

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**OF**  
**SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512**

**Center for Academic Achievement  
8200 W. 71<sup>st</sup> Street  
Shawnee Mission, Kansas 66204**

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

**Prepared by Business Services Division  
of Shawnee Mission Unified School District No. 512**

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2020

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January 29, 2021

**District Parents, Patrons and Board of Education  
Shawnee Mission Unified School District No. 512  
Shawnee Mission, Kansas**

The Comprehensive Annual Financial Report (CAFR) of Unified School District No. 512, Shawnee Mission, Kansas (district) for the fiscal year ended June 30, 2020, is hereby submitted for your use. The CAFR was prepared by the Business Services Division and includes the unmodified opinion of our independent auditors, BT&Co. P.A. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the district, specifically the Business Services Division. The Business Services Division confirms that the accounting system and the budgetary and internal accounting controls of the district provide reasonable assurance that the district assets are safeguarded against loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the district.

The CAFR includes all funds as identified by the Governmental Accounting Standards Board (GASB) in its Codification of Governmental Accounting and Financial Reporting Standards, and all activities considered by Kansas statutes to be part of the district.

**GENERAL INFORMATION ABOUT THE DISTRICT**

The Shawnee Mission School District, which was established as Unified School District No. 512 in 1969, has been ranked consistently among the finest school districts in America, earning praise locally, regionally, and nationally for its commitment to providing excellent educational programs and services. U.S. News & World Report ranked all of the district's five high schools as among the best in the nation. Shawnee Mission offers a rigorous academic curriculum designed to prepare students for the future. The district is proud of the impressive achievement of its students as reflected on state and national assessments. For more information, visit [www.smsd.org](http://www.smsd.org).

**Mission Statement:** The mission of the Shawnee Mission School District, the bridge to unlimited possibilities yet to be discovered, is to ensure students construct their own foundation for success in life's endeavors through relevant, personalized learning experiences orchestrated by talented, compassionate educators and distinguished by

- An inclusive culture
- An engaged community

And robust opportunities that challenge learners to achieve their full potential

Located in suburban northeast Johnson County, Kansas, ten miles from downtown Kansas City, Missouri, the district is the third largest school district in the state of Kansas. Covering 72 square miles, the district serves students living in all or a portion of 14 cities.

During the 2019-20 school year, the district was comprised of 34 elementary schools, five middle schools, five high schools, one alternative education school, one career and technical center, early childhood education center, four major athletic complexes, and three administrative and support facilities. This represents a physical plant in excess of nearly 5.4 million square feet, having a replacement value in excess of \$1.2 billion.

On September 20, 2019, enrollment was 27,588, down 5 from the 27,593 students on September 20, 2018. This enrollment represented 14,282 elementary school students, 3,999 middle school students, 8,024 high school students, 1,283 special education, preschool and other students.

Seven members of the board of education who are elected for staggered four-year terms govern the district. The board of education is responsible for making all policy decisions. The treasurer and clerk are appointed annually by the board. The board of education appoints the superintendent of schools who is responsible for carrying out the policies set by the board. A deputy superintendent and associate superintendents assist the superintendent. The district employs a full-time staff of about 3,400 of which approximately 2,100 were teachers and other certified staff. Approximately 81 percent of the teachers in Shawnee Mission have a master's degree or higher.

## **ECONOMIC CONDITION AND OUTLOOK**

Economic growth in Johnson County, within which the district is located, has been strong for over 25 years. The county has become a self-contained economic unit with its own employment and financial base. As a result, predictions continue to foresee Johnson County as the cornerstone to growth within the State of Kansas over the next ten years. The assessed valuation within the district increased approximately 5.2% to \$4.1 billion during 2019.

## **FINANCIAL POLICIES**

The State of Kansas controls the amount of operating funds each district is entitled to receive. The State exercises this control in an effort to equalize funding between districts in the state. Funding decisions are typically made in late April or early May prior to the new fiscal year. District officials set budget priorities throughout the preceding year and then adjust the budget as funding decisions are made.

District officials have more flexibility regarding capital decisions. Ongoing capital purchases are made according to two tracks. First, the district has established replacement schedules for most large capital purchases such as roofs, heating/cooling, parking lots and technology. Other capital purchases are made twice during each year. Most departments are required to submit a list of capital needs prior to the fiscal year. School principals have an additional procurement period for unforeseen capital needs.

Other major capital purchases are financed using general obligation bonds. Historically, the district has used stakeholder committees to identify projects.

## **MAJOR INITIATIVES**

The Shawnee Mission School District's Strategic Plan, developed by the community, serves as a road map that will guide the district's work for the next five years.

The document gives voice to who we want to be through a small number of clearly articulated objectives:

- Every student will achieve academic success through a challenging, relevant personalized learning plan.
- Every student will develop and utilize personal resilience while mastering essential competencies that lead to college and career readiness.
- Every student will develop interpersonal skills to be an engaged, empathetic member of the local and global community.

The Shawnee Mission Board of Education approved this strategic plan in the 2018-19 school year. The plan is being implemented across the district. Each school community is also engaged in the work of developing and implementing its own strategic plan, using the district plan as a model and guide.

## **Signature Programs**

Shawnee Mission Signature Programs provide high school students the opportunity to explore unique areas of study in preparation for specialized academic and future career opportunities. Students receive targeted instruction that is both rigorous and relevant. These specialized programs reflect our district's commitment to providing quality educational opportunities that will enable students to be successful in college and careers.

Animation and Game Design  
Biotechnology  
Culinary Arts and Hospitality

Engineering – Project Lead the Way  
Medical Health Science  
Public Safety- Project Blue Eagle  
International Baccalaureate

### **Learning Models**

In the 2020-2021 school year, the Shawnee Mission School District introduced new Learning Models. The models were designed based on guidance from public health experts in order to ensure learning continues during the global pandemic in a way that supports the health and safety of students and staff. Depending on guidance from the county health department and family selection, students may receive instruction in In-Person Learning, Hybrid Learning, or Remote Learning. Students enrolled in Remote Learning, are enrolled in SMSD Connect, a newly launched remote learning program in the district. No matter the learning model, every Shawnee Mission School District student enrolled in Pre-K through 12<sup>th</sup> grade is assigned to a certified Shawnee Mission School District teacher and receives daily instruction. The school district also launched Canvas, a Learning Management System. It is a software application for the administration and provides documentation, tracking, reporting, automation, and delivery of educational courses, training programs, or learning and development programs.

### **Honors and Awards**

District students and staff continue to be recognized locally, regionally, and nationally for their excellence. Five Shawnee Mission high schools were included on the list of Best High Schools, published by U.S. News & World Report. Recognitions have been presented to students and staff in programs and competitions including, but not limited to: State Horizon Award, Kansas Teacher of the Year finalist, National Scholastic Press Association honors, Princeton Prize in Race Relations, Kansas Academic Decathlon, Greater Kansas City Science and Engineering Fair, SkillsUSA, Journalism Education Association, and the Apple Distinguished School program. Shawnee Mission students also were recognized by the National Merit Program and have earned numerous state team and individual championship titles in athletics. The Shawnee Mission Education Foundation awarded \$1.77 billion in scholarship offers to the Shawnee Mission School District Class of 2021.

### Technology in Education

The district's Digital Learning Initiative provides each teacher in the district with a portable computer and a tablet device. Each student K-6 in the district receives a tablet device while each student 7-12 receives a portable computer. There are approximately 30,000 portable devices provided to students, teachers, and administrators in the district. In addition to those devices, the various business functions and support personnel in the district have access to computers to complete their daily tasks.

With the ongoing COVID-19 pandemic, the district has made adaptations to support remote learning and work. The adoption of the Canvas Learning Management System (LMS) provides a unified platform for teacher-student interaction for academic pursuits. Additional access via virtual desktops and applications has made software that is usually sequestered inside district labs available to students when learning remotely. The district has also provided additional device resources to employees that are required to work remotely for various reasons associated with COVID-19.

With the shift towards everyone having portable devices, the district moved focus away from traditional labs. The district does still maintain some traditional computer labs, mobile wireless labs, library workstations, and specialty labs. These labs are under regular review for relevance and need.

The student information system and library management systems both use modern, Web based applications to keep track of this critical district data. District programming staff ensures interfaces between the various databases are kept current and working so that all district data is stored securely and is accessible to those who need it.

Data transport is an essential function of technology in the district. The district has engaged in initiatives to make wireless networks widely available in all district buildings. These networks are regularly monitored, checked for quality and functionality, and routinely upgraded to provide highly efficient and reliable wireless connectivity. The

district's data closet inter-connections, Wide Area Network, and Internet access all meet the current SETDA goals on bandwidth availability.

Every regular classroom, library, computer lab, and designated special purpose classroom in the district is outfitted with a permanently mounted XGA projector or flat panel TV and an Apple TV.

All employees and students have electronic mail. Spam mitigation, anti-virus protection, and intrusion detection are essential components of the district's security stance as it pertains to electronic mail. A fiber-optic high-speed integrated voice and data network provides connectivity between every building. Every classroom has a phone, and all teachers and administrative employees have access to voicemail. The district has a virtual meeting and collaboration platform available to all district employees. Teachers are able to use this platform when working with students as well. Additionally, all teachers and students in the district have access to GSuite from Google.

## **FINANCIAL INFORMATION**

### Internal Control Structure

Pursuant to state statute, the board of education annually appoints the district treasurer. The treasurer is the chief fiscal officer of the district and is responsible for receiving and maintaining custody of and disbursing all district funds. The Deputy Superintendent, Dr. Rick Atha, currently serves as the treasurer. Dr. Atha is assisted in this function by other fiscal management employees including the Chief Financial Officer, Financial Analyst, Budget Manager and Purchasing Supervisor.

The Cabinet, which consists of the superintendent, deputy superintendent, chief communications officer, general counsel, two associate superintendents, chief of early childhood, chief of student services, and two executive directors with assistance of the above fiscal management employees, is responsible for establishing and maintaining an internal control system to provide reasonable, but not absolute assurance, that district assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The concept of reasonable assurance recognizes that certain estimates and judgments are required in establishing controls and that the estimated cost of a control should not exceed the projected benefits likely to result from the control.

### Budgetary Principles

In addition to internal accounting controls, the district maintains budgetary controls. The budget is prepared on the cash basis of accounting, as required by state statute.

Kansas statutes require that an operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds. The general fund and supplemental general fund are subject to budgetary limitation by state statute. Other funds are subject to no statutory limitation. The statutes provide the following timeline in the adoption of the annual operating budget:

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

State statute prohibits the expenditure within a fund in excess of the legally adopted budget. An annual operating budget is not required for bond construction funds, agency funds, textbook funds, and student materials funds. However, internal budgets are prepared for each of these funds and adopted by the board of education. District policy prohibits the expenditure within a fund in excess of the adopted budget.

In accordance with the Kansas Accounting Handbook, all expenditures are accounted for by fund, function, and object. Further accountability is provided by cost center. This system allows effective monitoring of the expenditure of budget

appropriations. Monthly reports of budget to actual revenues and expenditures are prepared for management use. Summarized reports are presented to the board of education. Statutory budget control is at the fund level. Internal budget control is at the account level. A comparison of actual to budget revenues and expenditures is included in the Financial Section of this report.

## PROPERTY TAX COLLECTIONS

The determination of assessed valuation and the collection of taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties. The Johnson County Appraiser annually determines the assessed valuation that is used as a basis for the mill levy on property located within the district. The appraiser's determination is based on criteria established by Kansas statute.

Ad valorem tax statements are mailed each November 1 and may be paid in full or one-half on or before December 20, with the remaining one-half due on or before the following May 10. Motor vehicles are assessed on January 1 of the current year, and the tax is due and payable by the end of the month in which the license plate expires. Taxes are distributed to the district as collected by the county treasurer five times per year.

Tables showing the district's assessed valuation for the most recent ten years, the district's tax collections for the most recent ten years, and the district's mill levy for the most recent ten years are included in the Statistical Section of this report.

## CASH MANAGEMENT

In accordance with Kansas statutes, idle funds during the year were invested in certificates of deposit, U.S. Treasury Bills, and Repurchase Agreements. Demand deposits are held in interest-bearing accounts. The rate earned on demand deposits was forty basis points under the 91-day T-bill rate. Rates earned on certificates of deposit and repurchase agreements were solicited by phone quotes. T-bill yields were based on current market conditions on the day of investment.

The average yield on maturing investments was approximately 1.9% in 2020. This is net of funds held in demand deposits and compensating balance requirements. In accordance with Kansas statutes, investment revenues for 2020 were recorded in the following funds:

Special Education	\$ 979,646
Capital Project	266,471
Debt Service	232,108
Capital Outlay	104,338
Food Service	46,752
Health Care Reserve	19,564
<b>Total</b>	<b><u>\$ 1,648,879</u></b>

The governmental funds account for all of this total (see page 20).

## RISK MANAGEMENT

The district is insured for general property damage and liability coverage through various policies as follows:

<b>Coverage</b>	<b>Limits</b>	<b>Deductible/ Retention</b>
Property	\$1,263,188,702 (\$450,000,000 loss limit)	\$100,000
Boiler & Machinery	\$100,000,000	\$25,000
Automobile Physical Damage	\$3,894,770	\$10,000
Liability (General, Employee Benefit, Law Enforcement, Automobile)	\$5,000,000 each occurrence /\$5,000,000 annual aggregate	\$500,000
Liability (School Leaders E&O, Employment Practices)	\$5,000,000 each occurrence /\$5,000,000 annual aggregate	\$500,000
Crime / Employee Dishonesty	\$2,750,000	\$25,000
Cyber Liability	\$1,000,000	\$25,000

It is the opinion of the district administration that property coverage is sufficient to replace lost or damaged items at current replacement value. Various liability policies extend coverage to all employees of the district, including members of the board of education, teachers, student teachers, and volunteer workers when they are acting within the scope of their duties for the district.

Effective July 1, 1992, workers' compensation insurance became self-insured. Based on projections, the district feels the self-insurance fund is adequately funded to cover future claims.

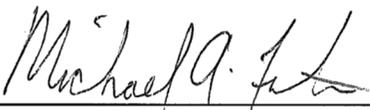
The district is occasionally involved in claims and lawsuits, including claims for unfair or discriminatory personnel practices and personal injury. While these cases may have future financial significance, district management, based on the advice of counsel, believes the ultimate outcome of those various actions will not significantly impact the district's financial position.

#### **INDEPENDENT AUDIT**

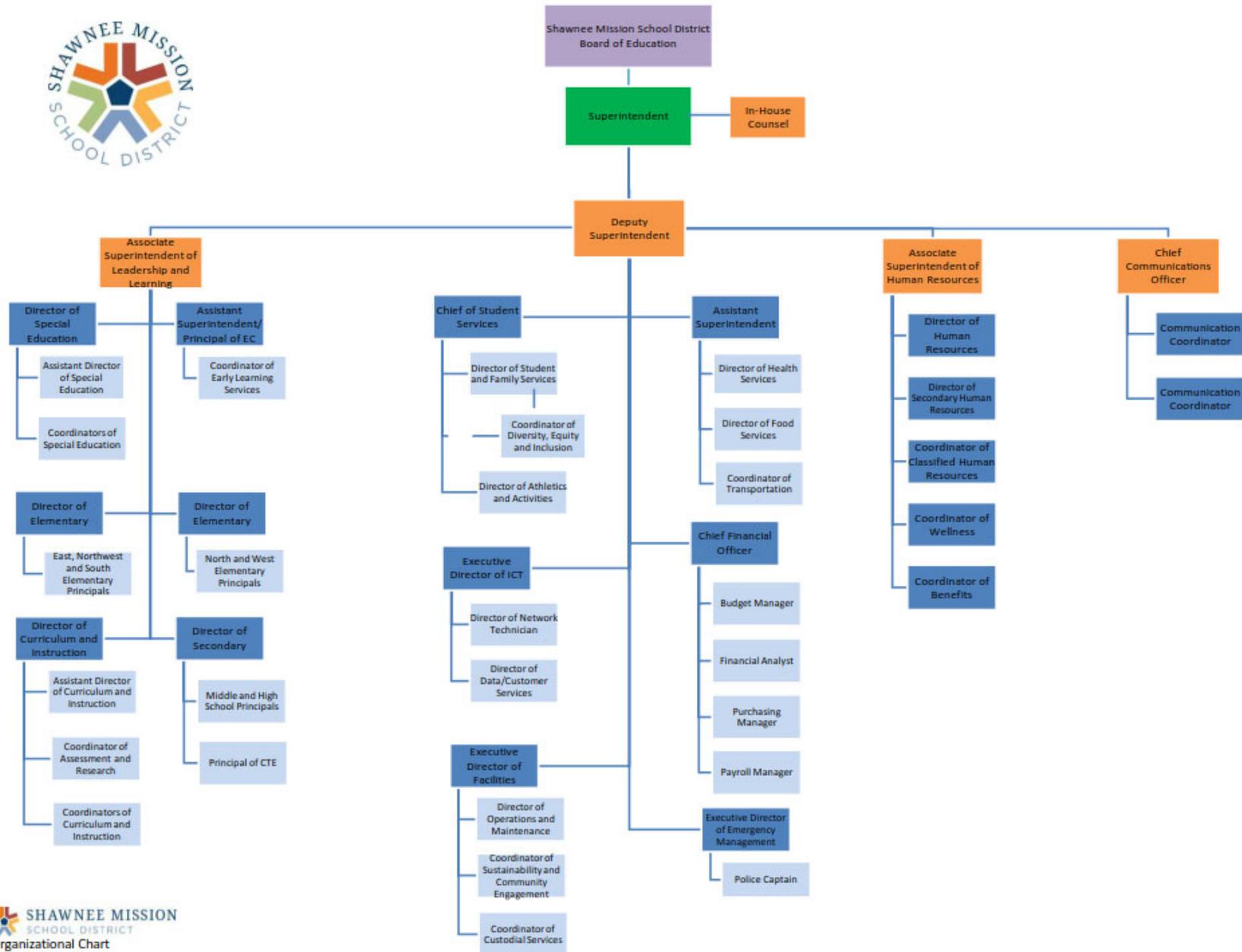
The district's policy is to require an annual, independent audit of the financial statements and in conjunction with that audit, a Single Audit is performed in accordance with federal requirements. For the fiscal year ended June 30, 2020, these audits were performed by the accounting firm of BT&Co. P.A. Their unmodified opinion on the financial statements is included in the Financial Section of this report.

#### **ACKNOWLEDGMENTS**

The preparation of this Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efficient and dedicated services of the accounting services staff. We wish to express our appreciation to all who assisted in its preparation. We especially thank the staff members of BT&Co P.A. for their assistance. We also thank the members of the board of education for their interest and support in planning and conducting the financial operations of the district in a responsible and progressive manner.



Michael Fulton, Ed.D., Superintendent of Schools





## **INDEPENDENT AUDITORS' REPORT**

Board of Education  
Shawnee Mission Unified School District No. 512

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shawnee Mission Unified School District No. 512 (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable provisions of 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 statements.

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

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## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Supplemental General, Special Education, and KPERS Special Retirement Contribution Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The statements and schedules listed under supplementary information in the accompanying table of contents including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other information including the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary schedules listed in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### *Prior Auditor*

The financial statements of the District, as of and for the year ended June 30, 2019 were audited by predecessor auditors whose report, dated October 23, 2019, expressed an unmodified opinion on those statements.

*Prior Year Comparative Information*

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with the accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which such partial information was derived.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*BT&Co, P.A.*

January 29, 2021  
Topeka, Kansas

Shawnee Mission Unified School District No. 512  
Management's Discussion and Analysis  
Year Ended June 30, 2020

This section of the Shawnee Mission Unified School District's annual financial report presents its discussion and analysis of the district's financial performance during the fiscal year ended June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

**Using the Comprehensive Annual Financial Report (CAFR)**

This annual report consists of management's discussion and analysis, the basic financial statements and required supplementary information. These statements are organized so the reader can understand the Shawnee Mission School District as a whole, an entire operating entity. The basic financial statements include two kinds of statements that present different views of the district. The first of the two kinds of statements are the district-wide financial statements. The second kind of financial statements are the fund financial statements.

**Reporting the School District as a Whole**

District-Wide Financial Statements

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

The first of the district-wide statements is the Statement of Net Position. The Statement of Net Position presents balance information for the entire district operations at a given point in time (June 30, 2020). The assets include all cash and investments; receivables, including taxes assessed that remain uncollected; materials inventory; and capital assets reduced by accumulated depreciation. Liabilities include accounts payable, accrued payroll earnings not yet paid, claims payable, net pension liability and outstanding general obligation debt. This results in a statement that encompasses the entire operations of the Shawnee Mission School District.

Although the Statement of Net Position reports total net position of \$167.9 million, the district has restrictions over the use of these funds. The investment in facilities and equipment is necessary to carry out the mission of the district. Kansas state laws segregate funds and place restrictions on spending. This should be considered when reviewing the report.

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

- ◆ the property tax base,
- ◆ operating expenditure limits imposed by Kansas law,
- ◆ building improvements,
- ◆ number of students served, and
- ◆ staffing levels.

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

## **Reporting the School District's Major Funds**

### Fund Financial Statements

Financial reports by fund follow the district-wide statements. The major funds are listed separately with all smaller funds aggregated in the column labeled, "Other Governmental Funds." As shown on the reconciliations on page 19, the fund statements differ from the district-wide statements (Statement of Net Position and Statement of Activities) by excluding the following:

- ◆ issuance costs and escrow payments on bonds issued during the year,
- ◆ cost of capital assets less accumulated depreciation,
- ◆ net position of the internal service fund,
- ◆ pension contributions and fundings reported as deferred outflow and inflows,
- ◆ long-term liabilities.

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

The district's two kinds of funds are governmental and fiduciary funds.

### Governmental Funds

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

The fund classifications provide additional information about the entity. The general, supplemental general, special education and other governmental funds encompass the major operating funds. The capital outlay and capital project funds are the primary source for the purchase of furniture, equipment, and for major repairs and improvements to buildings and grounds. The debt service fund is used to pay outstanding general obligation bonds and related interest charges as they become due. The KPERS special retirement contribution fund is used to account for the inflow and outflow of the State of Kansas' share of the public employee retirement system contributions.

### Fiduciary Funds

The district's fiduciary fund is an agency fund. Agency funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations and/or other funds. Agency funds include student activity monies at the various schools. The district accounts for these funds with student approval of all expenditures. The district's agency fund is reported on the Statement of Fiduciary Assets and Liabilities – Agency Fund.

## **Financial Analysis of the District as a Whole**

The district's net position was higher on June 30, 2020, than it was the year before, increasing \$30.3 million to \$167.9 million. The following are the major components of the district's net position.

**Condensed Statement of Net Position (in millions of dollars)**

	<b>Balance as of 6/30/2020</b>	<b>Balance as of 6/30/2019</b>	<b>Increase (Decrease) from 2019</b>
<b><u>Statement Classifications</u></b>			
Current Assets	\$ 118.8	\$ 146.1	-18.69%
Non-Current Assets	668.5	666.5	0.30%
Deferred Outflow of Resources	71.3	69.8	2.15%
<b>Total Assets &amp; Deferred Outflow</b>	<b>\$ 858.6</b>	<b>\$ 882.4</b>	<b>-2.70%</b>
Current Liabilities	67.6	72.2	-6.37%
Non-Current Liabilities	585.9	643.2	-8.91%
Deferred Inflow of Resources	37.3	29.4	26.87%
<b>Total Liabilities &amp; Deferred Inflow</b>	<b>\$ 690.8</b>	<b>\$ 744.8</b>	<b>-7.25%</b>
<b>Net Position</b>			
Invested in capital assets, net of related debt	\$ 315.3	\$ 300.2	5.03%
Restricted	69.5	24.2	187.19%
Unrestricted	-216.9	-186.8	16.11%
<b>Total Net Position</b>	<b>\$ 167.9</b>	<b>\$ 137.6</b>	<b>22.02%</b>

Total assets and deferred outflows decreased \$23.8 million from fiscal year 2019 and total liabilities and deferred inflows decreased \$54.0 million. The major changes in net position were due to the following:

1. The capital outlay balances decreased by \$5.2 million as revenue decreased due to receiving one-time revenues in fiscal year 2019 for the sale of the district warehouse of \$2.7 million and Apple device trade-in of \$1.7 million.
2. The capital projects decreased \$18.0 million as the district continues construction projects funded from \$118.6 million and \$152.4 million in general obligation refunding and improvement bonds issued in fiscal year 2015 and fiscal year 2017, respectively.
3. The fund balance of twenty-six other funds had a net increase of \$0.4 million. Many funds were impacted due to the pandemic that resulted in schools moving to remote learning from March 11, 2020 to the end of the school year. **See Note 12 for further information.** The majority of this increase is due to the special education balance (operating funds) increasing \$4.9 million due to savings of closing schools to staff and students. This was offset by the debt service balance decreasing \$1.6 million and supplemental general balance decreasing \$1.0 million due to fewer taxes collected in May 2020. Food service decreased \$1.3 million and summer school decreased \$0.4 million due to the federal government offering free meals to all students and the canceling of summer school.

