

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

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

**For the Fiscal Year Ended
June 30, 2023**

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
Introductory Section:	
Letter of Transmittal	i - vii
Organizational Chart	viii
Financial Section:	
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis	4 - 13
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	14 - 15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17 - 18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20 - 21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Basis):	
Funds included in the Combined General Fund:	
General Fund	23
Supplemental General Fund	24
Bilingual Education Fund	25
Virtual Education Fund	26
Professional Development Fund	27
Major Budgeted Special Revenue Funds:	
KPERs Special Retirement Contribution Fund	28
Special Education Fund	29

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2023

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Statement of Net Position - Proprietary Fund	30
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	31
Statement of Cash Flows - Proprietary Fund	32
Notes to the Basic Financial Statements	33 - 68
Required Supplementary Information:	
Schedule of Changes in the District's Total OPEB Liability and Related Ratios - Health Insurance	69
Schedule of Changes in the District's Total OPEB Liability and Related Ratios - Disability Benefits and Life Insurance	70
Schedule of the District's Proportionate Share of the Collective Net Pension Liability - Kansas Public Employees Retirement System	71
Schedule of the District's Contributions - Kansas Public Employees Retirement System	72
Supplementary Information:	
Combining Balance Sheet - General Fund	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - General Fund	74
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - (Non-GAAP Basis):	
Career and Postsecondary Education Fund	75
Special Assessment Fund	76
Food Service Fund	77
Adult Supplemental Education Fund	78
Summer School Fund	79
Parent Education Program Fund	80
Extraordinary School Program Fund	81
Special Liability Fund	82
At Risk (4 Year Old) Fund	83
Cost of Living Fund	84
Federal and Local Grants Fund	85
At Risk (K-12) Fund	86
Debt Service Fund	87
Capital Outlay Fund	88

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2023

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Combining Balance Sheet - Other Governmental Funds	89 - 92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Other Governmental Funds	93 - 96
Statistical Section:	
Net Position by Component - Last Ten Fiscal Years	97
Expense, Program Revenues, and Net (Expense)/Revenue - Last Ten Fiscal Years	98
General School System Revenues and Total Change in Net Position - Last Ten Fiscal Years	99
Fund Balances, Governmental Funds - Last Ten Fiscal Years	100
Governmental Funds Revenues - Last Ten Fiscal Years	101
Governmental Funds Revenues Chart	102
Governmental Funds Expenditures and Debt Service Ratio - Last Ten Fiscal Years	103
Governmental Funds Expenditures Chart	104
Other Financing Sources and Uses and Net Change in Fund Balances - Last Ten Fiscal Years	105
Assessed and Estimated Actual Value of Taxable Property - Last Ten Tax Years	106
Assessed Value of Taxable Property Chart	107
Property Tax Rates (Per \$ 1,000 of Assessed Valuation) Direct and Overlapping Governments - Last Ten Tax Years	108
District Mill Levy Rates Chart	109
Principal Taxpayers - 2023 and Nine Years Ago	110
Property Tax Levies and Collections - Last Ten Years	111
Property Tax Levies and Collections Chart	112
Financial Overview	113
Outstanding Debt by Type - Last Ten Fiscal Years	114

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2023

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	115
Ratio of District Net Bonded Debt per Capita and per Pupil Chart	116
Computation of Direct and Overlapping Debt	117
Computation of Legal Debt Margin - Last Ten Fiscal Years	118
Demographic Statistics - Last Ten Fiscal Years	119
Demographic Statistics Chart	120
Principal Employers - June 30, 2023 and 2014	121
Directory of School Facilities	122
Miscellaneous Statistical Data	123
Operating Statistics - Last Ten Fiscal Years	124
Compliance Audit Section:	
Schedule of Expenditures of Federal Awards	125
Notes to Schedule of Expenditures of Federal Awards	126
Schedule of Findings and Questioned Costs	127
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 <i>Government Auditing Standards</i>	128 - 129
Independent Auditors' Report on Compliance for Each Major Program and Report on Internal Control Over Compliance	130 - 132



SHAWNEE MISSION

SCHOOL DISTRICT

November 20, 2023

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

The Annual Comprehensive Financial Report (ACFR) of Unified School District No. 512, Shawnee Mission, Kansas (district) for the fiscal year ended June 30, 2023, is hereby submitted for your use. The ACFR 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 ACFR 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. 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.

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 2022-23 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 5.5 million square feet, having a replacement value in excess of \$1.4 billion.

On September 20, 2022, enrollment was 26,585, up 148 from the 26,437 students on September 20, 2021. This enrollment represented 13,621 elementary school students, 3,824 middle school students, 8,016 high school students, 1,124 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 3,300 of which approximately 2,100 were teachers and other certified staff. Approximately 80 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 10.2% to \$5.0 billion during 2022.

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 and adopted by the Board of Education in 2019, serves as a road map that guides the district's work for the future.

All strategies and action items outlined in this document support the districtwide objective:

Each student will have a **personalized learning plan** that prepares them for **college and careers** with the **interpersonal skills** they need for life success.

The plan continues to be implemented across the district. The Shawnee Mission School District anticipates preparing and developing a Strategic Plan cycle II for 2024-2029.

Bond Improvements

The Shawnee Mission School District (SMSD) has opened two newly rebuilt elementary schools as a result of its most recent bond referendum. Westwood View and John Diemer Elementary Schools have new facilities. Pawnee Elementary opens in the fall of the 2023-2024 school year, Rushton Elementary is currently under construction, and Tomahawk Elementary is in the early stages of the construction process.

Numerous facilities improvements have taken place across the district. Some of the most recent large-scale projects include cafeteria improvements, renovated restrooms, and updated fitness facilities at Shawnee Mission South; improved drop off and pickup areas at Hocker Grove and Trailridge Middle Schools; and flooring, ceiling, lighting, casework, and restroom updates to the Shawnee Mission Early Childhood Education Center.

In addition, the district has completed district-wide security upgrades, HVAC replacements, playground updates, and furniture replacements at various school facilities throughout the district.

These updates and projects were funded by a bond referendum approved by the community in January 2021. These efforts support the district goal to be ranked among the finest school districts in the nation, employing exceptional educators who work in state-of-the-art facilities where learners achieve their full potential.

Real World Learning

In partnership with the Ewing Marion Kauffman Foundation and other districts across the Kansas City metro area, SMSD is giving students the opportunity to obtain Market Value Assets (MVAs). The partnership goal is that by 2030, every graduate will earn a diploma and at least one MVA to highlight on their resume. Market Value Assets are defined as industry-valued and recognized skills acquired in high school that create a more seamless transition from school to postsecondary education and/or the workplace.

There are four categories of MVAs:

1. Work Experience – client connected projects and internships
2. College Credit – nine or more college credit hours
3. Industry-Recognized Credentials – credentials specific to an industry or career field
4. Entrepreneurial Experiences – student-driven solutions to social or market problems

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. The District's signature program offerings are listed below.

Animation and Game Design
Biotechnology
Culinary Arts and Hospitality
Engineering – Project Lead the Way
Medical Health Science
Public Safety – Project Blue Eagle
International Baccalaureate

Honors and Awards

District students and staff continue to be recognized locally, regionally, and nationally for their excellence. Recognitions have been presented to students and staff in programs and competitions including, but not limited to: Kansas Principal of the Year, Kansas Teacher of the Year finalist and semifinalist, Presidential Scholar Candidates, National Merit Finalists, Regeneron International Science and Engineering Fair, 2023 National ProStart Invitational Honors, National Speech and Debate Association Champions, National Catholic Forensic League Policy Debate National Champions, Challenge Awards, APPLY Kansas All Stars, National PTA Schools of Excellence, Seal of Biliteracy, Apple Distinguished Schools, and numerous athletic honors. The Shawnee Mission Education Foundation presented \$2.7 billion in scholarship offers to the Shawnee Mission School District juniors and seniors in 2023 through its Scholarship Shawnee Mission program.

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. 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. In addition to those educational technology devices, the various support personnel in the district have access to computers to complete their daily tasks and the business functions of the district.

All employees and students have access to electronic mail and other digital messaging systems. Spam and Phishing mitigation, robust endpoint protection, and intrusion detection and response systems are essential components of the district's security stance as it pertains to supporting student and employee to technology and digital messaging systems. As cybercrime becomes more and more prevalent, the district has implemented additional security measures, such as multi-factor authentication and cyber security awareness training to address the human behavior components of cybersecurity through vectors such as email as well as other emerging threat exposures.

Adaptations that proved to enhance student learning during the pandemic have been retained. Things such as 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 shifted almost entirely to mobile device resources for employees to facilitate more efficient work while physically present as well as to support required remote work should it become necessary again. With the overall 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. Ample security measures are in place to prevent unauthorized access to critical and sensitive data.

Data transport is an essential function of technology in the district. 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 can use this platform when working with students as well. The district has made 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 or exceed the current SETDA goals on bandwidth availability. Strategic planning for technology in the district continues to include network availability, reliability, and capacity as high priority objectives.

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. Joe Gilhaus, currently serves as the treasurer. Dr. Gilhaus is assisted in this function by other fiscal management employees including the Chief Financial Officer, Financial Analyst, Budget Manager and Purchasing Manager.

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 chief of academic services 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. Beginning in the 2022-23 school year, the statutes provide the following timeline in the adoption of the annual operating budget:

- County clerk notifies the district of their Revenue Neutral Rate (RNR) by June 15
- School districts notify the county clerk if it intends to exceed the RNR by July 20
- At least ten days in advance of the hearings, publication in local newspaper and on the district website of the notice of public hearing on the proposed budget and notice of hearing to exceed RNR
- Public hearings on or after August 20, but no later than September 20
- If not exceeding the Revenue Neutral Rate, adoption of the final budget on or before August 25
- If exceeding the Revenue Neutral Rate, adoption of the final budget on or before September 20

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 2.85% in 2023. This is net of funds held in demand deposits and compensating balance requirements. In accordance with Kansas statutes, investment revenues for 2023 were recorded in the following funds:

Special Education	\$ 2,915,944
Capital Project	1,829,894
Food Service	226,454
Debt Service	192,144
Capital Outlay	<u>151,873</u>
Total	<u>\$ 5,316,309</u>

RISK MANAGEMENT

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

Coverage	Limits	Deductible/ Retention
Property	\$1,669,144,741 (\$450,000,000 loss limit)	\$500,000
Boiler & Machinery	\$100,000,000	\$25,000
Automobile Physical Damage	\$4,150,305	\$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	\$100,000

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, 2023, 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 Annual Comprehensive 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.

A handwritten signature in black ink, appearing to read "M Hubbard". The signature is stylized with a large, looped "M" and a cursive "Hubbard".

Dr. Michelle Hubbard, Superintendent of Schools

> SHAWNEE MISSION BOARD OF EDUCATION <



Dr. Mary Sinclair
President



Sara Goodburn
Vice President



Jamie Borgman



April Boyd-Noronha



Jessica Hembree



Heather Ousley



Brad Stratton

> LEADERSHIP AND LEARNING TEAM

DAVID STUBBLEFIELD
Associate Superintendent

- Dr. Leigh Anne Neal, Chief of Early Childhood/Sustainability
- Dr. Darren Dennis, Chief Academic Officer
 - Kim Barney, Assistant Director of Curriculum & Instruction
 - Dr. Dan Gruman, Director of Assessment and Research
 - Holly McCarty, Curriculum Coordinator
 - Kristin Ridgway, Curriculum Coordinator
 - Joanna Roche, Curriculum Coordinator
 - Krista Carson, Curriculum Coordinator
 - Dr. Bill Thomas, Performing Arts Coordinator
 - Megan Ellis, Visual Arts Coordinator
- Kristie Darby, Director of Elementary Services
- Chris Lowe, Director of Elementary Services
Elementary Building Leadership
- Dr. Scott Sherman, Director of Secondary Services
Secondary Building Leadership
- Sherry Dumolien, Director of Special Education
 - Dr. Jennifer Dancer, Assistant Director of Special Education
 - Linda Phillips, Special Education Coordinator
 - Katie Laird, Special Education Coordinator
 - Deb Dupree, Special Education Coordinator
 - Amanda Wade, Special Education Coordinator
 - Tracy Smarr-Dolezal, Special Education Coordinator
- Dr. Brittany Gonser, Director of Professional Learning
 - Jenny Collier, Instructional Technology Coordinator

> COMMUNICATIONS TEAM

DAVID A. SMITH
Chief Communications Officer

- Kristin Babcock, Communications Coordinator
- Michaela Scruggs, Communications Coordinator

> LEGAL TEAM

RACHEL ENGLAND
General Counsel

> DISTRICT LEADERSHIP TEAM



> OPERATIONS TEAM

DR. JOE GILHAUS
Deputy Superintendent

- Mark Schmidt, Chief of Police
- Drew Lane, Executive Director of Information & Communication Technologies
 - Bill Shaffer, Director of Network Infrastructure, Technical & Information Security Services
 - James Morgan, Director of Data and Programming Services
 - Doug Von Mosch, Director of Customer Service
- Tyler Clubb, Director of Facilities
 - Judd Remmers, Assistant Director of Facilities
 - Mike Glidewell, Custodial Coordinator
- Kent Glaser, Director of Athletics and Activities

> HUMAN RESOURCES/STUDENT SERVICES TEAM

DR. MICHAEL SCHUMACHER
Associate Superintendent

- Dr. Christy Ziegler, Chief of Student Services/DEI
 - Grace Liss, Director of Food Services
 - Paula Bunde, Coordinator of Health Services
 - Dana Gulick, Coordinator of Transportation
 - Dr. John McKinney, Director of Student/Family Services
 - Dr. Tyrone Bates, Coordinator of Diversity, Equity & Inclusion
- Pam Lewis, Director of Elementary Human Resources
- Dr. Jeremy Higgins, Director of Secondary Human Resources
- Dr. Jarius Jones, Director of Classified Human Resources
- Eliza Little, Coordinator of Wellness
- Drew Staum, Coordinator of Benefits

> BUSINESS & FINANCE TEAM

RUSSELL KNAPP
Chief Financial Officer

- Allison Staroski, Budget Manager
- Chris Mesko, Financial Analyst
- Reed Beebe, Purchasing Manager
- Genny Hale, Payroll & ERP Coordinator

* = Executive Leadership Team
▲ = Cabinet



INDEPENDENT AUDITORS' REPORT

Board of Education
Shawnee Mission Unified School District No. 512

Report on the Audit of the Financial Statements

Opinions

We have audited 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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Supplemental General, Bilingual Education, Virtual Education, Professional Development, KPERS Special Retirement Contribution, and Special Education Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

An Independently Owned Member, RSM US Alliance

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Matter - Report on Summarized Comparative Information

We have previously audited the District's financial statements as of and for the year ended June 30, 2022, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 30, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2023, 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.

November 20, 2023
Topeka, Kansas

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

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, 2023. 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 Annual Comprehensive Financial Report (ACFR)

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, 2023). 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, health care 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 \$265.4 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, 2023. This statement answers the question, "How did the district do financially during fiscal year 2023?" 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.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

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."

Governmental Funds

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

The fund classifications provide additional information about the entity. The general, supplemental general, special education and other governmental funds encompass the major operating funds. The capital outlay 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.

Financial Analysis of the District as a Whole

The district's net position was higher on June 30, 2023, than it was the year before, increasing \$50.1 million to \$265.4 million. The following are the major components of the district's net position.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

Condensed Statement of Net Position (in millions of dollars)

	Balance as of 6/30/2023	Balance as of 6/30/2022	Increase (Decrease) from 2022
<u>Statement Classifications</u>			
Current Assets	\$ 302.8	\$ 224.3	35.00%
Non-Current Assets	777.6	706.1	10.13%
Deferred Outflow of Resources	110.4	84.1	31.27%
Total Assets & Deferred Outflow	\$ 1,190.8	\$ 1,014.5	17.38%
Current Liabilities	\$ 51.1	\$ 74.4	-31.32%
Non-Current Liabilities	857.4	650.2	31.87%
Deferred Inflow of Resources	16.9	74.6	-77.35%
Total Liabilities & Deferred Inflow	\$ 925.4	\$ 799.2	15.79%
Net Position			
Invested in capital assets, net of related debt	\$ 329.8	\$ 320.5	2.90%
Restricted	104.2	93.6	11.32%
Unrestricted	(168.6)	(198.8)	15.19%
Total Net Position	\$ 265.4	\$ 215.3	23.27%

Total assets and deferred outflows increased \$176.3 million from fiscal year 2022 and total liabilities and deferred inflows increased \$126.2 million. The major changes in net position were due to the following:

1. The capital outlay balance increased by \$3.4 million due to the one-time revenues of the sale of two cell tower lease rights for \$1.2 million and receiving \$1.6 million from the "refresh cycle" of the digital learning devices.
2. The capital projects increased \$69.1 million as the district issued 2023A general obligation improvement bonds providing \$132.1 million in new construction proceeds. The district continued to spend on multiple construction projects funded from the issuance of series 2021A of \$132.1 million.
3. The fund balance of twenty-seven other funds had a net increase of \$10.5 million. A portion of this increase is due to the special education balance (operating funds) increasing \$6.9 million due to increased interest income and multiple vacancy savings. Textbook fund increased \$2.1 million due to establishing a \$80 elementary fee in 2022-23. The food service fund balance increased \$1.7 million as student meals returned to a paid basis and expenditures remained flat. The debt service fund balance increased \$3.1 million as the district realized cash savings of \$2.2 million in issuing refunding bonds 2023B of \$5,440,000. The supplemental general fund balance decreased by \$3.2 million due to Johnson County refunding taxes to "big box stores" as valuation challenges were settled.
4. Capital assets increased \$71.5 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 a decrease of \$85.0 million. These changes are referenced in Notes 7 and 8.
6. Pension liability increased \$56.9 million as the district's proportion of covered employees decreased.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

7. The net OPEB obligation liability increased \$0.8 million according to the District's OPEB actuarial study.
8. The accrual for compensated absences decreased \$1.1 million.
9. Bonds payable and related accrued interest payable increased by \$112.3 million as the district issued 2023A general obligation improvement bonds providing \$132.1 million in new construction proceeds. In addition, the district paid the bond debt schedule.
10. During the year, the district implemented GASB 96 which established a liability of \$2.1 million in subscription-based information technology arrangements and a related asset of \$11.4 million. In addition, the district entered into a vehicle lease with Enterprise Fleet leasing increasing the lease liability by \$3.4 million and the related asset by \$3.4 million.
11. The district enters into finance purchase agreements when refreshing digital learning devices. The outstanding balance of \$15.3 million was established as a liability.

The total costs of all programs and services amounted to \$423.0 million. The following table shows the breakdown of total costs by functional area:

Expense Function	Fiscal Year 2023	Fiscal Year 2022	Increase (Decrease) from 2022
Instruction	52.9%	49.7%	3.2%
Student Support Services	5.3%	5.2%	0.1%
Instructional Support	3.4%	3.2%	0.2%
General Administration	0.7%	0.6%	0.1%
School Administration	4.1%	3.9%	0.2%
Operations and Maintenance	15.3%	19.5%	-4.2%
Student Transportation Services	3.9%	3.6%	0.3%
Food Service Operations	2.9%	3.1%	-0.2%
Student Activities	1.8%	2.0%	-0.2%
Business Services	4.3%	4.5%	-0.2%
State Payments	2.1%	2.2%	-0.1%
Interest on Long-Term Debt	3.3%	2.5%	0.8%
Total	100.0%	100.0%	0.0%

The district provided a salary increase in 2022-23 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 only increased \$0.1 million but is allocated proportionately to each expense function. Instruction cost increased \$25.7 million due to compensation increases, additional staff being added, the purchase of capital instructional equipment, and the refresh of digital learning devices. The instruction increase is relative to the total cost of \$423.0 million which increased 3.2%. The bond funded capital projects are included in the operations and maintenance function which decreased 4.2%. The increase in interest on long-term debt is due to higher outstanding bond debt due to the issuance of series 2021A.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

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

	Fiscal Year 2023	Fiscal Year 2022	Increase (Decrease) from 2022
Revenues:			
Program revenues			
Charges for services	\$ 12.9	\$ 7.3	76.70%
Operating grants and contributions	144.7	107.7	34.40%
General revenues			
Property taxes	148.1	146.6	1.00%
Grants and entitlements not restricted to specific programs	146.7	146.6	0.10%
Investment earnings	5.3	0.2	2550.00%
Miscellaneous	10.3	3.9	164.10%
Total Revenues	\$ 468.0	\$ 412.3	13.50%
Expenses:			
Instruction	\$ 223.9	\$ 198.2	13.00%
Student Support Services	22.3	20.5	8.80%
Instructional Support	14.3	12.6	13.50%
General Administration	2.9	2.5	16.00%
School Administration	17.5	15.7	11.50%
Operations and Maintenance	64.5	77.5	-16.80%
Student Transportation Services	16.5	14.2	16.20%
Food Service Operations	12.2	12.3	-0.80%
Student Activities	7.6	7.8	-2.60%
Business and Central Support	18.3	18.1	1.10%
State Payment	9.0	8.8	2.30%
Interest on Long-Term Debt	14.0	10.1	38.60%
Total Expenses	\$ 423.0	\$ 398.3	6.20%
Increase (decrease) in net position	\$ 45.0	\$ 14.0	
Net Position – Beginning	\$ 215.3	\$ 207.5	
Change in Accounting Principle/Prior Period Adjustment	5.1	(6.2)	
Net Position - Ending	\$ 265.4	\$ 215.3	

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

The table, shown above, details the district's changes in net position for the year. Total receipts exceeded expenditures by \$45.0 million and a change in accounting principle increased net position in fiscal year 2023 by \$5.1 million. The district's total revenues were \$468.0 million. Property taxes and grants and entitlements not restricted to specific programs accounted for most of the district's revenue, with property taxes contributing 31.7%, and unrestricted grants and entitlements contributing 31.3%. Another 30.9% came from operating grants and contributions, and the remaining 6.1% 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:

- Charges for services increased 76.7% due to student meals returning to a paid basis in 2022-23 and reestablishing a \$80 elementary instructional resource fee in 2022-23.
- Operating grants and contributions increased 34.4%. The increase is mainly due to the GAAP basis adjustment for KPERS GASB 68 which increased \$39.9 million.
- Property taxes increased 1.0%. The overall tax rate decreased from 51.667 mills to 49.386, a 4.4% decrease coupled with the assessed valuation increase of 10.2%.
- Grants and entitlements not restricted to specific programs increased 0.1% due to a slight increase in general state aid based on student full-time equivalency (FTE).
- Investment earnings increased 2550.0% due to interest rates increasing significantly from historic lows.
- Miscellaneous revenues increased 164.1% due to the one-time revenues of the sale of two cell tower lease rights for \$1.2 million, receiving \$1.6 million from the "refresh cycle" of the digital learning devices, and being refunded \$2.5 million from the e-rate program.
- In 2022-23, the district provided a salary increase of 2.5% - 3.6% for each functional area except for General and School Administration which received 2.0%.
- Instructional expenses increased 13.0%. In addition to the salary increases noted above, \$3.3 million in certified positions were added for fiscal year 2023, in which \$1.9 million in positions were added to support the strategic plan by reducing secondary teaching assignments from six periods to five. In addition, purchases were made from the capital outlay fund for instructional equipment and the refresh of digital learning devices.
- Student support services increased 8.8% due to adding services to address learning loss because of the pandemic funded by ESSER federal funds. In addition, recorded net pension liability and GAAP adjustment for implementing GASB 96 SBITA.
- Instructional support increased 13.5% due to adding personnel, the purchase of classroom equipment and furniture, recording of additional accounts payable, recording net pension liability, and GAAP adjustment for implementing GASB 96 SBITA.
- General administration increased 16.0% due to two liability settlements totaling \$550,000.
- School administration increased 11.5% mainly due to the GAAP basis adjustment for net pension liability.
- The operations and maintenance program decreased 16.8%. Most of the decrease is due to the timing of the expenditure for multiple bond funded capital projects that are in progress.
- Student transportation services increased 16.2%. Contractual fees are 3% higher than the previous year. In addition, special education routes were added, and the price of fuel was higher in 2022-23.
- Food service operations decreased 0.8%. Although food costs increased throughout the year, savings from vacancies helped offset the increased cost.
- Student Activities decreased 2.6% as less supplies were purchased by student clubs.
- Business and central support increased 1.1%. This is due to purchasing contractual services to provide special education, nurse, and custodial positions funded with federal ESSER dollars.
- State payment increased 2.3% because of a larger cost of living weighting due to an increase in the BASE amount.
- Interest on long-term debt increased 38.6% due to the issuance of 2021A and 2021B in 2021.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

