

**BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229**

**Financial Statements  
and Schedule of Expenditures of  
Federal Awards**

**For the Fiscal Year Ended  
June 30, 2020**



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BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

Financial Statements and Schedule  
of Expenditures of Federal Awards  
Year ended June 30, 2020

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Blue Valley Unified School District No. 229

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, budgetary comparison information, and the aggregate remaining fund information of the Blue Valley Unified School District No. 229 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Blue Valley Recreation Commission (Recreation Commission), which is included as the discretely presented component unit and represents 100% of the total assets, revenues, and net position of the discretely presented component unit as of and for the year ended June 30, 2020. The Recreation Commission's financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion on the discretely presented component unit, insofar as it relates to the amounts included for the Recreation Commission, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the "Kansas Municipal Accounting and Audit Guide." These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, budgetary comparison information, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position, thereof and the respective budgetary comparison for the General, Supplemental General, Special Education, KPERs, and Capital Outlay Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Predecessor Auditor*

The financial statements of the District as of June 30, 2019, were audited by other auditors whose report dated September 18, 2019, expressed an unmodified opinion on those statements. Their report included an emphasis of matter paragraph related to a prior period restatement and other matters paragraph for required supplementary information.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 October 6, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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.

*Allen, Gibbs & Houlik, L.L.C.*  
CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS  
October 6, 2020

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

This section of the Blue Valley School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2020. Please read it in conjunction with the District's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- Total net position increased by \$40.1 million and overall revenues were \$339.3 million.
- The District's current assets increased by \$97.8 million, which is primarily attributable to a \$97.2 million increase in investments. Investments increased due largely to the sale, in May 2020, of the first installment of bonds approved in the 2020 referendum, which resulted in net proceeds of \$130.6 million. Offsetting this increase were construction expenditures paid during the 2019-20 fiscal year from bond proceeds that were authorized under the 2012 and 2005 referendums.
- The District's total outstanding non-current liabilities increased by \$76.9 million during fiscal year 2019-20. The reason for this increase was a net increase of the long-term general obligation bonds of \$74.6 million, which is the result of issuing the new 2020 bonds for approximately \$144.7 million, offset by payments reducing the balances on other general obligation bonds for approximately \$67.5 million.
- In accordance with GASB Statements No. 74 & 75 – *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, the District had an actuarial evaluation completed as of January 1, 2020 to determine their obligation for other post-employment benefits. As a result of that evaluation, the District recorded a Total Other Post-Employment Benefits (OPEB) Liability of \$3.5 million as of June 30, 2020, which is a decrease of \$0.1 million from the Total OPEB Liability of \$3.6 million recorded as of June 30, 2019.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and required supplementary information. These statements are organized so the reader can understand the District as a whole. The basic financial statements include two types of statements that present different views of the District. The first are the government-wide financial statements and the second are the fund financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements include all assets and liabilities of the District using the accrual basis of accounting. This method of accounting is similar to how private sector companies report the results of their operations. These statements take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The first of the government-wide statements is the *Statement of Net Position*. The *Statement of Net Position* presents balance information for the entire District operations at a given point in time (June 30, 2020). The assets include all cash and investments, receivables including interest and taxes assessed that remain uncollected, materials inventory, bond issuance costs and capital assets reduced by accumulated depreciation. Liabilities include accounts payable, accrued payroll earnings not yet paid, accrued interest payable, retainage payable, unearned revenue, compensated absences, net OPEB obligation, net pension liability and outstanding general obligation debt. Deferred Inflows of Resources recognize the pension differences between projected and actual investment earnings as well as expected and actual experience as of June 30, 2020. This results in a statement that encompasses the entire operations of the Blue Valley School District.

Although the *Statement of Net Position* reports total net position of \$268.8 million, the District has restrictions over the use of these funds. The investment in facilities and equipment is necessary to carry out the mission of the District. Kansas state law segregates funds and places restrictions on spending. This should be considered when reviewing the report.

The second of the government-wide financial statements is the *Statement of Activities*. This statement shows the results of operations that caused the net position to change from the prior year amount reported to the amount reported on the *Statement of Net Position* as of June 30, 2020. This statement answers the question, "How did we do financially during fiscal year 2020?" This change in net position is important because it tells the reader that, for the school district as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors. Most notably, the results are influenced by:



**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

- The property tax base,
- Funding at local, state and federal levels,
- Operating expenditure limits imposed by Kansas law,
- Building improvements,
- Number of students served,
- Staffing levels, and
- Changes in debt levels.

The *Statement of Activities* classifies expenses by functional area. The report also shows corresponding charges for services and restricted grants for each function that helps support the expenses. The resulting *Net [Expenses] Revenue and Changes in Net Position* shows the remaining expenses not supported by charges for services and restricted grants. General revenues are then applied to the remaining expenses resulting in the total change in net position for the year.

### **Fund Financial Statements**

Financial reports by fund follow the government-wide statements. The major funds are listed separately with all smaller funds aggregated in the column labeled "Other Governmental Funds." As shown on the reconciliations on pages 17 and 20, the fund statements differ from the government-wide statements (*Statement of Net Position* and *Statement of Activities*) by including due to/due from adjustments and excluding the following:

- Bonds payable and related accrued interest and deferred amounts on refunding,
- Cost of capital assets less accumulated depreciation,
- Compensated absences,
- Net other post-employment benefit obligations, and
- Net pension liability.

These reports provide more detail about the District according to the various funds established under Kansas law. Due to the large number of funds, the major funds are listed separately with the remaining funds aggregated into the column labeled "Other Governmental Funds."

The District has two kinds of funds: governmental and fiduciary funds.

### **Governmental Funds**

Most of the District's activities are reported in the governmental funds, which focus on 1) how cash and other financial assets, that can be readily converted to cash, flow in and out, and 2) the balances left at year end that are available for spending. The statements show revenue, expenditures and fund balances for each listed fund.

The fund classifications provide additional information about the entity. The general, supplemental general, special education and other governmental funds encompass the major operating funds. The capital outlay fund is used primarily to repair and remodel district buildings and for equipment and technology purchases. The debt service fund is used to pay outstanding general obligation bonds and related interest charges as they become due. The capital projects fund is the primary source for the purchase of sites, buildings and building improvements and technology projects.

### **Fiduciary Funds**

The District's fiduciary funds are agency funds. Agency funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations and/or other funds. Agency funds include student organization monies at the various schools. The District accounts for these funds and students approve all of the expenditures. Also included is the Gift fund, which accounts for gifts from outside donors. Additionally, the Extraordinary Growth fund is included and this fund is used to account for collections of local taxes necessary to cover the additional costs of opening new facilities. These funds are then sent to the state as a reimbursement for the increased operating authority. Finally, the fiduciary funds include the Cost of Living fund which provides for a legal vehicle to levy taxes attributable to the weighting factor provided to school districts with high housing costs. This fund is used to channel the local tax revenues back to the state to offset the increased operating authority for districts which have residences that are higher than the statewide average value. The District's agency funds are reported on the *Combining Statement of Net Position - Agency Funds*.

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The District's net position was more on June 30, 2020 than it was the year before, increasing by \$40.1 million to \$268.8 million. The following are the major components of the District's net position. Due to rounding, the numbers provided below may vary slightly from the amounts presented in the basic financial statements.

**Condensed Statement of Net Position**

<b>Statement Classifications</b>	<b>Balance as of June 30, 2019</b>	<b>Prior Period Adjustment</b>	<b>Balance, Restated June 30, 2019</b>	<b>Balance as of June 30, 2020</b>
Current assets	\$247,943,753	\$ -	\$247,943,753	\$345,774,798
Capital assets	599,338,933	648,599	599,987,532	610,203,819
<b>Total assets</b>	<b><u>\$847,282,686</u></b>	<b><u>\$ 648,599</u></b>	<b><u>\$847,931,285</u></b>	<b><u>\$955,978,617</u></b>
Pension	\$ 32,011,501	\$ -	\$ 32,011,501	\$ 42,887,075
<b>Total deferred outflows</b>	<b><u>\$ 32,011,501</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 32,011,501</u></b>	<b><u>\$ 42,887,075</u></b>
Current Liabilities	\$ 88,035,376	-	\$ 88,035,376	\$ 98,337,410
Non-current liabilities	535,842,497	-	535,842,497	612,694,677
<b>Total liabilities</b>	<b><u>\$623,877,873</u></b>	<b><u>\$ -</u></b>	<b><u>\$623,877,873</u></b>	<b><u>\$711,032,087</u></b>
Pension	\$27,317,163	\$ -	\$27,317,163	\$18,984,451
<b>Total deferred inflows</b>	<b><u>\$27,317,163</u></b>	<b><u>\$ -</u></b>	<b><u>\$27,317,163</u></b>	<b><u>\$18,984,451</u></b>
Net position				
Invested in capital assets,				
net of related debt	\$227,987,520	\$ 648,599	\$228,636,119	\$162,103,563
Restricted	63,310,982	-	63,310,982	63,267,867
Unrestricted	(63,199,351)	-	(63,199,351)	43,477,724
<b>Total net position</b>	<b><u>\$228,099,151</u></b>	<b><u>\$ 648,599</u></b>	<b><u>\$228,747,750</u></b>	<b><u>\$268,849,154</u></b>

The increase of \$40.1 million in total net position is due to several factors. It includes an increase in current assets of \$97.8 million and an increase in capital assets of \$10.2 million. It also includes an increase in current liabilities of \$10.3 million and an increase in non-current liabilities of \$76.9 million. In addition, deferred outflows increased \$10.9 million and deferred inflows decreased \$8.3 million. Net position includes \$162.1 million invested in capital assets, \$63.3 million restricted for debt service and \$43.5 million unrestricted.

The total costs of all programs and services amounted to \$299.2 million. The following table shows the breakdown of total costs by functional area:

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

<u>Expense Function</u>	<u>Percentage of Total</u>
Instruction	58.8%
Student support services	6.3%
Instructional support staff	4.2%
General administration	1.0%
School administration	4.5%
Central services	2.1%
Operations and maintenance	9.0%
Student transportation services	2.9%
Food service operations	2.7%
Other support services	4.8%
Interest on long-term debt	3.7%

The table below details the district's change in net position for the last two years.

**Changes in Net Position from Operating Results (In millions of dollars)**

<u>Revenues</u>	<u>Totals for the Year Ended June 30, 2019</u>	<u>Totals for the Year Ended June 30, 2020</u>
Program revenues		
Charges for services	\$ 10.6	\$ 8.7
Operating grants and contributions	45.1	55.9
General revenues		
Property taxes	142.8	144.9
Grants and entitlements*	118.2	122.6
Investment earnings	5.4	3.3
Miscellaneous	<u>3.2</u>	<u>3.9</u>
<b>Total revenues</b>	<b>325.3</b>	<b>339.3</b>
*not restricted to specific programs		
<u>Expenses</u>		
Instruction	173.4	175.9
Student support services	17.3	18.9
Instructional support staff	11.0	12.6
General administration	2.3	2.9
School administration	13.4	13.6
Central services	5.6	6.2
Operations and maintenance	55.7	26.8
Student transportation services	8.9	8.5
Food service operations	9.2	8.1
Other support services	9.1	14.5
Interest on long-term debt	<u>12.2</u>	<u>11.2</u>
<b>Total expenses</b>	<b><u>318.1</u></b>	<b><u>299.2</u></b>
<b>Increase [decrease] in net position</b>	<b><u>\$ 7.2</u></b>	<b><u>\$ 40.1</u></b>

Total revenues exceeded expenses during the fiscal year by \$40.1 million and the District's total revenues increased overall by \$14 million. The increase was largely attributable to increases in grants, contributions and entitlements totaling \$15.2 million, which was largely due to an additional \$14 million received in KPERS pass-thru funding from the state due to missed payments in the prior year. This increase was offset by smaller decreases in other sources of revenues. Expenses decreased by \$18.9 million due largely to a \$28.9 million decrease in operations and maintenance, offset by a \$5.4 million increase in other support services expenses, and also various increases and decreases in all other functional areas. The decrease in operations and maintenance was due largely to the closure of District buildings during the COVID-19 pandemic, as well as an increase in bond fund construction spend in the prior year for the Flexible Learning Environment and 1 to Learner initiatives.

**Blue Valley Unified School District No. 229**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2020

The table presented below presents the cost of eleven major district activities. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Net Cost of Governmental Activities (In millions of dollars)**

<u>Expense Functions</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction	\$ 175.9	\$ 134.8
Student support services	18.9	11.0
Instructional support staff	12.6	11.3
General administration	2.9	2.2
School administration	13.6	12.4
Central services	6.2	6.2
Operations and maintenance	26.8	25.7
Student transportation services	8.5	3.9
Food service operations	8.1	2.3
Other support services	14.5	13.7
Interest on long-term debt	<u>11.2</u>	<u>11.2</u>
<b>Total</b>	<b><u>\$ 299.2</u></b>	<b><u>\$ 234.7</u></b>

- Costs of \$8.7 million were financed by users of the District's programs.
- Federal and state governments subsidized certain programs with grants and contributions totaling \$55.9 million.
- Most of the District's net cost of services of \$234.7 million was financed by District and state taxpayers.
- This portion of governmental activities was financed with \$144.9 million in property taxes, \$122.6 million of grants and entitlements not restricted to specific programs, \$3.3 million in investment earnings and \$3.9 million in miscellaneous sources.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds reported combined fund balances of \$307.1 million; a decrease of \$89.7 million from last year's ending fund balance. Expenditures of \$393.7 million exceeded revenues of \$339.3 million by \$54.4 million. The reason for this decrease in fund balance is detailed in the section below.

The general, supplemental general, special education and debt service funds are the primary source of revenues for the District. These funds account for \$255.3 million or 75.2% of the total revenues. Capital outlay represents approximately 8.8% of the total and the KPERS fund represents approximately 7.2% of the total. The 2005 and 2012 capital projects funds represent 0.2% of the total with the remaining approximately 8.6% in other governmental funds.

Kansas State laws require the use of a multitude of funds. Many of these funds do not have sufficient resources to pay the expenditures in the funds and therefore transfers must be made from other funds. Typically these transfers are made from the general and supplemental general funds. The following table categorizes the funds to simplify the analysis:

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

**Governmental Funds Revenues, Expenditures, Transfers and Fund Balance**  
(In millions of dollars)

<b>Fund</b>	<b>Beginning Fund Balance</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Other Sources/ transfers</b>	<b>Ending Fund Balance</b>
<b>Basic Education</b>					
General	\$ 0.5	\$ 102.1	\$ 102.1	\$ (0.3)	\$ 0.2
Supplemental general	3.7	38.0	37.7	-	4.0
Special education	7.9	50.8	51.0	-	7.7
Vocational education	-	5.4	5.4	-	-
At Risk (K-12)	0.6	4.4	5.0	-	-
Professional development	-	0.6	0.6	-	-
Bilingual	-	1.7	1.7	-	-
Virtual education	0.5	0.7	0.7	-	0.5
Gate receipts	0.3	0.7	0.6	-	0.4
Student projects	0.3	0.8	0.7	-	0.4
Instructional materials	2.9	2.1	1.0	-	4.0
Contingency reserve	11.8	-	0.6	-	11.2
Special workers comp reserve	1.9	-	0.7	0.3	1.5
Special healthcare reserve	14.6	1.9	-	-	16.5
Special liability	0.9	0.4	0.3	-	1.0
KPERS	-	24.5	24.5	-	-
Federal and state grants	0.5	2.2	1.7	-	1.0
<b>Total Basic Education</b>	<b>46.4</b>	<b>236.3</b>	<b>234.3</b>	<b>-</b>	<b>48.4</b>
<b>Expanded Education</b>					
Summer school	0.2	-	-	-	0.2
Parent education program	-	0.8	0.8	-	-
Extraordinary school program	0.8	-	0.1	-	0.7
<b>Total Expanded Education</b>	<b>1.0</b>	<b>0.8</b>	<b>0.9</b>	<b>-</b>	<b>0.9</b>
<b>Capital</b>					
Capital outlay	50.2	29.8	26.4	-	53.6
Debt service	63.3	64.4	64.4	-	63.3
Capital projects (2012)	53.6	0.6	30.9	-	23.3
Capital projects (2020)	-	-	28.3	144.1	115.8
Special assessment	0.4	0.5	0.6	-	0.3
<b>Total Capital</b>	<b>167.5</b>	<b>95.3</b>	<b>150.6</b>	<b>144.1</b>	<b>256.3</b>
<b>Food Service</b>	<b>2.5</b>	<b>7.0</b>	<b>8.0</b>	<b>-</b>	<b>1.5</b>
<b>Total</b>	<b>\$ 217.4</b>	<b>\$ 339.4</b>	<b>\$ 393.8</b>	<b>\$ 144.1</b>	<b>\$ 307.1</b>

\* Federal and state grants include the following funds: DAC Grant, Title I, Blue Valley Foundation Grant, Community Grants, Kauffman CAPS Networking Grant, Title II-A, Title III, Title VIB CEIS, Safe Schools Grant and other Federal Grants.

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

Overall, total revenue plus other sources (issuance of bonds) exceeded expenditures, leaving an ending fund balance of \$307.1 million. An analysis of the above table's categories follows:

- Basic Education revenues exceeded expenditures by \$2 million. The general and supplemental general funds are subject to an expenditure limit. The limit is based upon a weighted number of students multiplied by the base state aid per pupil provided in the law. The number of students includes those who are enrolled and attending school on September 20. During the 2019-20 school year, the base state aid per pupil was budgeted at \$4,436. Additional weighting is provided for students receiving bilingual, vocational, at-risk or transportation services. Other weightings also apply, but are not discussed here in the interest of brevity. The District has no ability to increase the resources in the general and supplemental general funds to cover inflationary increases in costs without annual changes in the statute. The textbook, student projects, student materials and gate receipts funds can be increased with school board approval, but are only a small part of the basic education group of funds.