4. Capital assets increased \$2.1 million based on the completion and construction in progress of capital projects and capital purchases from the capital outlay fund.
5. The net change of deferred outflows and inflows of resources for the defined benefit pension plan (KPERS) and other postemployment benefits (OPEB) related to the healthcare plan and KPERS is an increase of \$8.3 million. These changes are referenced in Notes 8 and 9.
6. Pension liability decreased \$29.1 million as the district's proportion of covered employees decreased.
7. The net OPEB obligation liability decreased \$1.4 million according to the District's OPEB actuarial study.
8. Bonds payable and related accrued interest payable decreased by \$32.2 million as the district paid the bond debt schedule.
9. A liability of \$3.3 million for accrued compensated absences was booked for the first time in fiscal year 2020.

The total costs of all programs and services amounted to \$351.7 million. The following table shows the breakdown of total costs by functional area:

<b><u>Expense Function</u></b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2019</b>	<b>Increase (Decrease) from 2019</b>
Instruction	53.6%	52.0%	1.6%
Student Support Services	5.2%	5.3%	-0.1%
Instructional Support	3.3%	3.4%	-0.1%
General Administration	0.7%	0.9%	-0.2%
School Administration	4.3%	4.7%	-0.4%
Operations and Maintenance	15.7%	14.4%	1.3%
Student Transportation Services	3.9%	4.4%	-0.5%
Food Service Operations	3.1%	3.5%	-0.4%
Student Activities	1.2%	1.3%	-0.1%
Business Services	3.9%	4.0%	-0.1%
State Payments	2.3%	2.0%	0.3%
Interest on Long-Term Debt	2.8%	4.1%	-1.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>

The district provided a salary increase in 2019-20 that increased most program cost however, some of the cost was offset by turnover savings from retirements, terminations and vacant positions during the year. In addition, the KPERS Special Retirement Contribution Fund expense increased \$15.5 million that is allocated proportionately to each expense function. Instruction were higher than the other expense functions due to additional staff being added. The operations and maintenance program increased 1.3% due to purchasing PPE to manage the pandemic. The majority of the decrease in functional expenses was due to closing schools March 11, 2020 to the end of the fiscal year resulting in the purchase of less student transportation, utilities, and supplies. State payments increased 0.3% because of a larger cost of living weighting due to an increase in the cost of living factor. The decrease in interest on long-term debt is due to a lower outstanding bond debt as the district paid the bond debt schedule.

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

	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2019</b>	<b>Increase (Decrease) from 2019</b>
<b>Revenues:</b>			
Program revenues			
Charges for services	\$8.3	\$9.9	-16.2%
Operating grants and contributions	75.6	54.6	38.5%
General revenues			
Property taxes	134.6	133.3	1.0%
Grants and entitlements not restricted to specific programs	157.4	148.5	6.0%
Investment earnings	1.3	2.3	-43.5%
Miscellaneous	4.8	7.4	-35.1%
<b>Total Revenues</b>	<b>\$382.0</b>	<b>\$356.0</b>	<b>7.3%</b>
<b>Expenses:</b>			
Instruction	\$188.3	\$177.4	6.1%
Student Support Services	18.4	18.1	1.7%
Instructional Support	11.6	11.6	0.0%
General Administration	2.5	2.9	-13.8%
School Administration	15.3	15.8	-3.2%
Operations and Maintenance	55.1	49.0	12.4%
Student Transportation Services	13.8	14.9	-7.4%
Food Service Operations	11.0	11.8	-6.8%
Student Activities	4.3	4.4	-2.3%
Business and Central Support	13.7	13.6	0.7%
State Payment	8.0	7.0	14.3%
Interest on Long-Term Debt	9.7	13.8	-29.7%
<b>Total Expenses</b>	<b>\$351.7</b>	<b>\$340.3</b>	<b>3.3%</b>
<b>Increase (decrease) in net position</b>	<b>30.3</b>	<b>\$15.7</b>	
<b>Net Position - Beginning</b>	<b>\$137.6</b>	<b>\$121.8</b>	
<b>Restatement</b>	<b>0.0</b>	<b>0.1</b>	
<b>Net Position - Ending</b>	<b>\$167.9</b>	<b>\$137.6</b>	

The table, shown above, details the district's changes in net position for the year. Total receipts exceeded expenditures, increasing net position \$30.3 million over fiscal year 2019. The district's total revenues were \$382.0 million. Property taxes and grants and entitlements not restricted to specific programs accounted for most of the district's revenue, with property taxes contributing 35.2%, and unrestricted grants and entitlements contributing 41.2%. Another 19.8% came from operating grants and contributions, and the remaining 3.8% from fees for charges for services, investment earnings and miscellaneous sources. The most notable changes from the preceding year (on a total dollar basis) include:

- Property taxes increased 1.0%. The overall tax rate decreased from 52.427 mills to 52.121, a 0.6% decrease; however, the assessed valuation increased 5.2%. In addition, the Cost of Living weighting increased 135.9 fte resulting in an additional \$1.1 in taxes in fiscal year 2020.
- Charges for services decreased 16.2% due to the pandemic causing a reduction in revenues mainly in the food service and summer school fund.
- Operating grants and contributions increased 38.5%. The state pays the employer share of the KPERS retirement. The state passes it thru the district so it is recorded on the district books. The amount passed thru in fiscal year 2020 was \$15.5 million more than fiscal year 2019.
- Grants and entitlements not restricted to specific programs increased 6.0% to an increase in general state aid.
- Miscellaneous revenues decreased 35.1% due the district receiving one-time revenue from the sale of the district's warehouse building for \$2.7 million in fiscal year 2019.

- In 2019-20, the district provided a salary increase of 3.2% - 3.7% for each functional area except for General and School Administration which received 1.0%.
- Instructional expenditures increased 6.1%. In addition to the salary increases noted above, \$1.4 million in certified positions were added for fiscal year 2020.
- General administration decreased 13.8% due to a decrease in legal services and a reduction in positions.
- The operations and maintenance program increased 12.4%. As bond monies have been spent, cycle projects such as HVAC, asphalt and roof replacement were paid from the capital outlay fund.
- Student transportation services decreased 7.4%. Cost decrease as buses did not run routes from March 11, 2020 to the end of the school year as learning switched to remote learning due to the pandemic.
- Food service operations decreased 6.8%. This is mainly due to the pandemic and preparing fewer meals reducing food cost.
- State payment increased 14.3% because of a larger cost of living weighting due to an increase in the cost of living factor.
- The decrease in interest on long-term debt is due to a lower outstanding bond debt as the district paid the bond debt schedule.

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

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

<b><u>Expense Function</u></b>	<b>Total Cost of Services</b>	<b>Net Cost</b>
Instruction	\$188.3	\$140.3
Student Support Services	18.4	11.0
Instructional Support	11.6	9.4
General Administration	2.5	2.3
School Administration	15.3	14.4
Operations and Maintenance	55.1	54.4
Student Transportation Services	13.8	8.9
Food Service Operations	11.0	-1.0
Student Activities	4.3	3.7
Business and Central Support	13.7	12.4
State Payment	8.0	2.3
Interest on Long-Term Debt	9.7	9.7
<b>Total</b>	<b>\$351.7</b>	<b>\$267.8</b>

- ◆ Costs of \$8.3 million were financed by users of the district's programs.
- ◆ Federal and state governments subsidized certain programs with grants and contributions totaling \$75.6 million.
- ◆ Most of the district's net cost of services of \$267.8 million was financed by district and state taxpayers.
- ◆ The governmental activities portion was financed with \$134.6 million in property taxes, \$157.3 million of grants and entitlements not restricted to specific programs and \$6.1 million in investment earnings and miscellaneous sources.

### **Financial Analysis of the District's Funds**

As the district completed the year, its governmental funds reported combined fund balances of \$79.3 million; a decrease from last year's ending fund balance of \$101.8 million. Expenditures of \$404.7 exceeded revenues of \$373.1 million and other financing of \$9.1 million.

	<b>Revenues</b>	<b>Expenditures</b>	<b>Other Financing</b>	<b>End Bal</b>
General	\$151.6	(\$151.5)	\$0.0	\$0.5
Supplemental General	36.7	(14.5)	(23.2)	2.7
AtRisk	22.4	(22.4)	0.0	0.0
AtRisk 4 yr old	1.3	(1.3)	0.0	0.0
Bilingual	2.5	(2.5)	0.0	0.0
In-Service	0.2	(0.2)	0.0	0.0
Special Education	30.4	(48.4)	23.0	18.1
Vocational	5.8	(5.8)	0.0	0.0
Student Materials	0.7	(0.6)	0.0	0.4
Textbook Rental	0.8	(1.2)	0.0	1.9
Special Liability	0.6	(0.5)	0.0	2.0
KPERS Retirement	27.6	(27.6)	0.0	0.0
Health Care Reserve	1.5	(1.5)	0.0	0.1
Gate Receipts	0.6	(0.5)	0.0	0.3
Contingency Reserve	0.0	(0.0)	0.0	5.6
Cost of Living	8.0	(8.0)	0.0	0.5
Federal and State Grants	4.8	(4.6)	0.0	1.4
<b>Total Basic Education</b>	<b>\$295.5</b>	<b>(\$291.1)</b>	<b>(\$0.2)</b>	<b>\$33.5</b>
Parent education	\$0.4	(\$0.6)	\$0.2	\$0.0
Summer School	0.0	(0.4)	0.0	0.6
Adult Supplemental	0.0	0.0	0.0	0.0
Declining Enrollment	0.1	0.0	0.0	0.5
Extraordinary School	0.2	(0.1)	0.0	0.6
Virtual Education	0.1	(0.1)	0.0	0.0
<b>Total Expanded Education</b>	<b>\$0.8</b>	<b>(\$1.2)</b>	<b>\$0.2</b>	<b>\$1.7</b>
Capital Outlay	\$34.4	(\$48.7)	\$9.1	\$17.9
Capital Projects	0.7	(18.7)	0.0	0.8
Debt Service	31.3	(32.9)	0.0	22.5
Special Assessments	0.4	(0.7)	0.0	0.6
<b>Total Capital</b>	<b>\$66.8</b>	<b>(\$101.0)</b>	<b>\$9.1</b>	<b>\$41.8</b>
Food service	10.0	(11.4)	0.0	2.3
<b>Total</b>	<b>\$373.1</b>	<b>(\$404.7)</b>	<b>\$9.1</b>	<b>\$79.3</b>

The major changes in fund balances were:

1. The special education fund balance increased \$4.9 million. The school finance law permits operating balances to be carried over in this fund. Operating revenue exceeded expenditures during 2020 primarily due to savings resulting from schools moving to remote learning due to the pandemic. The state fully funded the school finance formula.

2. The food service and summer school fund balance decreased a total of \$1.7 million as meals were offered to students at no cost during the pandemic and summer school was canceled resulting in less revenue.
3. The debt service fund balance decreased \$1.6 million and the supplemental general fund balance decreased \$1.0 million due to less taxes collected in May 2020.
4. The capital outlay fund balance decreased by \$5.2 million as revenue decreased due to receiving one-time revenues in fiscal year 2019 for the sale of the district warehouse of \$2.7 million and Apple device trade-in of \$1.7 million. Expenditures were consistent with the prior year.
5. The capital projects fund balance decreased \$18.0 million as the district continues construction projects funded from \$118.6 million and \$152.4 million in general obligation refunding and improvement bonds issued in fiscal year 2015 and fiscal year 2017, respectively.

### **Analysis of Budget Variations**

The original budget for general fund revenues was \$179.7 million, and the final budget was \$181.2 million. Actual general fund revenue matched the final budget.

The original general fund expenditure budget including transfers was \$179.7 million and the final budget was \$181.2 million. The actual expenditure matched the final budget.

### **Capital Asset and Debt Administration**

#### Capital Assets

By the end of 2020, the district had invested \$668.5 million in a broad range of capital assets, including school buildings, athletic facilities, computer equipment, and administrative offices. This amount represents a net increase of \$2.0 million, net of depreciation. **See Notes to the Basic Financial Statements – Note 5 for further information.**

	<b>Assets As Of June 30, 2020</b>
Land	\$ 11.7
Art work	0.3
Construction in progress	17.3
Buildings and improvements	782.4
Equipment	28.5
Accumulated Depreciation	<u>[171.7]</u>
Total	<u>\$ 668.5</u>

#### Long-Term Debt

Moody's Investors Services had rated the Shawnee Mission School District effective May 9, 2017 at a rating of Aaa. Kansas law limits the amount of outstanding indebtedness. The current limit is approximately \$621 million, and the district has \$291.7 million outstanding at June 30, 2020. **See Notes to the Basic Financial Statements – Note 6 for further information.**

### Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayers, customers, and investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Services Division, Shawnee Mission School District, Center for Academic Achievement, 8200 W. 71<sup>st</sup> Street, Shawnee Mission, Kansas 66204.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET POSITION

June 30, 2020

	<u>Total Governmental Activities</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 80,642,592
Investments	20,384,019
Intergovernmental receivables	17,433,689
Material and supplies inventory	<u>370,162</u>
Total current assets	<u>118,830,462</u>
Noncurrent assets:	
Capital assets not being depreciated	29,334,533
Depreciable capital assets	810,871,704
Less: Accumulated depreciation	<u>(171,658,264)</u>
Total noncurrent assets	<u>668,547,973</u>
Total assets	<u>787,378,435</u>
Deferred outflows of resources:	
Deferred outflows - OPEB	2,644,845
Deferred outflows - pension	68,483,726
Deferred charge on refunded debt	<u>151,704</u>
Total deferred outflows of resources	<u>\$ 71,280,275</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET POSITION

June 30, 2020

	<u>Total Governmental Activities</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 14,033,928
Accrued compensated absences	1,449,220
Accrued interest payable	3,006,959
Claims payable	395,891
Payroll liabilities	20,239,407
Long-term liabilities:	
Due within one year	<u>28,465,319</u>
Total current liabilities	<u>67,590,724</u>
Noncurrent liabilities:	
Accrued compensated absences	1,830,112
Claims payable	622,268
Health reserve	2,693,782
Net pension liability	244,707,453
Total OPEB liability	11,121,419
Long-term liabilities:	
Due in more than one year	<u>324,892,318</u>
Total noncurrent liabilities	<u>585,867,352</u>
Total liabilities	<u>653,458,076</u>
Deferred inflows of resources:	
Deferred inflows - OPEB	1,293,302
Deferred inflows - pension	<u>36,053,207</u>
Total deferred inflows of resources	<u>37,346,509</u>
Net position:	
Net investment in capital assets	315,342,040
Restricted for:	
Debt service	19,538,604
Special education	18,081,046
Facility acquisition and construction	16,027,784
Instruction	5,375,583
Operations and maintenance	5,638,052
Food service operations	2,021,995
Other purposes	2,823,249
Unrestricted	<u>(216,994,228)</u>
Total net position	<u>\$ 167,854,125</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Governmental activities:				
Instruction	\$ 188,240,355	\$ 3,885,638	\$ 44,114,586	\$ (140,240,131)
Student support services	18,439,663	-	7,409,350	(11,030,313)
Instructional support staff	11,628,373	-	2,186,038	(9,442,335)
General administration	2,453,505	-	167,702	(2,285,803)
School administration	15,265,484	-	907,107	(14,358,377)
Operations and maintenance	55,118,933	-	737,197	(54,381,736)
Student transportation services	13,789,524	-	4,954,210	(8,835,314)
Food service operations	10,971,435	4,401,373	7,535,383	965,321
Student activities	4,317,853	-	605,275	(3,712,578)
Business and central support services	13,747,336	-	1,312,790	(12,434,546)
State payment	8,029,217	-	5,697,953	(2,331,264)
Interest on long-term debt	9,687,522	-	-	(9,687,522)
<b>Total governmental activities</b>	<b>\$ 351,689,200</b>	<b>\$ 8,287,011</b>	<b>\$ 75,627,591</b>	<b>(267,774,598)</b>
General revenues:				
Property taxes levied for:				
General purposes				70,135,037
Debt service				31,055,103
Capital outlay				33,451,451
Grants and entitlements not restricted to specific programs				157,270,700
Investment earnings				1,328,197
Miscellaneous				4,769,962
<b>Total general revenues</b>				<b>298,010,450</b>
Change in net position				30,235,852
Net position, beginning of year				137,618,273
Net position, end of year				<b>\$ 167,854,125</b>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Supplemental General</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 6,812,082	\$ 10,011,134	\$ 3,459,229
Investments	-	12,534,429	-
Receivables	7,777,397	-	-
Material and supplies inventory	370,162	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 14,959,641</u>	<u>\$ 22,545,563</u>	<u>\$ 3,459,229</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ (49,708)	\$ -	\$ 770,690
Health care reserve	-	-	-
Payroll liabilities	14,621,649	-	90
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>14,571,941</u>	<u>-</u>	<u>770,780</u>
Fund balances:			
Nonspendable:			
Inventories	370,162	-	-
Restricted	-	22,545,563	-
Assigned	17,538	-	2,688,449
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>387,700</u>	<u>22,545,563</u>	<u>2,688,449</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 14,959,641</u>	<u>\$ 22,545,563</u>	<u>\$ 3,459,229</u>

See accompanying notes to the financial statements.

Special Education	Capital Outlay	KPERS Special Retirement Contribution	Capital Project	Other Governmental Funds	Total Governmental Funds
\$ 21,566,780	\$ 19,530,994	\$ -	\$ 194,508	\$ 16,567,865	\$ 78,142,592
-	-	-	2,249,590	5,500,000	20,284,019
-	-	9,453,006	-	203,286	17,433,689
-	-	-	-	-	370,162
<u>\$ 21,566,780</u>	<u>\$ 19,530,994</u>	<u>\$ 9,453,006</u>	<u>\$ 2,444,098</u>	<u>\$ 22,271,151</u>	<u>\$ 116,230,462</u>
\$ 37,530	\$ 1,611,156	\$ 9,453,006	\$ 1,646,695	\$ 564,559	\$ 14,033,928
-	-	-	-	2,693,782	2,693,782
3,447,959	-	-	-	2,169,709	20,239,407
<u>3,485,489</u>	<u>1,611,156</u>	<u>9,453,006</u>	<u>1,646,695</u>	<u>5,428,050</u>	<u>36,967,117</u>
-	-	-	-	-	370,162
18,081,046	14,608,616	-	797,403	16,480,644	72,513,272
245	3,311,222	-	-	362,457	6,379,911
<u>18,081,291</u>	<u>17,919,838</u>	<u>-</u>	<u>797,403</u>	<u>16,843,101</u>	<u>79,263,345</u>
<u>\$ 21,566,780</u>	<u>\$ 19,530,994</u>	<u>\$ 9,453,006</u>	<u>\$ 2,444,098</u>	<u>\$ 22,271,151</u>	<u>\$ 116,230,462</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

June 30, 2020

Total fund balances - governmental funds		\$ 79,263,345
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$ 840,206,237 and the accumulated depreciation is \$ 171,658,264		668,547,973
An internal service fund is used by the District to charge the costs of the workers' compensation program. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,581,841
Long-term liabilities and the related deferred inflows and outflows are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2020 are:		
Bonds and leases payable	\$ (322,763,425)	
Unamortized bond premium	(30,594,212)	
Accrued interest payable	(3,006,959)	
Accrued compensated absences	(3,279,332)	
Total OPEB obligation	(11,121,419)	
Net pension liability	(244,707,453)	
Deferred outflows - OPEB	2,644,845	
Deferred inflows - OPEB	(1,293,302)	
Deferred outflows - pension	68,483,726	
Deferred inflows - pension	(36,053,207)	
Deferred charge on refunded debt	151,704	
		<u>(581,539,034)</u>
Total net position - governmental activities		<u>\$ 167,854,125</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

Year Ended June 30, 2020

	General	Debt Service	Supplemental General
Revenues:			
Taxes	\$ -	\$ 31,055,103	\$ 36,679,846
Intergovernmental	149,432,442	-	-
Charges for services	1,910,450	-	-
Investment revenue	-	232,108	-
Other local sources	130,982	-	-
<b>Total revenues</b>	<b>151,473,874</b>	<b>31,287,211</b>	<b>36,679,846</b>
Expenditures:			
Instruction	93,385,306	-	2,361,869
Student support services	6,491,972	-	15,208
Instructional support staff	8,258,170	-	-
General administration	2,023,924	-	117,213
School administration	13,081,246	-	-
Operations and maintenance	11,158,366	-	9,616,577
Student transportation services	6,081,203	-	-
Food service operations	-	-	-
Student activities	3,278,485	-	-
Business and central support services	7,712,956	-	2,348,243
State payment	-	-	-
Facility acquisition and construction	-	-	-
Debt service:			
Principal retirement	-	20,845,000	-
Interest and other charges	-	12,075,952	-
<b>Total expenditures</b>	<b>151,471,628</b>	<b>32,920,952</b>	<b>14,459,110</b>
Excess (deficiency) of revenue over (under) expenditures	2,246	(1,633,741)	22,220,736
Other financing sources (uses):			
Capital lease	-	-	-
Transfers in	-	-	-
Transfers out	-	-	(23,226,058)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(23,226,058)</b>
<b>Net change in fund balance</b>	<b>2,246</b>	<b>(1,633,741)</b>	<b>(1,005,322)</b>
Fund balance, beginning of year	385,454	24,179,304	3,693,771
<b>Fund balance, end of year</b>	<b>\$ 387,700</b>	<b>\$ 22,545,563</b>	<b>\$ 2,688,449</b>

See accompanying notes to the financial statements.