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)

<u>Expense Function</u>	<u>Total Cost of Services</u>	<u>Net Cost</u>
Instruction	\$ 223.9	\$ 122.1
Student Support Services	22.3	8.9
Instructional Support	14.3	8.6
General Administration	2.9	2.4
School Administration	17.5	12.4
Operations and Maintenance	64.5	59.1
Student Transportation Services	16.5	11.0
Food Service Operations	12.2	(2.8)
Student Activities	7.6	4.7
Business and Central Support	18.3	16.1
State Payment	9.0	9.0
Interest on Long-Term Debt	14.0	14.0
Total	\$ 423.0	\$ 265.5

- ◆ Costs of \$12.9 million were financed by users of the district's programs.
- ◆ Federal and state governments subsidized certain programs with grants and contributions totaling \$144.7 million.
- ◆ Most of the district's net cost of services of \$265.5 million was financed by district and state taxpayers.
- ◆ The governmental activities portion was financed with \$148.1 million in property taxes, \$146.7 million of grants and entitlements not restricted to specific programs and \$15.6 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 \$253.4 million; an increase from last year's ending fund balance of \$170.8 million. Revenues of \$426.8 and other financing of \$161.3 million exceeded expenditures of \$505.5 million.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

	Revenues	Expenditures	Other Financing	End Bal
General	\$ 148.7	\$ (148.1)	\$ 0.2	\$ 3.7
Supplemental General	60.9	(17.0)	(47.1)	4.8
At Risk (K-12)	21.2	(27.4)	6.4	0.2
At Risk (4 Year Old)	0.6	(1.3)	0.7	-
Bilingual	0.6	(2.8)	2.2	-
Professional Development	-	(0.2)	0.1	-
Special Education	34.3	(53.7)	26.4	30.0
Career and Postsecondary Education	0.3	(6.9)	6.6	-
Student Material Revolving	0.6	(0.7)	-	0.4
Textbook	1.4	(4.0)	4.7	8.5
Special Liability	1.1	(1.1)	-	2.3
KPERS Retirement	27.2	(27.2)	-	-
Health Reserve	1.9	(1.9)	-	0.1
Gate Receipts	0.8	(0.8)	-	0.4
Contingency Reserve	-	-	-	5.6
Cost of Living	8.3	(9.0)	-	0.8
Federal and Local Grants	14.4	(15.1)	0.2	0.6
Student Activity	2.9	(3.0)	-	2.0
Total Basic Education	\$ 325.2	\$ (320.2)	\$ 0.4	\$ 59.4
Parent Education Program	\$ 0.4	\$ (0.6)	\$ 0.2	\$ -
Summer School	0.3	(0.4)	-	0.5
Adult Supplemental Education	-	-	-	-
Declining Enrollment	-	-	-	0.5
Extraordinary School Program	0.2	(0.4)	0.2	0.7
Virtual Education	-	(0.1)	0.2	-
Total Expanded Education	\$ 0.9	\$ (1.5)	\$ 0.6	\$ 1.7
Capital Outlay	\$ 46.4	\$ (59.7)	\$ 16.7	\$ 22.4
Capital Project	1.8	(76.3)	143.5	123.8
Debt Service	37.4	(34.4)	0.1	36.1
Special Assessment	0.8	(0.8)	-	1.0
Total Capital	\$ 86.4	\$ (171.2)	\$ 160.3	\$ 183.3
Food Service	\$ 14.3	\$ (12.6)	\$ -	\$ 9.0
Total	\$ 426.8	\$ (505.5)	\$ 161.3	\$ 253.4

The major changes in fund balances were:

1. The supplemental general fund balance decreased \$3.2 million due to Johnson County refunding taxes to "big box stores" as valuation challenges were settled.
2. The special education fund balance increased \$6.9 million due to increased interest income and savings from multiple position vacancy savings.
3. The textbook fund increased \$2.1 million due to reestablishing a \$80 elementary fee in 2022-23.

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

4. The capital outlay fund balance increased by \$3.4 million due to the one-time revenues of the sale of two cell tower lease rights for \$1.2 million and receiving \$1.6 million from the “refresh cycle” of the digital learning devices.
5. The food service fund balance increased \$1.7 million as student meals returned to a paid basis and expenditures remained flat.
6. The debt service fund balance increased \$3.1 million as the district realized cash savings of \$2.2 million in issuing refunding bonds 2023B of \$5,440,000.
7. The district voters approved a \$264.22 million bond referendum in January 2021. The capital project fund balance increased \$69.1 million as the district issued 2023A general obligation improvement bonds providing \$132.1 million in new construction proceeds. The district continued to spend on multiple construction projects funded from the issuance of series 2021A of \$132.1 million. Bond proceeds will be spent on construction projects for the next three years.

Analysis of Budget Variations

The original budget for general fund revenues was \$188.9 million, and the final budget was \$195.2 million. Actual general fund revenue matched the final budget.

The original general fund expenditure budget including transfers was \$188.9 million and the final budget was \$195.2 million. The actual expenditure matched the final budget.

The original special education fund expenditure budget was \$56.7 million, and the final budget was \$57.7 million. The actual expenditures were \$53.7 million.

Capital Asset and Debt Administration

Capital Assets

By the end of 2023, the district had invested \$777.6 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 \$71.5 million, net of depreciation. **See Notes to the Basic Financial Statements – Note 5 for further information.**

	Assets As Of June 30, 2023
Land	\$ 11.7
Art work	0.3
Construction in progress	68.0
Buildings and improvements	902.8
Equipment	49.9
Subscription assets	13.9
Right-to-use leased assets	5.2
Accumulated Depreciation	(274.2)
Total	<u>\$ 777.6</u>

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

Long-Term Debt

Moody's Investors Services had rated the Shawnee Mission School District effective January 24, 2023 at a rating of Aaa stable. Kansas law limits the amount of outstanding indebtedness. The current limit is approximately \$698 million, and the district has \$515.4 million outstanding at June 30, 2023. **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. 71st Street, Shawnee Mission, Kansas 66204.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF NET POSITION
June 30, 2023

	Total Governmental Activities
Assets:	
Cash and cash equivalents	\$ 102,744,752
Investments	193,113,756
Intergovernmental receivables	6,382,972
Material and supplies inventory	509,046
Capital assets not being depreciated	80,036,326
Depreciable capital assets, net of accumulated depreciation/amortization	697,564,902
Total assets	<u>1,080,351,754</u>
Deferred outflows of resources:	
Deferred outflows - OPEB	4,409,977
Deferred outflows - pension	92,713,587
Deferred charge on refunded debt	13,260,123
Total deferred outflows of resources	<u>\$ 110,383,687</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF NET POSITION
June 30, 2023
(Continued)

	Total Governmental Activities
Liabilities:	
Accounts payable	\$ 19,317,020
Accrued interest payable	4,809,608
Payroll liabilities	17,520,987
Health care payable	9,448,671
Long-term liabilities:	
Due within one year	37,518,730
Due in more than one year:	819,836,091
Total liabilities	<u>908,451,107</u>
Deferred inflows of resources:	
Deferred inflows - OPEB	4,642,604
Deferred inflows - pension	<u>12,268,133</u>
Total deferred inflows of resources	<u>16,910,737</u>
Net position:	
Net investment in capital assets	329,783,107
Restricted for:	
Debt service	31,308,010
Special education	29,975,286
Facility acquisition and construction	17,967,806
Instruction	10,681,591
Food service operations	8,774,542
Other purposes	5,523,702
Unrestricted	<u>(168,640,447)</u>
Total net position	<u><u>\$ 265,373,597</u></u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction	\$ 223,955,381	\$ 4,994,593	\$ 96,957,726	\$ (122,003,062)
Student support services	22,283,773	-	13,349,083	(8,934,690)
Instructional support staff	14,339,165	-	5,771,932	(8,567,233)
General administration	2,886,460	-	453,980	(2,432,480)
School administration	17,455,156	-	5,034,631	(12,420,525)
Operations and maintenance	64,509,843	-	5,393,752	(59,116,091)
Student transportation services	16,461,897	-	5,457,463	(11,004,434)
Food service operations	12,190,638	4,992,275	10,012,373	2,814,010
Student activities	7,615,389	2,880,064	53,249	(4,682,076)
Business and central support services	18,318,737	-	2,170,175	(16,148,562)
State payment	8,996,288	-	-	(8,996,288)
Interest on long-term debt	13,992,428	-	-	(13,992,428)
Total governmental activities	<u>\$ 423,005,155</u>	<u>\$ 12,866,932</u>	<u>\$ 144,654,364</u>	<u>(265,483,859)</u>
General revenues:				
Property taxes levied for:				
General purposes				70,705,018
Debt service				37,159,153
Capital outlay				40,206,007
Grants and entitlements not restricted to specific programs				146,676,461
Investment revenue				5,316,309
Miscellaneous				10,310,321
Total general revenues				<u>310,373,269</u>
Change in net position				<u>44,889,410</u>
Net position, beginning of year as previously stated				215,348,792
Change in accounting principle				<u>5,135,395</u>
Net position, beginning of year as restated				<u>220,484,187</u>
Net position, end of year				<u>\$ 265,373,597</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	General*	Debt Service	KPERS Special Retirement Contribution	Special Education
<u>ASSETS</u>				
Cash and cash equivalents	\$ 21,806,304	\$ 960,290	\$ -	\$ 33,843,402
Investments	10,500,000	35,157,858	-	133,545
Intergovernmental receivables	-	-	6,359,466	-
Material and supplies inventory	509,046	-	-	-
Total assets	<u>\$ 32,815,350</u>	<u>\$ 36,118,148</u>	<u>\$ 6,359,466</u>	<u>\$ 33,976,947</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 1,777,383	\$ 530	\$ 6,359,466	\$ 35,475
Health care payable	6,270,321	-	-	-
Payroll liabilities	10,645,237	-	-	3,964,977
Total liabilities	<u>18,692,941</u>	<u>530</u>	<u>6,359,466</u>	<u>4,000,452</u>
Fund balances:				
Nonspendable:				
Material and supplies inventory	509,046	-	-	-
Restricted	-	36,117,618	-	29,975,286
Assigned	20,629	-	-	1,209
Unassigned	13,592,734	-	-	-
Total fund balances	<u>14,122,409</u>	<u>36,117,618</u>	<u>-</u>	<u>29,976,495</u>
Total liabilities and fund balances	<u>\$ 32,815,350</u>	<u>\$ 36,118,148</u>	<u>\$ 6,359,466</u>	<u>\$ 33,976,947</u>

* See combining statement on page 73.

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023
(Continued)

	Capital Outlay	Capital Project	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 14,685,712	\$ 336,799	\$ 28,212,245	\$ 99,844,752
Investments	10,000,000	132,222,353	5,000,000	193,013,756
Intergovernmental receivables	-	-	23,506	6,382,972
Material and supplies inventory	-	-	-	509,046
Total assets	<u>\$ 24,685,712</u>	<u>\$ 132,559,152</u>	<u>\$ 33,235,751</u>	<u>\$ 299,750,526</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 2,298,214	\$ 8,759,705	\$ 86,247	\$ 19,317,020
Health care payable	-	-	3,178,350	9,448,671
Payroll liabilities	-	-	2,910,773	17,520,987
Total liabilities	<u>2,298,214</u>	<u>8,759,705</u>	<u>6,175,370</u>	<u>46,286,678</u>
Fund balances:				
Nonspendable:				
Material and supplies inventory	-	-	-	509,046
Restricted	16,992,873	123,799,447	25,954,768	232,839,992
Assigned	5,394,625	-	1,105,613	6,522,076
Unassigned	-	-	-	13,592,734
Total fund balances	<u>22,387,498</u>	<u>123,799,447</u>	<u>27,060,381</u>	<u>253,463,848</u>
Total liabilities and fund balances	<u>\$ 24,685,712</u>	<u>\$ 132,559,152</u>	<u>\$ 33,235,751</u>	<u>\$ 299,750,526</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2023

Total fund balances - governmental funds		\$ 253,463,848
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 \$ 1,051,850,972 and the accumulated depreciation is \$ 274,249,744.		
		777,601,228
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.		
		1,650,286
Long-term liabilities and the related deferred inflows and outflows are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2023 are:		
Bonds payable, net of premiums	\$ (564,135,374)	
Financed purchases	(15,275,215)	
Accrued interest payable	(4,809,608)	
Accrued compensated absences	(2,311,355)	
Lease obligations payable	(3,393,817)	
Subscription liabilities	(2,073,285)	
Total OPEB obligations	(10,039,090)	
Net pension liability	(258,776,971)	
Deferred outflows - OPEB	4,409,977	
Deferred inflows - OPEB	(4,642,604)	
Deferred outflows - pension	92,713,587	
Deferred inflows - pension	(12,268,133)	
Deferred charge on refunded debt	13,260,123	
	<u>(767,341,765)</u>	
Total net position - governmental activities		<u><u>\$ 265,373,597</u></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, 2023

	General*	Debt Service	KPERS Special Retirement Contribution	Special Education
Revenues:				
Taxes	\$ 60,524,938	\$ 37,159,153	\$ -	\$ -
Intergovernmental	147,290,750	-	27,177,206	31,351,615
Charges for services	2,062,817	-	-	-
Investment revenue	-	192,144	-	2,915,944
Other local sources	389,679	-	-	3,772
Total revenues	210,268,184	37,351,297	27,177,206	34,271,331
Expenditures:				
Instruction	97,469,224	-	18,812,062	37,286,943
Student support services	7,050,375	-	2,002,960	7,014,638
Instructional support staff	8,979,978	-	1,263,740	384,661
General administration	1,975,003	-	168,499	-
School administration	13,494,827	-	1,660,527	166,331
Operations and maintenance	17,351,021	-	1,845,332	-
Student transportation services	6,230,463	-	8,153	8,860,615
Food service operations	-	-	540,826	-
Student activities	3,655,067	-	-	-
Business and central support services	11,207,240	-	875,107	18,346
State payment	-	-	-	-
Facility acquisition and construction	-	-	-	-
Building improvement	-	-	-	-
Debt service:				
Principal retirement	734,120	21,515,000	-	-
Interest and other charges	-	12,786,543	-	-
Debt issuance cost	-	69,230	-	-
Total expenditures	168,147,318	34,370,773	27,177,206	53,731,534
Excess (deficiency) of revenues over (under) expenditures	42,120,866	2,980,524	-	(19,460,203)
Other financing sources (uses):				
Transfers in	-	-	-	26,368,997
Transfers out	(45,047,245)	-	-	-
Financed purchases	-	-	-	-
Issuance of bonds	-	5,440,000	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	(5,300,000)	-	-
Lease obligations	-	-	-	-
Subscription financing	566,618	-	-	-
Total other financing sources (uses)	(44,480,627)	140,000	-	26,368,997
Net change in fund balance	(2,359,761)	3,120,524	-	6,908,794
Fund balance, beginning of year	16,482,170	32,997,094	-	23,067,701
Fund balance, end of year	\$ 14,122,409	\$ 36,117,618	\$ -	\$ 29,976,495

* See combining statement on page 74.

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2023
(Continued)

	Capital Outlay	Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 40,206,007	\$ -	\$ 10,180,080	\$ 148,070,178
Intergovernmental	-	-	44,349,912	250,169,483
Charges for services	-	-	7,924,051	9,986,868
Investment revenue	151,873	1,829,894	226,454	5,316,309
Other local sources	6,058,124	-	6,812,357	13,263,932
Total revenues	46,416,004	1,829,894	69,492,854	426,806,770
Expenditures:				
Instruction	20,649,783	1,481,691	45,608,226	221,307,929
Student support services	36,120	-	5,208,662	21,312,755
Instructional support staff	260,395	-	2,749,166	13,637,940
General administration	482,379	-	182,566	2,808,447
School administration	-	-	1,347,993	16,669,678
Operations and maintenance	11,101,866	2,015,964	870,586	33,184,769
Student transportation services	-	-	536,421	15,635,652
Food service operations	-	-	12,076,094	12,616,920
Student activities	297,261	-	4,180,462	8,132,790
Business and central support services	2,241,026	553,483	2,820,569	17,715,771
State payment	-	-	8,996,288	8,996,288
Facility acquisition and construction	-	-	808,225	808,225
Building improvement	11,041,391	71,415,289	222,093	82,678,773
Debt service:				
Principal retirement	13,570,267	-	382,128	36,201,515
Interest and other charges	61,686	-	1,215	12,849,444
Debt issuance cost	-	828,592	-	897,822
Total expenditures	59,742,174	76,295,019	85,990,694	505,454,718
Excess (deficiency) of revenues over (under) expenditures	(13,326,170)	(74,465,125)	(16,497,840)	(78,647,948)
Other financing sources (uses):				
Transfers in	-	-	18,678,248	45,047,245
Transfers out	-	-	-	(45,047,245)
Financed purchases	11,936,066	-	-	11,936,066
Issuance of bonds	-	132,110,000	-	137,550,000
Premium on bonds issued	-	11,426,677	-	11,426,677
Payment to refunding bond escrow agent	-	-	-	(5,300,000)
Lease obligations	1,435,239	-	-	1,435,239
Subscription financing	3,315,007	-	380,629	4,262,254
Total other financing sources (uses)	16,686,312	143,536,677	19,058,877	161,310,236
Net change in fund balance	3,360,142	69,071,552	2,561,037	82,662,288
Fund balance, beginning of year	19,027,356	54,727,895	24,499,344	170,801,560
Fund balance, end of year	\$ 22,387,498	\$ 123,799,447	\$ 27,060,381	\$ 253,463,848

See accompanying notes to the financial statements.

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, 2023

Net change in fund balances - governmental funds		\$	82,662,288
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 \$ 25,114,910 is less than capital outlays of \$ 84,033,623.			58,918,713
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:			
Financed purchase proceeds	\$	(11,936,066)	
Bond proceeds		(137,550,000)	
Lease obligation proceeds		(1,435,239)	
Subscription financing proceeds		(4,262,254)	
Payment to refunded bond escrow agent		5,300,000	
Premium on bonds issued		(11,426,677)	
Amortization of bond premiums		2,290,478	
Amortization of deferred charge on refunding		(1,020,010)	
Principal retirements		<u>36,201,515</u>	(123,838,253)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, etc.) is to decrease net position.			(602)
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		(12,166,715)	
Compensated absences		1,064,586	
Total OPEB liability		(415,940)	
Accrued interest on debt		<u>(1,515,630)</u>	(13,033,699)
An internal service fund is used by the District to charge the costs of the workers' compensation program to the individual funds. The net income of the internal service fund is reported with governmental activities.			293,960
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>39,887,003</u>
Changes in net position of governmental activities		\$	<u><u>44,889,410</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 (FUND INCLUDED IN THE COMBINED GENERAL FUND)

Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023					
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original Budget	Final Budget	Variance Over (Under)
Revenues:							
Intergovernmental:							
General aid	\$ 146,609,518	\$ 146,676,461	\$ 21,931,702	\$ 168,608,163	\$ 164,781,345	\$ 167,245,227	\$ 1,362,936
Special education aid	-	-	24,543,704	24,543,704	24,140,524	25,880,524	(1,336,820)
Total intergovernmental	146,609,518	146,676,461	46,475,406	193,151,867	188,921,869	193,125,751	26,116
Charges for services	1,935,051	2,062,817	-	2,062,817	-	2,088,933	(26,116)
Total revenues	148,544,569	148,739,278	46,475,406	195,214,684	188,921,869	195,214,684	-
Expenditures:							
Instruction	90,820,421	92,656,584	377,665	93,034,249	88,240,748	88,240,748	4,793,501
Student support services	6,524,986	6,852,234	61,032	6,913,266	7,180,089	7,180,089	(266,823)
Instructional support staff	8,303,796	8,782,749	55,814	8,838,563	8,896,698	8,896,698	(58,135)
General administration	1,942,259	1,969,918	1,951	1,971,869	1,942,152	1,942,152	29,717
School administration	13,265,735	13,494,827	90,566	13,585,393	13,878,867	13,878,867	(293,474)
Operations and maintenance	8,061,273	6,752,990	(183,111)	6,569,879	8,066,455	8,245,859	(1,675,980)
Student transportation services	6,009,428	6,230,463	1,411	6,231,874	6,448,322	6,448,322	(216,448)
Student activities	3,577,355	3,655,067	5,270	3,660,337	-	-	3,660,337
Business and central support services	7,606,152	7,632,273	301,575	7,933,848	8,153,318	8,153,318	(219,470)
Other support services	-	-	-	-	3,053,489	3,053,489	(3,053,489)
Debt service:							
Principal retirement		77,125	(77,125)	-	-	-	-
Adjustment to comply with legal maximum budget	-	-	-	-	-	(1,340,911)	1,340,911
Legal general fund budget	146,111,405	148,104,230	635,048	148,739,278	145,860,138	144,698,631	4,040,647
Adjustment for reimbursed expenditures not subject to budget	-	-	-	-	-	2,088,933	(2,088,933)
Total expenditures	146,111,405	148,104,230	635,048	148,739,278	145,860,138	146,787,564	1,951,714
Excess (deficiency) of revenues over (under) expenditures	2,433,164	635,048	45,840,358	46,475,406	43,061,731	48,427,120	(1,951,714)
Other financing sources (uses):							
Transfers out	-	-	(46,475,406)	(46,475,406)	(43,061,731)	(48,427,120)	1,951,714
Subscription financing	-	226,190	(226,190)	-	-	-	-
Total other financing sources (uses)	-	226,190	(46,701,596)	(46,475,406)	(43,061,731)	(48,427,120)	1,951,714
Net change in fund balance	2,433,164	861,238	(861,238)	-	\$ -	\$ -	\$ -
Fund balance, beginning of year	405,955	2,839,119	(2,839,119)	-	-	-	-
Fund balance, end of year	\$ 2,839,119	\$ 3,700,357	\$ (3,700,357)	\$ -	-	-	-

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 (FUND INCLUDED IN THE COMBINED GENERAL FUND)
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022			June 30, 2023		
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 1,397,692	\$ 1,566,570	\$ -	\$ 1,566,570	\$ 538,464	\$ 1,028,106
Current	56,151,051	53,814,551	-	53,814,551	49,019,040	4,795,511
Delinquent	373,874	(615,677)	-	(615,677)	304,594	(920,271)
Motor vehicle	5,656,973	5,596,918	-	5,596,918	5,889,430	(292,512)
Rental excise	122,292	162,576	-	162,576	-	162,576
Total taxes	- 63,701,882	60,524,938	-	60,524,938	55,751,528	4,773,410
Other local sources	-	389,679	-	389,679	389,679	-
Total revenues	63,701,882	60,914,617	-	60,914,617	56,141,207	4,773,410
Expenditures:						
Instruction	6,620,312	2,151,753	543,843	2,695,596	9,039,866	(6,344,270)
Student support services	15,895	5,828	-	5,828	17,000	(11,172)
Instructional support staff	-	-	-	-	2,000	(2,000)
General administration	25,891	5,085	-	5,085	106,250	(101,165)
Operations and maintenance	10,205,276	10,598,031	(23,773)	10,574,258	10,632,968	(58,710)
Business and central support services	2,654,466	3,574,967	(235,372)	3,339,595	2,891,789	447,806
Other support services	-	-	-	-	1,021,375	(1,021,375)
Debt service:						
Principal retirement	-	650,329	(650,329)	-	-	-
Legal supplemental general fund budget	19,521,840	16,985,993	(365,631)	16,620,362	23,711,248	(7,090,886)
Adjustment for reimbursed expenditures not subject to budget	-	-	-	-	389,679	(389,679)
Total expenditures	19,521,840	16,985,993	(365,631)	16,620,362	24,100,927	(7,480,565)
Excess of revenues over expenditures	44,180,042	43,928,624	365,631	44,294,255	32,040,280	12,253,975
Other financing sources (uses):						
Transfers out	(42,296,337)	(47,490,051)	-	(47,490,051)	(40,009,486)	(7,480,565)
Subscription financing	-	340,428	(340,428)	-	-	-
Total other financing sources (uses)	(42,296,337)	(47,149,623)	(340,428)	(47,490,051)	(40,009,486)	(7,480,565)
Net change in fund balance	1,883,705	(3,220,999)	25,203	(3,195,796)	\$ (7,969,206)	\$ 4,773,410
Fund balance, beginning of year	6,121,294	8,004,999	(35,793)	7,969,206		
Fund balance, end of year	\$ 8,004,999	\$ 4,784,000	\$ (10,590)	\$ 4,773,410		

