



Certified Public Accountants

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

BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

TOPEKA PUBLIC SCHOOLS
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 BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2023

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Topeka Public Schools Unified School District No. 501 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As described in Notes 1 and 12 to the financial statements, the District implemented Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements* which led to a change in beginning net position. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

An Independently Owned Member, RSM US Alliance

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2024, 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.

B.T. & Co., P.A.

February 26, 2024
Topeka, Kansas

MANAGEMENT’S DISCUSSION AND ANALYSIS

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

USING THIS GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) BASED REPORT

The District’s financial statement package for the fiscal year ended June 30, 2023 is comprised of the following significant sections: Independent Auditors’ Report, Management’s Discussion and Analysis (MD&A) (Unaudited), the Basic Financial Statements (Audited), Supplementary Schedules, Combining Statements, the Schedule of Expenditures of Federal Awards, and the Auditors’ Reports on Internal Controls and Compliance. These financial statements include all the accounts for which the District is considered to be financially responsible. The MD&A is intended to serve as an introduction to the District’s basic financial statements.

THE BASIC FINANCIAL STATEMENTS CONSIST OF THE FOLLOWING:

- District-Wide Financial Statements
- Fund Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS:

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

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

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

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

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

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

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current assets						
Cash and investments	\$ 67,806,643	\$ 62,651,046	\$ 6,137,550	\$ 6,121,608	\$ 73,944,193	\$ 68,772,654
Other	9,549,340	110,629,224	502,459	474,451	10,051,799	111,103,675
Total current assets	77,355,983	173,280,270	6,640,009	6,596,059	83,995,992	179,876,329
Noncurrent assets						
Restricted cash and investments	9,460,498	9,674,709	-	-	9,460,498	9,674,709
Leases receivable	283,318	357,393	-	-	283,318	357,393
Capital assets not being depreciated	10,223,985	7,544,876	-	-	10,223,985	7,544,876
Capital assets, net of accumulated depreciation/amortization	211,421,893	208,804,272	2,071,170	1,230,909	213,493,063	210,035,181
Total noncurrent assets	231,389,694	226,381,250	2,071,170	1,230,909	233,460,864	227,612,159
Total assets	308,745,677	399,661,520	8,711,179	7,826,968	317,456,856	407,488,488
Deferred outflows of resources						
Deferred outflows - OPEB	2,319,195	2,424,163	-	-	2,319,195	2,424,163
Deferred outflows - pension	64,948,359	39,011,522	-	-	64,948,359	39,011,522
Total deferred outflows of resources	67,267,553	41,435,685	-	-	67,267,553	41,435,685
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	14,945,640	14,066,005	300,248	69,762	15,245,888	14,135,767
Accrued interest payable	1,973,559	3,870,664	4,194	-	1,977,753	3,870,664
Estimated insurance claims	-	662,099	-	-	-	662,099
General obligation bonds payable, current	5,545,000	3,175,000	-	-	5,545,000	3,175,000
Financed purchases	1,561,218	485,877	-	-	1,561,218	485,877
Lease obligations	218,798	129,826	-	-	218,798	129,826
Subscription liabilities	1,644,053	-	174,990	-	1,819,043	-
Other current liabilities	9,778,279	12,452,398	185,173	110,605	9,963,452	12,563,003
Total current liabilities	35,666,547	34,841,869	664,605	180,367	36,331,152	35,022,236
Noncurrent liabilities						
General obligation bonds payable, net	146,861,894	251,366,086	-	-	146,861,894	251,366,086
Financed purchases	4,376,694	993,286	-	-	4,376,694	993,286
Lease obligations	625,219	239,499	-	-	625,219	239,499
Subscription liabilities	662,801	-	600,398	-	1,263,199	-
Estimated insurance claims	565,479	-	-	-	565,479	-
Accrued compensated absences	1,584,726	1,413,487	-	-	1,584,726	1,413,487
Net pension liability	165,221,469	126,099,493	-	-	165,221,469	126,099,493
Total OPEB liability	32,971,528	33,576,139	-	-	32,971,528	33,576,139
Total noncurrent liabilities	352,869,810	413,687,990	600,398	-	353,470,208	413,687,990
Total liabilities	388,536,357	448,529,859	1,265,003	180,367	389,801,360	448,710,226
Deferred inflows of resources						
Deferred inflows - leases	391,390	469,599	-	-	391,390	469,599
Deferred inflows - OPEB	7,768,334	7,911,470	-	-	7,768,334	7,911,470
Deferred inflows - pension	2,410,986	35,511,001	-	-	2,410,986	35,511,001
Total deferred inflows of resources	10,570,710	43,892,070	-	-	10,570,710	43,892,070
Net Position						
Net investment in capital assets	69,060,201	66,284,574	1,295,782	1,230,909	70,355,983	67,515,483
Restricted for						
Debt service	5,832,763	5,546,487	-	-	5,832,763	5,546,487
Special education	9,226,885	6,822,291	-	-	9,226,885	6,822,291
Capital outlay	4,340,945	2,648,096	-	-	4,340,945	2,648,096
Other	2,750,577	3,375,531	-	-	2,750,577	3,375,531
Unrestricted	(114,305,208)	(136,001,703)	6,150,394	6,415,692	(108,154,814)	(129,586,011)
Total net position	\$ (23,093,837)	\$ (51,324,724)	\$ 7,446,176	\$ 7,646,601	(15,647,661)	(43,678,123)

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charge for services	\$ 2,230,700	\$ 2,169,825	\$ 1,095,930	\$ 780,092	\$ 3,326,630	\$ 2,949,917
Federal grants	49,450,533	36,039,536	8,131,816	9,983,337	57,582,349	46,022,873
Other grants and contributions	18,144,616	17,251,651	-	70,317	18,144,616	17,321,968
General revenues						
Property taxes	20,707,500	21,734,928	-	-	20,707,500	21,734,928
State aid	138,145,484	130,973,570	69,773	63,527	138,215,257	131,037,097
Other revenue from local sources	1,709,136	1,367,151	3,800	-	1,712,936	1,367,151
Interest and investment earnings	1,979,929	1,820,636	104,744	3,279	2,084,673	1,823,915
Total revenues	232,367,898	211,357,297	9,406,063	10,900,552	241,773,961	222,257,849
Expenses						
Instruction	110,081,595	112,571,996	-	-	110,081,595	112,571,996
Instructional support	4,869,589	4,797,467	-	-	4,869,589	4,797,467
Student support	27,231,961	24,056,633	-	-	27,231,961	24,056,633
General administration	3,241,731	2,941,555	-	-	3,241,731	2,941,555
School administration	10,544,226	10,567,063	-	-	10,544,226	10,567,063
Business support	2,868,103	3,000,886	-	-	2,868,103	3,000,886
Operations and maintenance	21,213,646	19,985,316	-	-	21,213,646	19,985,316
Transportation	5,386,413	5,699,785	-	-	5,386,413	5,699,785
Central support services	12,267,549	9,875,402	-	-	12,267,549	9,875,402
Other support	205,770	185,728	-	-	205,770	185,728
Student activities	1,552,818	1,315,721	-	-	1,552,818	1,315,721
Interest on long-term debt	3,549,197	7,502,162	-	-	3,549,197	7,502,162
Textbook/study material	-	-	1,419,965	905,731	1,419,965	905,731
Food service	-	-	10,259,903	8,793,202	10,259,903	8,793,202
Other business-type activities	-	-	920	1,455	920	1,455
Total expense	203,012,598	202,499,714	11,680,788	9,700,388	214,693,386	212,200,102
Increase (decrease) in net position before transfers	29,355,300	8,857,583	(2,274,725)	1,200,164	27,080,575	10,057,747
Transfers	(2,074,300)	(507,173)	2,074,300	507,173	-	-
Change in net position	27,281,000	8,350,410	(200,425)	1,707,337	27,080,575	10,057,747
Net position, beginning as previously stated	(51,324,724)	(59,675,134)	7,646,601	5,939,264	(43,678,123)	(53,735,870)
Prior period adjustment	949,887	-	-	-	949,887	-
Net position, beginning of year restated	(50,374,837)	(59,675,134)	7,646,601	5,939,264	42,728,236	(53,735,870)
Net position, ending	\$ (23,093,837)	\$ (51,324,724)	\$7,446,176	\$7,646,601	\$ (15,647,661)	\$ (43,678,123)

FUND FINANCIAL STATEMENTS

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in assets and fund balance as a measure of available spendable resources. This means only current liabilities are generally included on their balance sheets. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred as under accrual accounting; however, debt service expenditures as well as expenditures related to compensated absences are recorded only when payment is due.

District's Major Governmental Funds:

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

SUPPLEMENTAL FINANCIAL SCHEDULES:

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

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

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

FINANCIAL STATEMENTS ANALYSIS:

As noted earlier, net position may serve as a useful indicator of a governmental entities financial position. At the close of the most recent fiscal year the District's governmental liabilities exceeded assets by (\$23,093,837); business-type assets exceeded liabilities by \$7,446,176 during this period. For the two types of activities combined, the District's total net position was (\$15,647,661), which is a substantial improvement from last year's total net position of (\$43,678,123). The negative net position again is primarily due to our recording of the Kansas Public Employees Retirement System (KPERS) net pension noncurrent liability of \$165,221,469 (increase of \$39.1 million compared with FY-2022). Also influencing the FY-2023 net position is GASB 75, which requires state and local employers to report their portion of the state's postemployment benefits (i.e. death and disability) as a noncurrent liability; this totaled \$2,501,661 for FY-2023, compared to \$2,770,147 in FY-2022. District employees are covered under the KPERS plan and the state of Kansas makes all employer pension contributions on behalf of the District. A notable change in Total Current Assets - Other for FY-23 of \$10,051,799 as compared with FY-22 total of \$111,103,675, is related to funds that were held in escrow from the 2020 cross-over refinancing of 2014A (\$88.5 million) and 2016A (\$8.9 million) General Obligation (GO) bonds. As noted in the FY-22 Financial Statement Analysis, \$108,338,412 was held in escrow account investments to satisfy upcoming 2023 maturities. These types of refunded bond principal payments are not considered defeased until the crossover date. Any related cross-over assets held in trust by the escrow agent are reported as current or noncurrent assets based on their maturity, causing them to be classified as current assets in the FY-22 audited financials. As these escrow balances reached maturity in FY-23, year-end Current Asset – Other balances fell to more normal levels. Total noncurrent assets for FY-23 increased 2.6% to \$233,460,864 from the prior year of \$227,612,159.

1. The District's total assets decreased by 22% or \$90,031,632 during fiscal year 2023. As noted above, the prevalent factor for the decrease is reflected in Current Assets - Other for Governmental Activities. The \$108.3 million held in bond refunding escrow balances reported in FY-22 as Current assets reached maturity in FY-23 and therefore are no longer reported as a Current or Non-Current assets.
2. The District's total current liabilities increased \$1,308,916 or 3.7% during the year ended June 30, 2023. Total Non-current liabilities decreased by \$60.2 million (14.6%), again related to the \$97.4 million cross-over refinancing of 2014A and 2016A GO bonds that occurred in 2020, with the respective escrow balances being fully defeased in FY-23. The District's proportionate share of state KPERS net pension liability increased substantially by \$39.1 million or 31%. Also of note is a \$4.5 million increase in Financed purchases, largely due to a district-wide security camera upgrade.
3. Total liabilities decreased by \$58,908,866 (13.1%) during the year ended June 30, 2023 for reasons noted in #2 above, primarily the decrease in District's General Obligation bonds payable of \$102.1 million (40.1%). Also of note concerning Total liabilities is the new reporting requirement of Subscription liabilities (SBITA) for FY-23 that include \$1.8 million in Current and \$1.3 million in Noncurrent, totaling of \$3.1 million in Subscription liabilities.
4. Combined current and non-current accrued compensated absences (sick pay and vacation) increased (1.2%) from \$2,765,393 in 2022 to \$2,797,607 at year ended June 30, 2023.
5. The District's Total-Liabilities for 2023 of \$389.8 million are approximately 1.23 times Total-Assets of \$317.5 million as compared with the 1.1 ratio for FY-22. The recording of the KPERS Net pension liability remains an important factor impacting this ratio. Removing the \$165.2 million KPERS liability brings the Total-Debt to Total-Assets ratio down to 71%.

6. The District's Bonded-Debt on June 30, 2023 was approximately 68% of Capital Assets. The District Moody's credit profile, affirmed August 22, 2022, is Aa3 for General Obligation bond debt. The Moody's rating(s) for the City of Topeka and State of Kansas respectively are Aa3 and Aa2 stable. Moody's Aa rated debt obligations are judged to be of high quality and subject to very low credit risk.
7. The Statement of Activities provides further insight to the District's 2023 net position. The District's total revenues increased to \$241,773,961 during FY-23, up from FY-22's \$222,257,849. Combined revenues from State aid and Federal grants were \$18.7 million (10.6%) higher in 2023 versus 2022; resulting from a \$7.2 million increase in State aid and \$11.5 million increase in Federal grants (largely FY-23 COVID aid). The District experienced a slight 1.2% increase in total expenses to \$214,693,386. The above activities resulted in a positive change in Net Position before transfers of \$27,080,575 for FY-2023, compared to a FY-2022 positive change in Net Position of \$10,057,747.
8. The Statement of Activities reflects a stable picture in revenue from property tax collections: \$20,707,500 for FY-2023 versus \$21,734,928 for FY-2022 collections. Final tax rates experienced a decrease of (2.4) mills to 46.013 for FY-23 versus 48.385 for FY-2022. FY-23 Assessed Valuation of property for the district decreased slightly for the General Fund to \$620,540,143 (due to a legislative change in School District exemption) and total valuation was up 9.7% to \$766,423,199 versus FY-22 of \$698,695,671.
9. The District's Current Ratio is 2.31 for 2023 compared to 2.32 in 2022 (after backing out maturing escrow funds from FY-22 Total current assets). The current ratio is a measure of an entity's ability to meet current obligations on time and to have funds readily available for current and upcoming operations.
10. Another ratio similar to the current ratio is the "quick ratio". This ratio focuses more on cash and cash equivalents for the satisfaction of maturing debt. The District's Quick Ratio was 2.04 in 2023 compared to 1.96 in 2022. The ratio indicates the District has adequate cash or cash equivalents (not inventory) in excess of the amount needed to pay its currently maturing liabilities.

Fund Financial Statement Analysis

1. General Fund (State Code 06): Final FY-2023 Legal Max budget authority was \$107,664,424, a 6.3% increase when compared to FY-2022 Legal Max General Fund budget authority of \$101,292,866. Per pupil State Foundation Aid in FY-23 rose 3% to \$4,846 compared to FY-22 of \$4,706. The considerably larger FY-23 General Fund state aid is largely attributable to higher At-Risk weightings for FY-23 of 4,190.5, as compared to 3,281.0 for FY-22. This represents a 27.7% increase in FY-23 At-Risk FTE largely due to better data collection on student/family income status. The following is the District's audited "Full Time Equivalent" (F.T.E.) student enrollment numbers for the past three years (excluding weightings, 4-Yr. Old At-Risk and Virtual students); FY-2023 was 11,840.6, FY-2022 was 11,775.0, FY-2021 was 11,947.3.

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

Supplemental General Fund: In 2006, the Kansas Legislature increased the maximum level of budget authority in school districts' Supplemental General or Local Option Budget (LOB) Funds from 27% of the General Fund to 31% of the General Fund. Again, in 2014, legislation raised the allowable maximum to 33%. The District was able to pass a Resolution authorizing its LOB up to the 33% max. The District's Supplemental General Fund adopted authority was the max 33% for FY-2023. Total expenditures and transfers for FY-2023 were \$34,204,495 (Legal Max), 3.66% higher than FY-2022 Legal Max of \$32,996,694. State aid for the Supplemental General Fund was \$21,531,730 for FY-2023, and the District received \$20,979,298 of LOB state aid for FY-2022. Local tax revenues generated from the LOB mill levy collected \$11,393,526 during FY-2023 vs. \$12,506,618 during FY-2022. FY-2023 LOB mill rate was 14.345 vs. 16.352 for FY-2022.

2. At-Risk K-12 Fund: Rules governing K-12 At-Risk dollars allow for carrying over unused funds from one fiscal year to another, the unused budget authority is allowed to remain in the fund for use in subsequent years. The District's K-12 At-Risk fund balance was \$93,353 (\$99,193 GAAP) at the end of fiscal year 2023. This fund balance was up from fiscal year 2022's carryover balance of \$777 (\$4,490 GAAP). The district continues to maintain a very modest carry-over balance in the At-Risk Fund, while still maintaining the proportionate share transfer requirement from the LOB for FY-23.
3. USDE Pass Through Fund: This fund was created to account for federal grants from USDE. Most of our federal grants operate on a reimbursement of expenditures method. This fund normally has a zero fund balance (GAAP) at the end of the fiscal year as grant revenue equals grant expenditures.
4. Special Education Fund: The District transferred \$24,984,871 (\$17,286,226 in Categorical SPED Aid) from its General Fund and \$12,112,165 from its Supplemental General Fund to the Special Education Fund during Fiscal Year 2023 (\$37,097,036 total – up 11.5%) to cover the costs associated with providing required services (compared with \$33,270,821 in FY-2022). Expenditures were up 5.9% or \$2.4 million for FY-2023 at \$42.5 million. The FY-2023 ending fund balance of \$10,059,161 (GAAP) was higher (by \$3,179,469 or 46.2%) from the fiscal year 2022 carryover balance of \$6,879,692. Special needs student FTE of 3,567.1 remains stable compared with other district weighted student categories.
5. Capital Outlay Fund: The District's mill levy to support the operations of the Capital Outlay Fund was 7.641 mills for Fiscal Year 2023, a decrease of (.358 mills) from 7.999 in FY- 2022. The Capital Outlay Fund supports building maintenance, remodel and repair projects, as well as District-wide technology initiatives. The fund's revenue stream for FY-23 was enhanced because of legislation passed in 2008 creating a state aid program to assist Kansas school districts in addressing their maintenance and repair needs. The District received \$3,576,057 in this type of assistance from the State in FY-23. Including encumbrances, the FY-23 ending fund balance of \$7,806,455 was slightly lower (by \$67,992) when compared with FY-22 ending fund balance of \$7,874,447. A sample of the largest budgeted capital outlay maintenance and technology projects during FY-2023 are as follows:

Topeka High Uni-Vent Replacement P#1 – 1010123	\$1,045,000
Whitson Uni-Vent Replacement – 1050123	\$ 400,000
Eisenhower Middle HVAC Replacement P#2 - 1030123	\$ 370,000
Topeka High Auditorium Sound & Lighting - 1012023	\$ 300,000
Chase HVAC Replacement #2 - 1020123	\$ 281,000
Topeka West Roof Replacement – 1022623	\$ 227,000
Eisenhower Asphalt Track – 1029623	\$ 200,000
Topeka West ADA Ramp Project – 1012723	\$ 190,000
Eisenhower Tennis Court Replacement – 1019623	\$ 180,000
Eisenhower Roof Replacement – 1032623	\$ 151,000

Twenty (20) Major Maintenance projects with a total estimated cost of \$4,200,000 were budgeted for FY-2023 - similar work for prior year FY-22 was budgeted at \$4,835,000.

