Furniture	5,000	10 years
Equipment	5,000	10 years
Computers	5,000	6 years
Video and Television Equipment	5,000	6 years
Intangibles - Software	100,000	8 years
Intangibles - Other	100,000	0-40 years

Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

Under the terms of the District's personnel policy, District employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the maximum of one and one-half years' vacation.

Employees are only compensated for unused sick leave upon death or retirement. The maximum amount of sick leave for which an employee may be compensated depends upon the individual's length of service but cannot exceed sixty days.

In the government-wide and proprietary financial statements, vacation leave is accrued when incurred and sick leave is accrued upon attaining eligibility for retirement. Liabilities for these amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and, therefore, will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting in this category. The items are deferred outflows of resources – pension and deferred outflows of resources – OPEB. See Note 8 for more information on the deferred outflows of resources – pension and Note 9 for more information on the deferred outflows of resources – OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The District has three types of items that qualify for reporting in this category. The items are deferred inflows of resources – leases, deferred inflows of resources – pension, and deferred inflows of resources – OPEB. See Note 7 for more information on the deferred inflows of resources – leases, Note 8 for more information on the deferred inflows of resources – pension and Note 9 for more information on the deferred inflows of resources – OPEB.

Pensions

For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERs) and additions to/deductions from KPERs' fiduciary net position have been determined on the same basis as they are reported by KPERs. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

The District's net position is classified as follows:

Net investment in capital assets – This represents the District's total investment in capital assets, net of accumulated depreciation and related debt.

Restricted net position – This includes resources that are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.

Unrestricted net position – This includes resources derived from charges for services, property taxes, state appropriations, and interest. The resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the Board of Education to meet current expenses in accordance with approved budgets.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2022, fund balances for governmental funds are made up of the following:

Non-spendable fund balance includes amounts that are (a) not in spendable form, or (b) legally or contractually required to remain intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash (for example: inventories, prepaid amounts, and long-term notes receivable).

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed fund balance includes amounts that can only be used for specific purposes determined by formal action, such as a resolution, of the District’s highest level of decision-making authority, the District’s Board. Commitments may be changed or lifted only by the District taking the same formal action that imposed the constraint originally (for example: resolution or ordinance).

Assigned fund balance includes amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the District’s Board, or (b) a body or official to whom the District’s Board has delegated the authority to assign amounts to be used for specific purposes (General Director of Fiscal Services).

Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the following order: restricted, committed, assigned, and unassigned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New Accounting Standards

In 2022, the District implemented the following accounting standard:

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

GASB Statement No. 87, *Leases* – This statement increases the usefulness of the District’s financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement resulted in the reclassification of certain capital leases as direct obligation financings and reporting certain lease receivables, lease obligations, and leased assets, along with deferred inflows of resources and accumulated amortization. Beginning net position was not impacted by the adoption of this statement.

Pending Governmental Accounting Standards Board Statements

At June 30, 2022, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the District. The statements that might impact the District are as follows:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines a SBITA, (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the District in the fiscal year ended June 30, 2023.

GASB Statement No. 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance by the District. The requirements related to leases, PPPs, and SBITAs will be effective for the District in the fiscal year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the District in the fiscal year ended June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement will become effective for the District in the fiscal year ended June 30, 2024.

GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement will become effective for the District in the fiscal year ended June 30, 2025.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

2 - Budgetary Basis of Accounting

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the 2022 legal annual operating budget:

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

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of final budget has been adjusted to on or before September 20th. The District held a revenue neutral rate hearing in the adoption of the fiscal year 2022 budget.

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 a budget amendment in the Virtual Education Fund for the fiscal year ended June 30, 2022.

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

All legal annual operating budgets are prepared using the modified accrual basis of accounting modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services and are usually evidenced by a purchase order or written contract.

The following governmental and proprietary funds have annual budgets that are legally adopted:

Adult Basic Education	Federal Grant ⁽¹⁾	Special Education
At-Risk 4-Year-Old	Food Service	Special Liability
At-Risk K-12	General	Summer School
Bilingual Education	Gifts and Grants ⁽²⁾	Supplemental General
Bond and Interest	KPERS Special Retirement	Virtual Education
Capital Outlay	Contribution	
Career and Postsecondary Education	Parent Education	
	Professional Development	

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(1) Federal Grant Funds for budgetary purposes is a combination of the following funds: COVID Relief, TANF, US HHS Direct, USDE Direct, USDE Pass Through, and Workforce Investment.

(2) Gifts and Grants Fund for budgetary purposes is a combination of the following funds: Kansas Miscellaneous Other Grants, Miscellaneous Other Grants, Pepsi Exclusivity, Sports Park Operations, and Trust Gift Legacy.

The following governmental and proprietary funds do not require a legally adopted annual budget:

Bond	Health Insurance Reserve	Self-Insurance Reserve
Contingency Reserve	Internal Service Reserve	Student Organization Funds
Dental Self-Insurance	Kanza Café	Textbook/Study Material
Elementary School Activity	Middle School Activity	Revolving
Federal Program Overhead	Other Location Activity	Workers' Compensation
Flex 125 Spending	Payroll Liability Clearing	
High School Activity	Risk Management	

3 - Cash and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an adequate rate of return on funds.

Credit risk. Kansas State Statutes authorize the District, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, the State of Kansas Municipal Investment Pool (the MIP), and U.S. treasury bills and notes. The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is shown as cash and investments. In addition, certain cash and investments are separately held by some of the District's funds. At June 30, 2022 and throughout the year ended June 30, 2022, the District's cash and investments included certificates of deposit, U.S. government securities, and the MIP. The MIP is under the oversight of the Pooled Money Investment Board (the Board). The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The District's investments in the MIP were not rated by a rating agency as of June 30, 2022.

The credit rating for the U.S. government securities at June 30, 2022 is AA+ (Standard & Poors). Investment earnings, including interest income, are allocated to the funds required to accumulate interest; other investment earnings are allocated based on management discretion.

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Some of the District's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the obligations of the Federal National Mortgage Association, Federal Home Loan Banks, or the Federal Home Loan Mortgage Corporation, repurchase agreements collateralized by direct obligations of the United States government or any agency thereof, investment agreements with a financial institution, which at the time of investment are rated in either of the three highest rating categories by Moody's Investors Service or Standard and Poors Corporation, investments in shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities in direct obligations of the United States government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks, or Federal Home Loan Mortgage Corporation, receipts evidencing ownership interests in securities or portions thereof in direct obligations of the United States government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks, or the Federal Home Loan Mortgage Corporation, and municipal bonds or other obligations issued by a municipality of the State of Kansas. K.S.A. 10-131 prohibits investment in derivatives.

Fair value measurement. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended June 30, 2022, the U.S. government securities were valued with significant other observable inputs (Level 2). Fair value measurement hierarchy information is not provided for the District's deposits in the MIP.

Custodial credit risk – deposits and investments. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Statutes require that deposits and investment be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits (less insured amounts) and deposits and investments must be assigned for the benefit of the District. At June 30, 2022 the District's deposits were not exposed to custodial credit risk.

Interest rate risk. Interest rate risk is the risk that changes in the interest rates may adversely affect the investment's fair value. The District does not have a policy to address interest rate risk. The District is not exposed to significant interest rate risk.

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NOTES TO BASIC FINANCIAL STATEMENTS
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As of June 30, 2022, maturities of the District's investments are as follows:

Investment Type	Fair Value	Investments Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury Securities	\$ 108,338,412	\$ 98,663,703	\$ 9,674,709	\$ -	\$ -
Municipal Investment Pool:					
Overnight Pool	46,475,723	46,475,723	-	-	-
90 Day Pool	5,000,000	5,000,000	-	-	-
	<u>\$ 159,814,135</u>	<u>\$ 150,139,426</u>	<u>\$ 9,674,709</u>	<u>\$ -</u>	<u>\$ -</u>

Concentration of credit risk. The District's investment policy does not place any limitations on the percentage of the District's total investments that may be with any one issuer. Kansas statutes indirectly prohibit such a limitation, as local banks must be given preference on each investment of idle funds.

4 - Tax Revenue, Taxes Receivable, and Tax Abatements

In accordance with Kansas statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. The District's property tax is levied each November 1 on the assessed value as of the prior January 1 for all property located in the District. Property taxes are due in total by December 20 following the levy date, or they may be paid in equal installments if paid by December 20 (first installment) and the following May 10 (second installment).

Assessed values are established by the Shawnee County appraiser's office. The assessed valuation at January 1, 2021 of the tangible, taxable property for purposes of local taxation was \$ 622,948,964 for the general fund and \$ 712,590,658 in total.

The tax levy per \$ 1,000 of the November 1, 2021 levy of tangible, taxable property levied for District taxation was as follows by fund:

General	\$ 20.000
Supplemental general	16.352
Capital outlay	7.999
Debt service	4.000
Special liability	0.034
	<u>\$ 48.385</u>

Tax Abatements and Rebates

The City of Topeka, Kansas and Shawnee County, Kansas enter into property tax abatement and rebate agreements with local businesses and entities for the purpose of attracting and improving business and neighborhood conditions within their jurisdictions. These agreements affect local municipalities, including

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the District. For the fiscal year ended June 30, 2022, abated or rebated property taxes not distributed to the District because of such agreements totaled \$ 1,595,155 (includes economic development, IRB exemptions of \$ 724,951, and NRA property tax rebates of \$ 870,204). One-hundred and forty (140) parcels made up the total rebated amount, including the following that exceeded ten percent of the total amount of undistributed tax for each category:

- An IRB exemption to a large medical care provider. The District's portion of the abatement amounted to \$ 538,221.

5 - Lease Receivables

The District, as a lessor, has entered into various lease agreements involving buildings as summarized below:

Leases receivable:

The District has a building lease with the State of Kansas Department of Administration with an end date of February 2027. An initial receivable was recorded in the amount of \$ 430,894. Payments are made at an interest rate of 1.2166%.	\$ 357,329
The District has a building lease with Community Resources Council, Inc. with an end date of June 2023. An initial receivable was recorded in the amount of \$ 25,947. Payments are made at an interest rate of 0.5140%.	13,001
The District has a building lease with Community Resources Council, Inc. with an end date of December 2025. An initial receivable was recorded in the amount of \$ 131,185. Payments are made at an interest rate of 1.0590%.	102,481
Total leases receivable	\$ 472,811
Current portion	\$ 115,418
Non-current portion	357,393
Total leases receivable	\$ 472,811

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6 - Capital Assets

A summary of changes in capital assets follows:

Governmental Activities				
	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
<u>Capital assets not being depreciated:</u>				
Land	\$ 6,553,740	\$ -	\$ -	\$ 6,553,740
Construction in progress	3,130,964	4,549,708	(6,689,536)	991,136
Total capital assets not being depreciated	9,684,704	4,549,708	(6,689,536)	7,544,876
<u>Capital assets being depreciated:</u>				
Buildings	327,216,436	6,025,936	-	333,242,372
Furniture, fixtures, and equipment	19,408,792	944,318	(182,992)	20,170,118
Total capital assets being depreciated	346,625,228	6,970,254	(182,992)	353,412,490
Less accumulated depreciation	(136,592,991)	(8,447,499)	81,114	(144,959,376)
Total capital assets being depreciated, net	210,032,237	(1,477,245)	(101,878)	208,453,114
<u>Leased assets being amortized:</u>				
Furniture, fixtures, and equipment	-	524,873	-	524,873
Less accumulated amortization	-	(173,715)	-	(173,715)
Total leased assets being amortized, net	-	351,158	-	351,158
	\$ 219,716,941	\$ 3,423,621	\$ (6,791,414)	\$ 216,349,148

Business-Type Activities				
	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
<u>Capital assets being depreciated:</u>				
Furniture, fixtures, and equipment	\$ 2,249,369	\$ 23,796	\$ -	\$ 2,273,165
Less accumulated depreciation	(959,380)	(82,876)	-	(1,042,256)
	\$ 1,289,989	\$ (59,080)	\$ -	\$ 1,230,909

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Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities:	
Instruction	\$ 686,533
Instructional support	17,571
Student support	11,726
General administration	966
School administration	7,062
Business support	1,842,686
Operations and maintenance	5,188,701
Transportation	48,551
Central support services	626,965
Other support	14,806
Student activities	1,932
	<hr/>
Total depreciation expense - governmental activities	\$ 8,447,499
	<hr/> <hr/>
Business-type activities:	
Nonmajor proprietary funds	\$ 82,876
	<hr/>
Total depreciation expense - business-type activities	\$ 82,876
	<hr/> <hr/>

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TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

7 - Liabilities

The following is a summary of changes in long-term debt for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
General obligation bonds paid with ad valorem taxes	\$ 255,765,000	\$ -	\$ 2,980,000	\$ 252,785,000	\$ 3,175,000
Add unamortized premium on bonds				1,756,086	
				<u>\$ 254,541,086</u>	
Total OPEB liability	<u>\$ 36,237,610</u>	<u>\$ 2,310,684</u>	<u>\$ 4,972,155</u>	<u>\$ 33,576,139</u>	<u>\$ -</u>
Compensated absences	<u>\$ 2,735,255</u>	<u>\$ 1,382,044</u>	<u>\$ 1,351,906</u>	<u>\$ 2,765,393</u>	<u>\$ 1,351,906</u>
Net pension liability	<u>\$ 169,148,337</u>	<u>\$ -</u>	<u>\$ 43,048,844</u>	<u>\$ 126,099,493</u>	<u>\$ -</u>
Direct borrowings and placements:					
Financed purchase	\$ 1,958,000	\$ -	\$ 478,837	\$ 1,479,163	\$ 485,877
Lease obligations payable	-	524,873	155,548	369,325	129,826
Total direct borrowings and placements	<u>\$ 1,958,000</u>	<u>\$ 524,873</u>	<u>\$ 634,385</u>	<u>\$ 1,848,488</u>	<u>\$ 615,703</u>

For governmental activities, the general fund is typically used to liquidate post-employment benefits and compensated absences.