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)
BILINGUAL EDUCATION FUND (FUND INCLUDED IN THE COMBINED GENERAL FUND)
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ -	\$ 596,908	\$ (596,908)	\$ -	\$ -	\$ -
Expenditures:						
Instruction	2,596,284	2,647,166	-	2,647,166	2,804,323	(157,157)
Student support services	110,060	114,006	-	114,006	113,829	177
Total expenditures	2,706,344	2,761,172	-	2,761,172	2,918,152	(156,980)
Excess (deficiency) of revenues over (under) expenditures	(2,706,344)	(2,164,264)	(596,908)	(2,761,172)	(2,918,152)	156,980
Other financing sources:						
Transfers in	2,706,344	2,164,264	596,908	2,761,172	2,918,152	(156,980)
Net change in fund balance	-	-	-	-	\$ -	\$ -
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 REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
VIRTUAL EDUCATION FUND (FUND INCLUDED IN THE COMBINED GENERAL FUND)
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Expenditures:						
Instruction	\$ 32,675	\$ 13,721	\$ -	\$ 13,721	\$ 83,905	\$ (70,184)
Student support services	73,746	78,307	-	78,307	77,549	758
Total expenditures	106,421	92,028	-	92,028	161,454	(69,426)
Other financing sources:						
Transfers in	106,421	92,028	-	92,028	161,454	69,426
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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)
PROFESSIONAL DEVELOPMENT FUND (FUND INCLUDED IN THE COMBINED GENERAL FUND)
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022			June 30, 2023		
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ -	\$ 17,381	\$ -	\$ 17,381	\$ 25,000	\$ (7,619)
Expenditures:						
Instructional support staff	181,050	197,229	6,666	203,895	266,905	(63,010)
Debt service:						
Principal retirement	-	6,666	(6,666)	-	-	-
Total expenditures	181,050	203,895	-	203,895	266,905	(63,010)
Excess (deficiency) of revenues over (under) expenditures	(181,050)	(186,514)	-	(186,514)	(241,905)	55,391
Other financing sources:						
Transfers in	181,050	186,514	-	186,514	241,905	(55,391)
Net change in fund balance	-	-	-	-	\$ -	\$ -
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 REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
KPRS SPECIAL RETIREMENT CONTRIBUTION FUND
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget
					Variance Over (Under)
Revenues:					
Intergovernmental:					
State aid	\$ 27,058,198	\$ 27,177,206	\$ -	\$ 27,177,206	\$ 30,305,182
Expenditures:					
Instruction	18,729,685	18,812,062	-	18,812,062	20,938,890
Student support services	1,994,189	2,002,960	-	2,002,960	2,309,873
Instructional support staff	1,258,206	1,263,740	-	1,263,740	1,375,008
General administration	167,761	168,499	-	168,499	184,671
School administration	1,653,256	1,660,527	-	1,660,527	1,831,638
Operations and maintenance	1,837,252	1,845,332	-	1,845,332	2,066,897
Student transportation services	8,117	8,153	-	8,153	8,598
Food service operations	538,458	540,826	-	540,826	624,856
Business and central support services	871,274	875,107	-	875,107	964,751
Total expenditures	27,058,198	27,177,206	-	27,177,206	30,305,182
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 REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL EDUCATION FUND
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023					
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original Budget	Final Budget	Variance Over (Under)
Revenues:							
Intergovernmental:							
Federal aid	\$ 8,417,094	\$ 6,712,166	\$ -	\$ 6,712,166	\$ 9,571,470	\$ 9,571,470	\$ (2,859,304)
State aid	23,214,671	24,639,449	(24,639,449)	-	-	-	-
Total intergovernmental	31,631,765	31,351,615	(24,639,449)	6,712,166	9,571,470	9,571,470	(2,859,304)
Investment revenue	117,631	2,915,944	-	2,915,944	250,000	250,000	2,665,944
Other local sources	125	3,772	-	3,772	1,838,405	1,838,405	(1,834,633)
Total revenues	31,749,521	34,271,331	(24,639,449)	9,631,882	11,659,875	11,659,875	(2,027,993)
Expenditures:							
Instruction	36,078,822	37,286,943	1,209	37,288,152	40,682,334	41,103,366	(3,815,214)
Student support services	6,984,113	7,014,638	-	7,014,638	7,274,526	7,274,526	(259,888)
Instructional support staff	241,780	384,661	-	384,661	336,973	336,973	47,688
School administration	150,937	166,331	-	166,331	166,456	166,456	(125)
Operations and maintenance	-	-	-	-	9,855	9,855	(9,855)
Student transportation services	7,852,629	8,860,615	-	8,860,615	8,238,156	8,818,156	42,459
Business and central support services	9,026	18,346	-	18,346	-	-	18,346
Total expenditures	51,317,307	53,731,534	1,209	53,732,743	56,708,300	57,709,332	(3,976,589)
Excess (deficiency) of revenues over (under) expenditures	(19,567,786)	(19,460,203)	(24,640,658)	(44,100,861)	(45,048,425)	(46,049,457)	1,948,596
Other financing sources:							
Transfers in	22,075,833	26,368,997	24,639,449	51,008,446	42,406,997	47,772,386	3,236,060
Net change in fund balance	2,508,047	6,908,794	(1,209)	6,907,585	<u>\$ (2,641,428)</u>	<u>\$ 1,722,929</u>	<u>\$ 5,184,656</u>
Fund balance, beginning of year	20,559,654	23,067,701	-	23,067,701			
Fund balance, end of year	<u>\$ 23,067,701</u>	<u>\$ 29,976,495</u>	<u>\$ (1,209)</u>	<u>\$ 29,975,286</u>			

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2023
(With Comparative Totals for June 30, 2022)

	Internal Service Workers' Compensation Fund	
	2023	2022
<u>ASSETS</u>		
Current assets:		
Cash and investments	\$ 3,000,000	\$ 2,600,000
<u>LIABILITIES AND NET POSITION</u>		
Current liabilities:		
Claims payable	\$ 441,857	\$ 459,217
Noncurrent liabilities:		
Claims payable	907,857	784,457
Total liabilities	1,349,714	1,243,674
Net position - unrestricted	1,650,286	1,356,326
Total liabilities and net position	\$ 3,000,000	\$ 2,600,000

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
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	Internal Service Workers' Compensation Fund	
	2023	2022
Operating revenues:		
Other local sources	\$ 1,237,823	\$ 737,862
Operating expenses:		
General administration	943,863	723,304
Operating income	293,960	14,558
Net position, beginning of year	1,356,326	1,341,768
Net position, end of year	<u>\$ 1,650,286</u>	<u>\$ 1,356,326</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	Internal Service Workers' Compensation Fund	
	2023	2022
Cash flows from operating activities:		
Cash paid to other suppliers of goods or services	\$ (837,823)	\$ (737,862)
Other operating receipts	<u>1,237,823</u>	<u>737,862</u>
Net cash from operating activities	<u>400,000</u>	<u>-</u>
Net change in cash and cash equivalents	400,000	-
Cash and cash equivalents, beginning of year	<u>2,600,000</u>	<u>2,600,000</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,000,000</u></u>	<u><u>\$ 2,600,000</u></u>
Reconciliation of operating income to net cash from operating activities:		
Operating income	\$ 293,960	\$ 14,558
Adjustments to reconcile operating income to net cash from operating activities:		
Change in liabilities:		
Claims payable	<u>106,040</u>	<u>(14,558)</u>
Net cash from operating activities	<u><u>\$ 400,000</u></u>	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

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 26,585 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.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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 financed purchases, lease obligations, and subscription financing obligations are reported as other financing sources and uses.

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 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 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, furnishing, and equipping of District buildings.

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 Workers' 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)

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 for the proprietary fund, cash and investments includes cash and short-term investments with original maturities of ninety days or less. Investments are stated at fair value.

Investments

Investments include U.S. Treasury securities, money deposited in the State of Kansas Municipal Investment Pool (MIP), and certificates of deposit. The investments in U.S. Treasury securities and MIP are recorded at fair value. Certificates of deposit are recorded at cost. The fair value of the District's portion in the MIP is the same as the value of the pool shares.

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.

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

<u>Assets</u>	<u>Useful Life (Years)</u>
Buildings and improvements	10 – 50
Equipment	6 – 12
Subscription assets	2 – 7
Right-to-use leased assets	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.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Leases

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

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

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

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Subscription Liabilities

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

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

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

- The District uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for subscriptions.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

- The contract term includes the noncancellable period of the contract. Contract payments included in the measurement of the subscription liability are composed of fixed payments.

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

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Long-Term Liabilities

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.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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 refunded debt 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 7 for more information on the deferred outflows of resources - pension and Note 8 for more information on the deferred outflows of resources - OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(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 7 for more information on the deferred inflows of resources - pension and Note 8 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/amortization, 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*.

Fund Balances

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

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

Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education, 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.

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

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental
	General	Debt Service	Special Education	Capital Outlay	Capital Project		
Fund balances:							
Nonspendable							
Material and supplies inventory	\$ 509,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 509,046
Restricted for:							
Principal retirement	-	36,117,618	-	-	-	-	36,117,618
Instruction	-	-	29,975,286	-	-	10,681,591	40,656,877
Food service operations	-	-	-	-	-	8,774,542	8,774,542
Student activities	-	-	-	-	-	2,394,171	2,394,171
Business and central support services	-	-	-	-	-	2,292,445	2,292,445
State payment	-	-	-	-	-	837,086	837,086
Facility acquisition and construction	-	-	-	16,992,873	123,799,447	974,933	141,767,253
Unassigned	13,592,734	-	-	-	-	-	13,592,734
Assigned for:							
Instruction	7,012	-	1,209	367,167	-	861,130	1,236,518
Student support services	3,027	-	-	-	-	11,699	14,726
Instructional support staff	-	-	-	47,934	-	-	47,934
Operations and maintenance	-	-	-	126,319	-	-	126,319
Food service operations	-	-	-	-	-	220,071	220,071
Student activities	-	-	-	10,176	-	10,799	20,975
Business and central support services	10,590	-	-	153,805	-	-	164,395
Facility acquisition and construction	-	-	-	4,689,224	-	1,914	4,691,138
Total fund balances	<u>\$ 14,122,409</u>	<u>\$ 36,117,618</u>	<u>\$ 29,976,495</u>	<u>\$ 22,387,498</u>	<u>\$ 123,799,447</u>	<u>\$ 27,060,381</u>	<u>\$ 253,463,848</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Use of Estimates

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

Implementation of New Accounting Standards

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Beginning net position was impacted by \$ 5,151,367 due to the adoption of this Statement.

Pending Governmental Accounting Standards Board Statements

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

GASB Statement No. 99, *Omnibus 2022*, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance by the District. The requirements related to leases, PPPs, and SBITAs are effective for the District in the fiscal year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the District in the fiscal year ended June 30, 2024.

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

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

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.

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

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 had budget amendments in the General Fund and Special Education Fund for the fiscal year ended June 30, 2023.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. 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.

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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, Student Material Revolving Fund, and Student Activity 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.

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				Nonmajor Governmental Funds	Total Governmental
	General	Debt Service	Special Education	Capital Outlay		
GAAP fund balance, June 30, 2023	\$ 14,122,409	\$ 36,117,618	\$ 29,976,495	\$ 22,387,498	\$ 27,060,381	\$ 129,664,401
Adjustments:						
Retainage payable	-	-	-	120,058	-	120,058
Health care payable	(3,181,272)	-	-	-	-	(3,181,272)
Encumbrances	(20,629)	-	(1,209)	(5,394,625)	(1,105,613)	(6,522,076)
Material and supplies inventory	(509,046)	-	-	-	-	(509,046)
Intergovernmental receivables	-	-	-	-	(23,506)	(23,506)
Less:						
Restricted fund balance of nonbudgeted funds:						
Declining Enrollment	-	-	-	-	(453,331)	(453,331)
Gate Receipts	-	-	-	-	(398,711)	(398,711)
Textbook	-	-	-	-	(7,742,411)	(7,742,411)
Health Reserve	-	-	-	-	(114,149)	(114,149)
Contingency Reserve	(5,638,052)	-	-	-	-	(5,638,052)
Student Material Revolving	-	-	-	-	(394,469)	(394,469)
Student Activity	-	-	-	-	(1,995,459)	(1,995,459)
Total adjustments	(9,348,999)	-	(1,209)	(5,274,567)	(12,227,649)	(26,852,424)
Budgetary fund balance, June 30, 2023	\$ 4,773,410	\$ 36,117,618	\$ 29,975,286	\$ 17,112,931	\$ 14,832,732	\$ 102,811,977

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.

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. The MIP is under the oversight of the Pooled Money Investment board (the Board). The Board is comprised

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The District's investments in the MIP were not rated by a rating agency as of June 30, 2023.

The credit rating for the U.S. Treasury securities and Federal Home Loan Bank Discount Note at June 30, 2023 is AA+ (Standard & Poors). Investment earnings, including interest income, are allocated to the funds required to accumulate interest; other investment earnings are allocated based on management discretion.

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

At June 30, 2023, the District's investments include certificates of deposit, U.S. Treasury securities, and the MIP.

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, 2023, the U.S. Treasury securities were valued with significant other observable inputs (Level 2). Fair value measurement hierarchy information is not provided for the District's deposits in the MIP.

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 investments be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits (less insured amounts) and deposits and investments must be assigned for the benefit of the District. At June 30, 2023, the District's deposits and investments were not exposed to custodial credit risk.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

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

Investment Type	Fair Value	Investments Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury Securities	\$ 98,787,750	\$ 98,787,750	\$ -	\$ -	\$ -
Certificates of Deposit	84,891,403	84,891,403	-	-	-
Municipal Investment Overnight Pool	9,434,603	9,434,603	-	-	-
	<u>\$ 193,113,756</u>	<u>\$ 193,113,756</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

4 - Tax Revenue and Tax Abatements

Property Taxes

The assessed valuation of tangible District property (excluding motor vehicles) for taxes billed November 1, 2022 was as follows:

Real estate	\$ 4,881,618,173
Personal property	19,939,871
Utilities	<u>84,270,205</u>
Total assessed valuation	<u>\$ 4,985,828,249</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(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
Supplemental general	11.932
Capital outlay	8.000
Special revenue:	
Special liability	0.224
Special assessment	0.159
Cost of living	1.618
Debt service	7.453
	<hr/>
Total tax levy	<u>\$ 49.386</u>

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

The taxes are due upon receipt of the billing, although taxpayers may elect to pay installments on December 20 and May 10. Taxes are distributed to the District as collected by the Johnson County Treasurer five times per year. As of June 30, 2023, the District has received property tax amounting to approximately 99% of the November 1, 2022 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.

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, 2023. Tax abatements reduce ad valorem property taxes by reducing the assessed value of the property.

<u>Outside Governmental Entity</u>	<u>Abatement Type</u>		<u>Tax Revenue Reduction for the Fiscal Year</u>
	<u>TIF</u>	<u>IRB</u>	
City of Lenexa	\$ 4,583,508	\$ 183,563	\$ 4,767,071
City of Merriam	1,259,274	-	1,259,274
City of Mission	273,780	-	273,780
City of Overland Park	1,583,215	-	1,583,215
City of Prairie Village	814,062	-	814,062
City of Roeland Park	390,922	-	390,922
City of Shawnee	188,726	33,427	222,153
City of Westwood	132,437	9,476	141,913
Total			<u>\$ 9,452,390</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, 2023, was as follows:

	Balance June 30, 2022 as previously stated	Prior period adjustments	Balance June 30, 2022 as restated	Additions	Retirements	Balance June 30, 2023
Governmental activities						
Nondepreciable assets:						
Land	\$ 11,707,568	\$ -	\$ 11,707,568	\$ -	\$ -	\$ 11,707,568
Artwork	287,236	-	287,236	-	-	287,236
Construction in progress	58,262,429	-	58,262,429	52,888,333	(43,109,240)	68,041,522
Depreciable assets:						
Buildings and improvements	837,028,550	-	837,028,550	65,784,921	-	902,813,471
Equipment	47,198,525	-	47,198,525	2,769,227	(97,989)	49,869,763
Subscription assets	-	9,624,623	9,624,623	4,262,256	-	13,886,879
Right-to-use leased assets	-	3,806,407	3,806,407	1,438,126	-	5,244,533
Total historical cost	954,484,308	13,431,030	967,915,338	127,142,863	(43,207,229)	1,051,850,972
Less accumulated depreciation for:						
Buildings and improvements	211,525,385	-	211,525,385	19,395,022	-	230,920,407
Equipment	36,819,966	-	36,819,966	2,305,755	(97,387)	39,028,334
Subscription assets	-	-	-	2,432,767	-	2,432,767
Right-to-use leased assets	-	886,870	886,870	981,366	-	1,868,236
Total accumulated depreciation	248,345,351	886,870	249,232,221	25,114,910	(97,387)	274,249,744
Capital assets, net	\$ 706,138,957	\$ 12,544,160	\$ 718,683,117	\$ 102,027,953	\$ (43,109,842)	\$ 777,601,228

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

Instruction	\$ 3,212,155
Student support services	28,828
Instructional support staff	116,132
School administration	4,403
Operations and maintenance	108,611
Food service operations	20,486,673
Student activities	63,597
Business and central support services	1,094,511
Total depreciation	<u>\$ 25,114,910</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 at June 30, 2022 as previously stated	Prior period adjustment	Balance at June 30, 2022 as restated	Additions	Reductions	Balance June 30, 2023	Amounts Due Within One Year
Governmental activities:							
Bonds payable:							
General obligation bonds	\$ 404,675,000	\$ -	\$ 404,675,000	\$ 137,550,000	\$ (26,815,000)	\$ 515,410,000	\$ 22,375,000
Premium	39,589,175	-	39,589,175	11,426,677	(2,290,478)	48,725,374	3,259,651
Total bonds payable	444,264,175	-	444,264,175	148,976,677	(29,105,478)	564,135,374	25,634,651
Financed purchases - direct borrowings	10,386,508	-	10,386,508	11,936,066	(7,047,359)	15,275,215	7,047,359
Lease - direct borrowings	-	2,935,509	2,935,509	1,435,239	(976,931)	3,393,817	1,307,779
Subscription liabilities - direct borrowings	-	4,473,256	4,473,256	4,262,254	(6,662,225)	2,073,285	1,183,300
Claims payable (see Note 10)	1,243,674	-	1,243,674	837,599	(731,559)	1,349,714	441,857
Compensated absences	3,375,941	-	3,375,941	672,302	(1,736,888)	2,311,355	1,903,784
Total OPEB liability (see Note 8)	9,282,016	-	9,282,016	757,074	-	10,039,090	-
Net pension liability (see Note 7)	201,861,818	-	201,861,818	56,915,153	-	258,776,971	-
Total	\$ 670,414,132	\$ 7,408,765	\$ 677,822,897	\$ 225,792,364	\$ (46,260,440)	\$ 857,354,821	\$ 37,518,730

General Obligation Bonds

General obligation bonds consist of the following:

	Date Issued	Date Matures	Interest Rate	Original Principal Amount	Principal Outstanding June 30, 2023
General obligation bonds:					
Debt service fund:					
General obligation refunding and improvement bonds	6/17/2015	10/1/2035	3.00 - 3.81%	\$ 118,625,000	\$ 27,680,000
General obligation refunding and improvement bonds	10/13/2016	10/1/2038	3.00 - 5.00%	152,385,000	128,870,000
General obligation refunding and improvement bonds	6/3/2021	10/1/2041	3.00 - 4.00%	157,705,000	134,660,000
General obligation refunding bonds	6/3/2021	10/1/2035	0.26 - 2.34%	87,525,000	86,650,000
General obligation improvement bonds	3/7/2023	10/1/2043	4.00 - 5.00%	132,110,000	132,110,000
General obligation refunding bonds	3/7/2023	10/1/2026	4.50 - 4.60%	5,440,000	5,440,000
Total general obligation bonds				\$ 653,790,000	\$ 515,410,000

The annual debt service requirements to maturity for general obligation bonds, including interest and amortization of bond premium, are as follows:

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Year Ending June 30	Principal	Premium	Interest	Total
2024	\$ 22,375,000	\$ 3,259,651	\$ 18,396,269	\$ 44,030,920
2025	20,645,000	3,259,651	17,086,672	40,991,323
2026	21,540,000	3,259,651	16,155,689	40,955,340
2027	22,510,000	3,259,651	15,191,861	40,961,512
2028	19,175,000	3,259,651	14,357,755	36,792,406
2029-2033	106,015,000	14,402,361	61,786,968	182,204,329
2034-2038	123,795,000	11,558,523	43,526,239	178,879,762
2039-2043	146,770,000	5,922,109	20,104,650	172,796,759
2044	32,585,000	544,126	651,700	33,780,826
Total	<u>\$ 515,410,000</u>	<u>\$ 48,725,374</u>	<u>\$ 207,257,803</u>	<u>\$ 771,393,177</u>

Issued and Defeased Bonds

During the year ended June 30, 2023, the District issued \$ 5,440,000 of general obligation refunding bond Series 2023B for a current refunding of \$ 2,300,000 of general obligation bond Series 2015A and \$ 3,000,000 of general obligation bond Series 2016B. The transaction resulted in cash savings of \$ 2,235,948 and an economic gain of \$ 28,256. The funds were placed in an irrevocable trust for the purpose of generating resources to pay the refunded obligations as they come due. Accordingly, the trust account's assets and the liabilities for the defeased bonds are not included in the District's financial statements. At June 30, 2023, bonds totaling \$ 86,820,000 have been defeased and remain outstanding.

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 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 \$ 698 million at June 30, 2023.

