Gilmore & Bell, P.C.
10/05/2021

NOTICE OF BOND SALE

$13,800,000*

**UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)**

**GENERAL OBLIGATION SCHOOL BUILDING BONDS
SERIES 2021**

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

Bids. Facsimile, email, and electronic (as explained below) bids for the purchase of the above-referenced bonds (the "Bonds") of Unified School District No. 439, Harvey County, Kansas (Sedgwick) (the "Issuer") herein described will be received on behalf of the undersigned Clerk of the Issuer at the address hereinafter set forth in the case of email and facsimile bids, and via PARITY® in the case of electronic bids, until 11:00 a.m. applicable Central Time (the "Submittal Hour"), on

NOVEMBER 8, 2021

(the "Sale Date"). All bids will be publicly evaluated at said time and place and the award of the Bonds to the successful bidder (the "Successful Bidder") will be acted upon by the Board of Education of the Issuer (the "Governing Body") at its meeting to be held at 7:00 p.m. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

Terms of the Bonds. The Bonds will consist of fully registered bonds in the denomination of $5,000 or any integral multiple thereof (the "Authorized Denomination"). The Bonds will be dated December 1, 2021 (the "Dated Date"), and will become due in principal installments on September 1 in the years as follows:

Year	Principal Amount*	Year	Principal Amount*
2023	$180,000	2038	$475,000
2024	185,000	2039	500,000
2025	195,000	2040	525,000
2026	200,000	2041	555,000
2027	220,000	2042	580,000
2028	245,000	2043	610,000
2029	265,000	2044	645,000
2030	290,000	2045	675,000
2031	315,000	2046	710,000
2032	335,000	2047	745,000
2033	355,000	2048	780,000
2034	380,000	2049	815,000
2035	400,000	2050	855,000
2036	425,000	2051	890,000
2037	450,000		

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2022 (the "Interest Payment Dates").

***Adjustment of Issue Size**. The Issuer reserves the right to increase or decrease the total principal amount of the Bonds or the schedule of principal payments described above, depending on the purchase price and interest rates bid and the offering prices specified by the Successful Bidder, but in no event will the total principal amount of the Bonds exceed $13,800,000. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Bonds or the schedule of principal payments as described herein. If there is an increase or decrease in the final aggregate principal amount of the Bonds or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m. applicable Central Time, on the Sale Date. The actual purchase price for the Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Bonds, as adjusted, plus accrued interest from the Dated Date to the Closing Date (as hereinafter defined).

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owner thereof whose name is on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date") (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of $500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the "State"). The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

Book-Entry-Only System. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds. DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

Redemption of Bonds Prior to Maturity.

General. Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2031, and thereafter, will be subject to redemption and payment prior to maturity on September 1, 2030, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Mandatory Redemption. A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

Notice and Effect of Call for Redemption. Unless waived by any owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, any provider of municipal bond insurance and the Successful Bidder. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the Redemption Date. All notices of redemption shall state the Redemption Date, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by State law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the Redemption Date, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security. The Bonds are being issued pursuant to K.S.A. 25-2018(f), K.S.A. 72-5457, and K.S.A. 72-5458 *et seq*., as amended, and a resolution adopted by the Governing Body (the "Bond Resolution") for the purpose of paying the cost of certain school building improvements (the "Improvements"). The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

Submission of Bids. Facsimile and emailed bids must be made on forms which may be procured from the Clerk or the Financial Advisor and shall be addressed to the undersigned, and marked "Proposal for General Obligation School Building Bonds, Series 2021." Facsimile bids should not be preceded by a cover sheet and should be sent only once to ***(316) 337-8492***. Emailed bids should be sent only once to the Financial Advisor at shogrens@stifel.com. Confirmation of receipt of facsimile or email bids may be made by contacting the Financial Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. ***Any bid submitted shall include the initial offering prices to the public for each maturity of the Bonds.*** If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately. The Issuer and Financial Advisor shall not be responsible for failure of transmission or receipt of any facsimile or email bid.

PARITY®. Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by ***THE BOND BUYER***, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 3%; and (c) no supplemental interest payments will be considered. The difference between the highest rate specified and the lowest rate specified cannot exceed 3%. No bid for less than ***100%*** of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the certification described under the caption "Establishment of Issue Price" in this Notice.

Good Faith Deposit. A good faith deposit (the "Deposit") in the amount of $276,000 payable to the order of the Issuer is required in order to secure the Issuer from any loss resulting from the failure of the bidder to comply with the terms of its bid. The Deposit may be submitted at the addresses hereinafter set forth in either of the following forms:

(a) *Certified or Cashier's Check*. Certified or cashier's check drawn on a bank located in the United States of America received by the Issuer or the Financial Advisor ***prior to the Submittal Hour***; or

(b) *Wire Transfer*. Wire transfer submitted by the Successful Bidder in Federal Reserve funds, immediately available for use by the Issuer ***not later than 2:00 p.m. applicable Central Time on the Sale Date*** (wire transfer information may be obtained from the Financial Advisor at the address set forth below).

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Financial Advisor at the email address set forth below, including the following information: (a) notification that a wire transfer has been made; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. Checks submitted for Deposits by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the next business day following the Sale Date. The Issuer reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit. No interest on the Deposit will be paid by the Issuer. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Issuer until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the Issuer. If a bid is accepted but the Issuer fails to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Issuer as and for liquidated damages.

Basis of Award. Subject to the timely receipt of the Deposit set forth above, the award of the Bonds will be made on the basis of the lowest true interest cost ("TIC"), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium. if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Issuer or the bidder. The Issuer or its Financial Advisor will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the Governing Body will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will not be considered. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within the State with regard to such dispute.

The Issuer's acceptance of the Successful Bidder's proposal for the purchase of the Bonds in accordance with this Notice of Bond Sale shall constitute a bond purchase agreement between the Issuer and the Successful Bidder for purposes of the laws of the State and a contract between the Issuer and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and Rule G-32 of the Municipal Securities Rulemaking Board ("Rule G-32"). The method of acceptance shall be determined solely by the Governing Body.

Bond Ratings. The Issuer has applied to S&P Global Ratings, a division of S&P Global Inc. for a rating on the Bonds herein offered for sale.

Optional Bond Insurance. Applications have been submitted to Assured Guaranty Municipal Corp. ("AGM") and Build America Mutual Assurance Company ("BAM") for municipal bond insurance relating to the Bonds. The Bonds may be purchased with or without this insurance at the option of the Successful Bidder. The amount of the municipal bond insurance premium and associated rating agency fees may be obtained from the above-named insurers.

If the Successful Bidder elects to purchase the Bonds with municipal bond insurance, certain rating agencies will assign their ratings to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by such bond insurer. All costs associated with the purchase and issuance of such municipal bond insurance policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the Successful Bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the Successful Bidder to accept delivery of the Bonds.

CUSIP Numbers. CUSIP identification numbers will be assigned and printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of this Notice. The Financial Advisor will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the Issuer.

Delivery and Payment. The Issuer will pay for preparation of the Bonds and will deliver the Bonds properly prepared, executed and registered without cost on or about **DECEMBER 1, 2021** (the "Closing Date"), to DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the Issuer. The Issuer will deliver one Bond of each maturity registered in the nominee name of DTC.

Establishment of Issue Price.

(a) In order to provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Successful Bidder will be required to assist the Issuer in establishing the "issue price" of the Bonds and complete, execute and deliver to the Issuer prior to the Closing Date, a written certification in a form acceptable to the Successful Bidder, the Issuer and Bond Counsel (the "Issue Price Certificate") containing the following for each maturity of the Bonds: (1) the interest rate; (2) the reasonably expected initial offering price to the "public" (as said term is used in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (3) pricing wires or equivalent communications supporting such offering or sale price. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale to the public. Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received by the Financial Advisor or Bond Counsel on behalf of the Issuer.

(b) The Issuer intends that the sale of the Bonds pursuant to this Notice shall constitute a "competitive sale" as defined in the Regulation. In support thereof: (1) the Issuer shall cause this Notice to be disseminated to potential bidders in a manner reasonably designed to reach potential bidders; (2) all bidders shall have an equal opportunity to submit a bid; (3) the Issuer reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and (4) the Issuer anticipates awarding the sale of the Bonds to the bidder that provides a bid with the lowest TIC in accordance with the section hereof entitled "Basis of Award."

(c) Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Bonds as specified therein. The Successful Bidder shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its bid, the Successful Bidder confirms that it shall require any agreement among underwriters, a selling group agreement or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with provisions of the Code and the Regulation regarding the initial sale of the Bonds.

(d) If all of the requirements of a "competitive sale" are not satisfied, the Issuer shall advise the Successful Bidder of such fact at the time of award of the sale of the Bonds to the Successful Bidder and the following provisions shall apply to the Bonds. ***In such event, any bid submitted will not be subject to cancellation or withdrawal***. Within twenty-four (24) hours of the notice of award of the sale of the

Bonds, the Successful Bidder shall advise the Issuer if a "substantial amount" (as defined in the Regulation (10%)) of any maturity of the Bonds has been sold to the public and the price at which such substantial amount was sold. The Issuer will treat such sale price as the "issue price" for such maturity, applied on a maturity-by-maturity basis. The Issuer will ***not*** require the Successful Bidder to comply with that portion of the Regulation commonly described as the "hold-the-offering-price" requirement for the remaining maturities, but the Successful Bidder may elect such option. If the Successful Bidder exercises such option, the Issuer will apply the initial offering price to the public provided in the bid as the issue price for such maturities. If the Successful Bidder does not exercise that option, it shall thereafter promptly provide the Issuer the prices at which a substantial amount of such maturities are sold to the public; provided such determination shall be made and the Issuer notified of such prices not later than three (3) business days prior to the Closing Date. ***Any change in the issue price of any of the Bonds after the Submittal Hour will not affect the purchase price for the Bonds submitted in the bid of the Successful Bidder***.

(e) This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the "IRS") or the Securities and Exchange Commission (the "SEC") or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

Preliminary Official Statement and Official Statement. The Issuer has prepared a Preliminary Official Statement dated October 11, 2021, "deemed final" by the Issuer except for the omission of certain information as provided in the Rule, copies of which may be obtained from the Clerk or from the Financial Advisor. Upon the sale of the Bonds, the Issuer will adopt the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder's proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

Continuing Disclosure. In the Bond Resolution, the Issuer has covenanted to provide annually certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit of and is enforceable by any Registered Owner of the Bonds. For further information, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the Issuer for the year 2021 is as follows:

Equalized Assessed Valuation of Taxable Tangible Property	$21,876,182
Tangible Valuation of Motor Vehicles (2020)..........	2,623,391
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	$24,499,573

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is $13,800,000.

Legal Opinion. The Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond

Counsel relating to the interest on the Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State. Reference is made to the Preliminary Official Statement for further discussion of federal and State income tax matters relating to the interest on the Bonds.

Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received and stored by electronic means or transmissions. All bid documents, closing documents, certificates, ordinances, resolutions and related instruments may be executed by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Additional Information. Additional information regarding the Bonds may be obtained from the undersigned or from the Financial Advisor at the addresses set forth below:

DATED: October 11, 2021.

UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)
By: Deniece C. Richardson, Clerk

Issuer – Good Faith Deposit Delivery Address:

Office of the Board of Education
400 W. 4th Street
P.O. Box K
Sedgwick, Kansas 67135
Attn: Deniece C. Richardson, Clerk
Phone No.: (316) 772-5783
Fax No.: (316) 772-0274
Email: drichardson@usd439.com

Financial Advisor – Facsimile and Email Bid Delivery Address:

Stifel, Nicolaus & Company, Incorporated
301 N. Main, Suite 800
Wichita, Kansas 67202
Attn: Stephen E. Shogren
Phone No.: (316) 264-9351
Fax No.: (316) 337-8492
Email: shogrens@stifel.com

OFFICIAL BID FORM

PROPOSAL FOR THE PURCHASE OF UNIFIED SCHOOL DISTRICT NO. 439, HARVEY COUNTY, KANSAS (SEDGWICK)
GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2021

TO: Deniece C. Richardson, Clerk, Unified School District No. 439, Harvey County, Kansas (Sedgwick) November 8, 2021

For $13,800,000* principal amount of General Obligation School Building Bonds, Series 2021, of Unified School District No. 439, Harvey County, Kansas (Sedgwick), to be dated December 1, 2021, as described in the Notice of Bond Sale dated October 11, 2021 (the "Notice"), said Bonds to bear interest as follows:

Stated Maturity September 1	Principal Amount*	Annual Rate of Interest	Initial Offering Price	Stated Maturity September 1	Principal Amount*	Annual Rate of Interest	Initial Offering Price
2023	$180,000	________%	________%	2038	$475,000	________%	________%
2024	185,000	________%	________%	2039	500,000	________%	________%
2025	195,000	________%	________%	2040	525,000	________%	________%
2026	200,000	________%	________%	2041	555,000	________%	________%
2027	220,000	________%	________%	2042	580,000	________%	________%
2028	245,000	________%	________%	2043	610,000	________%	________%
2029	265,000	________%	________%	2044	645,000	________%	________%
2030	290,000	________%	________%	2045	675,000	________%	________%
2031	315,000	________%	________%	2046	710,000	________%	________%
2032	335,000	________%	________%	2047	745,000	________%	________%
2033	355,000	________%	________%	2048	780,000	________%	________%
2034	380,000	________%	________%	2049	815,000	________%	________%
2035	400,000	________%	________%	2050	855,000	________%	________%
2036	425,000	________%	________%	2051	890,000	________%	________%
2037	450,000	________%	________%				

* Subject to change, see the Notice

the undersigned will pay the purchase price for the Bonds set forth below, plus accrued interest to the date of delivery.

Principal Amount $13,800,000*.00
Plus Premium (if any) .... ____________________
Total Purchase Price ....$____________________

Total interest cost to maturity at the rates specified ....$____________________
Net interest cost (adjusted for Premium) ....$____________________
True Interest Cost .... ___________%

☐ The Bidder elects to purchase Municipal Bond Insurance from: [AGM] [BAM]. Circle one.

☐ The Bidder elects to have the following Term Bonds:

Maturity Date	Years	Amount*
September 1, ____	________ to ________	$____________
September 1, ____	________ to ________	$____________

*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in the Notice, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in the Notice. A cashier's or certified check or a wire transfer in the amount of $276,000 payable to the order of the Issuer, submitted in the manner set forth in the Notice accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: ______________________________

(LIST ACCOUNT MEMBERS ON REVERSE) By: ______________________________

Telephone No. (_____)________________________

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of Unified School District No. 439, Harvey County, Kansas (Sedgwick), the above proposal is hereby accepted on November 8, 2021.