6. The District's FY-2023 Textbook Revolving Fund Net Position of \$3,023,319 reflects an increase of \$879,273 from the FY-2022 Net Position of \$2,144,046. Total expenditures for FY-2023 increased to \$1,416,654 vs. expenditures of \$905,731 during FY-2022. Transfer(s) from the General Fund and LOB totaling \$2,074,300 were made to the Textbook Revolving Fund during FY-2022.
7. Food Service Fund: The District's Food Service operations finished the year with a negative change in Net Position of (\$1,095,981) compared with the FY-2022 positive change in Net Position of \$1,805,947. Food Service revenues were strong in FY-2022 as students returned to in-person classes and USDA guidelines made ALL students eligible for free meals regardless of socio-economic status; this USDA guideline remained in place for the entire FY-2022 school year. USDA meal reimbursements to districts for all of the FY-2022 school year remained on Summer Meal Program reimbursement rates, which are substantially higher than standard year meal reimbursements. Unfortunately all student eligibility ended for FY-23 and reimbursements declined as the Summer Meal Program rates were suspended for any regular school year activity. Food Service revenues are comprised of Operating (Charges for services) and Nonoperating (Federal & State reimbursements) payments. Combined revenues for FY-2023 totaled \$9,180,242 compared to FY-2022 combined revenues of \$10,629,626. Operating expenses were \$10,276,223 for FY-2023, compared to FY-2022 operating expenses of \$8,823,679, increasing by \$1,452,544. The almost 16.5% increase in Operating expenses for FY-2023 is due to substantial hourly wage increases for Food Service staff and the substantial inflationary increases in food supplies and fuel experienced by everyone 2022-2023.

Budgetary Highlights

1. The District saw its adopted total state budget amount for all funds decrease to \$274,253,765 (excludes Transfers of \$61,558,662) in FY-2023 from \$290,905,674 (excludes Transfers of \$63,041,603) in FY-2022. The decrease in net USD budget authority is largely attributable to a substantial decrease (down \$16.2 million) in Federal Grants budget authority adopted for FY-23 of \$61,503,028 vs. FY-22 of \$77,717,399; which again is related to COVID relief ESSER grant awards. ESSER I and II grant award dollars were substantially exhausted during FY-22, leaving the final ESSER III award budgeted for FY-23.
2. The District's Total Assessed Valuation has experienced an average growth of 5.6% for the previous three budget cycles; 2020 Total Assessed Valuation for FY-21 was \$668.6 million, 2021 was \$698.7 million & 2022 valuations grew to \$766.4 million. During the same three budget cycles Total Mill levies decreased by over (3.7) mills; FY-21 Total Mill Levy was 49.716, FY-22 was 48.385, and FY-23 Levies fell to 46.013.
3. The District's Board passed Resolution 15-39 on June 16, 2015 adopting the ability to increase its local option budget authority by an additional 3% (from 30% to 33%). The adopted LOB percentage for the past three fiscal years is as follows: FY-21 adopted 33.0%, FY-22 adopted 33.0%, and FY-2023 adopted 33%. The District continues to leverage the LOB percentage in efforts to maximize state aid and adequately fund all instructional programs while keeping its total mill levy stable.

Capital Assets and Debt Administration

1. The District's year end June 30, 2023 long-term bonded debt liability decreased by (\$3,175,000) from June 30, 2022; FY-2023 bonded debt Principal owed was \$143,285,000 (excluding crossover-refunding securities held in irrevocable trust until August 01, 2023). The District's Bond & Interest / Debt Service Fund (Code 62) had an ending cash balance of \$6,812,193.

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

This report's intent is to provide a descriptive overview of USD 501's FY-2023 financial position. Please address any requests for information or questions concerning this report to the Chief Financial Officer – Board Treasurer, 624 SW 24th Street, Topeka, Kansas 66611-1294.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and investments	\$ 67,806,643	\$ 6,137,550	\$ 73,944,193
Restricted cash and investments	214,216	-	214,216
Due from other governmental units	3,962,007	-	3,962,007
Interest receivable	230,861	-	230,861
State aid receivables	5,058,149	-	5,058,149
Leases receivable	113,473	-	113,473
Internal balances	(88,780)	88,780	-
Inventory of materials and supplies	59,414	413,679	473,093
Total current assets	<u>77,355,983</u>	<u>6,640,009</u>	<u>83,995,992</u>
Noncurrent assets:			
Restricted cash and investments	9,460,498	-	9,460,498
Leases receivable	283,318	-	283,318
Capital assets:			
Capital assets not being depreciated	10,223,985	-	10,223,985
Capital assets, net of accumulated depreciation/amortization	211,421,893	2,071,170	213,493,063
Total noncurrent assets	<u>231,389,694</u>	<u>2,071,170</u>	<u>233,460,864</u>
Total assets	<u>308,745,677</u>	<u>8,711,179</u>	<u>317,456,856</u>
Deferred outflows of resources:			
Deferred outflows - OPEB	2,319,195	-	2,319,195
Deferred outflows - pension	64,948,358	-	64,948,358
Total deferred outflows of resources	<u>67,267,553</u>	<u>-</u>	<u>67,267,553</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	14,945,640	300,248	15,245,888
Accrued interest payable	1,973,559	4,194	1,977,753
Payroll liabilities	8,068,495	-	8,068,495
Unearned revenue	496,903	185,173	682,076
General obligation bonds payable	5,545,000	-	5,545,000
Financed purchases	1,561,218	-	1,561,218
Lease obligations	218,798	-	218,798
Subscription liabilities	1,644,053	174,990	1,819,043
Accrued compensated absences	1,212,881	-	1,212,881
Total current liabilities	<u>35,666,547</u>	<u>664,605</u>	<u>36,331,152</u>
Noncurrent liabilities:			
General obligation bonds payable, net	146,861,894	-	146,861,894
Financed purchases	4,376,694	-	4,376,694
Lease obligations	625,219	-	625,219
Subscription liabilities	662,801	600,398	1,263,199
Accrued compensated absences	1,584,726	-	1,584,726
Estimated insurance claims	565,479	-	565,479
Net pension liability	165,221,469	-	165,221,469
Total OPEB liability	32,971,528	-	32,971,528
Total noncurrent liabilities	<u>352,869,810</u>	<u>600,398</u>	<u>353,470,208</u>
Total liabilities	<u>388,536,357</u>	<u>1,265,003</u>	<u>389,801,360</u>
Deferred inflows of resources:			
Deferred inflows - leases	391,390	-	391,390
Deferred inflows - OPEB	7,768,334	-	7,768,334
Deferred inflows - pension	2,410,986	-	2,410,986
Total deferred inflows of resources	<u>10,570,710</u>	<u>-</u>	<u>10,570,710</u>
Net position:			
Net investment in capital assets	69,060,201	1,295,782	70,355,983
Restricted for:			
Debt service	5,832,763	-	5,832,763
Special education	9,226,885	-	9,226,885
Capital outlay	4,340,945	-	4,340,945
Other	2,750,577	-	2,750,577
Unrestricted	(114,305,208)	6,150,394	(108,154,814)
Total net position	<u>\$ (23,093,837)</u>	<u>\$ 7,446,176</u>	<u>\$ (15,647,661)</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants		Governmental Activities	Business-Type Activities	Total
			Federal Grants	Other Grants and Contributions			
Governmental activities:							
Instruction	\$ 110,081,595	\$ 22,389	\$ 31,068,255	\$ 18,055,364	\$ (60,935,587)		\$ (60,935,587)
Instructional support	4,869,589	3,142	676,434	816	(4,189,197)		(4,189,197)
Student support	27,231,961	-	11,639,838	-	(15,592,123)		(15,592,123)
General administration	3,241,731	16,744	-	15,847	(3,209,140)		(3,209,140)
School administration	10,544,226	14,530	155,257	1,865	(10,372,574)		(10,372,574)
Business support	2,868,103	112,190	3,964	12,941	(2,739,008)		(2,739,008)
Operations and maintenance	21,213,646	157,789	335,817	23,901	(20,696,139)		(20,696,139)
Transportation	5,386,413	-	529,822	-	(4,856,591)		(4,856,591)
Central support services	12,267,549	-	5,041,146	-	(7,226,403)		(7,226,403)
Other support	205,770	263,915	-	33,882	92,027		92,027
Student activities	1,552,818	1,640,001	-	-	87,183		87,183
Interest on long-term debt	3,549,197	-	-	-	(3,549,197)		(3,549,197)
Total governmental activities	203,012,598	2,230,700	49,450,533	18,144,616	(133,186,749)		(133,186,749)
Business-type activities:							
Food service	10,277,106	903,091	8,131,816	-		\$ (1,242,199)	(1,242,199)
Other business-type activities	1,403,682	192,839	-	-		(1,210,843)	(1,210,843)
Total business-type activities	11,680,788	1,095,930	8,131,816	-		(2,453,042)	(2,453,042)
Total District (forward)	\$ 214,693,386	\$ 3,326,630	\$ 57,582,349	\$ 18,144,616	\$ (133,186,749)	\$ (2,453,042)	\$ (135,639,791)

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
Year Ended June 30, 2023

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Net (expense) revenue and changes in net position brought forward	\$ (133,186,749)	\$ (2,453,042)	\$ (135,639,791)
General revenues:			
Property taxes	20,707,500	-	20,707,500
State aid	138,145,484	69,773	138,215,257
Other revenue from local sources	1,709,136	3,800	1,712,936
Interest and investment earnings	1,979,929	104,744	2,084,673
Transfers	(2,074,300)	2,074,300	-
Total general revenues	160,467,749	2,252,617	162,720,366
Change in net position	27,281,000	(200,425)	27,080,575
Net position, beginning of year as previously stated	(51,324,724)	7,646,601	(43,678,123)
Prior period adjustments	949,887	-	949,887
Net position, beginning of year as restated	(50,374,837)	7,646,601	(42,728,236)
Net position, end of year	\$ (23,093,837)	\$ 7,446,176	\$ (15,647,661)

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	General*	Special Education	Capital Outlay	USDE Pass Through
<u>ASSETS</u>				
Cash and investments	\$ 27,714,510	\$ 11,959,879	\$ 8,733,954	\$ -
Restricted cash and investments	-	-	-	-
Due from other funds	2,191,828	-	-	-
Due from other governmental units	-	115,500	-	3,354,735
State aid receivables	-	-	-	-
Leases receivable	112,985	-	283,806	-
Interest receivable	159	-	1,287	-
Inventory of materials and supplies	59,414	-	-	-
Total assets	<u>\$ 30,078,896</u>	<u>\$ 12,075,379</u>	<u>\$ 9,019,047</u>	<u>\$ 3,354,735</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,901,020	\$ 2,016,218	\$ 934,302	\$ 1,382,673
Due to other funds	-	-	-	1,953,254
Payroll liabilities	8,068,495	-	-	-
Unearned revenue	-	-	-	18,808
Total liabilities	<u>12,969,515</u>	<u>2,016,218</u>	<u>934,302</u>	<u>3,354,735</u>
Deferred inflows of resources:				
Deferred inflows - leases	113,100	-	278,290	-
Fund balances:				
Non-spendable:				
Inventories	59,414	-	-	-
Restricted:				
Instruction	-	9,226,885	-	-
Student support	-	-	-	-
Instructional support	-	-	-	-
General administration	-	-	-	-
Operations and maintenance	-	-	4,340,945	-
Student activities	-	-	-	-
Debt service	-	-	-	-
Assigned	10,700,813	832,276	3,465,510	-
Unassigned	6,236,054	-	-	-
Total fund balances	<u>16,996,281</u>	<u>10,059,161</u>	<u>7,806,455</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,078,896</u>	<u>\$ 12,075,379</u>	<u>\$ 9,019,047</u>	<u>\$ 3,354,735</u>

* See the General Fund Combining Balance Sheet on pages 92-95.

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
(Continued)
June 30, 2023

	KPERs Special Retirement Contribution	Bond and Interest	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 6,812,193	\$ 3,634,978	\$ 58,855,514
Restricted cash and investments	-	9,674,714	-	9,674,714
Due from other funds	-	-	-	2,191,828
Due from other governmental units	-	-	491,772	3,962,007
State aid receivables	5,058,149	-	-	5,058,149
Leases receivable	-	-	-	396,791
Interest receivable	-	229,415	-	230,861
Inventory of materials and supplies	-	-	-	59,414
Total assets	<u>\$ 5,058,149</u>	<u>\$ 16,716,322</u>	<u>\$ 4,126,750</u>	<u>\$ 80,429,278</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 5,058,149	\$ -	\$ 653,278	\$ 14,945,640
Due to other funds	-	-	238,574	2,191,828
Payroll liabilities	-	-	-	8,068,495
Unearned revenue	-	-	478,095	496,903
Total liabilities	<u>5,058,149</u>	<u>-</u>	<u>1,369,947</u>	<u>25,702,866</u>
Deferred inflows of resources:				
Deferred inflows - leases	-	-	-	391,390
Fund balances:				
Non-spendable:				
Inventories	-	-	-	59,414
Restricted:				
Instruction	-	-	90	9,226,975
Student support	-	-	741,819	741,819
Instructional support	-	-	176,556	176,556
General administration	-	-	380,155	380,155
Operations and maintenance	-	-	-	4,340,945
Student activities	-	-	1,451,957	1,451,957
Debt service	-	16,716,322	-	16,716,322
Assigned	-	-	6,226	15,004,825
Unassigned	-	-	-	6,236,054
Total fund balances	<u>-</u>	<u>16,716,322</u>	<u>2,756,803</u>	<u>54,335,022</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,058,149</u>	<u>\$ 16,716,322</u>	<u>\$ 4,126,750</u>	<u>\$ 80,429,278</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 June 30, 2023

Total fund balances - governmental funds		\$ 54,335,022
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$378,645,833, the accumulated depreciation and amortization is \$ 156,999,955.</p>		221,645,878
<p>Internal service funds are used by the District to charge the costs of dental insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.</p>		8,296,870
<p>Long-term liabilities and the related deferred inflows and outflows are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2023 are:</p>		
General obligation bonds payable	\$ (152,195,000)	
Unamortized bond premium	(211,894)	
Accrued interest payable	(1,973,559)	
Accrued compensated absences	(2,797,607)	
Financed purchases	(5,937,912)	
Lease obligations	(844,017)	
Subscription liabilities	(2,306,854)	
Total OPEB liability	(32,971,528)	
Net pension liability	(165,221,469)	
Deferred outflows - OPEB	2,319,195	
Deferred inflows - OPEB	(7,768,334)	
Deferred outflows - pension	64,948,358	
Deferred inflows - pension	(2,410,986)	
		(307,371,607)
Total net position - governmental activities		\$ (23,093,837)

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	General*	Special Education	Capital Outlay	USDE Pass Through
Revenues:				
Property taxes	\$ 11,393,526	\$ -	\$ 6,101,540	\$ -
Local sources	151,018	-	152,000	-
Charges for services	511,631	-	76,302	-
State aid	111,997,533	17,309,687	3,494,778	-
Federal aid	-	7,629,819	-	34,524,459
Interest	87,196	-	1,020,734	-
Miscellaneous	576,326	-	20,000	-
Total revenues	124,717,230	24,939,506	10,865,354	34,524,459
Expenditures:				
Current:				
Instruction	57,038,284	27,368,435	1,623,608	20,774,618
Student support	5,769,082	10,104,442	-	9,462,344
Instructional support	3,708,997	993,539	-	138,694
General administration	2,968,238	-	-	-
School administration	9,743,704	844,639	-	-
Business support	1,277,525	22,085	(90,196)	-
Operations and maintenance	13,240,352	211,910	8,707,995	-
Transportation	3,576,116	2,902,633	1,168,227	1,905
Central support services	4,816,091	-	2,770,616	4,750,743
Other support	221,238	-	-	-
Student activities	(123,711)	-	-	-
On behalf expenditures:				
KPERS	-	-	-	-
Debt service:				
Principal retirement	356,776	62,488	650,631	542,943
Interest and other charges	23,096	809	3,049	4,075
Capital outlay	11,500	-	2,160,223	-
Total expenditures	102,627,288	42,510,980	16,994,153	35,675,322
Excess (deficiency) of revenues over (under) expenditures	22,089,942	(17,571,474)	(6,128,799)	(1,150,863)
Other financing sources (uses):				
Transfers in	-	19,810,810	-	-
Transfers out	(22,400,110)	-	-	-
Sale of capital assets	-	-	30,382	-
Insurance reimbursements	-	-	92,249	-
Payment on refunded debt from escrow	-	-	-	-
Lease obligations	929,367	39,547	-	-
Subscription financing	213,717	115,775	1,074,886	1,150,863
Financed purchases	-	784,811	4,863,290	-
Total other financing sources (uses)	(21,257,026)	20,750,943	6,060,807	1,150,863
Net change in fund balances	832,916	3,179,469	(67,992)	-
Fund balance, beginning of year	16,163,365	6,879,692	7,874,447	-
Fund balance, end of year	\$ 16,996,281	\$ 10,059,161	\$ 7,806,455	\$ -

* See the General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balances on pages 96-99.