Financed Purchases

Financed purchases consist of the following:

	Date Issued	Date Matures	Interest Rate	Original Principal Amount	Principal Outstanding June 30, 2023
Financed purchases:					
Computer hardware	2/25/2022	4/15/2025	0.00%	\$ 13,848,677	\$ 6,924,339
iPads	2/25/2023	2/25/2025	0.00%	7,214,075	4,809,383
Computers	2/25/2023	2/25/2026	0.00%	4,721,991	3,541,493
				<u>\$ 25,784,743</u>	<u>\$ 15,275,215</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

Year Ending June 30	Principal	Interest	Total
2024	\$ 7,047,359	\$ -	\$ 7,047,359
2025	7,047,359	-	7,047,359
2026	1,180,497	-	1,180,497
Total	<u>\$ 15,275,215</u>	<u>\$ -</u>	<u>\$ 15,275,215</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Lease Obligations Payable

Lease obligations payable consist of the following:

	Commencement Date	Terms	Guaranteed Residual	Interest Rate	Initial Liability	Lease Obligation Payable at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
Lease obligations payable:								
Copiers:								
Ricoh Copier - Main	7/1/2021	Fixed at \$30,550 monthly; 38 months	N/A	5.26%	\$ 1,071,917	\$ 413,969	\$ 1,071,917	\$ 677,000
Ricoh Copiers - Addon	7/1/2021	Fixed at \$ 419 monthly; 40 months	N/A	5.64%	15,282	6,444	15,282	9,056
Ricoh Copiers - CTC	1/20/2023	Fixed at \$ 1,106 monthly; 20 months	N/A	5.64%	21,072	15,975	21,072	5,692
Total copiers					1,108,271	436,388	1,108,271	691,748
Wide Area Network	7/1/2021	Fixed at \$ 45,320 monthly; 60 months	N/A	0.00%	2,719,208	1,631,525	2,719,208	1,087,683
Vehicles:								
Unit# 26MT7C	5/8/2023	Fixed at \$ 1,005 monthly; 48 months	\$ 13,242	2.26%	46,878	45,161	46,878	1,698
Unit# 26MT7H	5/23/2023	Fixed at \$ 1,011 monthly; 48 months	13,733	2.26%	46,721	45,439	46,721	1,226
Unit# 26MT7M	5/8/2023	Fixed at \$ 981 monthly; 48 months	12,897	2.26%	45,746	44,071	45,746	1,657
Unit# 26MT7W	4/7/2023	Fixed at \$ 746 monthly; 36 months	15,910	2.26%	26,573	24,557	26,573	2,022
Unit# 26MT82	5/31/2023	Fixed at \$ 756 monthly; 36 months	16,300	2.31%	26,329	25,549	26,329	755
Unit# 26MT87	5/31/2023	Fixed at \$ 755 monthly; 36 months	16,262	2.31%	26,317	25,536	26,317	755
Unit# 26MT9Q	4/7/2023	Fixed at \$ 746 monthly; 36 months	15,910	2.31%	26,554	24,539	26,559	2,021
Unit# 26N39D	2/23/2023	Fixed at \$ 755 monthly; 36 months	16,300	2.58%	26,320	23,314	26,325	3,097
Unit# 26N6QQ	4/7/2023	Fixed at \$ 746 monthly; 36 months	15,918	2.31%	26,541	24,539	26,546	2,020
Unit# 26N82S	5/26/2023	Fixed at \$ 750 monthly; 36 months	16,300	2.31%	26,251	25,364	26,251	847
Unit# 26NC48	3/22/2023	Fixed at \$ 1,117 monthly; 36 months	23,900	2.58%	39,066	35,540	39,066	3,551
Unit# 26NC4D	3/22/2023	Fixed at \$ 1,117 monthly; 36 months	23,900	2.58%	39,066	35,540	39,066	3,551
Unit# 26NC4K	3/22/2023	Fixed at \$ 1,117 monthly; 36 months	23,900	2.58%	39,066	35,540	39,066	3,551

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Commencement Date	Terms	Guaranteed Residual	Interest Rate	Initial Liability	Lease Obligation Payable at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
Unit# 26NDSJ	3/10/2023	Fixed at \$ 944 monthly; 48 months	\$ 12,258	2.59%	\$ 43,709	\$ 40,452	\$ 43,709	\$ 3,321
Unit# 26NC4N	4/7/2023	Fixed at \$ 1,079 monthly; 36 months	23,039	2.31%	38,375	35,482	38,375	2,920
Unit# 26NDPR	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26ND33	3/27/2023	Fixed at \$ 1,003 monthly; 24 months	29,772	2.65%	23,625	20,558	23,625	3,067
Unit# 26NCZT	3/27/2023	Fixed at \$ 1,003 monthly; 24 months	29,772	2.65%	23,625	20,558	23,625	3,067
Unit# 26NC4R	3/22/2023	Fixed at \$ 1,117 monthly; 36 months	23,900	2.58%	39,066	35,540	39,066	3,551
Unit# 26NCQT	3/27/2023	Fixed at \$ 1,003 monthly; 24 months	29,772	2.65%	23,625	20,558	23,625	3,067
Unit# 26NCWP	3/27/2023	Fixed at \$ 1,003 monthly; 24 months	29,772	2.65%	23,625	20,558	23,625	3,067
Unit# 26NDW8	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NDZ6	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NFD8	5/3/2023	Fixed at \$ 984 monthly; 48 months	12,808	2.26%	46,048	44,223	46,048	1,819
Unit# 26NFB3	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NFB5L	4/7/2023	Fixed at \$ 927 monthly; 48 months	12,169	2.26%	43,260	40,807	43,260	2,482
Unit# 26NFB7F	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NFB9J	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NFB5	5/8/2023	Fixed at \$ 925 monthly; 48 months	12,043	2.26%	43,305	41,589	46,178	1,825
Unit# 26NFBCH	5/8/2023	Fixed at \$ 986 monthly; 48 months	12,994	2.26%	45,999	44,315	45,999	1,666
Unit# 26NFBCHN	4/7/2023	Fixed at \$ 929 monthly; 48 months	12,197	2.26%	43,353	40,897	43,353	2,487
Unit# 26NFBCHS	5/24/2023	Fixed at \$ 990 monthly; 48 months	13,466	2.26%	45,720	44,495	45,720	1,169
Unit# 26NFBCHZ	5/8/2023	Fixed at \$ 984 monthly; 48 months	12,967	2.26%	45,904	44,223	45,904	1,663
Unit# 26NFB2	5/8/2023	Fixed at \$ 984 monthly; 48 months	12,967	2.26%	45,904	44,223	45,904	1,663
Unit# 26NFB4	5/31/2023	Fixed at \$ 997 monthly; 48 months	13,466	2.26%	45,816	44,787	45,816	986
Unit# 26NFB5	3/10/2023	Fixed at \$ 944 monthly; 48 months	12,258	2.59%	43,709	40,452	43,709	3,321
Unit# 26NFB6	5/31/2023	Fixed at \$ 997 monthly; 48 months	13,466	2.26%	45,816	44,786	45,816	987
Total vehicles					1,414,166	1,325,904	1,417,054	88,805
					<u>\$ 5,241,645</u>	<u>\$ 3,393,817</u>	<u>\$ 5,244,533</u>	<u>\$ 1,868,236</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Future minimum lease payments for lease obligations payable are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 1,307,779	\$ 41,758	\$ 1,349,537
2025	1,000,283	18,412	1,018,695
2026	882,193	8,987	891,180
2027	203,562	2,255	205,817
Total	<u>\$ 3,393,817</u>	<u>\$ 71,412</u>	<u>\$ 3,465,229</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Subscription Liabilities:

Subscription liabilities consist of the following:

	Terms	Commencement Date	Interest Rate	Initial Liability	Subscription Liability at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
Subscription liabilities:							
Feedback Studio Enterprise	Fixed at \$ 139,200; 3 years	7/1/2022	2.04%	\$ 139,137	\$ -	\$ 139,137	\$ 46,038
Skyward - LMS/One Roster API License	Fixed at \$ 6,570 annually; 4 years	7/1/2022	1.58%	26,435	19,866	26,435	6,609
Cisco DNA EA Advantage	Fixed at \$ 1,806,287; 7 years	7/1/2022	1.58%	1,806,287	-	1,806,287	258,041
CommVault	Fixed at \$ 90,243; 4 years	7/1/2022	2.11%	90,243	-	90,243	24,065
Cisco EA Choice Security Bundle	Fixed at \$ 375,406 annually; 3 years	7/1/2022	2.04%	1,085,445	728,471	1,085,445	380,487
Vmware vSphere 7	Fixed at \$ 47,777; 3 years	10/1/2022	3.14%	47,777	-	47,777	11,944
PowerSchool - Performance Matters	Fixed at \$ 151,677; 2 years	7/1/2022	1.89%	149,166	-	149,166	78,970
Mosyle Manager MDM - Software	Fixed at \$ 156,600 annually; 3 years	7/1/2022	1.89%	309,249	153,690	309,249	142,002
Class Link - Cloud-Based Software	Fixed at \$ 156,270; 2 years	7/1/2022	1.89%	156,270	-	156,270	83,716
Discovery Education Experience - Education Platform	Fixed at \$ 42,000 annually; 2 years	7/1/2022	1.89%	82,306	41,217	82,306	41,153
District Website Platform	Fixed at \$ 58,710 annually; 5 years	12/20/2022	3.16%	292,652	233,942	292,652	31,054
Thought Exchange -Web Host Software	Fixed at \$ 19,999 annually; 2 years	7/1/2022	1.89%	46,553	23,554	46,553	23,276
The Kansas Journey Digital Subscription	Fixed at \$ 120,890; 5 years	7/1/2022	2.19%	120,890	-	120,890	25,782
Reading Inventory Student software	Fixed at \$ 90,000; 2 years	7/1/2022	1.89%	90,000	-	90,000	45,251
READ 180 License	Fixed at \$ 22,140; 2 years	7/1/2022	1.89%	22,140	-	22,140	10,785
Light Speed Filter	Fixed at \$ 60,958 annually; 3 years	7/1/2022	2.04%	118,407	59,741	118,407	40,138
IXL - Grades K-6 License	Fixed at \$ 96,446 annually; 2 years	7/1/2022	1.89%	190,798	94,654	190,798	91,583
LETRS - E-Learning Platform	Fixed at \$ 48,720; 2 years	7/1/2022	1.89%	48,720	-	48,720	26,696
STEMscopes - HS Physical Science License	Fixed at \$ 42,510; 6 years	7/1/2022	2.32%	42,510	-	42,510	7,085
Collaboration Flex Plan 3.0	Fixed at \$ 3,315,007; 7 years	6/24/2023	2.22%	3,315,007	-	3,315,007	9,208
Cisco EA Choice - Duo Education Beyond Suite	Fixed at \$ 156,763 annually; 3 years	7/1/2022	0.22%	312,603	156,417	312,603	110,332
Skyward - New Student Online Enrollment	Fixed at \$ 26,278 annually; 4 years	7/1/2022	1.58%	105,741	79,463	105,741	26,435
Skyward - Skylert Interface License	Fixed at \$ 6,570 annually; 4 years	7/1/2022	1.58%	26,435	19,866	26,435	6,609
Skyward - Student Management Core	Fixed at \$ 105,112 annually; 4 years	7/1/2022	1.58%	216,830	164,274	216,830	54,207

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Terms	Commencement Date	Interest Rate	Initial Liability	Subscription Liability at June 30, 2023	Right-of-Use Asset Balance at June 30, 2023	Accumulated Amortization at June 30, 2023
American History Recon to Present 9-12	Fixed at \$ 123,600; 5 years	7/1/2022	0.67%	\$ 123,600	\$ -	\$ 123,600	\$ 24,970
IXL - Grades 7-12 License	Fixed at \$ 154,440; 2 years	2/1/2023	1.89%	154,440	-	154,440	42,900
Open Court Reading Subscription	Fixed at \$ 2,235,000; 6 years	7/1/2022	2.32%	2,235,000	-	2,235,000	372,500
McGraw Hill - StudySync Core ELA	Fixed at \$ 304,218; 6 years	7/1/2022	2.32%	304,218	-	304,218	50,703
Impact & Networks K-6 Social Studies	Fixed at \$ 731,090; 5 years	7/1/2022	0.64%	731,090	-	731,090	146,218
GA & USI Digital License	Fixed at \$ 349,783; 5 years	7/1/2022	0.64%	349,783	-	349,783	69,957
K-6 General Music Curriculum Resource	Fixed at \$ 291,550; 5 years	7/1/2022	0.64%	291,550	-	291,550	58,310
Social Studies License	Fixed at \$ 166,667; 5 years	7/1/2022	0.64%	166,667	-	166,667	33,333
STEMscopes - MS Physical Science License	Fixed at \$ 236,550; 6 years	7/1/2022	2.32%	236,550	-	236,550	39,425
Digital Libraries Site License	Fixed at \$ 154,250 annually; 3 years	5/30/2023	2.31%	452,380	298,130	452,380	12,985
				<u>\$ 13,886,879</u>	<u>\$ 2,073,285</u>	<u>\$ 13,886,879</u>	<u>\$ 2,432,767</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Future minimum payments for subscription liabilities are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 1,183,300	\$ 41,084	\$ 1,224,384
2025	669,731	19,695	689,426
2026	156,204	5,438	161,642
2027	64,050	2,021	66,071
Total	<u>\$ 2,073,285</u>	<u>\$ 68,238</u>	<u>\$ 2,141,523</u>

7 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of \$ 500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for fiscal years 2022 and 2023. Fiscal year 2022 was recertified from 14.09% to 13.33% and fiscal year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer \$ 1.125 billion from the State General Fund directly to KPERS in fiscal years 2022 and 2023. The first \$ 253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in fiscal year 2017 and fiscal year 2019, discussed previously, while the remaining \$ 871.1 million is applied to the KPERS-School unfunded actuarial liability. In fiscal year 2022, \$ 600 million was transferred to KPERS. In fiscal year 2023, Senate Bill 421 authorizes two additional transfers which total \$ 271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 22,111,536 for the year ended June 30, 2023.

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

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 258,776,971. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year long-term ended June 30, 2022.

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

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

- State/School
- Local

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

- 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, 2022. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. At June 30, 2022, the District's proportion was 3.621583%, which was an increase of 0.038667% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$ 12,166,715. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 5,735,833	\$ 112,424
Net differences between projected and actual earnings on investments	21,793,612	-
Changes in assumptions	39,778,858	-
Changes in proportion	3,293,748	12,155,709
District contributions subsequent to measurement date	<u>22,111,536</u>	<u>-</u>
Total	<u><u>\$ 92,713,587</u></u>	<u><u>\$ 12,268,133</u></u>

The \$ 22,111,536 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Year Ended June 30,	Deferred Outflows (Inflows) Amount
2024	\$ 13,079,329
2025	14,642,640
2026	7,721,508
2027	22,000,517
2028	889,924
Total	<u>\$ 58,333,918</u>

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

<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	7.00%

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, 2021 valuation were based on the results of an actuarial experience study conducted for the three year period ended December 31, 2018.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
US Equities	23.50%	5.20%
Non-US Equities	23.50%	6.40%
Fixed Income	11.00%	1.55%
Yield Driven	8.00%	4.70%
Real Return	11.00%	3.25%
Private Real Estate	11.00%	4.45%
Private Equity	8.00%	9.50%
Short-Term Investments	4.00%	0.25%
Total	100.00%	

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

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

1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
\$ 365,832,445	\$ 258,776,971	\$ 169,309,575

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

8 - 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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs.

Employees Covered by Benefit Terms. At January 1, 2022, the following employees were covered by the benefit terms:

Active employees	3,430
Retirees and covered spouses	57
	<hr/>
Total	3,487
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Total OPEB Liability. The District's total OPEB liability of \$ 6,323,530 was measured as of June 30, 2023 and was determined by an actuarial valuation dated January 1, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the January 1, 2022 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, 2022
Actuarial cost method	Entry age normal as a level percentage of payroll
Discount rate	4.0%, 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% in 2023, decreasing 0.25-0.50% per year to an ultimate rate of 4.5% for 2030 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 Pub-2010 Public Retirement Plans Headcount-Weighted Teachers Mortality Tables using Scale MP-2021 Full Generational Improvement.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2022	\$ 5,278,702
Changes for the year:	
Service cost	281,904
Interest	211,111
Benefit paid	(295,000)
Differences between expected and actual experience	1,476,609
Changes in assumptions and other inputs	(629,796)
Net changes	1,044,828
Balance at June 30, 2023	\$ 6,323,530

Changes of assumptions and other inputs reflect a change in the discount rate from 3.9% in 2022 to 4.0% in 2023.

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 (3.0%) or 1-percentage-point higher (5.0%) than the current discount rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB Liability	\$ 6,918,742	\$ 6,323,530	\$ 5,784,523

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:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 5,571,742	\$ 6,323,530	\$ 7,220,825

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended June 30, 2023, the District recognized OPEB expense of \$ 136,087. At June 30, 2023, the District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following sources:

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 1,978,068	\$ 1,609,001
Changes in assumptions	462,202	1,959,842
Total	<u>\$ 2,440,270</u>	<u>\$ 3,568,843</u>

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

Year Ended June 30,	Deferred Outflows Amount
2024	\$ (61,928)
2025	(61,928)
2026	(61,928)
2027	(61,928)
2028	(61,928)
2029 and thereafter	(818,933)
Total	<u>\$ (1,128,573)</u>

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, 66⅔ percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$ 100 and a maximum of \$ 5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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 December 31, 2021, the following employees were covered by the benefit terms:

Active members	3,382
Disabled members	18
	<hr/>
Total	<u>3,400</u>

Total OPEB Liability. The District's total OPEB liability of \$ 3,715,560 reported as of June 30, 2023, was measured as of June 30, 2022, and was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Payroll growth	3.00%
Discount rate	3.54%

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

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

Changes in the Total OPEB Liability:

	Net OPEB Liability
Balance at June 30, 2022	\$ 4,003,314
Changes for the year:	
Service cost	443,426
Interest	92,375
Benefit payments	(342,143)
Economic/demographic losses	(374,710)
Changes in assumptions or inputs	(106,702)
Net changes	(287,754)
Balance at June 30, 2023	\$ 3,715,560

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 (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 3,839,536	\$ 3,715,560	\$ 3,582,326

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	\$ 3,715,560	\$ 3,715,560	\$ 3,715,560

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended June 30, 2023, the District recognized OPEB expense of \$ 279,853. At June 30, 2023, 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	\$ 106,813	\$ 914,841
Changes in assumptions	156,953	158,920
Benefit payments subsequent to the measurement date	<u>1,705,941</u>	<u>-</u>
Total	<u><u>\$ 1,969,707</u></u>	<u><u>\$ 1,073,761</u></u>

The \$ 1,705,941 reported as deferred outflows of resources related to KPERS OPEB from benefit payments subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

Year Ended June 30,	Deferred Inflows Amount
2024	\$ (109,268)
2025	(109,268)
2026	(109,268)
2027	(105,810)
2028	(103,998)
Thereafter	<u>(272,383)</u>
Total	<u><u>\$ (809,995)</u></u>

9 - Interfund Transfers

K.S.A. 72-5143 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.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Transfers out:	Transfers in:		Total
	Special Education	Nonmajor Governmental	
General	\$ 26,368,997	\$ 18,678,248	\$ 45,047,245

10 - 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, 2023, 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.

Changes in the balances of claims liabilities for the years June 30, 2023 and 2022 are as follows:

	2023	2022
Unpaid claims, beginning of year	\$ 1,243,674	\$ 1,258,232
Incurred claims (including IBNR)	837,599	680,690
Claim payments	(731,559)	(695,248)
Unpaid claims, end of year	\$ 1,349,714	\$ 1,243,674

Grants

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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. There is no arbitrage rebate liability as of June 30, 2023.

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.

Construction Commitments

The District prepares annual operating budgets for the majority of the governmental funds; however, for the Capital Project Fund, project-length budgets are prepared. The projects' approved budgets and cumulative expenditures, including encumbrances, as of June 30, 2023, are as follows:

<u>Project Name</u>	<u>Project Budget</u>	<u>Cumulative Expenditures Through June 30, 2023</u>
Construction projects	<u>\$ 290,382,184</u>	<u>\$ 159,404,436</u>

This project was approved by voters in January of 2021 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:

- Reconstruct five elementary schools;
- All secondary buildings will receive new classroom furniture, renovations to update learning and collaboration spaces, and restrooms/privacy renovations;
- Upgrade schools with technology classroom infrastructure and safety and security entrances;
- Districtwide maintenance projects including HVAC, roofs, flooring, ADA and asphalt;
- Upgrade/replacements of elementary playgrounds and athletic field turf.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

11 - Change in Accounting Principle

During the year ended June 30, 2023, management implemented GASB Statement No. 87, which was adopted in the prior year but not deemed to be material and GASB Statement No. 96.

The following restatements were made to beginning net position:

Government-Wide Financial Statements:

Governmental activities net position as previously stated		\$ 215,348,792
Restatement due to adoption of GASB Statement No. 87	\$ (15,972)	
Restatement due to adoption of GASB Statement No. 96	<u>5,151,367</u>	
Total		<u>5,135,395</u>
Governmental activities net position as restated		<u><u>\$ 220,484,187</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS - HEALTH INSURANCE
Last Six Fiscal Years¹

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	\$ 281,904	\$ 535,067	\$ 541,989	\$ 482,935	\$ 387,112	\$ 368,127
Interest	211,111	160,505	196,747	256,062	230,782	233,204
Change in benefit terms	-	-	-	(564,311)	-	-
Benefit payments	(295,000)	(377,000)	(309,000)	(624,222)	(561,000)	(525,000)
Differences between expected and actual experience	1,476,609	(1,877,167)	237,177	52,704	674,664	-
Changes in assumptions and other inputs	(629,796)	(841,383)	(167,935)	(788,033)	746,221	57,140
Net change in total OPEB liability	1,044,828	(2,399,978)	498,978	(1,184,865)	1,477,779	133,471
Net OPEB liability - beginning	5,278,702	7,678,680	7,179,702	8,364,567	6,886,788	6,753,317
Net OPEB liability - ending	<u>\$ 6,323,530</u>	<u>\$ 5,278,702</u>	<u>\$ 7,678,680</u>	<u>\$ 7,179,702</u>	<u>\$ 8,364,567</u>	<u>\$ 6,886,788</u>
Covered-employee payroll	\$ 180,219,781	\$ 180,219,781	\$ 175,081,771	\$ 175,081,771	\$ 145,380,151	\$ 122,463,890
Net OPEB liability as a percentage of covered-employee payroll	3.51%	2.93%	4.39%	4.10%	5.75%	5.62%
Actuarially determined contribution	<u>\$ 295,000</u>	<u>\$ 377,000</u>	<u>\$ 309,000</u>	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Actual contribution	<u>\$ 295,000</u>	<u>\$ 377,000</u>	<u>\$ 309,000</u>	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Contributions as a percentage of covered-employee payroll	0.16%	0.21%	0.18%	0.36%	0.39%	0.43%

Change of Assumptions:

1. Discount rate was increased from 3.9% to 4.0%, based on municipal bond yields as of the measurement date.
2. The retiree per capita costs, retiree contribution premiums and trend assumption were updated as part of the actuarial evaluation. The January 1, 2023 renewal was taken into account. One year out from the valuation date, the trend on retiree contributions premiums was less than projected trend on claim costs contributing to actuarial losses.

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

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 Six Fiscal Years¹

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	\$ 443,426	\$ 441,887	\$ 388,341	\$ 358,989	\$ 356,726	\$ 383,140
Interest	92,375	90,497	143,216	170,486	147,753	120,753
Benefit payments	(342,143)	(308,390)	(480,491)	(351,655)	(451,088)	(514,415)
Economic/demographic losses	(374,710)	(33,723)	(355,717)	(513,744)	-	-
Changes in assumptions or inputs	(106,702)	6,715	169,262	57,144	173,107	(104,672)
Net change in total OPEB liability	(287,754)	196,986	(135,389)	(278,780)	226,498	(115,194)
Net OPEB liability - beginning	4,003,314	3,806,328	3,941,717	4,220,497	3,993,999	4,109,193
Net OPEB liability - ending	<u>\$ 3,715,560</u>	<u>\$ 4,003,314</u>	<u>\$ 3,806,328</u>	<u>\$ 3,941,717</u>	<u>\$ 4,220,497</u>	<u>\$ 3,993,999</u>
Covered-employee payroll	<u>\$ 182,968,753</u>	<u>\$ 173,771,165</u>	<u>\$ 174,556,293</u>	<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	2.03%	2.30%	2.18%	2.30%	2.55%	2.46%
Actuarially determined contribution	<u>\$ 342,143</u>	<u>\$ 308,390</u>	<u>\$ 480,491</u>	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Actual contribution	<u>\$ 342,143</u>	<u>\$ 308,390</u>	<u>\$ 480,491</u>	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Contributions as a percentage of covered-employee payroll	0.19%	0.18%	0.28%	0.20%	0.27%	0.32%

Changes of Assumptions:

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The Disability Rates, Estimated Offsets, Waiver Mortality Rates, and Claim Cost Assumption have been updated based on recent experience.

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

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 Nine Fiscal Years¹

	2023	2022	2021	2020	2019
District's proportion of the collective net pension liability	3.622%	3.583%	3.670%	3.784%	4.198%
District's proportionate share of the collective net pension liability	\$ 258,776,971	\$ 201,861,818	\$ 274,227,245	\$ 244,707,453	\$ 273,844,764
District's covered payroll	170,563,435	189,805,132	186,922,654	177,205,477	169,212,017
District's proportionate share of the collective net pension liability as a percentage of its covered employee payroll	151.72%	106.35%	146.71%	138.09%	161.84%
Plan fiduciary net position as a percentage of the total pension liability	70.00%	76.40%	64.80%	68.05%	66.75%
		2018	2017	2016	2015
District's proportion of the collective net pension liability		3.724%	3.360%	3.730%	3.792%
District's proportionate share of the collective net pension liability		\$ 250,205,840	\$ 225,850,028	\$ 258,252,228	\$ 242,287,546
District's covered payroll		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		149.97%	135.28%	156.34%	169.17%
Plan fiduciary net position as a percentage of the total pension liability		64.90%	63.27%	61.32%	63.30%

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Nine Fiscal Years¹

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 22,111,536	\$ 25,192,172	\$ 25,091,649	\$ 25,938,740	\$ 12,170,012
Contributions in relation to the contractually required contribution	<u>22,111,536</u>	<u>25,192,172</u>	<u>25,091,649</u>	<u>25,938,740</u>	<u>12,170,012</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	170,563,435	189,805,132	\$ 186,922,654	\$ 180,713,723	\$ 169,212,017
Contributions as a percentage of covered payroll	12.96%	13.27%	13.42%	14.35%	7.19%
		2018	2017	2016	2015
Contractually required contribution		\$ 23,918,656	\$ 14,766,230	\$ 11,038,945	\$ 16,062,812
Contributions in relation to the contractually required contribution		<u>23,918,656</u>	<u>14,766,230</u>	<u>11,038,945</u>	<u>16,062,812</u>
Contribution deficiency (excess)		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll		\$ 166,841,670	\$ 165,185,936	\$ 165,185,936	\$ 143,217,131
Contributions as a percentage of covered payroll		14.34%	8.94%	6.68%	11.22%

¹ 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
COMBINING STATEMENTS – COMBINED GENERAL FUND

The following funds do not meet the definition of a special revenue fund, and as such, are included in the combined general fund:

BUDGETED FUNDS:

General Fund: This fund is used to account for all financial resources applicable to the general operations 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.