Attest:

______________________________ ______________________________
Clerk President

NOTE: No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Facsimile bids may be filed with Stifel, Nicolaus & Company, Incorporated, Fax No. (316) 337-8492, email bids may be sent to Stifel, Nicolaus & Company, Incorporated at shogrens@stifel.com, and electronic bids or electronic bids may be submitted via ***PARITY***®, at or prior to 11:00 a.m. applicable Central Time, on November 8, 2021. Any bid received after such time will not be accepted or shall be returned to the bidder.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE – BOOK-ENTRY ONLY **RATING S&P: "A" (Stable Outlook)**
See "Bond Ratings" herein

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"): (1) the interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes but is an item of tax preference for purposes of the federal alternative minimum tax; (2) the interest on the Bonds is exempt from income taxation by the State of Kansas; and (3) the Bonds have **not** been designated as "qualified tax-exempt obligations" within the meaning of Code § 265(b)(3). See "TAX MATTERS – Opinion of Bond Counsel" in this Official Statement.*

$13,800,000*
UNIFIED SCHOOL DISTRICT NO. 439, HARVEY COUNTY, KANSAS (SEDGWICK) GENERAL OBLIGATION SCHOOL BUILDING BONDS SERIES 2021

Dated: December 1, 2021 **Due: September 1, As shown on the inside cover**

The General Obligation School Building Bonds, Series 2021 (the "Bonds") will be issued by Unified School District No. 439, Harvey County, Kansas (Sedgwick) (the "Issuer" or the "District"), as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denominations of $5,000 or any integral multiple thereof (the "Authorized Denomination"). Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Bonds. Principal will be payable annually on September 1, beginning in 2023, and semiannual interest will be payable on March 1 and September 1, beginning on March 1, 2022 (the "Interest Payment Dates"). Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as paying agent and bond registrar (the "Paying Agent" and "Bond Registrar"). Interest payable on each Bond shall be paid to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner, or in the case of an interest payment to a registered owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds and the interest thereon will constitute general obligations of the Issuer, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer.

MATURITY SCHEDULE LISTED ON INSIDE COVER PAGE

At the option of the Issuer, Bonds maturing on September 1, 2031, and thereafter will be subject to redemption and payment prior to maturity on September 1, 2030, or thereafter as described herein. [The Term Bonds are also subject to mandatory redemption as described herein.] See "THE BONDS - Redemption Provisions" herein.

The Bonds are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer. Certain other legal matters will be passed upon by John E. Caton, Esq., Hutchinson, Kansas, counsel for the Issuer. It is expected that the Bonds will be available for delivery through the facilities of DTC, on or about December 1, 2021.

BIDS WILL BE RECEIVED ON NOVEMBER 8, 2021
UNTIL 11:00 A.M., APPLICABLE CENTRAL TIME

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. "APPENDIX C – SUMMARY OF FINANCING DOCUMENTS" CONTAINS DEFINITIONS USED IN THIS OFFICIAL STATEMENT.

The date of this Preliminary Official Statement is October 11, 2021.

* Subject to change

$13,800,000*
UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)
GENERAL OBLIGATION SCHOOL BUILDING BONDS
SERIES 2021

MATURITY SCHEDULE

SERIAL BONDS

Stated Maturity September 1	Principal Amount*	Annual Rate of Interest	Price	CUSIP[1] Base: 417630
2023	$ 180,000	____%	____%	
2024	185,000	____%	____%	
2025	195,000	____%	____%	
2026	200,000	____%	____%	
2027	220,000	____%	____%	
2028	245,000	____%	____%	
2029	265,000	____%	____%	
2030	290,000	____%	____%	
2031	315,000	____%	____%	
2032	335,000	____%	____%	
2033	355,000	____%	____%	
2034	380,000	____%	____%	
2035	400,000	____%	____%	
2036	425,000	____%	____%	
2037	450,000	____%	____%	
2038	475,000	____%	____%	
2039	500,000	____%	____%	
2040	525,000	____%	____%	
2041	555,000	____%	____%	
2042	580,000	____%	____%	
2043	610,000	____%	____%	
2044	645,000	____%	____%	
2045	675,000	____%	____%	
2046	710,000	____%	____%	
2047	745,000	____%	____%	
2048	780,000	____%	____%	
2049	815,000	____%	____%	
2050	855,000	____%	____%	
2051	890,000	____%	____%	

[TERM BONDS

Stated Maturity September 1	Principal Amount*	Annual Rate of Interest	Price	CUSIP[1] Base: 417630
		____%	____%	
2051		____%	____%	]

(All plus accrued interest, if any)

[(1)] *CUSIP data is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a subsidiary of The McGraw-Hill Companies, Inc, and is included solely for the convenience of the Owners of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.*

* Subject to change

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT CONTAINS STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS OFFICIAL STATEMENT, THE WORDS "ESTIMATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.

THIS PRELIMINARY OFFICIAL STATEMENT SHOULD BE CONSIDERED IN ITS ENTIRETY. NO ONE FACTOR SHOULD BE CONSIDERED MORE OR LESS IMPORTMENT THAN ANY OTHER BY REASON OF ITS POSITION IN THIS OFFICIAL STATEMENT. WHERE STATUTES, ORDINANCES, REPORTS OR OTHER DOCUMENTS ARE REFERRED TO IN THIS OFFICIAL STATEMENT, REFERENCE SHOULD BE MADE TO THOSE DOCUMENTS FOR MORE COMPLETE INFORMATION REGARDING THEIR SUBJECT MATTER.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)

Office of the Board of Education
400 West 4^{th}
Sedgwick, Kansas 67135
(316) 772-5783

BOARD OF EDUCATION

Michele Rowley, Member and President
Beth Fields, Member and Vice President
Ken Blank, Member
Bryan Thompson, Member
Travis Francis, Member
Paulette Ware, Member
Shawn Chapman, Member

ADMINISTRATIVE OFFICERS

SUPERINTENDENT
Larry Roth

CLERK
Deniece Richardson

TREASURER
Misty Stutzman

ISSUER'S COUNSEL
John E. Caton, Esq.
Hutchinson, Kansas

FINANCIAL ADVISOR
Stifel, Nicolaus & Company, Incorporated,
Wichita, Kansas

BOND COUNSEL
Gilmore & Bell, P.C.,
Wichita, Kansas

CERTIFIED PUBLIC ACCOUNTANTS
Knudson Monroe & Company LLC
Newton, Kansas

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein concerning the Issuer has been furnished by the Issuer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

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OFFICIAL STATEMENT

$13,800,000*
UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)
GENERAL OBLIGATION SCHOOL BUILDING BONDS
SERIES 2021

INTRODUCTION

General Matters

The purpose of this Official Statement is to furnish information relating to Unified School District No. 439, Harvey County, Kansas (Sedgwick) (the "Issuer" or the "District"), and the General Obligation School Building Bonds, Series 2021 (the "Bonds"), of the Issuer, dated December 1, 2021 (the "Dated Date").

The Appendices to this Official Statement are integral parts of this document, to be read in their entirety.

The Issuer is a unified school district duly organized and existing under the laws of the State of Kansas (the "State"). Additional information regarding the Issuer is contained in ***APPENDIX A*** to this Official Statement.

The materials contained on the cover page, in the body and in the Appendices to this Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by the Issuer. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future. Except to the extent described under the section captioned "LEGAL MATTERS", Bond Counsel expresses no opinion as to the accuracy or sufficiency of any other information contained herein.

Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in "***APPENDIX C*** – SUMMARY OF FINANCING DOCUMENTS."

Continuing Disclosure

The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 (the "Rule"), requiring continuous secondary market disclosure. In connection with the issuance of the Bonds, the Issuer will enter into a continuing disclosure undertaking (the "Disclosure Undertaking"). The Issuer will covenant in the Disclosure Undertaking to annually provide certain financial information and operating data (collectively, the "Annual Report") and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. Pursuant to the Disclosure Undertaking, the Issuer has agreed to file its Annual Report with the national repository ("EMMA") not later than the March 1st immediately following the end of the Issuer's Fiscal Year, commencing with the year ending June 30, 2021. In the Bond Resolution, hereinafter defined, the Issuer covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Bonds. For the past five years, the Issuer has had no debt outstanding that was subject to the Rule.

For more information regarding the Disclosure Undertaking, see "***APPENDIX D*** – FORM OF DISCLOSURE UNDERTAKING."

Additional Information

Additional information regarding the Issuer or the Bonds may be obtained from the Clerk of the Issuer at the address set forth in the preface to this Official Statement, or from the Financial Advisor, Stifel, Nicolaus & Company, Incorporated, 301 N. Main, Suite 800, Attention: Bret Shogren, by phone (316) 264-9351 or e-mail (shogren@stifel.com).

* Subject to change

THE BONDS

Authority for the Bonds

The Bonds are being issued under the authority of and pursuant to the Constitution and laws of the State, including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq*., K.S.A. 25-2018(f), K.S.A. 72-5457, and K.S.A. 72-5458 *et seq*., all as amended and supplemented from time to time (collectively, the "Act") and a resolution adopted by the governing body of the Issuer (the "Bond Resolution").

Security for the Bonds

The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Levy and Collection of Annual Tax, Transfer to Debt Service Account

The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law. Such taxes shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer, shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

Description of the Bonds

The Bonds shall consist of fully registered book-entry-only bonds in an Authorized Denomination and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, become due in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities, and shall bear interest at the rates per annum set forth on the inside cover page of this Official Statement (computed on the basis of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid, on the Interest Payment Dates in the manner hereinafter set forth.

Designation of Paying Agent and Bond Registrar

The Issuer will at all times maintain a paying agent and bond registrar meeting the qualifications set forth in the Bond Resolution. The Issuer reserves the right to appoint a successor paying agent or bond registrar. No resignation or removal of the paying agent or bond registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar. Every paying agent or bond registrar appointed by the Issuer shall at all times meet the requirements of Kansas law [and shall be approved by the Bond Insurer].

The Treasurer of the State of Kansas, Topeka, Kansas (the "Bond Registrar" and "Paying Agent") has been designated by the Issuer as paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds.

Method and Place of Payment of the Bonds

The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice not less than 10 days prior to such Special Record Date.

SO LONG AS CEDE & CO., REMAINS THE REGISTERED OWNER OF THE BONDS, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES. See "THE BONDS – Book-Entry Bonds; Securities Depository."

Payments Due on Saturdays, Sundays and Holidays

In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Book-Entry Bonds; Securities Depository

The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraphs.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interest in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of the Bonds to the successor Securities Depository in appropriate denominations and form as provided in the Bond Resolution.

Registration, Transfer and Exchange of Bonds

As long as any of the Bonds remain Outstanding, each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register. Bonds may be transferred and exchanged only on the Bond Register as hereinafter provided. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The Issuer and the Bond Registrar shall not be required to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest.

Mutilated, Lost, Stolen or Destroyed Bonds

If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount. If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond. Upon the issuance of any new Bond, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Redemption Provisions

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2031, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2030, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[***Mandatory Redemption***. [(a) *[____] Term Bonds*.]The [____] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [____] Term Bonds:

Principal Amount	Year
$	
	*

*Final Maturity

[(b) *2051 Term Bonds*.]The 2051 Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 2051 Term Bonds:

Principal Amount	Year
$	
	2051*

*Final Maturity

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine, Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in minimum Authorized Denomination in such equitable manner as the Bond Registrar may determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of a minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination value represented by any Bond is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such minimum Authorized Denomination value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption. Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, the State Treasurer[, the Bond Insurer] and the Underwriter. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each scheduled maturity of the Bonds, and will be deposited with DTC.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE PROJECTS

On August 31, 2021, the voters in the District approved the following question:

> Shall Unified School District No. 439, Harvey County, Kansas (Sedgwick), issue general obligation bonds in an amount not to exceed $13,800,000, to pay the costs to: (a) construct, equip and furnish a new Library/Media Center addition; (b) construct, equip and furnish a new Physical Education addition including gym, a safe room (storm shelter area) and other support areas; (c) construct, equip and furnish additional classrooms and offices with corridors to connect existing District buildings; (d) make renovations and other improvements to portions of the existing R.L. Wright Elementary, Sedgwick Junior/Senior High School structures including the Multipurpose Room; (e) construct and equip a new 8-lane polyurethane track at the District site; (f) make other improvements including improved lighting and security, grading, parking, and a new bus drive at the District site; (g) make all other necessary improvements appurtenant thereto (collectively the "Project"); and (h) pay costs of issuance and interest on the general obligation bonds of the District during the construction of the Project; all pursuant to the provisions of K.S.A. 10-101 *et seq*., K.S.A. 25-2018(f), K.S.A. 72-5457, and K.S.A. 72-5458 *et seq*.?

The Bonds are being issued to pay the costs of the Project described above.

SOURCES AND USES OF FUNDS

The following table summarizes the sources and uses of funds associated with the issuance of the Bonds:

Sources of Funds:	
Principal Amount of the Bonds	$13,800,000.00*
[Original Issue Premium]	
[Original Issue Discount]	-
Total	***$***
Uses of Funds:	
Deposit to Improvement Fund-Project Costs	$
Deposit to Improvement Fund-Capitalized Interest	
Deposit to Costs of Issuance Account	
Underwriter's Compensation	
Total	***$***

* *Preliminary, subject to change*

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE ISSUER OR THE UNDERWRITER.

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the taxing authority of the Issuer.

Limitations on Remedies Available to Owners of Bonds

The enforceability of the rights and remedies of the owners of Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Debt Service Source

The Bonds are general obligations of the Issuer payable as to both principal and interest, if necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation. See "***APPENDIX A*** – FINANCIAL INFORMATION – Property Valuations and Property Tax Levies and Collections."

State Aid

As described in "***APPENDIX A*** – FINANCIAL INFORMATION – Property Tax Levies and Collections – School District Funding Formula" and the sections following in ***APPENDIX A***, the State provides a substantial portion of the money for the operation of school districts in the State. As with other states, declining State revenues have resulted in reductions in the amount of State aid to school districts for operating purposes. However, the District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on the Bonds regardless of the amount of State aid received. Further, State Aid may be adversely affected by the economic impacts of COVID-19 (see "Impact of the Spread of COVID-19" below).