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
(Continued)
Year Ended June 30, 2023

	KPERs Special Retirement Contribution	Bond and Interest	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ -	\$ 3,124,432	\$ 88,002	\$ 20,707,500
Local sources	-	-	1,454,366	1,757,384
Charges for services	-	-	1,640,001	2,227,934
State aid	17,548,276	4,829,883	513,603	155,693,760
Federal aid	-	-	7,296,256	49,450,534
Interest	-	568,904	13,033	1,689,867
Miscellaneous	-	15	-	596,341
Total revenues	17,548,276	8,523,234	11,005,261	232,123,320
Expenditures:				
Current:				
Instruction	-	-	6,462,007	113,266,952
Student support	-	-	2,311,628	27,647,496
Instructional support	-	-	14,016	4,855,246
General administration	-	-	269,493	3,237,731
School administration	-	-	-	10,588,343
Business support	-	-	-	1,209,414
Operations and maintenance	-	-	485,881	22,646,138
Transportation	-	-	-	7,648,881
Central support services	-	-	768,502	13,105,952
Other support	-	-	-	221,238
Student activities	-	-	1,674,597	1,550,886
On behalf expenditures:				
KPERs	17,548,276	-	-	17,548,276
Debt service:				
Principal retirement	-	3,175,000	10,475	4,798,313
Interest and other charges	-	6,959,063	402	6,990,494
Capital outlay	-	-	-	2,171,723
Total expenditures	17,548,276	10,134,063	11,997,001	237,487,083
Excess (deficiency) of revenues over (under) expenditures	-	(1,610,829)	(991,740)	(5,363,763)
Other financing sources (uses):				
Transfers in	-	-	515,000	20,325,810
Transfers out	-	-	-	(22,400,110)
Sale of capital assets	-	-	-	30,382
Insurance reimbursements	-	-	-	92,249
Payment on refunded debt from escrow	-	(97,415,000)	-	(97,415,000)
Lease obligations	-	-	19,774	988,688
Subscription financing	-	-	432,270	2,987,511
Financed purchases	-	-	-	5,648,101
Total other financing sources (uses)	-	(97,415,000)	967,044	(89,742,369)
Net change in fund balances	-	(99,025,829)	(24,696)	(95,106,132)
Fund balance, beginning of year	-	115,742,151	2,781,499	149,441,154
Fund balance, end of year	\$ -	\$ 16,716,322	\$ 2,756,803	\$ 54,335,022

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 Year Ended June 30, 2023

Net change in fund balances - governmental funds	\$ (95,106,132)
The change in net position reported for governmental activities in the statement of activities is different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and amortization expense of \$ 10,862,430 is more than capital outlays of \$ 14,584,078. Losses on disposals of \$ 78,630 are taken into consideration as well.	3,643,018
The repayment of the principal of long-term debt (e.g., bonds, financed purchases) consumes the current financial resources of governmental funds, however, has no effect on net position.	103,677,829
The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net position.	(9,624,299)
Governmental funds report the effect of premiums, discounts, and similar items when debt is issued. These amounts are deferred and amortized in the statement of activities.	1,544,192
Internal service funds are used by the District to charge the costs of dental insurance and workers' compensation insurance to individual funds.	723,847
Due to the difference between accrual and modified accrual basis of accounting, some expenses recorded in the statement of activities are recorded in different periods in the governmental funds. These expenses include compensated absences, other post employment benefits, net pension liability, and accrued interest payable.	22,422,545
Change in net position of governmental activities	<u>\$ 27,281,000</u>

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023

	Business-Type Activities			Governmental Activities
	Food Service	Nonmajor Proprietary Funds	Total	Internal Service Funds
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 3,348,417	\$ 2,789,133	\$ 6,137,550	\$ 8,951,129
Inventory of materials and supplies	-	413,679	413,679	-
Total current assets	3,348,417	3,202,812	6,551,229	8,951,129
Noncurrent assets:				
Capital assets, net	1,206,128	865,042	2,071,170	-
Total assets	<u>\$ 4,554,545</u>	<u>\$ 4,067,854</u>	<u>\$ 8,622,399</u>	<u>\$ 8,951,129</u>
<u>LIABILITIES AND NET POSITION</u>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 1,505	\$ 298,743	\$ 300,248	\$ -
Accrued interest payable	883	3,311	4,194	-
Unearned revenue	185,173	-	185,173	-
Subscription liabilities	32,986	142,004	174,990	-
Total current liabilities	220,547	444,058	664,605	-
Noncurrent liabilities:				
Subscription liabilities	-	600,398	600,398	-
Estimated insurance claims	-	-	-	565,479
Total noncurrent liabilities	-	600,398	600,398	565,479
Total liabilities	220,547	1,044,456	1,265,003	565,479
Net position:				
Investment in capital assets	1,173,142	122,640	1,295,782	-
Unrestricted	3,160,856	2,900,758	6,061,614	8,385,650
Total net position	4,333,998	3,023,398	7,357,396	8,385,650
Total liabilities and net position	<u>\$ 4,554,545</u>	<u>\$ 4,067,854</u>	<u>\$ 8,622,399</u>	<u>\$ 8,951,129</u>
Total net position			\$ 7,357,396	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			88,780	
Net position of business-type activities			<u>\$ 7,446,176</u>	

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2023

	Business-Type Activities			Governmental
	Food Service	Nonmajor	Total	Internal
		Proprietary Funds		Service Funds
Operating revenues:				
Charges for services	\$ 903,091	\$ 192,839	\$ 1,095,930	\$ 2,958,990
Other	-	-	-	2,766
Total operating revenues	<u>903,091</u>	<u>192,839</u>	<u>1,095,930</u>	<u>2,961,756</u>
Operating expenses:				
Instruction	-	1,380,656	1,380,656	135,405
Student support	3,650	-	3,650	-
Business support	285,000	-	285,000	918,990
Central support services	-	-	-	1,418,833
Operations and maintenance	145,366	-	145,366	37,540
Depreciation and amortization	104,961	36,918	141,879	-
Food service	9,737,246	-	9,737,246	-
Total operating expenses	<u>10,276,223</u>	<u>1,417,574</u>	<u>11,693,797</u>	<u>2,510,768</u>
Operating income (loss)	<u>(9,373,132)</u>	<u>(1,224,735)</u>	<u>(10,597,867)</u>	<u>450,988</u>
Nonoperating revenues (expenses)				
Interest income	75,945	28,799	104,744	290,062
Interest and fiscal charges	(883)	(3,311)	(4,194)	-
Local sources	-	5	5	-
State aid	69,773	-	69,773	-
Federal aid	8,131,816	-	8,131,816	-
Miscellaneous	500	3,295	3,795	-
Transfers in	-	2,074,300	2,074,300	-
Total nonoperating revenues	<u>8,277,151</u>	<u>2,103,088</u>	<u>10,380,239</u>	<u>290,062</u>
Change in net position	<u>(1,095,981)</u>	<u>878,353</u>	<u>(217,628)</u>	<u>741,050</u>
Net position, beginning of year	<u>5,429,979</u>	<u>2,145,045</u>	<u>7,575,024</u>	<u>7,644,600</u>
Net position, end of year	<u>\$ 4,333,998</u>	<u>\$ 3,023,398</u>	<u>\$ 7,357,396</u>	<u>\$ 8,385,650</u>
Change in net position			\$ (217,628)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>17,203</u>	
Change in net position of business-type activities			<u>\$ (200,425)</u>	

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2023

	Business-Type Activities			Governmental Activities
	Food Service	Nonmajor Proprietary Funds	Total	Internal Service Funds
Cash flows from operating activities:				
Received from user charges	\$ 903,091	\$ 192,839	\$ 1,095,930	\$ 2,958,990
Received from other sources	-	-	-	2,766
Payments to employees for services	(3,811,861)	-	(3,811,861)	(787,450)
Payments to suppliers for goods and services	(6,426,775)	(1,090,104)	(7,516,879)	(1,819,938)
Net cash from operating activities	<u>(9,335,545)</u>	<u>(897,265)</u>	<u>(10,232,810)</u>	<u>354,368</u>
Cash flows from noncapital financing activities:				
Nonoperating grants received	8,276,854	-	8,276,854	-
Miscellaneous receipts	500	3,300	3,800	-
Transfers from other funds	-	2,074,300	2,074,300	-
Net cash from noncapital financing activities	<u>8,277,354</u>	<u>2,077,600</u>	<u>10,354,954</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(13,465)	-	(13,465)	-
Principal payments on long-term debt	(34,728)	(158,559)	(193,287)	-
Interest and fees paid on capital debt	(883)	(3,311)	(4,194)	-
Net cash from capital and related financing activities	<u>(49,076)</u>	<u>(161,870)</u>	<u>(210,946)</u>	<u>-</u>
Cash flows from investing activities:				
Interest received	75,945	28,799	104,744	290,062
Net change in cash and investments	<u>(1,031,322)</u>	<u>1,047,264</u>	<u>15,942</u>	<u>644,430</u>
Cash and investments, beginning	<u>4,379,739</u>	<u>1,741,869</u>	<u>6,121,608</u>	<u>8,306,699</u>
Cash and investments, ending	<u>\$ 3,348,417</u>	<u>\$ 2,789,133</u>	<u>\$ 6,137,550</u>	<u>\$ 8,951,129</u>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ (9,373,132)	\$ (1,224,735)	\$ (10,597,867)	\$ 450,988
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	104,961	36,918	141,879	-
Changes in assets and liabilities:				
Inventory of materials and supplies	-	(11,502)	(11,502)	-
Accounts payable and accrued liabilities	(67,374)	302,054	234,680	-
Estimated insurance claims	-	-	-	(96,620)
Net cash from operating activities	<u>\$ (9,335,545)</u>	<u>\$ (897,265)</u>	<u>\$ (10,232,810)</u>	<u>\$ 354,368</u>

Noncash capital financing activities:

Right-to-use assets of \$ 67,713 in the Food Service Fund were acquired through subscription liabilities.

See accompanying notes to financial statements.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The District reports the following major governmental funds:

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

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

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

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

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

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

The District reports the following major proprietary fund:

Food Service Fund, which is used to account for all monies received and expended attributable to the District’s breakfast and lunch programs.

Additionally, the District reports the following fund type:

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s proprietary funds

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

are charges to students for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expense transactions not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Statement of Cash Flows

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

Inventory

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

Investments

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

Capital Assets

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

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

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

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

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

Leases

Lessee: The District is a lessee for leases pertaining to equipment and vehicles. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor: The District is a lessor for leases pertaining to buildings. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription Liabilities

The District has entered into various subscription agreements. The District recognizes a subscription liability and an intangible subscription asset in the government-wide financial statements and proprietary fund financial statements.

At the commencement of a contract, the District initially measures the subscription liability at the present value of payments expected to be made during the contract term. The subscription asset is initially measured at the initial amount of the subscription liability, adjusted for payments made at commencement, initial implementation costs, and any incentives received. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) contract terms, and (3) contract payments.

- The District uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The contract term includes the noncancellable period of the contract. Contract payments included in the measurement of the subscription liability are composed of fixed payments.

The District monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

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Long-Term Liabilities

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

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

Compensated Absences

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

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

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

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The District has three types of items that qualify for reporting in this category. The items are deferred inflows of resources – leases, deferred inflows of resources – pension, and deferred inflows of resources – OPEB. See Note 5 for more information on the deferred

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inflows of resources – leases, Note 8 for more information on the deferred inflows of resources – pension and Note 9 for more information on the deferred inflows of resources – OPEB.

Pensions

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

Net Position

In the government-wide financial statements, the District's net position is classified as follows:

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

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

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

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2023, fund balances for governmental funds are made up of the following:

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

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

Committed fund balance includes amounts that can only be used for specific purposes determined by formal action, such as a resolution, of the District's highest level of decision-making authority, the District's Board.

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Commitments may be changed or lifted only by the District taking the same formal action that imposed the constraint originally (for example: resolution or ordinance).

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

Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

Use of Estimates

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

Implementation of New Accounting Standards

During the year, the District implemented the following accounting standard:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Beginning net position was impacted by \$ 917,736 due to the adoption of this Statement.

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Pending Governmental Accounting Standards Board Statements

At June 30, 2023, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the District. The statements that might impact the District are as follows:

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

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

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

2 - Budgetary Basis of Accounting

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and proprietary funds. 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 on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of final budget has been adjusted to on or before September 20th. The District did hold a revenue neutral rate hearing in the adoption of the fiscal year 2023 budget.

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The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The District had budget amendments in the General Fund, At-Risk K-12 Fund, and KPERS Special Retirement Contribution Fund for the fiscal year ended June 30, 2023.

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

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

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

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

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

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

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

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

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3 - Cash and Investments

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

Credit risk. Kansas State Statutes authorize the District, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, the State of Kansas Municipal Investment Pool (the MIP), and U.S. treasury bills and notes. The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is shown as cash and investments. In addition, certain cash and investments are separately held by some of the District's funds. At June 30, 2023 and throughout the year ended June 30, 2023, the District's cash and investments included certificates of deposit, SLGS, and the MIP. The MIP is under the oversight of the Pooled Money Investment Board (the Board). The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The SLGS were measured using net asset value. The District's investments in the MIP and SLGS were not rated by a rating agency as of June 30, 2023.

Investment earnings, including interest income, are allocated to the funds required to accumulate interest; other investment earnings are allocated based on management discretion.

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

Fair value measurement. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets;

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Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Fair value measurement hierarchy information is not provided for the District's deposits in the MIP or SLGS.

Custodial credit risk – deposits and investments. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Statutes require that deposits and investment be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits (less insured amounts) and deposits and investments must be assigned for the benefit of the District. At June 30, 2023, the District's deposits and investments were not exposed to custodial credit risk.

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

As of June 30, 2023, maturities of the District's investments are as follows:

Investment Type	Fair Value	Investments Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
SLGS	\$ 9,674,714	\$ 214,216	\$ 9,460,498	\$ -	\$ -
Municipal Investment Pool:					
Overnight Pool	52,218,923	52,218,923	-	-	-
90 Day Pool	5,000,000	5,000,000	-	-	-
	<u>\$ 66,893,637</u>	<u>\$ 57,433,139</u>	<u>\$ 9,460,498</u>	<u>\$ -</u>	<u>\$ -</u>

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

4 - Tax Revenue, Taxes Receivable, and Tax Abatements

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

Assessed values are established by the Shawnee County appraiser's office. The assessed valuation at January 1, 2022 of the tangible, taxable property for purposes of local taxation was \$ 620,540,143 for the general fund and \$ 766,423,199 in total.

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The tax levy per \$ 1,000 of the November 1, 2022 levy of tangible, taxable property levied for District taxation was as follows by fund:

General	\$	20.000
Supplemental general		14.345
Capital outlay		7.641
Debt service		4.001
Special liability		0.026
		46.013
	\$	46.013

Tax Abatements and Rebates

The City of Topeka, Kansas and Shawnee County, Kansas enter into property tax abatement and rebate agreements with local businesses and entities for the purpose of attracting and improving business and neighborhood conditions within their jurisdictions. These agreements affect local municipalities, including the District. For the fiscal year ended June 30, 2023, abated or rebated property taxes not distributed to the District because of such agreements totaled \$ 1,421,244 (includes economic development, IRB exemptions of \$ 695,724, and NRA property tax rebates of \$ 725,520). One-hundred and forty-nine (149) parcels made up the total rebated amount, including the following that exceeded ten percent of the total amount of undistributed tax for each category:

- An IRB exemption to a large medical care provider. The District's portion of the abatement amounted to \$ 509,510.

5 - Lease Receivables

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

Lease Description	Payment Terms	Lease Revenue	Deferred Inflow of Resources at Year End	Lease Receivable at Year End
<u>Buildings:</u>				
State of Kansas Department of Administration	Quarterly payments of \$ 14,538 at 1.2166% through February 2027	\$ 76,302	\$ 278,290	\$ 283,806
Community Resources Council, Inc.	Monthly payments of \$ 2,487 at 1.0590% through December 2025	29,152	72,881	73,587
Community Resources Council, Inc.	Annual payments of \$ 9,850 at 0.0000% through July 2027	9,029	40,219	39,398
		\$ 114,483	\$ 391,390	\$ 396,791

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6 - Capital Assets

A summary of changes in capital assets follows:

	Governmental Activities					
	Balance July 1, 2022 as previously stated	Prior period adjustment	Balance July 1, 2022 as restated	Additions	Retirements	Balance June 30, 2023
<u>Capital assets not being depreciated:</u>						
Land	\$ 6,553,740	\$ -	\$ 6,553,740	\$ -	\$ -	\$ 6,553,740
Construction in progress	991,136	-	991,136	6,468,355	(3,789,246)	3,670,245
Total capital assets not being depreciated	<u>7,544,876</u>	<u>-</u>	<u>7,544,876</u>	<u>6,468,355</u>	<u>(3,789,246)</u>	<u>10,223,985</u>
<u>Capital assets being depreciated:</u>						
Buildings	333,242,372	-	333,242,372	3,713,046	(73,266)	336,882,152
Furniture, fixtures, and equipment	20,170,118	453,031	20,623,149	4,215,723	(168,955)	24,669,917
Total capital assets being depreciated	353,412,490	453,031	353,865,521	7,928,769	(242,221)	361,552,069
Less accumulated depreciation	<u>(144,959,376)</u>	<u>(163,362)</u>	<u>(145,122,738)</u>	<u>(8,690,362)</u>	<u>163,591</u>	<u>(153,649,509)</u>
Total capital assets being depreciated, net	<u>208,453,114</u>	<u>289,669</u>	<u>208,742,783</u>	<u>(761,593)</u>	<u>(78,630)</u>	<u>207,902,560</u>
<u>Capital assets being amortized:</u>						
Right-to-use leased assets	524,873	(404,813)	120,060	988,689	(16,784)	1,091,965
Subscription assets	-	2,790,303	2,790,303	2,987,511	-	5,777,814
Total capital assets being amortized	524,873	2,385,490	2,910,363	3,976,200	(16,784)	6,869,779
Less accumulated amortization	<u>(173,715)</u>	<u>(1,021,447)</u>	<u>(1,195,162)</u>	<u>(2,172,068)</u>	<u>16,784</u>	<u>(3,350,446)</u>
Total capital assets being amortized, net	<u>351,158</u>	<u>1,364,043</u>	<u>1,715,201</u>	<u>1,804,132</u>	<u>-</u>	<u>3,519,333</u>
	<u>\$ 216,349,148</u>	<u>\$ 1,653,712</u>	<u>\$ 218,002,860</u>	<u>\$ 7,510,894</u>	<u>\$ (3,867,876)</u>	<u>\$ 221,645,878</u>

	Business-Type Activities			
	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
<u>Capital assets being depreciated:</u>				
Furniture, fixtures, and equipment	\$ 2,273,165	\$ 13,466	\$ -	\$ 2,286,631
Less accumulated depreciation	<u>(1,042,256)</u>	<u>(77,667)</u>	<u>-</u>	<u>(1,119,923)</u>
	<u>1,230,909</u>	<u>(64,201)</u>	<u>-</u>	<u>\$ 1,166,708</u>
<u>Capital assets being amortized:</u>				
Subscription assets	-	968,674	-	968,674
Less accumulated amortization	<u>-</u>	<u>(64,212)</u>	<u>-</u>	<u>(64,212)</u>
Total leased assets being amortized, net	<u>-</u>	<u>904,462</u>	<u>-</u>	<u>904,462</u>
	<u>\$ 1,230,909</u>	<u>\$ 840,261</u>	<u>\$ -</u>	<u>\$ 2,071,170</u>

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

Governmental activities:

Instruction	\$ 931,355
Instructional support	363,576
Student support	23,145
General administration	7,890
School administration	28,330
Business support	1,957,574
Operations and maintenance	5,279,356
Transportation	240,704
Central support services	2,012,365
Other support	16,203
Student activities	1,932
	10,862,430
Total depreciation and amortization expense - governmental activities	\$ 10,862,430

Business-type activities:

Food service	\$ 104,961
Nonmajor proprietary funds	36,918
	141,879
Total depreciation and amortization expense - business-type activities	\$ 141,879

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General Obligation Bonds

General obligation bonds consisted of the following at June 30, 2023:

Series	Date Issued	Original Final Scheduled Maturity	Original Principal Amount	Principal Amount Outstanding June 30, 2023	Interest Ranges
2014A	7/8/2014	9/1/2044	\$ 110,000,000	\$ 8,230,000	3.75% to 5.00%
2016A	4/19/2016	8/1/2044	33,000,000	29,700,000	2.00% to 4.00%
2017A	11/21/2017	8/1/2028	9,040,000	9,040,000	2.50%
2020A	1/29/2020	8/1/2039	94,770,000	94,770,000	3.59%T/2.72%NT
2020B	1/29/2020	8/1/2039	10,455,000	10,455,000	3.59%T/2.72%NT
			<u>\$ 257,265,000</u>	<u>\$ 152,195,000</u>	

T - Taxable; NT – Nontaxable

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

Year	Principal	Interest	Total
2024	\$ 5,545,000	\$ 4,408,472	\$ 9,953,472
2025	5,805,000	4,184,418	9,989,418
2026	6,050,000	3,971,907	10,021,907
2027	7,280,000	3,773,903	11,053,903
2028	7,250,000	3,568,931	10,818,931
2029 - 2033	40,495,000	14,428,794	54,923,794
2034 - 2038	48,650,000	7,932,081	56,582,081
2039 - 2043	27,345,000	1,603,211	28,948,211
2044 - 2045	3,775,000	76,250	3,851,250
Total	<u>\$ 152,195,000</u>	<u>\$ 43,947,967</u>	<u>\$ 196,142,967</u>

Issued and Defeased Bonds

During the year ended June 30, 2018, the District issued \$ 9,040,000 of general obligation refunding bonds (Series 2017A) to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for \$ 8,905,000 of future debt service payments related to its Series 2014A general obligation bonds. However, the Series 2014A bond principal payments were not considered to be defeased until the crossover date of August 1, 2022, the redemption date for the August 1, 2026; August 1, 2027; and August 1, 2028 bond payments, since they were refunded through a crossover refunding transaction. On August 1, 2022, the funds held in escrow were used by the Escrow Trustee to complete the redemption and payment of the Series 2014A Refunded Bonds.