Supplemental General Fund: This fund is used in conjunction with the General Fund to account for all financial resources applicable to the general operations of the District which are not accounted for in other funds. All local option budget tax revenues are recorded in the Supplemental General Fund.

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

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.

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

NON - BUDGETED FUND:

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.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
COMBINING BALANCE SHEET
GENERAL FUND
June 30, 2023

	General Fund	Supplemental General Fund	Contingency Reserve Fund	Bilingual Education Fund	Virtual Education Fund	Professional Development Fund	Total General Fund
<u>ASSETS</u>							
Cash and cash equivalents	\$ 19,787,480	\$ 1,593,538	\$ 138,052	\$ 280,370	\$ 6,525	\$ 339	\$ 21,806,304
Investments	-	5,000,000	5,500,000	-	-	-	10,500,000
Material and supplies inventory	509,046	-	-	-	-	-	509,046
Total assets	<u>\$ 20,296,526</u>	<u>\$ 6,593,538</u>	<u>\$ 5,638,052</u>	<u>\$ 280,370</u>	<u>\$ 6,525</u>	<u>\$ 339</u>	<u>\$ 32,815,350</u>
<u>LIABILITIES AND FUND BALANCES</u>							
Liabilities:							
Accounts payable	\$ (32,314)	\$ 1,809,358	\$ -	\$ -	\$ -	\$ 339	\$ 1,777,383
Health care payable	6,270,321	-	-	-	-	-	6,270,321
Payroll liabilities	10,358,162	180	-	280,370	6,525	-	10,645,237
Total liabilities	<u>16,596,169</u>	<u>1,809,538</u>	<u>-</u>	<u>280,370</u>	<u>6,525</u>	<u>339</u>	<u>18,692,941</u>
Fund balances:							
Nonspendable:							
Material and supplies inventory	509,046	-	-	-	-	-	509,046
Assigned	10,039	10,590	-	-	-	-	20,629
Unassigned	3,181,272	4,773,410	5,638,052	-	-	-	13,592,734
Total fund balances	<u>3,700,357</u>	<u>4,784,000</u>	<u>5,638,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,122,409</u>
Total liabilities and fund balances	<u>\$ 20,296,526</u>	<u>\$ 6,593,538</u>	<u>\$ 5,638,052</u>	<u>\$ 280,370</u>	<u>\$ 6,525</u>	<u>\$ 339</u>	<u>\$ 32,815,350</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
Year Ended June 30, 2023

	General Fund	Supplemental General Fund	Contingency Reserve Fund	Bilingual Education Fund	Virtual Education Fund	Professional Development Fund	Eliminations	Total General Fund
Revenues:								
Taxes	\$ -	\$ 60,524,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,524,938
Intergovernmental	146,676,461	-	-	596,908	-	17,381	-	147,290,750
Charges for services	2,062,817	-	-	-	-	-	-	2,062,817
Other local sources	-	389,679	-	-	-	-	-	389,679
Total revenues	148,739,278	60,914,617	-	596,908	-	17,381	-	210,268,184
Expenditures:								
Instruction	92,656,584	2,151,753	-	2,647,166	13,721	-	-	97,469,224
Student support services	6,852,234	5,828	-	114,006	78,307	-	-	7,050,375
Instructional support staff	8,782,749	-	-	-	-	197,229	-	8,979,978
General administration	1,969,918	5,085	-	-	-	-	-	1,975,003
School administration	13,494,827	-	-	-	-	-	-	13,494,827
Operations and maintenance	6,752,990	10,598,031	-	-	-	-	-	17,351,021
Student transportation services	6,230,463	-	-	-	-	-	-	6,230,463
Student activities	3,655,067	-	-	-	-	-	-	3,655,067
Business and central support services	7,632,273	3,574,967	-	-	-	-	-	11,207,240
Debt service:								
Principal retirement	77,125	650,329	-	-	-	6,666	-	734,120
Total expenditures	148,104,230	16,985,993	-	2,761,172	92,028	203,895	-	168,147,318
Excess (deficiency) of revenues over (under) expenditures	635,048	43,928,624	-	(2,164,264)	(92,028)	(186,514)	-	42,120,866
Other financing sources (uses):								
Transfers in	-	-	-	2,164,264	92,028	186,514	(2,442,806)	-
Transfers out	-	(47,490,051)	-	-	-	-	2,442,806	(45,047,245)
Subscription financing	226,190	340,428	-	-	-	-	-	566,618
Total other financing sources (uses)	226,190	(47,149,623)	-	2,164,264	92,028	186,514	-	(44,480,627)
Net change in fund balances	861,238	(3,220,999)	-	-	-	-	-	(2,359,761)
Fund balances, beginning of year	2,839,119	8,004,999	5,638,052	-	-	-	-	16,482,170
Fund balances, end of year	\$ 3,700,357	\$ 4,784,000	\$ 5,638,052	\$ -	\$ -	\$ -	\$ -	\$ 14,122,409

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Federal aid	\$ 197,894	\$ 284,117	\$ (23,506)	\$ 260,611	\$ 284,117	\$ (23,506)
Expenditures:						
Instruction	5,700,831	6,247,894	-	6,247,894	6,281,121	(33,227)
Instructional support staff	129,990	169,197	-	169,197	127,552	41,645
School administration	138,866	141,429	-	141,429	141,639	(210)
Operations and maintenance	-	-	-	-	8,836	(8,836)
Student transportation services	197,838	202,045	-	202,045	206,000	(3,955)
Student activities	96,262	111,681	-	111,681	-	111,681
Adjustment for federal aid over budget	-	-	-	-	107,378	(107,378)
Total expenditures	6,263,787	6,872,246	-	6,872,246	6,872,526	(280)
Deficiency of revenues under expenditures	(6,065,893)	(6,588,129)	(23,506)	(6,611,635)	(6,588,409)	(23,226)
Other financing sources:						
Transfers in	6,057,362	6,588,109	-	6,588,109	6,588,389	(280)
Net change in fund balance	(8,531)	(20)	(23,506)	(23,526)	<u>\$ (20)</u>	<u>\$ (23,506)</u>
Fund balance, beginning of year	8,551	20	-	20		
Fund balance, end of year	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ (23,506)</u>	<u>\$ (23,506)</u>		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 12,535	\$ 30,056	\$ -	\$ 30,056	\$ 29,065	\$ 991
Current	1,077,381	717,160	-	717,160	684,062	33,098
Delinquent	3,794	(5,620)	-	(5,620)	5,844	(11,464)
Motor vehicle	39,865	68,780	-	68,780	71,703	(2,923)
Rental excise	751	1,458	-	1,458	-	1,458
Total revenues	1,134,326	811,834	-	811,834	790,674	21,160
Expenditures:						
Facility acquisition and construction	664,176	808,225	-	808,225	850,000	(41,775)
Excess (deficiency) of revenues over (under) expenditures	470,150	3,609	-	3,609	<u>\$ (59,326)</u>	<u>\$ 62,935</u>
Fund balance, beginning of year	501,174	971,324	-	971,324		
Fund balance, end of year	<u>\$ 971,324</u>	<u>\$ 974,933</u>	<u>\$ -</u>	<u>\$ 974,933</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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ 129,424	\$ 128,797	\$ -	\$ 128,797	\$ 93,883	\$ 34,914
Federal aid	16,422,165	8,928,030	-	8,928,030	6,917,835	2,010,195
Total intergovernmental	16,551,589	9,056,827	-	9,056,827	7,011,718	2,045,109
Charges for services	681,203	4,992,275	-	4,992,275	5,656,221	(663,946)
Investment revenue	1,970	226,454	-	226,454	10,000	216,454
Other local sources	694	3,846	-	3,846	-	3,846
Total revenues	17,235,456	14,279,402	-	14,279,402	12,677,939	1,601,463
Expenditures:						
Operations and maintenance	668,464	527,463	-	527,463	750,000	(222,537)
Food service operations	11,825,904	12,076,094	12,676	12,088,770	13,882,991	(1,794,221)
Total expenditures	12,494,368	12,603,557	12,676	12,616,233	14,632,991	(2,016,758)
Excess (deficiency) of revenues over (under) expenditures	4,741,088	1,675,845	(12,676)	1,663,169	\$ (1,955,052)	\$ 3,618,221
Fund balance, beginning of year	25,776,890	7,318,768	(207,395)	7,111,373		
Fund balance, end of year	\$ 30,517,978	\$ 8,994,613	\$ (220,071)	\$ 8,774,542		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	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)
SUMMER SCHOOL FUND
Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 310,244	\$ 304,592	\$ -	\$ 304,592	\$ 350,000	\$ (45,408)
Expenditures:						
Instruction	192,819	280,505	(623)	279,882	654,354	(374,472)
Student support services	311	1,236	-	1,236	3,800	(2,564)
Instructional support staff	-	-	-	-	1,500	(1,500)
School administration	127,118	114,739	-	114,739	172,319	(57,580)
Operations and maintenance	-	-	-	-	2,000	(2,000)
Total expenditures	320,248	396,480	(623)	395,857	833,973	(438,116)
Excess (deficiency) of revenues over (under) expenditures	(10,004)	(91,888)	623	(91,265)	<u>\$ (483,973)</u>	<u>\$ 392,708</u>
Fund balance, beginning of year	584,788	574,784	(3,780)	571,004		
Fund balance, end of year	<u>\$ 574,784</u>	<u>\$ 482,896</u>	<u>\$ (3,157)</u>	<u>\$ 479,739</u>		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ 399,186	\$ 402,291	\$ -	\$ 402,291	\$ 380,550	\$ 21,741
Expenditures:						
Student support services	536,749	562,653	-	562,653	617,364	(54,711)
Instructional support staff	61,722	63,003	-	63,003	65,990	(2,987)
Total expenditures	598,471	625,656	-	625,656	683,354	(57,698)
Excess (deficiency) of revenues over (under) expenditures	(199,285)	(223,365)	-	(223,365)	(302,804)	79,439
Other financing sources:						
Transfers in	199,285	223,365	-	223,365	302,804	(79,439)
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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 158,760	\$ 177,107	\$ -	\$ 177,107	\$ 151,600	\$ 25,507
Expenditures:						
Instruction	65,945	304,285	(149,065)	155,220	186,669	(31,449)
School administration	17,621	21,338	-	21,338	11,970	9,368
Debt service:						
Principal retirement	-	77,125	(77,125)	-	-	-
Total expenditures	83,566	402,748	(226,190)	176,558	198,639	(22,081)
Excess (deficiency) of revenues over (under) expenditures	75,194	(225,641)	226,190	549	\$ (47,039)	\$ 47,588
Other financing sources:						
Subscription financing	-	226,190	(226,190)	-	-	-
Net change in fund balance	75,194	549	-	549	(47,039)	47,588
Fund balance, beginning of year	650,020	725,214	-	725,214		
Fund balance, end of year	\$ 725,214	\$ 725,763	\$ -	\$ 725,763		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 14,067	\$ 26,515	\$ -	\$ 26,515	\$ 25,668	\$ 847
Current	950,406	1,010,248	-	1,010,248	964,219	46,029
Delinquent	3,660	(4,404)	-	(4,404)	5,156	(9,560)
Motor vehicle	60,693	68,814	-	68,814	71,769	(2,955)
Rental excise	1,350	1,637	-	1,637	-	1,637
Total revenues	<u>1,030,176</u>	<u>1,102,810</u>	<u>-</u>	<u>1,102,810</u>	<u>1,066,812</u>	<u>35,998</u>
Expenditures:						
General administration	355,574	143,050	-	143,050	1,353,266	(1,210,216)
Business and central support services	324,053	937,724	-	937,724	-	937,724
Total expenditures	<u>679,627</u>	<u>1,080,774</u>	<u>-</u>	<u>1,080,774</u>	<u>1,353,266</u>	<u>(272,492)</u>
Excess (deficiency) of revenues over (under) expenditures	350,549	22,036	-	22,036	<u>\$ (286,454)</u>	<u>\$ 308,490</u>
Fund balance, beginning of year	<u>1,919,860</u>	<u>2,270,409</u>	<u>-</u>	<u>2,270,409</u>		
Fund balance, end of year	<u>\$ 2,270,409</u>	<u>\$ 2,292,445</u>	<u>\$ -</u>	<u>\$ 2,292,445</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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ 81,750	\$ 124,395	\$ -	\$ 124,395	\$ -	\$ 124,395
Federal aid	101,671	112,292	-	112,292	163,500	(51,208)
Total intergovernmental	183,421	236,687	-	236,687	163,500	73,187
Charges for services	352,265	367,547	-	367,547	352,265	15,282
Total revenues	535,686	604,234	-	604,234	515,765	88,469
Expenditures:						
Instruction	1,239,391	1,304,546	-	1,304,546	1,437,555	(133,009)
Instructional support staff	39,408	30,710	(42)	30,668	37,038	(6,370)
Total expenditures	1,278,799	1,335,256	(42)	1,335,214	1,474,593	(139,379)
Excess (deficiency) of revenues over (under) expenditures	(743,113)	(731,022)	42	(730,980)	(958,828)	227,848
Other financing sources:						
Transfers in	743,155	730,980	-	730,980	958,828	(227,848)
Net change in fund balance	42	(42)	42	-	\$ -	\$ -
Fund balance, beginning of year	-	42	(42)	-		
Fund balance, end of year	\$ 42	\$ -	\$ -	\$ -		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 194,583	\$ 231,794	\$ -	\$ 231,794	\$ 224,604	\$ 7,190
Current	8,308,283	7,297,453	-	7,297,453	7,681,918	(384,465)
Delinquent	49,426	(71,533)	-	(71,533)	45,068	(116,601)
Motor vehicle	768,001	795,088	-	795,088	836,202	(41,114)
Rental excise	16,405	22,633	-	22,633	-	22,633
Total revenues	9,336,698	8,275,435	-	8,275,435	8,787,792	(512,357)
Expenditures:						
State payment	8,787,833	8,996,288	-	8,996,288	10,345,731	(1,349,443)
Excess (deficiency) of revenues over (under) expenditures	548,865	(720,853)	-	(720,853)	<u>\$ (1,557,939)</u>	<u>\$ 837,086</u>
Fund balance, beginning of year	1,009,074	1,557,939	-	1,557,939		
Fund balance, end of year	<u>\$ 1,557,939</u>	<u>\$ 837,086</u>	<u>\$ -</u>	<u>\$ 837,086</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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022		June 30, 2023			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Federal aid	\$ 15,674,258	\$ 13,130,941	\$ -	\$ 13,130,941	\$ 16,694,551	\$ (3,563,610)
Other local sources	1,346,467	1,274,340	-	1,274,340	-	1,274,340
Total revenues	17,020,725	14,405,281	-	14,405,281	16,694,551	(2,289,270)
Expenditures:						
Instruction	9,245,819	10,390,021	130,240	10,520,261	11,387,551	(867,290)
Student support services	2,345,301	1,687,542	17,936	1,705,478	2,028,976	(323,498)
Instructional support staff	2,427,304	2,402,881	6,666	2,409,547	2,442,324	(32,777)
General administration	34,298	39,516	-	39,516	37,490	2,026
School administration	25,545	26,676	-	26,676	-	26,676
Operations and maintenance	27,750	-	-	-	289,837	(289,837)
Student transportation services	20,651	-	-	-	54,900	(54,900)
Student activities	641,864	50,333	-	50,333	-	50,333
Business and central support services	2,205,539	-	-	-	90,565	(90,565)
Building improvement	36,924	222,093	(222,093)	-	3,000	(3,000)
Debt service:						
Principal retirement	-	263,917	(263,917)	-	-	-
Interest and other charges	-	301	(301)	-	-	-
Total expenditures	17,010,995	15,083,280	(331,469)	14,751,811	16,334,643	(1,582,832)
Excess (deficiency) of revenues over (under) expenditures	9,730	(677,999)	331,469	(346,530)	\$ 359,908	\$ (706,438)
Other financing sources:						
Subscription financing	-	154,439	(154,439)	-	-	-
Net change in fund balance	9,730	(523,560)	177,030	(346,530)	359,908	(706,438)
Fund balance, beginning of year	1,126,075	1,135,805	(301,621)	834,184		
Fund balance, end of year	\$ 1,135,805	\$ 612,245	\$ (124,591)	\$ 487,654		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State aid	\$ 14,640,366	\$ 21,239,049	\$ (21,239,049)	\$ -	\$ -	\$ -
Expenditures:						
Instruction	16,267,764	22,685,788	-	22,685,788	22,014,396	671,392
Student support services	2,691,746	2,957,231	-	2,957,231	3,071,271	(114,040)
Instructional support staff	303,765	61,859	-	61,859	82,597	(20,738)
School administration	988,511	1,043,811	-	1,043,811	1,043,545	266
Operations and maintenance	344,425	343,123	-	343,123	311,459	31,664
Student transportation services	721,042	334,376	-	334,376	902,920	(568,544)
Total expenditures	21,317,253	27,426,188	-	27,426,188	27,426,188	-
Excess (deficiency) of revenues over (under) expenditures	(6,676,887)	(6,187,139)	(21,239,049)	(27,426,188)	(27,426,188)	-
Other financing sources:						
Transfers in	6,676,887	6,435,794	21,239,049	27,674,843	27,426,188	248,655
Net change in fund balance	-	248,655	-	248,655	\$ -	\$ 248,655
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ 248,655	\$ -	\$ 248,655		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022		June 30, 2023			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 711,817	\$ 850,139	\$ -	\$ 850,139	\$ 823,877	\$ 26,262
Current	30,471,889	33,613,102	-	33,613,102	32,142,504	1,470,598
Delinquent	188,881	(298,005)	-	(298,005)	165,295	(463,300)
Motor vehicle	2,895,712	2,911,121	-	2,911,121	3,062,512	(151,391)
Rental excise	62,749	82,796	-	82,796	-	82,796
Total taxes	34,331,048	37,159,153	-	37,159,153	36,194,188	964,965
Investment revenue	2,178	192,144	-	192,144	10,000	182,144
Total revenues	34,333,226	37,351,297	-	37,351,297	36,204,188	1,147,109
Expenditures:						
Debt service:						
Principal retirement	11,575,000	21,515,000	-	21,515,000	21,515,000	-
Interest and other charges	12,232,397	12,786,543	-	12,786,543	12,818,635	(32,092)
Bond cost	-	-	-	-	5,000	(5,000)
Total expenditures	23,807,397	34,301,543	-	34,301,543	34,338,635	(37,092)
Excess (deficiency) of revenues over (under) expenditures	10,525,829	3,049,754	-	3,049,754	1,865,553	1,184,201
Expenditures not subject to budget:						
Other financing sources (uses):						
Issuance of bonds	-	5,440,000	-	5,440,000	-	5,440,000
Payment to refunding bond escrow agent	-	(5,300,000)	-	(5,300,000)	-	(5,300,000)
Debt issuance cost	-	(69,230)	-	(69,230)	-	(69,230)
Total other financing sources (uses)	-	70,770	-	70,770	-	70,770
Net change in fund balance	10,525,829	3,120,524	-	3,120,524	\$ 1,865,553	\$ 1,254,971
Fund balance, beginning of year	22,471,265	32,997,094	-	32,997,094		
Fund balance, end of year	\$ 32,997,094	\$ 36,117,618	\$ -	\$ 36,117,618		

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, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	June 30, 2022	June 30, 2023				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 806,293	\$ 914,429	\$ -	\$ 914,429	\$ 885,624	\$ 28,805
Current	32,894,898	36,384,195	-	36,384,195	34,708,801	1,675,394
Delinquent	202,927	(313,039)	-	(313,039)	178,043	(491,082)
Motor vehicle	3,112,102	3,131,358	-	3,131,358	3,299,348	(167,990)
Rental excise	67,509	89,064	-	89,064	-	89,064
Total taxes	37,083,729	40,206,007	-	40,206,007	39,071,816	1,134,191
Investment revenue	-	151,873	-	151,873	1,796,553	(1,644,680)
Other local sources	568,821	6,058,124	-	6,058,124	-	6,058,124
Total revenues	37,652,550	46,416,004	-	46,416,004	40,868,369	5,547,635
Expenditures:						
Instruction	17,746,893	20,649,783	(9,900,303)	10,749,480	5,455,901	5,293,579
Student support services	10,209	36,120	-	36,120	40,745	(4,625)
Instructional support staff	106,509	260,395	5,275	265,670	190,000	75,670
General administration	16,214	482,379	47,355	529,734	20,000	509,734
Operations and maintenance	6,898,281	11,101,866	(1,524,717)	9,577,149	9,670,131	(92,982)
Student activities	236,060	297,261	(56,010)	241,251	-	241,251
Business and central support services	2,645,559	2,241,026	1,050,632	3,291,658	2,443,055	848,603
Building improvement	8,069,214	11,041,391	547,786	11,589,177	12,800,000	(1,210,823)
Miscellaneous	-	-	-	-	12,515,765	(12,515,765)
Debt service:						
Principal retirement	17,835,714	13,570,267	(6,522,910)	7,047,357	6,757,294	290,063
Interest and other charges	139,469	61,686	(61,686)	-	-	-
Total expenditures	53,704,122	59,742,174	(16,414,578)	43,327,596	49,892,891	(6,565,295)
Excess (deficiency) of revenues over (under) expenditures	(16,051,572)	(13,326,170)	16,414,578	3,088,408	(9,024,522)	12,112,930
Other financing sources:						
Financed purchase	13,848,677	11,936,066	(11,936,066)	-	-	-
Lease obligation	-	1,435,239	(1,435,239)	-	-	-
Subscription financing	-	3,315,007	(3,315,007)	-	-	-
Total other financing sources	13,848,677	16,686,312	(16,686,312)	-	-	-
Net change in fund balance	(2,202,895)	3,360,142	(271,734)	3,088,408	\$ (9,024,522)	\$ 12,112,930
Fund balance, beginning of year	21,230,251	19,027,356	(5,002,833)	14,024,523		
Fund balance, end of year	<u>\$ 19,027,356</u>	<u>\$ 22,387,498</u>	<u>\$ (5,274,567)</u>	<u>\$ 17,112,931</u>		

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.

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.

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)

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.

NON - BUDGETED FUNDS:

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.

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.

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.