Kansas Public Employees Retirement System

As described in "***APPENDIX A*** – FINANCIAL INFORMATION – Pension and Employee Retirement Plans," the Issuer participates in the Kansas Public Employees Retirement System ("KPERS"), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Public Employees Retirement System – State/School Group (the "Plan"). Under existing law, employees make contributions and the State makes all employer contributions to the Plan; the Issuer is not responsible for supplemental contributions or any unfunded accrued actuarial liability ("UAAL"). According to KPERS' Valuation Report, the State/School Group had an UAAL of approximately $6.143 billion in calendar year 2020. No assurance can be given by the Issuer that future legislative action may require Issuer contributions to the Plan or mandated Issuer responsibility for a portion of the UAAL. The spread of COVID-19 has significantly impacted investment markets, which may impact the funded status of the Plan and future contribution requirements for employers as a result (see "Impact of the Spread of COVID-19" below).

Taxation of Interest on the Bonds

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Bonds is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Bonds includable in gross income for federal income tax purposes.

The Issuer has covenanted in the Bond Resolution and in other documents and certificates to be delivered in connection with the issuance of the Bonds to comply with the provisions of the Code, including those which require the Issuer to take or omit to take certain actions after the issuance of the Bonds. Because the existence and continuation of the excludability of the interest on the Bonds depends upon events occurring after the date of issuance of the Bonds, the opinion of Bond Counsel described under "TAX MATTERS" assumes the compliance by the Issuer with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Bonds in the event of noncompliance with such provisions. The failure of the Issuer to comply with the provisions described above may cause the interest on the Bonds to become includable in gross income as of the date of issuance.

Premium on Bonds

[The initial offering prices of certain maturities of the Bonds that are subject to optional redemption are in excess of the respective principal amounts thereof.]Any person who purchases a Bond in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Bonds are subject to redemption at par under the various circumstances described under "THE BONDS – Redemption Provisions."

No Additional Interest or Mandatory Redemption upon Event of Taxability

The Bond Resolution does not provide for the payment of additional interest or penalty on the Bonds or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Bond Resolution does not provide for the payment of any additional interest or penalty on the Bonds if the interest thereon becomes subject to income taxation by the State.

Suitability of Investment

Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment.

Market for the Bonds

Bond Rating.

The Bonds have been assigned the financial rating set forth in the section hereof entitled "BOND RATINGS." There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Bonds.

***Secondary Market*.**

There is no assurance that a secondary market will develop for the purchase and sale of the Bonds. It is the present practice of the Underwriter, however, to make a secondary market as dealers in issues of municipal bonds which the Underwriter distributes. The Underwriter intends to continue this practice with respect to the Bonds, but is not obligated to do so. Prices of bonds traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary to suspend indefinitely secondary market trading in the Bonds as a result of financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the Issuer, or a material adverse change in the financial condition of the Issuer, whether or not the Bonds are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices.

[**Bond Insurance and Ratings of the Bond Insurer**

If the Issuer fails to make payment of the principal of and interest on the Bonds when the same become due, any Owner of Bonds will have recourse against the Bond Insurer for such payments. The Bond Insurance Policy does not, however, insure payment of the principal of or interest on the Bonds coming due by reason of acceleration or redemption (other than mandatory sinking fund redemption), nor does it insure the payment of any redemption premium payable upon the redemption of the Bonds. Under no circumstances, can the maturities of the Bonds be accelerated except with the consent of the Bond Insurer. Furthermore, so long as the Bond Insurer performs its obligations under the Bond Insurance Policy, the Bond Insurer may direct, and its consent must be obtained before the exercise of, any remedies to be undertaken under the Bond Resolution. If the Bond Insurer is unable to make payments of principal and interest on the Bonds as those payments become due, the Bonds are payable solely from sources pledged by the Issuer pursuant to the Bond Resolution. See "BOND INSURANCE" for further information concerning the Bond Insurer, the Bond Insurance Policy and any financial ratings assigned to bonds insured by the Bond Insurer.

A rating downgrade of the Bond Insurer by any rating agency may result in a rating downgrade of the Bonds. A rating downgrade of the Bonds could lower the price of the Bonds in the secondary market, and could affect the liquidity for the Bonds in the secondary market. Prospective purchasers of the Bonds are urged to check the websites of the rating agencies and the public announcements by the Bond Insurer for any future developments relating to the ratings of the Bond Insurer and the Bonds.]

Cybersecurity Risks

Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the Issuer and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If a security breach occurs, the Issuer may incur significant costs to remediate possible injury to the affected persons, and the Issuer may be subject to sanctions and civil penalties. Any failure to maintain proper functionality and security of information systems could interrupt the Issuer's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Natural Disasters or Terrorist Attacks

The occurrence of a terrorist attack in the Issuer, or natural disasters, such as fires, tornados, earthquakes, floods or droughts, could damage the Issuer and its systems and infrastructure, and interrupt services or otherwise impair operations of the Issuer.

Impact of the Spread of COVID-19

On March 11, 2020, the World Health Organization proclaimed the Coronavirus (COVID-19) to be a pandemic. In an effort to lessen the risk of transmission of COVID-19, the United States government, state and local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19, affecting business activities and impacting global, state and local commerce and financial markets. The Governor of the State has issued various Executive Orders in response to the COVID-19 pandemic, including Executive Orders temporarily preventing foreclosures and evictions, deferring certain tax deadlines and payments, instituting a temporary State-wide stay-at-home (expired as of May 2020), and instituting a mask mandate which granted each county the right to opt out of such order. The Issuer cannot predict whether any future executive orders or legislation will be enacted.

All K-12 schools within the State were closed for in-person instruction from March 2020 until the end of the 2019-2020 school year pursuant to the Governor's order. For the 2020-2021 school year, school districts throughout the State implemented varied approaches to instruction, including in-person, virtual, or "hybrid." The District provided in-person instruction for the 2020-21 school year with the option for remote learning. For the fall 2021-22 school year the District is providing in-person only instruction unless students are quarantined.

The COVID-19 pandemic could result in increased costs to the Issuer and/or negative impacts on the collection of property taxes (a primary source of revenue for the Issuer, including for repayment of the Bonds) within the Issuer due to increased payment delinquencies or disruption of the collection or distribution of property taxes. The State provides a portion of operational funding and debt service payments for public school districts in the State. The impact of COVID-19 on the State's revenue and, therefore, its ability to provide school funding at current levels cannot be determined at this time. All such factors could have a material adverse effect on the Issuer's operations and financial condition. The extent to which COVID-19 impacts the Issuer and its financial condition will depend on future developments, which are highly uncertain and cannot be predicted by the Issuer, including the continued duration of the outbreak and measures taken to address the outbreak. As of the date hereof, the Issuer has not experienced material adverse changes relative to its adopted budget with regard to expenditures or receipt of revenues.

On April 27, 2020, the U.S. House of Representatives approved and former President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "Cares Act"). The Cares Act provides $30 billion to education, specifically $3 billion allocated to state governors to be used at their discretion to address the emergency, $13.5 billion for K-12 education, and $14.25 billion for postsecondary institutions. School districts will be able to use their share of the $13.5 billion K-12 education allocation under the Cares Act, which will be based on the proportion of Title I funding received for the most recent fiscal year, for purposes authorized by federal law and other specified uses. K-12 schools State received $89.5 million under the Cares Act, and the District's allocation is $35,261, with an additional $7,613 for special education. On December 27, 2020, former President Trump signed the Coronavirus Response and Supplemental Appropriations Act, which includes an additional $54.3 billion to be allocated to public K-12 schools to address costs related to the COVID-19 pandemic. The District's total allocation is $171,220, with an additional $11,271 for special education. The District also received a Strengthening People and Revitalizing Kansas (SPARK) grant from Harvey County in the amount of approximately $241,444. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, which includes a $122.8 billion Elementary and Secondary Schools Emergency Relief Fund for purposes related to the COVID-19 pandemic. The District's allocation is approximately $384,535. The District has realized and expects to continue to realize certain additional expenses due to the COVID-19 pandemic which have been offset, in part, by funds received as described above, but the District cannot predict with certainty future expenses based on the duration of the pandemic.

State and local governmental authorities continue efforts to contain and limit the spread of COVID-19. Future revenue collections, including property tax collections that are essential to repayment of the Bonds, may deviate from historical or anticipated levels.

The emergence of COVID-19 and the spread thereof is an emerging and evolving issue. The Issuer is not able to predict and makes no representations as to the economic impact of the COVID-19 pandemic on the Issuer.

BOND INSURANCE

Information about the Bond Insurer to be included and updated if the Bonds are purchased with a Bond Insurance Policy.

BOND RATINGS

S&P Global Ratings, a division of S&P Global Inc., has assigned a rating of "A" / Stable Outlook to the Bonds. If the successful bidder elects to purchase the Bonds with municipal bond insurance, the rating agencies will assign their ratings to this issue with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by the Bond Insurer.

Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. No such rating constitutes a recommendation to buy, sell, or hold any bonds, including the Bonds, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Bonds.

[Moody's Investors Service, Standard & Poor's, Fitch Ratings and Kroll Bond Rating Agency have issued press releases concerning their analyses of the effect on financial guarantors (including the Bond Insurer) of the ongoing deterioration in the performance of residential mortgage-backed securities and collateralized debt obligations with exposure to residential mortgage-backed securities. The rating agencies have re-assessed and are continuing to re-assess their required capital adequacy ratios for bond insurers, and also have revised the stress tests they apply in their ratings analyses of bond insurers to reflect higher potential losses for exposures to residential mortgage-backed securities and certain collateralized debt obligations. See "Bond Insurance and Ratings of the Bond Insurer" under "RISK FACTORS" for additional information regarding the potential impact of these developments on the ratings of the Bond Insurer and the Bonds.]

ABSENCE OF LITIGATION

The Issuer, in the ordinary course of business, is a party to various legal proceedings. In the opinion of management of the Issuer, any judgment rendered against the Issuer in such proceedings would not materially adversely affect the financial position of the Issuer.

The Issuer certifies that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act or the constitutionality or validity of the indebtedness represented by the Bonds or the validity of said Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof.

LEGAL MATTERS

Approval of Bonds

All matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas ("Bond Counsel"), bond counsel to the Issuer. The factual and financial information appearing herein has been supplied or reviewed by certain officials of the Issuer and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the matters appearing in the sections of this Official Statement captioned "THE BONDS," "LEGAL MATTERS," "TAX MATTERS," and "***APPENDIX C*** - SUMMARY OF FINANCING DOCUMENTS." Payment of the legal fee of Bond Counsel is contingent upon the delivery of the Bonds. Certain other legal matters will be passed upon by John E. Caton, Esq., Hutchinson, Kansas.

TAX MATTERS

The following is a summary of the material federal and State of Kansas income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Bonds:

Federal Tax Exemption. The interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds have **not** been designated as "qualified tax-exempt obligations" within the meaning of Code § 265(b)(3).

Kansas Tax Exemption. The interest on the Bonds is exempt from income taxation by the State of Kansas.

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds.

Other Tax Consequences

[***Original Issue Discount***.

For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Code § 1288, original issue discount on tax-exempt obligations accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[***Original Issue Premium***.

If a Bond is issued at a price that exceeds the stated redemption price at maturity of the Bond, the excess of the purchase price over the stated redemption price at maturity constitutes "premium" on that Bond. Under Code § 171, the purchaser of that Bond must amortize the premium over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for Federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no Federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent the Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Bonds, and to the proceeds paid on the sale of Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

FINANCIAL ADVISOR

Stifel, Nicolaus & Company, Incorporated, Wichita, Kansas, has acted as financial advisor to the Issuer in connection with the sale of the Bonds. The Financial Advisor is a "municipal advisor" as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Financial Advisor has assisted the Issuer in the preparation of this Official Statement and in other matters relating to the issuance of the Bonds. The fees of the Financial Advisor are contingent upon the issuance of the Bonds.

UNDERWRITING

The Bonds have been sold at public sale by the Issuer to [Purchaser], [Purchaser City, State] (the "Underwriter") on the basis of lowest true interest cost. [__] bids were received by the Issuer. The Underwriter has agreed, subject to certain conditions, to purchase the Bonds at a price equal to the principal amount of the Bonds[, plus a premium of $__________][, less an underwriting discount of $______].

The Bonds will be offered to the public initially at the prices determined to produce the yield to maturity or applicable redemption date set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

AUTHORIZATION OF OFFICIAL STATEMENT

The preparation of this Official Statement and its distribution has been authorized by the governing body of the Issuer as of the date on the cover page hereof. This Official Statement is submitted in connection with the issuance of the Bonds and may not be reproduced or used as a whole or in part for any other purpose. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)

By: ________________________________
Name: Michele Rowley, President

By: ________________________________
Name: Deniece Richardson, Clerk

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APPENDIX A

INFORMATION CONCERNING THE ISSUER

GENERAL

Size and Location

Unified School District No. 439, Harvey County, Kansas (Sedgwick) (the "District" or "Issuer") is located in Harvey and Sedgwick counties of south-central Kansas. The District office is located in Sedgwick, Kansas. The District's service area encompasses approximately 42 square miles and has a current population of approximately 2,186.

Government and Organization of the District

The District is a unified school district organized and existing under and pursuant to the Constitution and laws of the State of Kansas. The District became unified in the year 1965 and is governed by a seven-member Board of Education which sets policy governing educational and administrative operations. The District has seven (7) voting districts with one Board Member elected from each district and one (1) Board Member at large.

District Facilities

The District presently operates two (2) attendance centers consisting of the following:

Facility	Grades
R.L. Wright Elementary School	Pre K – 6
Sedgwick Junior/Senior High School	7 – 12

Source: Unified School District No. 439

District Enrollment

The following table lists the history of enrollment in the District's schools for the years indicated.

Year	Total Enrollment
2017/18	476
2018/19	458
2019/20	451
2020/21*	478
2021/22	507

* First year of Pre-K program
Source: Unified School District No. 439

Other Educational Facilities

Post-secondary education is accessible to residents of the District through North Central Kansas Technical College and Hutchinson Community College-Newton Campus, Newton, Kansas; Bethel College in North Newton, Kansas; Hesston College, Hesston, Kansas; Hutchinson Community College, Hutchinson, Kansas; Central Christian College, McPherson, Kansas; Butler Community College (Western Center) in Andover, Kansas; Butler Community College in El Dorado, Kansas; and Wichita State University, Friends University, Newman University, University of Kansas School of Medicine and WSU Tech in Wichita, Kansas.