General Obligation Bonds

General obligation bonds consisted of the following at June 30, 2022:

Series	Date Issued	Original Final Scheduled Maturity	Original Principal Amount	Principal Amount Outstanding June 30, 2022	Interest Ranges
2014A	7/8/2014	9/1/2044	\$ 110,000,000	\$ 107,900,000	3.75% to 5.00%
2016A	4/19/2016	8/1/2044	33,000,000	30,620,000	2.00% to 4.00%
2017A	11/21/2017	8/1/2028	9,040,000	9,040,000	2.50%
2020A	1/29/2020	8/1/2039	94,770,000	94,770,000	3.59%T/2.72%NT
2020B	1/29/2020	8/1/2039	10,455,000	10,455,000	3.59%T/2.72%NT
			<u>\$ 257,265,000</u>	<u>\$ 252,785,000</u>	

T - Taxable; NT - Nontaxable

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Annual debt service requirements to maturity for the bonds are as follows (including bonds defeased through crossover refunding):

Year	Principal	Interest	Total
2023	\$ 3,175,000	\$ 9,272,178	\$ 12,447,178
2024	5,545,000	9,078,816	14,623,816
2025	5,805,000	8,835,666	14,640,666
2026	6,050,000	8,603,536	14,653,536
2027	9,780,000	8,335,392	18,115,392
2028 - 2032	56,535,000	36,708,593	93,243,593
2033 - 2037	70,160,000	25,197,550	95,357,550
2038 - 2042	66,955,000	11,876,964	78,831,964
2043 - 2045	28,780,000	2,676,794	31,456,794
Total	<u>\$ 252,785,000</u>	<u>\$ 120,585,489</u>	<u>\$ 373,370,489</u>

Issued and Defeased Bonds

During the year ended June 30, 2018, the District issued \$ 9,040,000 of general obligation refunding bonds (Series 2017A) to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for \$ 8,905,000 of future debt service payments related to its Series 2014A general obligation bonds. However, the Series 2014A bond principal payments are not considered to be defeased until the crossover date of August 1, 2022, the redemption date for the August 1, 2026; August 1, 2027; and August 1, 2028 bond payments, since they were refunded through a crossover refunding transaction. Because there is no defeasance in such a transaction until the crossover date, the assets held in trust by the escrow agent are reported in the bond and interest fund as restricted cash and investments in the amount of \$ 8,930,934. The refunded bonds are reported in long-term liabilities until the crossover date.

During the year ended June 30, 2020, the District issued \$ 94,770,000 and \$ 10,455,000 of general obligation bonds (Series 2020A and 2020B, respectively), to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for \$ 88,510,000 of future debt payments related to its Series 2014A and \$ 8,910,000 of future debt payments for its 2016A general obligation bonds. However, the Series 2014A bond principal payments are not considered to be defeased until the crossover date of August 1, 2022, the redemption date for the August 1, 2029 through August 1, 2044 serial and term bond payments; and the 2016A bond principal payments are not considered to be defeased until the crossover date of August 1, 2026, the redemption date for the August 1, 2040 through August 1, 2044 serial bond payments, since they were refunded through a crossover refunding transaction. Further, because the 2020A and 2020B bonds were issued more than 90 days prior to the call date of the refunded bonds, the 2020 bonds were issued with a taxable interest rate of 3.59%. On the call date of the refunded bonds, the interest rates convert to the predetermined tax-exempt rate of 2.70%. The bonds then pay the tax-exempt rate through their maturity. The tax-exempt interest rate shall only be effective on and after the tax-exempt conversion date if the interest rate on the series 2020A and 2020B bonds is converted to the tax-exempt interest rate pursuant to Section 214 of the bond resolution for the series 2020A and B bonds. Because there is no defeasance in such a transaction until the crossover date, the assets held in trust by the escrow agent

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are reported in the bond and interest fund as restricted cash and investments in the amount of \$ 99,407,478. The refunded bonds are reported in long-term liabilities until the crossover dates.

Statutory Debt Limit

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Bond and Interest Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761. The District's statutory limit for such bonded indebtedness was approximately \$ 97 million at June 30, 2022. The District obtained a waiver to exceed the general obligation debt limit for the Series 2014A and 2016A bond issuances.

Financed Purchases

Financed purchases consisted of the following at June 30, 2022:

Description	Date Issued	Original Final Scheduled Maturity	Original Principal Amount	Principal Amount Outstanding June 30, 2022	Interest Rate
Financed Purchase - Equipment	7/2/2020	7/2/2024	\$ 1,958,000	\$ 1,479,163	1.47%

The annual debt service requirements to maturity for financed purchases, including interest, are as follows:

Year	Principal	Interest	Total
2023	\$ 485,877	\$ 21,744	\$ 507,621
2024	493,019	14,601	507,620
2025	500,267	7,354	507,621
Total	\$ 1,479,163	\$ 43,699	\$ 1,522,862

Lease Obligations Payable

On July 1, 2021, the District entered into a 38 month lease as lessee for the use of a passenger activity bus. An initial lease liability was recorded in the amount of \$ 138,257. As of June 30, 2022, the value of the lease liability is \$ 103,492. The District is required to make annual fixed payments of \$ 35,000. The lease has an interest rate of 0.7270%. The passenger activity bus' estimated useful life was 4 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 138,257 with accumulated amortization of \$ 42,723.

On July 1, 2021, the District entered into a 16 month lease as lessee for the use of passenger vans. An initial lease liability was recorded in the amount of \$ 18,662. As of June 30, 2022, the value of the lease liability is \$ 0. The District is required to make annual fixed payments of \$ 19,044. The lease has an interest rate of

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4.9500%. The passenger vans' estimated useful life was 2 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 18,662 with accumulated amortization of \$ 13,996.

On July 1, 2021, the District entered into a 50 month lease as lessee for the use of multifunction equipment. An initial lease liability was recorded in the amount of \$ 30,908. As of June 30, 2022, the value of the lease liability is \$ 23,280. The District is required to make quarterly fixed payments of \$ 1,968. The lease has an interest rate of 0.8930%. The multifunction equipment's estimated useful life was 4 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 30,908 with accumulated amortization of \$ 7,306.

On July 1, 2021, the District entered into a 34 month lease as lessee for the use of multiple services equipment. An initial lease liability was recorded in the amount of \$ 23,836. As of June 30, 2022, the value of the lease liability is \$ 15,929. The District is required to make quarterly fixed payments of \$ 2,007. The lease has an interest rate of 0.7270%. The multiple services equipment's estimated useful life was 3 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 23,836 with accumulated amortization of \$ 8,251.

On July 1, 2021, the District entered into a 38 month lease as lessee for the use of transportation vehicles. An initial lease liability was recorded in the amount of \$ 241,531. As of June 30, 2022, the value of the lease liability is \$ 180,720. The District is required to make annual fixed payments of \$ 61,118. The lease has an interest rate of 0.7270%. The transportation vehicles' estimated useful life was 3 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 241,531 with accumulated amortization of \$ 76,006.

On July 1, 2021, the District entered into a 17 month lease as lessee for the use of a printer. An initial lease liability was recorded in the amount of \$ 16,783. As of June 30, 2022, the value of the lease liability is \$ 5,604. The District is required to make monthly fixed payments of \$ 935. The lease has an interest rate of 0.3870%. The printer's estimated useful life was 2 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 16,783 with accumulated amortization of \$ 11,687.

On July 1, 2021, the District entered into a 53 month lease as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$ 29,244. As of June 30, 2022, the value of the lease liability is \$ 21,927. The District is required to make annual fixed payments of \$ 7,440. The lease has an interest rate of 0.8930%. The copier's estimated useful life was 4 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 29,244 with accumulated amortization of \$ 6,543.

On July 1, 2021, the District entered into a 42 month lease as lessee for the use of a copier. An initial lease liability was recorded in the amount of \$ 25,652. As of June 30, 2022, the value of the lease liability is \$ 18,373. The District is required to make quarterly fixed payments of \$ 1,860. The lease has an interest rate of 0.8930%. The copier's estimated useful life was 3 years as of the contract commencement. The value of the right to use asset as of June 30, 2022 is \$ 25,652 with accumulated amortization of \$ 7,203.

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Future minimum lease payments for lease obligations payable are as follows:

Year	Principal	Interest	Total
2023	\$ 129,826	\$ 1,364	\$ 131,190
2024	125,163	858	126,021
2025	114,336	375	114,711
Total	\$ 369,325	\$ 2,597	\$ 371,922

8 - 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 Annual Comprehensive 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 are determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) were 14.20% and 13.33%, respectively, for the fiscal year ended June 30, 2022.

Senate Substitute for House Bill 2052 authorized the delay of \$64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of \$6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of \$194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of \$19.4 million starting in fiscal year 2020.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 15,950,715 for the year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 126,099,493. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contribution of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021.

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

Although KPERS administers one cost-sharing, multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and non-employer allocations are applied to amounts presented in the schedules of pension amounts by employer and non-employer. The District's proportion of the collective net pension liability was based on the ratio of the District's actual contributions to KPERS, relative to the total employer and non-employer contributions of the State/School group within KPERS for the fiscal year ended June 30, 2021. The contributions used exclude contributions made for prior service,

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excess benefits, and irregular payments. At June 30, 2021, the District's proportion was 2.238184%, which was a decrease of 0.025599% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$ 10,949,427. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,872,561	\$ 588,188
Net difference between projected and actual earnings on pension plan investments	-	31,106,016
Change of assumptions	18,151,661	-
Changes in proportionate share	3,036,585	3,816,797
District contributions subsequent to measurement date	<u>15,950,715</u>	<u>-</u>
Total	<u>\$ 39,011,522</u>	<u>\$ 35,511,001</u>

The \$ 15,950,715 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2023	\$ (1,224,483)
2024	(706,468)
2025	(3,013,806)
2026	(8,004,910)
2027	<u>499,473</u>
	<u>\$ (12,450,194)</u>

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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Price inflation	2.75 percent
Salary increases, including wage increases	3.50 to 12.00 percent, including inflation
Long-term rate of return net of investment expense, and including price inflation	7.25 percent

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted for the three-year period ending December 31, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations, as of the most recent experience study, dated January 7, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equities	23.5%	5.20%
Non-US equities	23.5%	6.40%
Fixed income	11.0%	9.50%
Yield driven	8.0%	4.45%
Real return	11.0%	4.70%
Real estate	11.0%	3.25%
Private equity	8.0%	1.55%
Short-term investments	4.0%	0.25%
Total	<u>100.0%</u>	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State/School employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the collective net pension liability	\$ 185,280,298	\$ 126,099,493	\$ 76,340,262

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued KPERS financial report.

9 - Other Postemployment Benefits

Plan Description. The District offers postemployment benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment plan administered by the District. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The District's employee benefit plan provides the same medical, pharmacy, and dental benefits to eligible retirees and their dependents as it does to active employees, until age 66 for administrators and age 65 for all other retirees. In addition, the District provides an early retirement incentive to eligible employees who retire before age 65 and a life insurance benefit through age 66 for administrators. The District pays the equivalent of the base plan premiums on behalf of retirees, and the retirees who have chosen the buy-up plan pay any additional cost of the plan. Covered spouses pay 100% of their premiums. Full-time employees are eligible to retire at age 60 with at least ten years of service with the District. Part-time employees are eligible to retire at age 60 with at least 15 years of service. The benefit is available for selection at retirement and is extended to retirees and their dependents until the individuals become eligible for Medicare at 65. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The plan does not issue a stand-alone financial report.

As of June 30, 2022, the District has approximately 180 employees who are eligible to receive early retirement benefits. The benefits vary based on employee classification. Classified employees receive \$ 260 per month in cash and \$ 560 per month in health and dental insurance coverage until their sixty-fifth (65) birthday. Certified employees receive one-third of the certified base salary monthly, which is one-third of the base salary of a beginning professional employee in effect at the time the retirement commences, and \$ 560 per month in health and dental insurance coverage until their sixty-fifth (65) birthday. Administrators receive \$ 1,250 per month in cash and \$ 560 per month in health and dental insurance coverage plus \$ 13

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for life insurance premiums per month. The District's contributions are financed on a pay-as-you-go basis. During the year ended June 30, 2022, payments to early retirees along with insurance benefits totaled approximately \$ 2.3 million. These amounts are reflected in general fund instruction and support services expenditures.