Any balances remaining in the general and supplemental general funds are used to support the subsequent year limit. Therefore, remaining balances in these funds should not be considered as additional resources available to the District in excess of the expenditure limits. The general and supplemental general funds ending fund balances represent \$4.2 million (8.7%) of the basic education balance of \$46.4 million.

Kansas statutes allows school districts to carry a balance in the Special Education fund, the Vocational Education fund, the Professional Development fund, the Bilingual fund, the Contingency Reserve fund, the Special Reserve fund, the Special Liability fund and all other Special Revenue funds. During the 2019-20 school year, the Special Education fund expenditures exceeded revenues by \$0.2 million. The Special Reserve fund has historically been used to protect the District from insurable losses that are not otherwise insured. The District has been self-funding their workmen's compensation coverage from this fund. The District began self-insuring their health insurance plan on January 1, 2011 and all revenues and expenditures related to this plan are tracked in the Special Healthcare Reserve fund. The Special Liability fund is used to pay the cost of providing for the District's defense pursuant to the Kansas tort claims act.

- Expanded Education expenditures exceeded revenues by \$0.1 million for the 2019-20 fiscal year. This group of funds had an ending fund balance of \$0.9 million at June 30, 2020. Tuition for the summer school program is collected prior to June 30<sup>th</sup>, but most of the expenditures are paid in July and August. The District can adjust revenue in the extraordinary schools and summer school programs as these are fee based programs supported by the users of the programs.
- Capital funds revenues and other sources exceeded expenditures by \$88.8 million, with ending fund balances totaling \$256.3 million. Construction funds accounted for \$139.1 million of the total ending fund balance. In January 2020, District voters endorsed a \$186.8 million bond referendum. In May 2020 the District sold the first installment of bonds of \$125 million approved in the 2020 referendum. The District also issued \$12.5 million in general obligation refunding bonds in an effort to secure a lower interest rate and savings for taxpayers.

The capital outlay fund has a balance of \$53.6 million. The fund balance includes budgeted amounts for projects that are only partially completed and paid at June 30. The mill rate on this fund in 2019-20 is 8 mills which is at the statutory limit of 8 mills.

The debt service balance of \$63.3 million is available to pay a call of bonds payment to retire debt in July 2020 and the bond and interest payment in October 2020. The current mill rate is sufficient to pay the remaining bonds and interest as they become due.

- Food service expenditures exceeded revenues by \$1.0 million leaving an ending fund balance of \$1.5 million. Although transfers from other tax supported funds are allowed under Kansas law, The District's food service program operates without this support. The school board has the authority to adjust meal prices as necessary.

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

*General Fund Budgetary Highlights*

The following table summarizes the general fund budget variances (In millions of dollars):

<u>Revenue</u>	Original Budget	Final Budget	Increase/ [Decrease]	Actual Amounts	Over/[Under] Final Budget
Intergovernmental	\$ 147.9	\$ 147.0	\$ [0.9]	\$ 147.0	\$ -
Other revenue	0.1	0.1	-	0.1	-
Total revenue	148.0	147.1	[0.9]	147.1	-
<u>Expenditures</u>					
Instruction	60.6	60.6	-	58.0	[2.6]
Student support	5.4	5.4	-	5.3	[0.1]
Instructional support	8.6	8.6	-	8.1	[0.5]
General administration	1.3	1.3	-	1.3	-
School administration	9.3	9.3	-	9.2	[0.1]
Operations/maintenance	12.0	12.0	-	10.9	[1.1]
Other support services	8.1	8.1	-	7.9	[0.2]
Transportation	1.4	1.4	-	1.2	[0.2]
Transfers out	41.3	40.4	[0.9]	45.2	4.8
Total expenditures	\$ 148.0	\$ 147.1	\$ [0.9]	\$ 147.1	\$ -

The final general fund expenditures budget remained unchanged from the original budget. The final general fund budget is based on the total student FTE (with all applicable weightings) as of September 20<sup>th</sup>, multiplied by the Base Aid for Student Excellence (BASE). The BASE amount for 2019-20 was \$4,436.

**Capital Asset and Debt Administration**

*Capital Assets*

By the end of 2020, the District had invested \$954 million in a broad range of capital assets, including school buildings, athletic facilities, computer equipment, and administrative offices. The accumulated depreciation on the capital assets amounted to \$343.8 million, resulting in capital assets, net of depreciation of \$610.2 million. This amount represents an increase of \$10.2 million from last year. The value of additions and retirements in comparison to previous years were higher due largely to finished construction projects that were retired from construction in process and placed into service as a depreciable asset.

**Capital Assets (Net of depreciation, in millions of dollars)**

	<u>Assets as of June 30, 2019</u>	<u>Assets as of June 30, 2020</u>	<u>% Depreciated</u>
Land	\$ 33.4	\$ 33.4	n/a
Construction in progress	23.0	29.8	n/a
Buildings and improvements	475.4	485.0	33.2%
Site improvements	39.9	36.9	53.6%
Infrastructure	11.3	10.6	42.7%
Furniture	0.4	0.3	88.8%
Technology	9.1	7.7	70.2%
Vehicles	2.7	2.5	48.9%
Food Service	0.8	0.6	89.6%
Equipment	4.0	3.4	88.0%
<b>Total</b>	<b>\$ 600.0</b>	<b>\$ 610.2</b>	<b>36.0%</b>

More information regarding the district's capital assets can be found in the notes to the financial statements (Note 4- C).

**Blue Valley Unified School District No. 229**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020

*Long-Term Debt*

Moody's Investors Services and Standard & Poor's have rated the Blue Valley School District at Aaa and AA+, respectively. Kansas law limits the amount of outstanding indebtedness. The statutory limit for the district on June 30, 2020 is at approximately \$464 million, but when necessary, districts may be given permission to exceed the limit by the State of Kansas. As of June 30, 2020, the District has \$448.1 million of outstanding debt. The District continued to pay down its debt, retiring approximately \$68 million of outstanding bonds. The District has a high debt per capita because of its continued growth. Building expansion has been funded with debt, and District management does not feel that the amount of debt is a burden to taxpayers.

More information regarding the District's long-term debt can be found in the notes to the financial statements (Note 4-D).

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Blue Valley School District, 15020 Metcalf, Overland Park, Kansas 66223.



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF NET POSITION  
June 30, 2020

	Primary Government	Component Unit
	Total Governmental Activities	Total Governmental Activities
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>		
Current assets:		
Cash and investments	\$ 330,246,528	\$ 9,911,607
Receivables		
Interest	279,292	-
Other	12,239,341	3,832
Prepays	870,873	-
Material and supplies inventory	316,833	-
Total current assets	<u>343,952,867</u>	<u>9,915,439</u>
Noncurrent assets:		
Prepays	1,821,931	-
Capital assets		
Nondepreciable capital assets	33,441,314	902,122
Depreciable capital assets	920,560,644	58,340,581
Less: Accumulated depreciation	<u>[343,798,139]</u>	<u>[15,674,233]</u>
Total noncurrent assets	<u>612,025,750</u>	<u>43,568,470</u>
Total assets	<u>955,978,617</u>	<u>53,483,909</u>
Deferred outflow of resources		
Deferred KPERS OPEB amounts	392,796	-
Deferred OPEB amounts	322,445	-
Deferred pension amounts	<u>42,171,834</u>	<u>-</u>
Total deferred outflows of resources	<u>42,887,075</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 998,865,692</u>	<u>\$ 53,483,909</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
Current liabilities:		
Accounts payable	\$ 14,922,217	\$ 2,260
Accrued compensation, payroll withholdings and taxes	20,385,943	401,794
Other payables	-	8,625
Current portion compensated absences	520,938	-
Accrued interest payable	3,490,590	209,016
Retainage payable	1,666,204	-
Unearned revenue	1,701,476	832,884
Long-term liabilities		
General obligation bonds due within one year	55,650,042	-
Certificates of participation due within one year	<u>-</u>	<u>1,934,846</u>
Total current liabilities	<u>98,337,410</u>	<u>3,389,425</u>
Noncurrent liabilities:		
Compensated absences	1,943,180	-
Total other post employment benefit liability (KPERS)	3,147,424	-
Total other post employment benefit liability	3,500,698	-
Net pension liability	211,653,161	-
Long-term liabilities		
General obligation bonds due in more than one year	392,450,214	-
Certificates of participation due in more than one year	<u>-</u>	<u>21,921,545</u>
Total noncurrent liabilities	<u>612,694,677</u>	<u>21,921,545</u>
Total liabilities	<u>711,032,087</u>	<u>25,310,970</u>
Deferred Inflows of Resources		
Deferred OPEB amounts	9,016,038	-
Deferred KPERS OPEB amounts	359,558	-
Deferred amount on refunding	492,788	-
Deferred pension amounts	<u>9,116,067</u>	<u>-</u>
Total deferred inflows of resources	<u>18,984,451</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>\$ 730,016,538</u>	<u>\$ 25,310,970</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 162,103,563	\$ 19,712,079
Restricted for:		
Debt service	63,267,867	-
Donor restricted projects	-	54,743
Employee benefits	-	2,482,301
Unrestricted	<u>43,477,724</u>	<u>5,923,816</u>
Total net position	<u>\$ 268,849,154</u>	<u>\$ 28,172,939</u>

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2020

	Program Revenues			Net [Expenses] Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	Component Unit
				Total Governmental Activities	Total Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 175,886,400	\$ 3,226,228	\$ 37,866,295	\$ [134,793,877]	\$ -
Student support services	18,940,540	-	7,884,261	[11,056,279]	-
Instructional support staff	12,569,777	-	1,262,884	[11,306,893]	-
General administration	2,914,964	-	757,797	[2,157,167]	-
School administration	13,588,838	-	1,227,972	[12,360,866]	-
Central services	6,175,804	-	-	[6,175,804]	-
Operations and maintenance	26,812,634	-	1,081,432	[25,731,202]	-
Student transportation services	8,513,977	-	4,651,461	[3,862,516]	-
Food service operations	8,079,429	5,451,868	327,935	[2,299,626]	-
Other support services	14,519,044	-	806,214	[13,712,830]	-
Interest on long-term debt	11,198,373	-	-	[11,198,373]	-
Total primary government	<u>\$ 299,199,780</u>	<u>\$ 8,678,096</u>	<u>\$ 55,866,251</u>	<u>[234,655,433]</u>	<u>-</u>
<b>Component unit:</b>					
Blue Valley Recreation Commission					
Culture and recreation	\$ 11,656,959	\$ 5,199,041	\$ -	-	[6,457,918]
Total component unit	<u>\$ 11,656,959</u>	<u>\$ 5,199,041</u>	<u>\$ -</u>	<u>-</u>	<u>[6,457,918]</u>
<b>General Revenues:</b>					
Property taxes levied for:					
General purposes				52,312,012	7,918,802
Debt service				63,649,092	-
Capital outlay				28,907,719	-
Grants and entitlements not restricted to specific programs				122,661,753	-
Investments earnings				3,294,787	242,143
Miscellaneous				3,931,474	89,710
Subtotal general revenues				<u>274,756,837</u>	<u>8,250,655</u>
Change in net position				<u>40,101,404</u>	<u>1,792,737</u>
Net position - beginning				228,099,151	26,318,492
Prior period adjustment				<u>648,599</u>	<u>61,710</u>
Net position - beginning, restated				<u>228,747,750</u>	<u>26,380,202</u>
Net position - ending				<u>\$ 268,849,154</u>	<u>\$ 28,172,939</u>

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

BALANCE SHEET -  
GOVERNMENTAL FUNDS  
June 30, 2020

	General	Supplemental General	Special Education	KPERS	Capital Outlay
<b>ASSETS</b>					
Cash and investments	\$ 14,545,877	\$ 3,953,694	\$ 7,235,497	\$ -	\$ 53,932,634
Receivables					
Interest	-	-	279,292	-	-
Other	6,051,832	-	163,365	6,003,897	-
Prepays	-	-	-	-	24,000
Due from other funds	20,247	-	-	-	-
Material and supplies inventory	118,469	-	-	-	-
<b>Total assets</b>	<b><u>\$ 20,736,425</u></b>	<b><u>\$ 3,953,694</u></b>	<b><u>\$ 7,678,154</u></b>	<b><u>\$ 6,003,897</u></b>	<b><u>\$ 53,956,634</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 82,407	\$ -	\$ 43,289	\$ 6,003,897	\$ 171,577
Accrued liabilities	20,385,943	-	-	-	-
Due to other funds	-	-	-	-	-
Retainage payable	-	-	-	-	154,778
Unearned revenue	-	-	18,655	-	-
<b>Total liabilities</b>	<b><u>20,468,350</u></b>	<b><u>-</u></b>	<b><u>61,944</u></b>	<b><u>6,003,897</u></b>	<b><u>326,355</u></b>
<b>Fund balance:</b>					
Nonspendable	118,469	-	-	-	24,000
Restricted	-	-	7,574,863	-	51,529,147
Assigned	149,606	-	41,347	-	2,077,132
Unassigned	-	3,953,694	-	-	-
<b>Total fund balances</b>	<b><u>268,075</u></b>	<b><u>3,953,694</u></b>	<b><u>7,616,210</u></b>	<b><u>-</u></b>	<b><u>53,630,279</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 20,736,425</u></b>	<b><u>\$ 3,953,694</u></b>	<b><u>\$ 7,678,154</u></b>	<b><u>\$ 6,003,897</u></b>	<b><u>\$ 53,956,634</u></b>

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

<u>Debt Service</u>	<u>2012 Capital Projects</u>	<u>2020 Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 63,267,867	\$ 25,580,816	\$ 120,959,800	\$ 40,770,343	\$ 330,246,528
-	-	-	-	279,292
-	-	-	20,247	12,239,341
-	-	2,668,804	-	2,692,804
-	-	-	-	20,247
-	-	-	198,364	316,833
<u>\$ 63,267,867</u>	<u>\$ 25,580,816</u>	<u>\$ 123,628,604</u>	<u>\$ 40,988,954</u>	<u>\$ 345,795,045</u>
\$ -	\$ 2,225,983	\$ 6,391,364	\$ 3,700	\$ 14,922,217
-	-	-	-	20,385,943
-	-	-	20,247	20,247
-	53,341	1,458,085	-	1,666,204
-	-	-	1,682,821	1,701,476
-	<u>2,279,324</u>	<u>7,849,449</u>	<u>1,706,768</u>	<u>38,696,087</u>
-	-	2,668,804	198,364	3,009,637
63,267,867	13,869,940	94,408,760	26,474,331	257,124,902
-	9,431,552	18,701,591	12,609,491	43,010,719
-	-	-	-	3,953,694
<u>63,267,867</u>	<u>23,301,492</u>	<u>115,779,155</u>	<u>39,282,186</u>	<u>307,098,958</u>
<u>\$ 63,267,867</u>	<u>\$ 25,580,816</u>	<u>\$ 123,628,604</u>	<u>\$ 40,988,954</u>	<u>\$ 345,795,045</u>

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCE SHEET TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2020

Total Governmental Fund Balances \$ 307,098,958

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 in the funds

The cost of capital assets is	954,001,958	
Accumulated depreciation is	<u>[343,798,139]</u>	610,203,819

Differences between expected and actual experiences, assumption changes  
and net differences between projected and actual earnings and contributions  
subsequent to the measurement date for the postretirement benefits  
(pension and OPEB) are recognized as deferred outflows of resources and  
deferred inflows of resources on the statement of net position.

