

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, 2021**

**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, 2021

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November 29, 2021

**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, 2021, 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. U.S. News & World Report ranked all of the district's five high schools as among the best in the nation. Shawnee Mission offers a rigorous academic curriculum designed to prepare students for the future. The district is proud of the impressive achievement of its students as reflected on state and national assessments. For more information, visit www.smsd.org.

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 2020-21 school year, the district was comprised of 34 elementary schools, five middle schools, five high schools, one alternative education school, one career and technical center, early childhood education center, four major athletic complexes, and three administrative and support facilities. This represents a physical plant in excess of nearly 5.4 million square feet, having a replacement value in excess of \$1.2 billion.

On September 20, 2020, enrollment was 26,112, down 1,476 from the 27,588 students on September 20, 2019. This enrollment represented 13,139 elementary school students, 3,936 middle school students, 8,003 high school students, 1,034 special education, preschool and other students. On March 11, 2020, the COVID-19 outbreak was declared a pandemic and our schools had to transition from in person learning to remote learning. As the pandemic continued during the 2020-21 school year, it resulted in a direct adverse impact on our enrollment.

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 82 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 6.0% to \$4.3 billion during 2020.

FINANCIAL POLICIES

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

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

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

MAJOR INITIATIVES

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

The document gives voice to who we want to be through the following 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 Shawnee Mission Board of Education approved this strategic plan in the 2018-19 school year. The plan is being implemented across the district.

Signature Programs

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

to providing quality educational opportunities that will enable students to be successful in college and careers.

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

In-Person Learning

The 2021-2022 school year marks the third academic year impacted by the COVID-19 pandemic. Throughout this school year, the district's top priority has been to keep schools open and safe. While the previous school year introduced new learning models (hybrid and remote learning), all students enrolled in the Shawnee Mission School District are learning in-person.

2021 Bond Referendum

The Shawnee Mission School District community approved a \$264 million bond referendum in January 2021. Through this bond, five new elementary schools will be rebuilt, and facilities improvements will be made across the district. The bond also allows the district to shift some custodial and maintenance salaries into the capital fund. This frees up funds in the operating fund to hire additional secondary teachers to better support student learning. All of 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.

Honors and Awards

District students and staff continue to be recognized locally, regionally, and nationally for their excellence. Five Shawnee Mission high schools were included on the list of Best High Schools, published by U.S. News & World Report. Recognitions have been presented to students and staff in programs and competitions including, but not limited to: State Horizon Award, Kansas Teacher of the Year finalist, National Scholastic Press Association honors, Princeton Prize in Race Relations, Kansas Academic Decathlon, Greater Kansas City Science and Engineering Fair, SkillsUSA, Journalism Education Association, and the Apple Distinguished School program. Shawnee Mission students also were recognized by the National Merit Program and have earned numerous state team and individual championship titles in athletics. The Shawnee Mission Education Foundation awarded \$2.1 billion in scholarship offers to the Shawnee Mission School District Class of 2022.

Technology in Education

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

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

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

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

Data transport is an essential function of technology in the district. The district has engaged in initiatives to make wireless networks widely available in all district buildings. These networks are regularly monitored, checked for quality and functionality, and routinely upgraded to provide highly efficient and reliable wireless connectivity. The district's data closet inter-connections, Wide Area Network, and Internet access all meet the current SETDA goals on bandwidth availability.

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

All employees and students have electronic mail. Spam mitigation, anti-virus protection, and intrusion detection are essential components of the district's security stance as it pertains to electronic mail. As cybercrime becomes more and more prevalent, the district is also making efforts to implement additional security measures, such as multi-factor authentication, in combination with cyber security awareness training to address the human behavior components of cybersecurity. A fiber-optic high-speed integrated voice and data network provides connectivity between every building. Every classroom has a phone, and all teachers and administrative employees have access to voicemail. The district has a virtual meeting and collaboration platform available to all district employees. Teachers are able to use this platform when working with students as well. Additionally, all teachers and students in the district have access to GSuite from Google.

FINANCIAL INFORMATION

Internal Control Structure

Pursuant to state statute, the board of education annually appoints the district treasurer. The treasurer is the chief fiscal officer of the district and is responsible for receiving and maintaining custody of and disbursing all district funds. The Deputy Superintendent, Dr. 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 2021-22 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 0.055% in 2021. This is net of funds held in demand deposits and compensating balance requirements. In accordance with Kansas statutes, investment revenues for 2021 were recorded in the following funds:

Special Education	\$ 62,815
Debt Service	12,482
Capital Project	1,197
Capital Outlay	1,117
Food Service	212
Total	\$ 77,823

RISK MANAGEMENT

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

Coverage	Limits	Deductible/ Retention
Property	\$1,289,044,521 (\$450,000,000 loss limit)	\$100,000
Boiler & Machinery	\$100,000,000	\$25,000
Automobile Physical Damage	\$3,894,770	\$10,000
Liability (General, Employee Benefit, Law Enforcement, Automobile)	\$5,000,000 each occurrence /\$5,000,000 annual aggregate	\$500,000
Liability (School Leaders E&O, Employment Practices)	\$5,000,000 each occurrence /\$5,000,000 annual aggregate	\$500,000
Crime / Employee Dishonesty	\$2,750,000	\$25,000
Cyber Liability	\$1,000,000	\$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