Funding Policy. The District provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establishes that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs.

The District appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. In fiscal year 2022, the District contributed approximately \$ 2,300,000 to the plan.

Employees Covered by Benefit Terms. At the actuarial valuation date of July 1, 2021, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	131
Active employees	1,078
	1,209

Total OPEB Liability. The District's total OPEB liability of \$ 30,805,992 was measured as of June 30, 2022 and was determined by an actuarial valuation performed as of July 1, 2021.

Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual entry age normal as a level percentage of payroll
Discount rate	2.18% at valuation date, 4.09% as of measurement period ending June 30, 2022
Annual wage increases	3.00% per year
Price inflation	2.50%

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Mortality

Pre-retirement Healthy

Male: 80% of RP-2014 M with White Collar Adjustment

Female: 80% of RP-2014 F with White Collar Adjustment

Post-retirement Healthy

Male: RP-2014 M with White Collar Adjustment

Female: RP-2014 F with White Collar Adjustment

Disabled

RP-2014 Disabled Life Table

Margin for mortality improvements: Scale MP-2016, fully generational

Annual Healthcare Trend

Years after Valuation	Medical & Pharmacy	Dental
1	8.00 %	4.50 %
2	7.75	4.50
3	7.50	4.50
4	7.25	4.50
5	7.00	4.50
6	6.75	4.50
7	6.50	4.50
8	6.25	4.50
9	6.00	4.50
10	5.75	4.50
11	5.50	4.50
12	5.25	4.50
13	5.00	4.50
14	4.75	4.50
15+	4.50	4.50

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Changes in Total OPEB Liability.

	Total OPEB Liability
Balance at June 30, 2021	\$ 33,465,299
Changes for the year:	
Service cost	1,636,531
Interest	721,984
Net benefits paid by employer	(2,302,654)
Difference between expected and actual experience	(2,339,289)
Changes in assumptions and inputs	(375,879)
Net changes	(2,659,307)
Balance at June 30, 2022	\$ 30,805,992

Changes of assumptions and other inputs reflect a change in the discount rate from 2.18% in 2021 to 4.09% in 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

	1% Decrease (3.09%)	Discount Rate (4.09%)	1% Increase (5.09%)
Total OPEB liability	\$ 32,931,462	\$ 30,805,992	\$ 28,822,262

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 28,621,040	\$ 30,805,992	\$ 33,374,473

OPEB Expense and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the District recognized OPEB expense of \$ 327,901. At June 30, 2022, the District reported deferred inflows of resources related to OPEB from the following source:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 881,706	\$ 4,603,150
Differences between expected and actual experience	-	3,027,849
	\$ 881,706	\$ 7,630,999

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,		
2023	\$	(1,157,390)
2024		(1,157,390)
2025		(1,153,341)
2026		(1,057,250)
2027		(1,082,159)
Thereafter		(1,141,763)
	\$	(6,749,293)

Disability Benefits and Life Insurance

Plan Description. The District participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits. Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$ 100 and a maximum of \$ 5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers

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compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms. The District has the following employees covered by the Plan as of December 31, 2021:

Inactive employees or beneficiaries currently receiving benefit payments	21
Active employees	<u>2,279</u>
	<u><u>2,300</u></u>

Total OPEB Liability. The District's total OPEB liability of \$ 2,770,147 reported as of June 30, 2022 was measured as of June 30, 2021 (the measurement date) and was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	December 31, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%

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Payroll growth	3.00%
Discount rate	2.16%

The discount rate was based on the bond buyer general obligation 20-year municipal bond index.

Mortality rates used for the death benefits were based on the RP-2014 White Collar Mortality Table for Males and Females, adjusted for generational mortality improvement using MP-2021.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2021. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2020 KPERs pension valuation.

Changes in Total OPEB Liability.

Balance at June 30, 2021	\$ 2,772,311
Changes for the year:	
Service cost	256,286
Interest on total OPEB liability	64,989
Changes in assumptions or other inputs	(146,612)
Benefit payments	<u>(176,827)</u>
Net changes	<u>(2,164)</u>
Balance at June 30, 2022	<u><u>\$ 2,770,147</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the District's total OPEB liability calculated using the discount rate of 2.16%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or (1.16%) 1-percentage point higher (3.16%) than the current rate:

	<u>1% Decrease (1.16%)</u>	<u>Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
Total OPEB liability	\$ 2,905,519	\$ 2,770,147	\$ 2,636,388

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

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	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,770,147	\$ 2,770,147	\$ 2,770,147

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the District recognized OPEB expense of \$ 327,901.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 172,754	\$ 60,202
Differences between expected and actual experience	167,754	220,269
Employer contributions after measurement date	1,201,949	-
Total	\$ 1,542,457	\$ 280,471

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling \$ 1,201,949 consists of payments made to KPERS for benefits and administrative costs and will be recognized as a reduction in the total OPEB liability during the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2023	\$ 6,626
2024	6,626
2025	6,626
2026	6,626
2027	9,433
Thereafter	24,100
	\$ 60,037

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10 - Interfund Transactions

A summary of transfers for the year is as follows:

Transfers to	Transfers from General Fund
Governmental funds:	
Special education	\$ 16,544,569
Nonmajor governmental funds	800,000
Business-type funds:	
Nonmajor proprietary funds	507,173
Internal service funds:	
Health insurance reserve	1,500,000
	\$ 19,351,742

Transfers are used to move unrestricted monies to finance various programs that the District must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grants and to close out finished capital project funds.

Due to/Due from other funds at June 30, 2022 are as follows:

	Due to General Fund
Due from:	
Nonmajor Governmental Funds	\$ 570,598

11 - Commitments and Contingencies

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruptions; errors and omission; injuries to employees and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters other than those relating to workers' compensation and dental. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

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Self-Insurance Funds

The District has established internal service funds for self-insured worker's compensation and dental insurance. The worker's compensation program began in July 1993, and the dental insurance program began in September 2005.

Funds are accumulated for payment of claims and insurance premiums through charges to the District's funds. Currently, the District is funding the worker's compensation reserve fund with annual contributions. The dental self-insured fund is funded with contributions made during each payroll period from the employer and the employees. All plans are administered by a third party, which accumulates claims. During 2022, the District's maximum responsibility for payment of worker's compensation benefits was \$ 500,000 per occurrence (\$ 1,000,000 in aggregate). The District's maximum responsibility for payment of dental insurance benefits was \$ 1,500 per employee per year. The District purchases commercial insurance for claims in excess of the maximum and for all other risks of loss. The claims liability at June 30, 2022 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims liability of \$ 662,099 is included in the governmental activities column of the statement of net position as estimated insurance claims. Changes in the claims liability for the year ended June 30, 2022 were:

	Beginning of Year Liability	Change in Estimate	Claims and Premium Payments	End of Year Liability
2022	\$ 1,050,786	\$ 103,578	\$ 492,265	\$ 662,099
2021	882,489	522,090	353,793	1,050,786

No amounts have been reflected in the financial statements for dental insurance claims liability as of June 30, 2022.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed expenditures, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to not be material to the financial statements.

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Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the District.

Encumbrances

The District uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At June 30, 2022, the District's recorded encumbrances in governmental funds were as follows:

General	\$ 863,268
Capital outlay	5,226,351
Special education	57,401
Other nonmajor governmental funds	28,638
Nonmajor proprietary funds	<u>2,634</u>
	<u>\$ 6,178,292</u>

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Construction Commitments

Project authorizations compared with expenditures to date for significant projects open at year-end are as follows:

	<u>Expenditures to Date</u>	<u>Project Authorization</u>
Projects in process:		
Replace Drain Lines/Dishwasher	\$ 15,089	\$ 50,000
Guttering Replacement - THS	106,885	141,204
Replace HVAC - Eisenhower	20,100	371,400
Boiler Replacement	12,200	301,551
Steam Trap Replacement - THS	-	275,400
Sound & Lighting in Auditorium - THS	10,600	90,239
Tuckpointing - THS	-	66,000
Replace Stage Flooring - THS	900	87,128
Ceiling & Light Replacement - TWHS	183,000	235,500
Upgrade Fire Alarm System - TWHS	9,500	153,267
Flooring Replacement - TWHS	31,025	99,670
Build ADA Compliant Ramp - TWHS	1,475	68,275
HVAC Replacement - Chase	10,630	339,270
Tennis Court Replacement - Eisenhower	900	100,000
Floor Replacement-Phase II - French	450	49,845
Install Awning Main Entrance - Jardine	4,433	87,000
Install Asphalt Surface-Track - Jardine	900	298,750
Asphalt Parking Lot Replace - Landon	-	190,325
Asphalt Parking Lot Replace - Robinson	-	52,575
Ceiling & Light Replacement - Lowman Hill	56,900	73,900
Asphalt Playground Replacement - Robinson	-	97,025
Window & Door Replacement - Ross	336,145	605,789
RTU Replacement - Ross	11,334	123,490
Univent Replacement - Ross	37,988	263,882
Ceiling & Light Replacement - Sheldon	66,500	98,500
Replace Fan Coils - Burnett Center	26,482	109,432
Ceiling & Light Replacement - Linn	-	62,500
Replace Asphalt Parking Phase I - Hummer Soccer	47,700	136,245
	<u>\$ 991,136</u>	<u>\$ 4,628,162</u>

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12 - Subsequent Events

On January 29, 2020, the District completed the issuance of the Taxable General Obligation Refunding Bonds, Series 2020-A (the “Series 2020-A Bonds”) and Taxable General Obligation Refunding Bonds, Series 2020-B (the “Series 2020-B Bonds”). The Series 2020-A Bonds and Series 2020-B Bonds were issued as convertible refunding bonds whereby the interest paid to investors was initially taxable under federal law and upon conversion becomes tax-exempt. The conversion date for each series of bonds is the date on which the bonds being refinanced are redeemed and paid from funds held in an irrevocable escrow fund.

The Series 2020-A Bonds and Series 2020-B Bonds were issued as advance refunding bonds and structured as a “crossover refunding” whereby the interest held in the escrow funds is used to pay interest on the Series 2020-A Bonds and Series 2020-B Bonds until such date on which the bonds being refinanced can be redeemed and paid (the Crossover Date”). On the Crossover Date, the remaining funds held in escrow will be used to redeem and pay the principal amount of the refunded bonds.

The Series 2020-A Bonds were issued to refund in advance of their stated maturity a portion of the General Obligation Bonds, Series 2014-A maturing in the years 2029 through and including 2044 (the “Series 2014-A Refunded Bonds”). The Series 2014-A Refunded Bonds are subject to optional redemption on and after August 1, 2022. Proceeds of the Series 2020-A Bonds were placed into an escrow fund and invested until the Series 2014-A Refunded Bonds were redeemed and paid on the redemption date of August 1, 2022.

The Series 2020-B Bonds were issued to refund in advance of their stated maturity a portion of the General Obligation Bonds, Series 2016-A maturing in the years 2040 through and including 2044 (the “Series 2016-A Refunded Bonds”). The Series 2016-A Refunded Bonds are subject to optional redemption on and after August 1, 2026. Proceeds of the Series 2020-B Bonds were placed into an escrow fund and invested until the Series 2016-A Refunded Bonds can be redeemed and paid on the redemption date of August 1, 2026.

On August 1, 2022, which was the Crossover Date for the Series 2014-A Refunded Bonds, the funds held in escrow were used by the Escrow Trustee to complete the redemption and payment of the Series 2014-A Refunded Bonds. In addition, on August 1, 2022, the District completed the conversion for the Series 2020-A Bonds and the interest paid to investors, which was previously taxable under federal law, became tax-exempt for federal income tax purposes.

