

UNIFIED SCHOOL DISTRICT NO. 500

Kansas City, Kansas

Financial Statements

For the Year Ended June 30, 2020



This page intentionally left blank.

UNIFIED SCHOOL DISTRICT NO. 500
Financial Statements
For the Year Ended June 30, 2020

Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i - ii
FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4 - 5
Notes to the Financial Statements	6 - 14
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	15
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget or Actual Only	
General Fund	16
Supplemental General Fund	17
At Risk (K-12) Fund	18
At Risk (4 Year Old) Fund	19
Parent Education Program Fund	20
Bilingual Education Fund	21
Virtual Education Fund	22
Capital Outlay Fund	23
Food Service Fund	24
Summer School Fund	25
Special Education Fund	26
Coop Special Education Fund	27
Gifts and Grants Fund	28
Vocational Education Fund	29
Employees' Retirement Fund	30
KPERs Special Retirement Contribution Fund	31
Federal Funds	32
Contingency Reserve Fund	33
Student Materials Revolving Fund	34
Public Library Board Fund	35
Public Library Board Employee Benefits Fund	36
Bond and Interest Fund	37
Capital Projects Fund	38
School Workers' Compensation Reserve Fund	39

UNIFIED SCHOOL DISTRICT NO. 500
Financial Statements
For the Year Ended June 30, 2020

Table of Contents - Continued

	<u>Page Number</u>
SCHEDULE 3 Summary of Receipts and Disbursements Agency Funds	40
SCHEDULE 4 Schedule of Receipts, Expenditures and Unencumbered Cash Private Purpose Trust Fund	41
SCHEDULE 5 Schedule of Receipts, Expenditures and Unencumbered Cash District Activity Fund	42
GOVERNMENTAL AUDIT SECTION	
Schedule of Expenditures of Federal Awards	43
Notes to the Schedule of Expenditures of Federal Awards	44
Schedule of Findings and Questioned Costs	45 - 46
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"	47 - 48
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	49 - 50

*This is a copy of the District's annual financial statements reproduced
from an electronic file. An original copy of this document
is available at the District's office.*

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 500
Kansas City, Kansas

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Kansas City, Kansas Public Schools Unified School District No. 500 (District), as of and for the year ended June 30, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matter - Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2020 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Other Matters

The 2019 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement.

The District's basic financial statement for the year ended June 30, 2019 (not presented herein), was audited by other auditors whose report dated December 4, 2019, expressed an unmodified opinion on the basic financial statement. The 2019 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The report of the other auditors dated December 4, 2019 stated that the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2019 was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2019, on the basis of accounting described in Note 1.

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

Wichita, KS
December 17, 2020

UNIFIED SCHOOL DISTRICT NO. 500
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2020

<u>Funds</u>	Beginning Unencumbered Cash <u>Balance</u>	Prior Year Cancelled <u>Encumbrances</u>	<u>Receipts</u>
General Funds:			
General Fund	\$ 130,679	\$ -	\$ 167,958,797
Supplemental General	5,980,033	271,079	46,198,483
Special Purpose Funds:			
At Risk (K-12)	3,791,939	-	31,912,690
At Risk (4 Year Old)	146,444	-	2,649,567
Parent Education Program	56,015	14,198	1,167,520
Bilingual Education	-	-	6,904,423
Virtual Education	95	-	725,574
Capital Outlay	3,207,507	-	13,623,752
Food Service	5,795,330	-	12,640,628
Summer School	27,048	-	-
Special Education	5,861,239	-	32,253,913
Coop Special Education	10,391,112	-	15,222,349
Gifts and Grants	15,750,352	-	6,550,588
Vocational Education	112,715	-	2,890,730
Employees' Retirement	5,968	-	-
KPERs Special Retirement Contribution	-	-	26,995,122
Federal Funds	[29,100]	-	18,551,113
Contingency Reserve	14,782,123	-	-
Student Materials Revolving	222,150	-	73,381
Public Library Board	15,718,110	-	11,365,333
Public Library Board Employee Benefits	1,115,777	-	1,138,628
District Activity	54,297	-	56,344
Bond and Interest Fund:			
Bond and Interest	3,595,558	-	27,388,803
Capital Project Fund:			
Capital Projects	129,850,036	-	168,525,511
Business Fund:			
School Workers' Compensation Reserve	6,170,084	-	89,407
Fiduciary Fund:			
Private Purpose Trust Fund:			
Virginia Schinkle Scholarship	7,542	-	9
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 222,743,053</u>	<u>\$ 285,277</u>	<u>\$ 594,882,665</u>

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

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
\$ 168,089,476	\$ -	\$ 7,340,352	\$ 7,340,352
51,505,839	943,756	3,316,760	4,260,516
35,704,629	-	3,440,806	3,440,806
2,796,011	-	379,245	379,245
1,070,881	166,852	53	166,905
6,902,979	1,444	395,678	397,122
725,669	-	-	-
11,878,424	4,952,835	19,862,861	24,815,696
13,448,166	4,987,792	254	4,988,046
27,048	-	-	-
24,102,565	14,012,587	1,941,161	15,953,748
18,086,443	7,527,018	1,344,657	8,871,675
4,613,562	17,687,378	252,613	17,939,991
2,099,636	903,809	104,891	1,008,700
592	5,376	-	5,376
26,995,122	-	-	-
20,349,424	[1,827,411]	836,989	[990,422]
340,102	14,442,021	71,785	14,513,806
104,761	190,770	-	190,770
8,824,517	18,258,926	306,373	18,565,299
1,169,222	1,085,183	-	1,085,183
14,933	95,708	-	95,708
21,773,495	9,210,866	-	9,210,866
245,233,768	53,141,779	-	53,141,779
1,200,397	5,059,094	-	5,059,094
2,000	5,551	-	5,551
<u>\$ 667,059,661</u>	<u>\$ 150,851,334</u>	<u>\$ 39,594,478</u>	<u>\$ 190,445,812</u>

COMPOSITION OF CASH:

UMB Bank	
Checking	\$ 1,080,869
Certificates of Deposit	22,155,000
Community First Bank	
Certificates of Deposit	245,000
Commerce	
Checking	100,615,848
Treasury Note	19,268,492
Security Bank	
U.S. Government and Agency Obligations	53,810,637
Cash Balance	197,175,846
Less: Agency Funds per Statement 3	[6,730,034]
Total Reporting Entity (Excluding Agency Funds)	\$ 190,445,812

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

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 500 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of \$612,216 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

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

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

Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

The following types of funds comprise the financial activities of the District for the year ended June 30, 2020:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory basis receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

Business Fund - fund financed in whole or in part by fees charged to users of the goods or services.

Trust Fund - used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund - used to report assets held by a municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, student organization funds, etc.).

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar 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.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory basis receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The District did not amend the budget.