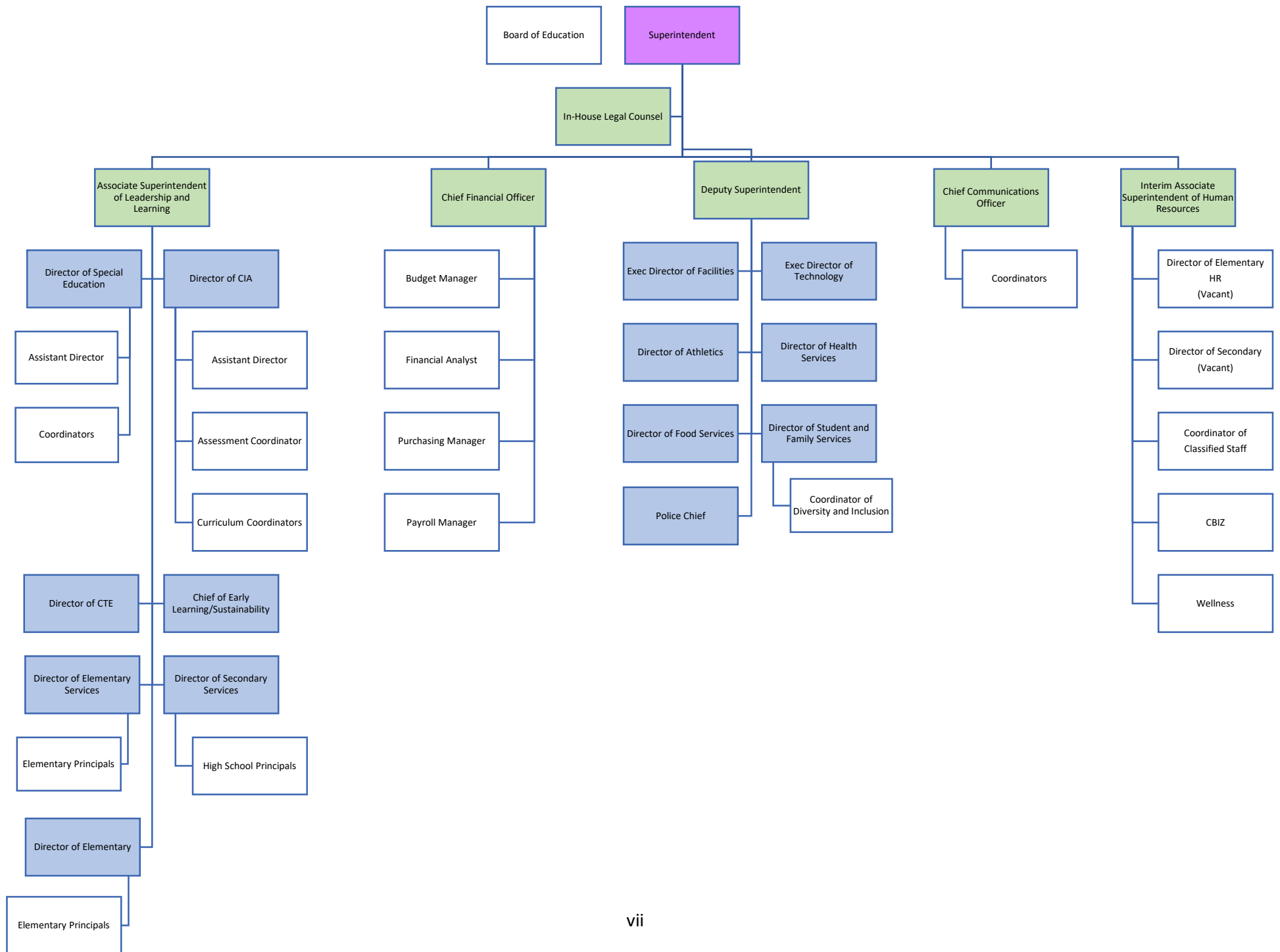
The district's policy is to require an annual, independent audit of the financial statements and in conjunction with that audit, a Single Audit is performed in accordance with federal requirements. For the fiscal year ended June 30, 2021, these audits were performed by the accounting firm of BT&Co. P.A. 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.



Dr. Michelle Hubbard, Superintendent of Schools





INDEPENDENT AUDITORS' REPORT

Board of Education
Shawnee Mission Unified School District No. 512

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shawnee Mission Unified School District No. 512 (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Supplemental General, Special Education, and KPERS Special Retirement Contribution Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, the District has changed its method of accounting for student activity funds effective July 1, 2020 due to the adoption of Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Prior Period Restatement

As described in Note 13 to the financial statements, the June 30, 2020 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Prior Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2020, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

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

BT&Co., P.A.

November 29, 2021
Topeka, Kansas

Shawnee Mission Unified School District No. 512
Management's Discussion and Analysis
Year Ended June 30, 2021

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, 2021. 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, 2021). The assets include all cash and investments; receivables, including taxes assessed that remain uncollected; materials inventory; and capital assets reduced by accumulated depreciation. Liabilities include accounts payable, accrued payroll earnings not yet paid, claims payable, net pension liability and outstanding general obligation debt. This results in a statement that encompasses the entire operations of the Shawnee Mission School District.

Although the Statement of Net Position reports total net position of \$207.5 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, 2021. This statement answers the question, "How did the district do financially during fiscal year 2021?" This change in net position is important because it tells the reader that, for the school district as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors. Most notably, the results are influenced by:

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

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

Reporting the School District's Major Funds

Fund Financial Statements

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

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

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

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, 2021, than it was the year before, increasing \$39.6 million to \$207.5 million. The following are the major components of the district's net position.

Condensed Statement of Net Position (in millions of dollars)

	Balance as	Balance as	Increase
	of 6/30/2021	of 6/30/2020	(Decrease)
			from 2020
<u>Statement Classifications</u>			
Current Assets	\$ 267.3	\$ 118.8	125.00%
Non-Current Assets	669.7	668.5	0.18%
Deferred Outflow of Resources	103.7	71.3	45.44%
Total Assets & Deferred Outflow	\$ 1,040.7	\$ 858.6	21.21%
Current Liabilities	62.4	67.6	-7.69%
Non-Current Liabilities	741.5	585.9	26.56%
Deferred Inflow of Resources	29.3	37.3	-21.45%
Total Liabilities & Deferred Inflow	\$ 833.2	\$ 690.8	20.66%
Net Position			
Invested in capital assets, net of related debt	\$ 347.8	\$ 315.3	10.31%
Restricted	76.6	69.5	10.22%
Unrestricted	-216.9	-216.9	0.00%
Total Net Position	\$ 207.5	\$ 167.9	23.59%

Total assets and deferred outflows increased \$182.1 million from fiscal year 2020 and total liabilities and deferred inflows increased \$142.4 million. The major changes in net position were due to the following:

1. The capital outlay balance increased by \$3.3 million as tax revenues increased due to an increase of 6.0% in the assessed valuation. In addition, revenue from Apple device trade-in increased \$1.2 million.
2. The capital projects increased \$135.0 million as the district began construction projects funded from the issuance of series 2021A general obligation refunding and improvement bonds that included \$132.1 million in new construction proceeds.
3. The fund balance of twenty-seven other funds had a net increase of \$10.1 million. A portion of this increase is due to the special education balance (operating funds) increasing \$2.5 million due to vacancy savings as a result of the pandemic. In addition, a 6.0% increase in assessed valuation resulted in additional tax revenues in the supplemental general and cost of living funds totaling \$3.9 million. Textbook rental fund increased \$2.1 million in preparation of the purchase of a large adoption in fiscal year 2022.
4. Capital assets increased \$1.1 million based on the completion and construction in progress of capital projects and capital purchases from the capital outlay fund.
5. The net change of deferred outflows and inflows of resources for the defined benefit pension plan (KPERS) and other postemployment benefits (OPEB) related to the healthcare plan and KPERS is a decrease of \$25.3 million. These changes are referenced in Notes 8 and 9.
6. Pension liability increased \$29.5 million as the district's proportion of covered employees increased.
7. The net OPEB obligation liability increased \$0.4 million according to the District's OPEB actuarial study.
8. Bonds payable and related accrued interest payable increased by \$105.2 million as the district issued series 2021A general obligation refunding and improvement bonds that included \$132.1 million in new construction debt.
9. The liability for accrued compensated absences increased \$0.1 million.

The total costs of all programs and services amounted to \$342.1 million. The following table shows the breakdown of total costs by functional area:

<u>Expense Function</u>	Fiscal Year 2021	Fiscal Year 2020	Increase (Decrease) from 2020
Instruction	55.5%	53.6%	1.9%
Student Support Services	5.9%	5.2%	0.7%
Instructional Support	3.7%	3.3%	0.4%
General Administration	0.8%	0.7%	0.1%
School Administration	4.9%	4.3%	0.6%
Operations and Maintenance	11.1%	15.7%	-4.6%
Student Transportation Services	4.2%	3.9%	0.3%
Food Service Operations	2.6%	3.1%	-0.5%
Student Activities	1.5%	1.2%	0.3%
Business Services	4.6%	3.9%	0.7%
State Payments	2.5%	2.3%	0.2%
Interest on Long-Term Debt	2.7%	2.8%	-0.1%
Total	100%	100%	0%

The district provided a salary increase in 2020-21 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 decreased \$2.1 million that is allocated proportionately to each expense function. Instruction were higher than the other expense functions due to additional staff being added. Most of the decrease in operation and maintenance and food service expenses was due to the pandemic and schools not being fully occupied for the entire school year resulting in the purchase of less supplies, food, and using less utilities. In addition, the pandemic has directly impacted the ability to hire for custodial, food service and paraprofessional positions. State payments increased 0.2% because of a larger cost of living weighting due to an increase in the cost of living factor. The decrease in interest on long-term debt is due to refunding outstanding bond debt at lower rates.

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

	Fiscal Year	Fiscal Year	Increase
	2021	2020	(Decrease)
Revenues:			from 2020
Program revenues			
Charges for services	\$3.7	\$8.3	-55.4%
Operating grants and contributions	91.6	75.6	21.2%
General revenues			
Property taxes	144.1	134.6	7.1%
Grants and entitlements not restricted to specific programs	144.2	157.4	-8.4%
Investment earnings	0.1	1.3	-92.3%
Miscellaneous	4.1	4.8	-14.6%
Total Revenues	\$387.8	\$382.0	1.5%
Expenses:			
Instruction	\$190.3	\$188.3	1.1%
Student Support Services	20.0	18.4	8.7%
Instructional Support	12.8	11.6	10.3%
General Administration	2.6	2.5	4.0%
School Administration	16.9	15.3	10.5%
Operations and Maintenance	37.9	55.1	-31.2%
Student Transportation Services	14.3	13.8	3.6%
Food Service Operations	8.7	11.0	-20.9%
Student Activities	5.2	4.3	20.9%
Business and Central Support	15.6	13.7	13.9%
State Payment	8.4	8.0	5.0%
Interest on Long-Term Debt	9.4	9.7	-3.1%
Total Expenses	\$342.1	\$351.7	-2.7%
Increase (decrease) in net position	\$45.7	\$30.3	
Net Position – Beginning	\$167.9	\$137.6	
Prior Period Adjustment	-6.1	0.0	
Net Position - Ending	\$207.5	\$167.9	

The table, shown above, details the district's changes in net position for the year. Total receipts exceeded expenditures by \$45.7 million and a prior period adjustment decreased net position in fiscal year 2020 by \$6.1 million. The district's total revenues were \$387.8 million. Property taxes and grants and entitlements not restricted to specific programs accounted for most of the district's revenue, with property taxes contributing 37.2%, and unrestricted grants and entitlements contributing 37.2%. Another 23.6% came from operating grants and contributions, and the remaining 2.0% from fees for charges for services, investment earnings and miscellaneous sources. The most notable changes from the preceding year (on a total dollar basis) include:

- Property taxes increased 7.1%. The overall tax rate increased from 52.121 mills to 52.351, a 0.4% increase coupled with the assessed valuation increase of 6.0%.
- Charges for services decreased 55.4% due to the pandemic causing a reduction in revenues mainly in the food service and summer school fund.
- Operating grants and contributions increased 21.2%. The increase is mainly due to receiving federal funds to manage the pandemic. In addition, all student meals were free which increased the federal reimbursement amount for student meals.
- Investment earnings decreased 92.3% due to interest rates dropping to historic lows.
- Grants and entitlements not restricted to specific programs decreased 8.4% due to a decrease in general state aid.
- Miscellaneous revenues decreased 14.6% due the district receiving less facility rental income.
- In 2020-21, the district provided a salary increase of 3.7% - 4.1% for each functional area except for General and School Administration which received 1.45%.
- Instructional expenditures increased 1.1%. In addition to the salary increases noted above, \$1.7 million in certified positions were added for fiscal year 2021. However, some of the cost was offset by turnover savings from retirements, terminations and vacant positions during the year.
- Student support services and instructional support services increased 8.7% and 10.3%, respectively. In addition to the salary increase noted above, \$1.0 million in additional counselors and social workers were added. A Director of Professional Development and Coordinator of Technology Instruction was added to support the strategic plan.
- General administration increased 4.0% due to legal expenses increasing that is paid from the Special Liability Expense fund.
- School administration increased 10.5%. In addition to the salary increases noted above, an additional middle school assistant principal was added.
- The operations and maintenance program decreased 31.2%. Most of the decrease was due to the pandemic and schools not being fully occupied for the entire school year resulting in the purchase of less supplies and using less utilities. In addition, the pandemic had a direct impact on hiring as more custodial positions remained vacant.
- Student transportation services increased 3.6%. Transportation contractual fees are 3% higher than the previous year. In addition, homeless transportation has increased.
- Food service operations decreased 20.9%. This is mainly due to the pandemic and preparing fewer meals reducing food cost. The pandemic had a direct impact on hiring as more food service positions remained vacant.
- Student Activities increased 20.9% as FY21 is the first year being included in the ACFR.
- Business and central support increased 13.9%. This is partially due to \$0.4 million in election expense to approve a bond referendum and multiple technology services purchased to transition to remote learning.
- State payment increased 5.0% because of a larger cost of living weighting due to an increase in the cost of living factor.
- The decrease in interest on long-term debt is due to refunding outstanding bond debt at lower rates.