REQUIRED SUPPLEMENTARY INFORMATION

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	General		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
State aid	\$ 101,292,866	\$ 101,292,866	\$ -
Reimbursed expenses	-	386,085	386,085
Total revenues	<u>101,292,866</u>	<u>101,678,951</u>	<u>386,085</u>
Expenditures and transfers out subject to budget:			
Current:			
Instruction	27,249,002	24,192,764	(3,056,238)
Support services	36,673,747	32,129,513	(4,544,234)
Community services operations	299,478	3,867	(295,611)
Transfers out	40,051,209	44,966,722	4,915,513
Budget adjustment to comply with legal max	(2,980,570)		2,980,570
Total expenditures and transfers out subject to budget	<u>101,292,866</u>	<u>101,292,866</u>	<u>-</u>
Expenditures not subject to budget:			
Reimbursed expenses		386,085	386,085
Total expenditures	<u>101,292,866</u>	<u>101,678,951</u>	<u>386,085</u>
Excess of revenues over expenditures, transfers out subject to budget, and expenditures not subject to budget	-	-	<u>\$ -</u>
Fund balance, beginning of year, budget basis	-	-	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>-</u>	
Reconciliation to GAAP			
Plus inventories at June 30, 2022		71,927	
Plus leases receivable at June 30, 2022		115,482	
Plus interest receivable at June 30, 2022		93	
Less deferred inflows - leases at June 30, 2022		(115,007)	
Plus encumbrances outstanding at June 30, 2022		671,408	
Fund balance on the basis of GAAP - General Fund only		<u>743,903</u>	
Fund balances for separately budgeted funds included with the General Fund on GAAP basis financials:			
Supplemental general		1,379,216	
At-risk 4-year-old		853,653	
At-risk K-12		4,490	
Bilingual education		1,785,983	
Career and postsecondary education		1,845,103	
Professional development		371,747	
Summer school		216,732	
Pepsi exclusivity (included with Gifts and Grants)		106,410	
Sports park operations (included with Gifts and Grants)		987,790	
Fund balances for non-budgeted funds included with the General Fund on GAAP basis financials:			
Federal program overhead		1,652,690	
Self-insurance reserve		763,410	
Risk management		1,266,625	
Contingency reserve		3,562,943	
		<u>\$ 15,540,695</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Supplemental General		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
In process	\$ 244,821	\$ 167,879	\$ (76,942)
Current	11,195,616	12,054,903	859,287
Delinquent	209,917	283,836	73,919
State aid	20,513,174	20,979,298	466,124
Total revenues	<u>32,163,528</u>	<u>33,485,916</u>	<u>1,322,388</u>
Expenditures and transfers out:			
Current:			
Instruction	3,850,741	1,971,881	(1,878,860)
Support services	7,416,611	7,334,638	(81,973)
Community services operations	18,804	10,371	(8,433)
Transfers out	22,990,394	23,679,804	689,410
Budget adjustment to comply with legal max	(1,279,856)	-	1,279,856
Total expenditures and transfers out	<u>32,996,694</u>	<u>32,996,694</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and transfers out	(833,166)	489,222	<u>\$ 1,322,388</u>
Fund balance, beginning of year, budget basis	840,166	840,166	
Fund balance, end of year, budget basis	<u>\$ 7,000</u>	1,329,388	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		49,828	
Fund balance on the basis of GAAP		<u>\$ 1,379,216</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	At-Risk 4-Year-Old		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 1,630,642	\$ 1,104,380	\$ (526,262)
Support services	10,197	11,454	1,257
Total expenditures	<u>1,640,839</u>	<u>1,115,834</u>	<u>(525,005)</u>
Other financing sources:			
Transfers in	<u>787,953</u>	<u>1,115,834</u>	<u>327,881</u>
Net change in fund balance	<u>(852,886)</u>	<u>-</u>	<u>\$ 852,886</u>
Fund balance, beginning of year, budget basis	<u>852,886</u>	<u>852,885</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>852,885</u>	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		<u>768</u>	
Fund balance on the basis of GAAP		<u>\$ 853,653</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	At-Risk K-12		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 27,083,218	\$ 24,299,201	\$ (2,784,017)
Support services	599,799	387,612	(212,187)
Total expenditures	<u>27,683,017</u>	<u>24,686,813</u>	<u>(2,996,204)</u>
Other financing sources:			
Transfers in	<u>27,682,120</u>	<u>24,686,693</u>	<u>(2,995,427)</u>
Net change in fund balance	(897)	(120)	<u>\$ 777</u>
Fund balance, beginning of year, budget basis	<u>897</u>	<u>897</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>777</u>	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		<u>3,713</u>	
Fund balance on the basis of GAAP		<u>\$ 4,490</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Bilingual Education		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 3,477,298	\$ 2,863,641	\$ (613,657)
Support services	953,819	899,702	(54,117)
Total expenditures	4,431,117	3,763,343	(667,774)
Other financing sources:			
Transfers in	2,900,000	4,013,343	1,113,343
Net change in fund balance	(1,531,117)	250,000	\$ 1,781,117
Fund balance, beginning of year, budget basis	1,531,117	1,531,117	
Fund balance, end of year, budget basis	\$ -	1,781,117	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		4,866	
Fund balance on the basis of GAAP		\$ 1,785,983	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Career and Postsecondary Education		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 2,627,035	\$ 2,133,269	\$ (493,766)
Support services	619,359	839,655	220,296
Total expenditures	<u>3,246,394</u>	<u>2,972,924</u>	<u>(273,470)</u>
Other financing sources:			
Transfers in	1,400,000	2,957,737	1,557,737
Net change in fund balance	<u>(1,846,394)</u>	<u>(15,187)</u>	<u>\$ 1,831,207</u>
Fund balance, beginning of year, budget basis	<u>1,846,394</u>	<u>1,846,394</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>1,831,207</u>	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		<u>13,896</u>	
Fund balance on the basis of GAAP		<u>\$ 1,845,103</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Professional Development		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Interest	\$ -	\$ 264	\$ 264
Expenditures:			
Current:			
Support services	534,328	229,129	(305,199)
Excess (deficiency) of revenues over (under) expenditures	(534,328)	(228,865)	305,463
Other financing sources:			
Transfers in	150,000	150,000	-
Net change in fund balance	(384,328)	(78,865)	\$ 305,463
Fund balance, beginning of year, budget basis	384,328	384,328	
Fund balance, end of year, budget basis	\$ -	305,463	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		66,284	
Fund balance on the basis of GAAP		\$ 371,747	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Summer School		Variance Over (Under)
	Original and Final Budget	Actual	
Expenditures:			
Current:			
Instruction	\$ 197,362	\$ -	\$ (197,362)
Support services	32,728	13,358	(19,370)
Total expenditures	230,090	13,358	<u>\$ (216,732)</u>
Fund balance, beginning of year, budget basis	230,090	230,090	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>\$ 216,732</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Gifts and Grants		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Local sources	\$ 246,500	\$ 1,469,056	\$ 1,222,556
State aid	873,965	-	(873,965)
Interest	-	861	861
Charges for services	373,000	329,754	(43,246)
Miscellaneous	850,595	56,667	(793,928)
Total revenues	<u>2,344,060</u>	<u>1,856,338</u>	<u>(487,722)</u>
Expenditures:			
Current:			
Instruction	1,877,887	513,612	(1,364,275)
Support services	1,493,468	988,147	(505,321)
Community services operations	135,204	175,408	40,204
Total expenditures	<u>3,506,559</u>	<u>1,677,167</u>	<u>(1,829,392)</u>
Excess (deficiency) of revenues over (under) expenditures	(1,162,499)	179,171	<u>\$ 1,341,670</u>
Fund balance, beginning of year, budget basis	1,162,499	1,223,594	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>1,402,765</u>	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2022		133,788	
Less deferred revenue at June 30, 2022		(291,915)	
Plus encumbrances outstanding at June 30, 2022		25,389	
Fund balances on the basis of GAAP		<u>\$ 1,270,027</u>	
Fund balances on the basis of GAAP consists of the following:			
Pepsi exclusivity (included in the combined General Fund)		\$ 106,410	
Sports park operations (included in the combined General Fund)		987,790	
Trust gift legacy		175,827	
		<u>\$ 1,270,027</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2022

	Special Education		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 7,157,597	\$ 7,384,503	\$ 226,906
State aid	-	7,163	7,163
Total revenues	<u>7,157,597</u>	<u>7,391,666</u>	<u>234,069</u>
Expenditures:			
Current:			
Instruction	28,227,818	25,422,121	(2,805,697)
Support services	15,289,920	14,663,343	(626,577)
Total expenditures	<u>43,517,738</u>	<u>40,085,464</u>	<u>(3,432,274)</u>
Excess (deficiency) of revenues over (under) expenditures	(36,360,141)	(32,693,798)	3,666,343
Other financing sources:			
Transfers in	30,121,530	33,270,821	3,149,291
Net change in fund balance	(6,238,611)	577,023	<u>\$ 6,815,634</u>
Fund balance, beginning of year, budget basis	<u>6,238,611</u>	<u>6,198,243</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>6,775,266</u>	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2022		47,025	
Plus encumbrances outstanding at June 30, 2022		57,401	
Fund balance on the basis of GAAP		<u>\$ 6,879,692</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2022

	KPERs Special Retirement Contribution		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
State aid	\$ 18,204,890	\$ 16,721,336	\$ (1,483,554)
Expenditures:			
Current:			
Instruction	11,353,767	-	(11,353,767)
Support services	6,296,967	-	(6,296,967)
Noninstructional services	554,156	-	(554,156)
On-behalf expenditures:			
KPERs	-	16,721,336	16,721,336
Total expenditures	18,204,890	16,721,336	(1,483,554)
Excess of revenues over expenditures	-	-	\$ -
Fund balance, beginning of year, budget basis	-	-	
Fund balance, end of year, budget basis	\$ -	\$ -	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2022

	Federal Grant Funds (including major special revenue fund USDE Pass Through)		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 77,495,067	\$ 30,773,335	\$ (46,721,732)
Expenditures:			
Current:			
Instruction	69,893,766	18,423,930	(51,469,836)
Support services	7,823,633	9,892,146	2,068,513
Total expenditures	77,717,399	28,316,076	(49,401,323)
Excess (deficiency) of revenues over (under) expenditures	(222,332)	2,457,259	\$ 2,679,591
Fund balances, beginning of year, budget basis	222,332	(724,102)	
Fund balances, end of year, budget basis	\$ -	1,733,157	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2022		952,229	
Less deferred revenues at June 30, 2022		(2,685,386)	
Fund balances on the basis of GAAP		\$ -	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND
RELATED RATIOS - HEALTH INSURANCE
Last Five Fiscal Years¹

	2022	2021	2020	2019	2018
Total OPEB liability:					
Service cost	\$ 1,636,531	\$ 1,796,485	\$ 1,546,961	\$ 1,949,626	\$ 1,983,181
Interest	721,984	881,485	1,060,514	1,350,820	1,243,268
Net benefits paid by employer	(2,302,654)	(2,473,224)	(2,908,942)	(3,182,243)	(3,528,898)
Difference between expected and actual experience	(2,339,289)	(335,993)	-	-	-
Changes of assumptions	(375,879)	1,017,914	(7,215,125)	206,510	(805,343)
Net change in total OPEB liability	(2,659,307)	886,667	(7,516,592)	324,713	(1,107,792)
Total OPEB liability, beginning	33,465,299	32,578,632	40,095,224	39,770,511	40,878,303
Total OPEB liability, ending	<u>\$ 30,805,992</u>	<u>\$ 33,465,299</u>	<u>\$ 32,578,632</u>	<u>\$ 40,095,224</u>	<u>\$ 39,770,511</u>
Covered payroll	\$ 41,768,455	\$ 38,679,980	\$ 39,804,623	\$ 37,723,726	\$ 38,167,181
District's total OPEB liability as a percentage of covered payroll	73.8%	86.5%	81.8%	106.3%	104.2%

Changes of Assumptions:

1. Discount rate was decreased from 2.18% to 4.09%, based on municipal bond yields as of the measurement date.

¹ GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND
RELATED RATIOS - DISABILITY BENEFITS AND LIFE INSURANCE
Last Five Fiscal Years¹

	2022	2021	2020	2019	2018
Total OPEB liability:					
Service cost	\$ 256,286	\$ 216,727	\$ 193,828	\$ 192,616	\$ 205,058
Interest	64,989	94,401	91,579	87,576	71,333
Changes of assumptions	(146,612)	141,597	290,814	(137,899)	(84,933)
Benefit payments	(176,827)	(319,001)	(218,305)	(228,454)	(243,290)
Net change in total OPEB liability	(2,164)	133,724	357,916	(86,161)	(51,832)
Total OPEB liability, beginning	2,772,311	2,638,587	2,280,671	2,366,832	2,418,664
Total OPEB liability, ending	\$ 2,770,147	\$ 2,772,311	\$ 2,638,587	\$ 2,280,671	\$ 2,366,832
Covered payroll	\$ 105,169,406	\$ 104,512,892	\$ 100,143,635	\$ 94,603,689	\$ 92,994,938
District's total OPEB liability as a percentage of covered payroll	2.63%	2.65%	2.63%	2.41%	2.55%

Changes of Assumptions:

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

¹ GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE COLLECTIVE NET PENSION LIABILITY
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Nine Fiscal Years¹

	2022	2021	2020	2019	
District's proportion of the collective net pension liability	2.238184%	2.263783%	2.311246%	2.196999%	
District's proportionate share of the collective net pension liability	\$ 126,099,493	\$ 169,148,337	\$ 149,484,824	\$ 143,320,910	
District's covered payroll	\$ 125,064,020	\$ 115,856,484	\$ 112,340,308	\$ 112,340,308	
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	101%	146%	133%	128%	
Plan fiduciary net position as a percentage of the total pension liability	76.40%	68.49%	69.88%	68.88%	
	2018	2017	2016	2015	2014
District's proportion of the collective net pension liability	2.229486%	2.262925%	2.119396%	2.174282%	2.117605%
District's proportionate share of the collective net pension liability	\$ 149,798,454	\$ 152,092,568	\$ 146,756,723	\$ 138,934,472	\$ 153,820,765
District's covered payroll	\$ 102,966,206	\$ 96,737,828	\$ 95,139,490	\$ 86,430,695	\$ 82,671,274
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	145%	157%	154%	161%	186%
Plan fiduciary net position as a percentage of the total pension liability	67.12%	65.10%	64.95%	66.60%	59.94%