Deferred outflows - pension related	42,171,834	
Deferred outflows - OPEB related	322,445	
Deferred outflows - KPERS OPEB related	392,796	
Deferred inflows - pension related	[9,116,067]	
Deferred inflows - OPEB related	[9,016,038]	
Deferred inflows - KPERS OPEB related	<u>[359,558]</u>	24,395,412

The following liabilities, including bonds payable, are not due  
and payable in the current period and therefore are not reported  
as liabilities in the funds. These liabilities at year end consist of:

Bonds payable	[448,100,256]	
Deferred amount on refunding	[492,788]	
Accrued compensation	[2,464,118]	
Total other post employment benefit liabilities	[6,648,122]	
Net pension liability	[211,653,161]	
Accrued interest on the bonds	<u>[3,490,590]</u>	<u>[672,849,035]</u>

Net Position of Governmental Activities \$ 268,849,154

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2020

	General	Supplemental General	Special Education	KPERS	Capital Outlay
<b>REVENUES:</b>					
Taxes	\$ -	\$ 37,993,446	\$ 1,565,929	\$ -	\$ 28,907,719
Intergovernmental	102,034,217	-	47,114,182	24,461,693	-
Charges for services	86,240	-	-	-	-
Use of money and property	-	-	1,654,639	-	793,005
Other local sources	-	-	431,502	-	84,422
<b>Total revenues</b>	<b>102,120,457</b>	<b>37,993,446</b>	<b>50,766,252</b>	<b>24,461,693</b>	<b>29,785,146</b>
<b>EXPENDITURES:</b>					
Current					
Instruction	57,993,744	31,951,223	34,731,909	16,447,075	4,042,541
Student support services	5,312,907	1,593,295	8,557,185	2,098,953	3,584
Instructional support staff	8,090,936	971,892	436,505	1,270,373	691,686
General administration	1,288,800	-	828,175	196,042	34,071
School administration	9,219,359	3,049,185	205,288	1,454,403	-
Central services	-	-	-	-	3,274,692
Operations and maintenance	10,918,969	115,201	6,976	1,454,656	12,628,703
Student transportation services	1,241,141	-	6,276,375	10,405	969,408
Food service operations	-	-	-	443,227	-
Other support services	8,051,889	-	3,097	1,086,559	259,775
Capital outlay	-	-	-	-	4,464,477
Debt service					
Principal retirement	-	-	-	-	-
Interest and other charges	-	-	-	-	-
<b>Total expenditures</b>	<b>102,117,745</b>	<b>37,680,796</b>	<b>51,045,510</b>	<b>24,461,693</b>	<b>26,368,937</b>
Excess [deficiency] of revenues over [under] expenditures	<u>2,712</u>	<u>312,650</u>	<u>[279,258]</u>	<u>-</u>	<u>3,416,209</u>
<b>OTHER FINANCING SOURCES [USES]</b>					
Bond proceeds	-	-	-	-	-
Bond premium	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers [out]	<u>[251,515]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources [uses]</b>	<b>[251,515]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	[248,803]	312,650	[279,258]	-	3,416,209
Fund balance - Beginning of year	<u>516,878</u>	<u>3,641,044</u>	<u>7,895,468</u>	<u>-</u>	<u>50,214,070</u>
Fund balance - End of year	<u>\$ 268,075</u>	<u>\$ 3,953,694</u>	<u>\$ 7,616,210</u>	<u>\$ -</u>	<u>\$ 53,630,279</u>

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

Debt Service	2012 Capital Projects	2020 Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 63,649,092	\$ -	\$ -	\$ 12,752,637	\$ 144,868,823
733,675	-	-	4,184,237	178,528,004
-	-	-	8,591,856	8,678,096
-	606,924	-	240,219	3,294,787
-	-	-	3,415,550	3,931,474
<u>64,382,767</u>	<u>606,924</u>	<u>-</u>	<u>29,184,499</u>	<u>339,301,184</u>
-	-	-	13,988,312	159,154,804
-	-	-	2,452,662	20,018,586
-	-	-	1,858,946	13,320,338
-	-	-	-	2,347,088
-	-	-	621,587	14,549,822
-	-	-	-	3,274,692
-	-	-	459,662	25,584,167
-	-	-	23,729	8,521,058
-	-	-	7,954,655	8,397,882
-	-	-	379,282	9,780,602
-	30,917,124	14,622,411	609,822	50,613,834
51,255,000	-	13,650,000	-	64,905,000
<u>13,170,882</u>	<u>-</u>	<u>62,061</u>	<u>-</u>	<u>13,232,943</u>
<u>64,425,882</u>	<u>30,917,124</u>	<u>28,334,472</u>	<u>28,348,657</u>	<u>393,700,816</u>
<u>[43,115]</u>	<u>[30,310,200]</u>	<u>[28,334,472]</u>	<u>835,842</u>	<u>[54,399,632]</u>
-	-	137,485,000	-	137,485,000
-	-	7,215,194	-	7,215,194
-	-	[586,567]	-	[586,567]
-	-	-	251,515	251,515
-	-	-	-	[251,515]
-	-	<u>144,113,627</u>	<u>251,515</u>	<u>144,113,627</u>
[43,115]	[30,310,200]	115,779,155	1,087,357	89,713,995
<u>63,310,982</u>	<u>53,611,692</u>	<u>-</u>	<u>38,194,829</u>	<u>217,384,963</u>
<u>\$ 63,267,867</u>	<u>\$ 23,301,492</u>	<u>\$ 115,779,155</u>	<u>\$ 39,282,186</u>	<u>\$ 307,098,958</u>

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2020

Total Net Change In Fund Balances - Governmental Funds		\$ 89,713,995
Amounts reported for governmental activities in the statement of activities are different because		
Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capitalizable capital outlays exceeds depreciation in the period.		
Loss on sale of assets	[34,706]	
Capital outlays	35,186,210	
Depreciation expense	<u>[24,935,217]</u>	10,216,287
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest decreased.		
		102,280
Some expenses reported in the statement of activities, such as compensated absences and net other post employment benefit obligations, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		[281,795]
Changes in OPEB liabilities and related deferred outflows and inflows of resources		1,765,389
Changes in KPERS OPEB liabilities and related deferred outflows and inflows of resources		[34,421]
Changes in pension liabilities and related deferred outflows and inflows of resources		15,861,300
Changes in deferred amount on refunding		[492,788]
General obligation bond proceeds are other financing sources in the governmental funds, but they increase long-term liabilities in the statement of net position and do not affect the statement of activities. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
		[144,700,194]
Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		
		<u>67,951,351</u>
Changes In Net Position of Governmental Activities		<u>\$ 40,101,404</u>



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
GENERAL FUND  
For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Intergovernmental:						
State and local	\$ 102,034,217	\$ 20,627,536	\$ 122,661,753	\$ 123,389,228	\$ 122,452,971	\$ 208,782
Special education aid	-	24,345,715	24,345,715	24,545,873	24,545,873	[200,158]
Total intergovernmental	102,034,217	44,973,251	147,007,468	147,935,101	146,998,844	8,624
Fees and charges	86,240	-	86,240	94,864	94,864	[8,624]
Total revenues	102,120,457	44,973,251	147,093,708	148,029,965	147,093,708	-
<b>EXPENDITURES:</b>						
Instruction	57,993,744	[23,859]	57,969,885	60,650,237	60,650,237	2,680,352
Student support services	5,312,907	1,671	5,314,578	5,389,148	5,389,148	74,570
Instructional support staff	8,090,936	[43,052]	8,047,884	8,595,221	8,595,221	547,337
General administration	1,288,800	6,818	1,295,618	1,340,762	1,340,762	45,144
School administration	9,219,359	[9,808]	9,209,551	9,347,403	9,347,403	137,852
Operations and maintenance	10,918,969	[5,828]	10,913,141	11,959,326	11,959,326	1,046,185
Other support services	8,051,889	[174,745]	7,877,144	8,111,467	8,111,467	234,323
Transportation	1,241,141	-	1,241,141	1,380,942	1,380,942	139,801
Total expenditures	102,117,745	[248,803]	101,868,942	106,774,506	106,774,506	4,905,564
Excess [deficiency] of revenues over [under] expenditures	2,712	45,222,054	45,224,766	41,255,459	40,319,202	4,905,564
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers [out]	[251,515]	[44,973,251]	[45,224,766]	[41,255,459]	[41,255,459]	[3,969,307]
Adjustments for legal max	-	-	-	-	936,257	[936,257]
Total other financing sources [uses]	[251,515]	[44,973,251]	[45,224,766]	[41,255,459]	[40,319,202]	[4,905,564]
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[248,803]	248,803	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	516,878	[516,878]	-			
FUND BALANCE - End of year	\$ 268,075	\$ [268,075]	\$ -			

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 SUPPLEMENTAL GENERAL FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes:						
In process	\$ 560,559	\$ -	\$ 560,559	\$ 646,873	\$ 646,873	\$ [86,314]
Current	32,415,186	11,933,285	44,348,471	45,376,327	45,036,070	[687,599]
Delinquent	826,295	-	826,295	158,627	158,627	667,668
Motor vehicle	4,152,117	-	4,152,117	4,384,934	4,384,934	[232,817]
Rental excise	39,289	-	39,289	35,921	35,921	3,368
Total revenues	<u>37,993,446</u>	<u>11,933,285</u>	<u>49,926,731</u>	<u>50,602,682</u>	<u>50,262,425</u>	<u>[335,694]</u>
<b>EXPENDITURES:</b>						
Instruction	31,951,223	-	31,951,223	32,576,947	32,576,947	625,724
Student support services	1,593,295	-	1,593,295	1,665,529	1,665,529	72,234
Instructional support staff	971,892	-	971,892	972,256	972,256	364
School administration	3,049,185	-	3,049,185	3,099,877	3,099,877	50,692
Operations and maintenance	115,201	-	115,201	119,701	119,701	4,500
Total expenditures	<u>37,680,796</u>	<u>-</u>	<u>37,680,796</u>	<u>38,434,310</u>	<u>38,434,310</u>	<u>753,514</u>
Excess [deficiency] of revenues over [under] expenditures	<u>312,650</u>	<u>11,933,285</u>	<u>12,245,935</u>	<u>12,168,372</u>	<u>11,828,115</u>	<u>417,820</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers out	-	[11,933,285]	[11,933,285]	[11,520,028]	[11,520,028]	[413,257]
Adjustments for legal max	-	-	-	-	340,257	[340,257]
Total other financing sources [uses]	<u>-</u>	<u>[11,933,285]</u>	<u>[11,933,285]</u>	<u>[11,520,028]</u>	<u>[11,179,771]</u>	<u>[753,514]</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>312,650</u>	<u>-</u>	<u>312,650</u>	<u>\$ 648,344</u>	<u>\$ 648,344</u>	<u>\$ [335,694]</u>
FUND BALANCE - Beginning of year	<u>3,641,044</u>	<u>-</u>	<u>3,641,044</u>			
FUND BALANCE - End of year	<u>\$ 3,953,694</u>	<u>\$ -</u>	<u>\$ 3,953,694</u>			

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
SPECIAL EDUCATION FUND  
For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 1,565,929	\$ [1,565,929]	\$ -	\$ -	\$ -	\$ -
Total taxes	<u>1,565,929</u>	<u>[1,565,929]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental:						
Federal	3,396,136	-	3,396,136	4,186,623	4,186,623	[790,487]
State and local	43,718,046	[43,036,642]	681,404	-	-	681,404
Total intergovernmental	<u>47,114,182</u>	<u>[43,036,642]</u>	<u>4,077,540</u>	<u>4,186,623</u>	<u>4,186,623</u>	<u>[109,083]</u>
Use of money and property	1,654,639	-	1,654,639	1,900,000	1,900,000	[245,361]
Other local sources	431,502	-	431,502	690,182	690,182	[258,680]
Total revenues	<u>50,766,252</u>	<u>[44,602,571]</u>	<u>6,163,681</u>	<u>6,776,805</u>	<u>6,776,805</u>	<u>[613,124]</u>
<b>EXPENDITURES:</b>						
Instruction	34,731,909	[70,628]	34,661,281	36,538,594	36,538,594	1,877,313
Student support services	8,557,185	[3,338]	8,553,847	8,513,265	8,513,265	[40,582]
Instructional support staff	436,505	-	436,505	466,736	466,736	30,231
General administration	828,175	-	828,175	824,869	824,869	[3,306]
School administration	205,288	-	205,288	204,334	204,334	[954]
Other support services	3,097	-	3,097	6,000	6,000	2,903
Operations and maintenance	6,976	-	6,976	8,060	8,060	1,084
Transportation	6,276,375	[36,968]	6,239,407	6,612,527	6,612,527	373,120
Total expenditures	<u>51,045,510</u>	<u>[110,934]</u>	<u>50,934,576</u>	<u>53,174,385</u>	<u>53,174,385</u>	<u>2,239,809</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[279,258]</u>	<u>[44,491,637]</u>	<u>[44,770,895]</u>	<u>[46,397,580]</u>	<u>[46,397,580]</u>	<u>1,626,685</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	44,602,571	44,602,571	39,310,530	39,310,530	5,292,041
Total other financing sources [uses]	<u>-</u>	<u>44,602,571</u>	<u>44,602,571</u>	<u>39,310,530</u>	<u>39,310,530</u>	<u>5,292,041</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>[279,258]</u>	<u>110,934</u>	<u>[168,324]</u>	<u>\$ [7,087,050]</u>	<u>\$ [7,087,050]</u>	<u>\$ 6,918,726</u>
FUND BALANCE - Beginning of year	<u>7,895,468</u>	<u>[152,281]</u>	<u>7,743,187</u>			
FUND BALANCE - End of year	<u>\$ 7,616,210</u>	<u>\$ [41,347]</u>	<u>\$ 7,574,863</u>			

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 KPERS FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Intergovernmental	\$ 24,461,693	\$ -	\$ 24,461,693	\$ 27,909,074	\$ 27,909,074	\$ [3,447,381]
Total revenues	<u>24,461,693</u>	<u>-</u>	<u>24,461,693</u>	<u>27,909,074</u>	<u>27,909,074</u>	<u>[3,447,381]</u>
<b>EXPENDITURES:</b>						
Instruction	16,447,075	-	16,447,075	18,764,110	18,764,110	2,317,035
Student support services	2,098,953	-	2,098,953	2,394,758	2,394,758	295,805
Instructional support staff	1,270,373	-	1,270,373	1,449,407	1,449,407	179,034
General administration	196,042	-	196,042	223,670	223,670	27,628
School administration	1,454,403	-	1,454,403	1,660,217	1,660,217	205,814
Operations and maintenance	1,454,656	-	1,454,656	1,659,661	1,659,661	205,005
Transportation	10,405	-	10,405	11,872	11,872	1,467
Other support services	1,086,559	-	1,086,559	1,239,688	1,239,688	153,129
Food service operations	<u>443,227</u>	<u>-</u>	<u>443,227</u>	<u>505,691</u>	<u>505,691</u>	<u>62,464</u>
Total expenditures	<u>24,461,693</u>	<u>-</u>	<u>24,461,693</u>	<u>27,909,074</u>	<u>27,909,074</u>	<u>3,447,381</u>
Excess [deficiency] of revenues over [under] expenditures	-	-	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	-	-	-			
FUND BALANCE - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
CAPITAL OUTLAY FUND  
For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes:						
In process	\$ 319,865	\$ -	\$ 319,865	\$ 369,540	\$ 369,540	\$ [49,675]
Current	25,938,499	-	25,938,499	24,678,301	24,678,301	1,260,198
Delinquent	412,504	-	412,504	90,517	90,517	321,987
Motor vehicle	2,216,445	-	2,216,445	2,348,356	2,348,356	[131,911]
Rental excise	20,406	-	20,406	19,238	19,238	1,168
Total taxes	28,907,719	-	28,907,719	27,505,952	27,505,952	1,401,767
Use of money and property	793,005	-	793,005	800,000	800,000	[6,995]
Other local sources	84,422	-	84,422	165,000	165,000	[80,578]
Total revenues	29,785,146	-	29,785,146	28,470,952	28,470,952	1,314,194
<b>EXPENDITURES:</b>						
Instruction	4,042,541	203,273	4,245,814	8,220,886	8,220,886	3,975,072
Student support services	3,584	33,322	36,906	42,800	42,800	5,894
Instructional support staff	691,686	16,579	708,265	522,114	522,114	[186,151]
General administration	34,071	-	34,071	11,000	11,000	[23,071]
Central services	3,274,692	639,920	3,914,612	6,694,411	6,694,411	2,779,799
Operations and maintenance	12,628,703	[349,181]	12,279,522	17,329,752	17,329,752	5,050,230
Transportation	969,408	13,301	982,709	1,035,000	1,035,000	52,291
Other support services	259,775	[95,406]	164,369	10,000	10,000	[154,369]
Capital outlay	4,464,477	45,248	4,509,725	33,685,548	33,685,548	29,175,823
Total expenditures	26,368,937	507,056	26,875,993	67,551,511	67,551,511	40,675,518
Excess [deficiency] of revenues over [under] expenditures	3,416,209	[507,056]	2,909,153	\$ [39,080,559]	\$ [39,080,559]	\$ 41,989,712
FUND BALANCE - Beginning of year	50,214,070	[1,570,076]	48,643,994			
FUND BALANCE - End of year	\$ 53,630,279	\$ [2,077,132]	\$ 51,553,147			

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF FIDUCIARY NET POSITION  
June 30, 2020

	<u>Agency Funds</u>
ASSETS:	
Cash and investments	\$ 3,440,380
 Total assets	 <u>\$ 3,440,380</u>
LIABILITIES:	
Liabilities:	
Other liabilities	\$ 2,010,240
Due to student organizations	<u>1,430,140</u>
 Total liabilities	 <u>\$ 3,440,380</u>
NET POSITION:	
Held in trust for pension benefits	\$ <u>          -</u>
 Total net position	 <u>\$ <u>          -</u></u>

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

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting entity**

The Blue Valley Unified School District No. 229 (District) is a municipal corporation governed by an elected seven-member board. These financial statements present the District and its component unit.

As required by generally accepted accounting principles (GAAP), the financial statements present data for all funds of the District and a component unit, an entity for which the District is considered to be financially accountable.

The determination of financial accountability includes consideration of a number of criteria including (1) the appointment of a voting majority of an entity's governing authority and the ability of the primary government to impose its will on the entity, (2) the potential for the entity to provide specific financial benefits to, or impose specific financial burdens on, the primary government and (3) the entity's fiscal dependency on the primary government.

*Discretely Presented Component Unit.* The following component unit is reported discretely to emphasize that it is legally separated from the District.

Recreation Commission: Blue Valley Recreation Commission is governed by a seven-member board appointed by the District and oversees recreational activities. The recreation commission can sue and be sued, but acquisition of real property by the commission must be approved by the District. The District levies taxes for the recreation commission. Bond issuances must be approved by the District.

Complete financial statements for the Blue Valley Recreation Commission are available from its office at 8026 W. 151<sup>st</sup> Street, Overland Park, Kansas 66223.

**B. Government-wide and fund financial statements**

The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the District as a whole. For the most part, the effect of interfund activity has been removed from these statements. All activities of the District are governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items which are not classified as program revenues are presented as general revenues of the school district.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

**C. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues 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.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

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

**C. Measurement focus, basis of accounting, and financial statement presentation (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are 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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting.

The District reports the following major governmental funds:

The General Fund is used to account for the general operations of the District and all unrestricted revenues and expenditures not provided for in other funds.

The Supplemental General Fund is used to account for revenues and expenditures as authorized by the local option tax budget for the District.

The Special Education Fund is used to account for federal and state aid revenues received and used for the education of students with special needs.

The KPERs Fund is used to account for the inflow and outflow of the State of Kansas's share of the public employee retirement system contributions.

The Capital Outlay Fund is used to account for tax revenues which are primarily utilized for the acquisition, construction, and repair and remodeling of school district buildings.

The Debt Service Fund is used to account for the accumulation of resources for and the payments of interest and principal on general long-term debt, which are general obligations of the District.

The 2012 Capital Projects Fund is used to account for the acquisition, construction, and renovation of major capital facilities financed by the District's general obligation bond issues.