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>	Total Cost of Services	Net Cost
Instruction	\$190.3	\$130.8
Student Support Services	20.0	11.6
Instructional Support	12.8	9.9
General Administration	2.6	2.2
School Administration	16.9	14.4
Operations and Maintenance	37.9	34.6
Student Transportation Services	14.3	8.9
Food Service Operations	8.7	3.9
Student Activities	5.2	3.2
Business and Central Support	15.6	13.6
State Payment	8.4	4.2
Interest on Long-Term Debt	9.4	9.4
Total	\$342.1	\$246.7

- ◆ Costs of \$3.7 million were financed by users of the district's programs.
- ◆ Federal and state governments subsidized certain programs with grants and contributions totaling \$91.6 million.
- ◆ Most of the district's net cost of services of \$246.7 million was financed by district and state taxpayers.
- ◆ The governmental activities portion was financed with \$144.1 million in property taxes, \$144.2 million of grants and entitlements not restricted to specific programs and \$4.2 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 \$227.9 million; an increase from last year's restated ending fund balance of \$81.3 million. Revenues of \$385.9 and other financing of \$138.0 million exceeded expenditures of \$377.3 million.

	Revenues	Expenditures	Other Financing	End Bal
General	\$145.2	(\$145.0)	\$0.0	\$0.4
Supplemental General	65.1	(21.8)	(39.9)	6.1
At-Risk	15.3	(20.6)	5.2	0.0
At-Risk 4 YR Old	0.3	(1.3)	1.0	0.0
Bilingual	0.0	(2.6)	2.6	0.0
Professional Development	0.0	(0.2)	0.1	0.0
Special Education	30.9	(48.7)	20.3	20.6
Career and Postsecondary Education	0.2	(5.8)	5.6	0.0
Student Materials	0.3	(0.3)	0.0	0.4
Textbook	0.7	(3.3)	4.7	4.0
Special Liability	0.7	(0.7)	0.0	1.9
KPERS Retirement	25.5	(25.5)	0.0	0.0
Health Reserve	1.5	(1.5)	0.0	0.1
Gate Receipts	0.3	(0.3)	0.0	0.3
Contingency Reserve	0.0	(0.0)	0.0	5.6
Cost of Living	8.9	(8.4)	0.0	1.0
Federal and Local Grants	8.6	(8.9)	0.0	1.1
Student Activities	1.1	(1.2)	0.0	2.0
Total Basic Education	\$304.6	(\$296.1)	(\$0.4)	\$43.5
Parent Education	\$0.4	(\$0.6)	\$0.2	\$0.0
Summer School	0.2	(0.2)	0.0	0.6
Adult Supplemental	0.0	0.0	0.0	0.0
Declining Enrollment	0.0	0.0	0.0	0.5
Extraordinary School	0.1	(0.1)	0.0	0.7
Virtual Education	0.0	(0.2)	0.2	0.0
Total Expanded Education	\$0.7	(\$1.1)	\$0.4	\$1.8
Capital Outlay	\$37.9	(\$34.5)	\$0.0	\$21.2
Capital Projects	0.0	(12.1)	147.1	135.8
Debt Service	33.1	(24.1)	(9.1)	22.5
Special Assessment	0.6	(0.7)	0.0	0.5
Total Capital	\$71.6	(\$71.4)	\$138.0	\$180.0
Food Service	9.0	(8.7)	0.0	2.6
Total	\$385.9	(\$377.3)	\$138.0	\$227.9

The major changes in fund balances were:

1. The supplemental general fund balance increased \$3.4 million as assessed valuation increased 6.0% causing tax revenues to be higher than budgeted.
2. The special education fund balance increased \$2.5 million. Operating revenue exceeded expenditures during 2021 primarily due to savings resulting from schools not being fully occupied due to the pandemic. In addition, the pandemic had a direct impact on hiring positions resulting in higher than normal vacancy savings.
3. The textbook fund balance increased \$2.1 million as the district is planning for a large elementary ELA adoption in fiscal year 2023.
4. The capital outlay fund balance increased by \$3.3 million as property tax revenues exceeded budget due to a 6.0% growth in the assessed valuation. Expenditures were consistent with the prior year.
5. The district voters approved a \$264.22 million bond referendum in January 2021. The capital projects fund balance increased \$135.0 million as the district began construction projects funded from the issuance of series 2021A general obligation refunding and improvement bonds that included \$132.1 million in new construction proceeds. Bond proceeds will be spent on construction projects for the next five years.

Analysis of Budget Variations

The original budget for general fund revenues was \$184.9 million, and the final budget was \$183.0 million. Actual general fund revenue matched the final budget.

The original general fund expenditure budget including transfers was \$184.9 million and the final budget was \$183.0 million. The actual expenditure matched the final budget.