¹ GASB requires presentation of ten years. Data was not available prior to 2014; therefore, ten years of data is unavailable.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 15,950,715	\$ 15,913,365	\$ 17,000,973	\$ 6,975,264	\$ 12,643,425	\$ 8,298,120	\$ 8,594,373	\$ 9,585,143	\$ 10,057,121	\$ 8,863,533
Contributions in relation to the contractually required contribution	(15,950,715)	(15,913,365)	(17,000,973)	(6,975,264)	(12,643,425)	(8,298,120)	(8,594,373)	(9,585,143)	(10,057,121)	(8,863,533)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 125,064,020	\$ 115,856,484	\$ 112,340,308	\$ 112,340,308	\$ 102,966,206	\$ 96,737,828	\$ 95,139,490	\$ 86,430,695	\$ 82,671,274	\$ 82,124,120
Contributions as a percentage of covered payroll	12.75%	13.74%	15.13%	6.21%	12.28%	8.58%	9.03%	11.09%	12.17%	10.79%

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

1 - General

All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

SUPPLEMENTARY INFORMATION

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - MAJOR BUDGETED
CAPITAL PROJECTS FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Capital Outlay		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
In process	\$ 183,584	\$ 179,390	\$ (4,194)
Current	5,574,139	5,793,274	219,135
Delinquent	97,151	110,635	13,484
Charges for services	150,000	58,152	(91,848)
State aid	3,305,934	3,221,709	(84,225)
Interest	15,000	62,901	47,901
Total revenues	<u>9,325,808</u>	<u>9,426,061</u>	<u>100,253</u>
Expenditures:			
Current:			
Instruction	865,000	1,325,157	460,157
Support services	6,659,067	5,855,985	(803,082)
Facilities acquisition and construction	5,147,975	2,947,630	(2,200,345)
Total expenditures	<u>12,672,042</u>	<u>10,128,772</u>	<u>(2,543,270)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,346,234)</u>	<u>(702,711)</u>	<u>2,643,523</u>
Other financing sources:			
Sale of capital assets	-	20,420	20,420
Insurance reimbursements	-	1,080	1,080
Total other financing sources	<u>-</u>	<u>21,500</u>	<u>21,500</u>
Net change in fund balance	<u>(3,346,234)</u>	<u>(681,211)</u>	<u>\$ 2,665,023</u>
Fund balance, beginning of year, budget basis	<u>3,346,234</u>	<u>3,325,858</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>2,644,647</u>	
Reconciliation to GAAP			
Plus leases receivable at June 30, 2022		357,329	
Plus interest receivable at June 30, 2022		712	
Less deferred inflows - lease at June 30, 2022		(354,592)	
Plus encumbrances outstanding at June 30, 2022		5,226,351	
Fund balance on the basis of GAAP		<u>\$ 7,874,447</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETED PROPRIETARY FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Food Service		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 8,929,437	\$ 10,054,136	\$ 1,124,699
State aid	61,565	63,527	1,962
Interest	-	2,445	2,445
Charges for services	314,605	580,317	265,712
Total revenues	<u>9,305,607</u>	<u>10,700,425</u>	<u>1,394,818</u>
Expenditures:			
Current:			
Support services	428,232	362,712	(65,520)
Noninstructional services	11,262,885	8,404,363	(2,858,522)
Total expenditures	<u>11,691,117</u>	<u>8,767,075</u>	<u>(2,924,042)</u>
Excess (deficiency) of revenues over (under) expenditures	(2,385,510)	1,933,350	<u>\$ 4,318,860</u>
Fund balance, beginning of year, budget basis	<u>2,385,510</u>	<u>2,373,993</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>4,307,343</u>	
<u>Reconciliation to GAAP</u>			
Net adjustment for capitalization of assets		1,229,910	
Plus due from other governmental units at June 30, 2022		697	
Less unearned revenue at June 30, 2022		(110,605)	
Plus encumbrances outstanding at June 30, 2022		2,634	
Fund balance on the basis of GAAP		<u>\$ 5,429,979</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BOND AND INTEREST FUND (BUDGET BASIS)
Year Ended June 30, 2022

	Bond and Interest		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
In process	\$ 60,642	\$ 40,984	\$ (19,658)
Current	2,803,069	2,935,522	132,453
Delinquent	49,888	78,200	28,312
State aid	4,952,150	4,952,150	-
Interest	-	1,747,793	1,747,793
Miscellaneous	-	67,366	67,366
Total revenues	<u>7,865,749</u>	<u>9,822,015</u>	<u>1,956,266</u>
Expenditures subject to budget:			
Debt service:			
Principal	2,980,000	2,980,000	-
Interest and other charges	5,413,475	5,413,475	-
Total expenditures subject to budget	<u>8,393,475</u>	<u>8,393,475</u>	<u>-</u>
Expenditures not subject to budget:			
Interest and other charges	-	4,003,578	4,003,578
Total expenditures	<u>8,393,475</u>	<u>12,397,053</u>	<u>4,003,578</u>
Deficiency of revenues under expenditures	<u>(527,726)</u>	<u>(2,575,038)</u>	<u>\$ (2,047,312)</u>
Fund balance, beginning of year, budget basis	<u>7,003,428</u>	<u>117,601,365</u>	
Fund balance, end of year, budget basis	<u>\$ 6,475,702</u>	<u>\$ 115,026,327</u>	
<u>Reconciliation to GAAP</u>			
Plus interest receivable at June 30, 2022		<u>715,824</u>	
Fund balance on the basis of GAAP		<u>\$ 115,742,151</u>	

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
 Year Ended June 30, 2022

	Special Liability		Variance Over (Under)
	Original and Final Budget	Actual	
Revenues:			
Property taxes:			
In process	\$ 21,077	\$ 15,130	\$ (5,947)
Current	61,960	65,508	3,548
Delinquent	15,410	9,572	(5,838)
Interest	-	324	324
Total revenues	<u>98,447</u>	<u>90,534</u>	<u>(7,913)</u>
Expenditures and transfers out:			
Current:			
Support services	430,000	238,436	(191,564)
Transfers out	1,400	-	(1,400)
Total expenditures and transfers out	<u>431,400</u>	<u>238,436</u>	<u>(192,964)</u>
Excess (deficiency) of revenues over (under) expenditures and transfers out	(332,953)	(147,902)	<u>\$ 185,051</u>
Fund balance, beginning of year, budget basis	607,552	607,552	
Fund balance, end of year, budget basis	<u>\$ 274,599</u>	<u>\$ 459,650</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
 Year Ended June 30, 2022

	Adult Basic Education		
	Original and Final Budget	Actual	Variance Over (Under)
	Budget	Actual	(Under)
Revenues:			
Property taxes:			
Delinquent	\$ -	\$ 95	\$ 95
Expenditures:			
Current:			
Instruction	80,471	-	(80,471)
Excess (deficiency) of revenues over (under) expenditures	(80,471)	95	\$ 80,566
Fund balance, beginning of year, budget basis	80,471	80,471	
Fund balance, end of year, budget basis	\$ -	\$ 80,566	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
Year Ended June 30, 2022

	Parent Education		Variance Over (Under)
	Original and Final Budget	Actual	
Revenues:			
State aid	\$ 513,603	\$ 520,384	\$ 6,781
Expenditures:			
Current:			
Support services	1,098,957	555,473	(543,484)
Excess (deficiency) of revenues over (under) expenditures	(585,354)	(35,089)	\$ 550,265
Fund balance, beginning of year, budget basis	585,354	585,354	
Fund balance, end of year, budget basis	\$ -	550,265	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2022		28,638	
Fund balance on the basis of GAAP		\$ 578,903	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
Year Ended June 30, 2022

	Virtual Education			Variance Over (Under)
	Original Budget	Final Budget	Actual	
Revenues:				
Local sources	\$ -	\$ 500,000	\$ -	\$ (500,000)
Expenditures:				
Current:				
Instruction	317,458	817,458	369,466	(447,992)
Support services	-	-	125,322	125,322
Total expenditures	317,458	817,458	494,788	(322,670)
Excess (deficiency) of revenues over (under) expenditures	(317,458)	(317,458)	(494,788)	(177,330)
Other financing sources:				
Transfers in	-	-	800,000	800,000
Net change in fund balance	(317,458)	(317,458)	305,212	\$ 622,670
Fund balance, beginning of year, budget basis	317,458	317,458	317,458	
Fund balance, end of year, budget basis	\$ -	\$ -	\$ 622,670	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2022

	Fund Balances June 30, 2021	Additions	Deductions	Fund Balances June 30, 2022
<u>Senior High Schools</u>				
Athletic Support Groups:				
Highland Park	\$ 3,907	\$ 4,785	\$ 6,905	\$ 1,787
Topeka High	4,664	26,901	29,567	1,998
Topeka West	22,220	26,187	31,112	17,295
	<u>30,791</u>	<u>57,873</u>	<u>67,584</u>	<u>21,080</u>
Graduating Classes:				
Highland Park	4,401	3,644	5,155	2,890
Topeka High	15,606	6,191	10,290	11,507
Topeka West	18,327	10,511	4,100	24,738
	<u>38,334</u>	<u>20,346</u>	<u>19,545</u>	<u>39,135</u>
Clubs and Organizations:				
Highland Park	27,518	11,200	8,064	30,654
Topeka High	77,191	69,346	58,163	88,374
Topeka West	19,880	5,168	5,374	19,674
	<u>124,589</u>	<u>85,714</u>	<u>71,601</u>	<u>138,702</u>
Miscellaneous Fundraisers:				
Highland Park	10,072	20,244	20,117	10,199
Topeka High	18,810	797	15,675	3,932
Topeka West	5,814	-	242	5,572
	<u>34,696</u>	<u>21,041</u>	<u>36,034</u>	<u>19,703</u>
Performing Arts:				
Highland Park	9,586	4,128	5,392	8,322
Topeka High	23,040	55,946	42,513	36,473
Topeka West	27,338	24,596	26,795	25,139
	<u>59,964</u>	<u>84,670</u>	<u>74,700</u>	<u>69,934</u>
Scholarships and Memorials:				
Highland Park	11,968	7,069	10,400	8,637
Topeka High	31,828	10,702	8,217	34,313
Topeka West	11,740	15,892	14,251	13,381
	<u>55,536</u>	<u>33,663</u>	<u>32,868</u>	<u>56,331</u>
Total Senior High Schools	<u>\$ 343,910</u>	<u>\$ 303,307</u>	<u>\$ 302,332</u>	<u>\$ 344,885</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2022

	Fund Balances June 30, 2021	Additions	Deductions	Fund Balances June 30, 2022
<u>Middle Schools</u>				
Clubs and Organizations:				
Chase	\$ 1,205	\$ 1,429	\$ 1,061	\$ 1,573
Eisenhower	3,151	9,105	7,183	5,073
French	5,142	4,638	4,429	5,351
Jardine	2,487	1,173	1,204	2,456
Landon	3,609	3,678	2,097	5,190
Robinson	433	2,110	2,162	381
	<u>16,027</u>	<u>22,133</u>	<u>18,136</u>	<u>20,024</u>
Graduating Classes:				
Chase	285	-	105	180
French	947	4,500	4,214	1,233
Robinson	43	-	25	18
	<u>1,275</u>	<u>4,500</u>	<u>4,344</u>	<u>1,431</u>
Miscellaneous Fundraisers:				
Chase	3,982	2,192	4,948	1,226
Eisenhower	584	-	-	584
Jardine	14,800	1,935	2,908	13,827
Landon	17,561	18,816	19,626	16,751
Robinson	9	1,228	1,077	160
	<u>36,936</u>	<u>24,171</u>	<u>28,559</u>	<u>32,548</u>
Performing Arts:				
Chase	1,239	451	645	1,045
Eisenhower	3,539	828	3,315	1,052
French	3,826	1,660	1,313	4,173
Jardine	17,489	3,446	1,746	19,189
Landon	7,887	3,668	3,136	8,419
Robinson	2,583	1,540	2,897	1,226
	<u>36,563</u>	<u>11,593</u>	<u>13,052</u>	<u>35,104</u>
Total Middle Schools	<u>\$ 90,801</u>	<u>\$ 62,397</u>	<u>\$ 64,091</u>	<u>\$ 89,107</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2022