Municipal Services and Utilities

Water and sewer services are provided by the City of Sedgwick (the "City"). Refuse service is provided by Waste Connections. Evergy supplies electricity to District residents and Kansas Gas Service supplies natural gas to the area. AT&T and Cox Communications provides cable television service, internet service and local and long distance telephone service to District residents.

Transportation and Communication Facilities

The District can be reached via U.S. Highway 50 and Interstate Highway I-135. Regularly scheduled air service is available at Wichita Dwight D. Eisenhower Airport.

Medical and Health Facilities

Major medical service is available at Wesley Medical Center, Ascension Via Christi – St. Francis Campus, St. Teresa Campus and St. Joseph Campus in Wichita, Kansas, and Newton Medical Center in Newton, Kansas

Recreational, Cultural and Religious Facilities

There is recreation available in the City including a park and swimming pool. Harvey County West Lake is located within 17 miles from the City where fishing, swimming and boating is available. In addition, the City is in close proximity to other larger cities, especially the City of Wichita, which allows District residents access to an even wider array of recreational and cultural activities.

ECONOMIC INFORMATION

Major Employers

Listed below are the major employers located in District and the number employed by each:

	Major Employers	Product/Service	Number of Full- & Part-time Employees
1.	The District	Public Education	81
2.	Diversicare of Sedgwick	Nursing Facility	38
3.	The City	City Government	28*
4.	Unruh Fabricators, Inc.	Glass Manufacturer	25
5.	Cy's Hoof & Horn	Restaurant	18
6.	Jump Start	Gas Station	11
7.	Wilbur Ellis	Agricultural Service Supply Agency	8
8.	Dollar General	General Store	7
9.	Legacy Bank	Bank	4

** Total includes 18 volunteer firefighters.*
Source: District Clerk

Labor Force

The following table sets forth labor force figures for Harvey County, Sedgwick County and the State of Kansas:

HARVEY COUNTY

Year	Total Labor Force	Employed	Unemployed	Unemployed Rate
2016	17,283	16,554	729	4.2%
2017	16,873	16,186	687	4.1%
2018	16,783	16,253	530	3.2%
2019	17,158	16,660	498	2.9%
2020	16,930	16,030	900	5.3%

SEDGWICK COUNTY

Year	Total Labor Force	Employed	Unemployed	Unemployed Rate
2016	248,395	236,886	11,509	4.6%
2017	245,719	235,335	10,384	4.2%
2018	247,748	238,570	9,178	3.7%
2019	253,188	244,453	8,735	3.5%
2020	257,217	234,769	22,448	8.7%

STATE OF KANSAS

Year	Total Labor Force	Employed	Unemployed	Unemployed Rate
2016	1,491,961	1,431,920	60,041	4.0%
2017	1,483,648	1,429,911	53,737	3.6%
2018	1,483,633	1,434,852	48,781	3.3%
2019	1,493,666	1,446,448	47,218	3.2%
2020	1,497,003	1,408,995	88,008	5.9%

The Kansas Department of Labor is reporting a 4.8% unemployment rate for Harvey County, 6.5% unemployment rate for Sedgwick County and a 3.8% unemployment rate for the State of Kansas for the month of July 2021.

Source: Kansas Department of Labor

Retail Sales Tax Collections

The following table lists State of Kansas sales tax collections for the years indicated for sales occurring in Harvey and Sedgwick Counties, Kansas:

Year	Harvey County	Sedgwick County
2017	$ 24,172,645	$ 542,322,930
2018	23,720,582	556,320,123
2019	24,498,379	575,431,484
2020	24,688,995	573,409,514
2021*	10,662,199	253,519,842

* Through May 2021

The statewide sales and use tax was increased to 6.50%, effective July 1, 2015.

Source: Kansas Department of Revenue

Oil Production

The oil production (in number of barrels) for Harvey and Sedgwick Counties for the years listed is indicated in the following table:

Year	Harvey County	Sedgwick County
2017	100,749	121,195
2018	95,661	122,441
2019	96,762	111,958
2020	86,595	98,374
2021*	43,170	47,311

*As of June 2021
Source: Kansas Geological Survey

Gas Production

The gas production (in number of barrels) for Harvey and Sedgwick Counties for the years listed is indicated in the following table:

Year	Harvey County	Sedgwick County
2017	131,611	15,894
2018	176,022	13,197
2019	164,743	14,649
2020	134,371	16,390
2021*	63,905	5,291

* Through June 2021
Source: Kansas Geological Survey

Population Trends

The following table shows the approximate population of District, Harvey and Sedgwick County in the years indicated:

Year	District Population	Harvey County Population	Sedgwick County Population
2015	2,217	34,835	511,574
2016	2,209	34,814	511,995
2017	2,191	34,683	513,687
2018	2,173	34,555	513,607
2019	2,186	34,503	516,042
2020	Not available	Not Available	Not Available

The median age of persons in Harvey County, Sedgwick County, and the State of Kansas is 38.9, 34.2 and 36.0, respectively, per the 2010 Census.

Source: United States Census Bureau

Personal Income Trends

Harvey and Sedgwick County per capita income and the State of Kansas per capita income are listed for the years indicated, in the following table.

Year	Harvey County Per Capita Income	Sedgwick County Per Capita Income	State of Kansas Per Capita Income
2015	$ 38,248	$ 48,950	$ 47,343
2016	38,850	47,792	47,390
2017	39,767	50,424	48,883
2018	42,185	52,010	51,261
2019	44,416	53,577	53,426

Source: Bureau of Economic Analysis

FINANCIAL INFORMATION

Accounting, Budgeting and Auditing Procedures

The District follows a modified accrual basis of accounting for all tax supported funds of the District, including the General Fund.

The District's fiscal year is mandated to run from July 1 to June 30. An annual budget for the coming eighteen months is required to be prepared by the District, for all funds not exempt from the budget requirement. A computation of estimated receipts and disbursements is prepared and presented to the governing body of the District prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted by a majority vote of the governing body of the District prior to August 25 of each year.

The District may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the District and the assessed valuations provided by the County appraiser. In 2021, the Kansas Legislature passed legislation (the "Revenue Neutral Tax Act") that repeals the "tax lid" (formerly K.S.A. 79-2925c) and provides that, beginning January 1, 2021, a taxing subdivision (which includes any political subdivision of the State that levies an ad valorem property tax, including the District) is not authorized to levy a property tax rate in excess of its revenue neutral rate without first providing notice, holding a public hearing, and authorizing such property tax rate by majority vote of its governing body (the "Revenue Neutral Tax Act"). The revenue neutral rate means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation.

The Revenue Neutral Tax Act provides that by June 15 of every year, each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must first publish notice of a public hearing and notify, by July 20, the county clerk of the taxing subdivision's intent to exceed the revenue neutral rate. The county clerk is required to provide notice of the public hearing to each taxpayer with property in the taxing subdivision, along with following information concerning the taxing subdivision: (1) the revenue neutral rate, (2) the proposed property tax revenue needed to fund the proposed budget, (3) the proposed tax rate based on the proposed budget, (4) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement, (5) the appraised value and assessed value of the taxpayer's property, (6) estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates, (7) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate. The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20, and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the notices to the taxpayer can be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by a majority vote of its governing body, and the amount of tax to be levied must be certified to the county clerk by September 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate.

The District cannot predict the impact of the Revenue Neutral Tax Act on the ratings on the Bonds, or the general rating of the District. A change in the rating on the Bonds or a change in the general rating of the District may adversely impact the market price of the Bonds in the secondary market.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash-basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the District are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Knudsen Monroe & Company LLC, Newton, Kansas. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review. The audit for the Fiscal Year ended June 30, 2021 is attached hereto as ***APPENDIX B***.

Potential purchasers should read such financial statements in their entirety for more complete information concerning the Issuer's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Issuer has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessment, procedures or evaluation with respect to such financial statements since the date thereof, nor has the Issuer requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial information in this Official Statement is not intended to demonstrate the fiscal condition of the Issuer since the date of such financial information, in connection with the issuance of the Bonds, the Issuer represents that there has been no material adverse change in the financial position or results of operations of the Issuer, nor has the Issuer incurred any material liabilities, which would make such financial information misleading.

Sources of Revenue

The District finances its general operations through the local property tax levy and other miscellaneous sources as indicated below for the current Fiscal Year:

Source	Percent
Local property tax	12.50%
State of Kansas	76.80
Federal Aid	10.70
Total	*100.00%*

Source: District Clerk

Property Valuations

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The Harvey and Sedgwick County Appraiser's office determines the fair market value of all taxable property within Ford County and the assessed valuation thereof that is to be used as a basis for the mill levy on property located in the Issuer.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not-for-profit organization not subject to federal income taxation, pursuant to Code §501, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof, except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 30%, (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven-year straight-line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

The Kansas Legislature (the "Legislature") reduced the applicable assessment rates on motor vehicles from 30% of market value to 20% of market value as of January 1, 2000.

The 2006 Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation.

The spread of COVID-19 may impact appraised and fair market values in the State, including in the area of the Issuer. The Issuer cannot predict the extent of any such changes, but a material decrease in the assessed and fair market values of property in the Issuer may materially adversely affect the financial condition of the Issuer (see "**RISK FACTORS AND INVESTMENT CONSIDERATIONS -** Impact of the Spread of COVID-19" herein).

Fair Market Value

The following table shows the fair market value of the taxable property within the District for the following years:

HARVEY COUNTY

Year	Personal Property	Real Estate	State Assessed Utilities (Appraised)	Total
2017	$ 997,736	$ 101,808,160	$ 6,913,482	$109,719,378
2018	915,551	102,818,800	7,717,385	111,451,736
2019	908,673	107,481,190	8,516,436	116,906,299
2020	897,390	109,032,150	8,509,106	118,438,646
2021 [1]	1,115,801	111,219,770	7,923,082	120,258,653

SEDGWICK COUNTY

Year	Personal Property	Real Estate	State Assessed Utilities (Appraised)	Total
2017	$ 409,426	$ 24,047,830	$ 2,973,958	$27,431,214
2018	428,106	26,473,700	3,579,915	30,481,721
2019	448,226	29,104,960	3,708,161	33,261,347
2020	452,486	31,083,590	3,722,885	35,258,961
2021 [1]	513,966	34,322,120	3,525,945	38,362,031

TOTAL FAIR MARKET VALUATION

Year	Harvey County	Sedgwick County	Total
2017	$109,719,378	$27,431,214	$137,150,592
2018	111,451,736	30,481,721	141,933,457
2019	116,906,299	33,261,347	150,167,646
2020	118,438,646	35,258,961	153,697,607
2021 [1]	120,258,653	38,362,031	158,620,684

[1] Preliminary 2021 figures used for budgeting purposes.

Source: Harvey and Sedgwick County Clerks

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the District for the following years:

HARVEY COUNTY

Year	Real Property	Personal Property	Utilities	Motor Vehicles	Total Valuation
2017	$11,477,121	$ 200,254	$ 2,281,449	$ 1,980,521	$ 15,939,345
2018	11,581,631	173,612	2,546,737	2,047,612	16,349,592
2019	12,374,026	168,016	2,810,424	2,051,439	17,403,905
2020	12,496,936	159,520	2,808,005	2,096,852	17,561,313
2021 [1]	12,733,013	176,008	2,614,617	2,096,852	17,620,490

SEDGWICK COUNTY

Year	Real Property	Personal Property	Utilities	Motor Vehicles	Total Valuation
2017	$ 3,580,115	$ 74,996	$ 981,406	$ 464,104	$ 5,100,621
2018	3,948,081	82,197	1,181,372	551,498	5,763,148
2019	4,370,034	92,925	1,223,693	540,826	6,227,478
2020	4,582,031	104,009	1,228,552	526,539	6,441,131
2021 [1]	5,077,494	111,488	1,163,562	526,539	6,879,083

TOTAL ASSESSED VALUTION

Year	Harvey County	Sedgwick County	Total Valuation
2017	$ 15,939,345	$ 5,100,621	$ 21,039,966
2018	16,349,592	5,763,148	22,112,740
2019	17,403,905	6,227,478	23,631,383
2020	17,561,313	6,441,131	24,002,444
2021 [1]	17,620,490	6,879,083	24,499,573

[1] Preliminary 2021 assessed valuation figures used for budgeting purposes. 2021 motor vehicle valuation not yet available; 2020 data used for estimation purposes only.

Source: Harvey and Sedgwick County Clerks

Property Tax Levies and Collections

School District Funding Formula

Overview. The Kansas School Equity and Enhancement Act, adopted by the Kansas Legislature in 2017 and amended in 2018 (collectively the "KSEEA"), implemented a revised method of funding primary and secondary public education in the State of Kansas (the "State"). This overall funding formula, together with other existing legislation relating to education funding (collectively the "Plan"), contains many foundational characteristics of the funding plan employed by the State from 1992 to 2015, with certain modifications made in recent years in response to lawsuits challenging the constitutionality of the State's school funding plans and the court decisions rendered. The following is a high-level summary of the Plan and certain funds and accounts created thereunder. This summary does not purport to be comprehensive.

Funding for the Plan. In general, funding for the Plan is provided by a State-mandated 20-mill property tax, motor vehicle tax collections, grants, certain federal impact aid and remaining fund balances (the "School Financing Sources"). School districts are also allowed to levy certain ad valorem taxes to fund operations. The District's Bond and Interest Fund, from which principal and interest payments on general obligation bonds are financed, is a separate, unrestricted levy of ad valorem taxes.

General Fund. Revenue to support general fund operations is provided to districts through the State's total foundation aid ("TFA"). TFA is determined by a formula which provides a fixed amount of funding per student, titled base aid for student excellence ("BASE"). TFA is calculated each year by multiplying BASE by the adjusted enrollment of a district. Adjusted enrollment means the district's full-time enrollment adjusted by certain weighting factors related to the estimated cost of educating certain students. The amount of TFA that a district actually receives each year from the State is determined each school year by the State Board of Education (the "State Board") and is a function of the district's School Financing Sources and TFA.

A district's general state aid entitlement is paid monthly from the State school district finance fund during July through May according to the amount needed to meet operating expenses, with the balance paid in June. Any amount not so paid in June is paid on July 1 or as soon thereafter as funds are available for such payment. State law permits such funds to be recorded and accounted by the district as if received on June 30.