The 2020 Capital Projects Fund is used to account for the acquisition, construction, and renovation of major capital facilities financed by the District's general obligation bond issues.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose. The Special Reserve and the Special Healthcare Reserve Funds reported separately in these financial statements are combined for State of Kansas reporting purposes.

The agency funds are used to account for assets held as an agent for individuals, other governmental units, private organizations and/or other funds.



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

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

**D. Material and Supplies Inventory**

Material and supplies inventory is valued using the first in/first out cost method. For fund financial statements the cost is recorded as an expenditure in the year consumed. For fund financial statement reporting the reserve for material and supplies inventory is equal to the amount of inventories on hand to indicate that a portion of fund balance is not available for future expenditures.

**E. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000. District capital assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated market value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Site improvements	20
Furniture	10
Technology	5
Vehicles	15
Equipment	5

Assets which have been acquired with funds received through federal grants must be used in accordance with the terms of the grant. Federal regulations require, in some cases, that the District must reimburse the federal government for any assets which the District retains for its own use after the termination of the grant unless otherwise provided for by the grantor.

**F. Compensated Absences Liabilities**

Under 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 not paid for accumulated sick days. However, if an employee retires, is KPERS eligible and has at least ten years of service with the District, they are entitled to a payout in accordance with the Negotiated Agreement between the Blue Valley National Education Association and the Blue Valley Board of Education. The same benefit is also afforded to all classified personnel. Vacation earned by administrators may be accumulated to a maximum of 20 days. Vacation earned by full-time classified employees with less than six years of employment in the District may accumulate to a maximum of fifteen days. Vacation earned by classified employees with six or more years of employment in the District may accumulate to a maximum of 20 days. Compensated absences are recorded as a liability on the statement of net position until actually expended; once expended, the amount is recorded as an expenditure in the governmental funds.

The General Fund, Supplemental General Fund, Special Education Fund, and Other Governmental have been used in prior years to liquidate the liability for compensated absences.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2020

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

**G. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

**H. Long-Term Obligations**

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 in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

**I. Pensions**

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of employee service and the plan's net fiduciary position. The total pension expense is comprised of the service cost of actuarial present value of project benefit payments attributed to the value year, interest on the total pension liability, plan administrative expense, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and project earnings on plan investments. Additionally, the total pension expense include the annual recognition of outflows and inflows of resources due to pension assets and liability.

For purposes of measuring the 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.

**J. Net Position**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

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

**K. Fund Balance Reserves**

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education. Assigned fund balances include amounts that are constrained by the District management's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds									
	General Fund	Supplemental General Fund	Special Education Fund	KPERS Fund	Capital Outlay Fund	Bond and Interest Fund	2012 Capital Projects Fund	2020 Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Fund Balances:</b>										
<b>Nonspendable:</b>										
Inventory	\$118,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198,364	\$ 316,833
Prepays	-	-	-	-	24,000	-	-	2,668,804	-	2,692,804
<b>Restricted for:</b>										
Special education instruction	-	-	7,574,863	-	-	-	-	-	-	7,574,863
Debt retirement	-	-	-	-	-	63,267,867	-	-	-	63,267,867
School construction and equipment	-	-	-	-	51,529,147	-	13,869,940	94,408,760	434,817	160,242,664
Instruction	-	-	-	-	-	-	-	-	6,777,249	6,777,249
Healthcare and general liabilities	-	-	-	-	-	-	-	-	17,977,132	17,977,132
Food service operations	-	-	-	-	-	-	-	-	1,285,133	1,285,133
<b>Assigned for:</b>										
Special education instruction	-	-	41,347	-	-	-	-	-	-	41,347
School construction and equipment	-	-	-	-	2,077,132	-	9,431,552	18,701,591	-	30,210,275
Instruction	149,606	-	-	-	-	-	-	-	12,606,670	12,756,276
Healthcare and general liabilities	-	-	-	-	-	-	-	-	2,821	2,821
<b>Unassigned:</b>										
	-	3,953,694	-	-	-	-	-	-	-	3,953,694
<b>Total Fund Balances</b>	<b>\$ 268,075</b>	<b>\$ 3,953,694</b>	<b>\$ 7,616,210</b>	<b>\$ -</b>	<b>\$ 53,630,279</b>	<b>\$ 63,267,867</b>	<b>\$ 23,301,492</b>	<b>\$ 115,779,155</b>	<b>\$ 39,282,186</b>	<b>\$ 307,098,958</b>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

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

**L. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports changes in the pension liability proportion, changes in assumptions, net difference between projected and actual earnings on pension plan investments, and contributions made to the pension plan after the measurement date of the net pension liability as deferred outflows of resources in the government activities.

In addition to liabilities, the statement of financial 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government funds report unavailable revenues from one source: property taxes. Differences between expected and actual experience, changes in assumptions, and changes in proportion are reported as deferred inflows for governmental activities.

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Kansas statutes require that an operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute) and debt service funds. The General Fund and Supplemental General Fund are subject to budgetary limitation by state statute. Other funds are not subject to statutory limitation. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

Management may not amend the budget without the approval of the board of education. However, state statutes permit management to transfer budgeted amounts between line items within an individual fund without this approval. In addition, the District has policies that require that department heads obtain business office approval prior to making any such transfers. The legal level of budgetary control is at the fund level.

If the board of education elects to amend the budget, it must publish a notice of public hearing in the local newspaper. At least ten days after publication the hearing may be held and the budget may be amended at that time. The budget for the school year was not amended.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations lapse at year end, except for capital project funds which are carried forward until such time as the project is completed or terminated. Encumbered appropriations (encumbrances) are reported as expenditures in the current year's budgetary presentation and as reservations of fund balances in the governmental fund financial statements prepared in conformity with accounting principles generally accepted in the United States of America. Accordingly, the actual expenditure data presented in the budgetary comparison statements differ from the data presented in the governmental fund financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

A legal operating budget is not required for capital projects funds, agency funds, and certain special revenue funds. Legal operating budgets are required for the following funds: General, Supplemental General, Bilingual Education, Virtual Education, Capital Outlay, Food Service, Professional Development, Parent Education Program, Summer School, Special Education, Extraordinary School Program, Vocational Education, Special Assessment, Federal Funds, Gifts and Grants Funds, Special Liability, At Risk (K-12), KPERS and the Debt Service Fund.

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

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

	Major Governmental Funds								Other Nonmajor Governmental Funds	Total Budgeted Governmental Funds
	General Fund	Supplemental General Fund	Special Education Fund	KPERS Fund	Capital Outlay Fund	Debt Service Fund	2012 Capital Projects Fund	2020 Capital Projects Fund		
GAAP FUND BALANCE June 30, 2020	\$ 268,075	\$ 3,953,694	\$ 7,616,210	\$ -	\$ 53,606,279	\$ 63,267,867	\$ 23,301,492	\$ 113,110,351	\$ 39,282,186	\$ 304,406,154
Adjustments:										
Unreserved fund balances not subject to the Kansas Budget Law:										
Capital Projects	-	-	-	-	-	-	[13,869,940]	[94,408,760]	-	[108,278,700]
Contingency Reserve	-	-	-	-	-	-	-	-	[11,179,726]	[11,179,726]
Instructional Materials	-	-	-	-	-	-	-	-	[3,794,691]	[3,794,691]
Gate Receipts	-	-	-	-	-	-	-	-	[370,826]	[370,826]
Student Projects	-	-	-	-	-	-	-	-	[439,638]	[439,638]
Special Reserve	-	-	-	-	-	-	-	-	[1,436,948]	[1,436,948]
Special Healthcare Reserve	-	-	-	-	-	-	-	-	[16,540,184]	[16,540,184]
Gifts Fund	-	-	-	-	-	-	-	-	1,010,398	1,010,398
Current year encumbrances	[149,606]	-	[41,347]	-	[2,077,132]	-	[9,431,552]	[18,701,591]	[681,853]	[31,083,081]
Reserve for material and supplies inventory	[118,469]	-	-	-	-	-	-	-	[198,364]	[316,833]
Total deductions	[268,075]	-	[41,347]	-	[2,077,132]	-	[23,301,492]	[113,110,351]	[33,631,832]	[172,430,229]
BUDGETARY FUND BALANCE June 30, 2020	\$ -	\$ 3,953,694	\$ 7,574,863	\$ -	\$ 51,529,147	\$ 63,267,867	\$ -	\$ -	\$ 5,650,354	\$ 131,975,925

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Property Taxes**

The tax levy per \$1,000 of the assessed valuation of tangible taxable property was as follows:

<u>Fund</u>	Levy <u>(\$ per thousand)</u>
General	\$ 20.000
Special revenue:	
Supplemental general	13.678
Capital outlay	8.000
Special assessment	0.141
Cost of living	1.953
Extraordinary growth facilities	1.326
Special liability	0.096
Bond and interest	<u>17.603</u>
Total tax levy	<u>\$ 62.797</u>

Taxes are assessed on a calendar year basis, and are levied and become a lien on the property on November 1st in the year of assessment.

The taxes are due upon receipt of the billing, although taxpayers may elect to pay installments on December 20 and May 10. Taxes are distributed to the District as collected by the County Treasurer five times per year.

**Note 3. RESTATEMENT OF EQUITY**

The District identified assets that were not properly capitalized for the year ended June 30, 2019. The District also identified assets that were not properly depreciated for the year ended June 30, 2019. The capitalization and depreciation of those assets caused a restatement of net position as follows:

	<u>Total Governmental Funds</u>
Net assets - beginning	\$ 228,099,151
Prior period adjustments:	
Capital asset additions	889,565
Accumulated depreciation	<u>[240,966]</u>
Net assets - beginning, restated	<u>\$ 228,747,750</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS**

**A. Investments**

The District's cash is considered to be active funds by management and is invested according to District policy and K.S.A. 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the District is located or an adjacent county and that the bank provide an acceptable rate for active funds.

The District's investments are considered to be idle funds by management and are invested according to District policy and K.S.A. 12-1675. The statute requires that the District invest its idle funds in only temporary notes of the District, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury Bills or Notes and the Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

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 Poor's 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 of 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.

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.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Investments (Continued)**

At June 30, 2020, the District had the following investments:

<u>Investment Type</u>	<u>Level 1</u>	<u>Rating</u>	<u>Weighted Average Maturity</u>
<b>Investments measured at the net asset value (NAV)</b>			
Money Market:			
Goldman Sachs Financial Square Government Fund	127,672,479	S&P AAAM2	53 Days
Fidelity Government Money Market Fund	179,156	NA	40 Days
Kansas Municipal Investment Pool	<u>161,540,521</u>	S&P AAAf/S1+	1 Day
Total investments measured at NAV	<u>\$ 289,392,156</u>		

The above investments are measured at the net asset value, have an ongoing redemption frequency and liquidity fees or redemption gates are not imposed on any of the investments. The money market investments are composed of U.S. Government securities that are fully collateralized.

At June 30, 2020, the District's cash and investments composed of the following:

Bank balance of checking accounts	\$ 6,193,996
Certificates of deposit	49,500,000
Investments	289,392,156
Adjustments for outstanding checks and deposits in transit	<u>[11,399,244]</u>
Total cash and investments	<u>\$ 333,686,908</u>

The District's investment policy provides direction on concentration risk. The District policy states that adequate diversification of investments shall be met by security type and institution wherever possible in order to eliminate the risk of loss resulting from the over concentration of assets in a specific maturity, issuer or class of securities. In establishing specific diversification strategies the following guidelines will apply; portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector, maturities shall be selected which provide stability of income and reasonable liquidity, liquidity practices shall be used at all times to ensure that the next disbursement date and payroll date are covered through maturing investments, marketable United States treasuries or cash on hand.

The District's formal investment policy does not provide limits on interest rate risks.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. All District deposits shall be held in third party safekeeping. The District shall maintain a listing of the specific instruments, rates, maturities and other pertinent information. In terms of collateralization, the following must apply:

1. Securities pledged to secure the deposits of the District must be deposited with a bank, trust company, or national bank authorized to do business in Kansas, the Federal Reserve Bank of Kansas City, the Federal Home Loan Bank of Topeka or the State Treasurer. Such securities must be deposited under a joint custody receipt and must equal at least 105% of the market value of the secured deposits.



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Investments (Continued)**

No securities pledged may be left for safekeeping in any bank, trust company or national bank which is owned directly or indirectly by any parent corporation of the depository bank, or with any bank, trust company or national bank having common controlling shareholders, having a common majority of the board of directors or having common directors with the ability to control or influence directly or indirectly the acts or policies of the bank, state or federally chartered savings and loan association, or federally chartered savings bank securing public deposits.

2. Certificates of deposit shall be collateralized as required by Kansas statutes for any amount exceeding FDIC coverage.
3. Collateral underlying repurchase agreements is limited to United States government and agency obligations which are eligible for wire transfer to the District's safekeeping agent through the Federal Reserve System.
4. Collateral is valued at current market plus interest accrued through the date of valuation. Repurchase agreement collateral must be maintained at the following level, with respect to repurchase agreement par value plus accrued interest: United States treasury securities, with maturities of one year or less at 101% and United States treasury securities with maturities of one to five years at 102%.

At year end, the Blue Valley Recreation Commission's investment balances, at fair value, were as follows:

<b>Investments by fair value level</b>	<u>Level 2</u>	<u>Rating</u>	<u>Maturity</u>
U.S. Treasury Securities	\$ 3,699,161	S&P AA+	Less than 1 year
Total investments measured at fair value level	<u>\$ 3,699,161</u>		

**A. Receivables**

Receivables as of June 30, 2020 are as follows:

	<u>General</u>	<u>Special Education</u>	<u>KPERS</u>	<u>Other Governmental</u>	<u>Total</u>
District governmental activities:					
Receivables:					
Accounts	\$ 6,051,832	\$ 163,365	\$ 6,003,897	\$ 20,247	\$ 12,239,341
Interest	-	<u>279,292</u>	-	-	<u>279,292</u>
Total	<u>\$ 6,051,832</u>	<u>\$ 442,657</u>	<u>\$ 6,003,897</u>	<u>\$ 20,247</u>	<u>\$ 12,518,633</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2020, was as follows:

	Restated Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
District governmental activities:				
Nondepreciable assets:				
Land	\$ 33,441,314	\$ -	\$ -	\$ 33,441,314
Construction in progress	22,986,454	20,463,380	[13,604,377]	29,845,457
Depreciable assets:				
Buildings and improvements	700,461,442	25,039,583	-	725,501,025
Site improvements	79,219,409	349,054	-	79,568,463
Infrastructure	18,452,496	-	-	18,452,496
Furniture	2,895,131	26,359	[4,500]	2,916,990
Technology	24,139,745	2,022,221	[381,631]	25,780,335
Vehicles	4,805,262	27,155	-	4,832,417
Food service equipment	5,838,125	31,520	-	5,869,645
Equipment	<u>27,521,297</u>	<u>831,315</u>	<u>[558,796]</u>	<u>27,793,816</u>
Totals at historical cost	<u>919,760,675</u>	<u>48,790,587</u>	<u>[14,549,304]</u>	<u>954,001,958</u>
Less accumulated depreciation for:				
Buildings and improvements	225,091,786	15,441,928	-	240,533,714
Site improvements	39,311,596	3,317,521	-	42,629,117
Infrastructure	7,125,495	757,938	-	7,883,433
Furniture	2,516,626	77,900	[3,112]	2,591,414
Technology	15,095,640	3,352,819	[356,554]	18,091,905
Vehicles	2,070,820	290,023	-	2,360,843
Food service equipment	5,047,068	213,726	-	5,260,794
Equipment	<u>23,514,112</u>	<u>1,483,362</u>	<u>[550,555]</u>	<u>24,446,919</u>
Total accumulated depreciation	<u>319,773,143</u>	<u>24,935,217</u>	<u>[910,221]</u>	<u>343,798,139</u>
Governmental activities capital assets, net	<u>\$ 599,987,532</u>	<u>\$ 23,855,370</u>	<u>\$ [13,639,083]</u>	<u>\$ 610,203,819</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Component unit governmental activities:				
Nondepreciable assets:				
Construction in progress	\$ 466,823	\$ 435,299	\$ -	\$ 902,122
Depreciable assets:				
Buildings and improvements	54,757,753	65,271	-	54,823,024
Equipment	<u>3,294,541</u>	<u>223,016</u>	-	<u>3,517,557</u>
Totals at historical cost	<u>58,519,117</u>	<u>723,586</u>	-	<u>59,242,703</u>
Less accumulated depreciation for:				
Buildings and improvements	11,868,730	1,045,946	-	12,914,676
Equipment	<u>2,529,852</u>	<u>229,705</u>	-	<u>2,759,557</u>
Total accumulated depreciation	<u>14,398,582</u>	<u>1,275,651</u>	-	<u>15,674,233</u>
Governmental activities capital assets, net	<u>\$ 44,120,535</u>	<u>\$ [552,065]</u>	<u>\$ -</u>	<u>\$ 43,568,470</u>

The District's depreciation expense was charged to governmental functions as follows:

Instruction	\$ 18,202,276
Student support	431,379
Instructional support	97,043
General administration	510,881
School administration	85,680
Operations and maintenance	2,275,149
Central services	3,107,410
Other support services	<u>225,399</u>
Total depreciation	<u>\$ 24,935,217</u>

The Recreation Commission component unit's depreciation expense was charged to governmental functions as follows:

Culture and recreation	<u>\$ 1,275,651</u>
Total depreciation	<u>\$ 1,275,651</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Long-Term Liabilities**