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

Student Activity Fund: This fund is used to account for monies collected for and payments related to student activities at the various schools.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 June 30, 2023

	Career and Postsecondary Education	Declining Enrollment	Special Assessment	Food Service	Adult Supplemental Education
<u>ASSETS</u>					
Cash and cash equivalents	\$ 793,171	\$ 453,331	\$ 974,933	\$ 4,027,920	\$ 35,421
Investments	-	-	-	5,000,000	-
Intergovernmental receivable	23,506	-	-	-	-
Total assets	<u>\$ 816,677</u>	<u>\$ 453,331</u>	<u>\$ 974,933</u>	<u>\$ 9,027,920</u>	<u>\$ 35,421</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 40,404	\$ -	\$ -	\$ 8,604	\$ -
Health care payable	-	-	-	-	-
Payroll liabilities	776,273	-	-	24,703	-
Total liabilities	<u>816,677</u>	<u>-</u>	<u>-</u>	<u>33,307</u>	<u>-</u>
Fund balances:					
Restricted	-	453,331	974,933	8,774,542	35,421
Assigned	-	-	-	220,071	-
Total fund balances	<u>-</u>	<u>453,331</u>	<u>974,933</u>	<u>8,994,613</u>	<u>35,421</u>
Total liabilities and fund balances	<u>\$ 816,677</u>	<u>\$ 453,331</u>	<u>\$ 974,933</u>	<u>\$ 9,027,920</u>	<u>\$ 35,421</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 (Continued)
 June 30, 2023

	Summer School	Parent Education Program	Extraordinary School Program	Special Liability	At Risk (4 Year Old)
<u>ASSETS</u>					
Cash and cash equivalents	\$ 497,168	\$ 37	\$ 725,763	\$ 2,292,445	\$ 158,952
Investments	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total assets	<u>\$ 497,168</u>	<u>\$ 37</u>	<u>\$ 725,763</u>	<u>\$ 2,292,445</u>	<u>\$ 158,952</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 2,604	\$ 37	\$ -	\$ -	\$ -
Health care payable	-	-	-	-	-
Payroll liabilities	11,668	-	-	-	158,952
Total liabilities	<u>14,272</u>	<u>37</u>	<u>-</u>	<u>-</u>	<u>158,952</u>
Fund balances:					
Restricted	479,739	-	725,763	2,292,445	-
Assigned	3,157	-	-	-	-
Total fund balances	<u>482,896</u>	<u>-</u>	<u>725,763</u>	<u>2,292,445</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 497,168</u>	<u>\$ 37</u>	<u>\$ 725,763</u>	<u>\$ 2,292,445</u>	<u>\$ 158,952</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 (Continued)
 June 30, 2023

	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Health Reserve
<u>ASSETS</u>					
Cash and cash equivalents	\$ 837,086	\$ 1,467,514	\$ 413,370	\$ 8,506,279	\$ 3,292,499
Investments	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total assets	<u>\$ 837,086</u>	<u>\$ 1,467,514</u>	<u>\$ 413,370</u>	<u>\$ 8,506,279</u>	<u>\$ 3,292,499</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ 7,009	\$ 6,500	\$ 16,872	\$ -
Health care payable	-	-	-	-	3,178,350
Payroll liabilities	-	848,260	-	-	-
Total liabilities	<u>-</u>	<u>855,269</u>	<u>6,500</u>	<u>16,872</u>	<u>3,178,350</u>
Fund balances:					
Restricted	837,086	487,654	398,711	7,742,411	114,149
Assigned	-	124,591	8,159	746,996	-
Total fund balances	<u>837,086</u>	<u>612,245</u>	<u>406,870</u>	<u>8,489,407</u>	<u>114,149</u>
Total liabilities and fund balances	<u>\$ 837,086</u>	<u>\$ 1,467,514</u>	<u>\$ 413,370</u>	<u>\$ 8,506,279</u>	<u>\$ 3,292,499</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 (Continued)
 June 30, 2023

	At Risk (K-12)	Student Material Revolving	Student Activity	Total Other Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,343,678	\$ 394,516	\$ 1,998,162	\$ 28,212,245
Investments	-	-	-	5,000,000
Intergovernmental receivable	-	-	-	23,506
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,343,678</u>	<u>\$ 394,516</u>	<u>\$ 1,998,162</u>	<u>\$ 33,235,751</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 4,106	\$ 47	\$ 64	\$ 86,247
Health care payable	-	-	-	3,178,350
Payroll liabilities	1,090,917	-	-	2,910,773
	<u>1,090,917</u>	<u>-</u>	<u>-</u>	<u>2,910,773</u>
Total liabilities	<u>1,095,023</u>	<u>47</u>	<u>64</u>	<u>6,175,370</u>
Fund balances:				
Restricted	248,655	394,469	1,995,459	25,954,768
Assigned	-	-	2,639	1,105,613
	<u>-</u>	<u>-</u>	<u>2,639</u>	<u>1,105,613</u>
Total fund balances	<u>248,655</u>	<u>394,469</u>	<u>1,998,098</u>	<u>27,060,381</u>
Total liabilities and fund balances	<u>\$ 1,343,678</u>	<u>\$ 394,516</u>	<u>\$ 1,998,162</u>	<u>\$ 33,235,751</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, 2023

	Career and Postsecondary Education	Declining Enrollment	Special Assessment	Food Service	Adult Supplemental Education
Revenues:					
Taxes	\$ -	\$ (9,999)	\$ 811,834	\$ -	\$ -
Intergovernmental	284,117	-	-	9,056,827	-
Charges for services	-	-	-	4,992,275	-
Investment revenue	-	-	-	226,454	-
Other local sources	-	-	-	3,846	-
Total revenues	284,117	(9,999)	811,834	14,279,402	-
Expenditures:					
Instruction	6,247,894	-	-	-	-
Student support services	-	-	-	-	-
Instructional support staff	169,197	-	-	-	-
General administration	-	-	-	-	-
School administration	141,429	-	-	-	-
Operations and maintenance	-	-	-	527,463	-
Student transportation services	202,045	-	-	-	-
Food service operations	-	-	-	12,076,094	-
Student activities	111,681	-	-	-	-
Business and central support services	-	-	-	-	-
State payment	-	-	-	-	-
Facility acquisition and construction	-	-	808,225	-	-
Building improvement	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Total expenditures	6,872,246	-	808,225	12,603,557	-
Excess (deficiency) of revenues over (under) expenditures	(6,588,129)	(9,999)	3,609	1,675,845	-
Other financing sources:					
Transfers in	6,588,109	-	-	-	-
Subscription financing	-	-	-	-	-
Total other financing sources	6,588,109	-	-	-	-
Net change in fund balances	(20)	(9,999)	3,609	1,675,845	-
Fund balances, beginning of year	20	463,330	971,324	7,318,768	35,421
Fund balances, end of year	\$ -	\$ 453,331	\$ 974,933	\$ 8,994,613	\$ 35,421

(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, 2023

	Summer School	Parent Education Program	Extraordinary School Program	Special Liability	At Risk (4 Year Old)
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ 1,102,810	\$ -
Intergovernmental	-	402,291	-	-	236,687
Charges for services	304,592	-	177,107	-	367,547
Investment revenue	-	-	-	-	-
Other local sources	-	-	-	-	-
Total revenues	304,592	402,291	177,107	1,102,810	604,234
Expenditures:					
Instruction	280,505	-	304,285	-	1,304,546
Student support services	1,236	562,653	-	-	-
Instructional support staff	-	63,003	-	-	30,710
General administration	-	-	-	143,050	-
School administration	114,739	-	21,338	-	-
Operations and maintenance	-	-	-	-	-
Student transportation services	-	-	-	-	-
Food service operations	-	-	-	-	-
Student activities	-	-	-	-	-
Business and central support services	-	-	-	937,724	-
State payment	-	-	-	-	-
Facility acquisition and construction	-	-	-	-	-
Building improvement	-	-	-	-	-
Debt service:					
Principal retirement	-	-	77,125	-	-
Interest and other charges	-	-	-	-	-
Total expenditures	396,480	625,656	402,748	1,080,774	1,335,256
Excess (deficiency) of revenues over (under) expenditures	(91,888)	(223,365)	(225,641)	22,036	(731,022)
Other financing sources:					
Transfers in	-	223,365	-	-	730,980
Subscription financing	-	-	226,190	-	-
Total other financing sources	-	223,365	226,190	-	730,980
Net change in fund balances	(91,888)	-	549	22,036	(42)
Fund balances, beginning of year	574,784	-	725,214	2,270,409	42
Fund balances, end of year	\$ 482,896	\$ -	\$ 725,763	\$ 2,292,445	\$ -

(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, 2023

	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Health Reserve
Revenues:					
Taxes	\$ 8,275,435	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	13,130,941	-	-	-
Charges for services	-	-	-	1,441,528	-
Investment revenue	-	-	-	-	-
Other local sources	-	1,274,340	771,262	-	1,882,845
Total revenues	8,275,435	14,405,281	771,262	1,441,528	1,882,845
Expenditures:					
Instruction	-	10,390,021	-	3,963,723	-
Student support services	-	1,687,542	-	-	-
Instructional support staff	-	2,402,881	-	-	-
General administration	-	39,516	-	-	-
School administration	-	26,676	-	-	-
Operations and maintenance	-	-	-	-	-
Student transportation services	-	-	-	-	-
Food service operations	-	-	-	-	-
Student activities	-	50,333	766,348	-	-
Business and central support services	-	-	-	-	1,882,845
State payment	8,996,288	-	-	-	-
Facility acquisition and construction	-	-	-	-	-
Building improvement	-	222,093	-	-	-
Debt service:					
Principal retirement	-	263,917	-	41,086	-
Interest and other charges	-	301	-	914	-
Total expenditures	8,996,288	15,083,280	766,348	4,005,723	1,882,845
Excess (deficiency) of revenues over (under) expenditures	(720,853)	(677,999)	4,914	(2,564,195)	-
Other financing sources:					
Transfers in	-	-	-	4,700,000	-
Subscription financing	-	154,439	-	-	-
Total other financing sources	-	154,439	-	4,700,000	-
Net change in fund balances	(720,853)	(523,560)	4,914	2,135,805	-
Fund balances, beginning of year	1,557,939	1,135,805	401,956	6,353,602	114,149
Fund balances, end of year	\$ 837,086	\$ 612,245	\$ 406,870	\$ 8,489,407	\$ 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, 2023

	At Risk (K-12)	Student Material Revolving	Student Activity	Total Other Governmental Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 10,180,080
Intergovernmental	21,239,049	-	-	44,349,912
Charges for services	-	641,002	-	7,924,051
Investment revenue	-	-	-	226,454
Other local sources	-	-	2,880,064	6,812,357
Total revenues	21,239,049	641,002	2,880,064	69,492,854
Expenditures:				
Instruction	22,685,788	431,464	-	45,608,226
Student support services	2,957,231	-	-	5,208,662
Instructional support staff	61,859	21,516	-	2,749,166
General administration	-	-	-	182,566
School administration	1,043,811	-	-	1,347,993
Operations and maintenance	343,123	-	-	870,586
Student transportation services	334,376	-	-	536,421
Food service operations	-	-	-	12,076,094
Student activities	-	220,887	3,031,213	4,180,462
Business and central support services	-	-	-	2,820,569
State payment	-	-	-	8,996,288
Facility acquisition and construction	-	-	-	808,225
Building improvement	-	-	-	222,093
Debt service:				
Principal retirement	-	-	-	382,128
Interest and other charges	-	-	-	1,215
Total expenditures	27,426,188	673,867	3,031,213	85,990,694
Excess (deficiency) of revenues over (under) expenditures	(6,187,139)	(32,865)	(151,149)	(16,497,840)
Other financing sources:				
Transfers in	6,435,794	-	-	18,678,248
Subscription financing	-	-	-	380,629
Total other financing sources	6,435,794	-	-	19,058,877
Net change in fund balances	248,655	(32,865)	(151,149)	2,561,037
Fund balances, beginning of year	-	427,334	2,149,247	24,499,344
Fund balances, end of year	\$ 248,655	\$ 394,469	\$ 1,998,098	\$ 27,060,381

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.

<u>Contents</u>	<u>Page</u>
Financial Trends	97 - 105
These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	106 - 112
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	113 - 118
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.	
Demographic and Economic Information	119 - 121
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	122 - 124
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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 251,367,186	\$ 267,252,105	\$ 275,444,373	\$ 263,162,281	\$ 278,936,435	\$ 300,212,019	\$ 315,342,040	\$ 347,854,860	\$ 320,496,301	\$ 329,783,107
Restricted	19,408,056	21,090,344	19,055,485	20,261,052	23,255,043	24,179,304	69,506,313	76,637,482	93,673,576	104,230,937
Unrestricted	61,443,636	(215,924,714)	(218,368,956)	(180,894,387)	(180,382,709)	(186,773,050)	(216,994,228)	(216,938,857)	(198,821,085)	(168,640,447)
Total net position	<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>	<u>\$ 207,553,485</u>	<u>\$ 215,348,792</u>	<u>\$ 265,373,597</u>

Source: Shawnee Mission USD #512 Basic Financial Statements

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Instruction	\$ 169,492,144	\$ 169,510,423	\$ 166,460,156	\$ 155,970,852	\$ 169,572,000	\$ 177,486,192	\$ 188,240,355	\$ 190,206,081	\$ 198,205,651	\$ 223,955,381
Student support services	14,857,615	14,526,934	15,090,880	14,580,344	16,415,633	18,084,399	18,439,663	20,046,003	20,525,778	22,283,773
Instructional support staff	8,702,701	8,574,463	9,239,934	9,688,922	11,178,682	11,556,236	11,628,373	12,754,000	12,592,921	14,339,165
General administration	2,087,528	2,534,990	2,648,589	2,760,096	2,653,293	2,898,103	2,453,505	2,603,264	2,475,806	2,886,460
School administration	13,266,480	13,375,735	14,548,696	13,713,788	14,799,416	15,845,506	15,265,484	16,904,434	15,722,005	17,455,156
Operations and maintenance	43,261,815	43,144,632	45,457,779	68,745,764	55,402,518	48,988,224	55,118,933	37,914,401	77,514,352	64,509,843
Student transportation services	9,547,268	8,450,726	9,061,959	10,445,501	13,610,782	14,898,256	13,789,524	14,286,821	14,189,436	16,461,897
Food service operations	11,055,516	10,881,124	10,659,695	10,411,807	10,800,040	11,766,872	10,971,435	8,738,605	12,292,227	12,190,638
Student activities	4,061,388	4,706,058	4,173,907	4,221,791	4,439,012	4,399,040	4,317,853	5,150,451	7,796,602	7,615,389
Business and central support										
services	10,775,348	12,471,248	13,705,857	12,761,937	13,464,636	13,605,868	13,747,336	15,635,882	18,091,751	18,318,737
State payment	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217	8,447,583	8,787,833	8,996,288
Interest on long-term debt	7,108,025	7,027,298	11,358,782	13,982,644	14,655,707	13,797,633	9,687,522	9,393,753	10,137,850	13,992,428
Total primary government expenses	302,748,472	303,523,371	311,591,690	326,434,178	334,882,351	340,299,079	351,689,200	342,081,278	398,332,212	423,005,155
Program revenues										
Governmental activities:										
Charges for services										
Instruction	7,620,150	6,707,859	6,368,357	4,232,886	4,443,172	4,540,809	3,885,638	2,341,725	4,141,740	4,994,593
Food service operations	5,458,129	5,020,144	5,190,902	5,072,842	5,236,531	5,389,498	4,401,373	243,751	681,203	4,992,275
Student activities	-	-	-	-	-	-	-	1,140,948	2,518,016	2,880,064
Operating grants and contributions	54,960,389	52,691,736	49,750,447	85,981,016	60,843,664	54,609,128	75,627,591	91,640,147	107,744,664	144,654,364
Total primary government program revenues	68,038,668	64,419,739	61,309,706	95,286,744	70,523,367	64,539,435	83,914,602	95,366,571	115,085,623	157,521,296
Total primary government net expense	\$ (234,709,804)	\$ (239,103,632)	\$ (250,281,984)	\$ (231,147,434)	\$ (264,358,984)	\$ (275,759,644)	\$ (267,774,598)	\$ (246,714,707)	\$ (283,246,589)	\$ (265,483,859)

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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total primary government net expense	\$ (234,709,804)	\$ (239,103,632)	\$ (250,281,984)	\$ (231,147,434)	\$ (264,358,984)	\$ (275,759,644)	\$ (267,774,598)	\$ (246,714,707)	\$ (283,246,589)	\$ (265,483,859)
General revenues and other changes in net position										
Property taxes	166,746,918	120,997,886	120,366,048	130,956,402	129,602,758	133,312,236	134,641,591	144,151,621	146,618,015	148,070,178
Grants and entitlements not restricted										
to specific programs	80,367,156	132,870,804	133,219,087	133,184,363	145,290,056	148,535,890	157,270,700	144,229,010	146,609,518	146,676,461
Investment revenue	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197	77,823	198,485	5,316,309
Miscellaneous	1,944,037	2,105,826	3,122,371	2,887,305	4,905,744	7,389,810	4,769,962	4,060,141	3,854,931	10,310,321
Special Items										
Capital asset impairment losses	(4,287,468)	(7,624,061)	-	(6,880,895)	-	-	-	-	-	-
Total primary government	244,794,290	248,366,468	256,918,612	260,904,232	281,457,395	291,505,996	298,010,450	292,518,595	297,280,949	310,373,269
Total primary government change in net position	\$ 10,084,486	\$ 9,262,836	\$ 6,636,628	\$ 29,756,798	\$ 17,098,411	\$ 15,746,352	\$ 30,235,852	\$ 45,803,888	\$ 14,034,360	\$ 44,889,410

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)

	2014	2015	2016	2017	2018	2019	2020	2021 ⁽¹⁾	2022	2023 ⁽²⁾
General fund:										
Nonspendable	\$ 688,792	\$ 397,155	\$ 413,152	\$ 336,530	\$ 408,827	\$ 384,834	\$ 370,162	\$ 385,697	\$ 474,715	\$ 509,046
Assigned	559,760	398,215	216,216	8,505	3,644	620	17,538	29,904	40,231	20,629
Unassigned	13,971	19,417	9,969	11,066	36	-	-	6,111,648	10,329,172	13,592,734
Total general fund	<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>	<u>6,527,249</u>	<u>10,844,118</u>	<u>14,122,409</u>
All other governmental funds:										
Nonspendable	198,557	224,487	183,037	8,770	-	-	-	-	-	-
Restricted	63,221,353	163,838,447	66,788,527	191,505,248	132,653,605	91,970,317	72,513,272	216,256,794	151,695,449	232,839,992
Assigned	24,149,575	30,044,581	72,681,245	1,927,220	2,266,261	5,760,076	6,362,373	5,171,041	8,261,993	6,501,447
Unassigned	1,713,483	2,307,373	246,837	4,235,681	3,566,289	3,671,731	-	-	-	-
Total all other governmental funds	<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>	<u>221,427,835</u>	<u>159,957,442</u>	<u>239,341,439</u>
Total fund balances	<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>	<u>\$ 227,955,084</u>	<u>\$ 170,801,560</u>	<u>\$ 253,463,848</u>

Source: Shawnee Mission USD #512 Basic Financial Statements

(1) Beginning in 2021, the Supplemental General Fund was combined with the General Fund.

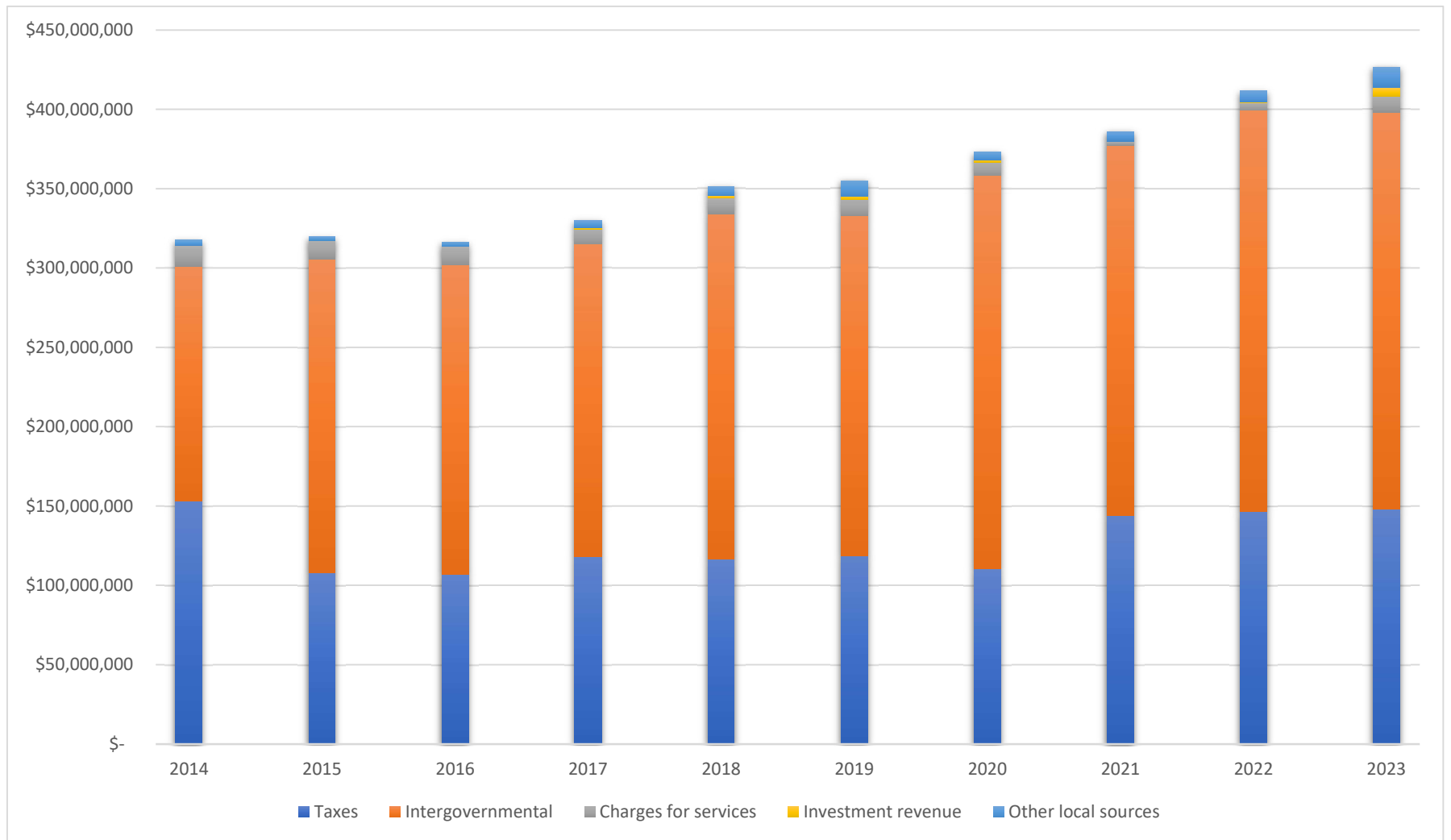
(2) Beginning in 2023, the Supplemental General, Contingency Reserve, Bilingual Education, Virtual Education, and Professional Development Funds were combined with the General Fund.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxes	\$ 153,155,103	\$ 107,781,277	\$ 107,042,177	\$ 118,305,600	\$ 116,579,276	\$ 118,718,964	\$ 110,317,291	\$ 144,151,621	\$ 146,618,015	\$ 148,070,178
Intergovernmental	147,832,128	197,676,322	194,934,550	196,989,043	217,723,244	214,460,689	248,118,152	233,126,220	252,946,195	250,169,483
Charges for services	13,078,279	11,728,003	11,559,259	9,305,728	9,679,703	9,930,307	8,287,011	2,585,477	4,822,943	9,986,868
Investment revenue	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197	77,823	198,485	5,316,309
Other local sources	3,577,850	2,413,915	2,629,026	4,439,521	5,485,235	9,748,546	5,055,049	6,016,028	7,007,725	13,263,932
Total revenues	<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>	<u>\$ 385,957,169</u>	<u>\$ 411,593,363</u>	<u>\$ 426,806,770</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)