Special Education	Capital Outlay	KPERS Special Retirement Contribution	Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 33,451,451	\$ -	\$ -	\$ 9,130,891	\$ 110,317,291
29,399,756	-	27,598,128	-	41,687,826	248,118,152
-	-	-	-	6,376,561	8,287,011
979,646	95,947	-	(45,820)	66,316	1,328,197
1,982	858,232	-	741,651	3,322,202	5,055,049
<u>30,381,384</u>	<u>34,405,630</u>	<u>27,598,128</u>	<u>695,831</u>	<u>60,583,796</u>	<u>373,105,700</u>
34,394,844	13,193,073	19,310,411	-	30,586,656	193,232,159
6,524,320	44,101	1,843,555	-	4,436,976	19,356,132
345,801	392,792	982,493	-	2,285,130	12,264,386
-	7,726	206,986	-	203,663	2,559,512
38,596	-	1,785,599	-	1,234,344	16,139,785
-	4,224,193	1,956,707	-	1,038,814	27,994,657
7,127,553	-	8,279	-	576,729	13,793,764
-	-	615,438	-	10,614,917	11,230,355
-	150,553	-	-	845,165	4,274,203
-	1,353,664	888,660	-	1,849,906	14,153,429
-	-	-	-	8,029,217	8,029,217
-	11,526,353	-	18,736,378	660,360	30,923,091
-	16,897,091	-	-	-	37,742,091
-	891,295	-	-	-	12,967,247
<u>48,431,114</u>	<u>48,680,841</u>	<u>27,598,128</u>	<u>18,736,378</u>	<u>62,361,877</u>	<u>404,660,028</u>
<u>(18,049,730)</u>	<u>(14,275,211)</u>	<u>-</u>	<u>(18,040,547)</u>	<u>(1,778,081)</u>	<u>(31,554,328)</u>
-	9,030,095	-	-	-	9,030,095
22,991,875	-	-	-	234,183	23,226,058
-	-	-	-	-	(23,226,058)
<u>22,991,875</u>	<u>9,030,095</u>	<u>-</u>	<u>-</u>	<u>234,183</u>	<u>9,030,095</u>
4,942,145	(5,245,116)	-	(18,040,547)	(1,543,898)	(22,524,233)
13,139,146	23,164,954	-	18,837,950	18,386,999	101,787,578
<u>\$ 18,081,291</u>	<u>\$ 17,919,838</u>	<u>\$ -</u>	<u>\$ 797,403</u>	<u>\$ 16,843,101</u>	<u>\$ 79,263,345</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

Net change in fund balances - governmental funds		\$ (22,524,233)
The change in net position reported for governmental activities in the statement of activities is different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense of \$ 20,420,040 is less than capital outlays of \$ 22,611,369.		
	2,191,329	
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effects of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt and related items:		
Capital lease proceeds	(9,030,095)	
Amortization of bond premiums	3,011,616	
Amortization of deferred charge on refunding	(25,284)	
Principal reductions	<u>37,742,090</u>	31,698,327
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, etc.) is to decrease net position.		
		(98,674)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Net pension liability	13,603,368	
Compensated absences	(3,279,332)	
Total OPEB liability	530,980	
Accrued interest on bonds	<u>293,393</u>	11,148,409
An internal service fund is used by the District to charge the costs of the workers' compensation program to the individual funds. The net loss of the internal service fund is reported with governmental activities.		
		(326,727)
Pension funding grant revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		<u>8,147,421</u>
Changes in net position of governmental activities		<u><u>\$ 30,235,852</u></u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
GENERAL FUND

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
Intergovernmental:						
General aid	\$ 121,297,451	\$ 149,432,442	\$ 7,838,258	\$ 157,270,700	\$ 157,862,950	\$ (592,250)
Special education aid	-	-	21,881,775	21,881,775	21,804,695	77,080
Total intergovernmental	121,297,451	149,432,442	29,720,033	179,152,475	179,667,645	(515,170)
Charges for services	2,175,695	1,910,450	-	1,910,450	-	1,910,450
Other local sources	-	130,982	-	130,982	-	130,982
Total revenues	123,473,146	151,473,874	29,720,033	181,193,907	179,667,645	1,526,262
<b>Expenditures:</b>						
Instruction	62,331,091	93,385,306	(11,534)	93,373,772	87,022,461	6,351,311
Student support services	8,636,326	6,491,972	-	6,491,972	5,485,426	1,006,546
Instructional support staff	8,009,718	8,258,170	(520)	8,257,650	8,532,836	(275,186)
General administration	2,083,776	2,023,924	14,300	2,038,224	2,084,911	(46,687)
School administration	13,844,553	13,081,246	-	13,081,246	13,135,553	(54,307)
Operations and maintenance	11,196,292	11,158,366	-	11,158,366	11,785,088	(626,722)
Student transportation services	6,949,103	6,081,203	-	6,081,203	6,442,478	(361,275)
Student activities	3,086,068	3,278,485	-	3,278,485	-	3,278,485
Business and central support services	7,363,272	7,712,956	-	7,712,956	7,983,460	(270,504)
Other support services	-	-	-	-	928,345	(928,345)
Adjustment for reimbursed expenditures not subject to budget	-	-	-	-	1,966,094	(1,966,094)
Adjustment to comply with legal maximum budget	-	-	-	-	(439,832)	439,832
Total expenditures	123,500,199	151,471,628	2,246	151,473,874	144,926,820	6,547,054
Excess (deficiency) of revenues over (under) expenditures	(27,053)	2,246	29,717,787	29,720,033	34,740,825	(5,020,792)
<b>Other financing uses:</b>						
Transfers out	-	-	(29,720,033)	(29,720,033)	(36,267,087)	6,547,054
Net change in fund balance	(27,053)	2,246	(2,246)	-	\$ (1,526,262)	\$ 1,526,262
Fund balance, beginning of year	412,507	385,454	(385,454)	-		
Fund balance, end of year	\$ 385,454	\$ 387,700	\$ (387,700)	\$ -		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
SUPPLEMENTAL GENERAL FUND

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 646,705	\$ 770,482	\$ -	\$ 770,482	\$ 836,402	\$ (65,920)
Current	39,379,770	29,854,168	24,324,301	54,178,469	51,037,228	3,141,241
Delinquent	575,422	29,688	-	29,688	250,721	(221,033)
Motor vehicle	6,290,472	5,901,760	-	5,901,760	6,309,440	(407,680)
Rental excise	107,764	123,748	-	123,748	-	123,748
Total revenues	<u>47,000,133</u>	<u>36,679,846</u>	<u>24,324,301</u>	<u>61,004,147</u>	<u>58,433,791</u>	<u>2,570,356</u>
Expenditures:						
Instruction	17,847,728	2,361,869	(40,517)	2,321,352	2,836,808	(515,456)
Student support services	34,375	15,208	-	15,208	34,375	(19,167)
General administration	214,205	117,213	-	117,213	307,500	(190,287)
Operations and maintenance	10,624,559	9,616,577	(5,578)	9,610,999	11,989,801	(2,378,802)
Business and central support services	2,284,644	2,348,243	(6,762)	2,341,481	2,564,072	(222,591)
Other support services	-	-	-	-	314,778	(314,778)
Adjustment to comply with legal maximum budget	-	-	-	-	(148,910)	148,910
Total expenditures	<u>31,005,511</u>	<u>14,459,110</u>	<u>(52,857)</u>	<u>14,406,253</u>	<u>17,898,424</u>	<u>(3,492,171)</u>
Excess of revenues over expenditures	<u>15,994,622</u>	<u>22,220,736</u>	<u>24,377,158</u>	<u>46,597,894</u>	<u>40,535,367</u>	<u>6,062,527</u>
Other financing uses:						
Transfers out	(15,913,986)	(23,226,058)	(24,324,301)	(47,550,359)	(44,058,187)	(3,492,172)
Net change in fund balance	<u>80,636</u>	<u>(1,005,322)</u>	<u>52,857</u>	<u>(952,465)</u>	<u>\$ (3,522,820)</u>	<u>\$ 2,570,355</u>
Fund balance, beginning of year	3,613,135	3,693,771	(22,040)	3,671,731		
Fund balance, end of year	<u>\$ 3,693,771</u>	<u>\$ 2,688,449</u>	<u>\$ 30,817</u>	<u>\$ 2,719,266</u>		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
SPECIAL EDUCATION FUND

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
Federal	\$ 7,687,527	\$ 7,517,981	\$ -	\$ 7,517,981	\$ 7,936,723	\$ (418,742)
State and local	20,876,990	21,881,775	(21,881,775)	-	-	-
Total intergovernmental	28,564,517	29,399,756	(21,881,775)	7,517,981	7,936,723	(418,742)
Investment revenue	973,758	979,646	-	979,646	1,000,000	(20,354)
Other local sources	-	1,982	-	1,982	2,131,000	(2,129,018)
Total revenues	29,538,275	30,381,384	(21,881,775)	8,499,609	11,067,723	(2,568,114)
<b>Expenditures:</b>						
Instruction	33,119,306	34,394,844	(36,797)	34,358,047	35,711,516	(1,353,469)
Student support services	5,597,522	6,524,320	-	6,524,320	6,348,091	176,229
Instructional support staff	166,565	345,801	-	345,801	341,667	4,134
School administration	83,666	38,596	-	38,596	-	38,596
Operations and maintenance	-	-	-	-	9,855	(9,855)
Student transportation services	7,383,591	7,127,553	-	7,127,553	7,661,975	(534,422)
Total expenditures	46,350,650	48,431,114	(36,797)	48,394,317	50,073,104	(1,678,787)
Deficiency of revenues under expenditures	(16,812,375)	(18,049,730)	(21,844,978)	(39,894,708)	(39,005,381)	(889,327)
<b>Other financing sources:</b>						
Transfers in	15,671,824	22,991,875	21,881,775	44,873,650	43,693,498	1,180,152
Net change in fund balance	(1,140,551)	4,942,145	36,797	4,978,942	\$ 4,688,117	\$ 290,825
Fund balance, beginning of year	14,279,697	13,139,146	-	13,139,146		
Fund balance, end of year	\$ 13,139,146	\$ 18,081,291	\$ 36,797	\$ 18,118,088		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 12,127,463	\$ 27,598,128	\$ -	\$ 27,598,128	\$ 32,076,170	\$ (4,478,042)
Expenditures:						
Instruction	8,485,586	19,310,411	-	19,310,411	21,727,878	(2,417,467)
Student support services	810,115	1,843,555	-	1,843,555	2,409,292	(565,737)
Instructional support staff	431,738	982,493	-	982,493	1,455,371	(472,878)
General administration	90,956	206,986	-	206,986	262,176	(55,190)
School administration	784,647	1,785,599	-	1,785,599	2,054,722	(269,123)
Operations and maintenance	859,837	1,956,707	-	1,956,707	2,354,404	(397,697)
Student transportation services	3,638	8,279	-	8,279	9,124	(845)
Food service operations	270,442	615,438	-	615,438	683,696	(68,258)
Business and central support services	390,504	888,660	-	888,660	1,119,507	(230,847)
Total expenditures	12,127,463	27,598,128	-	27,598,128	32,076,170	(4,478,042)
Excess of revenues over expenditures	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET POSITION  
 PROPRIETARY FUND

June 30, 2020 and 2019

	Internal Service Workers' Compensation Fund	
	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current assets:		
Cash and investments	\$ 2,600,000	\$ 2,600,000
<u>LIABILITIES AND NET POSITION</u>		
Current liabilities:		
Claims payable	\$ 395,891	\$ 394,110
Noncurrent liabilities:		
Claims payable	<u>622,268</u>	<u>297,322</u>
Total liabilities	1,018,159	691,432
Net position - unrestricted	<u>1,581,841</u>	<u>1,908,568</u>
Total liabilities and net position	<u>\$ 2,600,000</u>	<u>\$ 2,600,000</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUND

Years Ended June 30, 2020 and 2019

	Internal Service Workers' Compensation Fund	
	<u>2020</u>	<u>2019</u>
Operating revenues:		
Other local sources	\$ 770,606	\$ 862,702
Operating expenses:		
General administration	<u>1,097,333</u>	<u>640,509</u>
Net income (loss)	(326,727)	222,193
Net position, beginning of year	<u>1,908,568</u>	<u>1,686,375</u>
Net position, end of year	<u><u>\$ 1,581,841</u></u>	<u><u>\$ 1,908,568</u></u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND

Years Ended June 30, 2020 and 2019

	Internal Service Workers' Compensation Fund	
	2020	2019
Cash flows from operating activities:		
Cash paid to other suppliers of goods or services	\$ (770,606)	\$ (862,702)
Other operating receipts	770,606	862,702
Net cash from operating activities	-	-
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	2,600,000	2,600,000
Cash and cash equivalents, end of year	\$ 2,600,000	\$ 2,600,000
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ (326,727)	\$ 222,193
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Change in liabilities:		
Claims payable	326,727	(222,193)
Net cash from operating activities	\$ -	\$ -

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET POSITION  
FIDUCIARY FUND

June 30, 2020 and 2019

	<u>Agency</u>	
	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	<u>\$ 2,028,160</u>	<u>\$ 2,100,137</u>
<u>LIABILITIES</u>		
Due to student organizations	<u>\$ 2,028,160</u>	<u>\$ 2,100,137</u>

See accompanying notes to the financial statements.

# SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

### 1 - Summary of Significant Accounting Policies

The financial statements of Shawnee Mission Unified School District No. 512 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the District are described below.

#### Reporting Entity

The District, governed by a publicly elected seven-member Board of Education, provides public education to approximately 27,588 students in the northeast Johnson County, Kansas area. The District is a legally separate entity, is fiscally independent, and is not a component of any governmental unit.

As required by GAAP, the financial statements present data for all funds of the District.

According to GAAP, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. In evaluating the District's financial reporting entity, management has considered all potential component units and has determined there are no component units over which the District is financially accountable.

#### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are interfund services provided and used which are not eliminated in these financial statements. All activities of the District are governmental activities.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means the balance is collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Expenditures are recorded when the related fund liability is incurred, except for debt service payments, claims and judgments, and compensated absences, which are recognized as expenditures only when a payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources and uses.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

*The General Fund* is used to account for all financial resources applicable to the general operation of the District which are not accounted for in other funds. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund.

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

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

*The Special Education Fund* is used to account for federal and state aid revenues received and used to assist in the education of students with disabilities and gifted children of the District.

*The Capital Outlay Fund* is used to account for tax revenues which are primarily utilized for the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, and equipping of District buildings.

*The KPERS Special Retirement Contribution Fund* is used to account for the inflow and outflow of the State of Kansas's share of the public employee retirement system contributions.

*The Capital Project Fund* is used to account for construction related to the bond issues.

Additionally, the District reports the following fund types:

*The Internal Service Fund* accounts for the financing of goods and services provided to other funds of the District on a cost reimbursement basis and uses the accrual basis of accounting. The District's only internal service fund is the Worker's Compensation Fund. The Internal Service Fund is a proprietary fund which distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, in this case. All other revenues and expenses not meeting this definition are nonoperating.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

*The Agency Funds* are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, and/or other funds. Agency funds include student activity monies at the various schools.

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

Statement of Cash Flows

For purpose of the statement of cash flows, cash and investments includes cash and short-term investments with original maturities of ninety days or less. Investments are stated at fair value.

Material and Supplies Inventory

Inventory is valued using the average cost method. The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$ 2,500. District capital assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Useful Life</u>
Buildings and improvements	10 - 50
Equipment	6 - 12

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

Long-term Obligations

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences

Under the terms of the District's personnel policy, District employees are granted vacation and sick leave in varying amounts. In the event of termination, certain non-instructor employees are paid for accumulated vacation days up to the maximum of 40 days. Classified and certified personnel accumulate sick leave at a maximum rate of 10 days per year. An employee shall be eligible to receive \$ 50 for each unused sick day provided that:

1. The employee has used less than 10 days of current sick leave as of June 30 of the contract year; and
2. By May 1 of the current year the employee applies on an online form approved by the District to receive payment for unused sick leave.

In no event shall an employee in any year receive payment for more than 10 days of unused sick leave.

In the government-wide financial statements, compensated absences are accrued when incurred. Liabilities for these amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The District reports a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunded debt results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other items are deferred outflows of resources - pension and deferred outflows of resources - OPEB. See Note 8 for more information on the deferred outflows of resources - pension and Note 9 for more information on the deferred outflows of resources - OPEB.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

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

Pensions

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

Net Position

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

*Net Investment in Capital Assets* - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted* - This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

*Unrestricted* - This consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2020, fund balances for governmental funds are made up of the following:

*Nonspendable fund balance* includes amounts that cannot be spent because they are either not spendable form or legally or contractually required to be maintained intact.

*Restricted fund balance* indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

*Committed fund balances* include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education, the District's highest level of decision making authority.

*Assigned fund balances* include amounts that are constrained by the District management's intent to be used for specific purposes, but are neither restricted nor committed.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, restricted amounts are considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned, and unassigned.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

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

	Major Governmental Funds							Total Governmental
	General	Debt Service	Supplemental General	Special Education	Capital Outlay	Capital Project	Nonmajor Governmental	
Fund balances:								
Nonspendable								
Inventories	\$ 370,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 370,162
Restricted for:								
Principal retirement	-	22,545,563	-	-	-	-	-	22,545,563
Instruction	-	-	-	18,081,046	-	-	5,375,583	23,456,629
Operations and maintenance	-	-	-	-	-	-	5,638,052	5,638,052
Food service operations	-	-	-	-	-	-	2,021,995	2,021,995
Student activities	-	-	-	-	-	-	317,610	317,610
Business and central support services	-	-	-	-	-	-	1,997,017	1,997,017
State payment	-	-	-	-	-	-	508,622	508,622
Facility acquisition and construction	-	-	-	-	14,608,616	797,403	621,765	16,027,784
Assigned for:								
Instruction	3,238	-	2,678,749	245	10,974	-	8,502	2,701,708
Student support services	-	-	-	-	-	-	19,084	19,084
Instructional support staff	-	-	-	-	287	-	1,190	1,477
General administration	14,300	-	-	-	513	-	-	14,813
Operations and maintenance	-	-	4,900	-	121,179	-	23,830	149,909
Food service operations	-	-	-	-	-	-	309,851	309,851
Business and central support services	-	-	4,800	-	227,152	-	-	231,952
Facility acquisition and construction	-	-	-	-	2,951,117	-	-	2,951,117
Total fund balances	<u>\$ 387,700</u>	<u>\$ 22,545,563</u>	<u>\$ 2,688,449</u>	<u>\$ 18,081,291</u>	<u>\$ 17,919,838</u>	<u>\$ 797,403</u>	<u>\$ 16,843,101</u>	<u>\$ 79,263,345</u>

Use of Estimates

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Pending Governmental Accounting Standards Board Statements

At June 30, 2020, GASB had issued several statements not yet implemented by the District. The statements that might impact the District are as follows:

GASB Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities, with the focus of the criteria on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund. The requirements of this statement are effective for periods beginning after December 15, 2019.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. Statement 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for periods beginning after June 15, 2021. Earlier application is encouraged.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

2 - Budgetary Basis of Accounting

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. Management may not amend the budget without the approval of the Board of Education. The District has no amendments to the budget for the fiscal year ended June 30, 2020.

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. The District has policies that require department heads to obtain business office approval prior to making any such transfers. Budget comparison statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting modified further by the encumbrance method of accounting. Revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

2 - Budgetary Basis of Accounting (Continued)

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

General Fund	Food Service Fund	Federal and Local Grants Fund
Debt Service Fund	Adult Supplemental Education Fund	At Risk (K-12) Fund
Supplemental General Fund	Bilingual Education Fund	Virtual Education Fund
Special Education Fund	Summer School Fund	
Capital Outlay Fund	Parent Education Program Fund	
KPERS Special Retirement Contribution Fund	Extraordinary School Program Fund	
Career and Postsecondary Education Fund	Special Liability Fund	
Professional Development Fund	At Risk (4 Year Old) Fund	
Special Assessment Fund	Cost of Living Fund	

The following governmental funds do not require a legally adopted annual budget: Declining Enrollment Fund, Capital Project Fund, Health Reserve Fund, Gate Receipts Fund, Textbook Fund, Contingency Reserve Fund, and Student Material Revolving Fund.

All unencumbered appropriations lapse at year end, except for capital project funds which are carried forward until such time as the project is completed or terminated. Encumbered appropriations (encumbrances) are reported as expenditures in the current year's budgetary presentation and as reservations of fund balances in the governmental fund financial statements.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

2 - Budgetary Basis of Accounting (Continued)

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

	Major Governmental Funds						Total Governmental
	General	Debt Service	Supplemental General	Special Education	Capital Outlay	Nonmajor Governmental	
	General	Service	General	Education	Outlay	Governmental	
GAAP fund balance, June 30, 2020	\$ 387,700	\$ 22,545,563	\$ 2,688,449	\$ 18,081,291	\$ 17,919,838	\$ 16,843,101	\$ 78,465,942
Adjustments:							
Retainage payable	-	-	-	-	124,158	-	124,158
Accounts payable	-	-	40,517	37,042	1,337	-	78,896
Receivables	-	-	-	-	-	(203,286)	(203,286)
Encumbrances	(17,538)	-	(9,700)	(245)	(3,311,222)	(362,457)	(3,701,162)
Material and supplies inventory	(370,162)	-	-	-	-	-	(370,162)
Less:							
Fund balance of nonbudgeted funds:							
Declining Enrollment	-	-	-	-	-	(458,062)	(458,062)
Health Reserve	-	-	-	-	-	(114,149)	(114,149)
Gate Receipts	-	-	-	-	-	(317,610)	(317,610)
Textbook	-	-	-	-	-	(1,863,076)	(1,863,076)
Contingency Reserve	-	-	-	-	-	(5,638,052)	(5,638,052)
Student Material Revolving	-	-	-	-	-	(368,631)	(368,631)
Total adjustments	(387,700)	-	30,817	36,797	(3,185,727)	(9,325,323)	(12,831,136)
Budgetary fund balance, June 30, 2020	\$ -	\$ 22,545,563	\$ 2,719,266	\$ 18,118,088	\$ 14,734,111	\$ 7,517,778	\$ 65,634,806

3 - 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 adequate rate of return on funds.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

3 - Deposits and Investments (Continued)

*Credit risk.* Kansas State Statutes authorize the District, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, the State of Kansas Municipal Investment Pool (the MIP), and U.S. treasury bills and notes. The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is shown as cash and investments. In addition, certain cash and investments are separately held by some of the District's funds. At June 30, 2020, the District's cash and investments included certificates of deposit account registry service balances in the amount of \$ 20,384,019, money market mutual funds in the amount of \$ 68,745,896, and an insured cash sweep account in the amount of \$ 8,511,000.

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

*Fair value measurement.* The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended June 30, 2020, the money market mutual funds were valued with quoted prices in active markets for identical assets (Level 1).

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

3 - Deposits and Investments (Continued)

*Custodial credit risk - deposits and investments.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Statutes require that deposits and investment be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits (less insured amounts) and deposits and investments must be assigned for the benefit of the District. At June 30, 2020, the District's deposits were not exposed to custodial credit risk.

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

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

4 - Tax Revenue and Tax Abatements

Property Taxes

The assessed valuation of tangible District property (excluding motor vehicles) for taxes billed November 1, 2019 was as follows:

Real estate	\$ 3,990,864,457
Personal property	27,738,185
Utilities	<u>65,308,350</u>
Total assessed valuation	<u><u>\$ 4,083,910,992</u></u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

4 - Tax Revenue and Tax Abatements (Continued)

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

<u>Fund</u>	<u>Levy (\$ per thousand)</u>
General	\$ 20.000
Special revenue:	
Supplemental general	14.492
Capital outlay	8.000
Special liability	0.160
Special assessment	0.089
Cost of living	1.944
Debt service	7.436
Total tax levy	\$ 52.121

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

The taxes are due upon receipt of the billing, although taxpayers may elect to pay installments on December 20 and May 10. Taxes are distributed to the District as collected by the Johnson County Treasurer five times per year. As of June 30, 2020, the District has received property tax amounting to approximately 100% of the November 1, 2019, property tax levy.

Motor vehicles are assessed at 20% on January 1 of the current year, and the tax is due and payable prior to the renewal of license plates.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

4 - Tax Revenue and Tax Abatements (Continued)

Tax Increment Financing (TIF) and Industrial Revenue Bonds (IRB)

Tax revenues for the District are impacted by property tax abatements authorized by outside governmental entities. The District is made up of 14 cities that have statutory authority to use tax abatements. Listed below are the cities' tax abatements that affect the District's tax revenue for the fiscal year ending June 30, 2020. Tax abatements reduce ad valorem property taxes by reducing the assessed value of the property.