The changes in the District's long-term obligations during the year consist of the following:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Amounts Due Within One Year
District Governmental Activities					
General Obligation Bonds	\$ 371,351,413	\$ 144,700,194	\$ [67,951,351]	\$ 448,100,256	\$ 55,650,042
Net pension liability	209,403,231	26,918,153	[24,668,223]	211,653,161	-
Total OPEB Liability	3,629,104	789,745	[918,151]	3,500,698	-
Total OPEB Liability - KPERs	3,160,142	478,824	[491,542]	3,147,424	-
Compensated absences	<u>2,182,323</u>	<u>802,733</u>	<u>[520,938]</u>	<u>2,464,118</u>	<u>520,938</u>
Total governmental activities					
Long-term liabilities	<u>\$ 589,726,213</u>	<u>\$ 173,689,649</u>	<u>\$ [94,550,205]</u>	<u>\$ 668,865,657</u>	<u>\$ 56,170,980</u>
Component Unit Governmental Activities					
Certificates of participation	<u>\$ 25,736,236</u>	<u>\$ -</u>	<u>\$ [1,879,845]</u>	<u>\$ 23,856,391</u>	<u>\$ 1,934,846</u>
Total governmental activities					
Long-term liabilities	<u>\$ 25,736,236</u>	<u>\$ -</u>	<u>\$ [1,879,845]</u>	<u>\$ 23,856,391</u>	<u>\$ 1,934,846</u>

Long-term obligations of the District consists of the following:

General Obligation Bonds	Date Issued	Maturity Date	Interest Rate	Original Amount	Outstanding June 30, 2020
2009A	06/01/09	10/01/29	1.25% to 5.75%	\$ 73,011,532	\$ 34,845,000
2011A	03/15/11	10/01/30	2.0% to 4.125%	33,038,066	955,000
2012A	04/19/12	10/01/31	2.0% to 5.0%	51,324,904	39,706,518
2014A	01/15/14	10/01/33	3.0% to 5.0%	63,933,704	46,328,593
2014B	07/02/14	10/01/25	3.0% to 5.0%	32,607,328	22,703,397
2015A	10/01/15	10/01/35	3.0% to 5.0%	98,713,702	59,230,962
2015B	10/01/15	10/01/27	2.0% to 5.0%	74,560,040	40,315,026
2017A	12/06/17	10/01/37	2.5% to 5.0%	97,791,215	59,315,566
2020A	05/07/20	10/01/40	2.5% to 3.0%	125,000,000	130,894,210
2020B	05/07/20	10/01/30	3.00%	<u>12,485,000</u>	<u>13,805,984</u>
Total general obligation bonds payable				<u>\$ 662,465,491</u>	<u>\$ 448,100,256</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Long-Term Liabilities (Continued)**

Long-term obligations of the Recreation Commission consists of the following:

	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>
Certificates of Participation				
2014A	12/18/14	10/01/25	2.0% to 5.0%	\$ 8,819,719
2014B	12/18/14	10/01/25	2.0% to 5.0%	4,606,041
2015	06/16/15	10/01/35	3.0% to 4.0%	<u>18,614,628</u>
Total certificates of participation payable				<u>\$ 32,040,388</u>

The annual debt service requirements to maturity for the District general obligation bonds, including interest, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 55,782,141	\$ 13,064,377	\$ 68,846,518
2022	51,981,851	11,544,888	63,526,739
2023	27,506,851	10,080,938	37,587,789
2024	28,656,851	9,029,263	37,686,114
2025	29,686,851	8,018,963	37,705,814
2026 - 2030	118,430,317	26,967,381	145,397,698
2031 - 2035	84,280,518	12,497,794	96,778,312
2036 - 2040	45,135,165	3,125,888	48,261,053
2040	<u>6,639,711</u>	<u>79,313</u>	<u>6,719,024</u>
Total	<u>\$ 448,100,256</u>	<u>\$ 94,408,805</u>	<u>\$ 542,509,061</u>

The annual debt service requirements to maturity for the Commission's certificates of participation, including interest, are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,934,846	\$ 850,000	\$ 2,784,846
2022	2,004,846	786,650	2,791,496
2023	2,069,846	713,125	2,782,971
2024	2,144,846	620,750	2,765,596
2025	2,249,846	533,175	2,783,021
2026 - 2030	6,300,772	1,845,325	8,146,097
2031 - 2035	5,841,157	836,725	6,677,882
2036	<u>1,310,232</u>	<u>25,600</u>	<u>1,335,832</u>
Total	<u>\$ 23,856,391</u>	<u>\$ 6,211,350</u>	<u>\$ 30,067,741</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 4. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Long-Term Liabilities (Continued)**

Long-term liabilities on the Statement of Net Position are reported net of the applicable bond premium and discount. 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 Debt Service Fund. 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 is about \$452 million at June 30, 2020. The District has received authorization from the State of Kansas to exceed this limit.

The District issued Series 2020-A General Obligation Bonds on May 7, 2020, in the amount of \$125,000,000. The bonds will be used to purchase and improve sites and to acquire, construct, equip, furnish, repair, remodel, and make additions to buildings used for school district purposes, including acquisition of new and upgraded computer and communications technology. The Series 2020-A Bonds have an interest rate of 2.50% to 3.00% and will mature on October 1, 2040.

The District issued Series 2020-B General Obligation Bonds on May 7, 2020, in the amount of \$12,485,000. The bonds will be used to currently refund \$4,305,000 of the outstanding 2009A Bonds and \$9,245,000 of the outstanding 2011-A Bonds. The refunding resulted in a \$2,393,539 reduction of debt service payments and a net present value savings of \$2,207,577. The Series 2020-B Bonds have an interest rate of 3.00% and will mature on October 1, 2030.

**E. Operating Leases**

The District leases copiers under an operating lease. Total costs for this lease was \$672,619 for the year ended June 30, 2020. The future minimum lease payments for the lease are \$904,136 for the next fiscal year.

The District leases busses under an operating lease. Total costs for this lease was \$609,523 for the year ended June 30, 2020. The future minimum lease payments for the lease are \$652,065 for the next fiscal year.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION**

**A. Defined Benefit Pension Plan**

*Description of Pension Plan.* The District participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERs), a body corporate and an instrumentality of the State of Kansas. KPERs provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

Public employees, which includes:

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

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the School District are included in the State/School employee group.

KPERs issues a stand-alone comprehensive annual financial report, which is available on the KPERs website at [www.kpers.org](http://www.kpers.org).

*Benefits.* Benefits are established by statute and may only be changed by the State Legislature. Members with ten or more years of credited service, may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERs 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERs 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with 10 years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund and established by K.S.A. 74-4922.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**A. Defined Benefit Pension Plan (Continued)**

*Contributions.* Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rate for school employees are 13.23%. The statutory contribution rate for school employees was 13.21%. Member contribution rates as a percentage of eligible compensation are 6.00% for State/School employees.

*Employer Allocations.* 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 nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The allocation percentages for the District's share of the collective pension amounts as of June 30, 2019, was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2019, the District's proportion was 3.27%, which was an increase of .06% from its proportion measured at June 30, 2018.

*Net Pension Liability.* At June 30, 2020 and 2019, the District reported a liability of \$211,653,161 and \$209,403,231, respectively, for its proportionate share of the net pension liability.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019, using the following actuarial assumptions:

<u>Assumption</u>	<u>Rate</u>
Price inflation	2.75%
Salary increases, including wage increases	3.50 to 12.00%, including inflation
Investment rate of return	7.75%



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**A. Defined Benefit Pension Plan (Continued)**

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, 2018, valuation were based on the results of an actuarial experience study conducted for the period of January 1, 2013 through December 31, 2015. The experience study is dated November 18, 2016.

The actuarial assumption changes adopted by the Pension Plan for all groups based on the experience study:

- Price inflation assumption lowered from 3.00% to 2.75%
- Investment return assumption was lowered from 8.00% to 7.75%
- General wage growth assumption was lowered from 4.00% to 3.5%
- Payroll growth assumption was lowered from 4.00 % to 3.00%

The long-term expected rate of return of 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 allocation as of June 30, 2019 are summarized in the following table:

<u>Asset</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	47.00%	6.85%
Fixed income	13.00%	1.25%
Yield return	8.00%	6.55%
Real return	11.00%	1.71%
Real estate	11.00%	5.05%
Alternatives	8.00%	9.85%
Short-term investments	<u>2.00%</u>	-0.25%
Total	<u>100.00%</u>	

*Discount Rate.* The discount rate used to measure the total pension liability was 7.75%. 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 and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The statutory cap for Fiscal Year 2019 was 1.2%. In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increases set under the caps established in 2012 for the State/School group. Under 2015 SB 4, the previously certified State/School statutory rate for Fiscal Year 2015 of 11.27 percent was reduced to 8.65 percent for the last half of the fiscal year as part of the Governor's allotment. That same session, SB 228 recertified statutory rates for the State/School group to 10.91 percent for Fiscal Year 2016 and 10.81 percent for Fiscal Year 2016 and 10.81 percent for Fiscal Year 2017 in anticipation of the issuance of \$1 billion in pension obligation bonds. Legislation in the 2016 session (SB 1610) provided for the delay of up to \$100 million in State and School contributions to the Pension Plan. Legislation passed by the 2017 Legislature removed the repayment provisions included in SB 161.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**A. Defined Benefit Pension Plan (Continued)**

In addition, 2017 Senate Sub for Sub HB 2052 delayed \$64.1 million in Fiscal Year 2017 State/School contributions, to be repaid over 20 years in level dollar installments. The first year payment of \$6.4 million was paid in full at the beginning of Fiscal Year 2019, and appropriations for Fiscal Year 2019 were made at the statutory contribution rate of 12.01 percent for the State/School group. Additional legislation in the 2017 Session (S Sub for HB 2002) provided for a reduction of \$194 million from the previously certified contribution rate of 13.21 percent in the State/School contributions for Fiscal Year 2019. Like the Fiscal Year 2017 reduction, it is to be paid back over a 20 year period, beginning in Fiscal Year 2020. Therefore, both reductions will be accounted for as long-term receivables by the Pension Plan. The 2019 Legislature passed House Sub for Sent Bill 109, which directed on-behalf payments of \$56 million and \$82 million be made to the System. The \$56 million payment was received by the System on June 30, 2018, and recorded as Fiscal Year 2018 contributions. The \$82 million was received July 1, 2019, and was recorded as Fiscal Year 2019 contributions. The 2019 Legislative session passed Senate Bill 9 which authorized a transfer of \$115 million to KPERs, received in March 2019.

Based on the employer contribution history as described above, it is reasonable estimate that the State/School group's contribution rate may not be certified at the statutory rate. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years, between 11 to 12 percent. Using this assumption, actuarial modeling indicates that employer contribution rates for the State/School group as sufficient to avoid a depletion date.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75 %) or 1-percentage point higher (8.75 %) than the current rate:

<u>1% Decrease (6.75%)</u>	<u>Discount rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
\$289,700,436	\$211,653,156	\$146,157,803

*Pension Expense.* For the year ended June 30, 2020, the District recognized pension expense of \$24,668,223, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* At June 30, 2020, 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>
Differences between actual and expected experience	\$ 1,838,906	\$ 5,474,249
Net differences between projected and actual earnings on investments	3,517,823	-
Changes of assumptions	5,684,152	77,831
Pension contributions subsequent to the measurement date	22,909,541	-
Changes in proportion	8,221,412	3,563,987
Total	<u>\$ 42,171,834</u>	<u>\$ 9,116,067</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**A. Defined Benefit Pension Plan (Continued)**

\$22,909,541 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Deferred	
	[Inflows]	Outflows
	Amount	
2021	\$	3,490,360
2022		767,905
2023		3,112,806
2024		2,651,240
2025		123,911
Total	\$	<u>10,146,222</u>

**B. Interfund Transfers and Due To/From Other Funds**

K.S.A. 72-6478 allows the transfer of monies between funds. Interfund transfers occurred during the year and were made between the funds identified in the following table to provide sufficient resources to pay the expenditures in the funds receiving the transfer. The due to and due from between funds were recorded to eliminate negative cash in any individual funds.

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major:				
General	\$ -	\$ 251,515	\$ 20,247	\$ -
Nonmajor:				
Special Revenue	<u>251,515</u>	<u>-</u>	<u>-</u>	<u>20,247</u>
Total	<u>\$ 251,515</u>	<u>\$ 251,515</u>	<u>\$ 20,247</u>	<u>\$ 20,247</u>

**C. Contingent Liabilities**

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2020.

The District's general obligation bond issues are subject to the arbitrage provisions of Section 148 of the Internal Revenue Code. These provisions include the potential for rebates to the federal government of the earnings on the bond proceeds in excess of the yield on the bonds. The amounts of any future rebates due on other bonds have not been determined.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There has been no significant change in insurance coverage from the previous fiscal year. During the past three fiscal years, settlements have not exceeded insurance coverage.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**C. Contingent Liabilities (Continued)**

The District is also a party in a number of lawsuits as a result of the ordinary course of school activities. District management and legal counsel anticipate that the potential claims against the District not covered by insurance, if any, resulting from such matters would not materially affect the financial position of the District.

The District provides self-funded health insurance through a cost plus arrangement with Blue Cross Blue Shield of Kansas City. Under the contract, the District pays the lower amount between actual monthly claims plus any carryforward deficit or a monthly premium plus any carryforward surplus. A carryforward surplus represents an unused maximum claims liability, while a carryforward deficit represents a funding shortage. The amount of carryforward surplus at June 30, 2020, was \$2,546,667.

**D. Capital Project Funds Expenditures - Budget and Actual (Budgetary Basis)**

The District prepares annual operating budgets for the majority of the governmental funds; however, for the capital projects funds, project-length budgets are prepared. The projects budgeted, approved budgets, and cumulative expenditures, as of June 30, 2020, are as follows:

<u>Project Name</u>	<u>Project Budget</u>	<u>Cumulative Expenditures through June 30, 2020</u>
Construction Projects 2012	<u>\$ 292,109,553</u>	<u>\$ 267,852,743</u>
Construction Projects 2020	<u>\$ 186,835,000</u>	<u>\$ 9,691,862</u>

**E. Postemployment Healthcare Plan**

*Plan Description.* The District operates a single employer defined benefit healthcare plan administered by the District. The Employee Benefit Plan (Plan) provides medical, dental and vision insurance benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan.

*Employees covered by benefit terms.* At June 30, 2020, the following employees were covered by the benefit terms:

Active employees	2,898
Retirees and covered spouses	<u>60</u>
Total	<u>2,958</u>

*Total OPEB Liability.* The District's total OPEB liability of \$3,500,698 was measured as of July 1, 2017, and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**E. Postemployment Healthcare Plan (Continued)**

Salary increases	3.00%
Discount rate	2.60%
Healthcare cost trend rates	7.5% for 2020, decreasing 0.50% per year until 2023 and then decreasing 0.25% per year to an ultimate rate of 5.0% for 2027 and later years
Retiree's share of benefit related costs	100% of projected health insurance premiums for retirees

The discount rate was based on the municipal bond index rate provided by Bloomberg.

Mortality rates were based on the SOA Pub-2010 Public Retirement Plans Headcount-weighted General Mortality Tables using Scale Mp-2019 Full Generational Improvement.

The changes in the total OPEB liability are as follows:

	<u>Total OPEB Liability</u>
Balance 7/01/2019	\$ 3,629,104
Service cost	303,391
Interest	117,845
Assumption changes	368,509
Benefit payments	[262,094]
Difference between expected and actual experience	<u>[656,057]</u>
Balance 6/30/2020	<u>\$ 3,500,698</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate decreased from 3.10% to 2.60% since the last valuation date.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presented 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 (2.1%) or 1-percentage-point higher (4.1%) than the current discount rate:

	<u>1% Decrease</u> (1.6%)	<u>Discount Rate</u> (2.6%)	<u>1% increase</u> (3.6%)
Total OPEB Liability	\$ 3,831,602	\$ 3,500,698	\$ 3,192,774

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* 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 healthcare cost trend rates that are 1-percentage-point lower (6.50% decreasing to 4.00%) or 1-percentage-point higher (8.50% decreasing to 6.00%) than the current healthcare cost trend rates:

	<u>Healthcare Cost</u>		
	<u>1% Decrease</u>	<u>Trend Rates</u>	<u>1% increase</u>
Total OPEB Liability	\$ 3,035,450	\$ 3,500,698	\$ 4,063,028

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**E. Postemployment Healthcare Plan (Continued)**

For the year ended June 30, 2020, the District recognized OPEB expense of \$11,503,295. At June 30, 2020, the District reported deferred inflows of resources related to OPEB of \$2,482,428 for differences between expected and actual experience and \$6,533,610 for changes in assumptions. The District also reported deferred outflows of resources related to OPEB of \$322,445 for changes in assumptions.

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

Year ended June 30,	Deferred [Inflows] Amount
2021	\$ [1,924,531]
2022	[1,924,531]
2023	[1,924,531]
2024	[1,924,531]
2025	[1,924,531]
Thereafter	<u>929,062</u>
Total	<u>\$ [8,693,593]</u>

**F. Other Postemployment Benefit Plan (KPERS)**

*Plan Description.* The District participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (KPERS OPEB Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The KPERS OPEB 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 KPERS OPEB 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 KPERS OPEB 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 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 65<sup>th</sup> 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.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**F. Other Postemployment Benefit Plan (KPERs) (Continued)**

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.* At June 30, 2020, the following employees were covered by the benefit terms:

Active members	3,292
Disabled members	<u>23</u>
Total	<u>3,315</u>

*Total OPEB Liability.* The District's total OPEB liability of \$3,147,424 reported as of June 30, 2020, was measured as of June 30, 2019, and was determined by an actuarial valuation as of December 31, 2018 which was rolled forward to June 30, 2019, using the following actuarial assumptions:

Valuation date	December 31, 2018
Measurement date date	June 30, 2019
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Payroll growth	3.00%
Discount rate	3.50%

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

Mortality rates used for the death benefits were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, adjusted for generational mortality improvement using Scale AA. Mortality rates used for the disability benefits were based on the RP-2000 Disabled Life Table with generational mortality improvement using Scale AA.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period of July 1, 2013 through December 31, 2015. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2018 KPERs pension valuation.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS  
June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**F. Other Postemployment Benefit Plan (KPERs) (Continued)**

The changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance 7/01/2018	\$ 3,160,142
Service cost	301,339
Interest	127,294
Benefit paid	[347,763]
Changes of economic gains/losses	[143,779]
Changes in assumptions	<u>50,191</u>
Balance 6/30/2019	<u>\$ 3,147,424</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate decreased from 3.87% to 3.50% since the last valuation date.