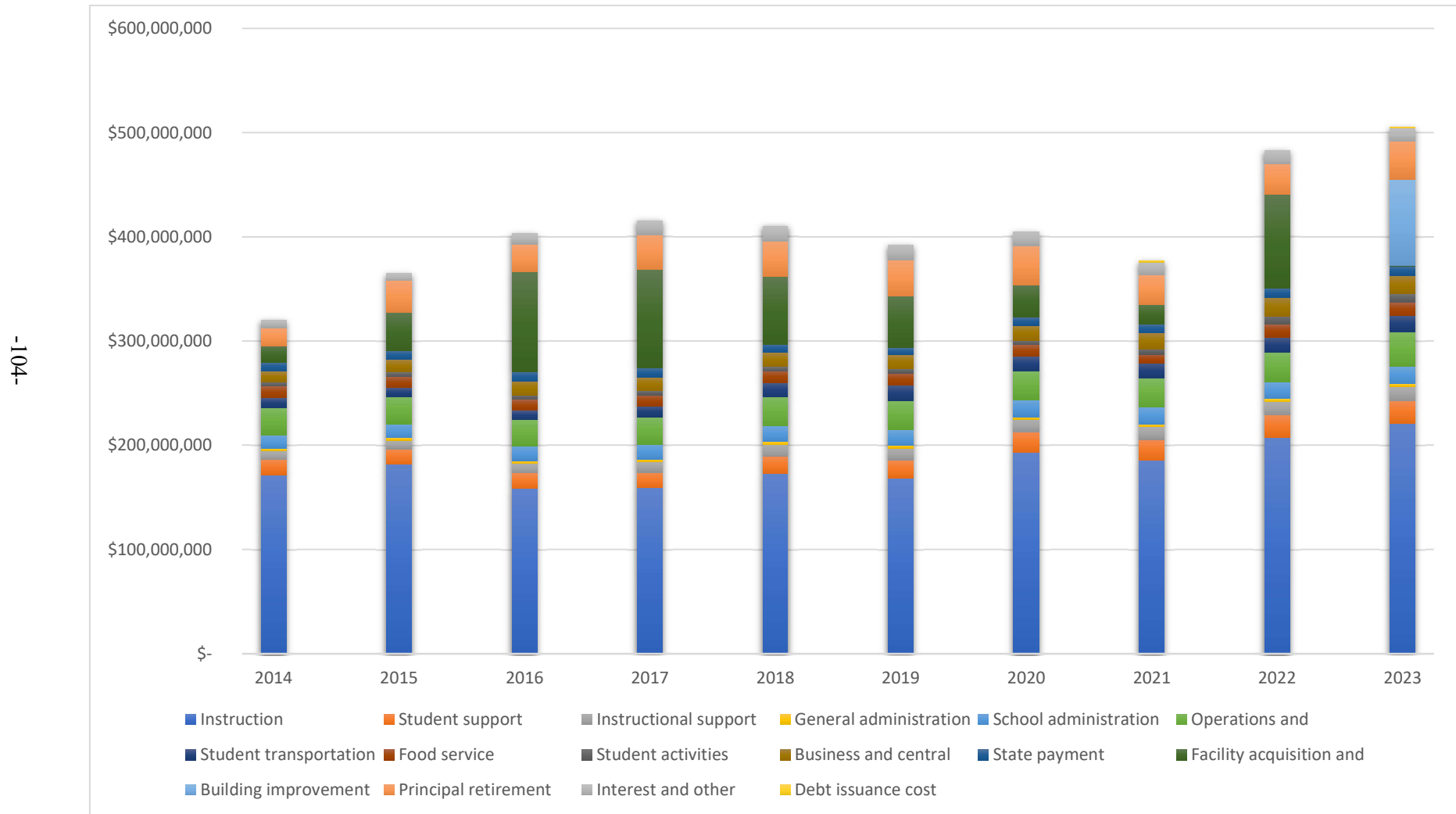
SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction	\$ 171,537,752	\$ 181,848,205	\$ 158,742,135	\$ 159,133,077	\$ 172,584,241	\$ 168,678,528	\$ 193,232,159	\$ 185,619,859	\$ 207,689,823	\$ 221,307,929
Student support										
services	14,795,635	14,412,548	14,810,979	14,999,279	16,808,714	17,384,176	19,356,132	19,558,704	21,287,305	21,312,755
Instructional support										
staff	8,544,077	8,401,044	8,962,083	9,858,013	11,393,652	11,169,862	12,264,386	12,448,039	13,064,711	13,637,940
General administration	2,073,598	2,518,982	2,606,039	2,801,339	2,701,355	2,821,126	2,559,512	2,555,510	2,541,997	2,808,447
School administration	13,189,585	13,281,219	14,383,717	14,120,866	15,211,293	15,170,772	16,139,785	16,457,980	16,367,589	16,669,678
Operations and										
maintenance	25,963,619	26,274,155	25,106,830	26,406,940	27,962,626	27,623,423	27,994,657	27,778,074	28,049,070	33,184,769
Student transportation										
services	9,493,104	8,413,928	9,007,923	10,396,167	13,608,906	14,885,885	13,793,764	14,284,861	14,809,738	15,635,652
Food service										
operations	10,977,161	10,606,828	10,473,655	10,464,032	10,910,317	11,419,680	11,230,355	8,530,031	12,364,362	12,616,920
Student activities	4,053,533	4,678,770	4,131,033	4,232,927	4,396,281	4,354,447	4,274,203	5,261,744	7,734,886	8,132,790
Business and central										
support services	10,313,205	11,872,352	13,316,763	12,859,765	13,583,697	13,193,376	14,153,429	15,379,078	18,289,399	17,715,771
State payment	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217	8,447,583	8,787,833	8,996,288
Facility acquisition and										
construction	15,843,631	36,609,187	95,780,565	94,251,541	64,655,225	49,587,170	30,923,091	18,825,456	89,789,347	808,225
Building improvement	-	-	-	-	-	-	-	-	36,924	82,678,773
Debt service:										
Principal retirement	17,495,000	30,803,056	26,419,886	33,569,539	33,882,931	34,952,382	37,742,091	28,704,880	29,410,714	36,201,515
Interest and other										
charges	7,286,249	6,942,244	10,234,829	13,242,091	14,811,533	14,024,073	12,967,247	11,894,289	12,371,866	12,849,444
Debt issuance cost	-	-	-	-	-	-	-	1,513,282	-	897,822
Total expenditures	<u>\$ 320,098,793</u>	<u>\$ 364,982,258</u>	<u>\$ 403,161,893</u>	<u>\$ 415,486,308</u>	<u>\$ 410,401,403</u>	<u>\$ 392,237,650</u>	<u>\$ 404,660,028</u>	<u>\$ 377,259,370</u>	<u>\$ 482,595,564</u>	<u>\$ 505,454,718</u>
Debt service as a										
percentage of										
noncapital										
expenditures (1)	8.14%	11.49%	11.92%	14.57%	14.08%	14.29%	13.57%	11.75%	10.64%	11.84%

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

Source: Shawnee Mission USD #512 Basic Financial Statements

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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Excess (deficiency) of revenues over (under) expenditures	\$ (2,431,786)	\$ (45,366,728)	\$ (86,785,775)	\$ (85,689,359)	\$ (59,275,108)	\$ (37,111,084)	\$ (31,554,328)	\$ 8,697,799	\$ (71,002,201)	\$ (78,647,948)
Other financing sources (uses):										
Bond proceeds	17,851,306	152,050,912	30,095,083	143,183,396	-	-	-	245,230,000	-	137,550,000
Premium on bonds issued	-	-	-	-	-	-	-	16,807,725	-	11,426,677
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	(124,071,339)	-	(5,300,000)
Capital lease	-	-	-	-	-	-	9,030,095	-	-	-
Financed purchase proceeds	-	-	-	-	-	-	-	-	13,848,677	11,936,066
Lease obligation proceeds	-	-	-	-	-	-	-	-	-	1,435,239
Subscription financing proceeds	-	-	-	-	-	-	-	-	-	4,262,254
Transfer in	17,421,443	18,656,841	19,122,673	14,463,795	17,152,044	15,913,986	23,226,058	39,900,848	42,296,337	45,047,245
Transfer out	(17,421,443)	(18,656,841)	(19,122,673)	(14,463,795)	(17,152,044)	(15,913,986)	(23,226,058)	(39,900,848)	(42,296,337)	(45,047,245)
Total other financing sources (uses)	17,851,306	152,050,912	30,095,083	143,183,396	-	-	9,030,095	137,966,386	13,848,677	161,310,236
Total change in fund balance	\$ 15,419,520	\$ 106,684,184	\$ (56,690,692)	\$ 57,494,037	\$ (59,275,108)	\$ (37,111,084)	\$ (22,524,233)	\$ 146,664,185	\$ (57,153,524)	\$ 82,662,288

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 Assessed to Total Estimated Actual Value	Total Direct Rate ⁽¹⁾
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%	56
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%	56
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
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%	55
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%	54
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
2019	3,990,864,457	27,738,185	65,308,350	4,083,910,992	30,647,941,378	120,283,658	259,181,030	31,027,406,066	13.16%	52
2020	4,233,515,173	24,287,478	70,907,150	4,328,709,801	35,318,667,589	106,820,382	269,527,271	35,695,015,242	12.13%	52
2021	4,424,474,638	20,956,754	78,090,563	4,523,521,955	35,510,363,808	109,241,160	276,704,426	35,896,309,394	12.60%	52
2022	4,881,618,173	19,939,871	84,270,205	4,985,828,249	39,683,063,283	115,041,746	297,020,932	40,095,125,961	12.43%	49

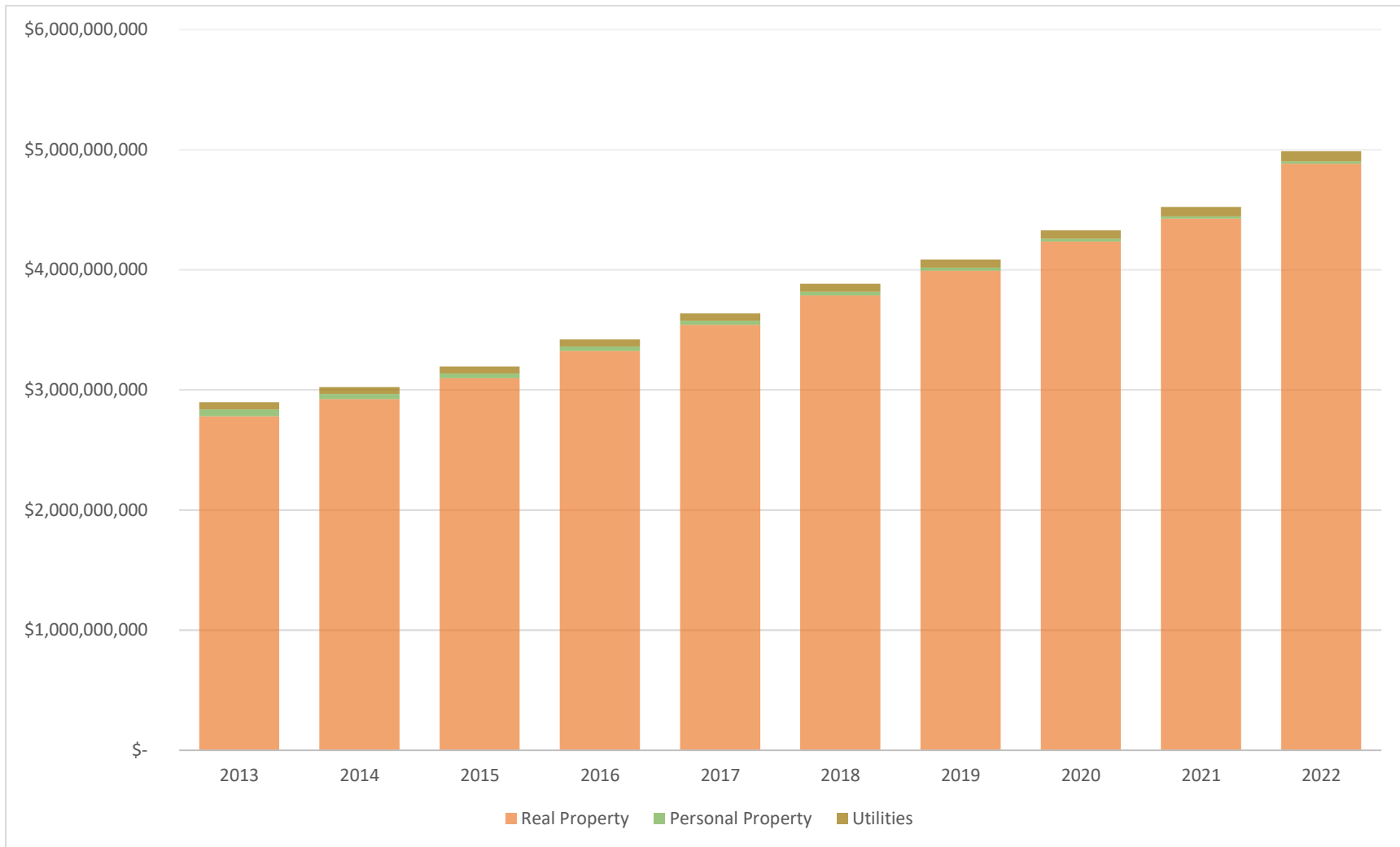
* Actual Values for property within the boundaries of Unified School District No. 512 for years 2013 through 2022 are not maintained with the County. Estimate is based on ratio of Unified School District No. 512 assessed value to Johnson County total assessed value multiplied by estimated actual values for Johnson County. (County figures are from Johnson County, Kansas December 31, 2022 Annual Comprehensive 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 TAX YEARS
(Modified Accrual Basis of Accounting)

-107-



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

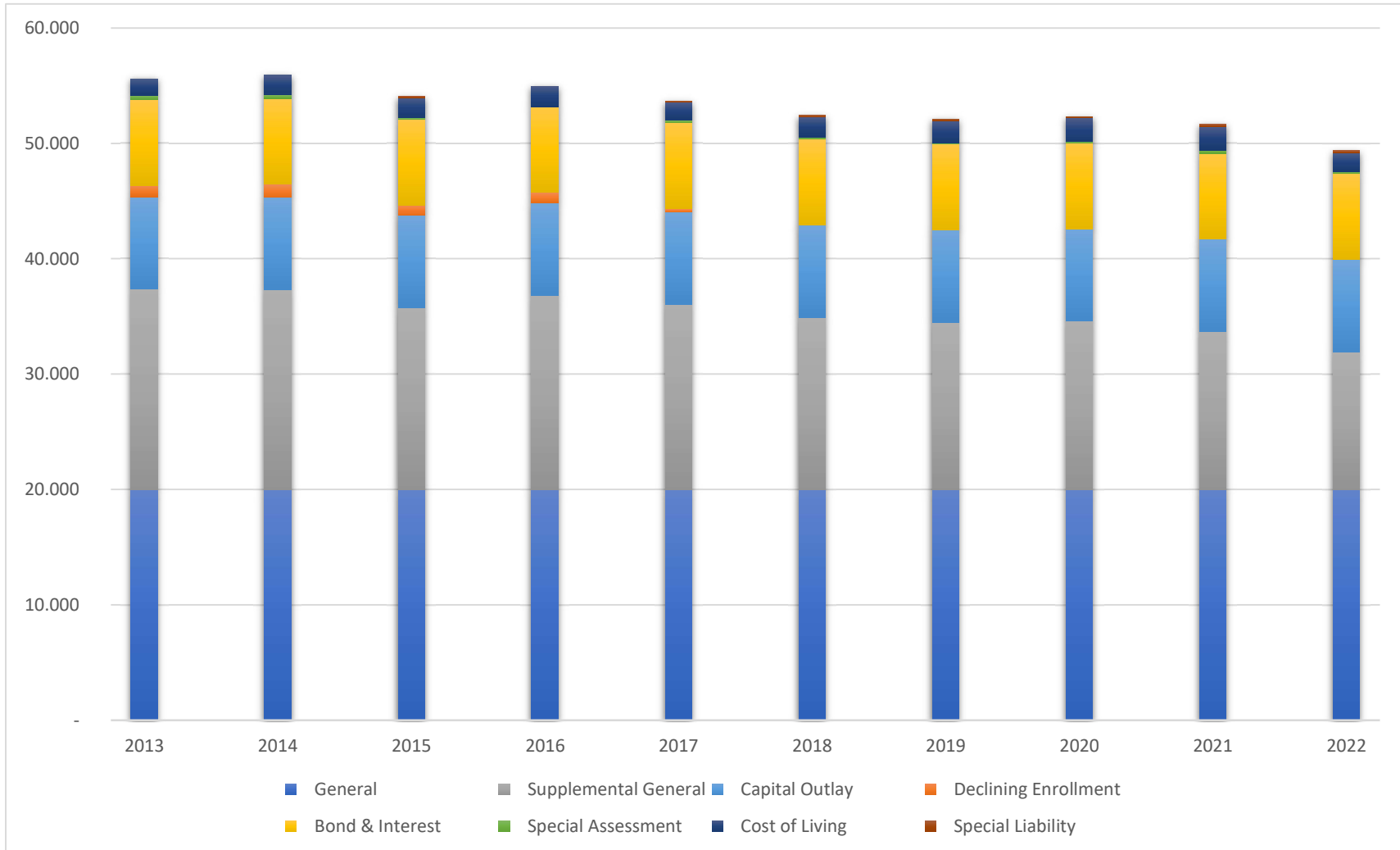
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Shawnee Mission USD #512										
General	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000
Supplemental General	17.357	17.333	15.772	16.824	16.058	14.905	14.492	14.603	13.706	11.932
Capital Outlay	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Declining Enrollment	1.009	1.123	0.874	0.928	0.290	-	-	-	-	-
Bond & Interest	7.429	7.434	7.445	7.438	7.440	7.454	7.436	7.437	7.438	7.453
Special Assessment	0.364	0.324	0.109	-	0.221	0.209	0.089	0.131	0.263	0.159
Cost of Living	1.452	1.697	1.755	1.750	1.550	1.733	1.944	2.033	2.028	1.618
Special Liability	-	-	0.104	-	0.104	0.126	0.160	0.147	0.232	0.224
Total - Direct	55.611	55.911	54.059	54.940	53.663	52.427	52.121	52.351	51.667	49.386
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	17.745	17.764	19.582	19.590	19.318	19.024	19.036	18.799	18.564	17.772
Cities										
Fairway	18.619	18.629	18.629	19.862	19.914	19.917	19.928	19.927	19.928	19.930
Leawood*	24.477	24.492	24.508	24.513	24.517	24.524	24.548	24.757	24.076	24.077
Lenexa*	29.713	31.765	31.807	31.828	31.832	29.909	29.319	29.242	29.102	28.122
Merriam	27.625	27.605	27.676	27.673	27.741	27.880	27.765	27.558	27.665	27.665
Mission	11.413	11.354	18.225	18.019	17.973	17.878	17.157	17.048	16.369	16.374
Mission Hills	21.923	21.923	21.937	21.951	21.962	21.962	22.770	22.755	22.763	22.765
Mission Woods	12.084	12.084	15.528	15.528	16.284	15.402	15.576	15.576	15.576	15.028
Overland Park*	12.833	12.837	12.848	13.800	13.565	13.566	13.557	13.582	14.578	14.573
Prairie Village	19.490	19.493	19.500	19.471	19.311	19.314	19.320	19.321	19.322	18.309
Roeland Park	33.379	33.378	33.385	33.463	31.023	28.531	28.533	28.548	28.547	27.663
Shawnee*	24.959	24.520	24.536	26.611	26.614	26.617	26.625	26.501	26.004	24.047
Westwood	23.676	22.275	22.523	21.301	21.307	21.307	21.306	21.312	21.197	21.198
Westwood Hills	20.000	19.920	21.000	25.497	24.943	29.321	27.935	27.533	26.602	25.862
Merriam Drainage	3.127	3.088	2.002	2.002	2.403	1.700	1.700	1.777	1.707	1.584
Johnson County Consolidated Fire #2	11.004	11.003	11.757	11.769	11.760	11.750	11.753	11.201	10.775	10.477
Monticello Cemetery District*	0.027	0.031	0.028	0.040	0.039	0.037	0.044	0.025	0.050	0.035
Johnson County Community College*	9.551	9.461	9.469	9.473	8.966	9.266	9.121	9.191	9.110	8.617
Johnson County Parks and Recreation*	2.347	2.349	3.101	3.102	3.112	3.088	3.090	3.093	3.096	3.021
Johnson County Library Board*	3.155	3.157	3.912	3.915	3.921	3.901	3.904	3.905	3.908	3.815
	328.647	328.628	343.453	350.908	348.005	346.394	344.487	343.151	340.439	332.434

* 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 TAX YEARS

-109-



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
PRINCIPAL TAXPAYERS
2023 AND NINE YEARS AGO

Name	Industry	2023 Assessed Valuation	Percent of Total Assessed Valuation	2014 Assessed Valuation	Percent of Total Assessed Valuation
Oak Park Mall, LLC	Shopping Center	\$ 60,197,189	1.21%	\$ 67,408,434	2.33%
Tower Properties Company	Real Estate	21,375,303	0.43%	12,748,015	0.44%
Perg Buildings, LLC	Shopping Center	19,172,210	0.38%	17,891,280	0.62%
Kiewit Properties (Kansas) LLC	Foreign Limited-Liability	15,668,220	0.31%		
ATLAS KCC	Real Estate	12,876,978	0.26%		
TRX Shawnee (KS) LLC	Pharmaceuticals	12,871,146	0.26%		
Shamrock Real Estate #4, Inc.	Real Estate	11,710,125	0.23%		
Meritex Lenexa Executive Park, LLC	Real Estate	11,607,624	0.23%		
Highlands IV, LLC	Real Estate	11,345,783	0.23%		
TCD 229 KC Logistics Property, LLC	Foreign Limited-Liability	11,268,722	0.23%		
Kansas City Power & Light Co.	Utility			24,008,780	0.83%
Kansas Gas Service	Utility			12,829,483	0.44%
Southwestern Bell Telephone	Utility			10,553,784	0.36%
Hendrick Automotive Group	Automotive			8,600,277	0.30%
MEPT Kansas	Real Estate			8,339,254	0.29%
RREEF America	Real Estate			8,257,503	0.28%
Midwest Division - OPRMC, LLC	Pharmaceuticals			7,992,467	0.28%
		<u>\$ 188,093,300</u>	<u>3.77%</u>	<u>\$ 178,629,277</u>	<u>6.17%</u>

Source: Johnson County Clerk's Office

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
2013/14	\$ 154,261,098	\$ 152,623,146	98.94%	\$ 1,601,742	\$ 154,224,887	99.98%	\$ 36,211	0.02%
2014/15	160,674,605	159,432,390	99.23%	1,202,479	160,634,869	99.98%	39,736	0.02%
2015/16	164,172,983	163,108,545	99.35%	1,019,785	164,128,329	99.97%	44,653	0.03%
2016/17	177,746,211	177,646,398	99.94%	(1,350)	177,645,048	99.94%	101,163	0.06%
2017/18	184,190,545	183,923,850	99.86%	9,340	183,933,191	99.86%	257,354	0.14%
2018/19	192,886,329	191,894,593	99.49%	520,566	192,415,159	99.76%	471,170	0.24%
2019/20	201,308,428	199,335,837	99.02%	991,636	200,327,473	99.51%	980,955	0.49%
2020/21	214,186,222	211,315,835	98.66%	1,397,845	212,713,680	99.31%	1,472,542	0.69%
2021/22	221,185,832	219,100,518	99.06%	1,060,537	220,161,055	99.54%	1,024,777	0.46%
2022/23	238,569,106	236,276,237	99.04%	(1,611,127)	234,665,110	98.36%	3,903,996	1.64%
	(1)	(2)		(3)	(2)		(2)	

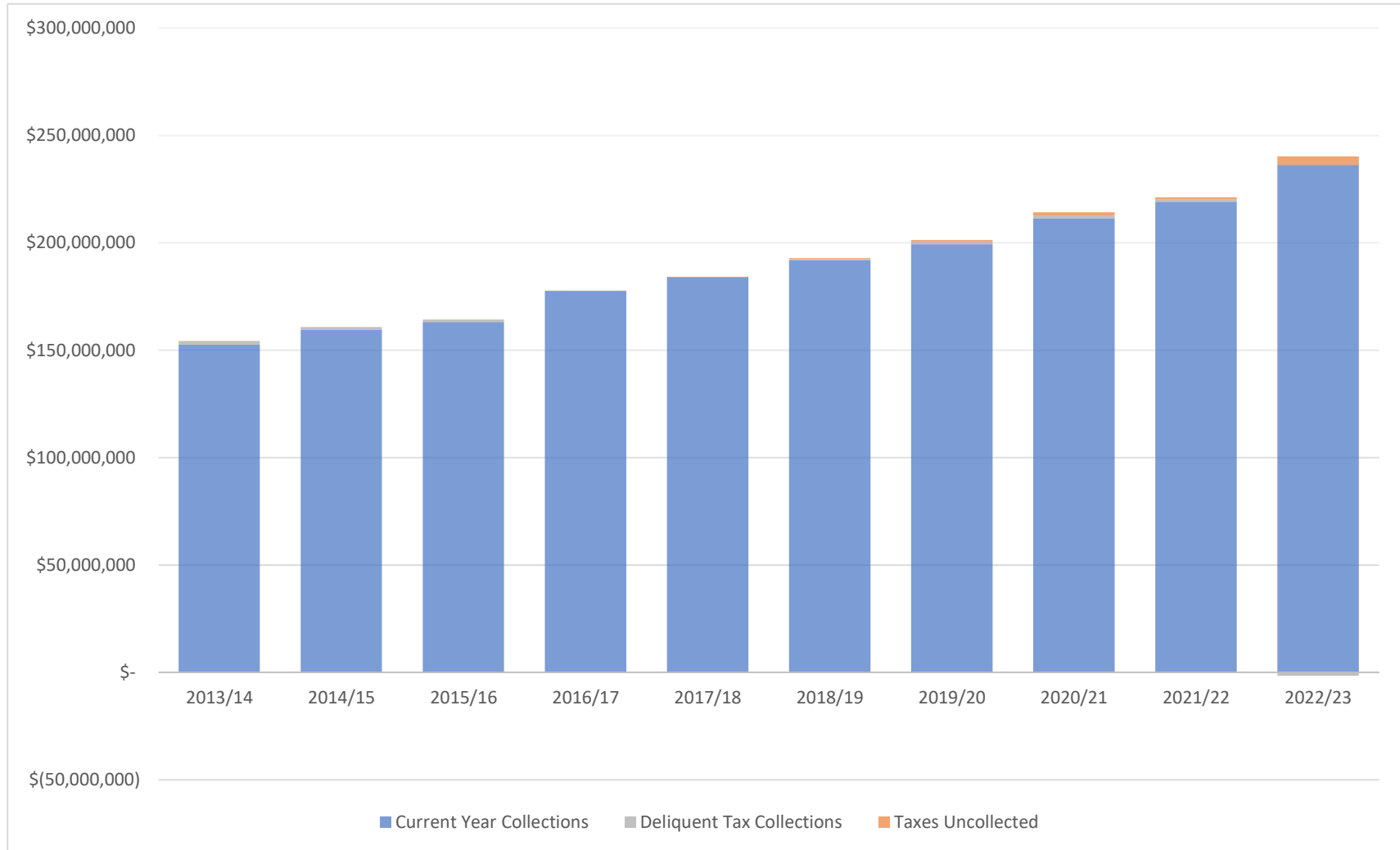
(1) Tax year balances.