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

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, regulatory basis receipts 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 (legal budget expenditure authority) lapse at year-end.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for the following special purpose funds: Contingency Reserve, Student Materials Revolving and the District Activity Fund.

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

Actual exceeded budgeted expenditures in the Employees' Retirement Fund, the Federal Fund and the Bond and Interest Fund, which is a violation of K.S.A. 79-2935.

Deficit Cash

As of June 30, 2020, the Federal Fund had a negative unencumbered cash balance of \$1,827,411. The deficit is due to timing differences between the expenditure of federal grant funds and the receipt of reimbursement in the 2019 - 2020 school year.

NOTE 2 - Deposits and Investments

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

Investments. K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. As of June 30, 2020, the District held U.S. Government and Agency Obligations in the amount of \$73,079,129.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods". All deposits were legally secured at June 30, 2020.

At June 30, 2020, the District's carrying amount of deposits was \$124,096,717 and the bank balance was \$119,373,416. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$745,000 was covered by federal depository insurance and the remaining bank balance of \$118,628,416 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Substance receipt in transit. The District received \$10,284,994 subsequent to June 30, 2020 and as required by K.S.A. 72-6466, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 3 - Operating Leases

The District has entered into an operating lease agreement for copy machines, beginning August 2018, and ending July 2024. The payments made on this operating lease for the year ended June 30, 2020 totaled \$301,989. The following are the lease amounts for the remainder of the agreement:

<u>Year Ending</u>	
6/30/2021	\$ 312,788
6/30/2022	313,347
6/30/2023	45,608
6/30/2024	29,976
6/30/2025	674
Total	<u>\$ 702,394</u>

The District has entered into an operating lease agreement for vehicles, beginning July 2019, and ending June 2025. The payments made on this operating lease for the year ended June 30, 2020 totaled \$45,655. The following are the lease amounts for the remainder of the agreement:

<u>Year Ending</u>	
6/30/2021	\$ 64,534
6/30/2022	63,159
6/30/2023	55,181
6/30/2024	49,572
6/30/2025	18,878
Total	<u>\$ 251,324</u>

NOTE 4 - Long-Term Debt

Following is a detailed listing of the District long-term debt:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>	<u>Interest Rate</u>
General Obligation Bonds					
Series 2005	2/1/2005	9/1/2020	\$ 18,120,000	\$ 6,375,000	5.20 to 5.25%
Series 2010	10/13/2010	9/1/2021	6,160,000	6,160,000	2.75 to 5.00%
Series 2012	3/1/2012	9/1/2021	53,455,000	825,000	0.37 to 2.67%
Series 2016-A	12/20/2016	9/1/2047	227,000,000	104,640,000	4.00 to 5.50%
Series 2020-A	2/3/2020	9/1/2046	8,000,000	8,000,000	1.63 to 3.17%
Series 2020-B	2/3/2020	9/1/2046	154,015,000	154,015,000	1.60 to 3.17%
			<u>\$ 466,750,000</u>	<u>\$ 280,015,000</u>	
Certificates of Participation					
Series 2005	12/22/2005	12/22/2020	\$ 1,500,000	\$ 1,500,000	1.67%
Series 2009	10/15/2009	9/1/2025	15,125,000	15,125,000	2.15%
Series 2011	7/1/2011	7/1/2027	5,465,000	5,465,000	5.29%
			<u>\$ 22,090,000</u>	<u>\$ 22,090,000</u>	

The District is subject to statutes of the State of Kansas which limit the bonded debt outstanding to 14% of the assessed valuation. The District has received authorization from the State of Kansas to exceed this limit.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 4 - Long-Term Debt (Continued)

Following is a summary of changes in long-term debt for the year ended June 30, 2020:

Debt Issue	Beginning Principal Outstanding	Additions	Reduction	Ending Principal Outstanding	Interest Paid
General Obligation Bonds					
2005 Refunding	\$ 9,135,000	\$ -	\$ 2,760,000	\$ 6,375,000	\$ 407,138
2010 Refunding	6,160,000	-	-	6,160,000	229,463
2012 Refunding	7,770,000	-	6,945,000	825,000	92,246
2016-A Improvement	227,000,000	-	122,360,000	104,640,000	11,337,806
2016-B Refunding	-	-	-	-	-
2020-A Improvement	-	8,000,000	-	8,000,000	-
2020-B Refunding	-	154,015,000	-	154,015,000	-
Certificates of Participation					
2005 Series	1,500,000	-	-	1,500,000	-
2009 Series	15,125,000	-	-	15,125,000	325,788
2011 Series	5,465,000	-	-	5,465,000	288,935
Total	\$ 272,155,000	\$ 162,015,000	\$ 132,065,000	\$ 302,105,000	\$ 12,681,374

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	\$ 11,105,000	\$ 9,622,191	\$ 20,727,191
2022	6,285,000	9,439,983	15,724,983
2023	6,465,000	9,242,916	15,707,916
2024	6,700,000	9,000,999	15,700,999
2025	6,950,000	8,743,976	15,693,976
2026 - 2030	39,065,000	39,249,591	78,314,591
2031 - 2035	47,890,000	30,295,605	78,185,605
2036 - 2040	57,765,000	20,325,754	78,090,754
2041 - 2045	67,810,000	10,247,762	78,057,762
2046 - 2047	29,980,000	957,816	30,937,816
Total	\$ 280,015,000	\$ 147,126,593	\$ 427,141,593

Annual debt service requirements to maturity for the Certificates of Participation are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	\$ 1,500,000	\$ 639,172	\$ 2,139,172.06
2022	-	614,122	614,122
2023	-	614,122	614,122
2024	-	614,122	614,122
2025	-	614,122	614,122
2026 - 2028	20,590,000	884,930	21,474,930
Total	\$ 22,090,000	\$ 3,980,590	\$ 26,070,590

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 4 - Long-Term Debt (Continued)

The District issued Series 2020-A General Obligation Bonds on February 3, 2020, in the amount of \$8,000,000. 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. The 2020-A Bonds have an interest rate of 1.63% to 3.17% and will mature on September 1, 2046.

The District issued Series 2020-B General Obligation Bonds on February 3, 2020, in the amount of \$154,015,000. The bonds will be used to currently refund \$122,360,000 of the outstanding 2016-A Bonds. The refunding resulted in a \$30,553,883 reduction in debt service payments and a net present value savings of \$16,079,968. The Series 2020-B Bonds have an interest rate of 1.60% to 3.17% and will mature on September 1, 2046.

NOTE 5 - Compensated Absences

Under terms of the District's personnel policy, District employees working twelve months per year receive vacation pay in varying amounts. In the event of termination, an employee is paid for accumulated vacation days, depending on the employee's length of service and/or position with the District.