Outside Governmental Entity	Abatement Type		Tax Revenue Reduction for the Fiscal Year
	TIF	IRB	
City of Lenexa	\$ 3,457,394	\$ 205,363	\$ 3,662,757
City of Merriam	1,291,668	-	1,291,668
City of Mission	34,733	-	34,733
City of Overland Park	763,946	-	763,946
City of Prairie Village	405,689	-	405,689
City of Roeland Park	382,144	-	382,144
City of Shawnee	106,343	30,148	136,491
City of Westwood	89,584	75,569	165,153
Total			<u>\$ 6,842,581</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

5 - Capital Assets

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

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Governmental activities				
Nondepreciable assets:				
Land	\$ 11,707,568	\$ -	\$ -	\$ 11,707,568
Artwork	287,236	-	-	287,236
Construction in progress	32,607,050	22,292,850	(37,560,171)	17,339,729
Depreciable assets:				
Buildings and improvements	745,048,611	37,329,090	-	782,377,701
Equipment	28,235,544	549,600	(291,141)	28,494,003
	<u>817,886,009</u>	<u>60,171,540</u>	<u>(37,851,312)</u>	<u>840,206,237</u>
Total historical cost				
Less accumulated depreciation for:				
Buildings and improvements	137,820,071	17,267,400	-	155,087,471
Equipment	13,610,621	3,152,640	(192,468)	16,570,793
	<u>151,430,692</u>	<u>20,420,040</u>	<u>(192,468)</u>	<u>171,658,264</u>
Total accumulated depreciation				
Capital assets, net	<u>\$ 666,455,317</u>	<u>\$ 39,751,500</u>	<u>\$ (37,658,844)</u>	<u>\$ 668,547,973</u>

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

Instruction	\$ 1,176,299
Student support services	21,861
Instructional support staff	26,609
School administration	5,021
Operations and maintenance	19,067,951
Food service operations	29,615
Student activities	43,651
Business and central support services	49,033
	<u>                    </u>
Total depreciation	<u>\$ 20,420,040</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

6 - Long-Term Liabilities

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

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 343,270,000	\$ -	\$ (31,120,000)	\$ 312,150,000	\$ 22,065,000
Add unamortized premium on bonds				30,594,212	\$ 2,761,955
				<u>\$ 342,744,212</u>	
Capital leases	\$ 8,205,420	\$ 9,030,095	\$ (6,622,090)	\$ 10,613,425	\$ 3,638,364

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

	Date Issued	Date Matures	Interest Rate	Original Amount	Outstanding June 30, 2020
General obligation bonds:					
Debt service fund:					
General obligation bonds:	11/1/2012	10/1/2025	1.25 - 5.00%	\$ 85,836,627	\$ 34,815,000
General obligation and refunding and improvement bonds	6/17/2015	10/1/2035	3.00 - 5.00%	130,875,378	111,500,000
General obligation and refunding and improvement bonds	10/13/2016	10/1/2038	3.00 - 5.00%	164,122,286	145,400,000
Subtotal debt service fund				<u>380,834,291</u>	<u>291,715,000</u>
Capital outlay fund:					
General obligation bonds	4/13/2016	10/1/2020	1.50 - 5.00%	30,095,083	3,405,000
General obligation bonds	6/14/2017	4/1/2022	2.00 - 5.00%	19,884,109	17,030,000
Subtotal capital outlay fund				<u>49,979,192</u>	<u>20,435,000</u>
Total general obligation bonds				<u>\$ 430,813,483</u>	<u>\$ 312,150,000</u>
Capital leases - direct borrowing:					
Computer hardware	2/14/2018	3/28/2021	0.99%	\$ 10,681,375	\$ 2,683,367
Computer hardware	2/20/2019	4/27/2022	0.00%	3,819,989	1,909,995
Computer hardware	4/13/2020	7/1/2022	0.00%	9,030,095	6,020,063
Total capital leases				<u>\$ 23,531,459</u>	<u>\$ 10,613,425</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

6 - Long-Term Liabilities (Continued)

General Obligation Bonds

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 22,065,000	\$ 11,869,863	\$ 33,934,863
2022	22,180,000	11,186,850	33,366,850
2023	10,540,000	10,707,200	21,247,200
2024	10,875,000	10,358,081	21,233,081
2025	11,235,000	9,974,438	21,209,438
2026 - 2030	73,180,000	41,773,319	114,953,319
2031 - 2035	92,830,000	23,847,125	116,677,125
2036 - 2040	69,245,000	3,887,075	73,132,075
 Total	 <u>\$ 312,150,000</u>	 <u>\$ 123,603,951</u>	 <u>\$ 435,753,951</u>

Defeased Bonds

During the year ended June 30, 2020, the District used surplus funds in the Bond and Interest Fund in the amount of \$ 6,493,456 to defease principal payments on the Series 2012-A bonds maturing October 1, 2022 through 2025 totaling \$ 6,415,000. At June 30, 2020, bonds totaling \$ 9,370,000 have been defeased. The funds were placed in escrow until the payment date of October 1, 2020.

Statutory Debt Limit

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Debt Service Fund and Capital Outlay Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761. The District's statutory limit for such bonded indebtedness was approximately \$ 621 million at June 30, 2020.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

6 - Long-Term Liabilities (Continued)

Capital Leases

The annual debt service requirements to maturity for capital leases, including interest, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,638,364	\$ 26,565	\$ 3,664,929
2022	3,965,029	-	3,965,029
2023	<u>3,010,032</u>	<u>-</u>	<u>3,010,032</u>
Total	<u>\$ 10,613,425</u>	<u>\$ 26,565</u>	<u>\$ 10,639,990</u>

7 - Operating Leases

The District leases copiers under a noncancelable operating lease. Total costs for this lease were \$ 396,777 for the year ended June 30, 2020. The future minimum lease payments are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2021	\$ 375,612
2022	375,612
2023	375,612
2024	375,612
2025	<u>31,301</u>
	<u>\$ 1,533,749</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

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

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

General Information About the Pension Plan (Continued)

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

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 25,938,740 for the year ended June 30, 2020.

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

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 244,707,453. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contribution of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019.

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](http://www.kpers.org) or can be obtained as described above.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

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

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

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The District's proportion of the collective net pension liability was based on the ratio of the District's actual contributions to KPERS, relative to the total employer and nonemployer contributions of the State/School group within KPERS for the fiscal year ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. At June 30, 2019, the District's proportion was 3.783522%, which was a decrease of 0.414307% from its proportion measured as of June 30, 2018.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2020, the District recognized pension expense of \$ 24,517,373. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ 2,126,091	\$ 6,329,173
Net differences between projected and actual earnings on investments	4,067,209	-
Changes in assumptions	6,571,857	89,986
Changes in proportion	29,779,829	29,634,048
District contributions subsequent to measurement date	<u>25,938,740</u>	<u>-</u>
Total	<u><u>\$ 68,483,726</u></u>	<u><u>\$ 36,053,207</u></u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

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

The \$ 25,938,740 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred (Inflows) Outflows Amount</u>
2021	\$ 3,558,212
2022	957,191
2023	4,405,120
2024	(1,956,224)
2025	<u>(472,520)</u>
Total	<u>\$ 6,491,779</u>

*Actuarial assumptions.* The total pension liability for KPERS in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Assumption</u>	<u>Rate</u>
Price inflation	2.75%
Salary increases	3.50 - 12.00%, including inflation
Investment rate of return, compounded annually, net of investment expense, and including price inflation	7.75%

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

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

Mortality rates were based on the RP-2014 Combined Mortality Tables with future mortality improvements based on Scale MP-2016.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the three year period ended December 31, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of the most recent experience study, dated November 18, 2016 are summarized in the following tables:

Asset Class	June 30, 2019	
	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47.00%	6.85%
Fixed income	13.00%	1.25%
Yield return	8.00%	6.55%
Real return	11.00%	1.71%
Real estate	11.00%	5.05%
Alternatives	8.00%	9.85%
Short-term investments	2.00%	-0.25%
Total	100.00%	

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

8 - Defined Benefit Pension Plan (Continued)

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

*Discount rate.* The discount rate used by KPERS to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State/School employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

<u>1% Decrease (6.75%)</u>	<u>Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
\$ 334,943,533	\$ 244,707,453	\$ 168,983,560

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

(Continued)

9 - Other Postemployment Benefits

Health Insurance

*Plan Description.* The District offers postemployment benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment plan administered by the District. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The District's employee benefit plan provides medical and pharmacy benefits to eligible early retirees and their dependents. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The plan does not issue a stand-alone financial report.

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

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

Active employees	3,466
Retirees and covered spouses	<u>87</u>
Total	<u><u>3,553</u></u>

*Total OPEB Liability.* The District's total OPEB liability of \$ 7,179,702 was measured as of January 1, 2020 and was determined by an actuarial valuation as of that date.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Health Insurance (Continued)

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

Valuation date	January 1, 2020
Actuarial cost method	Entry age normal as a level percentage of payroll
Discount rate	2.6%, based on the municipal bond index rate provided the S&P Municipal Bond 20 Year High Grade Rate Index
Annual wage increases	2.0% per year
Price inflation	2.5%
Healthcare cost trend rates	6.5% to 2020, decreasing 0.25-0.50% per year to an ultimate rate of 4.50% for 2027 and later years
Retiree's share of benefit related costs	100% of projected health insurance premiums for retirees

Mortality rates were based on the SOA RPH-2014 Adjust to 2006 Total Dataset Headcount-weighted Mortality with MP-2018 Full General Improvement.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Health Insurance (Continued)

*Changes in the Total OPEB Liability:*

	<u>Total OPEB Liability</u>
Balance at June 30, 2019	\$ 8,364,567
Changes for the year:	
Service cost	482,935
Interest	256,062
Change in benefit terms	(564,311)
Benefit paid	(624,222)
Differences between expected and actual experience	52,704
Changes in assumptions and other inputs	<u>(788,033)</u>
Net changes	<u>(1,184,865)</u>
Balance at June 30, 2020	<u>\$ 7,179,702</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.0% in 2019 to 2.6% in 2020.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presented the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.6%) or 1-percentage-point higher (3.6%) than the current discount rate:

	<u>1% Decrease (1.6%)</u>	<u>Discount Rate (2.6%)</u>	<u>1% Increase (3.6%)</u>
Total OPEB Liability	\$ 7,829,373	\$ 7,179,702	\$ 6,577,099

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Health Insurance (Continued)

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 6,285,612	\$ 7,179,702	\$ 8,258,519

*OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.* For the year ended June 30, 2020, the District recognized OPEB expense of \$ 236,855. At June 30, 2020, the District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ 610,532	\$ -
Changes in assumptions	663,874	722,364
Total	<u>\$ 1,274,406</u>	<u>\$ 722,364</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Health Insurance (Continued)

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

Year Ended June 30,	Deferred Outflows Amount
<hr/>	<hr/>
2021	\$ 62,169
2022	62,169
2023	62,169
2024	62,169
2025	62,169
2026 and thereafter	241,197
<hr/>	<hr/>
Total	\$ 552,042
	<hr/> <hr/>

Disability Benefits and Life Insurance

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Disability Benefits and Life Insurance (Continued)

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

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

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

Active members	3,424
Disabled members	25
	<hr/>
Total	3,449
	<hr/> <hr/>

*Total OPEB Liability.* The District's total OPEB liability of \$ 3,941,717 reported as of June 30, 2020, was measured as of June 30, 2019, and was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Disability Benefits and Life Insurance (Continued)

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Payroll growth	4.00%
Discount rate	3.50%

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

Mortality rates used for the death benefits were based on the RP-2014 White Collar Mortality Table for Males and Females, adjusted for generational mortality improvement using MP-2019.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Disability Benefits and Life Insurance (Continued)

*Changes in the Total OPEB Liability:*

	<u>Net OPEB Liability</u>
Balance at June 30, 2019	\$ 4,220,497
Changes for the year:	
Service cost	358,989
Interest	170,486
Benefit paid	(351,655)
Economic/demographic (losses)	(513,744)
Changes in assumptions	<u>57,144</u>
Net changes	<u>(278,780)</u>
Balance June 30, 2020	<u><u>\$ 3,941,717</u></u>

*Sensitivity of the Total KPERS OPEB Liability to Changes in the Discount Rate.* The following presented the total KPERS OPEB liability of the District, as well as what the District's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current discount rate:

	<u>1% Decrease (2.50%)</u>	<u>Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Total OPEB Liability	\$ 4,089,964	\$ 3,941,717	\$ 3,785,907

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Disability Benefits and Life Insurance (Continued)

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 3,941,717	\$ 3,941,717	\$ 3,941,717

*OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.* For the year ended June 30, 2020, the District recognized OPEB expense of \$ 208,042. At June 30, 2020, the District reported deferred inflows of resources related to OPEB and deferred outflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 175,138	\$ 460,944
Changes in assumptions	51,271	109,994
Benefit payments subsequent to the measurement date	1,144,030	-
Total	\$ 1,370,439	\$ 570,938

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

9 - Other Postemployment Benefits (Continued)

Disability Benefits and Life Insurance (Continued)

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling \$ 1,144,030 consists of payments made to KPERS for benefits and administrative costs, and will be recognized as a reduction in the total OPEB liability during the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred (Inflows) Amount</u>
2021	\$ (39,875)
2022	(39,875)
2023	(39,875)
2024	(39,875)
2025	(39,875)
Thereafter	<u>(145,154)</u>
Total	<u>\$ (344,529)</u>

10 - Interfund Transfers

K.S.A. 72-6478 allows the transfer of monies between funds. Interfund transfers occurred during the year and were made between the funds identified in the following table to provide sufficient resources to pay the expenditures in the funds receiving the transfer.

<u>Transfers out:</u>	<u>Transfers in:</u>		<u>Total</u>
	<u>Special Education</u>	<u>Nonmajor Governmental</u>	
Supplemental general	<u>\$ 22,991,875</u>	<u>\$ 234,183</u>	<u>\$ 23,226,058</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

11 - Commitments and Contingencies

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruptions; errors and omissions; injuries to employees; natural disasters and other events for which the District carries commercial insurance for matters other than those related to workers' compensation. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the past three years.

Self-Insurance Funds

The District has established a limited risk management program for workers' compensation. Premiums are paid into the Workers' Compensation Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditure reported in the Workers' Compensation Fund, an internal service fund. As of June 30, 2020, such interfund premiums did not exceed reimbursable expenditures.

Claims liabilities are based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported (IBNR). Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

11 - Commitments and Contingencies (Continued)

Self-Insurance Funds (Continued)

Changes in the balances of claims liabilities for the years June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims, beginning of year	\$ 691,432	\$ 913,625
Incurred claims (including IBNR)	1,065,307	632,581
Claim payments	(738,580)	(854,774)
Unpaid claims, end of year	\$ 1,018,159	\$ 691,432

Grants

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

Arbitrage Provisions

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

Litigation

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

11 - Commitments and Contingencies (Continued)

Construction Commitments

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

Project Name	Project Budget	Cumulative Expenditures Through June 30, 2020
Construction projects	\$ 250,618,524	\$ 248,211,212

This project was approved by voters in January of 2015 and is intended to address long-term capital improvement needs. Currently, work is underway on many projects included in the plan designed to provide the following enhancements during a 5-year construction cycle:

- Districtwide maintenance projects including HVAC, roofs, flooring, and landscaping;
- Equip schools with the District's new safety and security standards;
- Improve athletic facilities and auditoriums including a District aquatics center;
- Provide technology infrastructure improvements to enhance and support the District's digital learning initiative;
- Reconstruct an elementary school in each of the five feeder areas that will also include early childhood classrooms.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS  
(Continued)

12 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the District operates. On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the pandemic.

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the District. Accordingly, while management cannot quantify the financial and other impacts to the District as of June 30, 2020, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

REQUIRED SUPPLEMENTARY INFORMATION

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

OTHER POST EMPLOYMENT BENEFITS

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS - HEALTH INSURANCE

Last Three Fiscal Years<sup>1</sup>

	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 482,935	\$ 387,112	\$ 368,127
Interest	256,062	230,782	233,204
Change in benefit terms	(564,311)	-	-
Benefit paid	(624,222)	(561,000)	(525,000)
Differences between expected and actual experience	52,704	674,664	-
Changes in assumptions and other inputs	(788,033)	746,221	57,140
Net change in total OPEB liability	(1,184,865)	1,477,779	133,471
Net OPEB liability - beginning	8,364,567	6,886,788	6,753,317
Net OPEB liability - ending	<u>\$ 7,179,702</u>	<u>\$ 8,364,567</u>	<u>\$ 6,886,788</u>
Covered payroll	\$ 175,081,771	\$ 145,380,151	\$ 122,463,890
Net OPEB liability as a percentage of covered- employee payroll	4.10%	5.75%	5.62%
Actuarially determined contribution	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Actual contribution	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Contributions as a percentage of covered payroll	0.36%	0.39%	0.43%

*Change of Assumptions:*

1. Discount rate was decreased from 3.0% to 2.6%, based on municipal bond yields as of the measurement date.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS - DISABILITY BENEFITS AND LIFE INSURANCE

Last Three Fiscal Years<sup>1</sup>

	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 358,989	\$ 356,726	\$ 383,140
Interest	170,486	147,753	120,753
Benefit paid	(351,655)	(451,088)	(514,415)
Economic/demographic (losses)	(513,744)	-	-
Changes in assumptions	57,144	173,107	(104,672)
Net change in total OPEB liability	(278,780)	226,498	(115,194)
Net OPEB liability - beginning	4,220,497	3,993,999	4,109,193
Net OPEB liability - ending	<u>\$ 3,941,717</u>	<u>\$ 4,220,497</u>	<u>\$ 3,993,999</u>
Covered payroll	<u>\$ 171,565,081</u>	<u>\$ 165,206,816</u>	<u>\$ 162,089,593</u>
Net OPEB liability as a percentage of covered- employee payroll	2.30%	2.55%	2.46%
Actuarially determined contribution	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Actual contribution	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Contributions as a percentage of covered payroll	0.20%	0.31%	0.32%

*Changes of Assumptions:*

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE COLLECTIVE NET PENSION LIABILITY  
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Last Six Fiscal Years<sup>1</sup>

	2020	2019	2018	2017	2016	2015
District's proportion of the collective net pension liability	3.784%	4.198%	3.724%	3.360%	3.730%	3.792%
District's proportionate share of the collective net pension liability	\$ 244,707,453	\$ 273,844,764	\$ 250,205,840	\$ 225,850,028	\$ 258,252,228	\$ 242,287,546
District's covered payroll	177,205,477	169,212,017	166,841,670	166,944,696	165,185,936	143,217,130
District's proportionate share of the collective net pension liability as a percentage of its covered employee payroll	138.09%	161.84%	149.97%	135.28%	156.34%	169.17%
Plan fiduciary net position as a percentage of the total pension liability	68.05%	66.75%	64.90%	63.27%	61.32%	63.30%

<sup>1</sup> GASB 68 requires presentation of ten years. Data was not available prior to 2015; therefore, ten years of data is unavailable.

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Last Six Fiscal Years<sup>1</sup>

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 25,938,740	\$ 12,170,012	\$ 23,918,656	\$ 14,766,230	\$ 11,038,945	\$ 16,062,812
Contributions in relation to the contractually required contribution	25,938,740	12,170,012	23,918,656	14,766,230	11,038,945	16,062,812
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 180,713,723	\$ 169,212,017	\$ 166,841,670	\$ 165,185,936	\$ 165,185,936	\$ 143,217,131
Contributions as a percentage of covered payroll	14.35%	7.19%	14.34%	8.94%	6.68%	11.22%

<sup>1</sup> GASB 68 requires presentation of ten years. Data was not available prior to 2015; therefore, ten years of data is unavailable.

SUPPLEMENTARY INFORMATION

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
CAREER AND POSTSECONDARY EDUCATION FUND

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
State and local	\$ 5,232,731	\$ 5,551,253	\$ (5,551,253)	\$ -	\$ -	\$ -
Federal	183,169	279,616	-	279,616	274,488	5,128
Total intergovernmental	5,415,900	5,830,869	(5,551,253)	279,616	274,488	5,128
Charges for services	3,960	3,960	-	3,960	3,960	-
Total revenues	5,419,860	5,834,829	(5,551,253)	283,576	278,448	5,128
<b>Expenditures:</b>						
Instruction	4,875,477	5,356,990	(238)	5,356,752	5,351,727	5,025
Instructional support staff	87,997	98,885	-	98,885	102,586	(3,701)
School administration	134,433	134,015	-	134,015	132,451	1,564
Operations and maintenance	-	-	-	-	13,390	(13,390)
Student transportation services	229,464	143,535	-	143,535	229,407	(85,872)
Student activities	99,731	94,968	-	94,968	-	94,968
Total expenditures	5,427,102	5,828,393	(238)	5,828,155	5,829,561	(1,406)
Excess (deficiency) of revenues over (under) expenditures	(7,242)	6,436	(5,551,015)	(5,544,579)	(5,551,113)	6,534
<b>Other financing sources:</b>						
Transfers in	-	-	5,551,253	5,551,253	5,557,787	(6,534)
Net change in fund balance	(7,242)	6,436	238	6,674	6,674	-
Fund balance, beginning of year	806	(6,436)	(238)	(6,674)		
Fund balance, end of year	\$ (6,436)	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 144,664	\$ 150,629	\$ (126,836)	\$ 23,793	\$ 42,465	\$ (18,672)
Expenditures:						
Instructional support staff	144,664	150,629	-	150,629	339,722	(189,093)
Excess (deficiency) of revenues over (under) expenditures	-	-	(126,836)	(126,836)	(297,257)	170,421
Other financing sources:						
Transfers in	-	-	126,836	126,836	297,257	(170,421)
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 8,901	\$ 10,804	\$ -	\$ 10,804	\$ 11,618	\$ (814)
Current	756,821	332,812	-	332,812	325,994	6,818
Delinquent	8,457	310	-	310	3,515	(3,205)
Motor vehicle	28,365	81,660	-	81,660	87,475	(5,815)
Rental excise	-	1,703	-	1,703	-	1,703
Total revenues	<u>802,544</u>	<u>427,289</u>	<u>-</u>	<u>427,289</u>	<u>428,602</u>	<u>(1,313)</u>
Expenditures:						
Facility acquisition and construction	559,338	660,360	-	660,360	900,000	(239,640)
Excess (deficiency) of revenues over (under) expenditures	243,206	(233,071)	-	(233,071)	<u>\$ (471,398)</u>	<u>\$ 238,327</u>
Fund balance, beginning of year	611,630	854,836	-	854,836		
Fund balance, end of year	<u>\$ 854,836</u>	<u>\$ 621,765</u>	<u>\$ -</u>	<u>\$ 621,765</u>		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
State and local	\$ 6,043,929	\$ 116,480	\$ -	\$ 116,480	\$ 93,955	\$ 22,525
Federal	115,878	5,391,865	-	5,391,865	5,823,147	(431,282)
Total intergovernmental	6,159,807	5,508,345	-	5,508,345	5,917,102	(408,757)
Charges for services	5,389,498	4,401,373	-	4,401,373	5,531,457	(1,130,084)
Investment revenue	74,823	46,752	-	46,752	75,000	(28,248)
Other local sources	-	33,106	-	33,106	-	33,106
Total revenues	11,624,128	9,989,576	-	9,989,576	11,523,559	(1,533,983)
<b>Expenditures:</b>						
Operations and maintenance	823,460	749,982	-	749,982	750,000	(18)
Food service operations	11,149,238	10,602,958	107,045	10,710,003	14,265,963	(3,555,960)
Total expenditures	11,972,698	11,352,940	107,045	11,459,985	15,015,963	(3,555,978)
Excess (deficiency) of revenues over (under) expenditures	(348,570)	(1,363,364)	(107,045)	(1,470,409)	\$ (3,492,404)	\$ 2,021,995
Fund balance, beginning of year	4,043,780	3,695,210	(202,806)	3,492,404		
Fund balance, end of year	\$ 3,695,210	\$ 2,331,846	\$ (309,851)	\$ 2,021,995		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 ADULT SUPPLEMENTAL EDUCATION FUND

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Expenditures:						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ 35,421	\$ (35,421)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	\$ (35,421)	\$ 35,421
Fund balance, beginning of year	35,421	35,421	-	35,421		
Fund balance, end of year	\$ 35,421	\$ 35,421	\$ -	\$ 35,421		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 2,384,336	\$ 2,480,819	\$ (2,480,819)	\$ -	\$ -	\$ -
Expenditures:						
Instruction	2,289,196	2,380,157	-	2,380,157	2,495,913	(115,756)
Student support services	95,140	100,662	-	100,662	100,372	290
Total expenditures	2,384,336	2,480,819	-	2,480,819	2,596,285	(115,466)
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,480,819)	(2,480,819)	(2,596,285)	115,466
Other financing sources:						
Transfers in	-	-	2,480,819	2,480,819	2,596,285	(115,466)
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 436,099	\$ 48,887	\$ 3,104	\$ 51,991	\$ 446,000	\$ (394,009)
Expenditures:						
Instruction	310,429	308,082	(2,620)	305,462	659,477	(354,015)
Student support services	670	477	-	477	2,300	(1,823)
Instructional support staff	73	-	-	-	-	-
School administration	113,091	110,112	-	110,112	110,598	(486)
Operations and maintenance	50	48	-	48	1,000	(952)
Total expenditures	424,313	418,719	(2,620)	416,099	773,375	(357,276)
Excess (deficiency) of revenues over (under) expenditures	11,786	(369,832)	5,724	(364,108)	\$ (327,375)	\$ (36,733)
Fund balance, beginning of year	931,189	942,975	(6,512)	936,463		
Fund balance, end of year	\$ 942,975	\$ 573,143	\$ (788)	\$ 572,355		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
PARENT EDUCATION PROGRAM FUND