*Sensitivity of the total KPERs OPEB liability to changes in the discount rate.* The following presented the total KPERs OPEB liability of the District, as well as what the District's total KPERs OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% increase (4.50%)
Total OPEB Liability	\$ 3,279,710	\$ 3,147,424	\$ 3,011,319

*Sensitivity of the total KPERs OPEB liability to changes in the healthcare cost trend rates.* The following presented the total KPERs OPEB liability of the District calculated using the current healthcare cost trend rates as well as what the District's total KPERs OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERs, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Healthcare Cost Trend Rates	1% increase
Total OPEB Liability	\$ 3,147,424	\$ 3,147,424	\$ 3,147,424

For the year ended June 30, 2019, the District recognized OPEB expense of \$387,515. At June 30, 2020, the District reported deferred inflows of resources related to OPEB of \$249,978 for differences between expected and actual experience and \$109,580 for changes in assumptions. The District also reported deferred outflows of resources related to OPEB of \$45,033 for changes of assumptions.

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

Year ended June 30,	Deferred [Inflows] Amount
2021	\$ [41,118]
2022	[41,118]
2023	[41,118]
2024	[41,118]
2025	[41,118]
Thereafter	<u>[108,935]</u>
Total	<u>\$ [314,525]</u>



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

**Note 5. OTHER INFORMATION (Continued)**

**F. Other Postemployment Benefit Plan (KPERs) (Continued)**

\$347,763 reported as deferred outflows of resources related to OPEB - KPERs resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

**G. Tax Abatements**

Tax Increment Financing

Tax revenues for the District are impacted by property tax abatements authorized by outside governmental entities. Specifically, the City of Overland Park has authorized the property tax abatements listed below that effect the District's tax revenue for the fiscal year ending June 30, 2020. Property tax abatements reduce ad valorem property taxes by reducing the assessed value of the property.

Outside Governmental Entity	Property Description	Type & % Abatement in FY2018	Tax Revenue Reduction for the Fiscal Year
City of Overland Park	Teva Pharmaceuticals, 11100 Nall Ave	Real Property Taxes, 50%	\$177,912
City of Overland Park	5700 W 112 <sup>th</sup> St	Real Property Taxes, 30%	\$104,805
City of Overland Park	Black & Veatch, 5885 W 112 <sup>th</sup> St	Real Property Taxes, 75%	\$6,723
City of Overland Park	Black & Veatch, 11401 Lamar Ave	Real Property Taxes, 75%	\$758,017
City of Overland Park	6860 W 115 <sup>th</sup> St	Real Property Taxes, 15%	\$26,388
City of Overland Park	Tower Properties Company, 6601 College Blvd	Real Property Taxes, 15%	\$68,395
		<b>Total</b>	<b>\$1,142,240</b>

**H. Related Party Transaction**

During the year ended June 30, 2020, the District paid \$208,919 for construction services to a firm for which a District board member is one of the senior executives. During Board of Education meetings, the District board member will recuse himself from any votes of approval for contracts or agreements between the District and his firm.

**I. Subsequent Events**

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended worldwide mitigation measures. The extent of COVID-19's effect on the Government's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Government's operation. However, if the pandemic continues to evolve, this could have a material adverse effect on the Government's operation, statement of net position, statement of activities and cash flows.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

OTHER POST-EMPLOYMENT BENEFITS  
 REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

Schedule of Changes in the District's Total OPEB Liability and Related Ratios  
 Last Ten Fiscal Years\*

Total OPEB liability	2016	2017	2018	2019	2020
Service cost	\$ 1,347,578	\$ 1,388,005	\$ 294,555	\$ 303,391	\$ 303,391
Interest	537,870	585,771	95,110	102,446	117,845
Benefit paid	[519,655]	[696,471]	[140,585]	[164,194]	[262,094]
Differences between expected and actual experience	-	-	[3,189,168]	-	[656,057]
Changes in assumptions	-	-	[10,918,584]	-	368,509
Net change in total OPEB liability	1,365,793	1,277,305	[13,858,672]	241,643	[128,406]
Total OPEB liability - beginning	14,603,015	15,968,808	17,246,113	3,387,441	3,629,084
Total OPEB liability - ending	<u>\$ 15,968,808</u>	<u>\$ 17,246,113</u>	<u>\$ 3,387,441</u>	<u>\$ 3,629,084</u>	<u>\$ 3,500,678</u>
Covered payroll	<u>\$ 127,139,073</u>	<u>\$ 127,139,073</u>	<u>\$ 122,726,074</u>	<u>\$ 126,407,856</u>	<u>\$ 136,660,507</u>
Total OPEB liability as a percentage of covered payroll	12.56%	13.56%	2.76%	2.87%	2.56%

\*GASB 75 requires presentation of ten years. As of June 30, 2020, only five years of information is available.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
 OTHER POST-EMPLOYMENT BENEFITS (KPERs)  
 REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

Schedule of Changes in the District's Total OPEB Liability and Related Ratios  
 Last Ten Fiscal Years\*

Total OPEB liability	2018	2019	2020
Service cost	\$ 314,313	\$ 299,315	\$ 301,339
Interest	100,430	123,361	[127,294]
Benefit paid	[305,465]	[427,894]	[347,763]
Changes in assumptions	[111,870]	[193,241]	[93,588]
Net change in total OPEB liability	[2,592]	[198,459]	[267,306]
Total OPEB liability - beginning	3,361,193	3,358,601	3,160,142
Total OPEB liability - ending	\$ 3,358,601	\$ 3,160,142	\$ 2,892,836
Covered payroll	\$ 134,352,936	\$ 139,266,722	\$ 147,395,000

\*GASB 75 requires presentation of ten years. As of June 30, 2020, only three years of information is available.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
 KPERS PENSION PLAN  
 REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
 June 30, 2020

Schedule of District's Proportionate Share of the Net Pension Liability  
 Last Ten Fiscal Years\*

	06/30/20	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15
District's proportion of the net pension liability	3.272%	3.209%	3.139%	3.175%	3.074%	3.345%
District's proportionate share of the net pension liability	\$ 211,653,156	\$ 209,403,231	\$ 210,884,423	\$ 213,374,529	\$ 212,823,063	\$ 213,745,582
District's covered payroll	\$ 155,152,511	\$ 140,825,876	\$ 136,376,600	\$ 134,026,134	\$ 135,921,572	\$ 134,039,068
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	136.42%	148.70%	154.63%	159.20%	156.58%	159.47%
Plan fiduciary net position as a percentage of the total pension liability	68.50%	68.88%	67.12%	65.10%	64.95%	66.60%

\* The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2015, therefore 10 years of data is unavailable.

Schedule of District Contributions  
 Last Ten Fiscal Years\*

	06/30/20	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15
Contractually required contribution	\$ 22,909,541	\$ 10,492,138	\$ 18,228,783	\$ 12,276,064	\$ 10,799,867	\$ 12,977,983
Contributions in relation to the contractually required contribution	<u>22,909,541</u>	<u>10,492,138</u>	<u>18,228,783</u>	<u>12,276,064</u>	<u>10,799,867</u>	<u>12,977,983</u>
Contribution deficiency [excess]	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 157,034,217	\$ 145,755,485	\$ 140,771,775	\$ 136,288,913	\$ 133,997,294	\$ 130,615,478
Contributions as a percentage of covered employee payroll	14.59%	7.20%	12.95%	9.01%	8.06%	9.94%

\* Data became available with the inception of GASB 68 during fiscal year 2015, therefore 10 years of data is unavailable.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

KPERS PENSION PLAN (CONTINUED)  
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2020

*Changes in benefit terms for KPERS.* Effective January 1, 2014, KPERS Tier 1 members' employee contribution rate increased to 5.0% and then on January 1, 2015, increased to 6.0% with an increase in benefit multiplier to 1.85% for future years of service. For Tier 2 members retiring after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85% multiplier for all years of service.

January 1, 2015, the KPERS 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERS covered position on or after January 1, 2015, or KPERS 1 or KPERS 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

*Changes in assumptions.*

The major items of impact in the actuarial valuation dated December 31, 2014 relative to the prior valuation are as follows:

- Reduce disability rates by 20% for all three KPERS groups.
- Increase the termination of employment rates for State Males and Local Males and Females.
- Modify the election of a deferred benefit by Local vested members who terminate employment in future years.
- Modify the retirement rates for the C60 group.
- Increase the load for the impact of final average salary provisions for Local, C55 and C60 members hired before July 1, 1993.
- Establish an interest crediting rate of 6.50% for KPERS 3 members.

As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation are as follows:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.
- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups
- The termination of employment assumption was increased for all three groups
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

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**COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES**

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BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
NONMAJOR SPECIAL REVENUE FUND DESCRIPTIONS

The special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**BUDGETED FUNDS:**

**Vocational Education Fund:** This fund is used to account for revenues received and expenditures incurred for state and federal vocational education programs, administered in accordance with established guidelines and statutes.

**At Risk (K-12) Fund:** This fund is used to account for the expenditures associated with at-risk students to provide them with additional educational opportunities and instructional services to assist in closing the achievement gap.

**Professional Development Fund:** This fund is used to account for state aid revenues that are provided for teacher inservice training programs.

**Special Assessment Fund:** This fund is used to account for tax monies collected and expended to other taxing municipalities to pay the District's portion of special assessment taxes on District owned property. The fund is established and maintained in accordance with applicable state statutes.

**Food Service Fund:** This fund is established pursuant to state law to account for all monies received and expended attributable to the food service program. This program is administered according to the state plan of child nutrition operations under which federal funds are received pursuant to federal acts relating to child nutrition. The programs are administered and meals are served on a nonprofit basis.

**Bilingual Education Fund:** This fund is used to account for monies received and expended to operate an English as a Second Language (ESL) program.

**Virtual Education Fund:** This fund is used to account for monies received and expended for virtual, online courses.

**Summer School Fund:** This fund is used to account for user fees derived from summer school education programs and the expenditures necessary to carry out these programs.

**Parent Education Program Fund:** This fund is used to account for state aid revenues which are used to provide educational training and assistance programs to parents in the District regarding pre-school and selected educational problems of students.

**Extraordinary School Program Fund:** This fund is used to account for revenues and expenditures relating to a contract for credit program, a PSAT program, and an all day multi-age kindergarten program.

**Federal Funds:** A number of grant funds including; Title I, Title II-A, Title III Grant and the Other Federal Grants Funds, have been established to account for the revenues and expenditures associated with Federal grants that have been awarded to the District for specific purposes.

**Grant Funds:** A number of grant funds including; DAC Grant, Blue Valley Foundation Grant, Community Grants, Kauffman CAPS Networking Grant and the Safe Schools Grant have been established to account for the revenues and expenditures associated with State and local grants that have been awarded to the District for specific purposes.



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
NONMAJOR SPECIAL REVENUE FUND DESCRIPTIONS  
(CONTINUED)

**BUDGETED FUNDS (Continued):**

**Special Liability Fund:** This fund is used to account for property tax revenues used to pay the cost of providing for the school district's defense and the defense of employees pursuant to the Kansas tort claims act for payment of claims and other direct and indirect costs resulting from such act and to pay judgments rendered against the school district.

**NON - BUDGETED FUNDS:**

**Gate Receipts Fund:** Unexpended gate receipts from athletic and performing arts events at the schools are recorded in the District Gate Receipts Fund at year end.

**Student Projects Fund:** Unexpended funds collected for schools are recorded in the District Students Projects Fund at year-end.

**Instructional Materials Fund:** This fund is used to account for monies collected for student instructional materials, supplies and to purchase and maintain textbooks.

**Contingency Reserve Fund:** This fund is used to account for monies transferred from the General Fund in accordance with Kansas statutes and expended for contingency purposes.

**Special Workers Comp Reserve Fund:** This fund is used to account for monies transferred from the General Fund in accordance with Kansas statutes and expended to cover the cost of insurable losses not otherwise insured.

**Special Healthcare Reserve Fund:** This fund is used to account for monies transferred from the General Fund and premiums collected from District employees in accordance with Kansas statutes and expended to cover the cost of healthcare for the District employees.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2020

	<u>Vocational Education</u>	<u>At Risk</u>	<u>Professional Development</u>	<u>Special Assessment</u>	<u>Food Service</u>	<u>DAC Grant</u>	<u>Bilingual Education</u>
<b>ASSETS</b>							
Cash and investments	\$ 79,531	\$ 47	\$ 300	\$ 434,817	\$ 2,065,634	\$ 29,105	\$ 2,790
Other receivable	-	-	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	198,364	-	-
<b>Total assets</b>	<b>\$ 79,531</b>	<b>\$ 47</b>	<b>\$ 300</b>	<b>\$ 434,817</b>	<b>\$ 2,263,998</b>	<b>\$ 29,105</b>	<b>\$ 2,790</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 2,702	\$ 47	\$ 300	\$ -	\$ 120	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	771,055	-	-
<b>Total liabilities</b>	<b>2,702</b>	<b>47</b>	<b>300</b>	<b>-</b>	<b>771,175</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>							
Nonspendable	-	-	-	-	198,364	-	-
Restricted	-	-	-	434,817	1,285,133	29,105	-
Assigned	76,829	-	-	-	9,326	-	2,790
<b>Total fund balances</b>	<b>76,829</b>	<b>-</b>	<b>-</b>	<b>434,817</b>	<b>1,492,823</b>	<b>29,105</b>	<b>2,790</b>
<b>Total liabilities and fund balances</b>	<b>\$ 79,531</b>	<b>\$ 47</b>	<b>\$ 300</b>	<b>\$ 434,817</b>	<b>\$ 2,263,998</b>	<b>\$ 29,105</b>	<b>\$ 2,790</b>

<u>Virtual Education</u>	<u>Summer School</u>	<u>Parent Education Program</u>	<u>Extraordinary School Program</u>	<u>Gate Receipts</u>	<u>Student Projects</u>	<u>Instructional Materials</u>	<u>Contingency Reserve</u>	<u>Title I</u>
\$ 464,109	\$ 150,596	\$ 35,578	\$ 729,930	\$ 370,826	\$ 439,638	\$ 4,867,869	\$ 11,179,726	\$ -
-	-	-	-	-	-	-	-	13,840
-	-	-	-	-	-	-	-	-
<u>\$ 464,109</u>	<u>\$ 150,596</u>	<u>\$ 35,578</u>	<u>\$ 729,930</u>	<u>\$ 370,826</u>	<u>\$ 439,638</u>	<u>\$ 4,867,869</u>	<u>\$ 11,179,726</u>	<u>\$ 13,840</u>
\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	13,840
-	-	-	-	-	-	911,766	-	-
500	-	-	-	-	-	911,766	-	13,840
-	-	-	-	-	-	-	-	-
463,609	150,596	35,578	729,930	-	-	3,794,691	-	-
-	-	-	-	370,826	439,638	161,412	11,179,726	-
<u>463,609</u>	<u>150,596</u>	<u>35,578</u>	<u>729,930</u>	<u>370,826</u>	<u>439,638</u>	<u>3,956,103</u>	<u>11,179,726</u>	<u>-</u>
<u>\$ 464,109</u>	<u>\$ 150,596</u>	<u>\$ 35,578</u>	<u>\$ 729,930</u>	<u>\$ 370,826</u>	<u>\$ 439,638</u>	<u>\$ 4,867,869</u>	<u>\$ 11,179,726</u>	<u>\$ 13,840</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (Continued)  
June 30, 2020

	Blue Valley Foundation Grant	Community Grants	Kauffman CAPS Networking Grant	Special Workers Comp Reserve	Special Healthcare Reserve
<b>ASSETS</b>					
Cash and investments	\$ 253,769	\$ 52,400	\$ 333,254	\$ 1,436,948	\$ 16,543,005
Other receivable	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-
<b>Total assets</b>	<b>\$ 253,769</b>	<b>\$ 52,400</b>	<b>\$ 333,254</b>	<b>\$ 1,436,948</b>	<b>\$ 16,543,005</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 31	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	250,191	52,400	333,223	1,436,948	16,540,184
Assigned	3,578	-	-	-	2,821
<b>Total fund balances</b>	<b>253,769</b>	<b>52,400</b>	<b>333,223</b>	<b>1,436,948</b>	<b>16,543,005</b>
<b>Total liabilities and fund balances</b>	<b>\$ 253,769</b>	<b>\$ 52,400</b>	<b>\$ 333,254</b>	<b>\$ 1,436,948</b>	<b>\$ 16,543,005</b>

<u>Title II-A</u>	<u>Title III</u>	<u>Title VIB CEIS</u>	<u>Special Liability</u>	<u>Safe Schools Grant</u>	<u>Other Federal Grant</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 937,926	\$ 362,545	\$ -	\$ 40,770,343
1,230	1,774	3,403	-	-	-	20,247
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,364</u>
<u>\$ 1,230</u>	<u>\$ 1,774</u>	<u>\$ 3,403</u>	<u>\$ 937,926</u>	<u>\$ 362,545</u>	<u>\$ -</u>	<u>\$ 40,988,954</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,700
1,230	1,774	3,403	-	-	-	20,247
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,682,821</u>
<u>1,230</u>	<u>1,774</u>	<u>3,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,706,768</u>
-	-	-	-	-	-	198,364
-	-	-	937,926	-	-	26,474,331
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>362,545</u>	<u>-</u>	<u>12,609,491</u>
-	-	-	937,926	362,545	-	39,282,186
<u>-</u>	<u>-</u>	<u>-</u>	<u>937,926</u>	<u>362,545</u>	<u>-</u>	<u>39,282,186</u>
<u>\$ 1,230</u>	<u>\$ 1,774</u>	<u>\$ 3,403</u>	<u>\$ 937,926</u>	<u>\$ 362,545</u>	<u>\$ -</u>	<u>\$ 40,988,954</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2020