	Fund Balances June 30, 2021	Additions	Deductions	Fund Balances June 30, 2022
<u>Elementary Schools</u>				
Clubs and Organizations:				
Jardine	\$ 872	\$ 23	\$ 200	\$ 695
Lowman Hill	696	275	531	440
McClure	224	-	103	121
McEachron	3,123	19,713	17,633	5,203
Meadows	263	719	535	447
Scott	179	-	-	179
Whitson	688	320	586	422
	<u>6,045</u>	<u>21,050</u>	<u>19,588</u>	<u>7,507</u>
Graduating Class:				
Jardine	1,066	882	825	1,123
Lowman Hill	4,505	-	310	4,195
Meadows	1,297	257	87	1,467
McClure	-	1,408	1,408	-
Ross	21	-	21	-
Scott	2,564	220	201	2,583
Whitson	985	-	367	618
Williams	35	-	35	-
	<u>10,473</u>	<u>2,767</u>	<u>3,254</u>	<u>9,986</u>
Miscellaneous Fundraisers:				
Highland Park Central	7,252	802	4,509	3,545
Jardine	13,794	9,807	7,608	15,993
Lowman Hill	2,476	593	2,188	881
McCarter	25,027	1,024	5,199	20,852
McClure	162	4,260	1,945	2,477
McEachron	3,280	9,530	7,878	4,932
Meadows	2,698	967	273	3,392
Quincy	4,202	1,098	1,771	3,529
Randolph	1,566	1,411	1,192	1,785
Ross	1,543	2,252	3,420	375
Scott	3,731	1,941	1,190	4,482
State Street	2,611	1,038	3,184	465
Stout	3,074	507	3,581	-
Whitson	469	2,046	1,844	671
Williams	1,747	803	-	2,550
	<u>73,632</u>	<u>38,079</u>	<u>45,782</u>	<u>65,929</u>
Subtotals forward	<u>\$ 90,150</u>	<u>\$ 61,896</u>	<u>\$ 68,624</u>	<u>\$ 83,422</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2022

	Fund Balances June 30, 2021	Additions	Deductions	Fund Balances June 30, 2022
Subtotals forward	\$ 90,150	\$ 61,896	\$ 68,624	\$ 83,422
Scholarships and Memorials:				
Quincy	1,276	255	398	1,133
Randolph	6,768	-	-	6,768
Ross	190	250	-	440
State Street	2,354	923	806	2,471
Whitson	221	90	101	210
	<u>10,809</u>	<u>1,518</u>	<u>1,305</u>	<u>11,022</u>
Total Elementary Schools	<u>\$ 100,959</u>	<u>\$ 63,414</u>	<u>\$ 69,929</u>	<u>\$ 94,444</u>
<u>Other Locations</u>				
Clubs and Organizations:				
Capital City	\$ 217	\$ -	\$ 217	\$ -
Hope Street Academy	2,678	-	1,404	1,274
	<u>2,895</u>	<u>-</u>	<u>1,621</u>	<u>1,274</u>
Miscellaneous Fundraisers:				
Capital City	418	112	-	530
Hope Street Academy	149	-	149	-
Sheldon Head Start	970	555	1,375	150
	<u>1,537</u>	<u>667</u>	<u>1,524</u>	<u>680</u>
Scholarships and Memorials:				
Capital City	847	112	470	489
Hope Street Academy	4,570	1,000	-	5,570
Sheldon Head Start	55	-	-	55
	<u>5,472</u>	<u>1,112</u>	<u>470</u>	<u>6,114</u>
Total Other Locations	<u>\$ 9,904</u>	<u>\$ 1,779</u>	<u>\$ 3,615</u>	<u>\$ 8,068</u>
Total - all student organization funds	<u>\$ 545,574</u>	<u>\$ 430,897</u>	<u>\$ 439,967</u>	<u>\$ 536,504</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2022

	General	Supplemental General	At-Risk 4-Year-Old	At-Risk K-12
<u>ASSETS</u>				
Cash and investments	\$ 19,751	\$ 102,975	\$ 912,266	\$ 2,019,412
Due from other funds	-	-	-	-
State aid receivables	3,929,038	1,276,241	-	-
Leases receivable	115,482	-	-	-
Interest receivable	93	-	-	-
Inventory of materials and supplies	71,927	-	-	-
Total assets	<u>\$ 4,136,291</u>	<u>\$ 1,379,216</u>	<u>\$ 912,266</u>	<u>\$ 2,019,412</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,540,172	\$ -	\$ 58,613	\$ 2,014,922
Due to other funds	737,209	-	-	-
Payroll liabilities	-	-	-	-
Total liabilities	<u>3,277,381</u>	<u>-</u>	<u>58,613</u>	<u>2,014,922</u>
Deferred inflows of resources:				
Deferred inflows - leases	<u>115,007</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Inventories	71,927	-	-	-
Assigned	671,408	49,828	853,653	4,490
Unassigned	568	1,329,388	-	-
Total fund balances	<u>743,903</u>	<u>1,379,216</u>	<u>853,653</u>	<u>4,490</u>
Total liability, deferred inflows of resources, and fund balances	<u>\$ 4,136,291</u>	<u>\$ 1,379,216</u>	<u>\$ 912,266</u>	<u>\$ 2,019,412</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
(Continued)
June 30, 2022

	Federal Program Overhead	Bilingual Education	Career and Postsecondary Education	Professional Development	Summer School
<u>ASSETS</u>					
Cash and investments	\$ 1,664,954	\$ 1,961,197	\$ 2,003,533	\$ 376,629	\$ 216,732
Due from other funds	-	-	-	-	-
State aid receivables	-	-	-	-	-
Leases receivable	-	-	-	-	-
Interest receivable	-	-	-	-	-
Inventory of materials and supplies	-	-	-	-	-
Total assets	<u>\$ 1,664,954</u>	<u>\$ 1,961,197</u>	<u>\$ 2,003,533</u>	<u>\$ 376,629</u>	<u>\$ 216,732</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 12,264	\$ 175,214	\$ 158,430	\$ 4,882	\$ -
Due to other funds	-	-	-	-	-
Payroll liabilities	-	-	-	-	-
Total liabilities	<u>12,264</u>	<u>175,214</u>	<u>158,430</u>	<u>4,882</u>	<u>-</u>
Deferred inflows of resources:					
Deferred inflows - leases	-	-	-	-	-
Fund balances:					
Nonspendable:					
Inventories	-	-	-	-	-
Assigned	-	1,785,983	1,845,103	371,747	216,732
Unassigned	1,652,690	-	-	-	-
Total fund balances	<u>1,652,690</u>	<u>1,785,983</u>	<u>1,845,103</u>	<u>371,747</u>	<u>216,732</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,664,954</u>	<u>\$ 1,961,197</u>	<u>\$ 2,003,533</u>	<u>\$ 376,629</u>	<u>\$ 216,732</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
(Continued)
June 30, 2022

	<u>Pepsi Exclusivity</u>	<u>Internal Service Reserve</u>	<u>Sports Park Operations</u>	<u>Payroll Liability Clearing</u>
<u>ASSETS</u>				
Cash and investments	\$ 106,410	\$ 1,120	\$ 987,790	\$ 8,122,071
Due from other funds	-	-	-	-
State aid receivables	-	-	-	-
Leases receivable	-	-	-	-
Interest receivable	-	-	-	-
Inventory of materials and supplies	-	-	-	-
	<u>\$ 106,410</u>	<u>\$ 1,120</u>	<u>\$ 987,790</u>	<u>\$ 8,122,071</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Payroll liabilities	-	1,120	-	8,122,071
	<u>-</u>	<u>1,120</u>	<u>-</u>	<u>8,122,071</u>
Total liabilities	-	1,120	-	8,122,071
Deferred inflows of resources:				
Deferred inflows - leases	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Assigned	-	-	987,790	-
Unassigned	106,410	-	-	-
	<u>106,410</u>	<u>-</u>	<u>987,790</u>	<u>-</u>
Total fund balances	106,410	-	987,790	-
	<u>\$ 106,410</u>	<u>\$ 1,120</u>	<u>\$ 987,790</u>	<u>\$ 8,122,071</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 106,410</u>	<u>\$ 1,120</u>	<u>\$ 987,790</u>	<u>\$ 8,122,071</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
(Continued)
June 30, 2022

	Self-Insurance Reserve	Risk Management	Contingency Reserve	Eliminations	Total General Fund
<u>ASSETS</u>					
Cash and investments	\$ 763,410	\$ 1,266,625	\$ 2,255,136	\$ -	\$ 22,780,011
Due from other funds	-	-	1,307,807	(737,209)	570,598
State aid receivables	-	-	-	-	5,205,279
Leases receivable	-	-	-	-	115,482
Interest receivable	-	-	-	-	93
Inventory of materials and supplies	-	-	-	-	71,927
	<u>763,410</u>	<u>1,266,625</u>	<u>3,562,943</u>	<u>(737,209)</u>	<u>28,743,390</u>
Total assets	<u>\$ 763,410</u>	<u>\$ 1,266,625</u>	<u>\$ 3,562,943</u>	<u>\$ (737,209)</u>	<u>\$ 28,743,390</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	4,964,497
Due to other funds	-	-	-	(737,209)	-
Payroll liabilities	-	-	-	-	8,123,191
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(737,209)</u>	<u>13,087,688</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(737,209)</u>	<u>13,087,688</u>
Deferred inflows of resources:					
Deferred inflows - leases	-	-	-	-	115,007
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,007</u>
Fund balances:					
Nonspendable:					
Inventories	-	-	-	-	71,927
Assigned	763,410	1,266,625	-	-	8,816,769
Unassigned	-	-	3,562,943	-	6,651,999
	<u>763,410</u>	<u>1,266,625</u>	<u>3,562,943</u>	<u>-</u>	<u>15,540,695</u>
Total fund balances	<u>763,410</u>	<u>1,266,625</u>	<u>3,562,943</u>	<u>-</u>	<u>15,540,695</u>
Total liability, deferred inflows of resources, and fund balances	<u>\$ 763,410</u>	<u>\$ 1,266,625</u>	<u>\$ 3,562,943</u>	<u>\$ (737,209)</u>	<u>\$ 28,743,390</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2022

	General	Supplemental General	At-Risk 4-Year-Old	At-Risk K-12
Revenues:				
Property taxes	\$ -	\$ 12,506,618	\$ -	\$ -
Local sources	-	-	-	-
Charges for services	42,126	-	-	-
State aid	84,566,614	20,979,298	-	-
Interest	1,318	-	-	-
Miscellaneous	386,085	-	-	-
Total revenues	84,996,143	33,485,916	-	-
Expenditures:				
Current:				
Instruction	24,215,687	1,965,489	1,103,612	24,297,364
Student support	5,189,200	86,169	-	121,547
Instructional support	2,847,988	73,660	-	-
General administration	1,350,198	1,273,600	-	-
School administration	8,495,668	110,731	9,440	264,249
Business support	1,465,195	70,707	-	-
Operations and maintenance	6,894,885	4,663,988	2,014	-
Transportation	2,448,779	-	-	-
Central support services	3,871,766	1,033,928	-	-
Other support	6,868	10,371	-	-
Student activities	(231,863)	1,207	-	-
Debt service:				
Interest expense	679	-	-	-
Debt service principal	40,520	-	-	-
Total expenditures	56,595,570	9,289,850	1,115,066	24,683,160
Excess (deficiency) of revenues over (under) expenditures	28,400,573	24,196,066	(1,115,066)	(24,683,160)
Other financing sources (uses):				
Transfers in	-	-	1,115,834	24,686,693
Transfers out	(28,240,470)	(23,679,804)	-	-
Total other financing sources (uses)	(28,240,470)	(23,679,804)	1,115,834	24,686,693
Net change in fund balances	160,103	516,262	768	3,533
Fund balance, beginning of year	583,800	862,954	852,885	957
Fund balance, end of year	\$ 743,903	\$ 1,379,216	\$ 853,653	\$ 4,490

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
(Continued)
Year Ended June 30, 2022

	Federal Program Overhead	Bilingual Education	Career and Postsecondary Education	Professional Development	Summer School
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	-	-	-	-	-
Charges for services	-	-	-	-	-
State aid	-	-	-	-	-
Interest	-	-	-	264	-
Miscellaneous	-	-	-	-	-
Total revenues	-	-	-	264	-
Expenditures:					
Current:					
Instruction	(100,990)	2,876,147	2,132,202	-	9,828
Student support	-	77,678	-	-	-
Instructional support	-	-	41,474	216,620	-
General administration	(38,245)	-	-	-	-
School administration	-	16,393	317,896	-	13,358
Business support	(421,371)	-	-	-	-
Operations and maintenance	-	6,963	93,774	-	-
Transportation	-	819,402	378,893	-	16,172
Central support services	(216,950)	-	-	-	-
Other support	-	-	-	-	-
Student activities	-	-	-	-	-
Debt service:					
Interest expense	-	-	-	-	-
Debt service principal	-	-	-	-	-
Total expenditures	(777,556)	3,796,583	2,964,239	216,620	39,358
Excess (deficiency) of revenues over (under) expenditures	777,556	(3,796,583)	(2,964,239)	(216,356)	(39,358)
Other financing sources (uses):					
Transfers in	-	4,013,343	2,957,737	150,000	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	4,013,343	2,957,737	150,000	-
Net change in fund balances	777,556	216,760	(6,502)	(66,356)	(39,358)
Fund balance, beginning of year	875,134	1,569,223	1,851,605	438,103	256,090
Fund balance, end of year	\$ 1,652,690	\$ 1,785,983	\$ 1,845,103	\$ 371,747	\$ 216,732

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
(Continued)
Year Ended June 30, 2022