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 364,541	\$ 385,957	\$ -	\$ 385,957	\$ 375,339	\$ 10,618
Expenditures:						
Student support services	553,476	564,620	-	564,620	561,054	3,566
Instructional support staff	53,227	55,520	-	55,520	61,461	(5,941)
Total expenditures	606,703	620,140	-	620,140	622,515	(2,375)
Excess (deficiency) of revenues over (under) expenditures	(242,162)	(234,183)	-	(234,183)	(247,176)	12,993
Other financing sources:						
Transfers in	242,162	234,183	-	234,183	247,176	(12,993)
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 EXTRAORDINARY SCHOOL PROGRAM FUND

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 121,456	\$ 174,305	\$ -	\$ 174,305	\$ 106,100	\$ 68,205
Expenditures:						
Instruction	48,795	49,411	-	49,411	76,925	(27,514)
School administration	9,566	10,954	-	10,954	5,388	5,566
Total expenditures	58,361	60,365	-	60,365	82,313	(21,948)
Excess of revenues over expenditures	63,095	113,940	-	113,940	\$ 23,787	\$ 90,153
Fund balance, beginning of year	417,867	480,962	-	480,962		
Fund balance, end of year	\$ 480,962	\$ 594,902	\$ -	\$ 594,902		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 4,188	\$ 6,513	\$ -	\$ 6,513	\$ 7,316	\$ (803)
Current	456,244	598,119	-	598,119	588,748	9,371
Delinquent	1,828	92	-	92	2,119	(2,027)
Motor vehicle	13,350	41,602	-	41,602	45,036	(3,434)
Rental excise	-	801	-	801	-	801
Total revenues	<u>475,610</u>	<u>647,127</u>	<u>-</u>	<u>647,127</u>	<u>643,219</u>	<u>3,908</u>
Expenditures:						
General administration	288,155	92,032	-	92,032	1,257,000	(1,164,968)
Business and central support services	378,302	360,232	-	360,232	-	360,232
Total expenditures	<u>666,457</u>	<u>452,264</u>	<u>-</u>	<u>452,264</u>	<u>1,257,000</u>	<u>(804,736)</u>
Excess (deficiency) of revenues over (under) expenditures	(190,847)	194,863	-	194,863	\$ (613,781)	\$ 808,644
Fund balance, beginning of year	<u>1,993,001</u>	<u>1,802,154</u>	<u>-</u>	<u>1,802,154</u>		
Fund balance, end of year	<u>\$ 1,802,154</u>	<u>\$ 1,997,017</u>	<u>\$ -</u>	<u>\$ 1,997,017</u>		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 AT RISK (4 YEAR OLD) FUND

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
State and local	\$ 665,059	\$ 969,940	\$ (863,260)	\$ 106,680	\$ -	\$ 106,680
Federal	239,731	106,680	-	106,680	239,731	(133,051)
Total intergovernmental	904,790	1,076,620	(863,260)	213,360	239,731	(26,371)
Charges for services	209,928	252,208	-	252,208	324,500	(72,292)
Total revenues	1,114,718	1,328,828	(863,260)	465,568	564,231	(98,663)
<b>Expenditures:</b>						
Instruction	1,072,506	1,292,537	-	1,292,537	1,294,238	(1,701)
Instructional support staff	43,726	35,319	972	36,291	43,386	(7,095)
Total expenditures	1,116,232	1,327,856	972	1,328,828	1,337,624	(8,796)
Excess (deficiency) of revenues over (under) expenditures	(1,514)	972	(864,232)	(863,260)	(773,393)	(89,867)
<b>Other financing sources:</b>						
Transfers in	-	-	863,260	863,260	773,393	89,867
Net change in fund balance	(1,514)	972	(972)	-	\$ -	\$ -
Fund balance, beginning of year	1,732	218	(218)	-		
Fund balance, end of year	\$ 218	\$ 1,190	\$ (1,190)	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 62,423	\$ 89,579	\$ -	\$ 89,579	\$ 97,727	\$ (8,148)
Current	6,298,617	7,267,379	-	7,267,379	7,607,217	(339,838)
Delinquent	56,983	4,866	-	4,866	29,150	(24,284)
Motor vehicle	626,701	603,452	-	603,452	648,520	(45,068)
Rental excise	-	11,945	-	11,945	-	11,945
Total revenues	<u>7,044,724</u>	<u>7,977,221</u>	<u>-</u>	<u>7,977,221</u>	<u>8,382,614</u>	<u>(405,393)</u>
Expenditures:						
State payment	<u>6,972,750</u>	<u>8,029,217</u>	<u>-</u>	<u>8,029,217</u>	<u>8,943,232</u>	<u>(914,015)</u>
Excess (deficiency) of revenues over (under) expenditures	71,974	(51,996)	-	(51,996)	<u>\$ (560,618)</u>	<u>\$ 508,622</u>
Fund balance, beginning of year	<u>488,644</u>	<u>560,618</u>	<u>-</u>	<u>560,618</u>		
Fund balance, end of year	<u>\$ 560,618</u>	<u>\$ 508,622</u>	<u>\$ -</u>	<u>\$ 508,622</u>		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
Federal	\$ 4,533,923	\$ 3,884,804	\$ (203,286)	\$ 3,681,518	\$ 4,595,294	\$ (913,776)
Other local sources	871,728	957,019	-	957,019	-	957,019
Total revenues	<u>5,405,651</u>	<u>4,841,823</u>	<u>(203,286)</u>	<u>4,638,537</u>	<u>4,595,294</u>	<u>43,243</u>
<b>Expenditures:</b>						
Instruction	2,581,827	2,298,849	4,273	2,303,122	2,471,990	(168,868)
Student support services	1,061,402	484,043	19,084	503,127	629,664	(126,537)
Instructional support staff	1,825,294	1,656,691	-	1,656,691	2,317,250	(660,559)
General administration	103,145	111,631	-	111,631	116,256	(4,625)
School administration	30,081	31,513	-	31,513	30,583	930
Operations and maintenance	-	-	23,830	23,830	193,032	(169,202)
Student transportation services	75,258	605	-	605	21,252	(20,647)
Food service operations	-	11,959	-	11,959	-	11,959
Student activities	19,662	15,090	-	15,090	-	15,090
Capital outlay	252	-	-	-	-	-
Total expenditures	<u>5,696,921</u>	<u>4,610,381</u>	<u>47,187</u>	<u>4,657,568</u>	<u>5,780,027</u>	<u>(1,122,459)</u>
Excess (deficiency) of revenues over (under) expenditures	(291,270)	231,442	(250,473)	(19,031)	<u>\$ (1,184,733)</u>	<u>\$ 1,165,702</u>
Fund balance, beginning of year	<u>1,479,443</u>	<u>1,188,173</u>	<u>(3,441)</u>	<u>1,184,732</u>		
Fund balance, end of year	<u>\$ 1,188,173</u>	<u>\$ 1,419,615</u>	<u>\$ (253,914)</u>	<u>\$ 1,165,701</u>		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)  
AT RISK (K-12) FUND

Year Ended June 30, 2020

(With Comparative Amounts for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			Variance Over (Under)
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	
<b>Revenues:</b>						
<b>Intergovernmental:</b>						
State	\$ 32,563,297	\$ 22,228,022	\$ (22,228,022)	\$ -	\$ -	\$ -
Other local sources	191,673	213,594	-	213,594	150,000	63,594
Total revenues	<u>32,754,970</u>	<u>22,441,616</u>	<u>(22,228,022)</u>	<u>213,594</u>	<u>150,000</u>	<u>63,594</u>
<b>Expenditures:</b>						
Instruction	31,468,048	17,280,152	-	17,280,152	19,923,138	(2,642,986)
Student support services	462,680	3,211,149	-	3,211,149	4,020,575	(809,426)
Instructional support staff	134,248	281,192	-	281,192	144,092	137,100
School administration	200,816	947,750	-	947,750	917,106	30,644
Operations and maintenance	244,347	288,784	-	288,784	348,335	(59,551)
Student transportation services	244,831	432,589	-	432,589	671,479	(238,890)
Total expenditures	<u>32,754,970</u>	<u>22,441,616</u>	<u>-</u>	<u>22,441,616</u>	<u>26,024,725</u>	<u>(3,583,109)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(22,228,022)</u>	<u>(22,228,022)</u>	<u>(25,874,725)</u>	<u>3,646,703</u>
<b>Other financing sources:</b>						
Transfers in	-	-	22,228,022	22,228,022	25,874,725	(3,646,703)
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning of year	-	-	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020  
(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Current	\$ -	\$ 141,761	\$ (141,761)	\$ -	\$ -	-
Expenditures:						
Instruction	-	65,736	-	65,736	71,751	(6,015)
Student support services	-	76,025	-	76,025	70,010	6,015
Total expenditures	-	141,761	-	141,761	141,761	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(141,761)	(141,761)	(141,761)	-
Other financing sources:						
Transfers in	-	-	141,761	141,761	141,761	-
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Taxes:</b>						
In process	\$ 299,632	\$ 385,310	\$ -	\$ 385,310	\$ 418,040	\$ (32,730)
Current	26,991,643	27,799,243	-	27,799,243	27,332,812	466,431
Delinquent	257,783	15,895	-	15,895	125,383	(109,488)
Motor vehicle	2,824,793	2,797,320	-	2,797,320	2,997,972	(200,652)
Rental excise	47,643	57,335	-	57,335	-	57,335
Total intergovernmental	30,421,494	31,055,103	-	31,055,103	30,874,207	180,896
Investment revenue	51,910	232,108	-	232,108	50,000	182,108
Total revenues	30,473,404	31,287,211	-	31,287,211	30,924,207	363,004
<b>Expenditures:</b>						
<b>Debt service:</b>						
Principal	16,830,000	20,845,000	-	20,845,000	20,930,000	(85,000)
Interest and other charges	12,719,143	12,075,952	-	12,075,952	12,001,466	74,486
Total expenditures	29,549,143	32,920,952	-	32,920,952	32,931,466	(10,514)
Excess (deficiency) of revenues over (under) expenditures	924,261	(1,633,741)	-	(1,633,741)	\$ (2,007,259)	\$ 373,518
Fund balance, beginning of year	23,255,043	24,179,304	-	24,179,304		
Fund balance, end of year	\$ 24,179,304	\$ 22,545,563	\$ -	\$ 22,545,563		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

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

Year Ended June 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	June 30, 2019		June 30, 2020			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
<b>Revenues:</b>						
<b>Taxes:</b>						
In process	\$ 322,187	\$ 413,536	\$ -	\$ 413,536	\$ 446,690	\$ (33,154)
Current	28,968,391	29,954,377	-	29,954,377	29,412,071	542,306
Delinquent	276,997	16,632	-	16,632	134,553	(117,921)
Motor vehicle	3,038,741	3,005,256	-	3,005,256	3,221,089	(215,833)
Rental excise	51,243	61,650	-	61,650	-	61,650
Total taxes	32,657,559	33,451,451	-	33,451,451	33,214,403	237,048
Investment revenue	168,685	95,947	8,391	104,338	150,000	(45,662)
Other local sources	5,288,354	858,232	-	858,232	802,853	55,379
Total revenues	38,114,598	34,405,630	8,391	34,414,021	34,167,256	246,765
<b>Expenditures:</b>						
Instruction	1,146,229	13,193,073	(9,059,724)	4,133,349	3,983,921	149,428
Student support services	132,470	44,101	(3,579)	40,522	50,582	(10,060)
Instructional support staff	254,751	392,792	(597)	392,195	258,525	133,670
General administration	10,808	7,726	513	8,239	25,000	(16,761)
Operations and maintenance	3,874,878	4,224,193	108,772	4,332,965	4,567,092	(234,127)
Student activities	172,258	150,553	-	150,553	-	150,553
Business and central support services	1,600,788	1,353,664	191,029	1,544,693	2,231,411	(686,718)
Facility acquisition and construction	7,522,375	11,526,353	(2,479,331)	9,047,022	18,391,775	(9,344,753)
<b>Debt service:</b>						
Principal	18,122,382	16,897,091	-	16,897,091	16,615,580	281,511
Interest and other charges	1,304,930	891,295	-	891,295	838,425	52,870
Total expenditures	34,141,869	48,680,841	(11,242,917)	37,437,924	46,962,311	(9,524,387)
Excess (deficiency) of revenues over (	3,972,729	(14,275,211)	11,251,308	(3,023,903)	(12,795,055)	9,771,152
<b>Other financing sources (uses):</b>						
Capital lease proceeds	-	9,030,095	(9,030,095)	-	-	-
Net change in fund balance	3,972,729	(5,245,116)	2,221,213	(3,023,903)	\$ (12,795,055)	\$ 9,771,152
Fund balance, beginning of year	19,192,225	23,164,954	(5,406,940)	17,758,014		
Fund balance, end of year	\$ 23,164,954	\$ 17,919,838	\$ (3,185,727)	\$ 14,734,111		

## SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

### COMBINING STATEMENTS – OTHER GOVERNMENTAL FUNDS

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

#### **BUDGETED FUNDS:**

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

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

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

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

**Adult Supplemental Education Fund:** This fund is used to account for tuition and fees received which are utilized to offset the cost of an adult education program.

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

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

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

**Extraordinary School Program Fund:** This fund is used to account for monies received and expended for the District's E-School Program. The E-School Program is used by the District for distance learning services that it provides.

**Special Liability Fund:** This fund is used to account for the costs of providing for the District's defense and the defense of employees pursuant to KSA 75-6110 and for the payment of claims and other costs.

**At Risk (4 Year Old) Fund:** This fund is used to account for the expenditures associated with at-risk 4 year old students to provide them with additional educational opportunities and instructional services to assist in closing the achievement gap.

**Cost of Living Fund:** The cost of living fund provides additional budget authority for Districts having high housing costs. Funding is limited to 5% of the general fund. All proceeds from this fund are forwarded to the state and the additional authority is added to the District's general fund budget.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING STATEMENTS – OTHER GOVERNMENTAL FUNDS

(Continued)

**Cost of Living Fund:** The cost of living fund provides additional budget authority for Districts having high housing costs. Funding is limited to 5% of the general fund. All proceeds from this fund are forwarded to the state and the additional authority is added to the District's general fund budget.

**Federal and Local Grants Fund:** This fund is used to account for revenues and expenditures of programs administered in conjunction with the Education Consolidation and Improvement Act of 1981, Chapter 1, Financial Assistance to Local Agencies to Meet Special Educational Needs of Disadvantaged Children and Chapter 2, Financial Assistance to Local Agencies for Educational Improvement. This fund is also used to account for revenues and expenditures of programs administered in conjunction with the Drug Free Schools and Communities Act and shall be used for drug and alcohol abuse prevention and education programs. Additionally this fund is used to account for revenues and expenditures of programs administered in conjunction with the Elementary and Secondary Education Act of 1965, Title II, Part B, as amended; and shall be used to ensure teachers, staff, and administrators have access to sustained and intensive high-quality professional development. This fund is also used to account for revenues and expenditures of various other federal and local grants and programs.

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

**Virtual Education Fund:** This fund is used to account for the expenditures associated with the District's program Project Finish which provides a virtual learning program for fifth-year seniors and adult students that are 18 years of age and over.

**NON - BUDGETED FUNDS:**

**Health Reserve Fund:** This fund is used to hold in reserve a portion of health insurance premiums paid in accordance with the District's modified cost plus health plan.

**Gate Receipts Fund:** This fund is used to account for monies received from athletic and other events, and expended on those events.

**Textbook Fund:** This fund is used to account for textbook fees collected and expenditures incurred in conjunction with the purchase and maintenance of textbooks.

**Contingency Reserve Fund:** This fund is used to account for monies transferred from the general fund in accordance with Kansas statutes (limited to 10% of general fund budget) and expended for contingency purposes.

**Student Material Revolving Fund:** This fund is used to account for monies collected for materials and supplies purchased by students.

**Declining Enrollment Fund:** This fund is to generate additional revenues for Districts with extraordinary declining enrollment. The District levies a local tax rate and all proceeds are forwarded to the state. In turn, the state adds to the amount of the District's allocation. Approval must be received from the state board of tax appeals.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS

June 30, 2020

	Career and Postsecondary Education	Declining Enrollment	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program	Extraordinary School Program	Health Reserve
<u>ASSETS</u>											
Cash and cash equivalents	\$ 574,626	\$ 458,062	\$ -	\$ 621,765	\$ 2,397,646	\$ 35,421	\$ 193,951	\$ 579,250	\$ -	\$ 594,902	\$ 2,807,931
Investments	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 574,626</u>	<u>\$ 458,062</u>	<u>\$ -</u>	<u>\$ 621,765</u>	<u>\$ 2,397,646</u>	<u>\$ 35,421</u>	<u>\$ 193,951</u>	<u>\$ 579,250</u>	<u>\$ -</u>	<u>\$ 594,902</u>	<u>\$ 2,807,931</u>
<u>LIABILITIES AND FUND BALANCES</u>											
Liabilities:											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 42,113	\$ -	\$ 33	\$ 170	\$ -	\$ -	\$ -
Health care reserve	-	-	-	-	-	-	-	-	-	-	2,693,782
Payroll liabilities	574,626	-	-	-	23,687	-	193,918	5,937	-	-	-
Total liabilities	<u>574,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,800</u>	<u>-</u>	<u>193,951</u>	<u>6,107</u>	<u>-</u>	<u>-</u>	<u>2,693,782</u>
Fund balances:											
Restricted	-	458,062	-	621,765	2,021,995	35,421	-	572,355	-	594,902	114,149
Assigned	-	-	-	-	309,851	-	-	788	-	-	-
Total fund balances	<u>-</u>	<u>458,062</u>	<u>-</u>	<u>621,765</u>	<u>2,331,846</u>	<u>35,421</u>	<u>-</u>	<u>573,143</u>	<u>-</u>	<u>594,902</u>	<u>114,149</u>
Total liabilities and fund balances	<u>\$ 574,626</u>	<u>\$ 458,062</u>	<u>\$ -</u>	<u>\$ 621,765</u>	<u>\$ 2,397,646</u>	<u>\$ 35,421</u>	<u>\$ 193,951</u>	<u>\$ 579,250</u>	<u>\$ -</u>	<u>\$ 594,902</u>	<u>\$ 2,807,931</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS  
(Continued)

June 30, 2020

	Special Liability	At Risk (4 Year Old)	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	At Risk (K-12)	Student Material Revolving	Virtual Education	Total Other Governmental Funds
<u>ASSETS</u>											
Cash and cash equivalents	\$ 1,997,017	\$ 142,988	\$ 508,622	\$ 1,471,806	\$ 317,610	\$ 2,378,989	\$ 138,052	\$ 961,582	\$ 368,682	\$ 18,963	\$ 16,567,865
Investments	-	-	-	-	-	-	5,500,000	-	-	-	5,500,000
Receivables	-	-	-	203,286	-	-	-	-	-	-	203,286
Total assets	<u>\$ 1,997,017</u>	<u>\$ 142,988</u>	<u>\$ 508,622</u>	<u>\$ 1,675,092</u>	<u>\$ 317,610</u>	<u>\$ 2,378,989</u>	<u>\$ 5,638,052</u>	<u>\$ 961,582</u>	<u>\$ 368,682</u>	<u>\$ 18,963</u>	<u>\$ 22,271,151</u>
<u>LIABILITIES AND FUND BALANCES</u>											
Liabilities:											
Accounts payable	\$ -	\$ 926	\$ -	\$ 3,969	\$ -	\$ 515,913	\$ -	\$ 1,384	\$ 51	\$ -	\$ 564,559
Health care reserve	-	-	-	-	-	-	-	-	-	-	2,693,782
Payroll liabilities	-	140,872	-	251,508	-	-	-	960,198	-	18,963	2,169,709
Total liabilities	<u>-</u>	<u>141,798</u>	<u>-</u>	<u>255,477</u>	<u>-</u>	<u>515,913</u>	<u>-</u>	<u>961,582</u>	<u>51</u>	<u>18,963</u>	<u>5,428,050</u>
Fund balances:											
Restricted	1,997,017	-	508,622	1,368,987	317,610	1,863,076	5,638,052	-	368,631	-	16,480,644
Assigned	-	1,190	-	50,628	-	-	-	-	-	-	362,457
Total fund balances	<u>1,997,017</u>	<u>1,190</u>	<u>508,622</u>	<u>1,419,615</u>	<u>317,610</u>	<u>1,863,076</u>	<u>5,638,052</u>	<u>-</u>	<u>368,631</u>	<u>-</u>	<u>16,843,101</u>
Total liabilities and fund balances	<u>\$ 1,997,017</u>	<u>\$ 142,988</u>	<u>\$ 508,622</u>	<u>\$ 1,675,092</u>	<u>\$ 317,610</u>	<u>\$ 2,378,989</u>	<u>\$ 5,638,052</u>	<u>\$ 961,582</u>	<u>\$ 368,682</u>	<u>\$ 18,963</u>	<u>\$ 22,271,151</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
OTHER GOVERNMENTAL FUNDS

Year Ended June 30, 2020

	Career and Postsecondary Education	Declining Enrollment	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program	Extraordinary School Program	Health Reserve
Revenues:											
Taxes	\$ -	\$ 79,254	\$ -	\$ 427,289	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,830,869	-	150,629	-	5,508,345	-	2,480,819	-	385,957	-	-
Charges for services	3,960	-	-	-	4,401,373	-	-	48,887	-	174,305	-
Investment revenue	-	-	-	-	46,752	-	-	-	-	-	19,564
Other local sources	-	-	-	-	33,106	-	-	-	-	-	1,504,540
Total revenues	5,834,829	79,254	150,629	427,289	9,989,576	-	2,480,819	48,887	385,957	174,305	1,524,104
Expenditures:											
Instruction	5,356,990	-	-	-	-	-	2,380,157	308,082	-	49,411	-
Student support services	-	-	-	-	-	-	100,662	477	564,620	-	-
Instructional support staff	98,885	-	150,629	-	-	-	-	-	55,520	-	-
General administration	-	-	-	-	-	-	-	-	-	-	-
School administration	134,015	-	-	-	-	-	-	110,112	-	10,954	-
Operations and maintenance	-	-	-	-	749,982	-	-	48	-	-	-
Student transportation services	143,535	-	-	-	-	-	-	-	-	-	-
Food service operations	-	-	-	-	10,602,958	-	-	-	-	-	-
Student activities	94,968	-	-	-	-	-	-	-	-	-	-
Business and central support services	-	-	-	-	-	-	-	-	-	-	1,489,674
State payment	-	-	-	-	-	-	-	-	-	-	-
Facility acquisition and construction	-	-	-	660,360	-	-	-	-	-	-	-
Total expenditures	5,828,393	-	150,629	660,360	11,352,940	-	2,480,819	418,719	620,140	60,365	1,489,674
Excess (deficiency) of revenues over (under) expenditures	6,436	79,254	-	(233,071)	(1,363,364)	-	-	(369,832)	(234,183)	113,940	34,430
Other financing sources:											
Transfers in	-	-	-	-	-	-	-	-	234,183	-	-
Net change in fund balances	6,436	79,254	-	(233,071)	(1,363,364)	-	-	(369,832)	-	113,940	34,430
Fund balance, beginning of year	(6,436)	378,808	-	854,836	3,695,210	35,421	-	942,975	-	480,962	79,719
Fund balance, end of year	\$ -	\$ 458,062	\$ -	\$ 621,765	\$ 2,331,846	\$ 35,421	\$ -	\$ 573,143	\$ -	\$ 594,902	\$ 114,149

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
OTHER GOVERNMENTAL FUNDS  
(Continued)

Year Ended June 30, 2020

	Special Liability	At Risk (4 Year Old)	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	At Risk (K-12)	Student Material Revolving	Virtual Education	Total Other Governmental Funds
Revenues:											
Taxes	\$ 647,127	\$ -	\$ 7,977,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,130,891
Intergovernmental	-	1,076,620	-	3,884,804	-	-	-	22,228,022	-	141,761	41,687,826
Charges for services	-	252,208	-	-	-	823,196	-	-	672,632	-	6,376,561
Investment revenue	-	-	-	-	-	-	-	-	-	-	66,316
Other local sources	-	-	-	957,019	613,943	-	-	213,594	-	-	3,322,202
Total revenues	647,127	1,328,828	7,977,221	4,841,823	613,943	823,196	-	22,441,616	672,632	141,761	60,583,796
Expenditures:											
Instruction	-	1,292,537	-	2,298,849	-	1,170,623	-	17,280,152	384,119	65,736	30,586,656
Student support services	-	-	-	484,043	-	-	-	3,211,149	-	76,025	4,436,976
Instructional support staff	-	35,319	-	1,656,691	-	-	-	281,192	6,894	-	2,285,130
General administration	92,032	-	-	111,631	-	-	-	-	-	-	203,663
School administration	-	-	-	31,513	-	-	-	947,750	-	-	1,234,344
Operations and maintenance	-	-	-	-	-	-	-	288,784	-	-	1,038,814
Student transportation services	-	-	-	605	-	-	-	432,589	-	-	576,729
Food service operations	-	-	-	11,959	-	-	-	-	-	-	10,614,917
Student activities	-	-	-	15,090	504,131	-	-	-	230,976	-	845,165
Business and central support services	360,232	-	-	-	-	-	-	-	-	-	1,849,906
State payment	-	-	8,029,217	-	-	-	-	-	-	-	8,029,217
Facility acquisition and construction	-	-	-	-	-	-	-	-	-	-	660,360
Total expenditures	452,264	1,327,856	8,029,217	4,610,381	504,131	1,170,623	-	22,441,616	621,989	141,761	62,361,877
Excess (deficiency) of revenues over (under) expenditures	194,863	972	(51,996)	231,442	109,812	(347,427)	-	-	50,643	-	(1,778,081)
Other financing sources:											
Transfers in	-	-	-	-	-	-	-	-	-	-	234,183
Net change in fund balances	194,863	972	(51,996)	231,442	109,812	(347,427)	-	-	50,643	-	(1,543,898)
Fund balance, beginning of year	1,802,154	218	560,618	1,188,173	207,798	2,210,503	5,638,052	-	317,988	-	18,386,999
Fund balance, end of year	\$ 1,997,017	\$ 1,190	\$ 508,622	\$ 1,419,615	\$ 317,610	\$ 1,863,076	\$ 5,638,052	\$ -	\$ 368,631	\$ -	\$ 16,843,101

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND

Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
Assets - cash and investments	\$ 2,100,137	\$ 2,361,198	\$ 2,433,175	\$ 2,028,160
Liabilities - due to student organizations	\$ 2,100,137	\$ 2,361,198	\$ 2,433,175	\$ 2,028,160

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATISTICAL SECTION

The Statistical Section is intended to provide a broader and more complete understanding of the physical, economic, social and political characteristics of the District than is possible from the financial statements, notes and supporting schedules presented in the Financial Section. In addition, this section is used, in part, to comply with the continuing disclosure requirements of SEC Rule 15c2-12.