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During the year ended June 30, 2020, the District issued \$ 94,770,000 and \$ 10,455,000 of general obligation bonds (Series 2020A and 2020B, respectively), to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for \$ 88,510,000 of future debt payments related to its Series 2014A and \$ 8,910,000 of future debt payments for its 2016A general obligation bonds. The Series 2014A bond principal payments were not considered to be defeased until the crossover date of August 1, 2022, the redemption date for the August 1, 2029 through August 1, 2044 serial and term bond payments; and the 2016A bond principal payments are not considered to be defeased until the crossover date of August 1, 2026, the redemption date for the August 1, 2040 through August 1, 2044 serial bond payments, since they were refunded through a crossover refunding transaction. Further, because the 2020A and 2020B bonds were issued more than 90 days prior to the call date of the refunded bonds, the 2020 bonds were issued with a taxable interest rate of 3.59%. On the call date of the refunded bonds, the interest rates convert to the predetermined tax-exempt rate of 2.72%. The bonds then pay the tax-exempt rate through their maturity. The tax-exempt interest rate shall only be effective on and after the tax-exempt conversion date if the interest rate on the series 2020A and 2020B bonds is converted to the tax-exempt interest rate pursuant to Section 214 of the bond resolution for the series 2020A and B bonds. On August 1, 2022, the District completed the redemption and payment of the Series 2014A Refunded Bonds. Additionally, the District completed the conversion for the Series 2020A bonds and the interest paid to investors, which was previously taxable under federal law, became tax-exempt for federal income tax purposes. For the future payments related to the 2016A bonds, because there is no defeasance in such a transaction until the crossover date, the assets held in trust by the escrow agent are reported in the bond and interest fund as restricted cash and investments in the amount of \$ 9,674,714. The refunded bonds are reported in long-term liabilities until the crossover date.

Statutory Debt Limit

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Bond and Interest Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761. The District's statutory limit for such bonded indebtedness was approximately \$115 million at June 30, 2023. The District obtained a waiver to exceed the general obligation debt limit for the Series 2014A and 2016A bond issuances.

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Financed Purchases

Financed purchases consisted of the following at June 30, 2023:

Description	Date Issued	Original Final Scheduled Maturity	Original Principal Amount	Principal Amount Outstanding June 30, 2023	Interest Rate
Financed Purchase - Equipment	7/2/2020	7/2/2024	\$ 1,958,000	\$ 993,286	1.47%
Financed Purchase - Buses	9/4/2020	9/4/2024	288,068	118,655	2.00%
Financed Purchase - Bus	9/25/2020	9/25/2024	164,964	66,928	3.001%
Financed Purchase - Buses	9/6/2022	11/1/2031	918,356	818,029	2.849%
Financed Purchase - Equipment	9/6/2022	11/1/2026	3,750,000	2,970,901	2.778%
Financed Purchase - Vehicles	6/16/2023	3/16/2028	938,802	938,802	6.85%
Financed Purchase - Vehicle	6/30/2023	6/30/2027	40,943	31,311	8.84%
			<u>\$ 8,059,133</u>	<u>\$ 5,937,912</u>	

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

Year	Principal	Interest	Total
2024	\$ 1,561,218	\$ 175,891	\$ 1,737,109
2025	1,589,371	147,739	1,737,110
2026	1,030,400	102,971	1,133,371
2027	1,067,068	66,302	1,133,370
2028	300,669	28,057	328,726
2029 - 2032	389,186	28,109	417,295
Total	<u>\$ 5,937,912</u>	<u>\$ 549,069</u>	<u>\$ 6,486,981</u>

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Lease Obligations

Lease obligations consist of the following:

	Commencement Date	Terms	Guaranteed Residual	Interest Rate	Initial Liability	Lease Obligations at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
Equipment								
Century Business Technologies	7/1/2021	Fixed at \$ 7,440 annually; 53 months	N/A	0.893%	\$ 29,245	\$ 14,683	\$ 29,245	\$ 13,086
Century Business Technologies	7/1/2022	Fixed at \$ 53,024 quarterly; 60 months	N/A	3.002%	988,689	796,620	988,689	197,738
US Bank National Association	7/1/2021	Fixed at \$ 1,860 quarterly; 42 months	N/A	0.893%	25,652	11,073	25,652	14,407
Quadient Leasing	7/1/2021	Fixed at \$ 1,968 quarterly; 50 months	N/A	0.893%	30,907	15,589	30,907	14,612
Multiple Services Equipment Company	7/1/2021	Fixed at \$ 552 monthly; 34 months	N/A	0.727%	17,472	6,052	17,472	12,096
Total Lease Obligations - Equipment					<u>\$ 1,091,965</u>	<u>\$ 844,017</u>	<u>\$ 1,091,965</u>	<u>\$ 251,939</u>

Future minimum lease payments for lease obligations are as follows:

Year	Principal	Interest	Total
2024	\$ 218,798	\$ 22,126	\$ 240,924
2025	215,000	16,129	231,129
2026	202,042	10,054	212,096
2027	208,177	3,920	212,097
Total	<u>\$ 844,017</u>	<u>\$ 52,229</u>	<u>\$ 896,246</u>

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Subscription Liabilities

Subscription liabilities consist of the following:

	Commencement Date	Terms	Interest Rate	Initial Liability	Subscription Liabilities at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
Governmental-activities:							
Century Business Technologies	7/1/2021	Fixed at \$ 9,015 quarterly; 35 months	3.894%	\$ 138,699	\$ 66,279	\$ 138,699	\$ 92,724
Edpuzzle	5/4/2022	Fixed at \$ 35,600 annually; 48 months	1.660%	280,537	164,639	280,537	81,239
Illuminate Education	7/1/2021	Fixed at \$ 48,800 annually; 36 months	2.184%	143,293	94,493	143,293	47,764
Eagle Technologies	10/16/2022	Fixed at \$ 47,352 annually; 24 months	3.894%	98,752	52,400	98,752	34,975
Follett School Solutions	3/31/2022	Fixed at \$ 23,058 annually; 24 months	3.004%	47,122	-	47,122	30,756
Footsteps2Brilliance	7/13/2022	Fixed at \$ 170,000 annually; 36 months	2.184%	499,177	329,177	499,177	160,846
IXL Learning	8/2/2022	Fixed at \$ 93,799 annually; 23 months	1.710%	147,743	53,944	147,743	70,548
JAMF Software	12/9/2022	Fixed at \$ 41,003 annually; 48 months	3.894%	133,336	92,333	133,336	18,704
Learning A-Z	10/19/2022	Fixed at \$ 7,296 annually; 36 months	3.238%	21,209	13,913	21,209	4,949
Learning A-Z	10/19/2022	Fixed at \$ 6,840 annually; 36 months	3.238%	36,094	29,254	36,094	8,422
Rosetta Stone	9/29/2022	Fixed at \$ 5,000 annually; 25 months	3.894%	14,433	9,433	14,433	5,356
Eagle Technologies	10/16/2022	Fixed at \$ 14,360 annually; 24 months	3.144%	28,282	13,922	28,282	10,017
Seesaw Learning	11/1/2022	Fixed at \$ 47,600 annually; 24 months	3.144%	96,057	48,457	96,057	32,019
Eagle Technologies	3/28/2022	Fixed at \$ 31,455 annually; 36 months	0.426%	78,580	26,193	78,580	32,960
Frontline Technologies Group	7/1/2022	Fixed at \$ 25,114 annually; 24 months	1.710%	51,658	26,544	51,658	25,829
Tyler Technologies	7/1/2021	Fixed at \$ 136,439 annually; 24 months	0.185%	408,562	136,187	2,229,187	2,171,873
Sched	6/19/2023	Fixed at \$ 9,600 annually; 15 months	2.670%	18,933	18,933	18,933	541
PowerSchool	6/1/2023	Fixed at \$73,017 annually; 13 months	2.670%	144,135	71,118	144,135	11,978
Rozzy Learning Company	6/15/2023	Fixed at \$ 9,300 annually; 13 months	2.670%	18,358	9,058	18,358	814
Transfinder Corporation	1/3/2023	Fixed at \$ 49,616 annually; 13 months	0.380%	99,044	49,428	99,044	48,836
Instructure	5/30/2023	Fixed at \$ 133,515 annually; 13 months	2.530%	263,735	130,220	263,735	22,648
Deeloh Technologies	4/27/2023	Fixed at \$ 8,585 annually; 13 months	2.670%	8,532	8,532	8,532	1,517
Fifth Asset	3/30/2023	Fixed at \$ 8,775 annually; 25 months	3.004%	25,565	16,790	25,565	3,227
Kansas Educational Technology Consortium	12/1/2022	Fixed at \$ 20,406 annually; 13 months	3.254%	40,170	19,763	40,170	21,630
Delos Living	5/9/2023	Fixed at \$ 433,800 annually; 60 months	2.450%	432,270	432,270	432,270	12,488
Samsara	3/24/2023	Fixed at \$ 19,856 annually; 36 months	2.796%	57,962	38,106	57,962	5,206
West Publishing Corporation	7/1/2022	Fixed at \$ 553 monthly; 29 months	0.000%	16,176	9,542	16,176	6,923
Sirius Computer Solutions	3/3/2023	Fixed at \$ 121,504 annually; 36 months	2.796%	466,548	345,042	466,548	50,926
Sirius Computer Solutions	12/1/2022	Fixed at \$ 142,028 annually; 13 months	3.254%	140,429	-	140,429	81,916
Intuit, Inc.	1/5/2023	Fixed at \$ 915 annually; 13 months	3.635%	1,798	884	1,798	876
				<u>\$ 3,957,189</u>	<u>\$ 2,306,854</u>	<u>\$ 5,777,814</u>	<u>\$ 3,098,507</u>
Business-type activities:							
McGraw-Hill Education	4/19/2023	Fixed at \$ 158,560 annually; 61 months	2.230%	\$ 900,961	\$ 742,402	\$ 900,961	\$ 35,998
Horizon Software International	9/1/2022	Fixed at \$ 34,728 annually; 24 months	3.212%	67,713	32,986	67,713	28,214
				<u>\$ 968,674</u>	<u>\$ 775,388</u>	<u>\$ 968,674</u>	<u>\$ 64,212</u>

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Future minimum payments for subscription liabilities are as follows:

<u>Year</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,644,053	\$ 44,069	\$ 1,688,122
2025	512,641	17,058	529,699
2026	150,160	4,549	154,709
Total	<u>\$ 2,306,854</u>	<u>\$ 65,676</u>	<u>\$ 2,372,530</u>

<u>Year</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 174,990	\$ 17,615	\$ 192,605
2025	145,171	13,389	158,560
2026	148,408	10,151	158,559
2027	151,717	6,842	158,559
2028	155,102	3,459	158,561
Total	<u>\$ 775,388</u>	<u>\$ 51,456</u>	<u>\$ 826,844</u>

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8 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 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) were 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023.

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

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of \$ 500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for fiscal years 2022 and 2023. Fiscal year 2022 was recertified from 14.09% to 13.33% and fiscal year 2023 from 13.86% to 13.11%. The bond proceeds were

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received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer \$ 1.125 billion from the State General Fund directly to KPERS in fiscal years 2022 and 2023. The first \$ 253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in fiscal year 2017 and fiscal year 2019, discussed previously, while the remaining \$ 871.1 million is applied to the KPERS-School unfunded actuarial liability. In fiscal year 2022, \$ 600 million was transferred to KPERS. In fiscal year 2023, Senate Bill 421 authorizes two additional transfers which total \$ 271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 16,708,396 for the year ended June 30, 2023.

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

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 165,221,469. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contribution of the State/School subgroup within KPERS for the fiscal year ended June 30, 2022.

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

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

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

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

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the fiscal year ended June 30, 2022. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. At June 30, 2022, the District's proportion was 2.312274%, which was an increase of 0.07409% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$ 22,473,930. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,662,161	\$ 71,780
Net difference between projected and actual earnings on pension plan investments	13,914,579	-
Change of assumptions	25,397,628	-
Changes in proportionate share	5,265,594	2,339,206
District contributions subsequent to measurement date	<u>16,708,396</u>	<u>-</u>
Total	<u>\$ 64,948,358</u>	<u>\$ 2,410,986</u>

The \$ 16,708,396 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2024	\$ 13,441,400
2025	11,097,642
2026	5,929,093
2027	14,704,081
2028	<u>656,760</u>
	<u>\$ 45,828,976</u>

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

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Price inflation	2.75 percent
Salary increases, including wage increases	3.50 to 12.00 percent, including inflation
Long-term rate of return net of investment expense, and including price inflation	7.00 percent

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study conducted for the three-year period ending December 31, 2018.

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

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

Discount rate. The discount rate used by KPERS to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State/School employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Based on those assumptions, the pension plan's fiduciary net position

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

Sensitivity of the District's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the collective net pension liability	\$ 233,573,233	\$ 165,221,469	\$ 108,099,173

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

9 - Other Postemployment Benefits

Health Insurance

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

As of June 30, 2023, the District has approximately 159 employees who are eligible to receive early retirement benefits. The benefits vary based on employee classification. Classified employees receive \$ 260 per month in cash and \$ 561 per month in health and dental insurance coverage until their sixty-fifth (65) birthday. Certified employees receive one-third of the certified base salary monthly, which is one-third of

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the base salary of a beginning professional employee in effect at the time the retirement commences, not to exceed \$ 13,000 annually, and \$ 561 per month in health and dental insurance coverage until their sixty-fifth (65) birthday. Administrators receive \$ 1,250 per month in cash and the per month cost for a single health/Rx/dental insurance option (options range from \$ 560 to \$ 828 per month), plus \$ 13 for life insurance premiums per month. The District's contributions are financed on a pay-as-you-go basis. During the year ended June 30, 2023, payments to early retirees along with insurance benefits totaled approximately \$ 2 million. These amounts are reflected in general fund instruction and support services expenditures.

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

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

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

Total OPEB Liability. The District's total OPEB liability of \$ 30,469,867 was measured as of June 30, 2023 and was determined by an actuarial valuation performed as of July 1, 2021.

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

Actuarial cost method	Individual entry age normal as a level percentage of payroll
Discount rate	4.13%
Annual wage increases	3.00% per year
Price inflation	2.50%

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Mortality

Pre-retirement Healthy

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

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

Post-retirement Healthy

Male: RP-2014 M with White Collar Adjustment

Female: RP-2014 F with White Collar Adjustment

Disabled

RP-2014 Disabled Life Table

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

Annual Healthcare Trend

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

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Changes in Total OPEB Liability.

	Total OPEB Liability
Balance at June 30, 2022	\$ 30,805,992
Changes for the year:	
Service cost	1,359,578
Interest	1,273,755
Net benefits paid by employer	(2,044,830)
Difference between expected and actual experience	(841,469)
Changes in assumptions and inputs	(83,159)
Net changes	(336,125)
Balance at June 30, 2023	\$ 30,469,867

Changes of assumptions and other inputs reflect a change in the discount rate from 4.09% in 2022 to 4.13% in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current discount rate:

	1% Decrease (3.13%)	Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB liability	\$ 32,617,520	\$ 30,469,867	\$ 28,466,913

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 28,047,717	\$ 30,469,867	\$ 33,330,644

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OPEB Expense and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the District recognized OPEB expense of \$ 1,368,553. At June 30, 2023, the District reported deferred inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 736,290	\$ 3,812,354
Differences between expected and actual experience	-	3,333,077
	\$ 736,290	\$ 7,145,431

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

Year Ended June 30,		
2024	\$	(1,264,780)
2025		(1,260,731)
2026		(1,164,640)
2027		(1,189,549)
2028		(783,060)
Thereafter		(746,381)
	\$	(6,409,141)

Disability Benefits and Life Insurance

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

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

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The monthly long-term disability benefit is 60 percent of the member’s monthly compensation, with a minimum of \$ 100 and a maximum of \$ 5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member’s 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

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

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

Inactive employees or beneficiaries currently receiving benefit payments	20
Active employees	2,184
	2,204
	2,204

Total OPEB Liability. The District’s total OPEB liability of \$ 2,501,661 reported as of June 30, 2023 was measured as of June 30, 2022 (the measurement date) and was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	December 31, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%

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Payroll growth	3.00%
Discount rate	3.54%

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

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period of January 1, 2016 to December 31, 2018. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2021 KPERS pension valuation.