Capital Asset and Debt Administration

Capital Assets

By the end of 2021, the district had invested \$669.7 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 \$1.2 million, net of depreciation. **See Notes to the Basic Financial Statements – Note 5 for further information.**

	Assets As Of June 30, 2021
Land	\$ 11.7
Art work	0.3
Construction in progress	7.6
Buildings and improvements	833.4
Equipment	45.9
Accumulated Depreciation	[229.2]
Total	<u>\$ 669.7</u>

Long-Term Debt

Moody's Investors Services had rated the Shawnee Mission School District effective April 29, 2021 at a rating of Aaa. Kansas law limits the amount of outstanding indebtedness. The current limit is approximately \$656 million, and the district has \$416.3 million outstanding at June 30, 2021. **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, 2021

	<u>Total Governmental Activities</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 102,724,126
Investments	144,259,340
Intergovernmental receivables	19,979,550
Material and supplies inventory	<u>385,697</u>
Total current assets	<u>267,348,713</u>
Noncurrent assets:	
Capital assets not being depreciated	19,578,505
Depreciable capital assets	879,361,486
Less: Accumulated depreciation	<u>(229,243,863)</u>
Total noncurrent assets	<u>669,696,128</u>
Total assets	<u>937,044,841</u>
Deferred outflows of resources:	
Deferred outflows - OPEB	1,716,713
Deferred outflows - pension	86,686,427
Deferred charge on refunded debt	<u>15,300,142</u>
Total deferred outflows of resources	<u>\$ 103,703,282</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF NET POSITION
June 30, 2021
(Continued)

	Total Governmental Activities
Liabilities:	
Current liabilities:	
Accounts payable	\$ 10,877,360
Accrued compensated absences	2,068,883
Accrued interest payable	3,822,821
Claims payable	483,791
Payroll liabilities	16,468,927
Long-term liabilities:	
Due within one year	28,673,726
Total current liabilities	<u>62,395,508</u>
Noncurrent liabilities:	
Accrued compensated absences	1,264,971
Claims payable	774,441
Health care reserve	9,447,342
Net pension liability	274,227,245
Total OPEB liability	11,485,008
Long-term liabilities:	
Due in more than one year	444,264,175
Total noncurrent liabilities	<u>741,463,182</u>
Total liabilities	<u>803,858,690</u>
Deferred inflows of resources:	
Deferred inflows - OPEB	1,634,800
Deferred inflows - pension	27,701,148
Total deferred inflows of resources	<u>29,335,948</u>
Net position:	
Net investment in capital assets	347,854,860
Restricted for:	
Debt service	18,648,444
Special education	20,558,497
Facility acquisition and construction	17,440,187
Instruction	7,015,802
Operations and maintenance	5,638,052
Food service operations	2,125,842
Other purposes	5,210,658
Unrestricted	(216,938,857)
Total net position	<u>\$ 207,553,485</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction	\$ 190,206,081	\$ 2,341,725	\$ 56,984,602	\$ (130,879,754)
Student support services	20,046,003	-	8,495,383	(11,550,620)
Instructional support staff	12,754,000	-	2,843,680	(9,910,320)
General administration	2,603,264	-	451,622	(2,151,642)
School administration	16,904,434	-	2,527,645	(14,376,789)
Operations and maintenance	37,914,401	-	3,299,952	(34,614,449)
Student transportation services	14,286,821	-	5,387,374	(8,899,447)
Food service operations	8,738,605	243,751	4,570,818	(3,924,036)
Student activities	5,150,451	1,140,948	805,197	(3,204,306)
Business and central support services	15,635,882	-	2,055,769	(13,580,113)
State payment	8,447,583	-	4,218,105	(4,229,478)
Interest on long-term debt	9,393,753	-	-	(9,393,753)
Total governmental activities	<u>\$ 342,081,278</u>	<u>\$ 3,726,424</u>	<u>\$ 91,640,147</u>	<u>(246,714,707)</u>
General revenues:				
Property taxes levied for:				
General purposes				75,307,877
Debt service				33,127,327
Capital outlay				35,716,417
Grants and entitlements not restricted to specific programs				144,229,010
Investment revenue				77,823
Miscellaneous				4,060,141
Total general revenues				<u>292,518,595</u>
Change in net position				<u>45,803,888</u>
Net position, beginning of year as previously stated				167,854,125
Prior period adjustment				<u>(6,104,528)</u>
Net position, beginning of year as restated				<u>161,749,597</u>
Net position, end of year				<u>\$ 207,553,485</u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General*	Debt Service	KPERS Special Retirement Contribution	Special Education
<u>ASSETS</u>				
Cash and cash equivalents	\$ 14,225,815	\$ 17,924,354	\$ -	\$ 23,575,249
Investments	-	4,546,911	-	-
Intergovernmental receivables	10,295,732	-	9,683,818	-
Material and supplies inventory	385,697	-	-	-
Total assets	<u>\$ 24,907,244</u>	<u>\$ 22,471,265</u>	<u>\$ 9,683,818</u>	<u>\$ 23,575,249</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 54,367	\$ -	\$ 9,683,818	\$ 397
Health care payable	6,753,560	-	-	-
Payroll liabilities	11,572,068	-	-	3,015,198
Total liabilities	<u>18,379,995</u>	<u>-</u>	<u>9,683,818</u>	<u>3,015,595</u>
Fund balances:				
Nonspendable:				
Material and supplies inventory	385,697	-	-	-
Restricted	-	22,471,265	-	20,558,497
Assigned	29,904	-	-	1,157
Unassigned	6,111,648	-	-	-
Total fund balances	<u>6,527,249</u>	<u>22,471,265</u>	<u>-</u>	<u>20,559,654</u>
Total liabilities and fund balances	<u>\$ 24,907,244</u>	<u>\$ 22,471,265</u>	<u>\$ 9,683,818</u>	<u>\$ 23,575,249</u>

* See combining statement on page 63.

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021
(Continued)

	Capital Outlay	Capital Project	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 21,588,033	\$ 1,838,156	\$ 21,072,519	\$ 100,224,126
Investments	-	134,112,429	5,500,000	144,159,340
Intergovernmental receivables	-	-	-	19,979,550
Material and supplies inventory	-	-	-	385,697
Total assets	<u>\$ 21,588,033</u>	<u>\$ 135,950,585</u>	<u>\$ 26,572,519</u>	<u>\$ 264,748,713</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 357,782	\$ 154,094	\$ 626,902	\$ 10,877,360
Health care payable	-	-	2,693,782	9,447,342
Payroll liabilities	-	-	1,881,661	16,468,927
Total liabilities	<u>357,782</u>	<u>154,094</u>	<u>5,202,345</u>	<u>36,793,629</u>
Fund balances:				
Nonspendable:				
Material and supplies inventory	-	-	-	385,697
Restricted	16,939,013	135,796,491	20,491,528	216,256,794
Assigned	4,291,238	-	878,646	5,200,945
Unassigned	-	-	-	6,111,648
Total fund balances	<u>21,230,251</u>	<u>135,796,491</u>	<u>21,370,174</u>	<u>227,955,084</u>
Total liabilities and fund balances	<u>\$ 21,588,033</u>	<u>\$ 135,950,585</u>	<u>\$ 26,572,519</u>	<u>\$ 264,748,713</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, 2021