The information presented in this section does not provide full and adequate disclosure of financial information in accordance with accounting principles generally accepted in the United States of America but is designed to be useful in identifying trends and evaluating the credit worthiness of the District.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>98-106</b>
These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>107-113</b>
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>114-118</b>
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>119-121</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<b>Operating Information</b>	<b>122-124</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net investment in capital assets	\$ 209,665,197	\$ 231,300,400	\$ 253,330,501	\$ 251,367,186	\$ 267,252,105	\$ 275,444,373	\$ 263,162,281	\$ 278,936,435	\$ 300,212,019	\$ 315,342,040
Restricted	18,721,274	18,911,711	20,447,422	19,408,056	21,090,344	19,055,485	20,261,052	23,255,043	24,179,304	69,506,313
Unrestricted	68,426,450	58,173,988	48,372,632	61,443,636	(215,924,714)	(218,368,956)	(180,894,387)	(180,382,709)	(186,773,050)	(216,994,228)
Total Net Position	<u>\$ 296,812,921</u>	<u>\$ 308,386,099</u>	<u>\$ 322,150,555</u>	<u>\$ 332,218,878</u>	<u>\$ 72,417,735</u>	<u>\$ 76,130,902</u>	<u>\$ 102,528,946</u>	<u>\$ 121,808,769</u>	<u>\$ 137,618,273</u>	<u>\$ 167,854,125</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
EXPENSE, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
Instruction	\$ 171,080,693	\$ 172,548,326	\$ 172,142,399	\$ 169,492,144	\$ 169,510,423	\$ 166,460,156	\$ 155,970,852	\$ 169,572,000	\$ 177,486,192	\$ 188,240,355
Student support services	14,438,322	14,928,047	15,069,611	14,857,615	14,526,934	15,090,880	14,580,344	16,415,633	18,084,399	18,439,663
Instructional support staff	8,574,949	8,115,624	8,085,874	8,702,701	8,574,463	9,239,934	9,688,922	11,178,682	11,556,236	11,628,373
General administration	2,039,379	1,984,847	2,013,862	2,087,528	2,534,990	2,648,589	2,760,096	2,653,293	2,898,103	2,453,505
School administration	13,931,653	13,511,466	13,396,373	13,266,480	13,375,735	14,548,696	13,713,788	14,799,416	15,845,506	15,265,484
Operations and maintenance	43,126,239	44,860,538	41,744,327	43,261,815	43,144,632	45,457,779	68,745,764	55,402,518	48,988,224	55,118,933
Student transportation services	8,469,021	9,201,370	9,335,869	9,547,268	8,450,726	9,061,959	10,445,501	13,610,782	14,898,256	13,789,524
Food service operations	10,677,553	11,102,506	11,457,954	11,055,516	10,881,124	10,659,695	10,411,807	10,800,040	11,766,872	10,971,435
Student activities	3,981,855	4,007,704	4,007,889	4,061,388	4,706,058	4,173,907	4,221,791	4,439,012	4,399,040	4,317,853
Business and central support services	11,023,101	10,479,838	9,762,803	10,775,348	12,471,248	13,705,857	12,761,937	13,464,636	13,605,868	13,747,336
State payment	8,554,660	7,202,108	5,911,332	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217
Interest on long-term debt	10,582,206	9,939,082	8,012,807	7,108,025	7,027,298	11,358,782	13,982,644	14,655,707	13,797,633	9,687,522
Total primary government expenses	306,479,631	307,881,456	300,941,100	302,748,472	303,523,371	311,591,690	326,434,178	334,882,351	340,299,079	351,689,200
<b>Program revenues</b>										
Governmental activities:										
Charges for services										
Instruction	6,521,015	7,143,365	7,220,599	7,620,150	6,707,859	6,368,357	4,232,886	4,443,172	4,540,809	3,885,638
Food service operations	6,226,654	5,964,756	5,621,203	5,458,129	5,020,144	5,190,902	5,072,842	5,236,531	5,389,498	4,401,373
Operating grants and contributions	52,599,532	58,708,274	55,814,517	54,960,389	52,691,736	49,750,447	85,981,016	60,843,664	54,609,128	75,627,591
Total primary government program revenues	65,347,201	71,816,395	68,656,319	68,038,668	64,419,739	61,309,706	95,286,744	70,523,367	64,539,435	83,914,602
Total primary government net expense	\$ (241,132,430)	\$ (236,065,061)	\$ (232,284,781)	\$ (234,709,804)	\$ (239,103,632)	\$ (250,281,984)	\$ (231,147,434)	\$ (264,358,984)	\$ (275,759,644)	\$ (267,774,598)

Source: Shawnee Mission USD #512 Basic Financial Statements

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
GENERAL SCHOOL SYSTEM REVENUES AND TOTAL CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total primary government net expense	\$ (241,132,430)	\$ (236,065,061)	\$ (232,284,781)	\$ (234,709,804)	\$ (239,103,632)	\$ (250,281,984)	\$ (231,147,434)	\$ (264,358,984)	\$ (275,759,644)	\$ (267,774,598)
<b>General revenues and other changes in net position</b>										
Property taxes	172,144,938	168,798,265	166,773,703	166,746,918	120,997,886	120,366,048	130,956,402	129,602,758	133,312,236	134,641,591
Grants and entitlements not restricted to specific programs	81,964,106	76,441,368	77,982,462	80,367,156	132,870,804	133,219,087	133,184,363	145,290,056	148,535,890	157,270,700
Investment earnings	44,357	44,892	95,308	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197
Miscellaneous	1,745,847	2,353,714	1,910,593	1,944,037	2,105,826	3,122,371	2,887,305	4,905,744	7,389,810	4,769,962
Special Items										
Capital asset impairment losses	(7,481,919)	-	(718,519)	(4,287,468)	(7,624,061)	-	(6,880,895)	-	-	-
Total primary government	248,417,329	247,638,239	246,043,547	244,794,290	248,366,468	256,918,612	260,904,232	281,457,395	291,505,996	298,010,450
Total primary government change in net position	\$ 7,284,899	\$ 11,573,178	\$ 13,758,766	\$ 10,084,486	\$ 9,262,836	\$ 6,636,628	\$ 29,756,798	\$ 17,098,411	\$ 15,746,352	\$ 30,235,852

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Source: Shawnee Mission USD #512 Basic Financial Statements

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

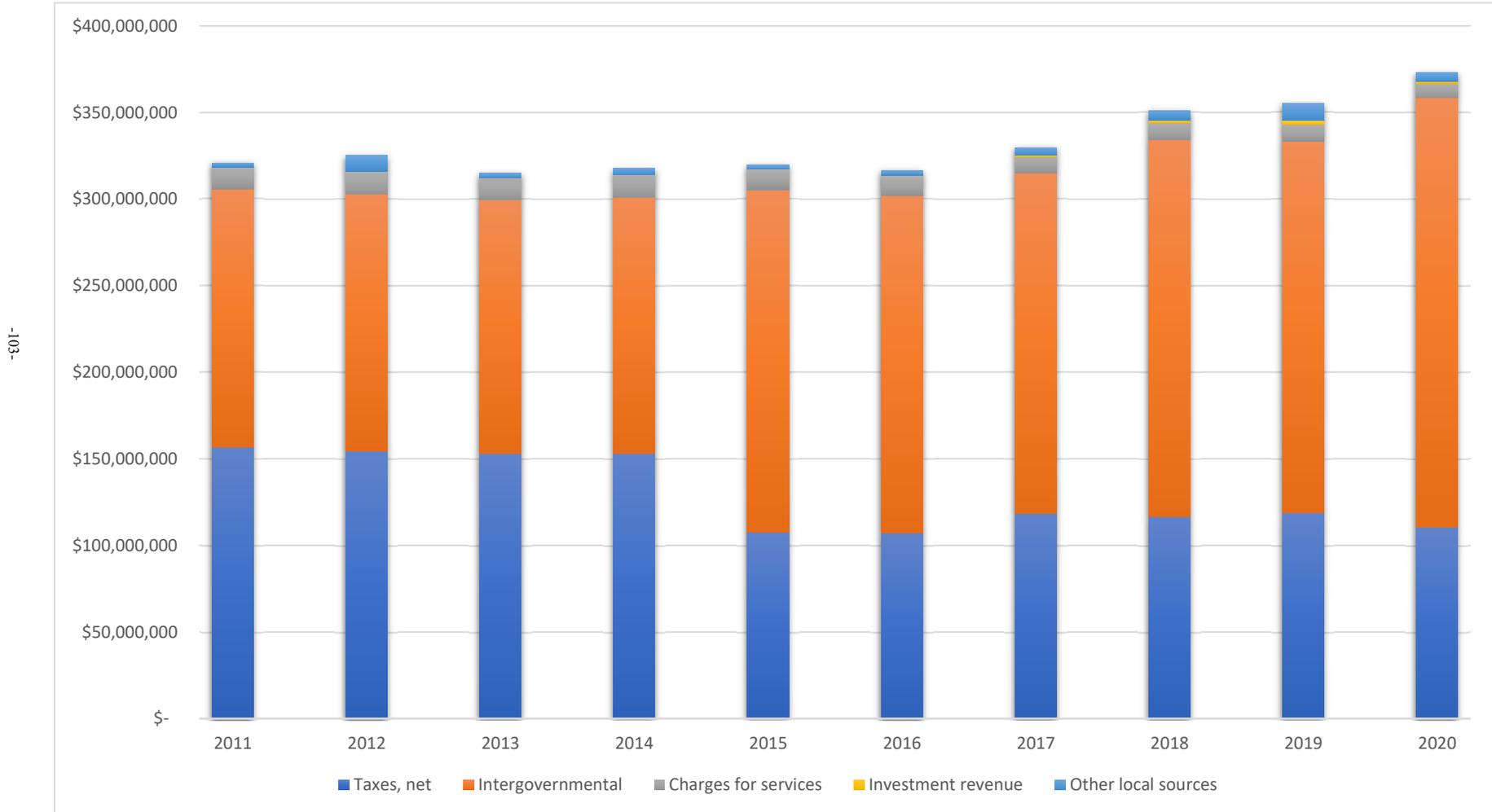
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund:										
Nonspendable	\$ 905,582	\$ 888,847	\$ 780,738	\$ 688,792	\$ 397,155	\$ 413,152	\$ 336,530	\$ 408,827	\$ 384,834	\$ 370,162
Assigned	329,853	317,516	334,857	559,760	398,215	216,216	8,505	3,644	620	17,538
Unassigned	29,262	21,352	26,277	13,971	19,417	9,969	11,066	36	-	-
Total general fund	<u>1,264,697</u>	<u>1,227,715</u>	<u>1,141,872</u>	<u>1,262,523</u>	<u>814,787</u>	<u>639,337</u>	<u>356,101</u>	<u>412,507</u>	<u>385,454</u>	<u>387,700</u>
All other governmental funds:										
Nonspendable	107,725	96,722	189,521	198,557	224,487	183,037	8,770	-	-	-
Restricted	74,713,707	64,056,743	55,705,031	63,221,353	163,838,447	66,788,527	191,505,248	132,653,605	91,970,317	72,513,272
Assigned	17,646,655	19,977,946	15,356,317	24,149,575	30,044,581	72,681,245	1,927,220	2,266,261	5,760,076	6,362,373
Unassigned	1,528,813	1,623,281	2,733,230	1,713,483	2,307,373	246,837	4,235,681	3,566,289	3,671,731	-
Total All Other Governmental Funds	<u>93,996,900</u>	<u>85,754,692</u>	<u>73,984,099</u>	<u>89,282,968</u>	<u>196,414,888</u>	<u>139,899,646</u>	<u>197,676,919</u>	<u>138,486,155</u>	<u>101,402,124</u>	<u>78,875,645</u>
Total fund balances	<u>\$ 95,261,597</u>	<u>\$ 86,982,407</u>	<u>\$ 75,125,971</u>	<u>\$ 90,545,491</u>	<u>\$ 197,229,675</u>	<u>\$ 140,538,983</u>	<u>\$ 198,033,020</u>	<u>\$ 138,898,662</u>	<u>\$ 101,787,578</u>	<u>\$ 79,263,345</u>

Source: Shawnee Mission USD #512 Basic Financial Statements

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 GOVERNMENTAL FUNDS REVENUES  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Taxes, net	\$ 156,898,392	\$ 154,520,287	\$ 153,082,847	\$ 153,155,103	\$ 107,781,277	\$ 107,042,177	\$ 118,305,600	\$ 116,579,276	\$ 118,718,964	\$ 110,317,291
Intergovernmental	148,876,864	148,343,210	146,310,175	147,832,128	197,676,322	194,934,550	196,989,043	217,723,244	214,460,689	248,118,152
Charges for services	12,747,669	13,108,121	12,841,802	13,078,279	11,728,003	11,559,259	9,305,728	9,679,703	9,930,307	8,287,011
Investment revenue	44,357	44,892	95,308	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197
Other local sources	2,086,708	9,171,456	2,593,885	3,577,850	2,413,915	2,629,026	4,439,521	5,485,235	9,748,546	5,055,049
Total revenues	<u>\$ 320,653,990</u>	<u>\$ 325,187,966</u>	<u>\$ 314,924,017</u>	<u>\$ 317,667,007</u>	<u>\$ 319,615,530</u>	<u>\$ 316,376,118</u>	<u>\$ 329,796,949</u>	<u>\$ 351,126,295</u>	<u>\$ 355,126,566</u>	<u>\$ 373,105,700</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 GOVERNMENTAL FUNDS REVENUES  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

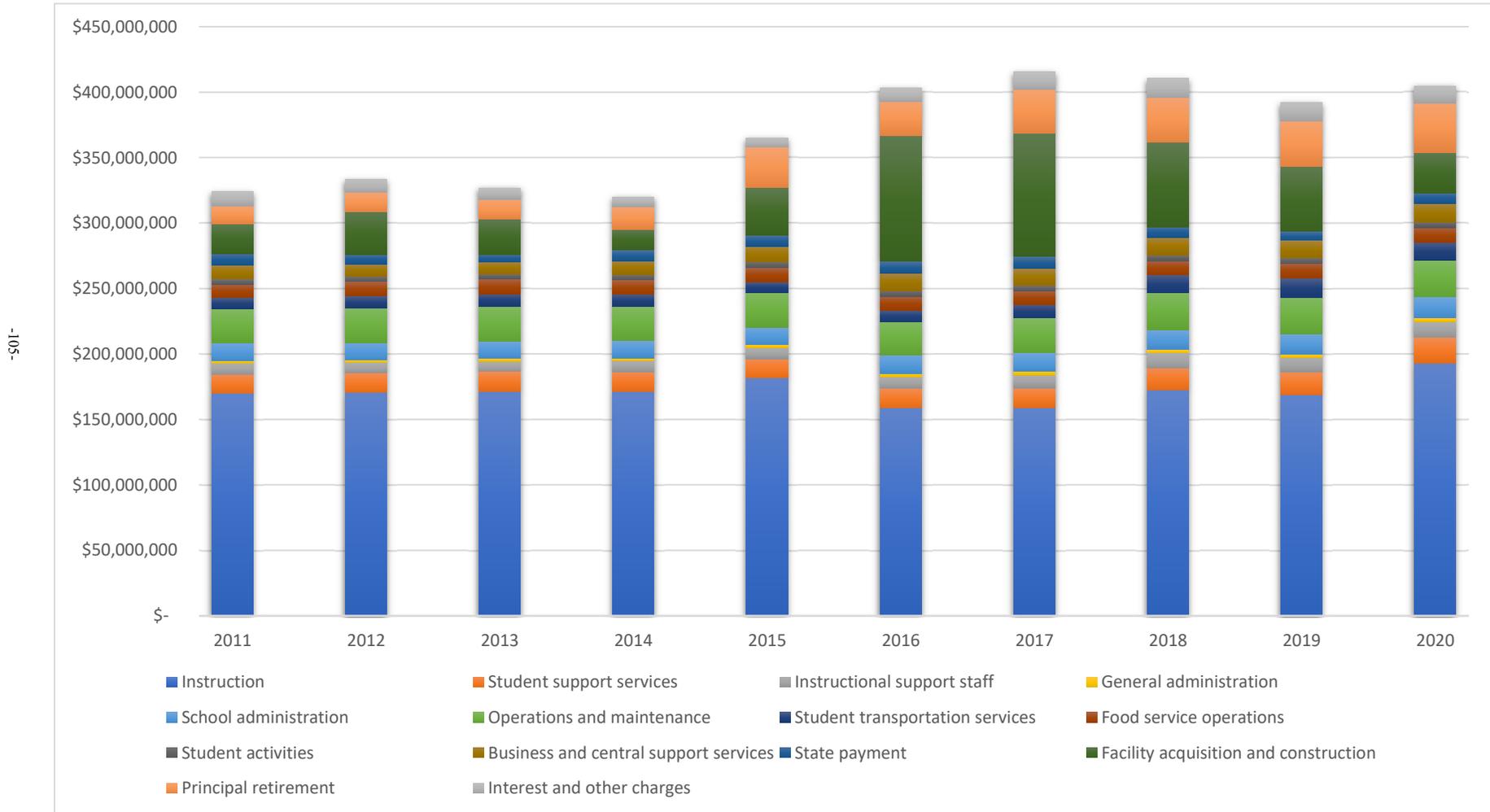


SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction	\$ 170,035,873	\$ 170,698,148	\$ 171,551,301	\$ 171,537,752	\$ 181,848,205	\$ 158,742,135	\$ 159,133,077	\$ 172,584,241	\$ 168,678,528	\$ 193,232,159
Student support services	14,328,515	14,823,074	14,999,984	14,795,635	14,412,548	14,810,979	14,999,279	16,808,714	17,384,176	19,356,132
Instructional support staff	8,458,957	7,933,945	7,946,317	8,544,077	8,401,044	8,962,083	9,858,013	11,393,652	11,169,862	12,264,386
General administration	2,028,624	1,968,731	2,000,570	2,073,598	2,518,982	2,606,039	2,801,339	2,701,355	2,821,126	2,559,512
School administration	13,850,145	13,408,456	13,305,285	13,189,585	13,281,219	14,383,717	14,120,866	15,211,293	15,170,772	16,139,785
Operations and maintenance	25,724,246	26,241,335	26,726,684	25,963,619	26,274,155	25,106,830	26,406,940	27,962,626	27,623,423	27,994,657
Student transportation services	8,426,838	9,135,585	9,280,101	9,493,104	8,413,928	9,007,923	10,396,167	13,608,906	14,885,885	13,793,764
Food service operations	10,488,324	11,016,334	11,319,129	10,977,161	10,606,828	10,473,655	10,464,032	10,910,317	11,419,680	11,230,355
Student activities	3,988,609	4,019,090	3,965,649	4,053,533	4,678,770	4,131,033	4,232,927	4,396,281	4,354,447	4,274,203
Business and central support services	10,872,718	9,432,974	9,169,886	10,313,205	11,872,352	13,316,763	12,859,765	13,583,697	13,193,376	14,153,429
State payment	8,554,660	7,202,108	5,911,332	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217
Facility acquisition and construction	22,576,148	32,905,087	26,839,565	15,843,631	36,609,187	95,780,565	94,251,541	64,655,225	49,587,170	30,923,091
Debt service:										
Principal retirement	14,030,000	14,575,000	15,235,000	17,495,000	30,803,056	26,419,886	33,569,539	33,882,931	34,952,382	37,742,091
Interest and other charges	10,718,743	10,107,289	8,529,650	7,286,249	6,942,244	10,234,829	13,242,091	14,811,533	14,024,073	12,967,247
Total expenditures	\$ 324,082,400	\$ 333,467,156	\$ 326,780,453	\$ 320,098,793	\$ 364,982,258	\$ 403,161,893	\$ 415,486,308	\$ 410,401,403	\$ 392,237,650	\$ 404,660,028
Debt service as a percentage of noncapital expenditures (1)	8.21%	8.21%	7.92%	8.14%	11.49%	11.92%	14.57%	14.08%	14.29%	13.57%

(1) Expenditures include General, Special Revenue, Debt Service and Capital Project Funds.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 GOVERNMENTAL FUNDS EXPENDITURES  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess (deficiency) of revenues over (under) expenditures	\$ (3,428,410)	\$ (8,279,190)	\$ (11,856,436)	\$ (2,431,786)	\$ (45,366,728)	\$ (86,785,775)	\$ (85,689,359)	\$ (59,275,108)	\$ (37,111,084)	\$ (31,554,328)
Other financing sources (uses):										
General long term debt issued	-	-	79,790,000	17,851,306	152,050,912	30,095,083	143,183,396	-	-	-
Bond premium	-	-	6,046,627	-	-	-	-	-	-	-
Bond issuance costs	-	-	(328,693)	-	-	-	-	-	-	-
Payment to escrow agent	-	-	(85,507,934)	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	-	-	9,030,095
Transfer in	14,289,170	14,969,513	13,541,172	17,421,443	18,656,841	19,122,673	14,463,795	17,152,044	15,913,986	23,226,058
Transfer out	(14,289,170)	(14,969,513)	(13,541,172)	(17,421,443)	(18,656,841)	(19,122,673)	(14,463,795)	(17,152,044)	(15,913,986)	(23,226,058)
Total other financing sources (uses)	-	-	-	17,851,306	152,050,912	30,095,083	143,183,396	-	-	9,030,095
Total change in fund balance	\$ (3,428,410)	\$ (8,279,190)	\$ (11,856,436)	\$ 15,419,520	\$ 106,684,184	\$ (56,690,692)	\$ 57,494,037	\$ (59,275,108)	\$ (37,111,084)	\$ (22,524,233)