Changes in Total OPEB Liability.

Balance at June 30, 2022	\$ 2,770,147
Changes for the year:	
Service cost	259,584
Interest on total OPEB liability	63,657
Changes in assumptions or other inputs	(425,558)
Benefit payments	<u>(166,169)</u>
Net changes	<u>(268,486)</u>
Balance at June 30, 2023	<u><u>\$ 2,501,661</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the District's total OPEB liability calculated using the discount rate of 3.54%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or (2.54%) 1-percentage point higher (4.54%) than the current rate:

	<u>1% Decrease (2.54%)</u>	<u>Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB liability	\$ 2,615,156	\$ 2,501,661	\$ 2,388,684

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

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	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,501,661	\$ 2,501,661	\$ 2,501,661

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the District recognized OPEB expense of \$ 287,565.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 150,230	\$ 145,608
Differences between expected and actual experience	142,828	477,295
Employer contributions after measurement date	1,289,847	-
Total	\$ 1,582,905	\$ 622,903

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling \$ 1,289,847 consists of payments made to KPERS for benefits and administrative costs and will be recognized as a reduction in the total OPEB liability during the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2024	\$ (35,676)
2025	(35,676)
2026	(35,676)
2027	(32,869)
2028	(22,491)
Thereafter	(167,457)
	\$ (329,845)

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10 - Interfund Transactions

A summary of transfers for the year is as follows:

Transfers to	Transfers from General Fund
Governmental funds:	
Special education	\$ 19,810,810
Nonmajor governmental funds	515,000
Business-type funds:	
Nonmajor proprietary funds	2,074,300
	\$ 22,400,110

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

Due to/due from other funds at June 30, 2023 are as follows:

	Due to General Fund
Due from:	
USDE Pass Through	\$ 1,953,254
Nonmajor Governmental Funds	238,574
	\$ 2,191,828

11 - Commitments and Contingencies

Risk Management

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

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Self-Insurance Funds

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

Funds are accumulated for payment of claims and insurance premiums through charges to the District's funds. Currently, the District is funding the workers' compensation reserve fund with annual contributions. The dental self-insured fund is funded with contributions made during each payroll period from the employer and the employees. All plans are administered by a third party, which accumulates claims. During 2023, the District's maximum responsibility for payment of workers' compensation benefits was \$ 500,000 per occurrence (\$ 1,000,000 in aggregate). The District's maximum responsibility for payment of dental insurance benefits was \$ 1,500 per employee per year. The District purchases commercial insurance for claims in excess of the maximum and for all other risks of loss. The claims liability at June 30, 2023 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims liability of \$ 565,479 is included in the governmental activities column of the statement of net position as estimated insurance claims. Changes in the claims liability for the year ended June 30, 2023 were:

	Beginning of Year Liability	Change in Estimate	Claims and Premium Payments	End of Year Liability
2023	\$ 662,099	\$ 462,660	\$ 559,280	565,479
2022	1,050,786	103,578	492,265	662,099
2021	882,489	522,090	353,793	1,050,786

No amounts have been reflected in the financial statements for dental insurance claims liability as of June 30, 2023.

Grants

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

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Litigation

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

Encumbrances

The District uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At June 30, 2023, the District’s recorded encumbrances in governmental funds were as follows:

General (combined)	\$	1,069,091
Special education		832,276
Capital outlay		3,465,510
USDE pass through		147,694
Other nonmajor governmental funds		6,226
Food service		97,151
Nonmajor proprietary funds		349,735
Internal service funds		616
		616
	\$	5,968,299

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Construction Commitments

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

	<u>Expenditures to Date</u>	<u>Project Authorization</u>
Projects in process:		
Build ADA Compliant Ramp - TWHS	\$ 21,338	\$ 68,275
HVAC Replacement - Chase	20,100	390,999
Tennis Court Replacement I - Eisenhower	17,100	241,195
Install Awning Main Entrance - Jardine	16,805	87,000
Roof Replacement - SW Wing THS	139,762	141,352
Replace Gas Tanks in Yard - Service Center	45,900	135,708
Univent Replacement - THS	284,109	603,147
Replace Sound & Lights - THS Auditorium	66,903	280,173
Roof Replacement Auditorium & ROTC - TWHS	133,895	142,981
HVAC Replacement Phase II - Chase	180,328	406,079
Rooftop Unit Replacement - French	58,416	211,946
Secure Vestibule Building Entry - Robinson	1,800	2,250
Asphalt Track - Eisenhower	18,000	358,320
Roof Replacement Phase I - McCarter	12,835	348,561
Tennis Court Replacement I - Eisenhower	17,100	240,295
Tuckpointing - Randolph	22,100	89,445
Secure Vestibule Building Entry - Randolph	1,800	2,250
Fire Alarm System Upgrade - State Street	6,240	7,440
Univent Replacement - Whitson	233,546	518,512
Fire Alarm System Upgrade - Williams	47,121	162,601
Security Camera Upgrade - District	2,325,047	3,975,071
	<u>\$ 3,670,245</u>	<u>\$ 8,413,600</u>

12 - Prior Period Adjustments

During the year ended June 30, 2023, management implemented GASB Statement No. 96 and reevaluated accounting estimates regarding leases and financed purchases.

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The following restatements were made to beginning net position:

	Governmental Activities
Government-Wide Financial Statements:	
Net position, beginning of year as previously stated	\$ (51,324,724)
Prior period adjustments:	
Change in accounting principle:	
Restatement related to GASB 96 (see Note 1)	\$ 917,736
Correction of error:	
Re-measurement of GASB 87 leases	17,647
Re-measurement of finance purchases	14,504
	949,887
Total prior period adjustments	949,887
Net position, beginning of year as restated	\$ (50,374,837)

REQUIRED SUPPLEMENTARY INFORMATION

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FUND (BUDGET BASIS)
Year Ended June 30, 2023

	General			Variance Over (Under)
	Original Budget	Final Budget	Actual	
Revenues:				
State aid	\$ 104,070,897	\$ 107,664,424	\$ 107,664,424	\$ -
Reimbursed expenses	-	-	503,125	503,125
Total revenues	<u>104,070,897</u>	<u>107,664,424</u>	<u>108,167,549</u>	<u>503,125</u>
Expenditures and transfers out subject to budget:				
Current:				
Instruction	28,047,619	27,802,882	19,050,056	(8,752,826)
Support services	36,958,871	36,958,871	32,667,540	(4,291,331)
Community services operations	299,478	299,478	(770)	(300,248)
Transfers out	38,764,929	44,473,298	55,947,598	11,474,300
Budget adjustment to comply with legal max	-	(1,870,105)	-	1,870,105
Total expenditures and transfers out subject to budget	<u>104,070,897</u>	<u>107,664,424</u>	<u>107,664,424</u>	<u>-</u>
Expenditures not subject to budget:				
Reimbursed expenses	-	-	503,125	503,125
Total expenditures and transfers out	<u>104,070,897</u>	<u>107,664,424</u>	<u>108,167,549</u>	<u>503,125</u>
Excess of revenues over expenditures and transfers out	-	-	-	<u>\$ -</u>
Fund balance, beginning of year, budget basis	-	-	-	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	
<u>Reconciliation to GAAP</u>				
Plus inventory of materials and supplies at June 30, 2023			59,414	
Plus leases receivable at June 30, 2023			73,587	
Plus interest receivable at June 30, 2023			159	
Less deferred inflows - leases at June 30, 2023			(72,881)	
Plus encumbrances outstanding at June 30, 2023			863,284	
Fund balance on the basis of GAAP - General Fund only			<u>923,563</u>	
Fund balances for separately budgeted funds included with the General Fund on GAAP basis financials:				
Supplemental general			71,135	
At-risk 4-year-old			962,424	
At-risk K-12			99,193	
Virtual education			670,184	
Bilingual education			1,558,541	
Career and postsecondary education			2,218,429	
Professional development			562,282	
Summer school			362,462	
Pepsi exclusivity (included with Gifts and Grants)			105,164	
Sports park operations (included with Gifts and Grants)			1,116,502	
Fund balances for non-budgeted funds included with the General Fund on GAAP basis financials:				
Federal program overhead			2,595,495	
Self-insurance reserve			943,360	
Risk management			1,244,604	
Contingency reserve			3,562,943	
Fund balance on the basis of GAAP - Combined General Fund			<u>\$ 16,996,281</u>	

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BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Supplemental General		Variance Over (Under)
	Original and Final Budget	Actual	
Revenues:			
Property taxes:			
In process	\$ 305,221	\$ 244,629	\$ (60,592)
Current	10,866,512	10,909,824	43,312
Delinquent	171,644	239,073	67,429
State aid	21,531,730	21,531,730	-
Total revenues	<u>32,875,107</u>	<u>32,925,256</u>	<u>50,149</u>
Expenditures and transfers out:			
Current:			
Instruction	3,175,239	1,862,121	(1,313,118)
Support services	8,200,523	8,316,043	115,520
Community services operations	35,000	6,240	(28,760)
Transfers out	22,793,733	24,020,091	1,226,358
Total expenditures and transfers out	<u>34,204,495</u>	<u>34,204,495</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and transfers out	(1,329,388)	(1,279,239)	<u>\$ 50,149</u>
Fund balance, beginning of year, budget basis	1,329,388	1,329,388	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>50,149</u>	
<u>Reconciliation to GAAP</u>			
Plus leases receivable at June 30, 2023		39,398	
Less deferred inflows - leases at June 30, 2023		(40,219)	
Plus encumbrances outstanding at June 30, 2023		21,807	
Fund balance on the basis of GAAP		<u>\$ 71,135</u>	

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FUND (BUDGET BASIS)
Year Ended June 30, 2023

	At-Risk 4-Year-Old		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 1,530,639	\$ 1,167,783	\$ (362,856)
Support services	10,197	11,078	881
Total expenditures	1,540,836	1,178,861	(361,975)
Other financing sources:			
Transfers in	687,950	1,287,950	600,000
Net change in fund balance	(852,886)	109,089	\$ 961,975
Fund balance, beginning of year, budget basis	852,886	852,885	
Fund balance, end of year, budget basis	\$ -	961,974	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2023		450	
Fund balance on the basis of GAAP		\$ 962,424	

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FUND (BUDGET BASIS)
Year Ended June 30, 2023

	At-Risk K-12			Variance Over (Under)
	Original Budget	Final Budget	Actual	
Expenditures:				
Current:				
Instruction	\$ 25,126,819	\$ 30,842,029	\$ 29,478,023	\$ (1,364,006)
Support services	409,799	409,799	1,772,804	1,363,005
Total expenditures	<u>25,536,618</u>	<u>31,251,828</u>	<u>31,250,827</u>	<u>(1,001)</u>
Other financing sources:				
Transfers in	<u>25,535,841</u>	<u>31,251,051</u>	<u>31,343,403</u>	<u>92,352</u>
Net change in fund balance	<u>(777)</u>	<u>(777)</u>	<u>92,576</u>	<u>\$ 93,353</u>
Fund balance, beginning of year, budget basis	<u>777</u>	<u>777</u>	<u>777</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>\$ -</u>	<u>93,353</u>	
<u>Reconciliation to GAAP</u>				
Plus encumbrances outstanding at June 30, 2023			<u>5,840</u>	
Fund balance on the basis of GAAP			<u>\$ 99,193</u>	

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 BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
 FUND (BUDGET BASIS)
 Year Ended June 30, 2023

	Virtual Education		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 622,670	\$ 352,486	\$ (270,184)
Other financing sources:			
Transfers in	-	400,000	400,000
Net change in fund balance	(622,670)	47,514	\$ 670,184
Fund balance, beginning of year, budget basis	622,670	622,670	
Fund balance, end of year, budget basis	\$ -	\$ 670,184	

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BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Bilingual Education		
	Original and Final Budget	Actual	Variance Over (Under)
Expenditures:			
Current:			
Instruction	\$ 3,527,298	\$ 2,715,429	\$ (811,869)
Support services	1,003,819	707,327	(296,492)
Total expenditures	<u>4,531,117</u>	<u>3,422,756</u>	<u>(1,108,361)</u>
Other financing sources:			
Transfers in	<u>2,750,000</u>	<u>3,200,000</u>	<u>450,000</u>
Net change in fund balance	<u>(1,781,117)</u>	<u>(222,756)</u>	<u>\$ 1,558,361</u>
Fund balance, beginning of year, budget basis	<u>1,781,117</u>	<u>1,781,117</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>1,558,361</u>	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2023		<u>180</u>	
Fund balance on the basis of GAAP		<u>\$ 1,558,541</u>	

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BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Career and Postsecondary Education		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
State aid	\$ 36,250	\$ 35,837	\$ (413)
Expenditures:			
Current:			
Instruction	2,581,686	2,134,422	(447,264)
Support services	836,028	919,193	83,165
Total expenditures	3,417,714	3,053,615	(364,099)
Excess (deficiency) of revenues over (under) expenditures	(3,381,464)	(3,017,778)	363,686
Other financing sources:			
Transfers in	1,550,000	3,400,000	1,850,000
Net change in fund balance	(1,831,464)	382,222	\$ 2,213,686
Fund balance, beginning of year, budget basis	1,831,464	1,831,207	
Fund balance, end of year, budget basis	\$ -	2,213,429	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2023		5,000	
Fund balance on the basis of GAAP		\$ 2,218,429	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Professional Development		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
State aid	\$ 37,500	\$ 51,768	\$ 14,268
Interest	-	4,964	4,964
Total revenues	37,500	56,732	19,232
Expenditures:			
Current:			
Support services	492,963	373,962	(119,001)
Excess (deficiency) of revenues over (under) expenditures	(455,463)	(317,230)	138,233
Other financing sources:			
Transfers in	150,000	500,000	350,000
Net change in fund balance	(305,463)	182,770	\$ 488,233
Fund balance, beginning of year, budget basis	305,463	305,463	
Fund balance, end of year, budget basis	\$ -	488,233	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2023		74,049	
Fund balance on the basis of GAAP		\$ 562,282	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Summer School		Variance Over (Under)
	Original and Final Budget	Actual	
Expenditures:			
Current:			
Instruction	\$ 178,240	\$ 1,611	\$ (176,629)
Support services	38,492	2,659	(35,833)
Total expenditures	216,732	4,270	(212,462)
Other financing sources:			
Transfers in	-	150,000	150,000
Net change in fund balance	(216,732)	145,730	\$ 362,462
Fund balance, beginning of year, budget basis	216,732	216,732	
Fund balance, end of year, budget basis	\$ -	\$ 362,462	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - FUNDS INCLUDED IN THE COMBINED GENERAL
FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Gifts and Grants		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Local sources	\$ 246,500	\$ 1,455,971	\$ 1,209,471
State aid	943,040	-	(943,040)
Federal aid	284,245	-	(284,245)
Interest	-	32,826	32,826
Charges for services	373,000	361,681	(11,319)
Miscellaneous	689,237	50,557	(638,680)
Total revenues	<u>2,536,022</u>	<u>1,901,035</u>	<u>(634,987)</u>
Expenditures:			
Current:			
Instruction	2,217,826	308,816	(1,909,010)
Support services	1,509,928	1,097,914	(412,014)
Community services operations	183,593	198,756	15,163
Total expenditures	<u>3,911,347</u>	<u>1,605,486</u>	<u>(2,305,861)</u>
Excess (deficiency) of revenues over (under) expenditures	(1,375,325)	295,549	1,670,874
Other financing sources:			
Transfers in	-	115,000	115,000
Net change in fund balance		<u>410,549</u>	<u>1,785,874</u>
Fund balance, beginning of year, budget basis	<u>1,375,325</u>	<u>1,402,765</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>1,813,314</u>	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2023		43,364	
Less unearned revenue at June 30, 2023		(478,095)	
Plus encumbrances outstanding at June 30, 2023		21,723	
Fund balances on the basis of GAAP		<u>\$ 1,400,306</u>	
Fund balances on the basis of GAAP consists of the following:			
Pepsi exclusivity (included in the combined General Fund)		\$ 105,164	
Sports park operations (included in the combined General Fund)		1,116,502	
Trust gift legacy		178,640	
		<u>\$ 1,400,306</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2023

	Special Education		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 5,613,039	\$ 7,561,344	\$ 1,948,305
Local sources	932,517	-	(932,517)
State aid	10,000	23,461	13,461
Total revenues	<u>6,555,556</u>	<u>7,584,805</u>	<u>1,029,249</u>
Expenditures:			
Current:			
Instruction	28,504,321	28,141,974	(362,347)
Support services	15,739,584	14,203,748	(1,535,836)
Total expenditures	<u>44,243,905</u>	<u>42,345,722</u>	<u>(1,898,183)</u>
Excess (deficiency) of revenues over (under) expenditures	(37,688,349)	(34,760,917)	2,927,432
Other financing sources:			
Transfers in	30,884,871	37,097,036	6,212,165
Net change in fund balance	(6,803,478)	2,336,119	<u>\$ 9,139,597</u>
Fund balance, beginning of year, budget basis	6,803,478	6,775,266	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>9,111,385</u>	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2023		115,500	
Plus encumbrances outstanding at June 30, 2023		832,276	
Fund balance on the basis of GAAP		<u>\$ 10,059,161</u>	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2023

	KPERs Special Retirement Contribution			Variance Over (Under)
	Original Budget	Final Budget	Actual	
Revenues:				
State aid	\$ 17,390,189	\$ 17,549,042	\$ 17,548,276	\$ (766)
Expenditures:				
Current:				
Instruction	10,905,794	11,064,647	-	(11,064,647)
Support services	5,947,581	5,947,581	-	(5,947,581)
Noninstructional services	536,814	536,814	-	(536,814)
On-behalf expenditures:				
KPERs	-	-	17,548,276	17,548,276
Total expenditures	17,390,189	17,549,042	17,548,276	(766)
Excess of revenues over expenditures	-	-	-	\$ -
Fund balance, beginning of year, budget basis	-	-	-	
Fund balance, end of year, budget basis	\$ -	\$ -	\$ -	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - MAJOR BUDGETED SPECIAL REVENUE FUNDS (BUDGET BASIS)
Year Ended June 30, 2023