Sick leave benefits are extended to all employees for whom deductions are made for the District's retirement plans. Annual benefits are allowed at the rate of 10 to 14 days per year, depending upon the number of days per year the employee works. Payment of accumulated sick leave is made in the following circumstances:

1. Upon resignation provided that the employee has completed thirty (30) years of service in the District or twenty (20) years of service and attained the age of fifty-five (55). Any individual initially employed by the District after 7/31/96 is not eligible.
2. Upon retirement or death. Any individual initially employed by the District after 7/31/96 is not eligible.

Seventy-five percent of the accumulated sick leave shall be paid, not to exceed 144 days. The amount of leave is dependent on the length of the employee's service to the District.

The District records an expense for vacation days and sick leave when paid. Utilization of accumulated vacation and sick leave by employees in future years is not expected to have a material impact on District expenditures in any one year. The District has not quantified the compensated absences for purposes of this disclosure.

NOTE 6 - Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 6 - Defined Benefit Pension Plan (continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.59% and 13.21%, respectively for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars year. The first year payment of \$6.4 million was received in July 2017 and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194.0 million for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

2018 House Substitute for Senate Bill 109 provided for additional funding for KPERS School group. A payment of \$56 million was paid in fiscal year 2018. This bill also authorized a payment of \$82 million in fiscal year 2019.

2019 Senate Bill 9 authorized a payment of \$115 million for the KPERS School group.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$26,995,122 for the year ended June 30, 2020.

Net Pension Liability. At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$249,139,649. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 7 - Early Separation Liability

The District also has a plan which covers District employees who voluntarily take early retirement. An employee is eligible for early retirement if the teacher was under contract with the District on or before August 1, 1996, on the year that separation is to begin the employee must be at least 55 years old and not more than 65 years old, and the employee must have completed twenty-five years of contracted experience as a District employee and at least ten consecutive years with USD 500 having been the individual's final years before early separation and have retired from KPERS.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 7 - Early Separation Liability (Continued)

The benefits from this plan are computed using a formula based upon the employees' experience factor and the employees' final total annual salary. The employees approved for the early separation benefits will be paid not more than one hundred sixty-eight semi-monthly payments with payments beginning on July 15 of the year separation begins and ending in the month in which the employee dies or becomes sixty-two years old, whichever occurs first. The cost of this plan in the fiscal year ended June 30, 2020, was \$972,372. Future payments are estimated as follows:

<u>Year Ended</u>		
2020-21	\$	736,808
2021-22		558,166
2022-23		390,076
2023-24		198,073
2024-25		85,352
2025-26		46,487
Total	\$	<u>2,014,962</u>

The District also pays for the single monthly premium in the current health insurance plan for classified staff that meet early separation requirements. The cost of this plan for the year is estimated to be \$351,312.

NOTE 8 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past fiscal years.

Workers' Compensation. The District has established a self insurance retention program in order to deal with workers compensation claims. Claims in excess of the self insured retention amount are covered through a third party limited coverage policy. The District is self insured with a \$250,000 retention and statutory limit of coverage.

Liabilities below do not include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Actual payment of claims and judgments is reported in the School Workers' Compensation Reserve Fund. Changes in the balance of claims liabilities are as follows:

Incurred claims from inception	\$	28,869,841
Claim payments and adjustments from inception		<u>(27,933,041)</u>
Unpaid claims, June 30, 2020	\$	<u>936,800</u>

NOTE 9 - Contingencies

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

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

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 District'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

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Financial Statements
For the Year Ended June 30, 2020

NOTE 9 - Contingencies (continued)

possible to ascertain the overall impact of COVID-19 on the District's operations. However, if the pandemic continues to evolve, this could have a material adverse effect on the District's operations, statement of net position, statement of activities and cash flows.

As a result of the pandemic, and to protect staff to the best of the District's abilities, the District made critical changes to employee work schedule(s) and assigned rotation(s) to specific employee groups when possible. These changes allowed staff to safely work remotely from home and be readily available for continued business operations. The District placed rotation schedules on the Transportation department, the Nutritional Services department, Shop trades, the Custodial department, and various central office and school staff. Leadership required all meetings to be held via zoom or other virtual meetings and or conference calls, and to avoid in-person meetings when possible. The Operations team(s) along with other departmental support allowed the District to serve curbside meal pickup at schools and allowed meal deliveries to critical needs families while students learn in a virtual remote setting. School staff and other departments supported and distributed electronic devices and technology to all students for remote learning needs along with other critical needs.

The District has utilized CARES funding to help support the financial impact on the District for purchasing Personal Protection Equipment, thermal imaging temperature scanners at all site entrances, desk shields for staff and students, and appropriate risk mitigation cleaning supplies.

Students are currently in a remote learning environment so there is savings in other funds that would have been normally expended during a regular school year. These funds are now available to continue operations and support students and staff while minimizing the financial impact of COVID on the District.

NOTE 10 - Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Employees who retire with twenty or more years of service are allowed to stay on the District's health insurance and the District pays for single full coverage until the retiree reaches Medicare eligibility age. While other retirees pay the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2020.

NOTE 11 - Transfers

Transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General Fund	At Risk (4 Year Old) Fund	\$ 2,649,567	K.S.A. 72-6478
General Fund	At Risk (K-12) Fund	21,091,621	K.S.A. 72-6478
General Fund	Bilingual Education Fund	4,557,411	K.S.A. 72-6478
General Fund	Virtual Education	725,574	K.S.A. 72-6478
General Fund	Parent Education Program	225,392	K.S.A. 72-6478
General Fund	Special Education	32,253,913	K.S.A. 72-6478
General Fund	Coop Special Education	776,418	K.S.A. 72-6478
General Fund	Vocational Education	2,825,251	K.S.A. 72-6478
Supplemental General Fund	At Risk (K-12) Fund	10,821,069	K.S.A. 72-6478
Supplemental General Fund	Bilingual Education Fund	2,169,840	K.S.A. 72-6478
Special Education	Coop Special Education	3,133,179	K.S.A. 72-978(h)
Capital Projects	Bond and Interest	5,000,000	Bond Agreement
		<u>\$ 86,229,235</u>	