Supplemental General Fund. In order to provide additional funding for operations, the Plan provides for the creation of a supplemental general fund that can be used for the same purposes as the general fund. Such supplemental general fund shall be implemented through a local option budget ("LOB") approved by the district's governing body and financed by an ad valorem tax levied within the district. Each district shall provide for an LOB in an amount not less than 15% of the district's TFA. In addition, any district, by resolution of its governing body, may provide for an increased LOB, and depending on amount, may be subject to notice and protest and/or referendum. A district that has adopted a LOB is eligible for supplemental general state aid determined by a formula that takes into account the district's assessed value per pupil ("AVPP") and other factors.

The District has a LOB in an amount of 30% of its TFA which generates approximately $1,168,294 of revenues annually.

Capital Outlay Funds. The Plan authorizes any district to initiate a capital outlay levy in an amount not to exceed 8 mills upon all taxable tangible property within the district. Prior to instituting a capital outlay levy, the district's governing body must adopt a resolution declaring an intent to institute the levy, and the resolution must be published and is subject to protest petition. Funds generated by a district's capital outlay levy may be expended for certain capital improvements, equipment and expenses provided by the Plan. A district may also issue general obligation capital outlay bonds, in an amount determined by formula, that are expected to be repaid from funds derived from the capital outlay levy. The District has a current capital outlay levy of 8 mills, which generates approximately $272,160.

Any district that levies a capital outlay levy is eligible to receive moneys from the school district capital outlay state aid fund based on a state aid percentage factor determined on a formula inversely related to the AVPP as compared to the median AVPP of all districts in the State.

Capital Improvement Fund. There is established in the State Treasury the school district Capital Improvement Fund ("CIF"). The CIF is intended to assist districts in making principal and interest payments on voted general obligation bond issues. Subject to an annual cap on total State CIF expenditures, each district may apply to the State Board to receive CIF State aid in an amount inversely related to its AVPP. Determination of CIF funding was not modified by KSEEA.

It is anticipated that the CIF will pay approximately 30% of the debt service on the Bonds for the 2021-2022 fiscal year. No assurance can be given that State CIF assistance will continue in future years. The District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on the Bonds, regardless of any amounts received from the CIF.

Other State Funding. The Plan also provides additional State aid to school districts for various specific purposes and also provides increased funding based on certain weighting factors.

Ongoing Litigation. The methods employed by the State for funding primary and secondary education, including the Plan, have been regularly subject to lawsuits challenging the constitutionality of such methods. Certain lawsuits have successfully asserted that various components of State funding are constitutionally inadequate and/or inequitable, and the resulting court decisions have mandated that the Legislature address such deficiencies within provided deadlines. In response, the Legislature has actively amended and revised components in the State funding formula.

The KSEEA is currently subject to ongoing litigation. On June 25, 2018, the Kansas Supreme Court (the "Court") held that the KSEEA satisfied constitutional provisions based on equity but was unconstitutional with respect to financial adequacy, relating primarily with respect to inflationary factors for funding in future years. Among other items, the Court's opinion: (1) permitted the KSEEA to remain in temporary effect; (2) provided guidance for obtaining adequacy compliance; (3) stayed the opinion's mandate until June 30, 2019, or until further order of the Court, to provide the Legislature an opportunity to address the Court's ruling (the "Stay"); and (4) retained jurisdiction over the State's appeal. In response to the Court's June 2018 ruling, the Kansas Legislature passed and the Governor signed House Substitute for Senate Bill 16 ("SB 16") amending the KSEEA. In an opinion dated June 14, 2019, the Court subsequently held that, due to the additional funding contained in SB 16, the State substantially complied with the Court's mandate regarding financial adequacy and the KSEEA, as amended by SB 16, was constitutionally compliant. The Court retained jurisdiction to ensure continued compliance with that mandate.

The impact on the District and the Plan of the ongoing and any future litigation is not able to be determined at this time. There can be no assurance that the Plan or any components thereof will continue in their current form. Additionally, as stated by the Court in previous decisions regarding the Plan, the implementation of an unconstitutional system of school funding system may be enjoined, in which case it could be possible that funds could not be raised, distributed or spent for the operation of public primary and secondary schools in the State.

***Tax Collections*:**

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at a per annum rate established by State law until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before September 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Major Taxpayers

The following table sets forth the ten largest taxpayers in the District for taxes levied in the 2020/2021 tax collection period:

	Taxpayer	Taxes Paid	2020 Assessed Valuation	% of Total 2020 Assessed Valuation
1.	Kanza Coop Association	$ 127,118	$ 764,759	3.19%
2.	Kansas (Evergy Kansas South, Inc.)	75,250	590,791	2.46%
3.	BNSF	64,914	537,278	2.24%
4.	Union Pacific Railroad Company	63,849	536,628	2.23%
5.	Jayhawk Pipeline LLC	45,464	433,668	1.81%
6.	Oneok North System LLC	27,939	269,907	1.12%
7.	Kurr Land LLC	22,154	211,212	0.88%
8.	Kansas Gas Service, a Division of One Gas	30,059	184,307	0.77%
9.	Diversicare Sedgwick Property LLC	26,194	157,529	0.66%
10.	Individual	15,952	152,136	0.63%

Source: Harvey and Sedgwick County Clerks

Tax Rates

The District may levy taxes in accordance with the requirements of its adopted budget and within the restrictions of the State school finance formula. Property tax levies are based on the adopted budget of the District and the assessed valuations provided by the county appraiser.

The following table shows the District's mill levies by fund (per $1,000 of assessed valuation) for each of the years indicated and the current year:

Year	General Fund	Supplemental General Fund	Capital Outlay	Recreation Commission	Total Levy
2016/17	20.000	18.983	1.017	2.000	42.000
2017/18	20.000	19.644	1.000	2.000	42.644
2018/19	20.000	16.054	4.271	2.000	42.325
2019/20	20.000	15.226	5.748	1.999	42.973
2020/21	20.000	15.172	8.000	2.000	45.172

Source: Harvey County Tax Levy Sheets 2016-2020

Aggregate Tax Levies

The aggregate tax levies (per $1,000 assessed valuation) of the District and overlapping jurisdictions for the years indicated are included in the following table:

Year	City of Sedgwick	Harvey County	Sedgwick County	USD #439	State
2016/17	67.851	41.358	29.393	42.000	1.5
2017/18	75.405	41.937	29.393	42.644	1.5
2018/19	75.133	42.275	29.383	42.325	1.5
2019/20	75.192	42.356	29.384	42.973	1.5
2020/21	75.291	42.649	29.376	45.172	1.5

Source: Harvey and Sedgwick County Tax Levy Sheets 2016-2020

Tax Collection Record

The following table sets forth tax collection information for the District for the years indicated:

			Current Taxes Collected	
Year	Total Levy	Total Taxes Levied	Amount	Percentage
2016/17	42.000	$ 711,688	$702,449	98.70%
2017/18	42.644	748,796	743,772	99.33%
2018/19	42.325	781,701	775,765	99.24%
2019/20	42.973	859,038	853,624	99.37%
2020/21*	45.172	920,535	910,730	98.93%

* Through September 24, 2021

Source: Harvey and Sedgwick County Treasurers

Risk Management

The District is insured against the risks arising from employee medical coverage by First Dakota Indemnity Company.

History of Employment

The following table indicates the history of the Issuer's employment for the years indicated.

Year	Total Full-Time Employees	Total Part-Time Employees	Total
2017	64	16	80
2018	64	15	79
2019	67	15	82
2020	68	14	82
2021	68	13	81

Source: District Clerk

Employee Relations

Employee relations are characterized as good.

Pension and Employee Retirement Plans

The Issuer participates in the Kansas Public Employees Retirement System ("KPERS") established in 1962, as an instrumentality of the State, pursuant to K.S.A. 74-4901 *et seq.*, to provide retirement and related benefits to public employees in Kansas. KPERS is governed by a board of trustees consisting of nine members each of whom serve four-year terms. The board of trustees appoints an executive director to serve as the managing officer of KPERS and manage a staff to carry out daily operations of the system.

As of December 31, 2020, KPERS serves approximately 326,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

(a) Kansas Public Employees Retirement System;
(b) Kansas Police and Firemen's Retirement System; and
(c) Kansas Retirement System for Judges.

These three plans are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Kansas Public Employees Retirement System is the largest of the three plans, accounting for approximately 95% of the members. The Kansas Public Employees Retirement System is further divided into two separate groups, as follows:

(a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.

(b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

KPERS is currently a qualified, governmental, § 401(a) defined benefit pension plan, and has received IRS determination letters attesting to the plan's qualified status dated September 14, 1999 and March 5, 2001. KPERS is also a "contributory" defined benefit plan, meaning that employees make contributions to the plan. This contrasts it from noncontributory pension plans, which are funded solely by employer contributions. The Issuer's employees currently annually contribute 6% of their gross salary to the plan if such employees are KPERS Tier 1 members (covered employment prior to July 1, 2009), KPERS Tier 2 members (covered employment on or after July 1, 2009), or KPERS Tier 3 members (covered employment on or after January 1, 2015).

In 2021, the Legislature authorized the issuance of revenue bonds to provide net proceeds of up to $500 million (the "Revenue Bonds") the proceeds of which must be applied to the unfunded actuarial pension liability as directed by KPERS. The Revenue Bonds in the principal amount of $504,535,000 were issued August 26, 2021. The repayment of the Revenue Bonds shall be subject to legislative annual appropriation, shall not be an obligation of the KPERS system, and the full faith and credit or taxing power of the State shall not be pledged to the repayment of the Revenue Bonds. Due to the authorization of the Revenue Bonds, the Legislature changed the State/School employer contribution rate from 14.09% to 13.33% for fiscal year 2022 and from 13.86% to 13.11% for fiscal year 2023.

The State's contribution for school employees varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The State's contribution is 13.33% for the period beginning July 1, 2021, through June 30, 2022, and is projected to change to 13.11% for the period beginning July 1, 2022, through June 30, 2023. In addition, the Issuer contributes 1% of the employee's gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2020 (the "2020 Valuation Report") the KPERS School Group, of which the Issuer is a member, carried an unfunded accrued actuarial liability ("UAAL") of approximately $5.257 billion at the end of 2020. The amount of the UAAL in 2020 changed from the previous year's amount due to the factors discussed in the 2020 Valuation Report; such report also includes additional information relating to the funded status of the KPERS School Group, including recent trends in the funded status of the KPERS School Group. A copy of the 2020 Valuation Report is available on the KPERS website at kpers.org/about/reports.html. The Issuer has no means to independently verify any of the information set forth on the KPERS website or in the 2020 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS School Group. The 2020 Valuation Report sets the employer contribution rate for the period beginning July 1, 2023, for the KPERS School Group, and KPERS' actuaries identified that an employer contribution rate of 13.38% of covered payroll would be necessary, in addition to additional employer contributions of 0.60% for the period beginning July 1, 2023 (related to contribution reductions for the KPERS School Group approved by the Legislature), and statutory contributions by covered employees to eliminate the UAAL by the end of the actuarial periods set forth in the 2020 Valuation Report. Because the annual growth in employer contribution rates is limited by State law, the actual contribution rate permitted at the time of calculation was only 12.57%. As a result, members of the School Group are underfunding their projected actuarial liabilities and the UAAL can be expected to grow over time. KPERS' actuaries project the required employer contribution rate to increase by an amount not exceeding the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter, until such time as the permitted rate equals the actuarial rate.

The spread of COVID-19 has significantly impacted investment markets, which may impact the funded status of KPERS and future contribution requirements for employers as a result. See "**RISK FACTORS AND INVESTOR CONSIDERATION -** Impact of the Spread of COVID-19" herein.

In addition, the District allows retirees to participate in the group health plan if the retiree pays the full premium. For more information, see Note II in Appendix B.

DEBT STRUCTURE

Debt Summary

The following table summarizes certain key statistics with respect to the Issuer's general obligation debt, including the Bonds:

Debt Summary (As of December 1, 2021)		**District Debt**	
2021 Preliminary Fair Market Value of Taxable Property [1]	$	158,620,684	
2021 Preliminary Equalized Assessed Valuation of Tangible Valuation for Computation of Bonded Debt Limitations [2]	$	24,499,573	
Legal limitation of Bonded Debt [3]	$	3,429,940	
Outstanding General Obligation Debt as of December 1, 2021	$	13,800,000	*
Direct Debt Per Capita (Population = 2,186)	$	6,313	*
Overlapping Debt	$	2,948,492	*
Direct and Overlapping Debt	$	16,748,492	*
Direct and Overlapping Debt Per Capita	$	7,662	*
Direct Debt as a Percentage of Assessed Valuation		56.33%*	
Direct and Overlapping Debt as a Percentage of Assessed Valuation		68.36%*	
Direct Debt as a Percentage of Actual Fair Market Value		8.70%*	
Direct and Overlapping Debt as a Percentage of Actual Fair Market Value		10.56%*	

[1] See **"Property Valuations"** *infra.*

[2] The 2021 preliminary assessed valuation of taxable tangible property within the District, including the taxable value of motor vehicles. 2021 motor vehicle valuation not yet available; 2020 data used for estimation purposes only.

[3] See K.S.A. 72-5457. The Issuer received approval from the State Board of Education on June 8, 2021, to exceed its debt limit.

* Preliminary, subject to change

Current Indebtedness of the Issuer

The following table sets forth as of the date of issuance of the Bonds all of the outstanding obligations of the Issuer including the Bonds:

GENERAL OBLIGATION BONDS

Description of Indebtedness	Dated Date	Final Maturity	Original Principal Amount	Amount Outstanding
G.O. School Building Bonds, Series 2021 (this issue)	12/01/21	09/01/51	$ 13,800,000*	$ 13,800,000*
	Total		***$ 13,800,000***	***$ 13,800,000***

* Preliminary, subject to change

Source: District Clerk

History of General Obligation Indebtedness

The Issuer has never in its history defaulted on the payment of any of its debt obligations.

Lease Obligations

In addition to the foregoing debt obligations, the District has entered into the following lease obligations. Lease obligations of the District constitute valid and binding obligations of the District in accordance with their terms subject to funds budgeted and appropriated for that purpose during the District's current budget year or funds made available from any lawfully operated revenue producing source as per K.S.A. 10-1116b.

Purpose of Indebtedness	Dated Date	Term	Amount Outstanding
2 Xerox Copiers	01/21/19	5 Years	$ 9,500

Source: District Clerk

Overlapping Indebtedness

The following table sets forth overlapping indebtedness as of June 30, 2021, and the percent attributable (on the basis of the portion of the overlapping assessed valuation not including motor vehicle valuation) to the District:

Taxing Jurisdiction	2021 Total Preliminary Assessed Valuation	Outstanding General Obligation Indebtedness	Percent Applicable to Issuer	Amount Applicable to Issuer
Harvey County	$ 325,724,177	$ 2,605,000	4.77%	$ 124,259
City of Sedgwick	9,116,537	2,762,013	100.00%	2,762,013
Sedgwick County	5,502,104,851	51,850,000	0.12%	62,220
Total				***$ 2,948,492***

Source: Harvey and Sedgwick County Clerks

Future Indebtedness

At this time the District does not intend to issue additional general obligation bonds.