	Federal Grant Funds		
	(including major special revenue fund USDE Pass Through)		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 58,211,132	\$ 36,489,843	\$ (21,721,289)
Local sources	-	275,000	275,000
Total revenues	<u>58,211,132</u>	<u>36,764,843</u>	<u>(21,446,289)</u>
Expenditures:			
Current:			
Instruction	48,354,556	26,542,766	(21,811,790)
Support services	13,148,472	15,700,642	2,552,170
Total expenditures	<u>61,503,028</u>	<u>42,243,408</u>	<u>(19,259,620)</u>
Deficiency of revenues under expenditures	(3,291,896)	(5,478,565)	<u>\$ (2,186,669)</u>
Fund balances, beginning of year, budget basis	3,291,896	1,546,536	
Fund balances, end of year, budget basis	<u>\$ -</u>	(3,932,029)	
<u>Reconciliation to GAAP</u>			
Plus due from other governmental units at June 30, 2023		3,803,143	
Plus encumbrances outstanding at June 30, 2023		147,694	
Less unearned revenues at June 30, 2023		(18,808)	
Fund balances on the basis of GAAP		<u>\$ -</u>	

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

	2023	2022	2021
Total OPEB liability:			
Service cost	\$ 1,359,578	\$ 1,636,531	\$ 1,796,485
Interest	1,273,755	721,984	881,485
Net benefits paid by employer	(2,044,830)	(2,302,654)	(2,473,224)
Difference between expected and actual experience	(841,469)	(2,339,289)	(335,993)
Changes of assumptions	(83,159)	(375,879)	1,017,914
Net change in total OPEB liability	(336,125)	(2,659,307)	886,667
Total OPEB liability, beginning	30,805,992	33,465,299	32,578,632
Total OPEB liability, ending	<u>\$ 30,469,867</u>	<u>\$ 30,805,992</u>	<u>\$ 33,465,299</u>
Covered payroll	\$ 20,159,877	\$ 41,768,455	\$ 38,679,980
District's total OPEB liability as a percentage of covered payroll	151.1%	73.8%	86.5%
	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 1,546,961	\$ 1,949,626	\$ 1,983,181
Interest	1,060,514	1,350,820	1,243,268
Net benefits paid by employer	(2,908,942)	(3,182,243)	(3,528,898)
Difference between expected and actual experience	-	-	-
Changes of assumptions	(7,215,125)	206,510	(805,343)
Net change in total OPEB liability	(7,516,592)	324,713	(1,107,792)
Total OPEB liability, beginning	40,095,224	39,770,511	40,878,303
Total OPEB liability, ending	<u>\$ 32,578,632</u>	<u>\$ 40,095,224</u>	<u>\$ 39,770,511</u>
Covered payroll	\$ 39,804,623	\$ 37,723,726	\$ 38,167,181
District's total OPEB liability as a percentage of covered payroll	81.8%	106.3%	104.2%

Changes of Assumptions:

1. Discount rate was increased from 4.09% to 4.13%, based on municipal bond yields as of the measurement date.

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

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

	2023	2022	2021
Total OPEB liability:			
Service cost	\$ 259,584	\$ 256,286	\$ 216,727
Interest	63,657	64,989	94,401
Changes of assumptions	(425,558)	(146,612)	141,597
Benefit payments	(166,169)	(176,827)	(319,001)
Net change in total OPEB liability	(268,486)	(2,164)	133,724
Total OPEB liability, beginning	2,770,147	2,772,311	2,638,587
Total OPEB liability, ending	<u>\$ 2,501,661</u>	<u>\$ 2,770,147</u>	<u>\$ 2,772,311</u>
Covered payroll	\$ 109,094,417	\$ 105,169,406	\$ 104,512,892
District's total OPEB liability as a percentage of covered payroll	2.29%	2.63%	2.65%
	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 193,828	\$ 192,616	\$ 205,058
Interest	91,579	87,576	71,333
Changes of assumptions	290,814	(137,899)	(84,933)
Benefit payments	(218,305)	(228,454)	(243,290)
Net change in total OPEB liability	357,916	(86,161)	(51,832)
Total OPEB liability, beginning	2,280,671	2,366,832	2,418,664
Total OPEB liability, ending	<u>\$ 2,638,587</u>	<u>\$ 2,280,671</u>	<u>\$ 2,366,832</u>
Covered payroll	\$ 100,143,635	\$ 94,603,689	\$ 92,994,938
District's total OPEB liability as a percentage of covered payroll	2.63%	2.41%	2.55%

Changes of Assumptions:

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

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

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

	2023	2022	2021	2020	2019
District's proportion of the collective net pension liability	2.312274%	2.238184%	2.263783%	2.311246%	2.196999%
District's proportionate share of the collective net pension liability	\$ 165,221,469	\$ 126,099,493	\$ 169,148,337	\$ 149,484,824	\$ 143,320,910
District's covered payroll	\$ 137,381,729	\$ 125,064,020	\$ 115,856,484	\$ 112,340,308	\$ 112,340,308
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	120%	101%	146%	133%	128%
Plan fiduciary net position as a percentage of the total pension liability	69.75%	76.40%	68.49%	69.88%	68.88%
	2018	2017	2016	2015	2014
District's proportion of the collective net pension liability	2.229486%	2.262925%	2.119396%	2.174282%	2.117605%
District's proportionate share of the collective net pension liability	\$ 149,798,454	\$ 152,092,568	\$ 146,756,723	\$ 138,934,472	\$ 153,820,765
District's covered payroll	\$ 102,966,206	\$ 96,737,828	\$ 95,139,490	\$ 86,430,695	\$ 82,671,274
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	145%	157%	154%	161%	186%
Plan fiduciary net position as a percentage of the total pension liability	67.12%	65.10%	64.95%	66.60%	59.94%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 16,708,396	\$ 15,950,715	\$ 15,913,365	\$ 17,000,973	\$ 6,975,264	\$ 12,643,425	\$ 8,298,120	\$ 8,594,373	\$ 9,585,143	\$ 10,057,121
Contributions in relation to the contractually required contribution	(16,708,396)	(15,950,715)	(15,913,365)	(17,000,973)	(6,975,264)	(12,643,425)	(8,298,120)	(8,594,373)	(9,585,143)	(10,057,121)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 137,381,729	\$ 125,064,020	\$ 115,856,484	\$ 112,340,308	\$ 112,340,308	\$ 102,966,206	\$ 96,737,828	\$ 95,139,490	\$ 86,430,695	\$ 82,671,274
Contributions as a percentage of covered payroll	12.16%	12.75%	13.74%	15.13%	6.21%	12.28%	8.58%	9.03%	11.09%	12.17%

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

1 - General

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

SUPPLEMENTARY INFORMATION

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - MAJOR BUDGETED
CAPITAL PROJECTS FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Capital Outlay		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
In process	\$ 146,894	\$ 119,624	\$ (27,270)
Current	5,961,827	5,880,369	(81,458)
Delinquent	86,292	101,547	15,255
Charges for services	100,000	249,536	149,536
State aid	3,576,057	3,494,778	(81,279)
Interest	50,000	1,016,146	966,146
Total revenues	<u>9,921,070</u>	<u>10,862,000</u>	<u>940,930</u>
Expenditures:			
Current:			
Instruction	880,000	1,075,371	195,371
Support services	6,537,743	6,479,104	(58,639)
Facilities acquisition and construction	5,147,975	1,740,661	(3,407,314)
Total expenditures	<u>12,565,718</u>	<u>9,295,136</u>	<u>(3,270,582)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,644,648)</u>	<u>1,566,864</u>	<u>4,211,512</u>
Other financing sources:			
Sale of capital assets	-	30,382	30,382
Insurance reimbursements	-	92,249	92,249
Total other financing sources	<u>-</u>	<u>122,631</u>	<u>122,631</u>
Net change in fund balance	<u>(2,644,648)</u>	<u>1,689,495</u>	<u>\$ 4,334,143</u>
Fund balance, beginning of year, budget basis	<u>2,644,648</u>	<u>2,644,647</u>	
Fund balance, end of year, budget basis	<u>\$ -</u>	<u>4,334,142</u>	
<u>Reconciliation to GAAP</u>			
Plus leases receivable at June 30, 2023		283,806	
Plus interest receivable at June 30, 2023		1,287	
Less deferred inflows - leases at June 30, 2023		(278,290)	
Plus encumbrances outstanding at June 30, 2023		3,465,510	
Fund balance on the basis of GAAP		<u>\$ 7,806,455</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - MAJOR BUDGETED
PROPRIETARY FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Food Service		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Federal aid	\$ 6,606,277	\$ 8,207,081	\$ 1,600,804
State aid	54,076	69,773	15,697
Interest	5,000	75,945	70,945
Charges for services	1,066,774	903,091	(163,683)
Miscellaneous	60,000	500	(59,500)
Total revenues	<u>7,792,127</u>	<u>9,256,390</u>	<u>1,464,263</u>
Expenditures:			
Current:			
Support services	431,000	446,519	15,519
Noninstructional services	11,736,923	9,867,453	(1,869,470)
Total expenditures	<u>12,167,923</u>	<u>10,313,972</u>	<u>(1,853,951)</u>
Excess (deficiency) of revenues over (under) expenditures	(4,375,796)	(1,057,582)	<u>\$ 3,318,214</u>
Fund balance, beginning of year, budget basis	4,375,796	4,307,343	
Fund balance, end of year, budget basis	<u>\$ -</u>	3,249,761	
<u>Reconciliation to GAAP</u>			
Plus capital assets, net at June 30, 2023		1,206,128	
Less subscription liabilities at June 30, 2023		(32,986)	
Less accrued interest payable at June 30, 2023		(883)	
Less unearned revenue at June 30, 2023		(185,173)	
Plus encumbrances outstanding at June 30, 2023		97,151	
Fund balance on the basis of GAAP		<u>\$ 4,333,998</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BOND AND INTEREST FUND (BUDGET BASIS)
Year Ended June 30, 2023

	Bond and Interest		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
In process	\$ 74,216	\$ 59,867	\$ (14,349)
Current	3,038,131	2,999,928	(38,203)
Delinquent	41,988	64,637	22,649
State aid	4,829,883	4,829,883	-
Interest	-	1,055,313	1,055,313
Miscellaneous	-	15	15
Total revenues	<u>7,984,218</u>	<u>9,009,643</u>	<u>1,025,425</u>
Expenditures subject to budget:			
Debt service:			
Principal	3,175,000	3,175,000	-
Interest and other charges	4,742,841	4,742,841	-
Total expenditures subject to budget	<u>7,917,841</u>	<u>7,917,841</u>	<u>-</u>
Expenditures not subject to budget:			
Payment on refunded debt from escrow	-	97,415,000	97,415,000
Interest and other charges paid from escrow	-	2,189,472	2,189,472
Other fees associated with debt refunding	-	26,750	26,750
Total expenditures not subject to budget	<u>-</u>	<u>99,631,222</u>	<u>99,631,222</u>
Total expenditures	<u>7,917,841</u>	<u>107,549,063</u>	<u>99,631,222</u>
Excess (deficiency) of revenues over (under) expenditures	66,377	(98,539,420)	<u>\$ (98,605,797)</u>
Fund balance, beginning of year, budget basis	<u>6,687,915</u>	<u>115,026,327</u>	
Fund balance, end of year, budget basis	<u>\$ 6,754,292</u>	<u>16,486,907</u>	
<u>Reconciliation to GAAP</u>			
Plus interest receivable at June 30, 2023		<u>229,415</u>	
Fund balance on the basis of GAAP		<u>\$ 16,716,322</u>	

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
 Year Ended June 30, 2023

	Adult Basic Education		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
Property taxes:			
Delinquent	\$ -	\$ 90	\$ 90
Expenditures:			
Current:			
Instruction	80,566	80,566	-
Excess (deficiency) of revenues over (under) expenditures	(80,566)	(80,476)	\$ 90
Fund balance, beginning of year, budget basis	80,566	80,566	
Fund balance, end of year, budget basis	\$ -	\$ 90	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
Year Ended June 30, 2023

	Parent Education		
	Original and Final Budget	Actual	Variance Over (Under)
Revenues:			
State aid	\$ 513,603	\$ 513,603	\$ -
Expenditures:			
Current:			
Support services	1,063,868	622,049	(441,819)
Excess (deficiency) of revenues over (under) expenditures	(550,265)	(108,446)	441,819
Other financing sources:			
Transfers in	-	300,000	300,000
Net change in fund balance	(550,265)	191,554	\$ 741,819
Fund balance, beginning of year, budget basis	550,265	550,265	
Fund balance, end of year, budget basis	\$ -	741,819	
<u>Reconciliation to GAAP</u>			
Plus encumbrances outstanding at June 30, 2023		4,142	
Fund balance on the basis of GAAP		\$ 745,961	

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - ALL NONMAJOR BUDGETED FUNDS (BUDGET BASIS)
Year Ended June 30, 2023

	Special Liability		Variance Over (Under)
	Original and Final Budget	Actual	
Revenues:			
Property taxes:			
In process	\$ -	\$ 545	\$ 545
Current	86,203	81,157	(5,046)
Delinquent	357	6,210	5,853
Interest	-	8,720	8,720
Total revenues	<u>86,560</u>	<u>96,632</u>	<u>10,072</u>
Expenditures and transfers out:			
Current:			
Support services	330,000	276,127	(53,873)
Transfers out	4,000	-	(4,000)
Total expenditures and transfers out	<u>334,000</u>	<u>276,127</u>	<u>(57,873)</u>
Excess (deficiency) of revenues over (under) expenditures and transfers out	(247,440)	(179,495)	67,945
Other financing sources:			
Transfers in	-	100,000	100,000
Net change in fund balance	<u>(247,440)</u>	<u>(79,495)</u>	<u>\$ 167,945</u>
Fund balance, beginning of year, budget basis	459,650	459,650	
Fund balance, end of year, budget basis	<u>\$ 212,210</u>	<u>\$ 380,155</u>	

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2023

	Fund Balances June 30, 2022	Additions	Deductions	Fund Balances June 30, 2023
<u>Senior High Schools</u>				
Athletic Support Groups:				
Highland Park	\$ 1,787	\$ 10,671	\$ 6,466	\$ 5,992
Topeka High	1,998	37,725	34,884	4,839
Topeka West	17,295	36,504	42,031	11,768
	<u>21,080</u>	<u>84,900</u>	<u>83,381</u>	<u>22,599</u>
Graduating Classes:				
Highland Park	2,890	2,972	2,913	2,949
Topeka High	11,507	9,475	5,350	15,632
Topeka West	24,738	9,911	24,642	10,007
	<u>39,135</u>	<u>22,358</u>	<u>32,905</u>	<u>28,588</u>
Clubs and Organizations:				
Highland Park	30,654	9,609	18,347	21,916
Topeka High	88,374	62,347	61,412	89,309
Topeka West	19,674	9,201	15,229	13,646
	<u>138,702</u>	<u>81,157</u>	<u>94,988</u>	<u>124,871</u>
Miscellaneous Fundraisers:				
Highland Park	10,199	20,306	17,270	13,235
Topeka High	3,932	-	70	3,862
Topeka West	5,572	13,240	924	17,888
	<u>19,703</u>	<u>33,546</u>	<u>18,264</u>	<u>34,985</u>
Performing Arts:				
Highland Park	8,322	13,667	12,748	9,241
Topeka High	36,473	55,376	64,263	27,586
Topeka West	25,139	24,686	28,716	21,109
	<u>69,934</u>	<u>93,729</u>	<u>105,727</u>	<u>57,936</u>
Scholarships and Memorials:				
Highland Park	8,637	10,747	7,836	11,548
Topeka High	34,313	10,250	7,888	36,675
Topeka West	13,381	9,345	15,970	6,756
	<u>56,331</u>	<u>30,342</u>	<u>31,694</u>	<u>54,979</u>
Total Senior High Schools	<u>\$ 344,885</u>	<u>\$ 346,032</u>	<u>\$ 366,959</u>	<u>\$ 323,958</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2023

	Fund Balances June 30, 2022	Additions	Deductions	Fund Balances June 30, 2023
<u>Middle Schools</u>				
Clubs and Organizations:				
Chase	\$ 1,573	\$ 896	\$ 1,456	\$ 1,013
Eisenhower	5,073	9,939	10,170	4,842
French	5,351	4,310	5,001	4,660
Jardine	2,456	940	1,522	1,874
Landon	5,190	2,416	3,105	4,501
Robinson	381	1,369	1,263	487
	<u>20,024</u>	<u>19,870</u>	<u>22,517</u>	<u>17,377</u>
Graduating Classes:				
Chase	180	3,320	2,734	766
French	1,233	4,210	3,531	1,912
Robinson	18	-	18	-
	<u>1,431</u>	<u>7,530</u>	<u>6,283</u>	<u>2,678</u>
Miscellaneous Fundraisers:				
Chase	1,226	4,348	4,356	1,218
Eisenhower	584	222	-	806
French	-	2,166	812	1,354
Jardine	13,827	5,849	-	19,676
Landon	16,751	19,579	16,049	20,281
Robinson	160	2,333	1,320	1,173
	<u>32,548</u>	<u>34,497</u>	<u>22,537</u>	<u>44,508</u>
Performing Arts:				
Chase	1,045	420	35	1,430
Eisenhower	1,052	1,789	1,651	1,190
French	4,173	4,936	3,397	5,712
Jardine	19,189	4,017	4,178	19,028
Landon	8,419	5,176	3,370	10,225
Robinson	1,226	2,790	3,840	176
	<u>35,104</u>	<u>19,128</u>	<u>16,471</u>	<u>37,761</u>
Total Middle Schools	<u>\$ 89,107</u>	<u>\$ 81,025</u>	<u>\$ 67,808</u>	<u>\$ 102,324</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2023

	Fund Balances June 30, 2022	Additions	Deductions	Fund Balances June 30, 2023
<u>Elementary Schools</u>				
Clubs and Organizations:				
Jardine	\$ 695	\$ 103	\$ 460	\$ 338
Lowman Hill	440	74	-	514
McClure	121	-	121	-
McEachron	5,203	12,910	10,102	8,011
Meadows	447	1,479	839	1,087
Scott	179	-	179	-
Whitson	422	-	403	19
	<u>7,507</u>	<u>14,566</u>	<u>12,104</u>	<u>9,969</u>
Graduating Class:				
Jardine	1,123	595	1,476	242
Lowman Hill	4,195	1,041	597	4,639
Meadows	1,467	495	1,390	572
Scott	2,583	730	781	2,532
Whitson	618	-	41	577
	<u>9,986</u>	<u>2,861</u>	<u>4,285</u>	<u>8,562</u>
Miscellaneous Fundraisers:				
Highland Park Central	3,545	1,430	3,054	1,921
Jardine	15,993	11,215	14,852	12,356
Lowman Hill	881	858	928	811
McCarter	20,852	266	2,407	18,711
McClure	2,477	3,974	3,791	2,660
McEachron	4,932	6,718	7,769	3,881
Meadows	3,392	1,562	2,283	2,671
Quincy	3,529	1,723	2,087	3,165
Randolph	1,785	1,382	641	2,526
Ross	375	820	1,133	62
Scott	4,482	1,338	1,539	4,281
State Street	465	2,178	1,336	1,307
Whitson	671	1,323	1,284	710
Williams	2,550	2,570	375	4,745
	<u>65,929</u>	<u>37,357</u>	<u>43,479</u>	<u>59,807</u>
Subtotals forward	<u>\$ 83,422</u>	<u>\$ 54,784</u>	<u>\$ 59,868</u>	<u>\$ 78,338</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
STUDENT ORGANIZATION FUNDS
Year Ended June 30, 2023