	Pepsi Exclusivity	Internal Service Reserve	Sports Park Operations	Payroll Liability Clearing
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Local sources	17,820	-	-	-
Charges for services	19,659	-	310,095	-
State aid	-	-	-	-
Interest	66	-	672	-
Miscellaneous	2,050	-	54,617	-
Total revenues	<u>39,595</u>	<u>-</u>	<u>365,384</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	9,237	-	67,650	-
Student support	446	-	-	-
Instructional support	6,383	-	-	-
General administration	10,314	-	-	-
School administration	44	-	(8,880)	-
Business support	3,589	-	17,834	-
Operations and maintenance	-	-	188,435	-
Transportation	324	-	-	-
Central support services	-	-	-	-
Other support	-	-	153,684	-
Student activities	3,200	-	-	-
Debt service:				
Interest expense	-	-	-	-
Debt service principal	-	-	-	-
Total expenditures	<u>33,537</u>	<u>-</u>	<u>418,723</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,058</u>	<u>-</u>	<u>(53,339)</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	6,058	-	(53,339)	-
Fund balance, beginning of year	100,352	-	1,041,129	-
Fund balance, end of year	<u>\$ 106,410</u>	<u>\$ -</u>	<u>\$ 987,790</u>	<u>\$ -</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
(Continued)
Year Ended June 30, 2022

	Self-Insurance Reserve	Risk Management	Contingency Reserve	Eliminations	Total General Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 12,506,618
Local sources	-	-	-	-	17,820
Charges for services	93,150	-	-	-	465,030
State aid	-	-	-	-	105,545,912
Interest	525	815	-	-	3,660
Miscellaneous	8,760	11,437	-	-	462,949
Total revenues	102,435	12,252	-	-	119,001,989
Expenditures:					
Current:					
Instruction	-	6,760	808,222	-	57,391,208
Student support	-	-	184,272	-	5,659,312
Instructional support	-	-	68,925	-	3,255,050
General administration	-	114,403	-	-	2,710,270
School administration	-	-	296,502	-	9,515,401
Business support	216,708	734	-	-	1,353,396
Operations and maintenance	-	21,725	654,137	-	12,525,921
Transportation	-	11,650	-	-	3,675,220
Central support services	-	55,173	-	-	4,743,917
Other support	-	-	-	-	170,923
Student activities	-	-	-	-	(227,456)
Debt service:					
Interest expense	-	-	-	-	679
Debt service principal	-	-	-	-	40,520
Total expenditures	216,708	210,445	2,012,058	-	100,814,361
Excess (deficiency) of revenues over (under) expenditures	(114,273)	(198,193)	(2,012,058)	-	18,187,628
Other financing sources (uses):					
Transfers in	-	344,925	300,000	(33,568,532)	-
Transfers out	-	(1,000,000)	-	33,568,532	(19,351,742)
Total other financing sources (uses)	-	(655,075)	300,000	-	(19,351,742)
Net change in fund balances	(114,273)	(853,268)	(1,712,058)	-	(1,164,114)
Fund balance, beginning of year	877,683	2,119,893	5,275,001	-	16,704,809
Fund balance, end of year	\$ 763,410	\$ 1,266,625	\$ 3,562,943	\$ -	\$ 15,540,695

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
June 30, 2022

	Bond	Adult Basic Education	Virtual Education	Parent Education	Special Liability
<u>ASSETS</u>					
Cash and investments	\$ -	\$ 80,566	\$ 622,670	\$ 578,903	\$ 459,650
Due from other governmental units	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 80,566</u>	<u>\$ 622,670</u>	<u>\$ 578,903</u>	<u>\$ 459,650</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	-	80,566	622,670	550,265	459,650
Assigned	-	-	-	28,638	-
Total fund balances	<u>-</u>	<u>80,566</u>	<u>622,670</u>	<u>578,903</u>	<u>459,650</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 80,566</u>	<u>\$ 622,670</u>	<u>\$ 578,903</u>	<u>\$ 459,650</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
(Continued)
June 30, 2022

	USDE Direct	US HHS Direct	US HHS Thru KS HHS	TANF	Workforce Investment
<u>ASSETS</u>					
Cash and investments	\$ -	\$ 89,043	\$ -	\$ -	\$ -
Due from other governmental units	-	29,402	186,621	27,444	27,314
Total assets	<u>\$ -</u>	<u>\$ 118,445</u>	<u>\$ 186,621</u>	<u>\$ 27,444</u>	<u>\$ 27,314</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 118,445	\$ -	\$ 6,802	\$ 14,718
Due to other funds	-	-	186,621	20,642	12,596
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>118,445</u>	<u>186,621</u>	<u>27,444</u>	<u>27,314</u>
Fund balances:					
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 118,445</u>	<u>\$ 186,621</u>	<u>\$ 27,444</u>	<u>\$ 27,314</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
(Continued)
June 30, 2022

	Kansas Miscellaneous Other Grants	Miscellaneous Other Grants	Trust Gift Legacy	COVID Relief	High School Activity
<u>ASSETS</u>					
Cash and investments	\$ 51,632	\$ 150,015	\$ 175,827	\$ -	\$ 575,382
Due from other governmental units	2,104	131,684	-	397,554	-
	<u>53,736</u>	<u>281,699</u>	<u>175,827</u>	<u>397,554</u>	<u>575,382</u>
Total assets	<u>\$ 53,736</u>	<u>\$ 281,699</u>	<u>\$ 175,827</u>	<u>\$ 397,554</u>	<u>\$ 575,382</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 5,751	\$ 37,769	\$ -	\$ 46,815	\$ -
Due to other funds	-	-	-	350,739	-
Unearned revenue	47,985	243,930	-	-	-
	<u>53,736</u>	<u>281,699</u>	<u>-</u>	<u>397,554</u>	<u>-</u>
Total liabilities	<u>53,736</u>	<u>281,699</u>	<u>-</u>	<u>397,554</u>	<u>-</u>
Fund balances:					
Restricted	-	-	175,827	-	575,382
Assigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>175,827</u>	<u>-</u>	<u>575,382</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>175,827</u>	<u>-</u>	<u>575,382</u>
Total liabilities and fund balances	<u>\$ 53,736</u>	<u>\$ 281,699</u>	<u>\$ 175,827</u>	<u>\$ 397,554</u>	<u>\$ 575,382</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
(Continued)
June 30, 2022

	Middle School Activity	Elementary School Activity	Other Locations Activity	Student Organization Funds	Total Other Governmental Funds
<u>ASSETS</u>					
Cash and investments	\$ 90,065	\$ 184,979	\$ 99,623	\$ 536,504	\$ 3,694,859
Due from other governmental units	-	-	-	-	802,123
Total assets	<u>\$ 90,065</u>	<u>\$ 184,979</u>	<u>\$ 99,623</u>	<u>\$ 536,504</u>	<u>\$ 4,496,982</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 230,300
Due to other funds	-	-	-	-	570,598
Unearned revenue	-	-	-	-	291,915
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,092,813</u>
Fund balances:					
Restricted	90,065	184,979	99,623	536,504	3,375,531
Assigned	-	-	-	-	28,638
Total fund balances	<u>90,065</u>	<u>184,979</u>	<u>99,623</u>	<u>536,504</u>	<u>3,404,169</u>
Total liabilities and fund balances	<u>\$ 90,065</u>	<u>\$ 184,979</u>	<u>\$ 99,623</u>	<u>\$ 536,504</u>	<u>\$ 4,496,982</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	Bond	Adult Basic Education	Virtual Education	Parent Education	Special Liability
Revenues:					
Property taxes	\$ -	\$ 95	\$ -	\$ -	\$ 90,210
Local sources	-	-	-	-	-
Charges for services	-	-	-	-	-
State aid	-	-	-	520,384	-
Federal aid	-	-	-	-	-
Interest	-	-	-	-	324
Total revenues	-	95	-	520,384	90,534
Expenditures:					
Current:					
Instruction	-	-	369,466	-	-
Student support	-	-	-	479,447	-
Instructional support	-	-	-	6,946	-
General administration	-	-	-	-	238,436
School administration	-	-	125,322	-	-
Operations and maintenance	75,640	-	-	55,717	-
Central support services	5,250	-	-	-	-
Student activities	-	-	-	-	-
Capital outlay	275,835	-	-	-	-
Total expenditures	356,725	-	494,788	542,110	238,436
Excess (deficiency) of revenues over (under) expenditures before transfers	(356,725)	95	(494,788)	(21,726)	(147,902)
Other financing sources:					
Transfers in	-	-	800,000	-	-
Net change in fund balances	(356,725)	95	305,212	(21,726)	(147,902)
Fund balance, beginning of year	356,725	80,471	317,458	600,629	607,552
Fund balance, end of year	\$ -	\$ 80,566	\$ 622,670	\$ 578,903	\$ 459,650

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
(Continued)
Year Ended June 30, 2022

	USDE Direct	US HHS Direct	US HHS Thru KS HHS	TANF	Workforce Investment
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	-	-	-	-	-
Charges for services	-	-	-	-	-
State aid	-	-	-	-	-
Federal aid	71,485	2,712,249	302,053	178,931	147,998
Interest	-	-	-	-	-
Total revenues	<u>71,485</u>	<u>2,712,249</u>	<u>302,053</u>	<u>178,931</u>	<u>147,998</u>
Expenditures:					
Current:					
Instruction	67,817	2,303,762	-	144,012	137,114
Student support	303	381,717	242,975	34,919	-
Instructional support	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Central support services	3,365	26,770	59,078	-	10,884
Student activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>71,485</u>	<u>2,712,249</u>	<u>302,053</u>	<u>178,931</u>	<u>147,998</u>
Excess (deficiency) of revenues over (under) expenditures before transfers	-	-	-	-	-
Other financing sources:					
Transfers in	-	-	-	-	-
Net change in fund balances	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
(Continued)
Year Ended June 30, 2022

	Kansas Miscellaneous Other Grants	Miscellaneous Other Grants	Trust Gift Legacy	COVID Relief	High School Activity
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	655,178	775,611	-	-	-
Charges for services	-	-	-	-	505,640
State aid	-	-	-	-	-
Federal aid	-	-	-	1,167,554	-
Interest	-	-	123	-	-
	<u>655,178</u>	<u>775,611</u>	<u>123</u>	<u>1,167,554</u>	<u>505,640</u>
Expenditures:					
Current:					
Instruction	72,652	431,623	-	1,167,554	-
Student support	581,037	305,998	-	-	-
Instructional support	-	-	2,788	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Central support services	1,489	37,990	-	-	-
Student activities	-	-	-	-	454,882
Capital outlay	-	-	-	-	-
	<u>655,178</u>	<u>775,611</u>	<u>2,788</u>	<u>1,167,554</u>	<u>454,882</u>
Excess (deficiency) of revenues over (under) expenditures before transfers	-	-	(2,665)	-	50,758
Other financing sources:					
Transfers in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	(2,665)	-	50,758
Fund balance, beginning of year	-	-	178,492	-	524,624
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,827</u>	<u>\$ -</u>	<u>\$ 575,382</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
(Continued)
Year Ended June 30, 2022

	Middle School Activity	Elementary School Activity	Other Locations Activity	Student Organization Funds	Total Other Governmental Funds
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 90,305
Local sources	-	-	-	-	1,430,789
Charges for services	48,804	146,885	443,630	430,897	1,575,856
State aid	-	-	-	-	520,384
Federal aid	-	-	-	-	4,580,270
Interest	-	-	-	-	447
Total revenues	48,804	146,885	443,630	430,897	8,198,051
Expenditures:					
Current:					
Instruction	-	-	-	-	4,694,000
Student support	-	-	-	-	2,026,396
Instructional support	-	-	-	-	9,734
General administration	-	-	-	-	238,436
School administration	-	-	-	-	125,322
Operations and maintenance	-	-	-	-	131,357
Central support services	-	-	-	-	144,826
Student activities	73,673	138,739	433,984	439,967	1,541,245
Capital outlay	-	-	-	-	275,835
Total expenditures	73,673	138,739	433,984	439,967	9,187,151
Excess (deficiency) of revenues over (under) expenditures before transfers	(24,869)	8,146	9,646	(9,070)	(989,100)
Other financing sources:					
Transfers in	-	-	-	-	800,000
Net change in fund balances	(24,869)	8,146	9,646	(9,070)	(189,100)
Fund balance, beginning of year	114,934	176,833	89,977	545,574	3,593,269
Fund balance, end of year	\$ 90,065	\$ 184,979	\$ 99,623	\$ 536,504	\$ 3,404,169

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
NONMAJOR PROPRIETARY FUNDS
June 30, 2022

	Textbook/Study Material Revolving	Food Service	Kanza Café	Total Nonmajor Proprietary Funds
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 1,741,869	\$ 4,379,739	\$ -	\$ 6,121,608
Inventory of supplies and materials, at cost	402,177	-	-	402,177
Due from other governmental units	-	697	-	697
Total current assets	<u>2,144,046</u>	<u>4,380,436</u>	<u>-</u>	<u>6,524,482</u>
Noncurrent assets:				
Furniture, fixtures, and equipment	-	2,258,618	14,547	2,273,165
Less accumulated depreciation	-	(1,028,708)	(13,548)	(1,042,256)
Total noncurrent assets	<u>-</u>	<u>1,229,910</u>	<u>999</u>	<u>1,230,909</u>
Total assets	<u>\$ 2,144,046</u>	<u>\$ 5,610,346</u>	<u>\$ 999</u>	<u>\$ 7,755,391</u>
<u>LIABILITIES AND NET POSITION</u>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 69,762	\$ -	\$ 69,762
Unearned revenue	-	110,605	-	110,605
Total liabilities	<u>-</u>	<u>180,367</u>	<u>-</u>	<u>180,367</u>
Net position:				
Investment in capital assets	-	1,229,910	999	1,230,909
Unrestricted	<u>2,144,046</u>	<u>4,200,069</u>	<u>-</u>	<u>6,344,115</u>
Total net position	<u>2,144,046</u>	<u>5,429,979</u>	<u>999</u>	<u>7,575,024</u>
Total liabilities and net position	<u>\$ 2,144,046</u>	<u>\$ 5,610,346</u>	<u>\$ 999</u>	<u>\$ 7,755,391</u>