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Source: Shawnee Mission USD #512 Basic Financial Statements

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN TAX YEARS

Tax Year	Real Property Assessed Value	Personal Property Assessed Value	Utilities Assessed Value	Total Assessed Value	Real Property Estimated Actual Value*	Personal Property Estimated Actual Value*	Utilities Estimated Actual Value*	Total Estimated Actual Value*	Ratio of Total	Total Direct
									Assessed to Total Estimated Actual Value	
2010	\$ 2,773,580,553	\$ 86,570,989	\$ 78,644,838	\$ 2,938,796,380	\$ 21,412,868,757	\$ 373,807,140	\$ 263,785,935	\$ 22,050,461,832	13.33%	57.192
2011	2,776,280,449	74,640,374	69,955,160	2,920,875,983	21,432,899,400	293,585,471	237,674,822	21,964,159,693	13.30%	56.135
2012	2,746,861,974	63,945,359	63,547,939	2,874,355,272	21,365,569,428	251,518,412	217,553,756	21,834,641,596	13.16%	55.766
2013	2,779,828,747	55,941,640	61,825,124	2,897,595,511	22,648,783,320	220,037,117	210,228,673	23,079,049,110	12.56%	55.611
2014	2,922,318,939	43,932,416	57,124,913	3,023,376,268	23,782,953,680	206,397,221	204,379,547	24,193,730,448	12.50%	55.911
2015	3,096,353,437	38,005,162	58,518,268	3,192,876,867	25,175,807,400	181,558,136	212,583,155	25,569,948,691	12.49%	54.059
2016	3,324,246,170	35,524,582	60,017,876	3,419,788,628	26,900,263,560	170,996,146	216,243,752	27,287,503,458	12.53%	54.940
2017	3,541,530,458	32,848,761	61,322,077	3,635,701,296	28,916,682,530	158,091,588	217,789,524	29,292,563,642	12.41%	53.663
2018	3,786,567,252	29,827,236	66,174,929	3,882,569,417	28,881,697,630	145,395,906	240,651,556	29,267,745,092	13.27%	52.427
2019	3,990,864,457	27,738,185	65,308,350	4,083,910,992	28,891,305,435	137,373,273	238,716,201	29,267,394,909	13.95%	52.121

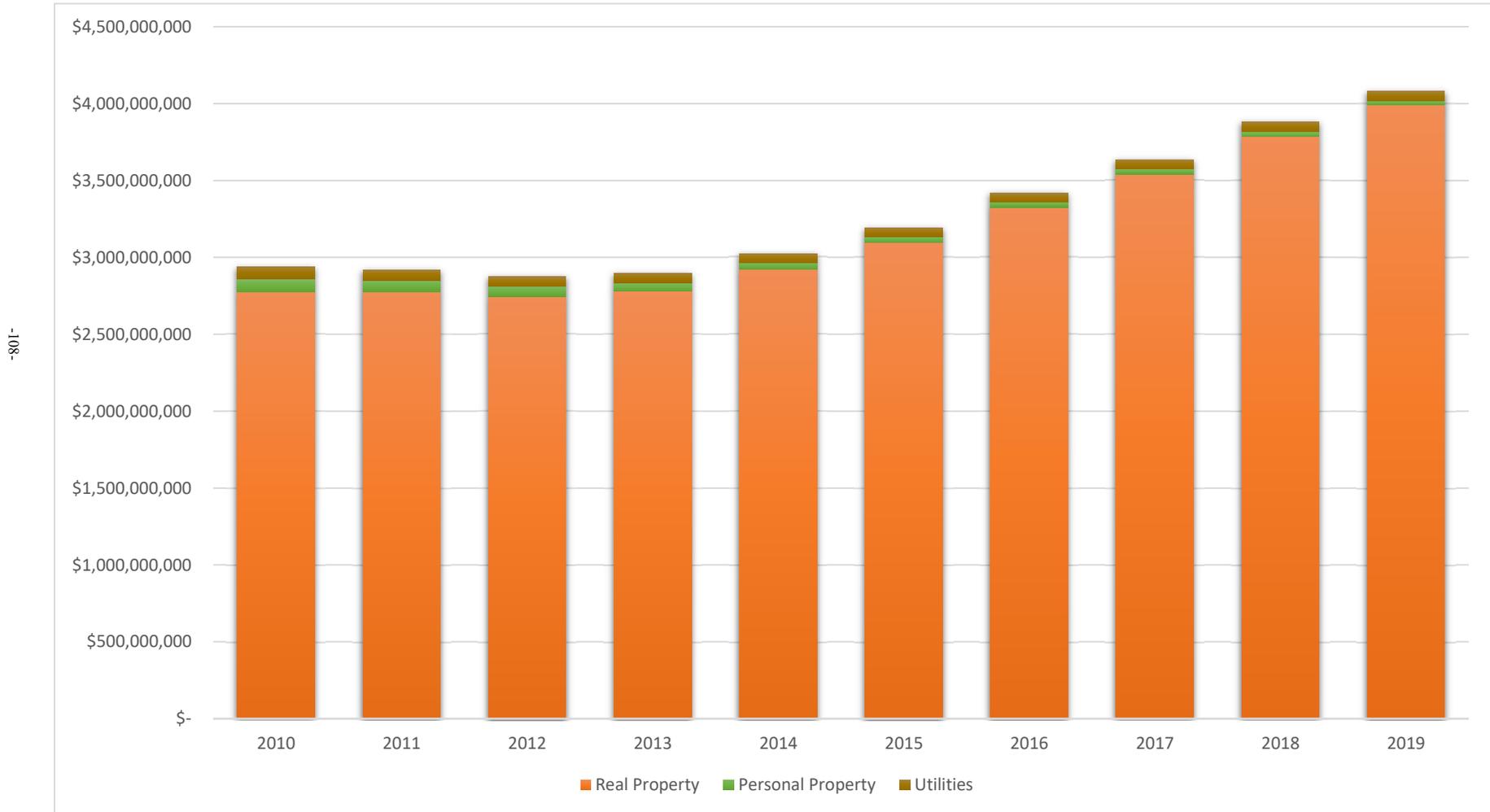
(1)

\* Actual Values for property within the boundaries of Unified School District No. 512 for years 2010 through 2019 are not maintained with the County. Estimate is based on ratio of Unified School District No. 512 assessed value to Johnson County total assessed value multiplied by estimated actual values for Johnson County. (County figures are from Johnson County, Kansas December 31, 2019 Comprehensive Annual Financial Report.)

(1) Per \$1,000 of Assessed Valuation

Source: Johnson County Clerk, Johnson County Appraiser and Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
ASSESSED VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)



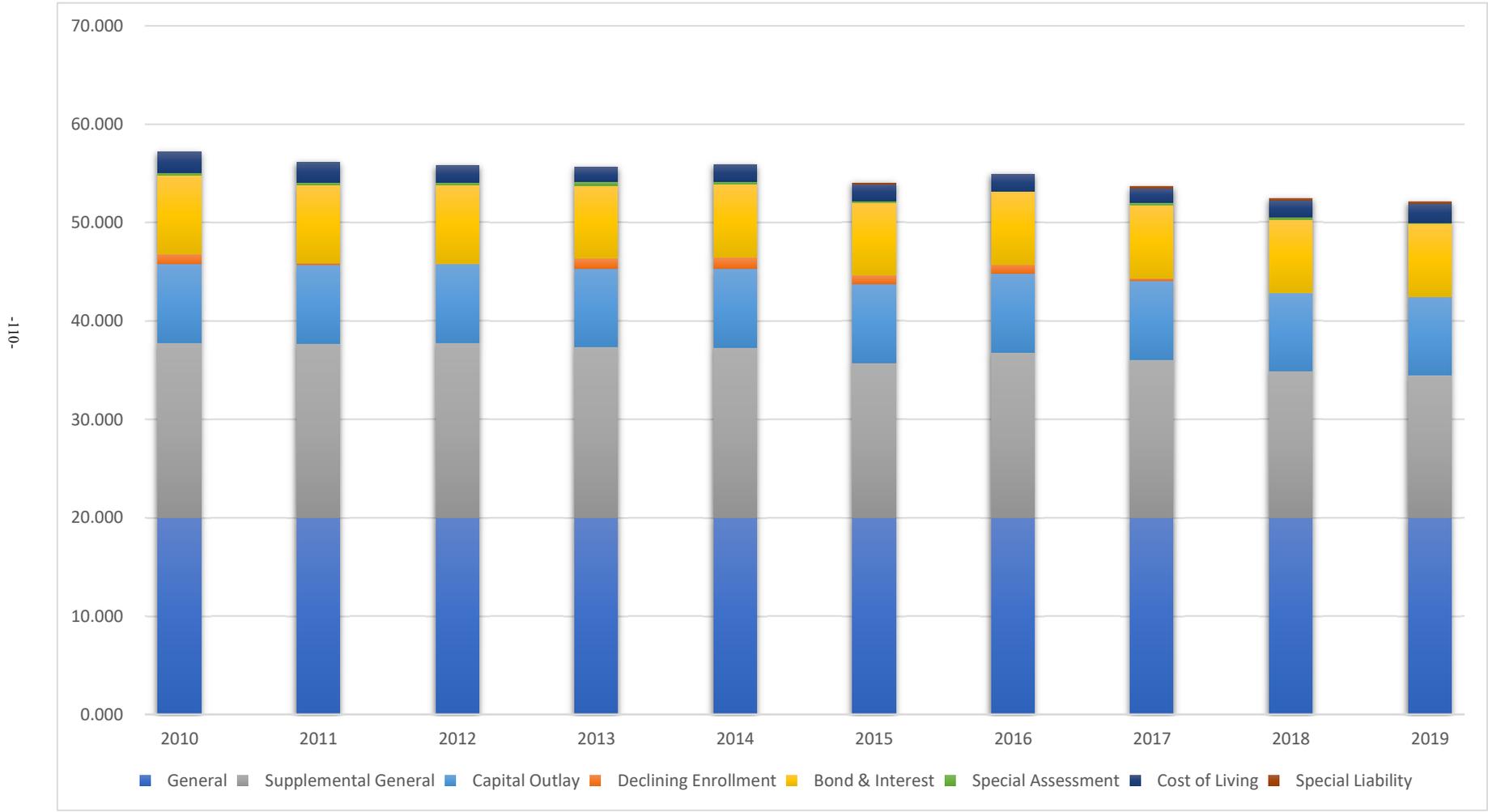
SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN TAX YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Shawnee Mission USD #512										
General	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000
Supplemental General	17.795	17.727	17.796	17.357	17.333	15.772	16.824	16.058	14.905	14.492
Capital Outlay	8.000	7.997	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Declining Enrollment	1.003	0.188	0.000	1.009	1.123	0.874	0.928	0.290	0.000	0.000
Bond & Interest	8.001	7.907	8.009	7.429	7.434	7.445	7.438	7.440	7.454	7.436
Special Assessment	0.299	0.281	0.292	0.364	0.324	0.109	0.000	0.221	0.209	0.089
Cost of Living	2.094	2.035	1.669	1.452	1.697	1.755	1.750	1.550	1.733	1.944
Special Liability	0.000	0.000	0.000	0.000	0.000	0.104	0.000	0.104	0.126	0.160
Total - Direct	<u>57.192</u>	<u>56.135</u>	<u>55.766</u>	<u>55.611</u>	<u>55.911</u>	<u>54.059</u>	<u>54.940</u>	<u>53.663</u>	<u>52.427</u>	<u>52.121</u>
State of Kansas	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Johnson County	17.748	17.700	17.717	17.745	17.764	19.582	19.590	19.318	19.024	19.036
Cities										
Fairway	18.617	18.617	18.621	18.619	18.629	18.629	19.862	19.914	19.917	19.928
Leawood*	24.382	24.393	24.393	24.477	24.492	24.508	24.513	24.517	24.524	24.548
Lenexa*	26.626	29.635	29.668	29.713	31.765	31.807	31.828	31.832	29.909	29.319
Merriam	27.474	27.412	27.522	27.625	27.605	27.676	27.673	27.741	27.880	27.765
Mission	11.213	11.371	11.410	11.413	11.354	18.225	18.019	17.973	17.878	17.157
Mission Hills	21.904	21.905	21.926	21.923	21.923	21.937	21.951	21.962	21.962	22.770
Mission Woods	13.000	11.723	12.084	12.084	12.084	15.528	15.528	16.284	15.402	15.576
Overland Park*	8.876	12.814	12.769	12.833	12.837	12.848	13.800	13.565	13.566	13.557
Prairie Village	18.877	19.491	19.478	19.490	19.493	19.500	19.471	19.311	19.314	19.320
Roeland Park	22.030	23.225	25.872	33.379	33.378	33.385	33.463	31.023	28.531	28.533
Shawnee*	24.717	24.732	24.914	24.959	24.520	24.536	26.611	26.614	26.617	26.625
Westwood	23.499	23.881	24.464	23.676	22.275	22.523	21.301	21.307	21.307	21.306
Westwood Hills	18.000	20.000	20.000	20.000	19.920	21.000	25.497	24.943	29.321	27.935
Merriam Drainage	2.849	3.038	3.091	3.127	3.088	2.002	2.002	2.403	1.700	1.700
Johnson County Consolidated Fire #2	18.336	18.045	10.187	11.004	11.003	11.757	11.769	11.760	11.750	11.753
Monticello Cemetery District*	0.051	0.041	0.040	0.027	0.031	0.028	0.040	0.039	0.037	0.044
Johnson County Community College*	8.799	8.776	8.785	9.551	9.461	9.469	9.473	8.966	9.266	9.121
Johnson County Parks and Recreation*	2.350	2.343	2.344	2.347	2.349	3.101	3.102	3.112	3.088	3.090
Johnson County Library Board*	3.158	3.145	3.149	3.155	3.157	3.912	3.915	3.921	3.901	3.904
	<u>314.006</u>	<u>323.787</u>	<u>319.934</u>	<u>328.647</u>	<u>328.628</u>	<u>343.453</u>	<u>350.908</u>	<u>348.005</u>	<u>346.394</u>	<u>344.487</u>

\* Located partially within and partially out of district boundaries.

Source: Johnson County Clerk's Office

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 DISTRICT MILL LEVY RATES  
 LAST TEN FISCAL YEARS



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 PRINCIPAL TAXPAYERS  
 JUNE 30, 2020 AND NINE YEARS AGO

Name	Industry	2020 Assessed Valuation	Percent of Total Assessed Valuation	2011 Assessed Valuation	Percent of Total Assessed Valuation
Oak Park Mall, LLC	Shopping Center	\$ 55,070,001	1.35%	\$ 42,084,260	1.43%
Every Metro, Inc.	Utility	33,469,262	0.82%		
Midwest Division - OPRMC, LLC	Pharmaceuticals	17,452,751	0.43%	7,724,059	0.25%
Kansas Gas Service	Utility	16,581,165	0.41%	13,595,689	0.44%
Highlands IV, LLC	Real Estate	10,604,570	0.26%		
Kiewith Properties (Kansas), LLC	Real Estate	9,922,250	0.24%		
IKEA Property, Inc.	Shopping Center	9,846,751	0.24%		
DDR MDT Merriam Town Center	Shopping Center	9,278,250	0.23%	9,868,254	0.32%
Southwestern Bell Telephone	Utility	8,876,595	0.22%	20,208,756	0.65%
Prairie Village, LLC	Shopping Center	8,348,751	0.20%		
Kansas City Power & Light Co.	Utility			24,790,548	0.80%
Perg Buildings, LLC	Shopping Center			18,042,697	0.58%
Tower Properties Company	Real Estate			9,354,162	0.30%
MEPT Kansas	Real Estate			8,075,717	0.26%
RREEF America REIT	Real Estate			7,353,003	0.24%
		<u>\$ 179,450,346</u>	<u>4.40%</u>	<u>\$ 161,097,145</u>	<u>5.27%</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

Tax Year/ Collection Year	Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections (Current & Delinquent)	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Outstanding Delinquent Taxes to Total Tax Levy
2010/11	\$ 162,106,048	\$ 160,067,639	98.74%	\$ 2,017,225	\$ 162,084,864	99.99%	\$ 21,184	0.01%
2011/12	157,134,179	155,427,051	98.91%	1,665,207	157,092,258	99.97%	41,921	0.03%
2012/13	153,936,126	152,385,060	98.99%	1,473,867	153,858,927	99.95%	77,199	0.05%
2013/14	154,261,325	152,623,146	98.94%	1,587,997	154,211,143	99.97%	50,182	0.03%
2014/15	160,674,843	159,432,390	99.23%	1,187,523	160,619,913	99.97%	54,930	0.03%
2015/16	164,190,070	163,108,545	99.34%	1,003,589	164,112,134	99.95%	77,936	0.05%
2016/17	177,864,647	177,646,398	99.88%	14,236	177,660,634	99.89%	204,013	0.11%
2017/18	184,295,156	183,923,850	99.80%	(28,049)	183,895,801	99.78%	399,355	0.22%
2018/19	192,983,482	191,894,593	99.44%	349,254	192,243,847	99.62%	739,635	0.38%
2019/20	201,831,430	197,808,638	98.01%		197,808,638	98.01%	4,022,792	1.99%
	(1)	(1)		(1)			(1)	

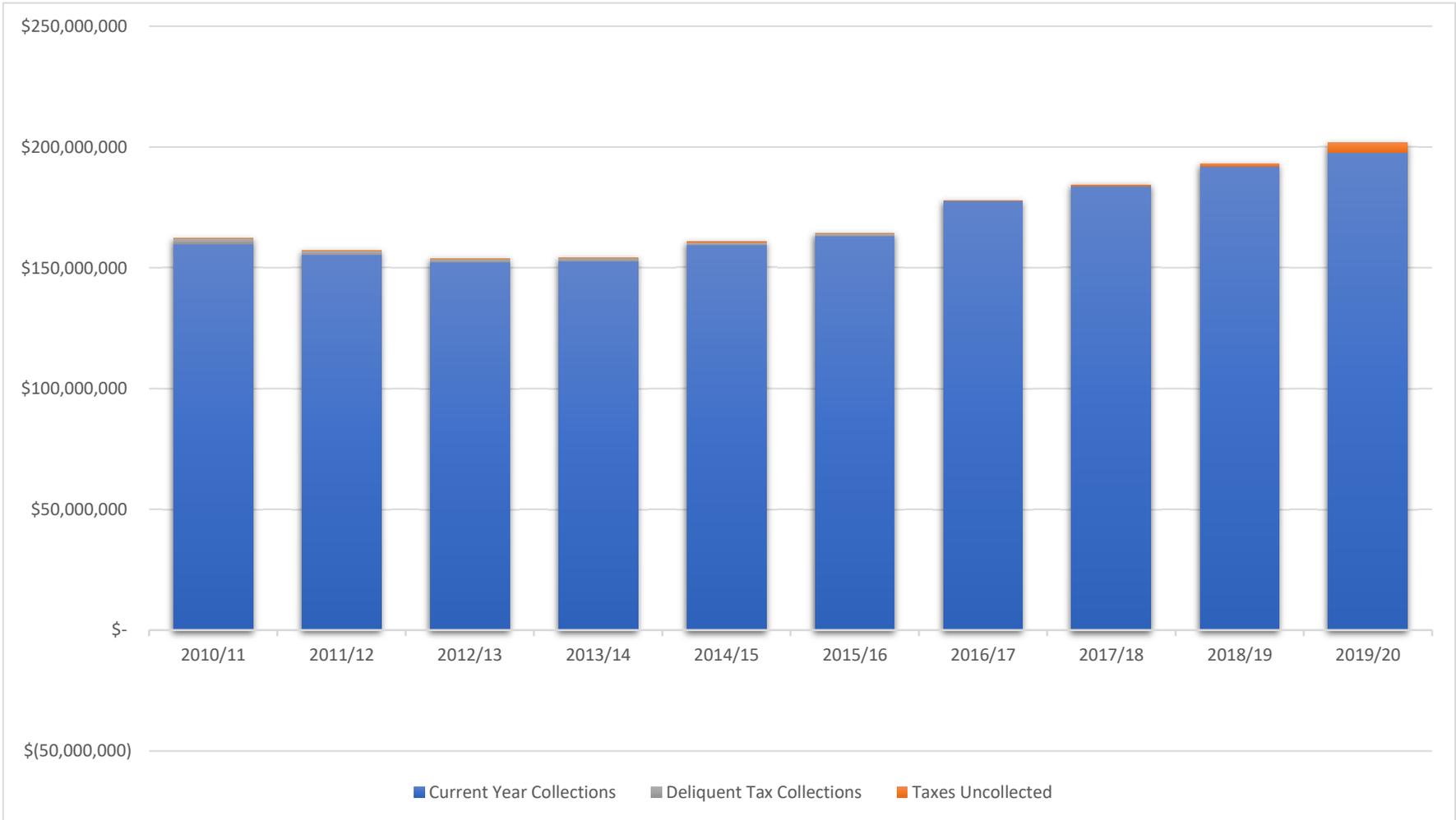
(1) Tax year balances.

(2) Collection year balances.

Source: Johnson County Treasurer's Office

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

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SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 OUTSTANDING DEBT BY TYPE  
 LAST TEN FISCAL YEARS

Tax Year	General Obligation Bonds	Temporary Notes	Total	District Population (1)	Personal Income (2)	Per Capita	Percentage of Personal Income
2011	\$ 227,754,694	\$ -	\$ 227,754,694	221,000	\$ 8,248,383,000	\$ 1,031	2.76%
2012	212,687,122	-	212,687,122	230,000	8,050,000,000	925	2.64%
2013	202,490,416	-	202,490,416	233,250	8,327,025,000	868	2.43%
2014	184,042,742	18,182,739	202,225,481	233,317	8,232,123,711	867	2.46%
2015	308,422,078	13,674,683	322,096,761	236,760	8,966,811,480	1,360	3.59%
2016	315,184,987	9,144,798	324,329,785	223,033	8,322,030,329	1,454	3.90%
2017	430,842,895	4,586,629	435,429,524	225,374	8,646,924,258	1,932	5.04%
2018	406,702,741	-	406,702,741	225,824	9,060,291,926	1,801	4.49%
2019	376,875,828	-	376,875,828	227,598	9,337,240,568	1,656	4.04%
2020	342,744,212	-	342,744,212	229,303	9,846,473,017	1,495	3.48%

(1) Population for 2011 through 2015 is from the Johnson County Economic Institute. Population for 2016 through 2019 is from Business Information Services, LLC. Population for 2020 based on U.S. Census Bureau data.

(2) The 2011 through 2015 personal income information is from the Johnson County Economic Research Institute. The 2016 through 2018 personal income information is from Business Information Services, LLC. The 2019 and 2020 personal income information is an estimate based on U.S. Census Bureau data.