Total fund balances - governmental funds		\$ 227,955,084
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 \$ 898,939,991 and the accumulated depreciation is \$ 229,243,863.		
		669,696,128
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.		
		1,341,768
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, 2021 are:		
Bonds and leases payable	\$ (430,623,545)	
Unamortized bond premium	(42,314,356)	
Accrued interest payable	(3,822,821)	
Accrued compensated absences	(3,333,854)	
Total OPEB obligation	(11,485,008)	
Net pension liability	(274,227,245)	
Deferred outflows - OPEB	1,716,713	
Deferred inflows - OPEB	(1,634,800)	
Deferred outflows - pension	86,686,427	
Deferred inflows - pension	(27,701,148)	
Deferred charge on refunded debt	15,300,142	
	<hr/>	<hr/>
		(691,439,495)
Total net position - governmental activities		<u><u>\$ 207,553,485</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, 2021

	General*	Debt Service	KPERS Special Retirement Contribution	Special Education
Revenues:				
Taxes	\$ 65,108,406	\$ 33,127,327	\$ -	\$ -
Intergovernmental	144,270,821	-	25,536,620	30,804,591
Charges for services	788,036	-	-	-
Investment revenue	-	12,482	-	62,815
Other local sources	-	8,204	-	22,270
Total revenues	210,167,263	33,148,013	25,536,620	30,889,676
Expenditures:				
Instruction	98,547,026	-	17,609,026	33,987,876
Student support services	6,573,228	-	1,824,865	6,307,921
Instructional support staff	8,340,448	-	1,097,282	254,682
General administration	1,890,102	-	186,700	-
School administration	13,353,364	-	1,637,744	160,866
Operations and maintenance	18,989,573	-	1,789,638	-
Student transportation services	5,634,332	-	7,661	7,966,101
Food service operations	-	-	540,516	-
Student activities	3,474,273	-	-	-
Business and central support services	10,012,969	-	843,188	-
State payment	-	-	-	-
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	12,030,000	-	-
Interest and other charges	-	11,342,311	-	-
Debt issuance cost	-	711,262	-	-
Total expenditures	166,815,315	24,083,573	25,536,620	48,677,446
Excess (deficiency) of revenues over (under) expenditures	43,351,948	9,064,440	-	(17,787,770)
Other financing sources (uses):				
Transfers in	-	-	-	20,266,133
Transfers out	(39,900,848)	-	-	-
General obligation refunding debt issued	-	113,120,000	-	-
Premium on general obligation bonds	-	1,812,601	-	-
Payment to refunding bond escrow agent	-	(124,071,339)	-	-
Total other financing sources (uses)	(39,900,848)	(9,138,738)	-	20,266,133
Net change in fund balance	3,451,100	(74,298)	-	2,478,363
Fund balance, beginning of year as previously stated	3,076,149	22,545,563	-	18,081,291
Prior period adjustment	-	-	-	-
Fund balance, beginning of year as restated	3,076,149	22,545,563	-	18,081,291
Fund balance, end of year	\$ 6,527,249	\$ 22,471,265	\$ -	\$ 20,559,654

* See combining statement on page 64.

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2021
(Continued)

	Capital Outlay	Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 35,716,417	\$ -	\$ 10,199,471	\$ 144,151,621
Intergovernmental	-	-	32,514,188	233,126,220
Charges for services	-	-	1,797,441	2,585,477
Investment revenue	1,117	1,197	212	77,823
Other local sources	2,139,947	-	3,845,607	6,016,028
Total revenues	37,857,481	1,197	48,356,919	385,957,169
Expenditures:				
Instruction	3,095,651	-	32,380,280	185,619,859
Student support services	24,460	-	4,828,230	19,558,704
Instructional support staff	118,831	-	2,636,796	12,448,039
General administration	494	-	478,214	2,555,510
School administration	-	-	1,306,006	16,457,980
Operations and maintenance	4,515,102	2,463	2,481,298	27,778,074
Student transportation services	-	-	676,767	14,284,861
Food service operations	-	-	7,989,515	8,530,031
Student activities	177,471	-	1,610,000	5,261,744
Business and central support services	2,021,294	559,836	1,941,791	15,379,078
State payment	-	-	8,447,583	8,447,583
Facility acquisition and construction	7,366,907	10,742,914	715,635	18,825,456
Debt service:				
Principal retirement	16,674,880	-	-	28,704,880
Interest and other charges	551,978	-	-	11,894,289
Debt issuance cost	-	802,020	-	1,513,282
Total expenditures	34,547,068	12,107,233	65,492,115	377,259,370
Excess (deficiency) of revenues over (under) expenditures	3,310,413	(12,106,036)	(17,135,196)	8,697,799
Other financing sources (uses):				
Transfers in	-	-	19,634,715	39,900,848
Transfers out	-	-	-	(39,900,848)
General obligation refunding debt issued	-	132,110,000	-	245,230,000
Premium on general obligation bonds	-	14,995,124	-	16,807,725
Payment to refunding bond escrow agent	-	-	-	(124,071,339)
Total other financing sources (uses)	-	147,105,124	19,634,715	137,966,386
Net change in fund balance	3,310,413	134,999,088	2,499,519	146,664,185
Fund balance, beginning of year as previously stated	17,919,838	797,403	16,843,101	79,263,345
Prior period adjustment	-	-	2,027,554	2,027,554
Fund balance, beginning of year as restated	17,919,838	797,403	18,870,655	81,290,899
Fund balance, end of year	\$ 21,230,251	\$ 135,796,491	\$ 21,370,174	\$ 227,955,084