UNIFIED SCHOOL DISTRICT NO. 500
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
Governmental Type Funds:						
General Funds:						
General Fund	\$ 171,771,968	\$ [4,294,708]	\$ 612,216	\$ 168,089,476	\$ 168,089,476	\$ -
Supplemental General	52,881,307	[1,375,468]	-	51,505,839	51,505,839	-
Special Purpose Funds:						
At Risk (K-12)	50,983,009	-	-	50,983,009	35,704,629	[15,278,380]
At Risk (4 Year Old)	3,001,850	-	-	3,001,850	2,796,011	[205,839]
Parent Education Program	1,243,159	-	-	1,243,159	1,070,881	[172,278]
Bilingual Education	7,525,624	-	-	7,525,624	6,902,979	[622,645]
Virtual Education	725,670	-	-	725,670	725,669	[1]
Capital Outlay	15,946,125	-	-	15,946,125	11,878,424	[4,067,701]
Food Service	20,579,023	-	-	20,579,023	13,448,166	[7,130,857]
Summer School	30,000	-	-	30,000	27,048	[2,952]
Special Education	28,394,366	-	-	28,394,366	24,102,565	[4,291,801]
Coop Special Education	26,779,752	-	-	26,779,752	18,086,443	[8,693,309]
Gifts and Grants	17,525,423	-	-	17,525,423	4,613,562	[12,911,861]
Vocational Education	2,099,658	-	-	2,099,658	2,099,636	[22]
Employees' Retirement	-	-	-	-	592	592
KPERs Special Retirement Contribution	33,798,830	-	-	33,798,830	26,995,122	[6,803,708]
Federal Funds	12,744,620	-	-	12,744,620	20,349,424	7,604,804
Public Library Board	14,593,098	-	-	14,593,098	8,824,517	[5,768,581]
Public Library Board Employee Benefits	1,397,970	-	-	1,397,970	1,169,222	[228,748]
Bond and Interest Fund:						
Bond and Interest	21,773,253	-	-	21,773,253	21,773,495	242