(2) Collection year balances.

(3) Beginning in 2021/22, Johnson County began refunding "big box store" settlements. The refunds were processed against the Delinquent Tax Collections resulting in a negative collection amount in 2022/23.

Source: Johnson County Treasurer's Office

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



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
FINANCIAL OVERVIEW
Year Ended June 30, 2023

2022 Estimated Actual Valuation	\$	40,095,125,961
2022 Assessed Valuation	\$	4,985,828,249
General Obligation Bonds	\$	564,135,374
Population (District Estimate)		235,010
General Obligation Debt Per Capita	\$	2,400
Ratio of General Obligation Debt to Estimated Actual Valuation		1.41%
Ratio of General Obligation Debt to Assessed Valuation		11.31%
Outstanding Financed Purchases	\$	15,275,215
Overlapping General Obligation Debt	\$	454,881,384
Direct and Overlapping Debt	\$	1,019,016,758
Direct and Overlapping Debt Per Capita	\$	4,336
Ratio of Direct and Overlapping Debt to Estimated Actual Valuation		2.54%
Ratio of Direct and Overlapping Debt to Estimated Assessed Valuation		20.44%

Source: Shawnee Mission USD #512 Basic Financial Statements

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	Personal Income	Per Capita	Percentage of Personal Income
				(1)	(2)		
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%
2021	468,964,356	-	468,964,356	230,742	10,028,170,408	2,032	4.68%
2022	444,264,175	-	444,264,175	233,616	10,835,462,628	1,902	4.10%
2023	564,135,374	-	564,135,374	235,010	13,744,859,889	2,400	4.10%

(1) Population for 2014 and 2015 is from the Johnson County Economic Institute. Population for 2016 through 2019 is from Business Information Services, LLC. Population for 2020 through 2023 based on U.S. Census Bureau data.

(2) The 2014 and 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 through 2023 personal income information is an estimate based on U.S. Census Bureau data.

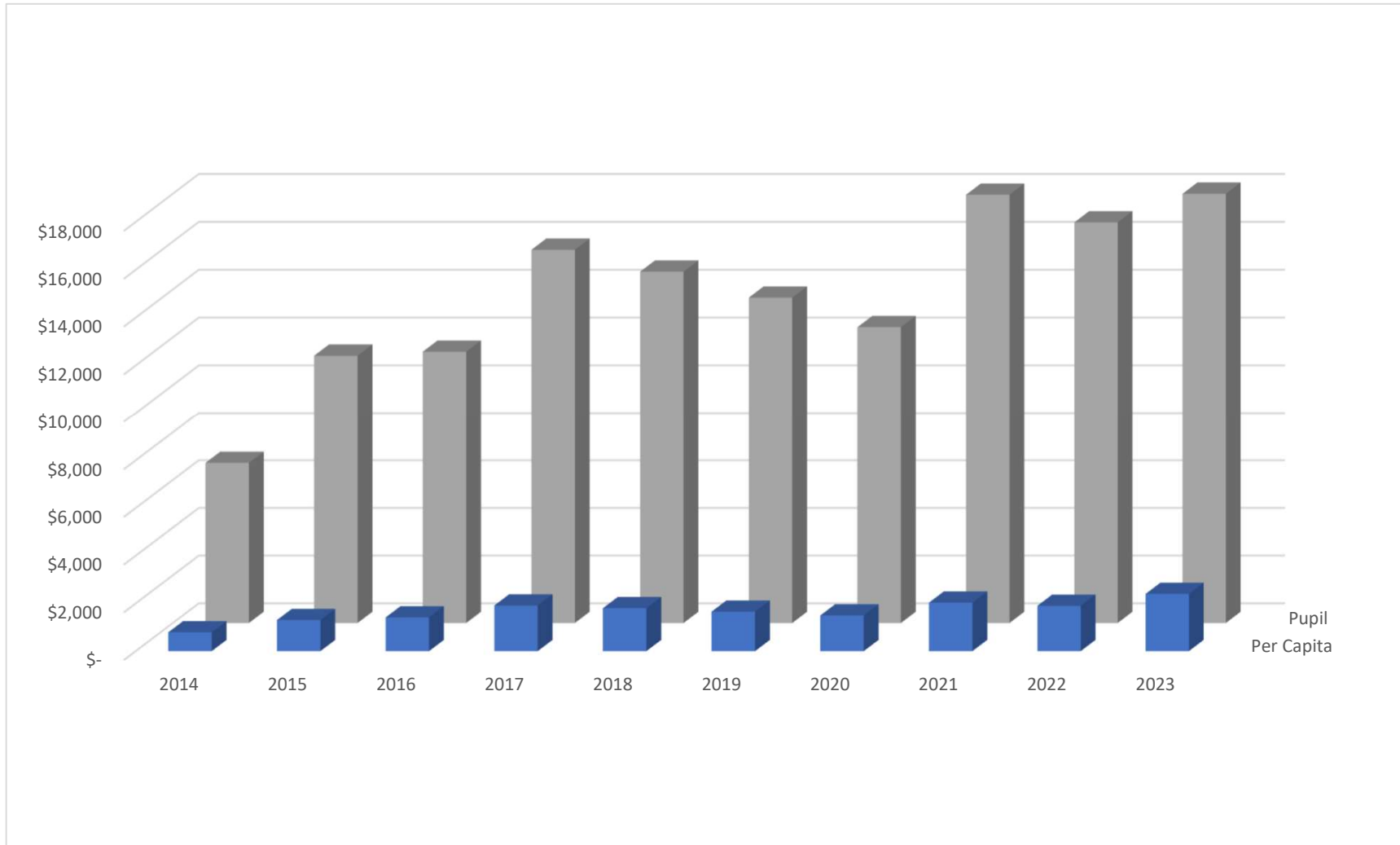
Source: Johnson County Clerk and Shawnee Mission USD #512 records

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
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
2021	230,742	26,112	4,328,709,801	468,964,356	10.83%	2,032	17,960
2022	233,616	26,437	4,523,521,955	444,264,175	9.82%	1,902	16,805
2023	235,010	26,585	4,985,828,249	564,135,374	11.31%	2,400	21,220

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

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



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2023

		Principal Amount of Outstanding Debt	Percent Applicable to School District	Amount Applicable to School District
Direct				
	Shawnee Mission USD No. 512	\$ 564,135,374	100.00%	\$ 564,135,374
Overlapping				
	Johnson County	\$ 572,900,000	34.23%	\$ 196,103,670
	Cities			
	Fairway	7,040,000	100.00%	7,040,000
	Lake Quivira	1,986,771	100.00%	1,986,771
	Leawood	114,027,054	21.49%	24,504,414
	Lenexa	149,690,000	58.96%	88,257,224
	Merriam	12,110,000	100.00%	12,110,000
	Mission	21,965,000	100.00%	21,965,000
	Mission Hills	1,590,070	100.00%	1,590,070
	Overland Park	106,260,000	29.47%	31,314,822
	Prairie Village	10,170,000	100.00%	10,170,000
	Roeland Park	756,190	100.00%	756,190
	Shawnee	102,925,000	49.17%	50,608,223
	Westwood	3,385,000	100.00%	3,385,000
	Johnson County Fire Department #2	5,090,000	100.00%	5,090,000
	Total Overlapping Debt			<u>\$ 454,881,384</u>
	Total Direct and Overlapping Debt			<u><u>\$ 1,019,016,758</u></u>

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, 2022.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Assessed Valuation of Taxable Property	\$ 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	\$ 4,685,526,171	\$ 4,523,521,955	\$ 4,985,828,249
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	445,952,338	464,987,692	490,324,534	524,159,222	555,856,142	591,596,414	620,845,579	655,973,664	633,293,074	698,015,955
Total net debt applicable to limit	202,225,481	322,096,761	324,329,785	380,854,582	362,760,737	343,921,764	291,715,000	416,250,000	404,675,000	515,410,000
Legal Debt Margin	<u>\$ 243,726,857</u>	<u>\$ 142,890,931</u>	<u>\$ 165,994,749</u>	<u>\$ 143,304,640</u>	<u>\$ 193,095,405</u>	<u>\$ 247,674,650</u>	<u>\$ 329,130,579</u>	<u>\$ 239,723,664</u>	<u>\$ 228,618,074</u>	<u>\$ 182,605,955</u>
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	45.35%	69.27%	66.15%	72.66%	65.26%	58.13%	46.99%	63.46%	63.90%	73.84%

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)
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%
2021	13,139	3,936	8,003	1,034	26,112	93.5%	230,742	10,028,170,408	43,461	5.1%
2022	13,514	3,923	7,910	1,090	26,437	91.8%	233,616	10,835,462,628	46,382	2.7%
2023	13,621	3,824	8,016	1,124	26,585	92.5%	235,010	13,744,859,889	58,486	2.3%

Projected Enrollment

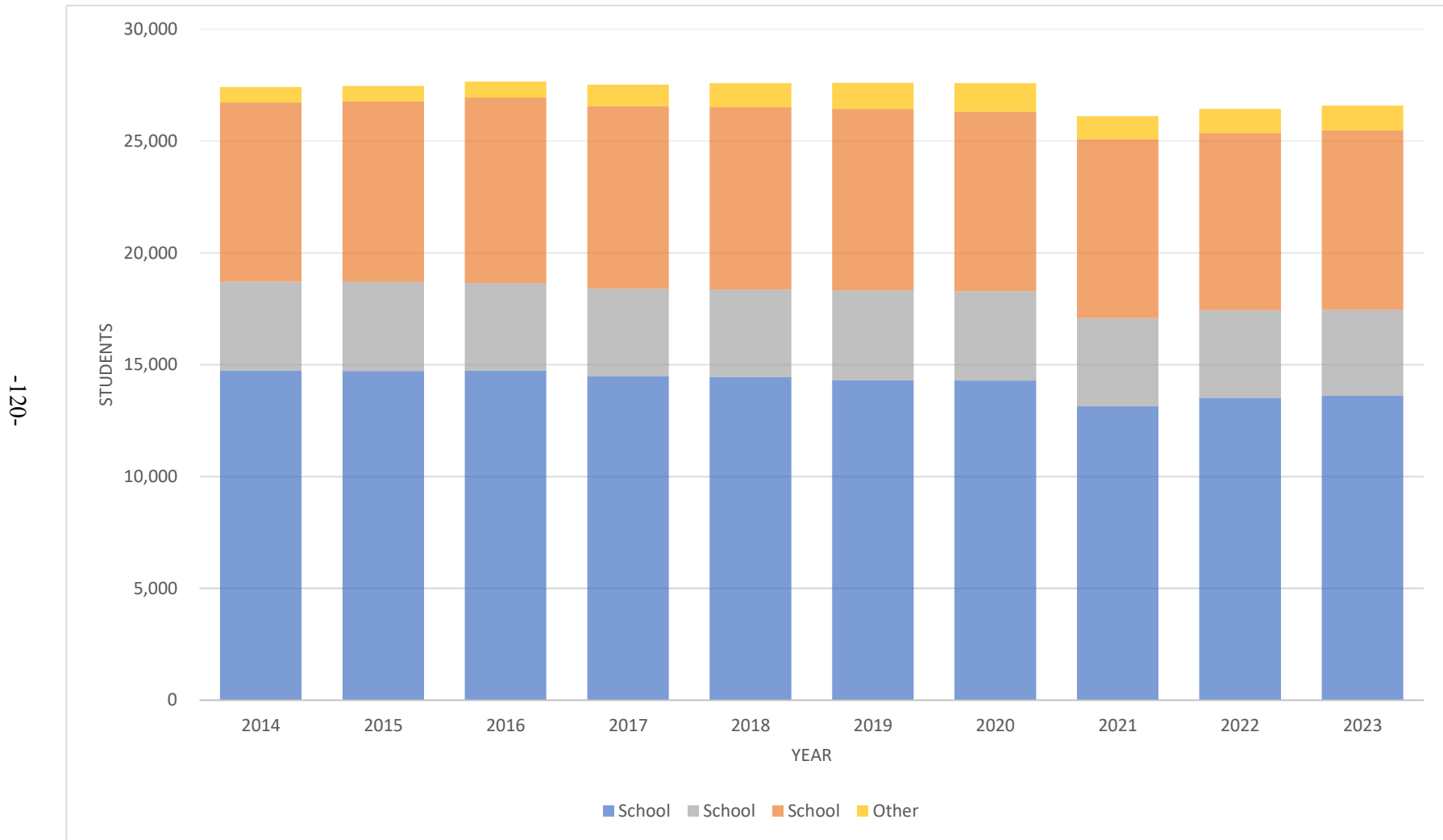
Fiscal Year	Elementary School	Middle School	High School	Special Education & Other	Total Projected Student Enrollment
2024	13,665	3,838	7,920	1,124	26,547
2025	13,548	3,930	7,759	1,124	26,361
2026	13,563	3,912	7,730	1,124	26,329
2027	13,543	3,815	7,660	1,124	26,142
2028	13,484	3,865	7,639	1,124	26,112

(1) Enrollment counts as of September 20th.

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

Source: 2022 Johnson County Annual Comprehensive Financial Report 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, 2023 AND 2014

Employer (1)	June 30, 2023			June 30, 2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
FedEx Ground Package System, Inc.	1,000	1	2.69%	925	2	2.62%
Waste Management of Kansas City	650	2	1.75%			
De Soto Unified School District No. 232	622	3	1.67%	1,000	1	2.83%
Shawnee Mission School District	542	4	1.46%			
TriRX Pharmaceutical Services	330	5	0.89%			
City of Shawnee	330	6	0.89%	275	8	0.78%
McLane Food Company	320	7	0.86%			
Wal-Mart Super Center	300	8	0.81%	450	6	1.27%
Kraft Tool Company	260	9	0.70%			
Hy-Vee Food Stores	250	10	0.67%	230	10	0.65%
Harte Hanks				360	7	1.02%
NazDar Industries				248	9	0.70%
Deffenbaugh Industries, Inc.				640	3	1.81%
Bayer HealthCare, LLC				583	4	1.65%
Perceptive Software, Inc.				551	5	1.56%
Total	4,604		12.39%	5,262		14.89%
City of Shawnee total population	37,231			35,338		

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

Source: 2022 City of Shawnee Annual Comprehensive Financial Report

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 DIRECTORY OF SCHOOL FACILITIES
 AS OF JUNE 30, 2023

School	Year Opened	Current Capacity	Enrollment As Of September 20, 2022	Percent of Student Capacity
<u>High School</u>				
Shawnee Mission East	1958	2,388	1,673	70.06%
Shawnee Mission North	1921	2,256	1,526	67.64%
Shawnee Mission Northwest	1969	2,376	1,600	67.34%
Shawnee Mission South	1966	2,232	1,571	70.39%
Shawnee Mission West	1962	2,424	1,611	66.46%
Shawnee Mission Horizons	2001	456	131	28.73%
<u>Middle School</u>				
Hocker Grove	1955	1,188	747	62.88%
Indian Hills	1955	1,176	850	72.28%
Indian Woods	1961	1,110	756	68.11%
Trailridge	1967	1,167	701	60.07%
Westridge	1962	1,434	811	56.56%
<u>Elementary</u>				
Apache	2011	592	498	84.12%
Belinder	1952	592	447	75.51%
Benninghoven	2017	550	423	76.91%
Bluejacket-Flint	1996	600	384	64.00%
Briarwood	2016	600	660	110.00%
Broken Arrow	1990	600	328	54.67%
Brookridge	1967	600	521	86.83%
Brookwood	2019	550	430	78.18%
Comanche	2008	600	352	58.67%
Corinth	1996	600	564	94.00%
Crestview	2017	510	366	71.76%
Diemer	2022	550	400	72.73%
East Antioch	1958	450	300	66.67%
Highlands	2010	600	329	54.83%
Lenexa Hills	2018	550	283	51.45%
Marsh	2006	546	472	86.45%
McAuliffe	1987	600	423	70.50%
Merriam Park	2007	568	399	70.25%
Mill Creek	1978	568	474	83.45%
Nieman	2008	600	420	70.00%
Oak Park-Carpenter	2007	546	503	92.12%
Overland Park	1998	522	401	76.82%
Pawnee	2023	600	392	65.33%
Prairie	1993	498	449	90.16%
Rising Star	1991	600	440	73.33%
Roesland	2008	568	337	59.33%
Rosehill	1966	600	466	77.67%
Rushton	1954	428	297	69.39%
Santa Fe Trail	1953	600	286	47.67%
Shawano	2016	550	453	82.36%
Sunflower	1994	600	370	61.67%
Tomahawk	1954	498	290	58.23%
Trailwood	2016	510	413	80.98%
Westwood View	2022	550	308	56.00%
<u>Preschool & Other Enrollment</u>			730	
Total			26,585	

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
MISCELLANEOUS STATISTICAL DATA
AS OF JUNE 30, 2023

Year of Incorporation	1969
Form of Government	Elected Board
Area of District	72 Square Miles
Population of District	235,010
Ending Enrollment 2022/2023	26,585

Number of Schools		Average Class Size (1)	
Elementary Schools	34	Elementary	20.4
Middle Schools	5	Secondary	N/A
High Schools	5		
Total	<u>44</u>	Number of Full-Time Equivalent Employees	
		Classified	1,161.5
		Certified	2,132.1
		Total	<u>3,293.6</u>

Teacher Summary				
Degree	Number of Teachers	% of Total	Salary Range	
			Low	High
Bachelors	290	13.4%	\$ 45,466	\$ 49,596
Bachelors + 10	62	2.9%	46,603	53,426
Bachelors + 20	87	4.0%	47,768	59,738
Masters	735	34.0%	52,544	69,920
Masters + 15	215	9.9%	54,384	76,055
Masters + 30	193	8.9%	56,287	80,699
Masters + 45	136	6.3%	58,257	83,521
Masters + 60	409	18.9%	60,296	86,444
Doctorate	36	1.7%	61,803	88,606

Certified Employee Allocation					
	District Office	Elementary School	Middle School	High School	Total
Superintendent	1.0				1.0
Asst. Superintendent	6.0				6.0
Principals		36.0	5.0	6.0	47.0
Asst. Principals		6.0	8.0	20.0	34.0
Directors Special Ed.	6.0				6.0
Directors Health	1.0				1.0
Directors Career/Technical Ed.	1.0				1.0
Instructional Coordinators	10.0				10.0
Other Directors	4.0				4.0
Vocational Arts Teachers				71.0	71.0
Special Ed. Teachers		161.8	47.0	79.5	288.3
Pre-Kindergarten		19.0			19.0
Kindergarten		99.0			99.0
Other Teachers		796.2	222.6	407.7	1,426.5
Library Media		33.0	5.0	5.0	43.0
Counselors		1.0	11.0	26.0	38.0
School Psychologists	21.0				21.0
Nurses		38.0	5.0	6.0	49.0
Speech Pathologists	1.0	43.8	2.4	2.8	50.0
Audiologists	1.0				1.0
Social Workers	1.0	37.0	5.0	11.0	54.0
Reading		9.5			9.5
Other	23.3				23.3
	<u>76.3</u>	<u>1,280.3</u>	<u>311.0</u>	<u>635.0</u>	<u>2,302.6</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,

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
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
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%
2021	26,112	316,321,463	12,114	342,081,278	13,101	2,040	13	32.50%
2022	26,437	350,986,713	13,276	398,332,212	15,067	2,105	13	32.53%
2023	26,585	372,018,939	13,994	423,005,155	15,911	2,133	12	38.60%

(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, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Expenditures
U.S. Department of Agriculture:		
Passed through State of Kansas Department of Education:		
Child Nutrition Cluster:		
School Breakfast Program	10.553	\$ 1,056,078
National School Lunch Program	10.555	6,964,975
Summer Food Service Program for Children	10.559	834,152
Fresh Fruit & Vegetable Program	10.582	4,262
Total Child Nutrition Cluster		<u>8,859,467</u>
Child and Adult Food Care Program	10.558	51,631
Team Nutrition Grants	10.574	<u>8,150</u>
Total U.S. Department of Agriculture		<u>8,919,248</u>
U.S. Department of Education:		
Passed through State of Kansas Department of Education:		
Title I	84.010	3,055,460
Title I - Migrant Education	84.011	32,214
Special Education Cluster (IDEA):		
Special Education - Grants to States (IDEA, Part B)	84.027	4,699,188
Special Education - Preschool Grants (IDEA Preschool)	84.173	171,887
Total Special Education Cluster (IDEA)		<u>4,871,075</u>
Career and Technical Education - Carl Perkins	84.048	284,137
Title II-A Improving Teacher Quality	84.367	658,153
English Language Acquisition	84.365	203,656
Student Support and Academic Enrichment Program	84.424	194,710
COVID-19 Education Stabilization Fund (ESSER II - SPED)	84.425D	156,485
COVID-19 Education Stabilization Fund (ESSER II)	84.425D	739,859
COVID-19 Education Stabilization Fund (ESSER III)	84.425U	8,402,451
COVID-19 Education Stabilization Fund (ESSER III - SPED)	84.425W	<u>39,759</u>
Total U.S. Department of Education		<u>18,637,959</u>
U.S. Department of Health and Human Services:		
Passed through State of Kansas Department of Education:		
477 Cluster:		
Temporary Assistance for Needy Families	93.558	112,292
Total 477 Cluster		<u>112,292</u>
Total U.S. Department of Health and Human Services		<u>112,292</u>
Total federal expenditures		<u>\$ 27,669,499</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, 2023

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, 2023.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

Part I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

Type of auditors' report issued on compliance for major program:	Unmodified
Internal control over major 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 programs:	

Assistance Listing Number

Name of Federal Program

10.559	Child Nutrition Cluster
84.425	Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$ 830,085
Auditee qualified as low-risk auditee?	Yes

Part II – Financial Statement Findings

No matters reported.

Part III - Federal Award Findings and Questioned Costs

No matters reported.



**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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Shawnee Mission Unified School District No. 512 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 20, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

An Independently Owned Member, RSM US Alliance

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

BT&Co, P.A.

November 20, 2023
Topeka, Kansas



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

Board of Education
Shawnee Mission Unified School District No. 512

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Shawnee Mission Unified School District No. 512's (the District's) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

An Independently Owned Member, RSM US Alliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

BT&Co, P.A.

November 20, 2023
Topeka, Kansas