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 Year Ended June 30, 2022

	Textbook/Study Material Revolving	Food Service	Kanza Café	Total Nonmajor Proprietary Funds
Operating revenues:				
Charges for services	\$ 199,775	\$ 580,317	\$ -	\$ 780,092
Operating expenses:				
Instruction	905,731	-	-	905,731
Student support services	-	2,351	-	2,351
Business support	-	275,694	-	275,694
Operations and maintenance	-	84,415	-	84,415
Transportation	-	252	-	252
Depreciation	-	81,421	1,455	82,876
Food service	-	8,379,546	-	8,379,546
Total operating expenses	905,731	8,823,679	1,455	9,730,865
Operating loss	(705,956)	(8,243,362)	(1,455)	(8,950,773)
Nonoperating revenues:				
Interest	834	2,445	-	3,279
State aid	-	63,527	-	63,527
Federal aid	-	9,983,337	-	9,983,337
Miscellaneous	70,317	-	-	70,317
Transfers in	507,173	-	-	507,173
Total nonoperating revenues	578,324	10,049,309	-	10,627,633
Change in net position	(127,632)	1,805,947	(1,455)	1,676,860
Net position, beginning of year	2,271,678	3,624,032	2,454	5,898,164
Net position, end of year	\$ 2,144,046	\$ 5,429,979	\$ 999	\$ 7,575,024

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2022

	Textbook/ Study Material Revolving	Food Service	Kanza Café	Total Nonmajor Proprietary Funds
Cash flows from operating activities:				
Received from user charges	\$ 199,775	\$ 580,317	\$ -	\$ 780,092
Payments to employees for services	-	(3,258,565)	-	(3,258,565)
Payments to suppliers for goods and services	(1,402,236)	(5,425,485)	-	(6,827,721)
Net cash from operating activities	(1,202,461)	(8,103,733)	-	(9,306,194)
Cash flows from noncapital financing activities:				
Nonoperating grants received	-	10,117,663	-	10,117,663
Miscellaneous receipts	70,317	-	-	70,317
Transfers from other funds	507,173	-	-	507,173
Net cash from noncapital financing activities	577,490	10,117,663	-	10,695,153
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	(23,796)	-	(23,796)
Cash flows from investing activities:				
Interest received	834	2,445	-	3,279
Net change in cash and investments	(624,137)	1,992,579	-	1,368,442
Cash and investments, beginning	2,366,006	2,387,160	-	4,753,166
Cash and investments, ending	\$ 1,741,869	\$ 4,379,739	\$ -	\$ 6,121,608
Reconciliation of operating loss to net cash from operating activities:				
Operating loss	\$ (705,956)	\$ (8,243,362)	\$ (1,455)	\$ (8,950,773)
Adjustments to reconcile operating loss to net cash from operating activities:				
Depreciation	-	81,421	1,455	82,876
Changes in assets and liabilities:				
Inventory of supplies and materials	(21,741)	-	-	(21,741)
Accounts payable and accrued liabilities	(474,764)	58,208	-	(416,556)
Net cash from operating activities	\$ (1,202,461)	\$ (8,103,733)	\$ -	\$ (9,306,194)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
June 30, 2022

	<u>Dental Self-Insurance</u>	<u>Flex 125 Spending</u>	<u>Workers' Compensation</u>	<u>Health Insurance Reserve</u>	<u>Total Internal Service Funds</u>
<u>ASSETS</u>					
Cash and investments	\$ 1,369,992	\$ 719,943	\$ 4,650,713	\$ 1,566,051	\$ 8,306,699
<u>LIABILITIES AND NET POSITION</u>					
Liabilities:					
Estimated insurance claims	\$ -	\$ -	\$ 662,099	\$ -	\$ 662,099
Net position:					
Unrestricted	1,369,992	719,943	3,988,614	1,566,051	7,644,600
Total liabilities and net position	\$ 1,369,992	\$ 719,943	\$ 4,650,713	\$ 1,566,051	\$ 8,306,699

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
Year Ended June 30, 2022

	Dental Self-Insurance	Flex 125 Spending	Workers' Compensation	Health Insurance Reserve	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 765,087	\$ 763,694	\$ 1,383,201	\$ -	\$ 2,911,982
Other	-	-	6,824	65,200	72,024
Total operating revenues	<u>765,087</u>	<u>763,694</u>	<u>1,390,025</u>	<u>65,200</u>	<u>2,984,006</u>
Operating expenses:					
Instruction	-	-	13,669	-	13,669
Business support	-	724,735	497,254	-	1,221,989
Central support services	<u>757,709</u>	<u>-</u>	<u>45,744</u>	<u>-</u>	<u>803,453</u>
Total operating expenses	<u>757,709</u>	<u>724,735</u>	<u>556,667</u>	<u>-</u>	<u>2,039,111</u>
Operating income	<u>7,378</u>	<u>38,959</u>	<u>833,358</u>	<u>65,200</u>	<u>944,895</u>
Nonoperating revenues:					
Interest	3,161	1,373	10,231	851	15,616
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>1,500,000</u>
Total nonoperating revenues	<u>3,161</u>	<u>1,373</u>	<u>10,231</u>	<u>1,500,851</u>	<u>1,515,616</u>
Change in net position	10,539	40,332	843,589	1,566,051	2,460,511
Net position, beginning of year	<u>1,359,453</u>	<u>679,611</u>	<u>3,145,025</u>	<u>-</u>	<u>5,184,089</u>
Net position, end of year	<u>\$ 1,369,992</u>	<u>\$ 719,943</u>	<u>\$ 3,988,614</u>	<u>\$ 1,566,051</u>	<u>\$ 7,644,600</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 2022

	Dental Self-Insurance	Flex 125 Spending	Workers' Compensation	Health Insurance Reserve	Total
Cash flows from operating activities:					
Received from user charges	\$ 765,087	\$ 763,694	\$ 1,383,201	\$ -	\$ 2,911,982
Received from other sources	-	-	6,824	65,200	72,024
Payments to employees for services	(694,266)	(12,687)	(175,795)	-	(882,748)
Payments to suppliers for goods and services	(63,443)	(712,048)	(769,559)	-	(1,545,050)
Net cash from operating activities	<u>7,378</u>	<u>38,959</u>	<u>444,671</u>	<u>65,200</u>	<u>556,208</u>
Cash flow from noncapital financing activities:					
Transfers from other funds	-	-	-	1,500,000	1,500,000
Cash flows from investing activities:					
Interest received	3,161	1,373	10,231	851	15,616
Net change in cash and investments	10,539	40,332	454,902	1,566,051	2,071,824
Cash and investments, beginning	1,359,453	679,611	4,195,811	-	6,234,875
Cash and investments, ending	<u>\$ 1,369,992</u>	<u>\$ 719,943</u>	<u>\$ 4,650,713</u>	<u>\$ 1,566,051</u>	<u>\$ 8,306,699</u>
Reconciliation of operating income to net cash from operating activities:					
Operating income	\$ 7,378	\$ 38,959	\$ 833,358	\$ 65,200	\$ 944,895
Adjustments to reconcile operating income to net cash from operating activities:					
Changes in assets and liabilities:					
Estimated insurance claims	-	-	(388,687)	-	(388,687)
Net cash from operating activities	<u>\$ 7,378</u>	<u>\$ 38,959</u>	<u>\$ 444,671</u>	<u>\$ 65,200</u>	<u>\$ 556,208</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Assistance Listing Number	Expenditures
U.S. Department of Agriculture:			
Passed through State of Kansas Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program		10.553	\$ 1,397,384
COVID-19 National School Lunch Program		10.555	528,279
National School Lunch Program		10.555	6,315,776
Summer Food Service Program for Children		10.559	1,131,604
Total Child Nutrition Cluster			<u>9,373,043</u>
COVID-19 Child and Adult Care Food Program		10.558	41,234
Child and Adult Care Food Program		10.558	467,942
State Administrative Expenses for Child Nutrition		10.560	275
Fresh Fruit & Vegetable Program		10.582	166,103
COVID-19 Pandemic EBT Administrative Costs		10.649	5,814
Total U.S. Department of Agriculture			<u>10,054,411</u>
U.S. Department of Labor:			
Passed through Heartland Works:			
WIOA Cluster:			
WIOA Youth Activities	WIOAY-15-02	17.259	147,998
Total WIOA Cluster			<u>147,998</u>
Total U.S. Department of Labor			<u>147,998</u>
U.S. Department of the Treasury:			
Passed through State of Kansas Department of Commerce:			
COVID-19 Coronavirus Relief Fund		21.019	200,000
Total U.S. Department of the Treasury			<u>200,000</u>
Federal Communications Commission:			
Direct programs:			
COVID-19 Emergency Connectivity Fund Program		32.009	967,554
Total Federal Communications Commission			<u>967,554</u>
U.S. Department of Education:			
Direct programs:			
Indian Education - Grants to Local Educational Agencies	S060A200807	84.060	71,485
Passed through State of Kansas Department of Education:			
Special Education Cluster (IDEA):			
Special Education - Grants to States		84.027	3,494,072
Special Education - Preschool Grants		84.173	79,705
COVID-19 Title VI-B IDEA/ARP		84.027A	335,890
Total Special Education Cluster (IDEA)			<u>\$ 3,909,667</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Assistance Listing Number	Expenditures
Noncluster programs:			
Title 1 Grants to Local Educational Agencies	S010A200016	84.010	\$ 5,692,992
Title I Part D	S010A200016	84.010	152,701
Career and Technical Education - Basic Grants to States	V048A200016	84.048	166,717
Education for Homeless Children and Youth	S196A190017	84.196	69,206
COVID-19 Education for Homeless Children and Youth (ARP)	S425W210017	84.196	15,186
21st Century Community Learning Centers	S287C200016	84.287	254,449
English Language Acquisition State Grants - Title III	S365A200016	84.365	120,664
Improving Teacher Quality State Grants	S367A200015	84.367	642,253
Student Support and Academic Enrichment Program (Title IV)	S424A200017	84.424	293,902
COVID-19 Education Stabilization Fund - ESSER SPED	S425D200002	84.425D	224,994
COVID-19 Education Stabilization Fund - ESSER	S425D200002	84.425D	16,493,309
Total noncluster programs			<u>24,126,373</u>
Total passed through State of Kansas Department of Education			<u>28,036,040</u>
Total U.S. Department of Education			<u>28,107,525</u>
U.S. Department of Health and Human Services:			
Direct programs:			
Head Start - FY20	07CH010344-05-03	93.600	96,922
Head Start - FY21	07CH01034405	93.600	677,503
Head Start - FY22	07CH01183502	93.600	1,902,414
COVID-19 Head Start (ARP)	07HE00058401C6	93.600	35,410
Total direct programs			<u>2,712,249</u>
Passed through United Way of Greater Topeka:			
TANF Cluster:			
Temporary Assistance for Need Families (KPP)		93.558	178,931
Total TANF Cluster			<u>178,931</u>
Passed through Kansas Department of Health and Environment:			
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		93.323	538,970
Total U.S. Department of Health and Human Services			<u>3,430,150</u>
Total federal expenditures			<u>\$ 42,907,638</u>

See accompanying notes to schedule of
expenditures of federal awards.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2022

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Topeka Public Schools, Unified School District No. 501 (the District) under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the District. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3 - Noncash Assistance

The District is a recipient of a federal financial assistance program that did not result in cash receipts or disbursements. Noncash amounts received by the District are included in the Schedule for the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) grant (ALN 93.323) in a total amount of \$ 236,917 as valued by the grantor.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2022

Part I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statements noted:	None

Federal Awards

Type of auditors' report issued on compliance for major program:	Unmodified
Internal control over major program:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a):	None

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
84.425D	COVID-19 Education Stabilization Fund
84.010	Title I

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 1,287,229
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Auditee qualified as a low-risk auditee?	Yes
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Part II – Financial Statement Findings

No matters reported.

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Part III – Federal Award Findings and Questioned Costs

No matters reported.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Topeka Public Schools
Unified School District No. 501:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Topeka Public Schools Unified School District No. 501 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT&Co, P.A.

February 27, 2023
Topeka, Kansas



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE**

Board of Education
Topeka Public Schools
Unified School District No. 501:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Topeka Public Schools Unified School District No. 501's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally applicable accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error; and express an opinion on the District's compliance based on our audit. Reasonable assurance is high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BT&Co, P.A.

February 27, 2023
Topeka, Kansas