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
General Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over Under
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State Aid:				
Equalization aid	\$ 141,506,209	\$ 153,383,536	\$ 157,976,175	\$ [4,592,639]
Special education aid	15,484,112	13,960,540	13,791,793	168,747
Miscellaneous	546,861	2,505	4,000	[1,495]
Reimbursed expenses	<u>487,702</u>	<u>612,216</u>	<u>-</u>	<u>612,216</u>
Total Receipts	<u>158,024,884</u>	<u>167,958,797</u>	<u>\$ 171,771,968</u>	<u>\$ [3,813,171]</u>
Expenditures				
Instruction	18,290,075	20,552,301	\$ 14,275,285	\$ 6,277,016
Student support services	2,007,345	2,440,522	2,178,383	262,139
Instructional support	9,818,997	11,902,431	9,165,598	2,736,833
General administration	1,148,268	1,166,689	892,715	273,974
School administration	12,523,587	12,299,377	12,507,988	[208,611]
Central services	9,348,852	15,881,785	12,113,481	3,768,304
Operations and maintenance	29,153,456	30,332,445	33,126,520	[2,794,075]
Transportation	8,920,544	8,408,072	13,412,906	[5,004,834]
Food service operations	-	707	-	707
Transfers out	66,266,899	65,105,147	74,099,092	[8,993,945]
Adjustment to comply with legal max budget	-	-	[4,294,708]	4,294,708
Adjustment for qualifying budget credits	-	-	612,216	[612,216]
Total Expenditures	<u>157,478,023</u>	<u>168,089,476</u>	<u>\$ 168,089,476</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	<u>546,861</u>	<u>[130,679]</u>		
Unencumbered Cash, Beginning	-	130,679		
Prior Period Adjustment	<u>[416,182]</u>	<u>-</u>		
Unencumbered Cash, Beginning, Restated	<u>[416,182]</u>	<u>130,679</u>		
Unencumbered Cash, Ending	<u>\$ 130,679</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Supplemental General Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 10,003,935	\$ 6,625,427	\$ 7,697,852	\$ [1,072,425]
Delinquent tax	466,123	435,703	312,224	123,479
Motor vehicle tax	1,337,969	1,286,263	982,505	303,758
Revenue in lieu of taxes	130,163	87,009	-	87,009
Supplemental state aid	36,432,327	37,764,081	38,772,574	[1,008,493]
Transfer in	<u>4,000,000</u>	<u>-</u>	<u>4,155,755</u>	<u>[4,155,755]</u>
Total Receipts	<u>52,370,517</u>	<u>46,198,483</u>	<u>\$ 51,920,910</u>	<u>\$ [5,722,427]</u>
Expenditures				
Instruction	28,805,189	30,211,266	\$ 30,460,369	\$ [249,103]
Student support services	4,545,828	7,252,656	7,032,513	220,143
Instructional support	672,151	379,175	672,126	[292,951]
School administration	44,690	15,416	42,442	[27,026]
Central services	-	514,050	471,500	42,550
Operations and maintenance	434,412	142,367	13,187	129,180
Transportation	-	-	186,200	[186,200]
Transfers out	15,707,663	12,990,909	14,002,970	[1,012,061]
Adjustment to comply with legal max budget	<u>-</u>	<u>-</u>	<u>[1,375,468]</u>	<u>1,375,468</u>
Total Expenditures	<u>50,209,933</u>	<u>51,505,839</u>	<u>\$ 51,505,839</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	2,160,584	[5,307,356]		
Unencumbered Cash, Beginning	3,819,449	5,980,033		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>271,079</u>		
Unencumbered Cash, Ending	<u>\$ 5,980,033</u>	<u>\$ 943,756</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
At Risk (K-12) Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 41,960,572	\$ 31,912,690	\$ 50,983,009	\$ [19,070,319]
Intergovernmental	121,250	-	-	-
Total Receipts	<u>42,081,822</u>	<u>31,912,690</u>	<u>\$ 50,983,009</u>	<u>\$ [19,070,319]</u>
Expenditures				
Instruction	35,923,592	34,185,097	\$ 43,247,475	\$ [9,062,378]
Student support services	1,364,811	356,213	611,283	[255,070]
Instruction support	4,750	-	1,133,744	[1,133,744]
School administration	240,517	271,785	-	271,785
Central services	63,533	83,567	5,625,870	[5,542,303]
Transportation	<u>692,680</u>	<u>807,967</u>	<u>364,637</u>	<u>443,330</u>
Total Expenditures	<u>38,289,883</u>	<u>35,704,629</u>	<u>\$ 50,983,009</u>	<u>\$ [15,278,380]</u>
Receipts Over [Under] Expenditures	3,791,939	[3,791,939]		
Unencumbered Cash, Beginning	-	<u>3,791,939</u>		
Unencumbered Cash, Ending	<u>\$ 3,791,939</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
At Risk (4 Year Old) Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 2,607,875	\$ 2,649,567	\$ 3,001,850	\$ [352,283]
Total Receipts	<u>2,607,875</u>	<u>2,649,567</u>	<u>\$ 3,001,850</u>	<u>\$ [352,283]</u>
Expenditures				
Instruction	1,156,653	1,494,697	\$ 1,630,228	\$ [135,531]
Student support services	62,905	54,666	165,860	[111,194]
Instructional support	195,415	358,940	189,996	168,944
School administration	353,657	385,529	321,729	63,800
Central services	60,864	2,456	-	2,456
Operations and maintenance	7,511	3,258	-	3,258
Transportation	<u>624,426</u>	<u>496,465</u>	<u>694,037</u>	<u>[197,572]</u>
Total Expenditures	<u>2,461,431</u>	<u>2,796,011</u>	<u>\$ 3,001,850</u>	<u>\$ [205,839]</u>
Receipts Over [Under] Expenditures	146,444	[146,444]		
Unencumbered Cash, Beginning	<u>-</u>	<u>146,444</u>		
Unencumbered Cash, Ending	<u>\$ 146,444</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Parent Education Program Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 851,687	\$ 865,947	\$ -	\$ 865,947
Local source	58,322	76,090	-	76,090
Miscellaneous	-	91	-	91
Transfers in	<u>41,288</u>	<u>225,392</u>	<u>1,187,143</u>	<u>[961,751]</u>
Total Receipts	<u>951,297</u>	<u>1,167,520</u>	<u>\$ 1,187,143</u>	<u>\$ [19,623]</u>
Expenditures				
Student support services	<u>1,016,164</u>	<u>1,070,881</u>	<u>\$ 1,243,159</u>	<u>\$ [172,278]</u>
Total Expenditures	<u>1,016,164</u>	<u>1,070,881</u>	<u>\$ 1,243,159</u>	<u>\$ [172,278]</u>
Receipts Over [Under] Expenditures	[64,867]	96,639		
Unencumbered Cash, Beginning	120,882	56,015		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>14,198</u>		
Unencumbered Cash, Ending	<u>\$ 56,015</u>	<u>\$ 166,852</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Bilingual Education Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 644,440	\$ 177,172	\$ -	\$ 177,172
Transfers in	6,606,656	6,727,251	7,525,624	[798,373]
Total Receipts	<u>7,251,096</u>	<u>6,904,423</u>	<u>\$ 7,525,624</u>	<u>\$ [621,201]</u>
Expenditures				
Instruction	6,311,815	6,180,374	\$ 6,499,765	\$ [319,391]
Student support services	258,177	108,013	287,157	[179,144]
Instructional support	633,752	500,318	668,702	[168,384]
School administration	-	29,568	-	29,568
Transportation	64,035	84,706	70,000	14,706
Total Expenditures	<u>7,267,779</u>	<u>6,902,979</u>	<u>\$ 7,525,624</u>	<u>\$ [622,645]</u>
Receipts Over [Under] Expenditures	<u>[16,683]</u>	<u>1,444</u>		
Unencumbered Cash, Beginning	29,227	-		
Prior Period Adjustment	<u>[12,544]</u>	<u>-</u>		
Unencumbered Cash, Beginning, Restated	<u>16,683</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 1,444</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Virtual Education Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 574,089	\$ 725,574	\$ 725,575	\$ [1]
Total Receipts	<u>574,089</u>	<u>725,574</u>	<u>\$ 725,575</u>	<u>\$ [1]</u>
Expenditures				
Instruction	<u>573,994</u>	<u>725,669</u>	<u>\$ 725,670</u>	<u>\$ [1]</u>
Total Expenditures	<u>573,994</u>	<u>725,669</u>	<u>\$ 725,670</u>	<u>\$ [1]</u>
Receipts Over [Under] Expenditures	95	[95]		
Unencumbered Cash, Beginning	<u>-</u>	<u>95</u>		
Unencumbered Cash, Ending	<u>\$ 95</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Capital Outlay Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 5,888,158	\$ 5,761,065	\$ 5,655,558	\$ 105,507
Delinquent tax	222,068	231,549	183,715	47,834
Motor vehicle tax	792,685	759,355	579,907	179,448
Revenue in lieu of taxes	76,636	73,462	-	73,462
State aid	4,116,645	4,651,326	4,722,779	[71,453]
Interest on idle funds	2,292,986	2,056,362	-	2,056,362
Miscellaneous	111,868	90,633	-	90,633
Transfers in	<u>5,000,000</u>	-	-	-
Total Receipts	<u>18,501,046</u>	<u>13,623,752</u>	<u>\$ 11,141,959</u>	<u>\$ 2,481,793</u>
Expenditures				
Instruction	637,823	4,076,250	\$ 1,050,000	\$ 3,026,250
Instructional support services	19,349	-	-	-
Central services	1,093,683	-	-	-
Operations and maintenance	4,536,332	5,665,707	9,090,000	[3,424,293]
Transportation	-	394,041	360,000	34,041
Debt service	1,563,640	1,384,177	1,638,500	[254,323]
Facility acquisition and construction services	<u>9,209,308</u>	<u>358,249</u>	<u>3,807,625</u>	<u>[3,449,376]</u>