	Fund Balances June 30, 2022	Additions	Deductions	Fund Balances June 30, 2023
Subtotals forward	\$ 83,422	\$ 54,784	\$ 59,868	\$ 78,338
Scholarships and Memorials:				
Lowman Hill	-	50	-	50
Quincy	1,133	-	279	854
Randolph	6,768	-	-	6,768
Ross	440	-	-	440
State Street	2,471	686	544	2,613
Whitson	210	-	34	176
	<u>11,022</u>	<u>736</u>	<u>857</u>	<u>10,901</u>
Total Elementary Schools	<u>\$ 94,444</u>	<u>\$ 55,520</u>	<u>\$ 60,725</u>	<u>\$ 89,239</u>
<u>Other Locations</u>				
Clubs and Organizations:				
Hope Street Academy	\$ 1,274	\$ -	\$ 67	\$ 1,207
Miscellaneous Fundraisers:				
Capital City	530	903	1,255	178
Sheldon Head Start	150	481	271	360
	<u>680</u>	<u>1,384</u>	<u>1,526</u>	<u>538</u>
Scholarships and Memorials:				
Capital City	489	-	-	489
Hope Street Academy	5,570	-	319	5,251
Sheldon Head Start	55	-	55	-
	<u>6,114</u>	<u>-</u>	<u>374</u>	<u>5,740</u>
Total Other Locations	<u>\$ 8,068</u>	<u>\$ 1,384</u>	<u>\$ 1,967</u>	<u>\$ 7,485</u>
Total - all student organization funds	<u>\$ 536,504</u>	<u>\$ 483,961</u>	<u>\$ 497,459</u>	<u>\$ 523,006</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2023

	General	Supplemental General	At-Risk 4-Year-Old	At-Risk K-12	Virtual Education
<u>ASSETS</u>					
Cash and investments	\$ 3,397,087	\$ 71,956	\$ 1,034,776	\$ 2,032,767	\$ 683,566
Due from other funds	-	-	-	-	-
Leases receivable	73,587	39,398	-	-	-
Interest receivable	159	-	-	-	-
Inventory of materials and supplies	59,414	-	-	-	-
Total assets	<u>\$ 3,530,247</u>	<u>\$ 111,354</u>	<u>\$ 1,034,776</u>	<u>\$ 2,032,767</u>	<u>\$ 683,566</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 2,533,803	\$ -	\$ 72,352	\$ 1,933,574	\$ 13,382
Payroll liabilities	-	-	-	-	-
Total liabilities	<u>2,533,803</u>	<u>-</u>	<u>72,352</u>	<u>1,933,574</u>	<u>13,382</u>
Deferred inflows of resources:					
Deferred inflows - leases	72,881	40,219	-	-	-
Fund balances:					
Non-spendable:					
Inventories	59,414	-	-	-	-
Assigned	863,284	21,807	962,424	99,193	670,184
Unassigned	865	49,328	-	-	-
Total fund balances	<u>923,563</u>	<u>71,135</u>	<u>962,424</u>	<u>99,193</u>	<u>670,184</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,530,247</u>	<u>\$ 111,354</u>	<u>\$ 1,034,776</u>	<u>\$ 2,032,767</u>	<u>\$ 683,566</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2023

	Federal Program Overhead	Bilingual Education	Career and Postsecondary Education	Professional Development	Summer School
<u>ASSETS</u>					
Cash and investments	\$ 2,603,857	\$ 1,726,310	\$ 2,384,448	\$ 568,041	\$ 362,462
Due from other funds	-	-	-	-	-
Leases receivable	-	-	-	-	-
Interest receivable	-	-	-	-	-
Inventory of materials and supplies	-	-	-	-	-
Total assets	<u>\$ 2,603,857</u>	<u>\$ 1,726,310</u>	<u>\$ 2,384,448</u>	<u>\$ 568,041</u>	<u>\$ 362,462</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 8,362	\$ 167,769	\$ 166,019	\$ 5,759	\$ -
Payroll liabilities	-	-	-	-	-
Total liabilities	<u>8,362</u>	<u>167,769</u>	<u>166,019</u>	<u>5,759</u>	<u>-</u>
Deferred inflows of resources:					
Deferred inflows - leases	-	-	-	-	-
Fund balances:					
Non-spendable:					
Inventories	-	-	-	-	-
Assigned	72,378	1,558,541	2,218,429	562,282	362,462
Unassigned	2,523,117	-	-	-	-
Total fund balances	<u>2,595,495</u>	<u>1,558,541</u>	<u>2,218,429</u>	<u>562,282</u>	<u>362,462</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,603,857</u>	<u>\$ 1,726,310</u>	<u>\$ 2,384,448</u>	<u>\$ 568,041</u>	<u>\$ 362,462</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2023

	Pepsi Exclusivity	Internal Service Reserve	Sports Park Operations	Payroll Liability Clearing
<u>ASSETS</u>				
Cash and investments	\$ 105,164	\$ 2,257	\$ 1,116,502	\$ 8,066,238
Due from other funds	-	-	-	-
Leases receivable	-	-	-	-
Interest receivable	-	-	-	-
Inventory of materials and supplies	-	-	-	-
Total assets	<u>\$ 105,164</u>	<u>\$ 2,257</u>	<u>\$ 1,116,502</u>	<u>\$ 8,066,238</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Payroll liabilities	-	2,257	-	8,066,238
Total liabilities	<u>-</u>	<u>2,257</u>	<u>-</u>	<u>8,066,238</u>
Deferred inflows of resources:				
Deferred inflows - leases	-	-	-	-
Fund balances:				
Non-spendable:				
Inventories	-	-	-	-
Assigned	5,363	-	1,116,502	-
Unassigned	99,801	-	-	-
Total fund balances	<u>105,164</u>	<u>-</u>	<u>1,116,502</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 105,164</u>	<u>\$ 2,257</u>	<u>\$ 1,116,502</u>	<u>\$ 8,066,238</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2023

	Self-Insurance Reserve	Risk Management	Contingency Reserve	Eliminations	Total General Fund
<u>ASSETS</u>					
Cash and investments	\$ 943,360	\$ 1,244,604	\$ 1,371,115	\$ -	\$ 27,714,510
Due from other funds	-	-	2,191,828	-	2,191,828
Leases receivable	-	-	-	-	112,985
Interest receivable	-	-	-	-	159
Inventory of materials and supplies	-	-	-	-	59,414
	<u>943,360</u>	<u>1,244,604</u>	<u>3,562,943</u>	<u>-</u>	<u>30,078,896</u>
Total assets	<u>\$ 943,360</u>	<u>\$ 1,244,604</u>	<u>\$ 3,562,943</u>	<u>\$ -</u>	<u>\$ 30,078,896</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	4,901,020
Payroll liabilities	-	-	-	-	8,068,495
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,969,515</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,969,515</u>
Deferred inflows of resources:					
Deferred inflows - leases	-	-	-	-	113,100
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,100</u>
Fund balances:					
Non-spendable:					
Inventories	-	-	-	-	59,414
Assigned	943,360	1,244,604	-	-	10,700,813
Unassigned	-	-	3,562,943	-	6,236,054
	<u>943,360</u>	<u>1,244,604</u>	<u>3,562,943</u>	<u>-</u>	<u>16,996,281</u>
Total fund balances	<u>943,360</u>	<u>1,244,604</u>	<u>3,562,943</u>	<u>-</u>	<u>16,996,281</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 943,360</u>	<u>\$ 1,244,604</u>	<u>\$ 3,562,943</u>	<u>\$ -</u>	<u>\$ 30,078,896</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2023

	General	Supplemental General	At-Risk 4-Year-Old	At-Risk K-12	Virtual Education
Revenues:					
Property taxes	\$ -	\$ 11,393,526	\$ -	\$ -	\$ -
Local sources	-	-	-	-	-
Charges for services	42,126	9,029	-	-	-
State aid	90,378,198	21,531,730	-	-	-
Interest	1,046	-	-	-	-
Miscellaneous	503,125	-	-	-	-
Total revenues	90,924,495	32,934,285	-	-	-
Expenditures:					
Current:					
Instruction	19,368,585	1,881,630	1,168,101	29,475,171	352,486
Student support	4,163,733	108,184	-	1,408,009	-
Instructional support	3,180,607	73,878	-	-	-
General administration	1,406,873	1,548,596	-	-	-
School administration	8,932,385	88,074	9,281	365,520	-
Business support	1,704,845	6,620	-	-	-
Operations and maintenance	7,679,998	5,416,280	1,797	-	-
Transportation	2,529,436	1,085	-	-	-
Central support services	3,979,809	1,090,029	-	-	-
Other support	(770)	6,240	-	-	-
Student activities	(125,370)	1,659	-	-	-
Debt service:					
Principal retirement	331,662	-	-	-	-
Interest and other charges	23,096	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	53,174,889	10,222,275	1,179,179	31,248,700	352,486
Excess (deficiency) of revenues over (under) expenditures	37,749,606	22,712,010	(1,179,179)	(31,248,700)	(352,486)
Other financing sources (uses):					
Transfers in	-	-	1,287,950	31,343,403	400,000
Transfers out	(38,661,372)	(24,020,091)	-	-	-
Lease obligations	929,367	-	-	-	-
Subscription financing	162,059	-	-	-	-
Total other financing sources (uses)	(37,569,946)	(24,020,091)	1,287,950	31,343,403	400,000
Net change in fund balances	179,660	(1,308,081)	108,771	94,703	47,514
Fund balance, beginning of year	743,903	1,379,216	853,653	4,490	622,670
Fund balance, end of year	\$ 923,563	\$ 71,135	\$ 962,424	\$ 99,193	\$ 670,184

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2023

	Federal Program Overhead	Bilingual Education	Career and Postsecondary Education	Professional Development	Summer School
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	-	-	-	-	-
Charges for services	-	-	-	-	-
State aid	-	-	35,837	51,768	-
Interest	-	-	-	4,964	-
Miscellaneous	-	-	-	-	-
Total revenues	-	-	35,837	56,732	-
Expenditures:					
Current:					
Instruction	(88,492)	2,720,115	2,136,769	-	1,611
Student support	-	88,756	-	-	-
Instructional support	-	-	57,444	392,741	-
General administration	(66,959)	-	-	-	-
School administration	-	-	333,906	-	2,659
Business support	(548,221)	-	-	-	-
Operations and maintenance	(1,769)	12,901	97,786	-	-
Transportation	-	605,670	436,606	-	-
Central support services	(237,364)	-	-	-	-
Other support	-	-	-	-	-
Student activities	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	25,114	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	(942,805)	3,427,442	3,062,511	417,855	4,270
Excess (deficiency) of revenues over (under) expenditures	942,805	(3,427,442)	(3,026,674)	(361,123)	(4,270)
Other financing sources (uses):					
Transfers in	-	3,200,000	3,400,000	500,000	150,000
Transfers out	-	-	-	-	-
Lease obligations	-	-	-	-	-
Subscription financing	-	-	-	51,658	-
Total other financing sources (uses)	-	3,200,000	3,400,000	551,658	150,000
Net change in fund balances	942,805	(227,442)	373,326	190,535	145,730
Fund balance, beginning of year	1,652,690	1,785,983	1,845,103	371,747	216,732
Fund balance, end of year	\$ 2,595,495	\$ 1,558,541	\$ 2,218,429	\$ 562,282	\$ 362,462

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2023

	Pepsi Exclusivity	Internal Service Reserve	Sports Park Operations	Payroll Liability Clearing
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Local sources	-	-	-	-
Charges for services	31,418	-	330,263	-
State aid	-	-	-	-
Interest	2,452	-	26,061	-
Miscellaneous	8,157	-	42,400	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	42,027	-	398,724	-
Expenditures:				
Current:				
Instruction	15,003	-	7,138	-
Student support	-	-	-	-
Instructional support	4,327	-	-	-
General administration	23,062	-	-	-
School administration	-	-	11,879	-
Business support	811	-	10,470	-
Operations and maintenance	70	-	24,757	-
Transportation	-	-	-	-
Central support services	-	-	-	-
Other support	-	-	215,768	-
Student activities	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	43,273	-	270,012	-
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	(1,246)	-	128,712	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Lease obligations	-	-	-	-
Subscription financing	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	<hr/>	<hr/>	<hr/>	<hr/>
	(1,246)	-	128,712	-
Fund balance, beginning of year	<hr/>	<hr/>	<hr/>	<hr/>
	106,410	-	987,790	-
Fund balance, end of year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 105,164	\$ -	\$ 1,116,502	\$ -

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2023

	Self-Insurance Reserve	Risk Management	Contingency Reserve	Eliminations	Total General Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 11,393,526
Local sources	151,018	-	-	-	151,018
Charges for services	98,795	-	-	-	511,631
State aid	-	-	-	-	111,997,533
Interest	21,993	30,680	-	-	87,196
Miscellaneous	11,144	11,500	-	-	576,326
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	282,950	42,180	-	-	124,717,230
Expenditures:					
Current:					
Instruction	-	167	-	-	57,038,284
Student support	-	400	-	-	5,769,082
Instructional support	-	-	-	-	3,708,997
General administration	-	56,666	-	-	2,968,238
School administration	-	-	-	-	9,743,704
Business support	103,000	-	-	-	1,277,525
Operations and maintenance	-	8,532	-	-	13,240,352
Transportation	-	3,319	-	-	3,576,116
Central support services	-	(16,383)	-	-	4,816,091
Other support	-	-	-	-	221,238
Student activities	-	-	-	-	(123,711)
Debt service:					
Principal retirement	-	-	-	-	356,776
Interest and other charges	-	-	-	-	23,096
Capital outlay	-	11,500	-	-	11,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	103,000	64,201	-	-	102,627,288
Excess (deficiency) of revenues over (under) expenditures					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	179,950	(22,021)	-	-	22,089,942
Other financing sources (uses):					
Transfers in	-	-	-	(40,281,353)	-
Transfers out	-	-	-	40,281,353	(22,400,110)
Lease obligations	-	-	-	-	929,367
Subscription financing	-	-	-	-	213,717
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-	-	(21,257,026)
Net change in fund balances					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	179,950	(22,021)	-	-	832,916
Fund balance, beginning of year					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	763,410	1,266,625	3,562,943	-	16,163,365
Fund balance, end of year					
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 943,360	\$ 1,244,604	\$ 3,562,943	\$ -	\$ 16,996,281

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
June 30, 2023

	Adult Basic Education	Parent Education	Special Liability
<u>ASSETS</u>			
Cash and investments	\$ 90	\$ 745,961	\$ 380,155
Due from other governmental units	-	-	-
Total assets	<u>\$ 90</u>	<u>\$ 745,961</u>	<u>\$ 380,155</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Restricted:			
Instruction	90	-	-
Student support	-	741,819	-
Instructional support	-	-	-
General administration	-	-	380,155
Student activities	-	-	-
Assigned	-	4,142	-
Total fund balances	<u>90</u>	<u>745,961</u>	<u>380,155</u>
Total liabilities and fund balances	<u>\$ 90</u>	<u>\$ 745,961</u>	<u>\$ 380,155</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
June 30, 2023

	USDE Direct	US HHS Direct	US HHS Thru KS HHS	TANF	Workforce Investment
<u>ASSETS</u>					
Cash and investments	\$ 6,932	\$ 82,194	\$ 320,176	\$ 17,354	\$ -
Due from other governmental units	645	797	143,394	-	26,725
Total assets	<u>\$ 7,577</u>	<u>\$ 82,991</u>	<u>\$ 463,570</u>	<u>\$ 17,354</u>	<u>\$ 26,725</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 7,577	\$ 82,991	\$ 463,570	\$ 17,354	\$ 11,149
Due to other funds	-	-	-	-	15,576
Unearned revenue	-	-	-	-	-
Total liabilities	<u>7,577</u>	<u>82,991</u>	<u>463,570</u>	<u>17,354</u>	<u>26,725</u>
Fund balances:					
Restricted:					
Instruction	-	-	-	-	-
Student support	-	-	-	-	-
Instructional support	-	-	-	-	-
General administration	-	-	-	-	-
Student activities	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,577</u>	<u>\$ 82,991</u>	<u>\$ 463,570</u>	<u>\$ 17,354</u>	<u>\$ 26,725</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
June 30, 2023

	Kansas Miscellaneous Other Grants	Miscellaneous Other Grants	Trust Gift Legacy	COVID Relief	High School Activity
<u>ASSETS</u>					
Cash and investments	\$ 131,248	\$ 320,271	\$ 178,640	\$ -	\$ 565,298
Due from other governmental units	-	43,364	-	276,847	-
Total assets	<u>\$ 131,248</u>	<u>\$ 363,635</u>	<u>\$ 178,640</u>	<u>\$ 276,847</u>	<u>\$ 565,298</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 7,846	\$ 8,942	\$ -	\$ 53,849	\$ -
Due to other funds	-	-	-	222,998	-
Unearned revenue	123,402	354,693	-	-	-
Total liabilities	<u>131,248</u>	<u>363,635</u>	<u>-</u>	<u>276,847</u>	<u>-</u>
Fund balances:					
Restricted:					
Instruction	-	-	-	-	-
Student support	-	-	-	-	-
Instructional support	-	-	176,556	-	-
General administration	-	-	-	-	-
Student activities	-	-	-	-	565,298
Assigned	-	-	2,084	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>178,640</u>	<u>-</u>	<u>565,298</u>
Total liabilities and fund balances	<u>\$ 131,248</u>	<u>\$ 363,635</u>	<u>\$ 178,640</u>	<u>\$ 276,847</u>	<u>\$ 565,298</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
June 30, 2023