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APPENDIX B

FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS (FOR THE FISCAL YEAR ENDED 06/30/2021)

UNIFIED SCHOOL DISTRICT NO. 439

SEDGWICK, KANSAS

Financial Statement

For the Year Ended June 30, 2021

Unified School District No. 439

For the Year Ended June 30, 2021

CONTENTS

Knudsen Monroe & Company LLC

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 439
Sedgwick, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 439, Sedgwick, Kansas (District), as of and for the year ended June 30, 2021, and the related disclosures to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2021 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, and the schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the 2021 basic financial statement, but are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 information has been subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated September 3, 2020, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2021 basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2020, on the basis of accounting described in Note 1.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
September 9, 2021

Unified School District No. 439

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	$ -	234	3,889,681	3,889,915	-	37,340	37,340
Supplemental General	57,857	-	1,170,343	1,170,097	58,103	15,132	73,235
Special Purpose Funds							
At Risk (K-12)	398,274	-	257,000	257,111	398,163	98	398,261
At Risk (Preschool-Aged)	49,526	-	55,500	50,126	54,900	-	54,900
Bilingual Education	887	-	-	-	887	-	887
Driver Training	51,990	-	6,375	6,210	52,155	-	52,155
Capital Outlay	1,879,258	-	565,545	1,018,866	1,425,937	338,946	1,764,883
Food Service	104,647	-	314,524	310,363	108,808	-	108,808
Professional Development	56,095	-	20,365	20,608	55,852	235	56,087
Special Education	899,582	-	780,615	780,269	899,928	229	900,157
Career and Postsecondary Education	328,926	-	187,475	187,471	328,930	2,784	331,714
Gifts and Grants	707	-	30,601	32,812	(1,504)	-	(1,504)
KPERS Employer Contribution	-	-	466,609	466,609	-	-	-
Recreation	2,301	-	48,852	47,840	3,313	-	3,313
Contingency Reserve	530,000	-	-	16,474	513,526	16,474	530,000
Textbook Revolving	205,559	-	62,305	62,348	205,516	41,161	246,677
Federal Government Programs							
Title I	-	-	51,051	51,051	-	-	-
Supporting Effective Instruction State Grants	-	-	9,385	9,385	-	1,750	1,750
Student Support Academic Enrichment Program	-	-	11,945	11,945	-	-	-
Small Rural School Achievement Program	-	-	43,428	43,428	-	-	-
Elementary and Secondary Schools Emergency							
Relief Fund I	(29,663)	-	35,261	5,598	-	-	-
Relief Fund II	-	-	-	29,883	(29,883)	9,895	(19,988)
Strengthening People and Revitalizing Kansas	-	-	241,444	241,444	-	-	-
Bond and Interest Fund	125,220	-	-	57	125,163	-	125,163
District Activity Funds							
Activity Gate Receipts	23,734	-	31,424	47,051	8,107	-	8,107
School Projects	10,967	-	49,287	53,835	6,419	-	6,419
Total Reporting Entity							
(Excluding Agency Funds)	$ 4,695,867	234	8,329,015	8,810,796	4,214,320	464,044	4,678,364

Composition of Cash	
Cash in Bank, Legacy Bank	
Checking	$ (193,932)
Savings	4,854,520
Debit card	1,000
Petty cash checking	2,250
Activity Funds - High School	25,811
Activity Funds - Grade School	4,117
Total cash	4,693,766
Less Agency Funds (Schedule 3)	15,402
Total Reporting Entity (excluding Agency Funds)	$ 4,678,364

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 439, Sedgwick, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 439 (District), a municipality.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

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

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

Agency Fund – used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Activity Fund – under provisions of K.S.A. 72-1178, the Board of Education adopted a resolution relating to the school activity funds which results in the activity funds being accounted for under policies and procedures of the Board. In this financial statement, school activity funds of the District are classified as special purpose funds.

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

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

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

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Funds, Special Purpose Funds (unless specifically exempted by statute), and the Bond and Interest Fund. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The Gifts and Grants Fund was amended this year.

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

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

A legal operating budget is not required for Agency Funds or the following Special Purpose Funds: Contingency Reserve, Textbook Revolving, and Federal Government Programs.

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

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparison, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

2. DEPOSITS AND INVESTMENTS

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

2. DEPOSITS AND INVESTMENTS (Continued)

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

Concentration of Credit Risk

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2021.

At June 30, 2021, the District's carrying amount of deposits was $4,693,766 and the bank balance was $5,555,384. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $5,398,992 was covered by federal depository insurance and $156,392 was collateralized with securities held by the pledging financial institution's agents in the District's name.

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $276,149 subsequent to June 30, 2021, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2021.

4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The District does not purchase products or services offered by Kansas industries for the blind and severely disabled, which is a violation of K.S.A. 75-3317 through 75-3322.

The Gifts and Grants Fund and the Elementary and Secondary School Emergency Relief (ESSER II) Fund reflect negative ending unencumbered cash balances for the year ending June 30, 2021. K.S.A. 10-1116a provides that under certain situations, a fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis law of the State of Kansas. These funds met the criteria under the statute, and therefore deemed not a violation of the Kansas cash basis law.

5. OPERATING LEASE

The District entered into lease agreements for printers and copiers for periods up to 60 months. Payments of $21,075, including overage charges, were made in fiscal year 2021. Operating lease obligations for subsequent years are as follows:

Year	Amount
2022	$ 8,325
2023	8,325
2024	6,242
	$ 22,892

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Total
General	Capital Outlay	K.S.A. 72-5167	$ 190,805
General	Special Education	K.S.A. 72-5167	456,305
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	257,000
Supplemental General	At Risk (Preschool-Aged)	K.S.A. 72-5143	55,500
Supplemental General	Professional Development	K.S.A. 72-5143	17,000
Supplemental General	Special Education	K.S.A. 72-5143	294,300
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	147,900
Supplemental General	Textbook Revolving	K.S.A. 72-5143	32,200

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2021.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of their applicable premium.

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

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Compensated Absences

The District's personnel policies grant compensated absences in the form of vacation, sick days and personal leave days for each school year. Classified full-time staff receive ten days paid vacation during the first two years of employment. After two years of continuous service, full-time staff receive fifteen days paid vacation. Unused vacation time may not be accumulated.

Both certified and classified employees receive a maximum of twelve days per year sick leave and an additional two days for personal business. Sick leave may be accumulated to 60 days (45 days for ten-month classified employees). Compensation may be paid to certified staff upon retirement for a portion of the unused accumulation, if specific requirements are met.

The District's liability for compensated absences at June 30, 2021, has not been recorded in this financial statement.

8. DEFINED BENEFIT PENSION PLAN

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. 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 at 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) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and statutory contribution rate was 15.59% and 14.23% for the fiscal year ended June 30, 2021.

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.

8. DEFINED BENEFIT PENSION PLAN (Continued)

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $466,609 for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was $4,864,751. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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.

9. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2021, the District purchased office equipment and maintenance services from a local company where a family member of a Board member was the sales representative. At June 30, 2021, there were no amounts past due to this vendor. Total payments to this vendor during the year ended June 30, 2021, were $7,912.

The District is the taxing authority for the Sedgwick Recreation Commission which operates recreational programs within the District. During the fiscal year ended June 30, 2021, the District levied a total tax of 2.0 mills for the Recreation Commission Fund, which in turn is appropriated to the Sedgwick Recreation Commission for its operations. There is an informal agreement between the District and the Recreation Commission for use of District facilities when they are not otherwise being used by the District. The financial activity of the Sedgwick Recreation Commission is not included in this financial statement.

10. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District

10. CLAIMS AND JUDGMENTS (Continued)

may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2020 to 2021, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the District.

11. CORONAVIRUS PANDEMIC

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020 the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for the fiscal year ended June 30, 2021.

12. CRF AND CARES ACT FUNDING

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). The first distribution of SPARK funds was to local governments in the amount of $400 million. The District received CRF in the amount of $241,444 during fiscal year 2021. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at https://covid.ks.gov/.

13. FEBRUARY NATURAL GAS PRICE BILLING

During February 2021 North America experienced an extreme weather event that brought record low temperatures. The February cost of natural gas spiked resulting in billings greatly in excess of what the District budgeted. The District, in response to the increased natural gas prices, joined a coalition of school districts across Kansas to seek a solution to the excessively high gas billings. The coalition engaged legal counsel to assist in these efforts.

14. SUBSEQUENT EVENT

On August 31, 2021, District voters approved the issuance of General Obligation bonds not to exceed $13.8 million. Bond proceeds will be used for major construction projects that include new facilities and building improvements.

15. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2021, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through September 9, 2021, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 439

SEDGWICK, KANSAS

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2021

Unified School District No. 439

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS						
General	$ 4,062,755	(191,441)	18,601	3,889,915	3,889,915	-
Supplemental General	1,227,834	(57,737)	-	1,170,097	1,170,097	-
SPECIAL PURPOSE FUNDS						
At Risk (K-12)	453,000	-	-	453,000	257,111	(195,889)
At Risk (Preschool-Aged)	218,560	-	-	218,560	50,126	(168,434)
Bilingual Education	7,387	-	-	7,387	-	(7,387)
Driver Training	48,500	-	-	48,500	6,210	(42,290)
Capital Outlay	1,485,000	-	-	1,485,000	1,018,866	(466,134)
Food Service	393,176	-	-	393,176	310,363	(82,813)
Professional Development	63,600	-	-	63,600	20,608	(42,992)
Special Education	1,222,400	-	-	1,222,400	780,269	(442,131)
Career and Postsecondary Education	453,000	-	-	453,000	187,471	(265,529)
Gifts and Grants	55,707	-	-	55,707	32,812	(22,895)
KPERS Employer Contribution	538,089	-	-	538,089	466,609	(71,480)
Recreation	47,840	-	-	47,840	47,840	-
BOND AND INTEREST FUND	125,220	-	-	125,220	57	(125,163)

Unified School District No. 439

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
GENERAL				
RECEIPTS				
General state aid	$ 3,352,901	3,414,775	3,538,409	(123,634)
Special education state aid	456,149	456,305	524,345	(68,040)
Reimbursements - Grants and other	7,969	18,601	-	18,601
Total receipts	3,817,019	3,889,681	4,062,754	(173,073)
EXPENDITURES				
Instruction	1,936,235	1,945,587	1,973,311	(27,724)
Student support services	167,412	180,630	174,500	6,130
Instructional support staff	150,970	148,744	158,800	(10,056)
General administration	132,325	130,698	146,400	(15,702)
School administration	299,111	298,428	309,785	(11,357)
Other supplemental services	39,873	41,217	41,530	(313)
Operations and maintenance	366,134	401,545	432,203	(30,658)
Student transportation services	84,460	84,054	93,000	(8,946)
Vehicle operating & maintenance services	16,206	11,902	27,700	(15,798)
Transfer to				
At Risk (K-12)	-	-	31,526	(31,526)
At Risk (PreSchool-Aged)	49,526	-	75,000	(75,000)
Capital Outlay	118,761	190,805	-	190,805
Food Service	-	-	19,000	(19,000)
Special Education	456,149	456,305	580,000	(123,695)
	3,817,162	3,889,915	4,062,755	(172,840)
Adjustment to comply with legal max	-	-	(191,441)	191,441
Legal maximum budget	3,817,162	3,889,915	3,871,314	18,601
Adjustment for qualifying budget credits	-	-	18,601	(18,601)
Total expenditures	3,817,162	3,889,915	3,889,915	-
Receipts over (under) expenditures	(143)	(234)		
UNENCUMBERED CASH, beginning	-	-		
Prior Year Canceled Encumbrances	143	234		
UNENCUMBERED CASH, ending	$ -	-		