Total Expenditures	<u>17,060,135</u>	<u>11,878,424</u>	<u>\$ 15,946,125</u>	<u>\$ [4,067,701]</u>
Receipts Over [Under] Expenditures	1,440,911	1,745,328		
Unencumbered Cash, Beginning	<u>1,766,596</u>	<u>3,207,507</u>		
Unencumbered Cash, Ending	<u>\$ 3,207,507</u>	<u>\$ 4,952,835</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Food Service Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 15,200,228	\$ 12,186,684	\$ 13,974,616	\$ [1,787,932]
State aid	146,120	143,957	118,534	25,423
Charges for services	238,215	176,565	694,581	[518,016]
Miscellaneous	14,118	111,069	-	111,069
Interest on idle funds	<u>24,924</u>	<u>22,353</u>	-	<u>22,353</u>
Total Receipts	<u>15,623,605</u>	<u>12,640,628</u>	<u>\$ 14,787,731</u>	<u>\$ [2,147,103]</u>
Expenditures				
Food service operation	<u>17,744,166</u>	<u>13,448,166</u>	<u>\$ 20,579,023</u>	<u>\$ [7,130,857]</u>
Total Expenditures	<u>17,744,166</u>	<u>13,448,166</u>	<u>\$ 20,579,023</u>	<u>\$ [7,130,857]</u>
Receipts Over [Under] Expenditures	[2,120,561]	[807,538]		
Unencumbered Cash, Beginning	<u>7,915,891</u>	<u>5,795,330</u>		
Unencumbered Cash, Ending	<u>\$ 5,795,330</u>	<u>\$ 4,987,792</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Summer School Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 14,559	\$ -	\$ 2,952	\$ [2,952]
Total Receipts	<u>14,559</u>	<u>-</u>	<u>2,952</u>	<u>[2,952]</u>
Expenditures				
Instruction	<u>87,511</u>	<u>27,048</u>	\$ 30,000	\$ [2,952]
Total Expenditures	<u>87,511</u>	<u>27,048</u>	<u>30,000</u>	<u>[2,952]</u>
Receipts Over [Under] Expenditures	[72,952]	[27,048]		
Unencumbered Cash, Beginning	<u>100,000</u>	<u>27,048</u>		
Unencumbered Cash, Ending	<u>\$ 27,048</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Special Education Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 25,147,721	\$ 32,253,913	\$ 22,301,849	\$ 9,952,064
Total Receipts	<u>25,147,721</u>	<u>32,253,913</u>	<u>\$ 22,301,849</u>	<u>\$ 9,952,064</u>
Expenditures				
Instruction	20,773,294	19,998,829	\$ 25,199,567	\$ [5,200,738]
Student support services	3,218	-	-	-
Instruction support	66,872	815,263	194,799	620,464
School administration	40,428	142,478	-	142,478
Student transportation services	234,445	12,816	3,000,000	[2,987,184]
Transfers out	<u>4,532,497</u>	<u>3,133,179</u>	<u>-</u>	<u>3,133,179</u>
Total Expenditures	<u>25,650,754</u>	<u>24,102,565</u>	<u>\$ 28,394,366</u>	<u>\$ [4,291,801]</u>
Receipts Over [Under] Expenditures	[503,033]	8,151,348		
Unencumbered Cash, Beginning	<u>6,364,272</u>	<u>5,861,239</u>		
Unencumbered Cash, Ending	<u>\$ 5,861,239</u>	<u>\$ 14,012,587</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Coop Special Education Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Local - other district contributions	\$ 3,296,984	\$ 3,512,706	\$ 6,342,560	\$ [2,829,854]
Federal aid	6,884,771	5,965,877	10,046,080	[4,080,203]
State aid	-	2,734	-	2,734
Local sources	3,937	101,949	-	101,949
Medicaid	4,184,539	1,726,897	-	1,726,897
Miscellaneous	11,779	2,589	-	2,589
Transfers in	<u>5,256,883</u>	<u>3,909,597</u>	-	<u>3,909,597</u>
Total Receipts	<u>19,638,893</u>	<u>15,222,349</u>	<u>\$ 16,388,640</u>	<u>\$ [1,166,291]</u>
Expenditures				
Instruction	6,468,585	6,897,893	\$ 15,911,712	\$ (9,013,819)
Student support services	8,043,841	8,861,688	7,989,230	872,458
Instructional support	2,495,504	2,196,388	2,771,568	(575,180)
School administration	105,007	112,068	107,242	4,826
Operations and maintenance	<u>18,249</u>	<u>18,406</u>	-	<u>18,406</u>
Total Expenditures	<u>17,131,186</u>	<u>18,086,443</u>	<u>\$ 26,779,752</u>	<u>\$ [8,693,309]</u>
Receipts Over [Under] Expenditures	2,507,707	[2,864,094]		
Unencumbered Cash, Beginning	<u>7,883,405</u>	<u>10,391,112</u>		
Unencumbered Cash, Ending	<u>\$ 10,391,112</u>	<u>\$ 7,527,018</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Gifts and Grants Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 102,731	\$ 98,656	\$ -	\$ 98,656
State aid	3,096,051	2,815,284	1,289,956	1,525,328
Contributions and donations	1,287,099	2,374,177	-	2,374,177
User charges and fees	300,657	255,476	-	255,476
Miscellaneous	<u>1,155,979</u>	<u>1,006,995</u>	-	<u>1,006,995</u>
Total Receipts	<u>5,942,517</u>	<u>6,550,588</u>	<u>\$ 1,289,956</u>	<u>\$ 5,260,632</u>
Expenditures				
Instruction	3,099,305	1,922,167	\$ 8,715,423	\$ [6,793,256]
Student support services	977,993	705,119	1,413,000	[707,881]
Instructional support	1,656,048	1,200,313	385,000	815,313
General administration	-	-	500,000	[500,000]
School administration	266,400	45,208	162,000	[116,792]
Central services	-	112,681	1,000,000	[887,319]
Operations and maintenance	223,500	286,512	-	286,512
Architectural and engineering services	-	-	5,000,000	[5,000,000]
Transportation	<u>257,043</u>	<u>341,562</u>	<u>350,000</u>	<u>[8,438]</u>
Total Expenditures	<u>6,480,289</u>	<u>4,613,562</u>	<u>\$ 17,525,423</u>	<u>\$ [12,911,861]</u>
Receipts Over [Under] Expenditures	<u>[537,772]</u>	<u>1,937,026</u>		
Unencumbered Cash, Beginning	16,275,579	15,750,352		
Prior Period Adjustment	<u>12,545</u>	<u>-</u>		
Unencumbered Cash, Beginning, Restated	<u>16,288,124</u>	<u>15,750,352</u>		
Unencumbered Cash, Ending	<u>\$ 15,750,352</u>	<u>\$ 17,687,378</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Vocational Education Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 2,396,975	\$ 2,825,251	\$ 2,082,258	\$ 742,993
State aid	10,601	56,799	17,400	39,399
Federal aid	<u>317,151</u>	<u>8,680</u>	<u>-</u>	<u>8,680</u>
Total Receipts	<u>2,724,727</u>	<u>2,890,730</u>	<u>\$ 2,099,658</u>	<u>\$ 791,072</u>
Expenditures				
Instruction	2,470,005	2,047,311	\$ 2,073,658	\$ [26,347]
Instructional support	<u>136,007</u>	<u>52,325</u>	<u>26,000</u>	<u>26,325</u>
Total Expenditures	<u>2,606,012</u>	<u>2,099,636</u>	<u>\$ 2,099,658</u>	<u>\$ [22]</u>
Receipts Over [Under] Expenditures	<u>118,715</u>	<u>791,094</u>		
Unencumbered Cash, Beginning	-	112,715		
Prior Period Adjustment	<u>[6,000]</u>	<u>-</u>		
Unencumbered Cash, Beginning, Restated	<u>[6,000]</u>	<u>112,715</u>		
Unencumbered Cash, Ending	<u>\$ 112,715</u>	<u>\$ 903,809</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Employees' Retirement Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Delinquent tax	\$ 5,959	\$ -	\$ -	\$ -
Motor vehicle tax	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>5,968</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Miscellaneous	<u>-</u>	<u>592</u>	<u>\$ -</u>	<u>\$ 592</u>
Total Expenditures	<u>-</u>	<u>592</u>	<u>\$ -</u>	<u>\$ 592</u>
Receipts Over [Under] Expenditures	5,968	[592]		
Unencumbered Cash, Beginning	<u>-</u>	<u>5,968</u>		
Unencumbered Cash, Ending	<u>\$ 5,968</u>	<u>\$ 5,376</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
KPERS Special Retirement Contribution Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 12,778,772	\$ 26,995,122	\$ 33,798,830	\$ [6,803,708]
Total Receipts	<u>12,778,772</u>	<u>26,995,122</u>	<u>\$ 33,798,830</u>	<u>\$ [6,803,708]</u>
Expenditures				
Employee benefits	<u>12,778,772</u>	<u>26,995,122</u>	<u>\$ 33,798,830</u>	<u>\$ [6,803,708]</u>
Total Expenditures	<u>12,778,772</u>	<u>26,995,122</u>	<u>\$ 33,798,830</u>	<u>\$ [6,803,708]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Federal Funds
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 22,850,234	\$ 18,551,113	\$ 13,029,641	\$ 5,521,472
Total Receipts	<u>22,850,234</u>	<u>18,551,113</u>	<u>\$ 13,029,641</u>	<u>\$ 5,521,472</u>
Expenditures				
Instruction	12,340,525	11,278,534	\$ 9,752,197	\$ 1,526,337
Student support services	4,204,500	3,028,521	420,705	2,607,816
Instructional support	3,760,947	4,227,132	2,384,029	1,843,103
General administration	212	736	-	736
School administration	697,613	622,271	30,088	592,183
Central services	-	671,182	-	671,182
Operations and maintenance	149,249	15,284	-	15,284
Transportation	-	422,193	157,601	264,592
Food service operations	245,624	83,571	-	83,571
Capital outlay	693,609	-	-	-
Total Expenditures	<u>22,092,279</u>	<u>20,349,424</u>	<u>\$ 12,744,620</u>	<u>\$ 7,604,804</u>
Receipts Over [Under] Expenditures	757,955	[1,798,311]		
Unencumbered Cash, Beginning	[999,128]	[29,100]		
Prior Period Adjustment	<u>212,073</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ [29,100]</u>	<u>\$ [1,827,411]</u>		