	Vocational Education	At Risk	Professional Development	Special Assessment	Food Service	DAC Grant	Bilingual Education
<b>REVENUES:</b>							
Taxes	\$ 5,169,512	\$ 4,443,613	\$ -	\$ 539,929	\$ -	\$ -	\$ 1,725,684
Intergovernmental	127,961	-	556,368	-	1,535,480	-	-
Charges for services	-	-	-	-	5,451,868	-	-
Use of money and property	-	-	-	-	1,088	-	-
Other local sources	144,880	-	-	-	-	-	-
<b>Total revenues</b>	<b>5,442,353</b>	<b>4,443,613</b>	<b>556,368</b>	<b>539,929</b>	<b>6,988,436</b>	<b>-</b>	<b>1,725,684</b>
<b>EXPENDITURES:</b>							
<b>Current</b>							
Instruction	4,966,408	3,024,565	-	-	-	-	1,648,918
Student support services	-	1,844,355	-	-	-	-	-
Instructional support staff	58,133	457	562,964	-	-	5,787	63,689
School administration	355,595	174,236	-	-	-	-	-
Student transportation services	-	-	-	-	-	-	10,287
Operations and maintenance	-	-	-	-	-	-	-
Other support services	-	-	5,244	-	-	-	-
Food service operations	-	-	-	-	7,954,655	-	-
<b>Capital outlay</b>							
Facility acquisition and construction	-	-	-	609,822	-	-	-
<b>Total expenditures</b>	<b>5,380,136</b>	<b>5,043,613</b>	<b>568,208</b>	<b>609,822</b>	<b>7,954,655</b>	<b>5,787</b>	<b>1,722,894</b>
Excess [deficiency] of revenues over [under] expenditures	62,217	[600,000]	[11,840]	[69,893]	[966,219]	[5,787]	2,790
<b>OTHER FINANCING SOURCES [USES]:</b>							
Transfers in	-	-	-	-	1,515	-	-
<b>Total other financing sources [uses]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,515</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>62,217</b>	<b>[600,000]</b>	<b>[11,840]</b>	<b>[69,893]</b>	<b>[964,704]</b>	<b>[5,787]</b>	<b>2,790</b>
Fund balance - Beginning of year	14,612	600,000	11,840	504,710	2,457,527	34,892	-
<b>Fund balance - End of year</b>	<b>\$ 76,829</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 434,817</b>	<b>\$ 1,492,823</b>	<b>\$ 29,105</b>	<b>\$ 2,790</b>

Virtual Education	Summer School	Parent Education Program	Extraordinary School Program	Gate Receipts	Student Projects	Instructional Materials	Contingency Reserve	Title I
\$ 237,085	\$ -	\$ 254,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	498,580	-	-	-	-	-	395,420
426,825	733	-	-	660,844	-	2,051,586	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	787,205	-	-	-
<u>663,910</u>	<u>733</u>	<u>753,242</u>	<u>-</u>	<u>660,844</u>	<u>787,205</u>	<u>2,051,586</u>	<u>-</u>	<u>395,420</u>
554,937	23,284	723,037	71,014	557,977	659,362	999,731	-	364,354
-	-	-	-	-	-	-	600,000	-
112,357	2,499	30,205	-	-	-	-	-	20,070
39,713	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	10,996
-	-	-	-	-	-	11,169	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>707,007</u>	<u>25,783</u>	<u>753,242</u>	<u>71,014</u>	<u>557,977</u>	<u>659,362</u>	<u>1,010,900</u>	<u>600,000</u>	<u>395,420</u>
[43,097]	[25,050]	-	[71,014]	102,867	127,843	1,040,686	[600,000]	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
[43,097]	[25,050]	-	[71,014]	102,867	127,843	1,040,686	[600,000]	-
<u>506,706</u>	<u>175,646</u>	<u>35,578</u>	<u>800,944</u>	<u>267,959</u>	<u>311,795</u>	<u>2,915,417</u>	<u>11,779,726</u>	<u>-</u>
<u>\$ 463,609</u>	<u>\$ 150,596</u>	<u>\$ 35,578</u>	<u>\$ 729,930</u>	<u>\$ 370,826</u>	<u>\$ 439,638</u>	<u>\$ 3,956,103</u>	<u>\$ 11,179,726</u>	<u>\$ -</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (Continued)  
For the Year Ended June 30, 2020

	Blue Valley Foundation Grant	Community Grants	Kauffman CAPS Networking Grant	Special Workers Comp Reserve	Special Healthcare Reserve
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Use of money and property	-	-	-	25,173	201,933
Other local sources	<u>469,876</u>	<u>30,280</u>	<u>257,206</u>	<u>-</u>	<u>1,726,103</u>
Total revenues	<u>469,876</u>	<u>30,280</u>	<u>257,206</u>	<u>25,173</u>	<u>1,928,036</u>
<b>EXPENDITURES:</b>					
Current					
Instruction	-	-	-	228,336	-
Student support services	-	-	-	8,307	-
Instructional support staff	435,520	-	94,957	329	-
School administration	-	-	37,398	14,645	-
Student transportation services	-	-	-	-	-
Operations and maintenance	-	-	-	381,424	-
Other support services	-	-	-	64,537	-
Food service operations	-	-	-	-	-
Capital outlay	-				
Facility acquisition and construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>435,520</u>	<u>-</u>	<u>132,355</u>	<u>697,578</u>	<u>-</u>
Excess [deficiency] of revenues over [under] expenditures	<u>34,356</u>	<u>30,280</u>	<u>124,851</u>	<u>[672,405]</u>	<u>1,928,036</u>
<b>OTHER FINANCING SOURCES [USES]:</b>					
Transfers in	-	-	-	250,000	-
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Net change in fund balances	34,356	30,280	124,851	[422,405]	1,928,036
Fund balance - Beginning of year	<u>219,413</u>	<u>22,120</u>	<u>208,372</u>	<u>1,859,353</u>	<u>14,614,969</u>
Fund balance - End of year	<u>\$ 253,769</u>	<u>\$ 52,400</u>	<u>\$ 333,223</u>	<u>\$ 1,436,948</u>	<u>\$ 16,543,005</u>



Title II-A	Title III	Title VIB CEIS	Special Liability	Safe Schools Grant	Other Federal Grant	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 382,152	\$ -	\$ -	\$ 12,752,637
316,191	62,017	230,747	-	429,614	31,859	4,184,237
-	-	-	-	-	-	8,591,856
-	-	-	12,025	-	-	240,219
-	-	-	-	-	-	3,415,550
<u>316,191</u>	<u>62,017</u>	<u>230,747</u>	<u>394,177</u>	<u>429,614</u>	<u>31,859</u>	<u>29,184,499</u>
-	59,196	107,193	-	-	-	13,988,312
-	-	-	-	-	-	2,452,662
316,191	2,821	123,554	-	-	29,413	1,858,946
-	-	-	-	-	-	621,587
-	-	-	-	-	2,446	23,729
-	-	-	-	67,069	-	459,662
-	-	-	309,501	-	-	379,282
-	-	-	-	-	-	7,954,655
-	-	-	-	-	-	<u>609,822</u>
<u>316,191</u>	<u>62,017</u>	<u>230,747</u>	<u>309,501</u>	<u>67,069</u>	<u>31,859</u>	<u>28,348,657</u>
-	-	-	84,676	362,545	-	835,842
-	-	-	-	-	-	251,515
-	-	-	-	-	-	251,515
-	-	-	84,676	362,545	-	1,087,357
-	-	-	853,250	-	-	38,194,829
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 937,926</u>	<u>\$ 362,545</u>	<u>\$ -</u>	<u>\$ 39,282,186</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 VOCATIONAL EDUCATION FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 5,169,512	\$ [5,169,512]	\$ -	\$ -	\$ -	\$ -
Total taxes	5,169,512	[5,169,512]	-	-	-	-
Intergovernmental:						
Federal	127,961	-	127,961	127,066	127,066	895
Total intergovernmental	127,961	-	127,961	127,066	127,066	895
Miscellaneous	144,880	-	144,880	582,358	582,358	[437,478]
Total revenues	5,442,353	[5,169,512]	272,841	709,424	709,424	[436,583]
<b>EXPENDITURES:</b>						
Instruction	4,966,408	62,217	5,028,625	5,430,140	5,430,140	401,515
Instructional support staff	58,133	-	58,133	127,066	127,066	68,933
School administration	355,595	-	355,595	347,563	347,563	[8,032]
Total expenditures	5,380,136	62,217	5,442,353	5,904,769	5,904,769	462,416
Excess [deficiency] of revenues over [under] expenditures	62,217	[5,231,729]	[5,169,512]	[5,195,345]	[5,195,345]	25,833
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	5,169,512	5,169,512	5,195,345	5,195,345	[25,833]
Total other financing sources [uses]	-	5,169,512	5,169,512	5,195,345	5,195,345	[25,833]
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	62,217	[62,217]	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	14,612	[14,612]	-			
FUND BALANCE - End of year	\$ 76,829	\$ [76,829]	\$ -			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 AT RISK (K-12) FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 4,443,613	\$ [4,443,613]	\$ -	\$ -	\$ -	\$ -
Total taxes	<u>4,443,613</u>	<u>[4,443,613]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental:						
Federal	-	-	-	150,000	150,000	[150,000]
Total revenues	<u>4,443,613</u>	<u>[4,443,613]</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>[150,000]</u>
<b>EXPENDITURES:</b>						
Instruction	3,024,565	-	3,024,565	3,210,057	3,210,057	185,492
Student support services	1,844,355	[600,000]	1,244,355	1,624,897	1,624,897	380,542
Instructional support staff	457	-	457	24,550	24,550	24,093
School administration	174,236	-	174,236	175,618	175,618	1,382
Operations and maintenance	-	-	-	-	-	-
Total expenditures	<u>5,043,613</u>	<u>[600,000]</u>	<u>4,443,613</u>	<u>5,035,122</u>	<u>5,035,122</u>	<u>591,509</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[600,000]</u>	<u>[3,843,613]</u>	<u>[4,443,613]</u>	<u>[4,885,122]</u>	<u>[4,885,122]</u>	<u>441,509</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	4,443,613	4,443,613	4,885,122	4,885,122	[441,509]
Total other financing sources [uses]	<u>-</u>	<u>4,443,613</u>	<u>4,443,613</u>	<u>4,885,122</u>	<u>4,885,122</u>	<u>[441,509]</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>[600,000]</u>	<u>600,000</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE - Beginning of year	<u>600,000</u>	<u>[600,000]</u>	<u>-</u>			
FUND BALANCE - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 PROFESSIONAL DEVELOPMENT FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Intergovernmental:						
State and local	\$ 556,368	\$ [473,409]	\$ 82,959	\$ 291,238	\$ 291,238	\$ [208,279]
Total revenues	556,368	[473,409]	82,959	291,238	291,238	[208,279]
EXPENDITURES:						
Instructional support staff	562,964	[11,840]	551,124	1,367,404	1,367,404	816,280
Central services	5,244	-	5,244	-	-	[5,244]
Total expenditures	568,208	[11,840]	556,368	1,367,404	1,367,404	811,036
Excess [deficiency] of revenues over [under] expenditures	[11,840]	[461,569]	[473,409]	[1,076,166]	[1,076,166]	602,757
OTHER FINANCING SOURCES [USES]:						
Transfers in	-	473,409	473,409	1,076,166	1,076,166	[602,757]
Total other financing sources [uses]	-	473,409	473,409	1,076,166	1,076,166	[602,757]
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[11,840]	11,840	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	11,840	[11,840]	-			
FUND BALANCE - End of year	\$ -	\$ -	\$ -			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 SPECIAL ASSESSMENT FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Taxes:						
In process	\$ 6,241	\$ -	\$ 6,241	\$ 7,181	\$ 7,181	\$ [940]
Current	457,172	-	457,172	436,781	436,781	20,391
Delinquent	14,642	-	14,642	1,766	1,766	12,876
Motor vehicle	61,239	-	61,239	63,855	63,855	[2,616]
Rental excise	635	-	635	523	523	112
Total revenues	<u>539,929</u>	<u>-</u>	<u>539,929</u>	<u>510,106</u>	<u>510,106</u>	<u>29,823</u>
EXPENDITURES:						
Capital outlay	<u>609,822</u>	<u>-</u>	<u>609,822</u>	<u>712,251</u>	<u>712,251</u>	<u>102,429</u>
Total expenditures	<u>609,822</u>	<u>-</u>	<u>609,822</u>	<u>712,251</u>	<u>712,251</u>	<u>102,429</u>
Excess [deficiency] of revenues over [under] expenditures	[69,893]	-	[69,893]	<u>\$ [202,145]</u>	<u>\$ [202,145]</u>	<u>\$ 132,252</u>
FUND BALANCE - Beginning of year	<u>504,710</u>	<u>-</u>	<u>504,710</u>			
FUND BALANCE - End of year	<u>\$ 434,817</u>	<u>\$ -</u>	<u>\$ 434,817</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOOD SERVICE FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Intergovernmental:						
Federal	\$ 1,462,304	\$ -	\$ 1,462,304	\$ 1,554,830	\$ 1,554,830	\$ [92,526]
State and local	<u>73,176</u>	<u>-</u>	<u>73,176</u>	<u>62,193</u>	<u>62,193</u>	<u>10,983</u>
Total intergovernmental	1,535,480	-	1,535,480	1,617,023	1,617,023	[81,543]
Charges for services	5,451,868	-	5,451,868	7,309,118	7,309,118	[1,857,250]
Investment revenue	1,088	-	1,088	-	-	1,088
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,693</u>	<u>50,693</u>	<u>[50,693]</u>
Total revenues	<u>6,988,436</u>	<u>-</u>	<u>6,988,436</u>	<u>8,976,834</u>	<u>8,976,834</u>	<u>[1,988,398]</u>
<b>EXPENDITURES:</b>						
Operations and maintenance	-	-	-	475,000	475,000	475,000
Food service operations	<u>7,954,655</u>	<u>66,812</u>	<u>8,021,467</u>	<u>9,469,446</u>	<u>9,469,446</u>	<u>1,447,979</u>
Total expenditures	<u>7,954,655</u>	<u>66,812</u>	<u>8,021,467</u>	<u>9,944,446</u>	<u>9,944,446</u>	<u>1,922,979</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[966,219]</u>	<u>[66,812]</u>	<u>[1,033,031]</u>	<u>[967,612]</u>	<u>[967,612]</u>	<u>[65,419]</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	<u>1,515</u>	<u>-</u>	<u>1,515</u>	<u>-</u>	<u>-</u>	<u>1,515</u>
Total other financing sources [uses]	<u>1,515</u>	<u>-</u>	<u>1,515</u>	<u>-</u>	<u>-</u>	<u>1,515</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[964,704]	[66,812]	[1,031,516]	\$ [967,612]	\$ [967,612]	\$ [63,904]
FUND BALANCE - Beginning of year	<u>2,457,527</u>	<u>[140,878]</u>	<u>2,316,649</u>			
FUND BALANCE - End of year	<u>\$ 1,492,823</u>	<u>\$ [207,690]</u>	<u>\$ 1,285,133</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 BILINGUAL EDUCATION FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 1,725,684	\$ [1,725,684]	\$ -	\$ -	\$ -	\$ -
Total taxes	<u>1,725,684</u>	<u>[1,725,684]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other revenue from local source	-	-	-	60,000	60,000	[60,000]
Total revenues	<u>1,725,684</u>	<u>[1,725,684]</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>[60,000]</u>
<b>EXPENDITURES:</b>						
Instruction	1,648,918	2,790	1,651,708	1,727,366	1,727,366	75,658
Instructional support staff	63,689	-	63,689	63,999	63,999	310
Student transportation services	<u>10,287</u>	<u>-</u>	<u>10,287</u>	<u>58,516</u>	<u>58,516</u>	<u>48,229</u>
Total expenditures	<u>1,722,894</u>	<u>2,790</u>	<u>1,725,684</u>	<u>1,849,881</u>	<u>1,849,881</u>	<u>124,197</u>
Excess [deficiency] of revenues over [under] expenditures	<u>2,790</u>	<u>[1,728,474]</u>	<u>[1,725,684]</u>	<u>[1,789,881]</u>	<u>[1,789,881]</u>	<u>64,197</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	1,725,684	1,725,684	1,789,881	1,789,881	[64,197]
Total other financing sources [uses]	<u>-</u>	<u>1,725,684</u>	<u>1,725,684</u>	<u>1,789,881</u>	<u>1,789,881</u>	<u>[64,197]</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	2,790	[2,790]	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	-	-	-			
FUND BALANCE - End of year	<u>\$ 2,790</u>	<u>\$ [2,790]</u>	<u>\$ -</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 VIRTUAL EDUCATION FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 237,085	\$ [237,085]	\$ -	\$ -	\$ -	\$ -
Total taxes	237,085	[237,085]	-	-	-	-
Charges for services	426,825	-	426,825	488,500	488,500	[61,675]
Interest on idle funds	-	-	-	-	-	-
Total revenues	663,910	[237,085]	426,825	488,500	488,500	[61,675]
<b>EXPENDITURES:</b>						
Instruction	554,937	-	554,937	555,813	555,813	876
Instructional support staff	112,357	-	112,357	114,293	114,293	1,936
School administration	39,713	-	39,713	40,719	40,719	1,006
Total expenditures	707,007	-	707,007	710,825	710,825	3,818
Excess [deficiency] of revenues over [under] expenditures	[43,097]	[237,085]	[280,182]	[222,325]	[222,325]	[57,857]
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	237,085	237,085	232,367	232,367	4,718
Total other financing sources [uses]	-	237,085	237,085	232,367	232,367	4,718
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[43,097]	-	[43,097]	\$ 10,042	\$ 10,042	\$ [53,139]
FUND BALANCE - Beginning of year	506,706	-	506,706			
FUND BALANCE - End of year	\$ 463,609	\$ -	\$ 463,609			