Unified School District No. 439

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SUPPLEMENTAL GENERAL				
RECEIPTS				
Taxes				
Tax in process	$ 10,033	7,701	11,561	(3,860)
Current tax	307,848	313,669	324,352	(10,683)
Delinquent tax	8,904	4,747	2,413	2,334
Motor vehicle tax	47,223	45,716	42,556	3,160
Recreational vehicle tax	1,109	1,084	896	188
Commercial vehicle tax	1,792	941	-	941
State aid	799,661	796,485	835,787	(39,302)
Total receipts	1,176,570	1,170,343	1,217,565	(47,222)
EXPENDITURES				
Instruction	186,149	211,403	200,216	11,187
Student support services	1,238	1,016	35,000	(33,984)
Instructional support staff	2,105	12,905	12,510	395
General administration	124,702	103,588	96,652	6,936
Operations and maintenance	30,745	37,285	36,000	1,285
Transfer to				
At Risk (K-12)	233,138	257,000	246,000	11,000
At Risk (Preschool-Aged)	-	55,500	50,000	5,500
Bilingual Education	887	-	2,000	(2,000)
Driver Training	3,483	-	-	-
Food Service	81,375	-	50,000	(50,000)
Professional Development	14,877	17,000	10,000	7,000
Special Education	299,446	294,300	320,000	(25,700)
Career and Postsecondary Education	144,622	147,900	150,000	(2,100)
Textbook Revolving	46,328	32,200	19,456	12,744
	1,169,095	1,170,097	1,227,834	(57,737)
Adjustment to comply with legal max	-	-	(57,737)	57,737
Total expenditures	1,169,095	1,170,097	1,170,097	-
Receipts over (under) expenditures	7,475	246		
UNENCUMBERED CASH, beginning	50,382	57,857		
UNENCUMBERED CASH, ending	$ 57,857	58,103		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (K-12)				
RECEIPTS				
Transfer from				
General	$ -	-	31,526	(31,526)
Supplemental General	233,138	257,000	246,000	11,000
Total receipts	233,138	257,000	277,526	(20,526)
EXPENDITURES				
Instruction	232,035	257,111	453,000	(195,889)
Receipts over (under) expenditures	1,103	(111)		
UNENCUMBERED CASH, beginning	397,171	398,274		
UNENCUMBERED CASH, ending	$ 398,274	398,163		
AT RISK (PRESCHOOL-AGED)				
RECEIPTS				
Local sources	$ -	-	10,000	(10,000)
Federal Aid	-	-	35,000	(35,000)
Transfer from				
General	49,526	-	75,000	(75,000)
Supplemental General	-	55,500	50,000	5,500
Total receipts	49,526	55,500	170,000	(114,500)
EXPENDITURES				
Instruction	-	50,126	129,584	(79,458)
Student support services	-	-	30,377	(30,377)
Instructional support	-	-	8,000	(8,000)
School administration	-	-	7,390	(7,390)
Operations and maintenance	-	-	3,767	(3,767)
Student transportation services	-	-	14,825	(14,825)
Other support services	-	-	24,617	(24,617)
Total expenditures	-	50,126	218,560	(168,434)
Receipts over (under) expenditures	49,526	5,374		
UNENCUMBERED CASH, beginning	-	49,526		
UNENCUMBERED CASH, ending	$ 49,526	54,900		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
BILINGUAL EDUCATION				
RECEIPTS				
Local source	$ -	-	4,500	(4,500)
Transfer from Supplemental General	887	-	2,000	(2,000)
Total receipts	887	-	6,500	(6,500)
EXPENDITURES				
Instruction	-	-	7,387	(7,387)
Receipts over (under) expenditures	887	-		
UNENCUMBERED CASH, beginning	-	887		
UNENCUMBERED CASH, ending	$ 887	887		
DRIVER TRAINING				
RECEIPTS				
Local source	$ 375	3,621	3,500	121
State aid	3,900	2,754	3,750	(996)
Transfer from Supplemental General	3,483	-	-	-
Total receipts	7,758	6,375	7,250	(875)
EXPENDITURES				
Instructional salaries and benefits	7,567	6,210	48,500	(42,290)
Vehicle operations	191	-	-	-
Total expenditures	7,758	6,210	48,500	(42,290)
Receipts over (under) expenditures	-	165		
UNENCUMBERED CASH, beginning	51,990	51,990		
UNENCUMBERED CASH, ending	$ 51,990	52,155		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
CAPITAL OUTLAY				
RECEIPTS				
Taxes				
Tax in process	$ 671	2,907	4,258	(1,351)
Current tax	116,210	165,141	154,776	10,365
Delinquent tax	1,223	1,219	910	309
Motor vehicle tax	5,340	13,739	12,789	950
Recreational vehicle tax	134	323	269	54
Commercial vehicle tax	237	352	-	352
State aid	77,784	105,327	106,034	(707)
Interest	64,455	15,148	-	15,148
Other	30,163	70,584	-	70,584
Transfer from General	118,761	190,805	-	190,805
Total receipts	414,978	565,545	279,036	286,509
EXPENDITURES				
Instruction	12,630	25,266	150,000	(124,734)
General administration	-	4,060	-	4,060
Operations and maintenance	16,996	18,425	235,000	(216,575)
Student transportation	103,678	900	700,000	(699,100)
Building improvements	20,888	859,017	-	859,017
Facility acquisition and construction	77,787	111,198	400,000	(288,802)
Total expenditures	231,979	1,018,866	1,485,000	(466,134)
Receipts over (under) expenditures	182,999	(453,321)		
UNENCUMBERED CASH, beginning	1,685,741	1,879,258		
Prior Year Canceled Encumbrances	10,518	-		
UNENCUMBERED CASH, ending	$ 1,879,258	1,425,937		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
FOOD SERVICE				
RECEIPTS				
Lunch and breakfast sales	$ 103,362	19,971	161,150	(141,179)
Federal aid	133,422	290,633	56,419	234,214
State aid	3,056	3,036	1,960	1,076
Other	1,621	884	-	884
Transfer from				
General	-	-	19,000	(19,000)
Supplemental General	81,375	-	50,000	(50,000)
Total receipts	322,836	314,524	288,529	25,995
EXPENDITURES				
Operations and maintenance	29,984	29,071	61,176	(32,105)
Food service operation				
Salaries and benefits	109,561	100,071	111,000	(10,929)
Food and supplies	166,370	181,091	181,000	91
Capital outlay and other	8,025	130	40,000	(39,870)
Total expenditures	313,940	310,363	393,176	(82,813)
Receipts over (under) expenditures	8,896	4,161		
UNENCUMBERED CASH, beginning	95,751	104,647		
UNENCUMBERED CASH, ending	$ 104,647	108,808		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
PROFESSIONAL DEVELOPMENT				
RECEIPTS				
Local sources	$ 1,600	-	2,000	(2,000)
State aid	2,496	3,365	6,000	(2,635)
Transfer from Supplemental General	14,877	17,000	10,000	7,000
Total receipts	18,973	20,365	16,000	4,365
EXPENDITURES				
Instructional support				
Salaries and benefits	3,647	653	16,100	(15,447)
Purchased professional services	10,502	9,882	20,000	(10,118)
Supplies	4,825	10,073	27,500	(17,427)
Total expenditures	18,974	20,608	63,600	(42,992)
Receipts over (under) expenditures	(1)	(243)		
UNENCUMBERED CASH, beginning	56,096	56,095		
UNENCUMBERED CASH, ending	$ 56,095	55,852		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION				
RECEIPTS				
Medicaid administrative reimbursement	$ 7,180	20,802	-	20,802
ESSER CARES Federal aid	-	7,613	-	7,613
Other	1,423	1,595	-	1,595
Transfer from				
General	456,149	456,305	580,000	(123,695)
Supplemental General	299,446	294,300	320,000	(25,700)
Total receipts	764,198	780,615	900,000	(119,385)
EXPENDITURES				
Special Education Coop	718,179	735,615	970,000	(234,385)
Supplies	-	423	37,500	(37,077)
Equipment	-	-	5,000	(5,000)
Administration	1,043	-	-	-
Student transportation	43,164	42,820	59,900	(17,080)
Purchased property services	1,812	1,411	150,000	(148,589)
Total expenditures	764,198	780,269	1,222,400	(442,131)
Receipts over (under) expenditures	-	346		
UNENCUMBERED CASH, beginning	899,582	899,582		
UNENCUMBERED CASH, ending	$ 899,582	899,928		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAREER AND POSTSECONDARY EDUCATION				
RECEIPTS				
Federal aid	$ 2,826	3,014	-	3,014
State aid	11,217	-	-	-
Grants and other	10,980	36,561	-	36,561
Transfer from				
Supplemental General	144,622	147,900	150,000	(2,100)
Total receipts	169,645	187,475	150,000	37,475
EXPENDITURES				
Instruction				
Salaries and benefits	145,134	167,685	200,000	(32,315)
Purchased professional services	-	310	-	310
Tuition	1,572	-	2,000	(2,000)
Supplies and other	6,986	8,413	140,000	(131,587)
Equipment	5,228	7,342	20,000	(12,658)
Student support services	-	-	1,000	(1,000)
Instructional support staff	-	845	-	845
Student transportation services	10,725	2,876	90,000	(87,124)
Total expenditures	169,645	187,471	453,000	(265,529)
Receipts over (under) expenditures	-	4		
UNENCUMBERED CASH, beginning	328,926	328,926		
UNENCUMBERED CASH, ending	$ 328,926	328,930		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
GIFTS AND GRANTS				
RECEIPTS				
Contributions and donations	$ 92	2,649	25,000	(22,351)
Grant - CIP	-	15,000	15,000	-
Grant - TANF	-	12,952	15,000	(2,048)
Total receipts	92	30,601	55,000	(24,399)
EXPENDITURES				
Instruction	-	32,812	45,707	(12,895)
Student support services	-	-	10,000	(10,000)
Total expenditures	-	32,812	55,707	(22,895)
Receipts over (under) expenditures	92	(2,211)		
UNENCUMBERED CASH, beginning	615	707		
UNENCUMBERED CASH, ending	$ 707	(1,504)		
KPERS EMPLOYER CONTRIBUTION				
RECEIPTS				
State aid	$ 483,719	466,609	538,089	(71,480)
EXPENDITURES				
Instruction	320,722	315,984	366,140	(50,156)
Student support services	23,254	22,346	17,394	4,952
Instructional support services	18,624	16,853	18,569	(1,716)
General administration	24,322	22,955	25,475	(2,520)
School administration	37,456	35,329	44,763	(9,434)
Other supplemental services	5,140	4,890	6,295	(1,405)
Operations and maintenance	25,553	23,937	28,480	(4,543)
Student transportation services	15,136	12,720	17,212	(4,492)
Food service operations	13,512	11,595	13,761	(2,166)
Total expenditures	483,719	466,609	538,089	(71,480)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECREATION				
RECEIPTS				
Taxes				
Tax in process	$ 1,213	1,011	1,510	(499)
Current tax	40,416	41,338	38,685	2,653
Delinquent tax	988	570	317	253
Motor vehicle tax	5,069	5,675	5,282	393
Recreational vehicle tax	120	134	112	22
Commercial vehicle tax	195	124	-	124
Total receipts	48,001	48,852	45,906	2,946
EXPENDITURES				
Appropriation to recreation commission	45,700	47,840	47,840	-
Receipts over (under) expenditures	2,301	1,012		
UNENCUMBERED CASH, beginning	-	2,301		
UNENCUMBERED CASH, ending	$ 2,301	3,313		

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
CONTINGENCY RESERVE		
RECEIPTS	$ -	-
EXPENDITURES		
Heating	-	16,474
Receipts over (under) expenditures	-	(16,474)
UNENCUMBERED CASH, beginning	530,000	530,000
UNENCUMBERED CASH, ending	$ 530,000	513,526
TEXTBOOK REVOLVING		
RECEIPTS		
Reimbursements, fees and activities	$ 20,793	30,105
Transfer from Supplemental General	46,328	32,200
Total receipts	67,121	62,305
EXPENDITURES		
Textbooks and workbooks	67,121	62,348
Receipts over (under) expenditures	-	(43)
UNENCUMBERED CASH, beginning	205,559	205,559
UNENCUMBERED CASH, ending	$ 205,559	205,516

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
FEDERAL GOVERNMENT		
TITLE I		
RECEIPTS		
Federal aid	$ 42,431	51,051
EXPENDITURES		
Salaries and benefits	42,431	51,051
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS		
RECEIPTS		
Federal aid	$ 7,555	9,385
EXPENDITURES		
Instruction support services	7,555	9,385
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
STUDENT SUPPORT ACADEMIC ENRICHMENT PROGRAM		
RECEIPTS		
Federal aid	$ 11,613	11,945
EXPENDITURES		
Student support services	11,613	11,945
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
FEDERAL GOVERNMENT		
SMALL RURAL SCHOOL ACHIEVEMENT PROGRAM		
RECEIPTS		
Federal aid	$ 49,850	43,428
EXPENDITURES		
Salaries and benefits	49,850	43,223
Supplies and other	-	205
Total expenditures	49,850	43,428
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF FUND (ESSER I)		
RECEIPTS		
Federal aid	$ -	35,261
EXPENDITURES		
Salaries and benefits	27,757	256
Student support services	1,422	728
Operation and maintenance	484	2,872
Supplies and other	-	1,742
Total expenditures	29,663	5,598
Receipts over (under) expenditures	(29,663)	29,663
UNENCUMBERED CASH, beginning	-	(29,663)
UNENCUMBERED CASH, ending	$ (29,663)	-

Unified School District No. 439

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	$ -	2021
FEDERAL GOVERNMENT		
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF FUND (ESSER II)		
RECEIPTS		
Federal aid	$ -	-
EXPENDITURES		
Salaries and benefits	-	27,060
Student support services	-	1,078
Supplies and other	-	1,745
Total expenditures	-	29,883
Receipts over (under) expenditures	-	(29,883)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(29,883)
STRENGTHENING PEOPLE AND REVITALIZING KANSAS (SPARK)		
RECEIPTS		
Federal aid	$ -	241,444
EXPENDITURES		
Salaries and benefits	-	124,089
Student support services	-	22,313
Instruction support services	-	33,984
Operation and maintenance	-	44,682
Supplies and other	-	16,376
Total expenditures	-	241,444
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-

Unified School District No. 439

Bond and Interest Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Taxes				
Delinquent tax	$ -	-	-	-
EXPENDITURES				
Bond Fees	-	57	125,220	(125,163)
Receipts over (under) expenditures	-	(57)		
UNENCUMBERED CASH, beginning	125,220	125,220		
UNENCUMBERED CASH, ending	$ 125,220	125,163		

Unified School District No. 439

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2021

	Beginning Balance	Receipts	Disbursements	Ending Balance
STUDENT ORGANIZATIONS				
High School - Classes				
Administrative	$ 1,384	1,373	1,812	945
Seniors	153	1,823	1,787	189
Juniors	2,276	1,559	3,632	203
Sophomores	2,891	805	2,974	722
Freshmen	939	-	939	-
Eighth Grade	-	318	-	318
Seventh Grade	-	242	-	242
High School - Clubs				
TSA	349	-	349	-
FCCLA	930	-	-	930
Dance Team	1,085	1,613	1,629	1,069
Spirit Squad	2,116	3,971	3,864	2,223
Junior High Spirit Squad	1,230	1,678	1,903	1,005
Student Council	4,100	707	2,833	1,974
Spanish Club	507	-	-	507
Art Class	307	-	-	307
Band Club	2,020	-	-	2,020
STW	729	-	729	-
Junior High Quiz Bowl	499	21	100	420
National Honor Society	259	274	403	130
FCA	9	-	9	-
Sedg-What	42	-	42	-
Leadership Team	431	-	-	431
Odyssey of the Mind	12	-	-	12
German	163	-	163	-
CHAMPS	124	-	-	124
Nerd Herd	8	-	-	8
Forensics	225	1,007	593	639
Yearbook High School	31	377	389	19
Grade School - Clubs				
Yearbook Grade School	347	1,326	1,010	663
Sunshine Fund	209	-	32	177
Y Tie Fundraiser	-	401	299	102
Total Student Organizations	23,375	17,495	25,491	15,379
SALES TAX	136	3,639	3,752	23
TOTAL AGENCY FUNDS	$ 23,511	21,134	29,243	15,402

Unified School District No. 439

District Activity Funds

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Activity Gate Receipts						
High School						
Athletics	$ 18,863	27,168	39,787	6,244	-	6,244
Concessions	2,862	4,256	6,527	591	-	591
Musicals	2,009	-	737	1,272	-	1,272
Total Activity Gate Receipts	$ 23,734	31,424	47,051	8,107	-	8,107

School Projects						
High School	$ 6,066	28,701	31,523	3,244	-	3,244
Grade School	4,901	20,586	22,312	3,175	-	3,175
Total School Projects	$ 10,967	49,287	53,835	6,419	-	6,419

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APPENDIX C

SUMMARY OF FINANCING DOCUMENTS

The following is a summary of certain provisions contained in the Bond Resolution authorizing the issuance of the Bonds. This summary does not purport to be complete and is qualified by reference to the entirety of the foregoing document.