Source: Johnson County Clerk and Shawnee Mission USD #512 records

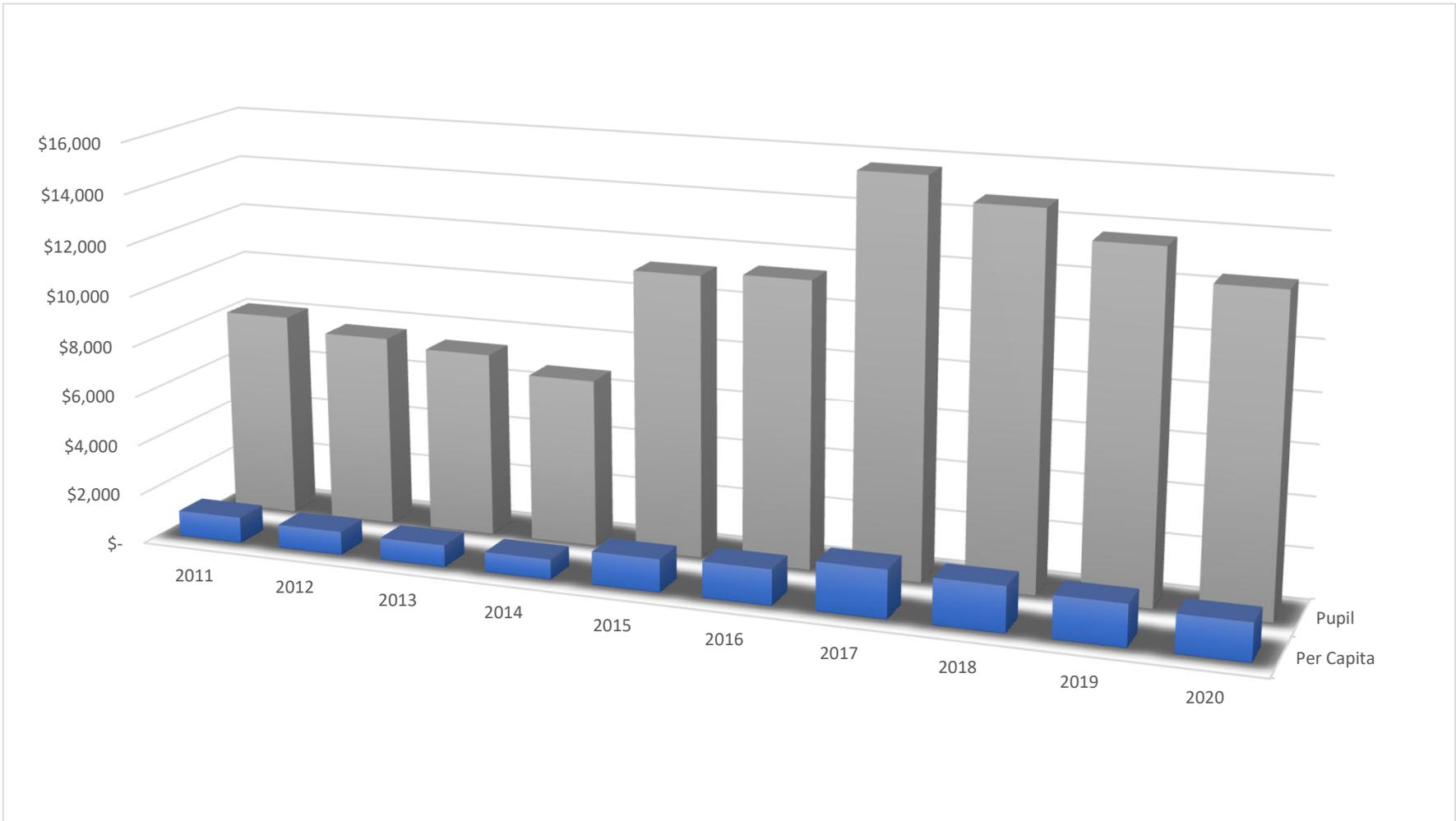
SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

Fiscal Year	District Population	District Enrollment	Total Assessed Value	Bonded Debt	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita	Bonded Debt Per Pupil
2011	221,000	27,870	\$ 2,938,796,380	\$ 227,754,694	7.75%	\$ 1,031	\$ 8,172
2012	230,000	27,766	2,920,875,983	212,687,122	7.28%	925	7,660
2013	233,250	27,437	2,874,355,272	202,490,416	7.04%	868	7,380
2014	233,317	27,412	2,897,595,511	184,042,742	6.35%	789	6,714
2015	236,760	27,464	3,023,376,268	308,422,078	10.20%	1,303	11,230
2016	223,033	27,651	3,192,876,867	315,184,987	9.87%	1,413	11,399
2017	225,374	27,516	3,419,788,628	430,842,895	12.60%	1,912	15,658
2018	225,824	27,586	3,635,701,296	406,702,741	11.19%	1,801	14,743
2019	227,598	27,593	3,882,569,417	376,875,828	9.71%	1,656	13,658
2020	229,303	27,588	4,083,910,992	342,744,212	8.39%	1,495	12,424

Source: Johnson County Clerk and Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
RATIO OF DISTRICT NET BONDED DEBT PER CAPITAL AND PER PUPIL  
LAST TEN FISCAL YEARS

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SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
 JUNE 30, 2020

	Principal Amount of Outstanding Debt	Percent Applicable to School District	Amount Applicable to School District
<b>Direct</b>			
Shawnee Mission USD #512	\$ 342,744,212	100.00%	342,744,212
<b>Overlapping</b>			
Johnson County	\$ 521,540,000	36.70%	191,405,180
Johnson County Community College	1,930,000	36.70%	708,310
Cities			
Fairway	8,930,000	100.00%	8,930,000
Leawood	77,220,000	23.03%	17,783,766
Lenexa	143,404,000	64.81%	92,940,132
Merriam	19,385,000	100.00%	19,385,000
Mission	20,155,000	100.00%	20,155,000
Mission Hills	2,771,211	100.00%	2,771,211
Overland Park	95,580,000	32.02%	30,604,716
Prairie Village	24,630,000	100.00%	24,630,000
Roeland Park	2,454,000	100.00%	2,454,000
Shawnee	66,175,000	55.39%	36,654,333
Johnson County Fire Department #2	5,915,000	100.00%	5,915,000
<b>Total Overlapping Debt</b>			<b>\$ 454,336,648</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$ 797,080,860</b>

Source: Johnson County Clerk's Office

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government. Overlapping debt amounts are as of November 1, 2020.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 COMPUTATION OF LEGAL DEBT MARGIN  
 LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assessed Valuation of Taxable Property	\$ 2,938,796,380	\$ 3,207,842,957	\$ 3,158,978,055	\$ 3,185,373,843	\$ 3,321,340,656	\$ 3,502,318,099	\$ 3,743,994,445	\$ 3,970,401,016	\$ 4,225,688,672	\$ 4,434,611,277
Debt Limit Percent of Assessed Value	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Debt Limit	411,431,493	449,098,014	442,256,928	445,952,338	464,987,692	490,324,534	524,159,222	555,856,142	591,596,414	620,845,579
Total net debt applicable to limit	227,754,694	212,687,122	202,490,416	202,225,481	322,096,761	324,329,785	380,854,582	362,760,737	343,921,764	291,715,000
Legal Debt Margin	\$ 183,676,799	\$ 236,410,892	\$ 239,766,512	\$ 243,726,857	\$ 142,890,931	\$ 165,994,749	\$ 143,304,640	\$ 193,095,405	\$ 247,674,650	\$ 329,130,579
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	55.36%	47.36%	45.79%	45.35%	69.27%	66.15%	72.66%	65.26%	58.13%	46.99%

Source: Assessed valuation from Johnson County Clerk.  
 Statutory limits per K.S.A. 72-6761.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 DEMOGRAPHIC STATISTICS  
 LAST TEN FISCAL YEARS

Fiscal Year	Elementary School	Middle School	High School	Special Education & Other	Total Student Enrollment	Average Daily Attendance	Total District Population	Personal Income	Per Capita Personal Income	Unemployment Rate
					(1)					(2)
2011	14,595	3,912	8,597	766	27,870	95.4%	221,000	\$8,248,383,000	\$37,323	6.4%
2012	14,699	3,960	8,404	704	27,767	95.7%	230,000	8,050,000,000	35,000	5.8%
2013	14,656	3,873	8,211	697	27,437	95.7%	233,250	8,327,025,000	35,700	5.0%
2014	14,727	3,972	8,019	694	27,412	95.9%	233,317	8,232,123,711	35,283	4.7%
2015	14,713	3,981	8,076	694	27,464	94.8%	236,760	8,966,811,480	37,873	3.8%
2016	14,719	3,928	8,294	710	27,651	92.5%	223,033	8,322,030,329	37,313	2.9%
2017	14,478	3,914	8,162	962	27,516	92.3%	225,374	8,646,924,258	38,367	3.1%
2018	14,443	3,914	8,160	1,069	27,586	93.3%	225,824	9,060,291,926	40,121	2.6%
2019	14,302	4,017	8,110	1,164	27,593	94.4%	227,598	9,337,240,568	41,025	2.9%
2020	14,282	3,999	8,024	1,283	27,588	93.8%	229,303	9,846,473,017	42,941	2.8%

Projected Enrollment

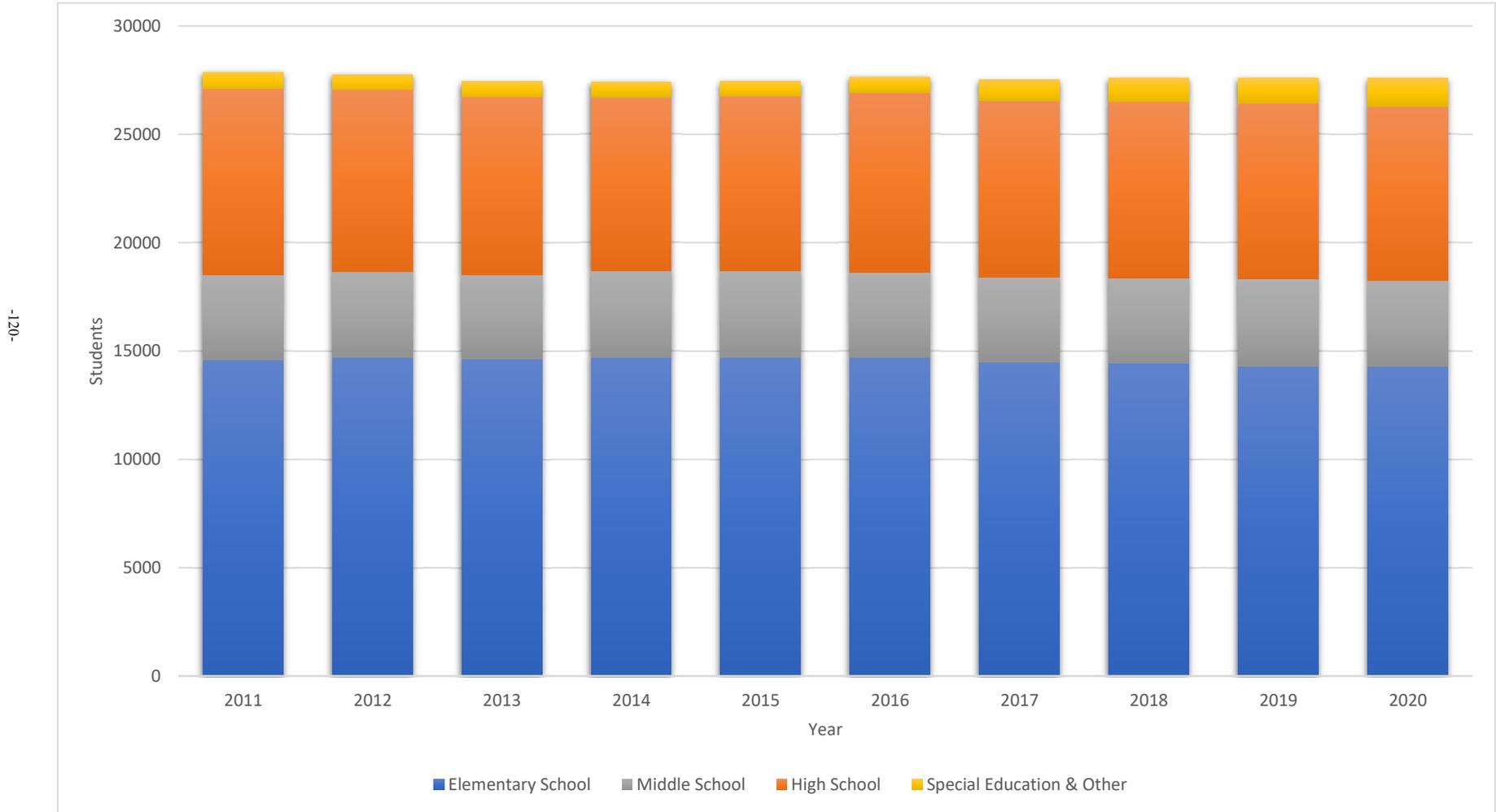
Fiscal Year	Elementary School	Middle School	High School	Special Education & Other	Total Projected Student Enrollment
2021	14,101	4,083	8,099	1,333	27,616
2022	14,161	4,083	8,123	1,333	27,700
2023	14,209	3,870	8,294	1,333	27,706
2024	14,161	3,913	8,316	1,333	27,723
2025	14,106	4,010	8,205	1,333	27,654

(1) Enrollment counts as of September 20th.

(2) Unemployment rates are for all of Johnson County.

Source: 2019 Johnson County CAFR and Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
DEMOGRAPHIC STATISTICS  
ENROLLMENT - LAST TEN FISCAL YEARS



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 PRINCIPAL EMPLOYERS  
 JUNE 30, 2020 AND 2011

Employer (1)	June 30, 2020			June 30, 2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
FedEx Ground Package System, Inc.	575	1	1.54%	950	3	3.50%
Bayer HealthCare, LLC-Animal Div.	550	2	1.48%			
First Student	400	3	1.07%			
City of Shawnee	330	4	0.89%	289	7	1.07%
Wal-Mart Super Center	300	5	0.81%	450	6	1.66%
Nazdar	280	6	0.75%			
Hy-Vee Food Stores	250	7	0.67%	230	8	0.85%
KU MedWest	225	8	0.60%			
Target Super Store	190	9	0.51%	200	9	0.74%
Kraft Tool Company	180	10	0.48%			
Deffenbaugh Industries, Inc.				1,040	1	3.84%
USD #232 (DeSoto)				950	2	3.50%
Bayer HealthCare, LLC				583	4	2.15%
Perceptive Software, Inc.				551	5	2.03%
McClane Food Service				200	10	0.74%
<b>Total</b>	<u>3,280</u>		<u>8.80%</u>	<u>5,443</u>		<u>20.08%</u>
City of Shawnee	<u>37,231</u>			<u>27,117</u>		

(1) Principal employers are for the City of Shawnee.

Source: 2019 City of Shawnee CAFR

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
 DIRECTORY OF SCHOOL FACILITIES  
 AS OF JUNE 30, 2020

School	Year Opened	Current Capacity	Enrollment As Of September 20, 2019	Percent of Student Capacity
<b><u>High School</u></b>				
Shawnee Mission East	1958	2,388	1,758	73.62%
Shawnee Mission North	1921	2,256	1,512	67.02%
Shawnee Mission Northwest	1969	2,376	1,625	68.39%
Shawnee Mission South	1966	2,232	1,505	67.43%
Shawnee Mission West	1962	2,424	1,614	66.58%
Shawnee Mission Horizons	2001	456	125	27.41%
<b><u>Middle School</u></b>				
Hocker Grove	1955	1,188	763	64.23%
Indian Hills	1955	1,176	863	73.38%
Indian Woods	1961	1,110	778	70.09%
Trailridge	1967	1,167	782	67.01%
Westridge	1962	1,434	858	59.83%
<b><u>Elementary</u></b>				
Apache	2011	592	545	92.06%
Belinder	1952	592	503	84.97%
Benninghoven	2017	550	469	85.27%
Bluejacket-Flint	1996	600	400	66.67%
Briarwood	2016	600	618	103.00%
Broken Arrow	1990	600	337	56.17%
Brookridge	1967	600	560	93.33%
Brookwood	2019	550	425	77.27%
Comanche	2008	600	405	67.50%
Corinth	1996	600	562	93.67%
Crestview	2017	510	365	71.57%
Diemer	1964	476	398	83.61%
East Antioch	1958	450	336	74.67%
Highlands	2010	600	349	58.17%
Lenexa Hills	2018	550	241	43.82%
Marsh	2006	546	533	97.62%
McAuliffe	1987	600	425	70.83%
Merriam Park	2007	568	454	79.93%
Mill Creek	1978	568	528	92.96%
Nieman	2008	600	463	77.17%
Oak Park-Carpenter	2007	546	543	99.45%
Overland Park	1998	522	448	85.82%
Pawnee	1965	600	455	75.83%
Prairie	1993	498	445	89.36%
Rising Star	1994	600	442	73.67%
Roesland	2008	568	331	58.27%
Rosehill	1966	600	526	87.67%
Rushton	1954	428	326	76.17%
Santa Fe Trail	1953	600	293	48.83%
Shawano	2016	550	477	86.73%
Sunflower	1994	600	363	60.50%
Tomahawk	1954	498	292	58.63%
Trailwood	2016	510	459	90.00%
Westwood	1968	404	304	75.25%
<b><u>Preschool &amp; Other Enrollment</u></b>			785	
Total			27,588	

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
MISCELLANEOUS STATISTICAL DATA  
AS OF JUNE 30, 2020

<b>Year of Incorporation</b>	1969
<b>Form of Government</b>	Elected Board
<b>Area of District</b>	72 Square Miles
<b>Population of District</b>	229,303
<b>Ending Enrollment 2019/2020</b>	27,588

<b>Number of Schools</b>		<b>Average Class Size (1)</b>	
Elementary Schools	34	Elementary	21.7
Middle Schools	5	Secondary	N/A
High Schools	5		
<b>Total</b>	<u>44</u>		

<b>Number of Full-Time Equivalent Employees</b>	
Classified	1358.1
Certified	2070.0
<b>Total</b>	<u>3428.1</u>

**Teacher Summary**

<b>Degree</b>	Number of Teachers	% of Total	Salary Range	
			Low	High
Bachelors	215	10.7%	\$ 42,557	\$ 47,714
Bachelors + 10	70	3.5%	43,524	51,193
Bachelors + 20	94	4.7%	44,497	57,551
Masters	769	38.2%	49,473	66,488
Masters + 15	187	9.3%	44,398	69,782
Masters + 30	167	8.3%	53,664	73,893
Masters + 45	105	5.2%	60,841	78,124
Masters + 60	376	18.7%	64,242	82,497
Doctorate	31	1.5%	59,421	85,186

**Certified Employee Allocation**

	District Office	Elementary School	Middle School	High School	Total
Superintendent	1.0				1.0
Asst. Superintendent	5.0				5.0
Principals		34.0	5.0	6.0	45.0
Asst. Principals		6.0	7.0	20.0	33.0
Directors Special Ed.	7.0				7.0
Directors Health	1.0				1.0
Directors Career/Technical Ed.	1.0				1.0
Instructional Coordinators	9.0				9.0
Other Directors	4.0				4.0
Vocational Arts Teachers				61.9	61.9
Special Ed. Teachers		144.7	46.6	78.8	270.1
Pre-Kindergarten		20.0			20.0
Kindergarten		100.0			100.0
Other Teachers		760.3	207.8	375.1	1,343.2
Library Media		32.5	5.0	5.0	42.5
Counselors		1.0	10.0	21.0	32.0
School Psychologists	21.0				21.0
Nurses		37.0	5.0	6.0	48.0
Speech Pathologists	1.2	39.8	2.5	2.5	46.0
Audiologists		1.0			1.0
Social Workers	1.0	31.0	5.0	11.0	48.0
Reading		16.5			16.5
Other	19.6				19.6
	<u>70.8</u>	<u>1,223.8</u>	<u>293.9</u>	<u>587.3</u>	<u>2,175.8</u>

(1) Average class size is only shown for elementary students. These students are typically served by one teacher and are pulled out of the classroom for physical education, music, art and extra reading. The average class size does not consider the additional staff for these pull-out programs. Secondary students are served by multiple teachers and average class size could vary widely depending on the number of students interested in a given course and the student load limits placed on each course. Therefore, an average class size is not computed for secondary schools.

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION USD #512, KANSAS  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Expenses	Cost Per Pupil	Teaching Staff	Pupil - Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
2011	27,870	\$ 276,757,509	\$ 9,930	\$ 306,479,631	\$ 10,997	2,179	13	33.25%
2012	27,767	275,879,780	9,936	307,881,456	11,088	2,059	13	35.53%
2013	27,437	276,176,238	10,066	300,941,100	10,968	2,036	13	35.80%
2014	27,412	279,473,913	10,195	302,748,472	11,044	2,023	14	37.84%
2015	27,464	290,627,771	10,582	303,523,371	11,052	2,010	14	36.96%
2016	27,651	270,726,613	9,791	311,591,690	11,269	1,998	14	36.96%
2017	27,516	274,423,137	9,973	326,434,178	11,863	2,012	14	36.17%
2018	27,586	297,051,714	10,768	334,882,351	12,140	2,032	14	34.37%
2019	27,593	293,674,025	10,643	340,299,079	12,333	2,059	13	34.94%
2020	27,588	323,027,599	11,709	351,689,200	12,748	2,070	13	34.31%

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(1) Enrollment counts as of September 20th.

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	Expenditures
U.S. Department of Agriculture:			
Passed through State of Kansas Department of Education:			
Child Nutrition Cluster:			
School Breakfast		10.553	\$ 767,632
National School Lunch Program		10.555	3,848,165
Summer Food Service Program for Children		10.559	639,246
Total Child Nutrition Cluster			<u>5,255,043</u>
Child and Adult Food Care Program		10.558	33,721
State Administrative Expenses for Child Nutrition		10.560	100
Team Nutrition Grants		10.574	200
Fresh Fruit & Vegetable Program		10.582	103,101
Total U.S. Department of Agriculture			<u>5,392,165</u>
U.S. Department of Education:			
Passed through State of Kansas Department of Education:			
Title I		84.010	2,572,114
Title I - Migrant Education		84.011	33,520
Special Education Cluster (IDEA):			
Special Education		84.027	223,822
Special Education Continuous Improvement	H027A190031	84.027	5,580,384
Special Education Preschool Grants	H173A190034	84.173	120,835
Total Special Education Cluster (IDEA)			<u>5,925,041</u>
Carl Perkins	FY20D0512	84.048	272,942
Education for Homeless Children and Youth	S196A190017	84.196	2,500
Title II-A Teacher Quality		84.367	542,295
Title III		84.365	258,084
Student Support and Academic Enrichment Program		84.424	93,592
COVID-19 - Elementary and Secondary School Emergency Relief Fund		84.425	203,286
Total U.S. Department of Education			<u>9,903,374</u>
U.S. Department of Health and Human Services:			
Passed through State of Kansas Department of Education:			
TANF Cluster:			
Temporary Assistance for Needy Families	652-00-2000-2535	93.558	106,680
Total TANF Cluster			<u>106,680</u>
Youth Risk Behavior Survey		93.938	3,420
Total Department of Health and Human Services			<u>110,100</u>
Total federal expenditures			<u>\$ 15,405,639</u>

See accompanying notes to schedule of expenditures of federal awards.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2020

1 - Organization

Shawnee Mission Unified School District No. 512 (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the schedule of Expenditures of Federal Awards.

2 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the District and is presented on the accrual basis of accounting. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flow of the District. The District elected not to use the 10% de minimis indirect cost rate.

3 - Local Government Contributions

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

4 - Additional Audits

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2020

**Part I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified:	None
Significant deficiency(s) identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statements noted:	None

Federal Awards

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

Identification of major program:

CFDA Number  
10.553, 10.555, 10.559

Name of Federal Program  
Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? Yes

**Part II - Financial Statement Findings**

No matters reported.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Part III - Federal Award Findings and Questioned Costs**

No matters reported.



Certified Public Accountants

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

Board of Education  
Shawnee Mission Unified School District No. 512

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shawnee Mission Unified School District No. 512, (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 29, 2021.

**Internal Control Over Financial Reporting**

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

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

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

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## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*BTE&Co., P.A.*

January 29, 2021  
Topeka, Kansas



Certified Public Accountants

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Board of Education  
Shawnee Mission Unified School District No. 512

### **Report on Compliance for the Major Federal Program**

We have audited the compliance of Shawnee Mission Unified School District No. 512, (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2020. The District's major federal financial program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditors' Responsibility**

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

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

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## Opinion on the Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2020.

## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*BT&Co., P.A.*

January 29, 2021  
Topeka, Kansas