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Contingency Reserve Fund *
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Transfers out	4,000,000	-
Student support services	<u>1,783,925</u>	<u>340,102</u>
Total Expenditures	<u>5,783,925</u>	<u>340,102</u>
Receipts Over [Under] Expenditures	[5,783,925]	[340,102]
Unencumbered Cash, Beginning	<u>20,566,048</u>	<u>14,782,123</u>
Unencumbered Cash, Ending	<u>\$ 14,782,123</u>	<u>\$ 14,442,021</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Student Materials Revolving Fund *
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 221,595	\$ 60,902
Miscellaneous revenues	<u>20,502</u>	<u>12,479</u>
Total Receipts	<u>242,097</u>	<u>73,381</u>
Expenditures		
Instruction	<u>201,699</u>	<u>104,761</u>
Total Expenditures	<u>201,699</u>	<u>104,761</u>
Receipts Over [Under] Expenditures	40,398	[31,380]
Unencumbered Cash, Beginning	<u>181,752</u>	<u>222,150</u>
Unencumbered Cash, Ending	<u>\$ 222,150</u>	<u>\$ 190,770</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Public Library Board Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	\$ 7,178,711	\$ 7,063,990	\$ 6,897,112	\$ 166,878
Delinquent tax	262,845	279,023	224,043	54,980
Motor vehicle tax	959,329	923,028	704,877	218,151
Revenue in lieu of taxes	93,396	89,995	-	89,995
Other revenue from a local source	2,870,360	2,888,250	-	2,888,250
Interest	74,771	67,055	-	67,055
Donations	21,350	7,540	-	7,540
Other	49,807	46,452	-	46,452
Total Receipts	<u>11,510,569</u>	<u>11,365,333</u>	<u>\$ 7,826,032</u>	<u>\$ 3,539,301</u>
Expenditures				
Community service operations	8,929,973	8,457,361	\$ 14,593,098	\$ [6,135,737]
Operations and maintenance	<u>456,420</u>	<u>367,156</u>	-	<u>367,156</u>
Total Expenditures	<u>9,386,393</u>	<u>8,824,517</u>	<u>\$ 14,593,098</u>	<u>\$ [5,768,581]</u>
Receipts Over [Under] Expenditures	2,124,176	2,540,816		
Unencumbered Cash, Beginning	<u>13,593,934</u>	<u>15,718,110</u>		
Unencumbered Cash, Ending	<u>\$ 15,718,110</u>	<u>\$ 18,258,926</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Public Library Board Employee Benefits Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	\$ 978,504	\$ 962,101	\$ 939,456	\$ 22,645
Delinquent tax	36,769	38,423	30,538	7,885
Motor vehicle tax	130,802	125,847	96,227	29,620
Revenue in lieu of taxes	<u>12,731</u>	<u>12,257</u>	<u>-</u>	<u>12,257</u>
Total Receipts	<u>1,158,806</u>	<u>1,138,628</u>	<u>\$ 1,066,221</u>	<u>\$ 72,407</u>
Expenditures				
Community service operations	<u>1,112,394</u>	<u>1,169,222</u>	<u>\$ 1,397,970</u>	<u>\$ [228,748]</u>
Total Expenditures	<u>1,112,394</u>	<u>1,169,222</u>	<u>\$ 1,397,970</u>	<u>\$ [228,748]</u>
Receipts Over [Under] Expenditures	46,412	[30,594]		
Unencumbered Cash, Beginning	<u>1,069,365</u>	<u>1,115,777</u>		
Unencumbered Cash, Ending	<u>\$ 1,115,777</u>	<u>\$ 1,085,183</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Bond and Interest Fund
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	\$ 5,808,151	\$ 8,926,914	\$ 8,665,396	\$ 261,518
Delinquent tax	212,238	225,263	181,268	43,995
Motor vehicle tax	776,215	746,803	570,415	176,388
Revenue in lieu of taxes	75,565	111,236	-	111,236
Transfer in	2,600,000	5,000,000	4,000,000	1,000,000
State aid	<u>17,754,594</u>	<u>12,378,587</u>	<u>12,378,587</u>	-
Total Receipts	<u>27,226,763</u>	<u>27,388,803</u>	<u>\$ 25,795,666</u>	<u>\$ 1,593,137</u>
Expenditures				
Bond principal	17,950,000	9,705,000	\$ 9,705,000	\$ -
Interest	<u>12,433,859</u>	<u>12,068,495</u>	<u>12,068,253</u>	<u>242</u>
Total Expenditures	<u>30,383,859</u>	<u>21,773,495</u>	<u>\$ 21,773,253</u>	<u>\$ 242</u>
Receipts Over [Under] Expenditures	[3,157,096]	5,615,308		
Unencumbered Cash, Beginning	<u>6,752,654</u>	<u>3,595,558</u>		
Unencumbered Cash, Ending	<u>\$ 3,595,558</u>	<u>\$ 9,210,866</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Capital Projects Fund*
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 2,818,946	\$ 2,515,082
Reimbursements	-	3,995,429
Bond proceeds	-	162,015,000
Miscellaneous	<u>2,478</u>	<u>-</u>
Total Receipts	<u>2,821,424</u>	<u>168,525,511</u>
Expenditures		
Capital outlay	81,192,170	86,101,017
Debt service		
Principal	-	122,360,000
Interest	-	31,772,751
Transfer out	<u>7,600,000</u>	<u>5,000,000</u>
Total Expenditures	<u>88,792,170</u>	<u>245,233,768</u>
Receipts Over [Under] Expenditures	[85,970,746]	[76,708,257]
Unencumbered Cash, Beginning	<u>215,820,782</u>	<u>129,850,036</u>
Unencumbered Cash, Ending	<u>\$ 129,850,036</u>	<u>\$ 53,141,779</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
School Workers' Compensation Reserve Fund *
Regulatory Basis
For the Year Ended June 30, 2020
(With Comparative Actual Totals for the Prior Year Ended June 30, 2019)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 99,695	\$ 89,407
Transfer in	1,915,000	-
Miscellaneous	<u>5,572</u>	<u>-</u>
Total Receipts	<u>2,020,267</u>	<u>89,407</u>
Expenditures		
General administration	<u>1,386,464</u>	<u>1,200,397</u>
Total Expenditures	<u>1,386,464</u>	<u>1,200,397</u>
Receipts Over [Under] Expenditures	633,803	[1,110,990]
Unencumbered Cash, Beginning	<u>5,536,281</u>	<u>6,170,084</u>
Unencumbered Cash, Ending	<u>\$ 6,170,084</u>	<u>\$ 5,059,094</u>