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, 2021

Net change in fund balances - governmental funds		\$ 146,664,185
The change in net position reported for governmental activities in the statement of activities is different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense of \$ 20,817,074 is less than capital outlays of \$ 30,102,708.		9,285,634
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:		
Bond proceeds	\$ (245,230,000)	
Premium	(16,807,725)	
Amortization of bond premiums	5,087,581	
Amortization of deferred charge on refunding	(257,901)	
Payment to refunding bond escrow agent	124,071,339	
Principal reductions	<u>28,704,880</u>	(104,431,826)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, etc.) is to decrease net position.		(5,397)
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	(4,898,424)	
Compensated absences	(54,522)	
Total OPEB liability	(1,633,219)	
Accrued interest on bonds	<u>(815,862)</u>	(7,402,027)
An internal service fund is used by the District to charge the costs of the workers' compensation program to the individual funds. The net loss of the internal service fund is reported with governmental activities.		(240,073)
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>1,933,392</u>
Changes in net position of governmental activities		<u><u>\$ 45,803,888</u></u>

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
General aid	\$ 149,432,442	\$ 144,270,821	\$ 15,323,969	\$ 159,594,790	\$ 162,851,361	\$ (3,256,571)
Special education aid	-	-	22,639,654	22,639,654	22,080,553	559,101
Total intergovernmental	149,432,442	144,270,821	37,963,623	182,234,444	184,931,914	(2,697,470)
Charges for services	1,910,450	788,036	-	788,036	-	788,036
Other local sources	130,982	-	-	-	-	-
Total revenues	151,473,874	145,058,857	37,963,623	183,022,480	184,931,914	(1,909,434)
Expenditures:						
Instruction	93,385,306	87,663,285	16,656	87,679,941	89,196,454	(1,516,513)
Student support services	6,491,972	6,558,020	2,066	6,560,086	6,693,483	(133,397)
Instructional support staff	8,258,170	8,340,448	748	8,341,196	8,500,042	(158,846)
General administration	2,023,924	1,873,708	(14,300)	1,859,408	1,895,034	(35,626)
School administration	13,081,246	13,353,364	-	13,353,364	13,102,751	250,613
Operations and maintenance	11,158,366	10,642,850	-	10,642,850	11,419,962	(777,112)
Student transportation services	6,081,203	5,634,332	-	5,634,332	6,601,053	(966,721)
Student activities	3,278,485	3,474,273	10,056	3,484,329	-	3,484,329
Business and central support services	7,712,956	7,500,322	564	7,500,886	7,717,562	(216,676)
Other support services	-	-	-	-	1,438,753	(1,438,753)
Adjustment for reimbursed expenditures not subject to budget	-	-	-	-	753,819	(753,819)
Adjustment to comply with legal maximum budget	-	-	-	-	(2,665,718)	2,665,718
Total expenditures	151,471,628	145,040,602	15,790	145,056,392	144,653,195	403,197
Excess (deficiency) of revenues over (under) expenditures	2,246	18,255	37,947,833	37,966,088	40,278,719	(2,312,631)
Other financing uses:						
Transfers out	-	-	(37,963,623)	(37,963,623)	(38,366,820)	403,197
Net change in fund balance	2,246	18,255	(15,790)	2,465	\$ 1,911,899	\$ (1,909,434)
Fund balance, beginning of year	385,454	387,700	(387,700)	-		
Fund balance, end of year	\$ 387,700	\$ 405,955	\$ (403,490)	\$ 2,465		

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

	June 30, 2020		June 30, 2021		
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget
					Variance Over (Under)
Revenues:					
Taxes:					
In process	\$ 770,482	\$ 1,216,431	\$ -	\$ 1,216,431	\$ 1,419,915
Current	54,178,469	57,452,425	-	57,452,425	52,453,164
Delinquent	29,688	427,066	-	427,066	250,216
Motor vehicle	5,901,760	5,910,202	-	5,910,202	5,957,864
Rental excise	123,748	102,282	-	102,282	-
Total revenues	61,004,147	65,108,406	-	65,108,406	60,081,159
Expenditures:					
Instruction	2,361,869	10,883,741	(762,217)	10,121,524	1,496,415
Student support services	15,208	15,208	-	15,208	34,375
General administration	117,213	16,394	-	16,394	207,500
Operations and maintenance	9,616,577	8,346,723	4,911	8,351,634	11,747,754
Business and central support services	2,348,243	2,512,647	(4,800)	2,507,847	2,666,397
Other support services	-	-	-	-	478,841
Adjustment to comply with legal maximum budget	-	-	-	-	(1,081,936)
Total expenditures	14,459,110	21,774,713	(762,106)	21,012,607	15,549,346
Excess (deficiency) of revenues over (under) expenditures	46,545,037	43,333,693	762,106	44,095,799	44,531,813
Other financing uses:					
Transfers out	(47,550,359)	(39,900,848)	(805,034)	(40,705,882)	(46,169,143)
Net change in fund balance	(1,005,322)	3,432,845	(42,928)	3,389,917	\$ (1,637,330)
Fund balance, beginning of year	3,693,771	2,688,449	30,817	2,719,266	
Fund balance, end of year	\$ 2,688,449	\$ 6,121,294	\$ (12,111)	\$ 6,109,183	\$ 5,027,247