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 SUMMER SCHOOL FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Charges for services	\$ 733	\$ -	\$ 733	\$ 115,917	\$ 115,917	\$ [115,184]
Total revenues	<u>733</u>	<u>-</u>	<u>733</u>	<u>115,917</u>	<u>115,917</u>	<u>[115,184]</u>
EXPENDITURES:						
Instruction	23,284	[3]	23,281	199,127	199,127	175,846
Instructional support staff	<u>2,499</u>	<u>-</u>	<u>2,499</u>	<u>7,785</u>	<u>7,785</u>	<u>5,286</u>
Total expenditures	<u>25,783</u>	<u>[3]</u>	<u>25,780</u>	<u>206,912</u>	<u>206,912</u>	<u>181,132</u>
Excess [deficiency] of revenues over [under] expenditures	[25,050]	3	[25,047]	<u>\$ [90,995]</u>	<u>\$ [90,995]</u>	<u>\$ 65,948</u>
FUND BALANCE - Beginning of year	<u>175,646</u>	<u>[3]</u>	<u>175,643</u>			
FUND BALANCE - End of year	<u>\$ 150,596</u>	<u>\$ -</u>	<u>\$ 150,596</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
PARENT EDUCATION PROGRAM FUND  
For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes						
Current	\$ 254,662	\$ [254,662]	\$ -	\$ -	\$ -	\$ -
Total taxes	<u>254,662</u>	<u>[254,662]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental:						
State and local	498,580	-	498,580	494,651	494,651	3,929
Total intergovernmental	<u>498,580</u>	<u>-</u>	<u>498,580</u>	<u>494,651</u>	<u>494,651</u>	<u>3,929</u>
Other local sources	-	-	-	50,000	50,000	[50,000]
Total revenues	<u>753,242</u>	<u>[254,662]</u>	<u>498,580</u>	<u>544,651</u>	<u>544,651</u>	<u>[46,071]</u>
<b>EXPENDITURES:</b>						
Instruction	723,037	-	723,037	-	-	[723,037]
Student support services	-	-	-	828,557	828,557	828,557
Instructional support staff	<u>30,205</u>	<u>-</u>	<u>30,205</u>	<u>30,633</u>	<u>30,633</u>	<u>428</u>
Total expenditures	<u>753,242</u>	<u>-</u>	<u>753,242</u>	<u>859,190</u>	<u>859,190</u>	<u>105,948</u>
Excess [deficiency] of revenues over [under] expenditures	<u>-</u>	<u>[254,662]</u>	<u>[254,662]</u>	<u>[314,539]</u>	<u>[314,539]</u>	<u>59,877</u>
<b>OTHER FINANCING SOURCES [USES]:</b>						
Transfers in	-	254,662	254,662	282,153	282,153	[27,491]
Total other financing sources [uses]	<u>-</u>	<u>254,662</u>	<u>254,662</u>	<u>282,153</u>	<u>282,153</u>	<u>[27,491]</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ [32,386]</u>	<u>\$ [32,386]</u>	<u>\$ 32,386</u>
FUND BALANCE - Beginning of year	<u>35,578</u>	<u>-</u>	<u>35,578</u>			
FUND BALANCE - End of year	<u>\$ 35,578</u>	<u>\$ -</u>	<u>\$ 35,578</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 EXTRAORDINARY SCHOOL PROGRAM FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
REVENUES:						
Other local sources	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ [50,000]
Total revenues	-	-	-	50,000	50,000	[50,000]
EXPENDITURES:						
Instruction	71,014	-	71,014	243,932	243,932	172,918
Total expenditures	71,014	-	71,014	243,932	243,932	172,918
Excess [deficiency] of revenues over [under] expenditures	[71,014]	-	[71,014]	<u>\$ [193,932]</u>	<u>\$ [193,932]</u>	<u>\$ 122,918</u>
FUND BALANCE - Beginning of year	800,944	-	800,944			
FUND BALANCE - End of year	<u>\$ 729,930</u>	<u>\$ -</u>	<u>\$ 729,930</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FEDERAL FUNDS

For the Year Ended June 30, 2020

	Title I	Title II-A	Other Federal Grants	Title III	Title IVB CEIS
REVENUES:					
Intergovernmental:					
Federal	<u>\$ 395,420</u>	<u>\$ 316,191</u>	<u>\$ 31,859</u>	<u>\$ 62,017</u>	<u>\$ 230,747</u>
Total revenues	<u>395,420</u>	<u>316,191</u>	<u>31,859</u>	<u>62,017</u>	<u>230,747</u>
EXPENDITURES:					
Instruction	364,354	-	-	59,196	107,193
Instructional support staff	20,070	316,191	29,413	2,821	123,554
Student transportation services	<u>10,996</u>	<u>-</u>	<u>2,446</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>395,420</u>	<u>316,191</u>	<u>31,859</u>	<u>62,017</u>	<u>230,747</u>
Excess [deficiency] of revenues over [under] expenditures	-	-	-	-	-
FUND BALANCE - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Total GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
			Original	Final	
\$ 805,487	\$ -	\$ 805,487	\$ 1,350,130	\$ 1,350,130	\$ [544,643]
<u>805,487</u>	<u>-</u>	<u>805,487</u>	<u>1,350,130</u>	<u>1,350,130</u>	<u>[544,643]</u>
423,550	-	423,550	929,865	929,865	506,315
368,495	-	368,495	418,765	418,765	50,270
<u>13,442</u>	<u>-</u>	<u>13,442</u>	<u>1,500</u>	<u>1,500</u>	<u>[11,942]</u>
<u>805,487</u>	<u>-</u>	<u>805,487</u>	<u>1,350,130</u>	<u>1,350,130</u>	<u>544,643</u>
-	-	-	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>			
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 GIFTS AND GRANTS FUNDS  
 For the Year Ended June 30, 2020

	DAC Grant	Blue Valley Foundation Grant	Community Grants	Kauffman CAPS Networking Grant	Gift
<b>REVENUES:</b>					
Other local sources	\$ -	\$ 469,876	\$ 30,280	\$ 257,206	\$ 714,096
Total revenues	<u>-</u>	<u>469,876</u>	<u>30,280</u>	<u>257,206</u>	<u>714,096</u>
<b>EXPENDITURES:</b>					
Instruction	-	-	-	-	673,989
Student support services	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	37,398	-
Transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Instructional support staff	5,787	435,520	-	94,957	-
Food service operation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>5,787</u>	<u>435,520</u>	<u>-</u>	<u>132,355</u>	<u>673,989</u>
Excess [deficiency] of revenues over [under] expenditures	[5,787]	34,356	30,280	124,851	40,107
FUND BALANCE - Beginning of year	<u>34,892</u>	<u>219,413</u>	<u>22,120</u>	<u>208,372</u>	<u>970,291</u>
FUND BALANCE - End of year	<u>\$ 29,105</u>	<u>\$ 253,769</u>	<u>\$ 52,400</u>	<u>\$ 333,223</u>	<u>\$ 1,010,398</u>

Total GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
			Original	Final	
<u>\$ 1,471,458</u>	<u>\$ -</u>	<u>\$ 1,471,458</u>	<u>\$ 429,614</u>	<u>\$ 429,614</u>	<u>\$ 1,041,844</u>
<u>1,471,458</u>	<u>-</u>	<u>1,471,458</u>	<u>429,614</u>	<u>429,614</u>	<u>1,041,844</u>
673,989	[18,246]	655,743	1,052,002	1,052,002	396,259
-	-	-	2,130	2,130	2,130
-	-	-	3,521	3,521	3,521
37,398	[2,000]	35,398	111,465	111,465	76,067
-	-	-	22,165	22,165	22,165
-	-	-	2,738	2,738	2,738
536,264	3,578	539,842	169,326	169,326	[370,516]
-	-	-	6,739	6,739	6,739
-	-	-	2,204	2,204	2,204
<u>1,247,651</u>	<u>[16,668]</u>	<u>1,230,983</u>	<u>1,372,290</u>	<u>1,372,290</u>	<u>141,307</u>
223,807	16,668	240,475	<u>\$ [942,676]</u>	<u>\$ [942,676]</u>	<u>\$ 1,183,151</u>
<u>1,455,088</u>	<u>[82,798]</u>	<u>1,372,290</u>			
<u>\$ 1,678,895</u>	<u>\$ [66,130]</u>	<u>\$ 1,612,765</u>			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 SPECIAL LIABILITY FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes:						
In process	\$ 4,240	\$ -	\$ 4,240	\$ 4,921	\$ 4,921	\$ [681]
Current	311,274	-	311,274	295,524	295,524	15,750
Delinquent	5,202	-	5,202	1,200	1,200	4,002
Motor vehicle	61,436	-	61,436	63,019	63,019	[1,583]
Total taxes	<u>382,152</u>	<u>-</u>	<u>382,152</u>	<u>364,664</u>	<u>364,664</u>	<u>17,488</u>
Use of money and property	<u>12,025</u>	<u>-</u>	<u>12,025</u>	<u>9,000</u>	<u>-</u>	<u>12,025</u>
Total revenues	<u>394,177</u>	<u>-</u>	<u>394,177</u>	<u>373,664</u>	<u>364,664</u>	<u>29,513</u>
<b>EXPENDITURES:</b>						
General administration	-	-	-	773,504	773,504	773,504
Other support services	309,501	-	309,501	-	-	[309,501]
Total expenditures	<u>309,501</u>	<u>-</u>	<u>309,501</u>	<u>773,504</u>	<u>773,504</u>	<u>464,003</u>
Excess [deficiency] of revenues over [under] expenditures	84,676	-	84,676	\$ [399,840]	\$ [408,840]	\$ 493,516
FUND BALANCE - Beginning of year	<u>853,250</u>	<u>-</u>	<u>853,250</u>			
FUND BALANCE - End of year	<u>\$ 937,926</u>	<u>\$ -</u>	<u>\$ 937,926</u>			



BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 DEBT SERVICE FUND  
 For the Year Ended June 30, 2020

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
<b>REVENUES:</b>						
Taxes:						
In process	\$ 743,617	\$ -	\$ 743,617	\$ 856,356	\$ 856,356	\$ [112,739]
Current	57,074,424	-	57,074,424	54,310,478	54,310,478	2,763,946
Delinquent	821,609	-	821,609	210,418	210,418	611,191
Motor vehicle	4,964,480	-	4,964,480	5,270,087	5,270,087	[305,607]
Rental excise	44,962	-	44,962	43,172	43,172	1,790
Total taxes	63,649,092	-	63,649,092	60,690,511	60,690,511	2,958,581
Intergovernmental	733,675	-	733,675	732,548	732,548	1,127
Total revenues	64,382,767	-	64,382,767	61,423,059	61,423,059	2,959,708
<b>EXPENDITURES:</b>						
Debt Service						
Principal	51,255,000	-	51,255,000	51,255,000	51,255,000	-
Interest and other charges	13,170,882	-	13,170,882	13,170,882	13,170,882	-
Total expenditures	64,425,882	-	64,425,882	64,425,882	64,425,882	-
Excess [deficiency] of revenues over [under] expenditures	[43,115]	-	[43,115]	\$ [3,002,823]	\$ [3,002,823]	\$ 2,959,708
FUND BALANCE - Beginning of year	63,310,982	-	63,310,982			
FUND BALANCE - End of year	\$ 63,267,867	\$ -	\$ 63,267,867			

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

COMBINING STATEMENT OF NET POSITION  
 AGENCY FUNDS  
 June 30, 2020

	Student Organization Funds	Extraordinary Growth	Cost of Living	Gift Fund	Totals
ASSETS:					
Cash and investments	\$ 1,430,140	\$ 487,497	\$ 512,925	\$ 1,009,818	\$ 3,440,380
Total assets	<u>\$ 1,430,140</u>	<u>\$ 487,497</u>	<u>\$ 512,925</u>	<u>\$ 1,009,818</u>	<u>\$ 3,440,380</u>
LIABILITIES:					
Liabilities:					
Other liabilities	\$ -	\$ 487,497	\$ 512,925	\$ 1,009,818	\$ 2,010,240
Due to student organizations	<u>1,430,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,430,140</u>
Total liabilities	<u>\$ 1,430,140</u>	<u>\$ 487,497</u>	<u>\$ 512,925</u>	<u>\$ 1,009,818</u>	<u>\$ 3,440,380</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
Gift Fund	\$ 969,711	\$ 714,096	\$ 673,989	\$ 1,009,818
Extraordinary Growth Fund	545,274	5,327,427	5,385,204	487,497
Cost of Living Fund	452,924	7,064,462	7,004,461	512,925
Student Organization Funds	<u>1,376,756</u>	<u>2,264,238</u>	<u>2,210,854</u>	<u>1,430,140</u>
Assets - cash and investments	<u>\$ 3,344,665</u>	<u>\$ 15,370,223</u>	<u>\$ 15,274,508</u>	<u>\$ 3,440,380</u>
Gift Fund	\$ 969,711	\$ 714,096	\$ 673,989	\$ 1,009,818
Extraordinary Growth Fund	545,274	5,327,427	5,385,204	487,497
Cost of Living Fund	452,924	7,064,462	7,004,461	512,925
Due to student organizations	<u>1,376,756</u>	<u>2,264,238</u>	<u>2,210,854</u>	<u>1,430,140</u>
Total liabilities	<u>\$ 3,344,665</u>	<u>\$ 15,370,223</u>	<u>\$ 15,274,508</u>	<u>\$ 3,440,380</u>

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through/Direct Number	Beginning Cash	Budgetary Basis Receipts	Adjustments to GAAP Basis	GAAP Receipts	Expenditures	Ending Cash
<u>U.S. Department of Education</u>								
Passed Through State Department of Education:								
Special Education Cluster:								
Title VI-B Special Education	84.027	3234-3050	\$ -	\$ 3,557,860	\$ [5,362]	\$ 3,552,498	\$ 3,552,498	\$ -
Early Childhood Act	84.173	3535-3550	-	74,385	-	74,385	74,385	-
Total Special Education Cluster				3,632,245	[5,362]	3,626,883	3,626,883	
Title I	84.010	3532-3520	-	392,574	[3,244]	389,330	389,330	-
C.P. Prog. Impr. Sec.	84.048	3539-3590	-	127,961	-	127,961	127,961	-
Homeless Child	84.196	3592-3070	-	2,446	-	2,446	2,446	-
Title III English Language	84.365	3522-3820	-	46,363	[1,427]	44,936	44,936	-
Title II-A Teacher Quality	84.367	3526-3860	-	341,459	[27,131]	314,328	314,328	-
Title VI State Assessments	84.369		-	-	-	-	-	-
ED Student Support and Academic Enrichment Program	84.424	3113-3113	-	25,034	-	25,034	25,034	-
Total U.S. Department of Education				4,568,082	[37,164]	4,530,918	4,530,918	
<u>U.S. Department of Health and Human Services</u>								
Passed Through State Department of Education:								
Cooperative Agreements to Support Comprehensive School Health Programs	93.938	3592-3070	-	1,860	-	1,860	1,860	-
Total U.S. Department of Health and Human Services				1,860	-	1,860	1,860	
<u>U.S. National Security Administration</u>								
STARTALK	12.900	H98230-19-1-0182	-	53,918	[24,505]	29,413	29,413	-
Total U.S. National Security Administration				53,918	[24,505]	29,413	29,413	
<u>U.S. Department of Agriculture</u>								
Passed Through State Department of Education:								
Child Nutrition Cluster:								
School Breakfast Program	10.553	3529-3490	-	104,743	-	104,743	104,743	-
National School Lunch Program	10.555	3530-3500	-	1,234,195	-	1,234,195	1,234,195	-
Summer Food Service Program for Children	10.559	3230-3020	-	123,366	-	123,366	123,366	-
Total Child Nutrition Cluster				1,462,304	-	1,462,304	1,462,304	
Total U.S. Department of Agriculture				1,462,304	-	1,462,304	1,462,304	
Total Expenditures of Federal Awards				\$ 6,086,164	\$ [61,669]	\$ 6,024,495	\$ 6,024,495	

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2020

1. Organization

Blue Valley Unified School District No. 229 (District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2020.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2020.

6. Pass Through Entity Numbers

Grant numbers are not listed for several grants on the Schedule of Expenditures of Federal Awards. For those grants, pass through grantors have not assigned passthrough numbers to the passthrough grants noted in the schedule of expenditures of federal awards.

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 For the Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None reported

Type of auditor's report issued on compliance for major programs: \_\_\_\_\_ Unmodified \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? \_\_\_\_\_ Yes   X   No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education (IDEA) Cluster
84.010	Title I

Dollar threshold used to distinguish between type A and type B programs: \_\_\_\_\_ \$750,000 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes   X   No

BLUE VALLEY UNIFIED SCHOOL DISTRICT NO. 229  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
For the Year Ended June 30, 2020

Section II - Financial Statement Findings

None Noted

Section III - Federal Award Findings and Questioned Costs

None Noted

INDEPENDENT AUDITOR'S 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  
Blue Valley Unified School District No. 229

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 discretely presented component unit, each major fund, the budgetary comparison information and the aggregate remaining fund information of Blue Valley Unified School District No. 229 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 6, 2020.

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) to determine the 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 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Allen, Gibbs & Houlik, L.C*  
CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS  
October 6, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education  
Blue Valley Unified School District No. 229

Report on Compliance for Each Major Federal Program

We have audited the compliance of Blue Valley Unified School District No. 229 (District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The District's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Kansas Municipal Audit and Accounting Guide. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of 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, 2020.

Report on Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Allen, Gibbs & Houlik, L.C.*  
CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS  
October 6, 2020