* This fund is not required to be budgeted.

SCHEDULE 3

UNIFIED SCHOOL DISTRICT NO. 500
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended June 30, 2020

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
High Schools				
Clubs and Societies	\$ 515,620	\$ 563,649	\$ 491,344	\$ 587,925
Total High Schools	<u>515,620</u>	<u>563,649</u>	<u>491,344</u>	<u>587,925</u>
District				
QZAB Escrow	668,857	1,650	1,650	668,857
Healthcare Reserve	4,920,209	-	-	4,920,209
Total District	<u>5,589,066</u>	<u>1,650</u>	<u>1,650</u>	<u>5,589,066</u>
Middle Schools				
Clubs and Societies	339,949	159,614	214,558	285,005
Total Middle Schools	<u>339,949</u>	<u>159,614</u>	<u>214,558</u>	<u>285,005</u>
Elementary Schools				
Clubs and Societies	295,359	156,972	184,293	268,038
Total Elementary Schools	<u>295,359</u>	<u>156,972</u>	<u>184,293</u>	<u>268,038</u>
Total Agency Funds	<u>\$ 6,739,994</u>	<u>\$ 881,885</u>	<u>\$ 891,845</u>	<u>\$ 6,730,034</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
 Schedule of Receipts, Expenditures, and Unencumbered Cash
 Private Purpose Trust Fund
 Regulatory Basis
 For the Year Ended June 30, 2020

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	<u>Receipts</u>	<u>Disbursements</u>	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Virginia Schinkle Scholarship Fund	\$ 7,542	\$ 9	\$ 2,000	\$ 5,551	\$ -	\$ 5,551

See independent auditor's report on the financial statements.

SCHEDULE 5

UNIFIED SCHOOL DISTRICT NO. 500
 Schedule of Receipts, Expenditures, and Unencumbered Cash
 District Activity Fund
 Regulatory Basis
 For the Year Ended June 30, 2020

FUNDS	Beginning Unencumbered <u>Cash Balance</u>	Prior Year Cancelled <u>Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Add Encumbrances and Accounts <u>Payable</u>	Ending <u>Cash Balance</u>
District Activity Fund	\$ 54,297	\$ -	\$ 56,344	\$ 14,933	\$ 95,708	\$ -	\$ 95,708

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
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 Grantor's Number	Expenditures
<u>U.S. Department of Education</u>			
Passed Through Kansas State Department of Education			
Special Education (IDEA) Cluster			
Special Education Grants to States	84.027	H027A180031 18E & H027A190031 19E	\$ 5,286,391
Special Education Preschool Grants	84.173	H173A180034 18E & H173A190034 19E	<u>217,213</u>
Total Special Education (IDEA) Cluster			5,503,604
Title I Grants to Local Educational Agencies	84.010	S010A180016 18E	11,438,506
Migrant Education State Grant Program	84.011	S011A180016 18E & S011A190016 19E	630,405
Vocational Education Basic Grants to States	84.048	V048A180016 18E & V048A190016 19E	432,060
Education for Homeless Children and Youth	84.196	S196A190017 19E	90,421
Twenty First Century Community Learning Centers	84.287	S287C180016 18E & S287C190016 19E	210,591
English Language Acquisition Grant	84.365	S365A180016 18E & S365A190016 19E	703,457
Improving Teacher Quality State Grants	84.367	S367A180015 18E & S367A190015 19E	1,315,613
Student Support Academic Enrichment	84.424	S424A180017 18E & S424A190017 19E	<u>525,105</u>
Total Passed Through Kansas State Department of Education			<u>20,849,762</u>
Total U.S. Department of Education			<u>20,849,762</u>
<u>Corporation for National and Community Service</u>			
Passed Through Kansas State Department of Education			
AmeriCorps State and National	94.006	16TAHKS001 & 18AFHKS001	21,522
Training and Technical Assistance	94.009	19TAHKS002	<u>662</u>
Total Corporation for National and Community Service			<u>22,184</u>
<u>U.S. Department of Health and Human Services</u>			
Head Start			
Passed Through Kansas State Department of Education	93.600		4,744,281
TANF Pre K pilot	93.558		142,304
Youth Risk Behavior Survey	93.938	NU71PS004319-02 & NU87PS004319-01	<u>2,973</u>
Total U.S. Department of Health and Human Services			<u>4,889,558</u>
<u>U.S. Department of Agriculture</u>			
Passed Through Kansas State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553		3,240,363
National School Lunch Program	10.555		7,648,197
Summer Food Service Program for Children	10.559		<u>706,328</u>
Total Child Nutrition Cluster			11,594,888
Child and Adult Care Food Program	10.558		269,590
Fresh Fruits & Vegetables	10.582		<u>337,986</u>
Total U.S. Department of Agriculture			<u>12,202,464</u>
Total			<u>\$ 37,963,968</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 500
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

1. Organization

Kansas City, Kansas Public Schools Unified School District No. 500 (the 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.

UNIFIED SCHOOL DISTRICT NO. 500
 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 (Regulatory Basis) Adverse (GAAP)
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> 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 <u> X </u> No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I
84.365	English Language Acquisition
93.600	Head Start

Dollar threshold used to distinguish between type A and type B programs:	\$1,138,919
Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No

UNIFIED SCHOOL DISTRICT NO. 500
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
Unified School District No. 500
Kansas City, Kansas

We have audited, 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 Audit and Accounting, the financial statements of the Kansas City, Kansas Public Schools Unified School District No. 500, (the 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 financial statements, and have issued our report thereon dated December 17, 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 controls 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 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 charge 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. We did not identify any deficiencies in internal control that we considered 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
December 17, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Board of Education
Unified School District No. 500
Kansas City, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Kansas City, Kansas Public Schools Unified School District No. 500, (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 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 State 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
December 17, 2020