THE BOND RESOLUTION

DEFINITIONS

In addition to words and terms defined elsewhere in this Official Statement, the following words and terms as used herein shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means the Constitution and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq*., K.S.A. 25-2018(f), K.S.A. 72-5457, and K.S.A. 72-5458 *et seq*., all as amended and supplemented.

[**"AGM"** means Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company, or any successor thereto.]

"Authorized Denomination" means $5,000 or any integral multiples thereof.

[**"BAM"** means Build America Mutual Assurance Company., a New York domiciled mutual insurance corporation, or any successor thereto.]

"Beneficial Owner" of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

"Bond and Interest Fund" means the Bond and Interest Fund of the Issuer for its general obligation bonds.

"Bond Counsel" means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

[**"Bond Insurance Policy"** means the municipal bond insurance policy issued by the Bond Insurer concurrently with the delivery of the Bonds guaranteeing the scheduled payment when due of the principal of and interest on the Bonds.]

[**"Bond Insurer"** means [AGM] [BAM] with respect to the Bonds.]

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

"Bond Registrar" means the State Treasurer, and its successors and assigns.

"Bond Resolution" means the resolution adopted by the governing body of the Issuer authorizing the issuance of the Bonds, as amended from time to time.

"Bonds" means the General Obligation School Building Bonds, Series 2021, authorized and issued by the Issuer pursuant to the Bond Resolution.

"Business Day" means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

"Cede & Co." means Cede & Co., as nominee of DTC and any successor nominee of DTC with respect to the Bonds.

"Clerk" means the duly appointed and acting Clerk of the Issuer or, in the Clerk's absence, the duly appointed Deputy, Assistant or Acting Clerk of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder of the United States Department of the Treasury.

"Compliance Account" means the account by that name created by the Bond Resolution.

"Consulting Engineer" means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by the Bond Resolution.

"Costs of Issuance" means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

"Costs of Issuance Account" means the account by that name created by the Bond Resolution.

"Dated Date" means December 1, 2021.

"Debt Service Account" means the account by that name created within the Bond and Interest Fund by the Bond Resolution.

"Debt Service Requirements" means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

"Defaulted Interest" means interest on any Bond which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) [evidences of ownership of proportionate interests in future interest and principal payments on United States Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying United States Government Obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated; or

(c)]obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"Disclosure Undertaking" means the Continuing Disclosure Undertaking, dated as of the Dated Date, relating to certain obligations contained in the SEC Rule.

"District" means Unified School District No. 439, Harvey County, Kansas (Sedgwick).

"DTC" means The Depository Trust Company, New York, New York.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Bond Resolution (other than the covenants relating to continuing disclosure contained in the Bond Resolution and the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

"Federal Tax Certificate" means the Issuer's Federal Tax Certificate for the Bonds, dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

"Financeable Costs" means the amount of expenditure for an Improvement which has been duly authorized by action of the governing body of the Issuer to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

"Fiscal Year" means the twelve month period ending on June 30.

"Funds and Accounts" means funds and accounts created by or referred to in the Bond Resolution.

"Improvement Fund" means the fund by that name created in the Bond Resolution.

"Improvements" means the improvements referred to in the preamble to the Bond Resolution and any Substitute Improvements.

"Independent Accountant" means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by the Bond Resolution.

[**"Insurer's Fiscal Agent"** means the agent designated by the Bond Insurer pursuant to the Bond Insurance Policy.]

"Interest Payment Date(s)" means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2022.

"Issue Date" means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

"Issuer" means the District and any successors or assigns.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and in the Bond Resolution provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer [with notice to the Bond Insurer].

"Official Statement" means the Issuer's Official Statement relating to the Bonds.

"Outstanding" means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore, authenticated and delivered, except the following Bonds:

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of the Bond Resolution; [and]

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder[.][; and

[(d) Bonds, the principal or interest of which has been paid by the Bond Insurer.]

"Owner" when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of the Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means the State Treasurer, and any successors and assigns.

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; [or] (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f)[; or (m) other investment obligations authorized by the laws of the State and approved in writing by the Bond Insurer], all as may be further restricted or modified by amendments to applicable State law.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"President" means the duly elected and acting President of the Issuer, or in the President's absence, the duly appointed and/or elected Vice President or Acting President of the Issuer.

"Purchaser" means the financial institution or investment banking firm that is original purchaser of the Bonds.

"Rating Agency" means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of the Bond Resolution.

"Redemption Price" means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of the Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Replacement Bonds" means Bonds issued to the Beneficial Owners of the Bonds in accordance with the Bond Resolution.

"SEC Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

"Securities Depository" means, initially, DTC, and its successors and assigns.

"Special Record Date" means the date fixed by the Paying Agent for the payment of Defaulted Interest.

"Standard & Poor's" means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer [with notice to the Bond Insurer].

"State" means the state of Kansas.

"State Treasurer" means the duly elected Treasurer of the State or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Substitute Improvements" means the substitute or additional improvements of the Issuer described in the Bond Resolution.

[**"Term Bonds"** means the Bonds scheduled to mature in the year 2051.]

[**"____ Term Bonds"** means the Bonds scheduled to mature in the year ____.]

[**"2051 Term Bonds"** means the Bonds scheduled to mature in the year 2051.]

[**"Term Bonds"** means collectively, the ____ Term Bonds and the 2051 Term Bonds.]

"Treasurer" means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ESTABLISHMENT OF FUNDS AND ACCOUNTS; DEPOSIT AND APPLICATION OF BOND PROCEEDS

Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

(a) Improvement Fund.
(b) Debt Service Account (within the Bond and Interest Fund).
(c) Costs of Issuance Account.
(d) Compliance Account.

The above Funds and Accounts shall be administered in accordance with the provisions of the Bond Resolution so long as the Bonds are Outstanding.

Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) All accrued interest and excess proceeds, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.

(b) An amount necessary to pay the Costs of Issuance shall be deposited in the Costs of Issuance Account.

(c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements; (b) paying interest on the Bonds during construction of the Improvements; and (c) paying Costs of Issuance to the extent necessary. Withdrawals from the Improvement Fund shall be made only when authorized by the governing body of the Issuer. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Consulting Engineer stating that such payment is being made for a purpose within the scope of the Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Clerk (or designate) stating that such payment is being made for a purpose within the scope of the Bond Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Substitution of Improvements; Reallocation of Proceeds. The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (a) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (b) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section, (c) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (d) the use of the proceeds of the Bonds to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax status of the Bonds under State or federal law.

The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (a) the reallocation is approved by the governing body of the Issuer; (b) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (c) the reallocation will not adversely affect the tax status of the Bonds under State or federal law.

Application of Moneys in the Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys. Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter to the Compliance Account or Debt Service Account.

Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Issuer to pay the fees and expenses relating to compliance with federal arbitrage law and state or federal securities laws. Any funds remaining in the Compliance Account not necessary for such payments shall be transferred to the Debt Service Account.

DEPOSIT AND INVESTMENT OF MONEYS

Deposits. Moneys in each of the Funds and Accounts shall be deposited in a bank, savings and loan association or savings bank which are members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law, and which meet certain guidelines of State law. All such deposits shall be held in cash or invested in Permitted Investments or shall be adequately secured as provided by the laws of the State.

Investments. Moneys held in any Fund or Account may be invested in accordance with the Bond Resolution and the Federal Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may, at the discretion of the Issuer, be credited to the Debt Service Account.

DEFAULT AND REMEDIES

Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

[The Paying Agent shall notify the Owners and Bond Insurer of any Event of Default of which it has actual notice.]

Limitation on Rights of Owners. The covenants and agreements of the Issuer contained in the Bond Resolution and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds of any series shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the Funds and Accounts pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in the Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for in the Bond Resolution, or to enforce any right, except in the manner provided in the

Bond Resolution, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Bonds.

Remedies Cumulative. No remedy conferred upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon.

[***Control of Remedies By Bond Insurer Upon an Event of Default and Event of Insolvency***. Upon the occurrence and continuance of an Event of Default, the Bond Insurer, provided the Bond Insurance Policy is in full force and effect and the Bond Insurer shall not be in default thereunder, shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners under the Bond Resolution. Any reorganization or liquidation plan with respect to the Issuer must be acceptable to the Bond Insurer. In the event of any reorganization or liquidation, the Bond Insurer shall have the right to vote on behalf of all Owners who hold the Bonds insured by the Bond Insurer absent a default by the Bond Insurer under the applicable Bond Insurance Policy insuring such Bonds.]

DEFEASANCE

When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Bond Resolution and all other rights granted thereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until: (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption. [The Issuer shall notify the Bond Insurer of any defeasance of the Bonds.]

[Notwithstanding anything in the Bond Resolution to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer and the covenants, agreements and other obligations of the Issuer to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.]

TAX COVENANTS

General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Issuer will take such actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Survival of Covenants. The covenants contained in the Bond Resolution and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds or any other provision of the Bond Resolution until such time as is set forth in the Federal Tax Certificate.

CONTINUING DISCLOSURE REQUIREMENTS

Disclosure Requirements. The Issuer covenants in the Bond Resolution with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking and to make the provisions of the Disclosure Undertaking applicable to the Bonds. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its continuing disclosure covenants contained in the Bond Resolution, the Purchaser and/or any Beneficial

Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. [The Purchaser or Beneficial Owner shall provide a copy of any such demand or notice to the Bond Insurer.] Notwithstanding any other provision of the Bond Resolution, failure of the Issuer to comply with its continuing disclosure covenants contained in the Bond Resolution shall not be considered an Event of Default under the Bond Resolution.

PROVISIONS RELATING TO THE BOND INSURANCE POLICY

[to be inserted if necessary]

MISCELLANEOUS PROVISIONS

Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such annual audit, a copy thereof shall be filed in the office of the Clerk[, and a duplicate copy of the audit shall be mailed to the Bond Insurer]. Such audits shall at all times during the usual business hours be open to the examination and inspection by any Owner of any of the Bonds, or by anyone acting for or on behalf of such user or Owner.

Levy and Collection of Annual Tax. The governing body of the Issuer shall annually make provision for the payment of Debt Service Requirements on the Bonds as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law. The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent. If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of the Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of [the Bond Insurer and] the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by [the Bond Insurer and] such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall: (a) extend the maturity of any payment of principal or interest due upon any Bond; (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond; (c) permit preference or priority of any Bond over any other Bond; or (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Bond Resolution.

Any provision of the Bonds or of the Bond Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of [the Bond Insurer and] the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement the Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, to conform the Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Notices, Consents and Other Instruments by Owners. Any notice, request, complaint, demand or other communication required or desired to be given or filed under the Bond Resolution shall be in writing, and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent[and the Bond Insurer]. The Issuer, the Paying Agent[, the Bond Insurer] and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent. All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Electronic Transactions. The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Severability. If any section or other part of the Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of the Bond Resolution.

Governing Law. The Bonds and the Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

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APPENDIX D

FORM OF DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

DATED AS OF DECEMBER 1, 2021

BY

**UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)**

**$13,800,000
UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)
GENERAL OBLIGATION SCHOOL BUILDING BONDS
SERIES 2021
DATED DECEMBER 1, 2021**

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of December 1, 2021 (the "Continuing Disclosure Undertaking"), is executed and delivered by **UNIFIED SCHOOL DISTRICT NO. 439, HARVEY COUNTY, KANSAS (SEDGWICK)** (the "Issuer").

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of its General Obligation School Building Bonds, Series 2021 (the "Bonds"), pursuant to a Resolution adopted by the governing body of the Issuer (the "Bond Resolution").

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The Issuer is the only "obligated person" with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, ***Section 2*** of this Continuing Disclosure Undertaking, which may include the Issuer's Comprehensive Annual Financial Report, if any, so long as the Comprehensive Annual Financial Report contains the financial information and operating data described in ***Section 2(a)(1)*** and ***(2)***.

"Beneficial Owner" means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"Dissemination Agent" means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Financial Obligation" means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in ***Section 3*** of this Continuing Disclosure Undertaking.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than the March 1st immediately following the end of the Issuer's Fiscal Year, commencing with the year ending June 30, 2022, file with the MSRB, through EMMA, the following financial information and operating data (the "Annual Report"):

(1) The audited financial statements of the Issuer for the prior Fiscal Year, in substantially the format contained in the Official Statement relating to the Bonds. A more detailed explanation of the accounting basis and method of preparation of the financial statements is contained in the Official Statement relating to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in ***Exhibit A*****,** in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under ***Section 3***, and the Annual Report deadline provided above shall automatically become the first day of the ninth month after the end of the Issuer's new fiscal year.

(b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than 10 Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("Material Events"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the obligated person;
(13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in ***Section 2(a)***, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this ***Section 3***.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under ***Section 3***.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under ***Section 3***, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Bond Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Undertaking, the Bond Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

UNIFIED SCHOOL DISTRICT NO. 439,
HARVEY COUNTY, KANSAS (SEDGWICK)

(SEAL)

____
President

____
Clerk

EXHIBIT A

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The financial information and operating data contained in tables in the following sections contained in ***Appendix A*** of the final Official Statement relating to the Bonds:

- Assessed Valuation
- Tax Rates
- Aggregate Tax Levies
- Tax Collection Record
- Major Taxpayers
- District Enrollment

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APPENDIX E

FORM OF BOND COUNSEL OPINION

[FORM OF BOND COUNSEL OPINION]

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

[December 1, 2021]

Governing Body
Unified School District No. 439,
Harvey County, Kansas (Sedgwick)

[Purchaser]
[Purchaser City, State]

[Assured Guaranty Municipal Corp.]
[Build America Mutual Assurance Company]
New York, New York]

Re: $13,800,000* General Obligation School Building Bonds, Series 2021, of Unified School District No. 439, Harvey County, Kansas (Sedgwick), Dated December 1, 2021

We have acted as Bond Counsel in connection with the issuance by Unified School District No. 439, Harvey County, Kansas (Sedgwick) (the "Issuer"), of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer authorizing the issuance and prescribing the details of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds [(including any original issue discount properly allocable to an owner of a Bond)] is: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have **not** been designated as "qualified tax-exempt obligations" for purposes of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C.

GJH:rrd

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[*APPENDIX F*

SPECIMEN BOND INSURANCE POLICY]

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