	Middle School Activity	Elementary School Activity	Other Locations Activity	Student Organization Funds	Total Other Governmental Funds
<u>ASSETS</u>					
Cash and investments	\$ 80,633	\$ 174,000	\$ 109,020	\$ 523,006	\$ 3,634,978
Due from other governmental units	-	-	-	-	491,772
Total assets	<u>\$ 80,633</u>	<u>\$ 174,000</u>	<u>\$ 109,020</u>	<u>\$ 523,006</u>	<u>\$ 4,126,750</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 653,278
Due to other funds	-	-	-	-	238,574
Unearned revenue	-	-	-	-	478,095
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,369,947</u>
Fund balances:					
Restricted:					
Instruction	-	-	-	-	90
Student support	-	-	-	-	741,819
Instructional support	-	-	-	-	176,556
General administration	-	-	-	-	380,155
Student activities	80,633	174,000	109,020	523,006	1,451,957
Assigned	-	-	-	-	6,226
Total fund balances	<u>80,633</u>	<u>174,000</u>	<u>109,020</u>	<u>523,006</u>	<u>2,756,803</u>
Total liabilities and fund balances	<u>\$ 80,633</u>	<u>\$ 174,000</u>	<u>\$ 109,020</u>	<u>\$ 523,006</u>	<u>\$ 4,126,750</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	Adult Basic Education	Parent Education	Special Liability
Revenues:			
Property taxes	\$ 90	\$ -	\$ 87,912
Local sources	-	-	-
Charges for services	-	-	-
State aid	-	513,603	-
Federal aid	-	-	-
Interest	-	-	8,720
	<hr/>	<hr/>	<hr/>
Total revenues	90	513,603	96,632
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
Instruction	80,566	-	-
Student support	-	580,418	-
Instructional support	-	12,516	-
General administration	-	-	269,493
Operations and maintenance	-	53,611	-
Central support services	-	-	-
Student activities	-	-	-
Debt service:			
Principal retirement	-	-	6,634
Interest and other charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	80,566	646,545	276,127
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(80,476)	(132,942)	(179,495)
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in	-	300,000	100,000
Lease obligations	-	-	-
Subscription financing	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources	-	300,000	100,000
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(80,476)	167,058	(79,495)
	<hr/>	<hr/>	<hr/>
Fund balance, beginning of year	80,566	578,903	459,650
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	\$ 90	\$ 745,961	\$ 380,155
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	USDE Direct	US HHS Direct	US HHS Thru KS HHS	TANF	Workforce Investment
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	-	-	-	275,000	-
Charges for services	-	-	-	-	-
State aid	-	-	-	-	-
Federal aid	76,169	2,941,333	957,148	275,000	158,323
Interest	-	-	-	-	-
Total revenues	76,169	2,941,333	957,148	550,000	158,323
Expenditures:					
Current:					
Instruction	70,702	2,554,476	-	442,390	143,381
Student support	8	337,961	406,021	107,610	-
Instructional support	-	-	-	-	-
General administration	-	-	-	-	-
Operations and maintenance	-	-	432,270	-	-
Central support services	5,459	64,427	551,127	-	14,942
Student activities	-	-	-	-	-
Debt service:					
Principal retirement	-	3,841	-	-	-
Interest and other charges	-	402	-	-	-
Total expenditures	76,169	2,961,107	1,389,418	550,000	158,323
Excess (deficiency) of revenues over (under) expenditures	-	(19,774)	(432,270)	-	-
Other financing sources:					
Transfers in	-	-	-	-	-
Lease obligations	-	19,774	-	-	-
Subscription financing	-	-	432,270	-	-
Total other financing sources	-	19,774	432,270	-	-
Net change in fund balances	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	Kansas Miscellaneous Other Grants	Miscellaneous Other Grants	Trust Gift Legacy	COVID Relief	High School Activity
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local sources	694,754	484,612	-	-	-
Charges for services	-	-	-	-	510,544
State aid	-	-	-	-	-
Federal aid	-	-	-	2,888,283	-
Interest	-	-	4,313	-	-
	<u>694,754</u>	<u>484,612</u>	<u>4,313</u>	<u>2,888,283</u>	<u>510,544</u>
Total revenues					
Expenditures:					
Current:					
Instruction	92,123	190,086	-	2,888,283	-
Student support	626,413	253,197	-	-	-
Instructional support	-	-	1,500	-	-
General administration	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Central support services	91,218	41,329	-	-	-
Student activities	-	-	-	-	520,628
Debt service:					
Principal retirement	-	-	-	-	-
Interest and other charges	-	-	-	-	-
	<u>809,754</u>	<u>484,612</u>	<u>1,500</u>	<u>2,888,283</u>	<u>520,628</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>(115,000)</u>	<u>-</u>	<u>2,813</u>	<u>-</u>	<u>(10,084)</u>
Other financing sources:					
Transfers in	115,000	-	-	-	-
Lease obligations	-	-	-	-	-
Subscription financing	-	-	-	-	-
	<u>115,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources					
Net change in fund balances	-	-	2,813	-	(10,084)
Fund balance, beginning of year	-	-	175,827	-	575,382
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,640</u>	<u>\$ -</u>	<u>\$ 565,298</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	Middle School Activity	Elementary School Activity	Other Locations Activity	Student Organization Funds	Total Other Governmental Funds
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 88,002
Local sources	-	-	-	-	1,454,366
Charges for services	36,739	156,160	392,419	544,139	1,640,001
State aid	-	-	-	-	513,603
Federal aid	-	-	-	-	7,296,256
Interest	-	-	-	-	13,033
Total revenues	36,739	156,160	392,419	544,139	11,005,261
Expenditures:					
Current:					
Instruction	-	-	-	-	6,462,007
Student support	-	-	-	-	2,311,628
Instructional support	-	-	-	-	14,016
General administration	-	-	-	-	269,493
Operations and maintenance	-	-	-	-	485,881
Central support services	-	-	-	-	768,502
Student activities	46,171	167,139	383,022	557,637	1,674,597
Debt service:					
Principal retirement	-	-	-	-	10,475
Interest and other charges	-	-	-	-	402
Total expenditures	46,171	167,139	383,022	557,637	11,997,001
Excess (deficiency) of revenues over (under) expenditures	(9,432)	(10,979)	9,397	(13,498)	(991,740)
Other financing sources:					
Transfers in	-	-	-	-	515,000
Lease obligations	-	-	-	-	19,774
Subscription financing	-	-	-	-	432,270
Total other financing sources	-	-	-	-	967,044
Net change in fund balances	(9,432)	(10,979)	9,397	(13,498)	(24,696)
Fund balance, beginning of year	90,065	184,979	99,623	536,504	2,781,499
Fund balance, end of year	\$ 80,633	\$ 174,000	\$ 109,020	\$ 523,006	\$ 2,756,803

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
NONMAJOR PROPRIETARY FUNDS
June 30, 2023

	Textbook/Study Material Revolving	Kanza Café	Total Nonmajor Proprietary Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 2,789,133	\$ -	\$ 2,789,133
Inventory of materials and supplies	413,679	-	413,679
Total current assets	3,202,812	-	3,202,812
Noncurrent assets:			
Capital assets, net	864,963	79	865,042
Total assets	<u>\$ 4,067,775</u>	<u>\$ 79</u>	<u>\$ 4,067,854</u>
<u>LIABILITIES AND NET POSITION</u>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 298,743	\$ -	\$ 298,743
Accrued interest payable	3,311	-	3,311
Subscription liabilities	142,004	-	142,004
Total current liabilities	444,058	-	444,058
Noncurrent liabilities:			
Subscription liabilities	600,398	-	600,398
Total liabilities	1,044,456	-	1,044,456
Net position:			
Investment in capital assets	122,561	79	122,640
Unrestricted	2,900,758	-	2,900,758
Total net position	3,023,319	79	3,023,398
Total liabilities and net position	<u>\$ 4,067,775</u>	<u>\$ 79</u>	<u>\$ 4,067,854</u>

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 Year Ended June 30, 2023

	Textbook/Study Material Revolving	Kanza Café	Total Nonmajor Proprietary Funds
Operating revenues:			
Charges for services	\$ 192,839	\$ -	\$ 192,839
Operating expenses:			
Instruction	1,380,656	-	1,380,656
Depreciation and amortization	35,998	920	36,918
Total operating expenses	1,416,654	920	1,417,574
Operating loss	(1,223,815)	(920)	(1,224,735)
Nonoperating revenues (expenses):			
Interest income	28,799	-	28,799
Interest and fiscal charges	(3,311)	-	(3,311)
Local sources	5	-	5
Miscellaneous	3,295	-	3,295
Transfers in	2,074,300	-	2,074,300
Total nonoperating revenues	2,103,088	-	2,103,088
Change in net position	879,273	(920)	878,353
Net position, beginning of year	2,144,046	999	2,145,045
Net position, end of year	\$ 3,023,319	\$ 79	\$ 3,023,398

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2023

	Textbook/ Study Material Revolving	Kanza Café	Total Nonmajor Proprietary Funds
Cash flows from operating activities:			
Received from user charges	\$ 192,839	\$ -	\$ 192,839
Payments to suppliers for goods and services	(1,090,104)	-	(1,090,104)
Net cash from operating activities	(897,265)	-	(897,265)
Cash flows from noncapital financing activities:			
Miscellaneous receipts	3,300	-	3,300
Transfers from other funds	2,074,300	-	2,074,300
Net cash from noncapital financing activities	2,077,600	-	2,077,600
Cash flows from capital and related financing activities:			
Principal payments on long-term debt	(158,559)	-	(158,559)
Interest and fees paid on capital debt	(3,311)	-	(3,311)
Net cash from capital and related financing activities	(161,870)	-	(161,870)
Cash flows from investing activities:			
Interest received	28,799	-	28,799
Net change in cash and investments	1,047,264	-	1,047,264
Cash and investments, beginning	1,741,869	-	1,741,869
Cash and investments, ending	\$ 2,789,133	\$ -	\$ 2,789,133
Reconciliation of operating loss to net cash from operating activities:			
Operating loss	\$ (1,223,815)	\$ (920)	\$ (1,224,735)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	35,998	920	36,918
Changes in assets and liabilities:			
Inventory of materials and supplies	(11,502)	-	(11,502)
Accounts payable and accrued liabilities	302,054	-	302,054
Net cash from operating activities	\$ (897,265)	\$ -	\$ (897,265)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
June 30, 2023

	<u>Dental Self-Insurance</u>	<u>Flex 125 Spending</u>	<u>Workers' Compensation</u>	<u>Health Insurance Reserve</u>	<u>Total Internal Service Funds</u>
<u>ASSETS</u>					
Current assets:					
Cash and investments	\$ 1,477,513	\$ 786,719	\$ 5,220,584	\$ 1,466,313	\$ 8,951,129
<u>LIABILITIES AND NET POSITION</u>					
Current liabilities:					
Estimated insurance claims	\$ -	\$ -	\$ 565,479	\$ -	\$ 565,479
Net position:					
Unrestricted	1,477,513	786,719	4,655,105	1,466,313	8,385,650
Total liabilities and net position	\$ 1,477,513	\$ 786,719	\$ 5,220,584	\$ 1,466,313	\$ 8,951,129

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
Year Ended June 30, 2023

	Dental Self-Insurance	Flex 125 Spending	Workers' Compensation	Health Insurance Reserve	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 735,912	\$ 730,039	\$ 1,493,039	\$ -	\$ 2,958,990
Other	-	-	2,766	-	2,766
Total operating revenues	<u>735,912</u>	<u>730,039</u>	<u>1,495,805</u>	<u>-</u>	<u>2,961,756</u>
Operating expenses:					
Instruction	-	-	-	135,405	135,405
Business support	-	686,515	232,475	-	918,990
Central support services	679,473	-	739,360	-	1,418,833
Operations and maintenance	-	-	37,540	-	37,540
Total operating expenses	<u>679,473</u>	<u>686,515</u>	<u>1,009,375</u>	<u>135,405</u>	<u>2,510,768</u>
Operating income (loss)	56,439	43,524	486,430	(135,405)	450,988
Nonoperating revenues:					
Interest income	51,082	23,252	180,061	35,667	290,062
Change in net position	107,521	66,776	666,491	(99,738)	741,050
Net position, beginning of year	<u>1,369,992</u>	<u>719,943</u>	<u>3,988,614</u>	<u>1,566,051</u>	<u>7,644,600</u>
Net position, end of year	<u>\$ 1,477,513</u>	<u>\$ 786,719</u>	<u>\$ 4,655,105</u>	<u>\$ 1,466,313</u>	<u>\$ 8,385,650</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 2023

	Dental Self-Insurance	Flex 125 Spending	Workers' Compensation	Health Insurance Reserve	Total
Cash flows from operating activities:					
Received from user charges	\$ 735,912	\$730,039	\$ 1,493,039	\$ -	\$ 2,958,990
Received from other sources	-	-	2,766	-	2,766
Payments to employees for services	(616,915)	(10,224)	(160,311)	-	(787,450)
Payments to suppliers for goods and services	(62,558)	(676,291)	(945,684)	(135,405)	(1,819,938)
Net cash from operating activities	<u>56,439</u>	<u>43,524</u>	<u>389,810</u>	<u>(135,405)</u>	<u>354,368</u>
Cash flows from investing activities:					
Interest received	<u>51,082</u>	<u>23,252</u>	<u>180,061</u>	<u>35,667</u>	<u>290,062</u>
Net change in cash and investments	107,521	66,776	569,871	(99,738)	644,430
Cash and investments, beginning	<u>1,369,992</u>	<u>719,943</u>	<u>4,650,713</u>	<u>1,566,051</u>	<u>8,306,699</u>
Cash and investments, ending	<u>\$ 1,477,513</u>	<u>\$786,719</u>	<u>\$ 5,220,584</u>	<u>\$ 1,466,313</u>	<u>\$ 8,951,129</u>
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	\$ 56,439	\$ 43,524	\$ 486,430	\$ (135,405)	\$ 450,988
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Changes in assets and liabilities:					
Estimated insurance claims	<u>-</u>	<u>-</u>	<u>(96,620)</u>	<u>-</u>	<u>(96,620)</u>
Net cash from operating activities	<u>\$ 56,439</u>	<u>\$ 43,524</u>	<u>\$ 389,810</u>	<u>\$ (135,405)</u>	<u>\$ 354,368</u>

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Assistance Listing Number	Expenditures
U.S. Department of Agriculture:			
Passed through State of Kansas Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program		10.553	\$ 1,520,248
National School Lunch Program		10.555	5,590,520
Summer Food Service Program for Children		10.559	430,623
Total Child Nutrition Cluster			<u>7,541,391</u>
Child and Adult Care Food Program		10.558	520,527
State Administrative Expenses for Child Nutrition		10.560	271
Fresh Fruit & Vegetable Program		10.582	145,164
Total U.S. Department of Agriculture			<u>8,207,353</u>
U.S. Department of Labor:			
Passed through Heartland Works:			
WIOA Cluster:			
WIOA Youth Activities	WIOAY-19-02	17.259	158,323
Total WIOA Cluster			<u>158,323</u>
Total U.S. Department of Labor			<u>158,323</u>
Federal Communications Commission:			
Direct programs:			
COVID-19 Emergency Connectivity Fund Program		32.009	2,888,283
Total Federal Communications Commission			<u>2,888,283</u>
U.S. Department of Education:			
Direct programs:			
Indian Education - Grants to Local Educational Agencies		84.060	76,169
Passed through State of Kansas Department of Education:			
Special Education Cluster (IDEA):			
Special Education - Grants to States		84.027	3,643,807
Special Education - Preschool Grants		84.173	84,413
COVID-19 Title VI-B IDEA/ARP		84.027A	530,723
Total Special Education Cluster (IDEA)			<u>\$ 4,258,943</u>

(Continued)

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Assistance Listing Number	Expenditures
Noncluster programs:			
Title 1 Grants to Local Educational Agencies		84.010	\$ 5,836,239
Title I Part D		84.010	222,681
Career and Technical Education - Basic Grants to States		84.048	188,919
Education for Homeless Children and Youth		84.196	40,036
21st Century Community Learning Centers		84.287	277,820
English Language Acquisition State Grants - Title III		84.365	129,372
Improving Teacher Quality State Grants		84.367	700,845
Student Support and Academic Enrichment Program (Title IV)		84.424	454,220
COVID-19 Education for Homeless Children and Youth (ARP)		84.425W	252,975
COVID-19 Education Stabilization Fund - ESSER III		84.425U	23,959,617
COVID-19 Education Stabilization Fund - ESSER SPED		84.425D	734,421
COVID-19 Education Stabilization Fund - ESSER I & II		84.425D	2,284,386
			<u>35,081,531</u>
Total noncluster programs			<u>35,081,531</u>
Total passed through State of Kansas Department of Education			<u>39,340,474</u>
Total U.S. Department of Education			<u>39,416,643</u>
U.S. Department of Health and Human Services:			
Direct programs:			
Head Start - FY21	07CH01034405	93.600	28,603
Head Start - FY22	07CH01183502	93.600	643,333
Head Start - FY23	07CH011835-03-02	93.600	1,979,855
COVID-19 Head Start (ARP)	07HE00058401C6	93.600	224,231
COVID-19 Head Start (CRSSA)	07HE000584	93.600	65,310
			<u>2,941,332</u>
Total direct programs			<u>2,941,332</u>
Passed through United Way of Greater Topeka:			
TANF Cluster:			
Temporary Assistance for Need Families (KPP)		93.558	275,000
			<u>275,000</u>
Total TANF Cluster			<u>275,000</u>
Passed through Kansas Department of Health and Environment:			
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		93.323	957,148
			<u>957,148</u>
Total U.S. Department of Health and Human Services			<u>4,173,480</u>
Total federal expenditures			<u>\$ 54,844,082</u>

See accompanying notes to schedule of
expenditures of federal awards.

TOPEKA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 501
TOPEKA, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2023

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Topeka Public Schools, Unified School District No. 501 (the District) under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the District. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

2 - Summary of Significant Accounting Policies

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

3 - Noncash Assistance

The District is a recipient of a federal financial assistance program that did not result in cash receipts or disbursements. Noncash amounts received by the District are included in the Schedule for the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) grant (ALN 93.323) in a total amount of \$ 104,340 and for the Emergency Connectivity Fund Program (ALN 32.009) in a total amount of \$ 2,489,022 as valued by the grantor.

TOPEKA PUBLIC SCHOOLS
 UNIFIED SCHOOL DISTRICT NO. 501
 TOPEKA, KANSAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2023

Part I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
84.027/84.173	Special Education Cluster
84.425	COVID-19 Education Stabilization Fund
93.600	Head Start
32.009	COVID-19 Emergency Connectivity Fund Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 1,645,322
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Auditee qualified as a low-risk auditee?	Yes
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(Continued)

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

Part II – Financial Statement Findings

No matters reported.

Part III – Federal Award Findings and Questioned Costs

No matters reported.



Certified Public Accountants

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Topeka Public Schools Unified School District No. 501 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 26, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

An Independently Owned Member, RSM US Alliance

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

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Report on Compliance and Other Matters

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

Purpose of this Report

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

BT&Co, P.A.

February 26, 2024

Topeka, Kansas



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Topeka Public Schools Unified School District No. 501's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

An Independently Owned Member, RSM US Alliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

BT&Co, P.A.

February 26, 2024
Topeka, Kansas