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Federal	\$ 7,517,981	\$ 8,164,937	\$ -	\$ 8,164,937	\$ 8,731,102	\$ (566,165)
State and local	21,881,775	22,639,654	(22,639,654)	-	-	-
Total intergovernmental	29,399,756	30,804,591	(22,639,654)	8,164,937	8,731,102	(566,165)
Investment revenue	979,646	62,815	-	62,815	600,000	(537,185)
Other local sources	1,982	22,270	-	22,270	1,881,881	(1,859,611)
Total revenues	30,381,384	30,889,676	(22,639,654)	8,250,022	11,212,983	(2,962,961)
Expenditures:						
Instruction	34,394,844	33,987,876	37,954	34,025,830	37,541,153	(3,515,323)
Student support services	6,524,320	6,307,921	-	6,307,921	6,368,994	(61,073)
Instructional support staff	345,801	254,682	-	254,682	646,566	(391,884)
School administration	38,596	160,866	-	160,866	116,644	44,222
Operations and maintenance	-	-	-	-	9,855	(9,855)
Student transportation services	7,127,553	7,966,101	-	7,966,101	7,879,489	86,612
Total expenditures	48,431,114	48,677,446	37,954	48,715,400	52,562,701	(3,847,301)
Excess (deficiency) of revenues over (under) expenditures	(18,049,730)	(17,787,770)	(22,677,608)	(40,465,378)	(41,349,718)	884,340
Other financing sources:						
Transfers in	22,991,875	20,266,133	22,639,654	42,905,787	48,249,279	(5,343,492)
Net change in fund balance	4,942,145	2,478,363	(37,954)	2,440,409	\$ 6,899,561	\$ (4,459,152)
Fund balance, beginning of year	13,139,146	18,081,291	36,797	18,118,088		
Fund balance, end of year	\$ 18,081,291	\$ 20,559,654	\$ (1,157)	\$ 20,558,497		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
KPERs SPECIAL RETIREMENT CONTRIBUTION FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020			June 30, 2021		
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 27,598,128	\$ 25,536,620	\$ -	\$ 25,536,620	\$ 31,268,680	\$ (5,732,060)
Expenditures:						
Instruction	19,310,411	17,609,026	-	17,609,026	21,375,332	(3,766,306)
Student support services	1,843,555	1,824,865	-	1,824,865	2,321,125	(496,260)
Instructional support staff	982,493	1,097,282	-	1,097,282	1,478,296	(381,014)
General administration	206,986	186,700	-	186,700	226,279	(39,579)
School administration	1,785,599	1,637,744	-	1,637,744	1,994,312	(356,568)
Operations and maintenance	1,956,707	1,789,638	-	1,789,638	2,175,921	(386,283)
Student transportation services	8,279	7,661	-	7,661	8,734	(1,073)
Food service operations	615,438	540,516	-	540,516	641,674	(101,158)
Business and central support services	888,660	843,188	-	843,188	1,047,007	(203,819)
Total expenditures	27,598,128	25,536,620	-	25,536,620	31,268,680	(5,732,060)
Excess of revenues over expenditures	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2021
(With Comparative Totals for June 30, 2020)

	Internal Service Workers' Compensation Fund	
	2021	2020
<u>ASSETS</u>		
Current assets:		
Cash and investments	\$ 2,600,000	\$ 2,600,000
<u>LIABILITIES AND NET POSITION</u>		
Current liabilities:		
Claims payable	\$ 483,791	\$ 395,891
Noncurrent liabilities:		
Claims payable	774,441	622,268
Total liabilities	1,258,232	1,018,159
Net position - unrestricted	1,341,768	1,581,841
Total liabilities and net position	\$ 2,600,000	\$ 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, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	Internal Service Workers' Compensation Fund	
	2021	2020
Operating revenues:		
Other local sources	\$ 805,034	\$ 770,606
Operating expenses:		
General administration	1,045,107	1,097,333
Net loss	(240,073)	(326,727)
Net position, beginning of year	1,581,841	1,908,568
Net position, end of year	\$ 1,341,768	\$ 1,581,841

See accompanying notes to the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	Internal Service Workers' Compensation Fund	
	2021	2020
Cash flows from operating activities:		
Cash paid to other suppliers of goods or services	\$ (805,034)	\$ (770,606)
Other operating receipts	<u>805,034</u>	<u>770,606</u>
Net cash from operating activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	-	-
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>\$ 2,600,000</u></u>	<u><u>\$ 2,600,000</u></u>
Reconciliation of operating loss to net cash from operating activities:		
Operating loss	\$ (240,073)	\$ (326,727)
Adjustments to reconcile operating loss to net cash from operating activities:		
Change in liabilities:		
Claims payable	<u>240,073</u>	<u>326,727</u>
Net cash from operating activities	<u><u>\$ -</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, 2021

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 26,112 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.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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 to, furnishing, and equipping of District buildings.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Additionally, the District reports the following fund types:

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

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

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

Long-Term 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 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

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outflows of resources - OPEB. See Note 8 for more information on the deferred outflows of resources - pension and Note 9 for more information on the deferred outflows of resources - OPEB.

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

Pensions

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

Net Position

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

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

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

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

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, 2021, fund balances for governmental funds are made up of the following:

Nonspendable fund balance includes amounts that cannot be spent because they are either not 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.

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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						Total Governmental
	General	Debt Service	Special Education	Capital Outlay	Capital Project	Nonmajor Governmental	
Fund balances:							
Nonspendable							
Inventories	\$ 385,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 385,697
Restricted for:							
Principal retirement	-	22,471,265	-	-	-	-	22,471,265
Instruction	-	-	20,558,497	-	-	6,901,653	27,460,150
Operations and maintenance	-	-	-	-	-	5,638,052	5,638,052
Food service operations	-	-	-	-	-	2,125,842	2,125,842
Student activities	-	-	-	-	-	2,281,724	2,281,724
Business and central support services	-	-	-	-	-	2,259,429	2,259,429
State payment	-	-	-	-	-	1,009,074	1,009,074
Facility acquisition and construction	-	-	-	16,939,013	135,796,491	501,174	153,236,678
Unassigned	6,111,648	-	-	-	-	(225,420)	5,886,228
Assigned for:							
Instruction	6,658	-	1,157	403,124	-	383,707	794,646
Student support services	2,066	-	-	-	-	6,388	8,454
Instructional support staff	749	-	-	-	-	-	749
General administration	-	-	-	14,504	-	-	14,504
Operations and maintenance	9,812	-	-	133,130	-	-	142,942
Food service operations	-	-	-	-	-	451,838	451,838
Student activities	10,055	-	-	-	-	36,713	46,768
Business and central support services	564	-	-	5,717	-	-	6,281
Facility acquisition and construction	-	-	-	3,734,763	-	-	3,734,763
Total fund balances	\$ 6,527,249	\$ 22,471,265	\$ 20,559,654	\$ 21,230,251	\$ 135,796,491	\$ 21,370,174	\$ 227,955,084

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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Implementation of New Accounting Standards

In 2021, the District implemented the following accounting standard:

GASB Statement No. 84, *Fiduciary Activities*, which improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how such activities should be reported. The focus of the criteria is on 1) whether the government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. Accordingly, the District has reported the cumulative effect of applying GASB 84 as a restatement of fund balance and net position as of July 1, 2020. This restatement increased previously reported net position for governmental activities and fund balances for governmental funds by \$ 2,027,554 and eliminated the District's previously reported agency funds.

Pending Governmental Accounting Standards Board Statements

At June 30, 2021, GASB had issued several statements not yet implemented by the District. The statement that might impact the District is as follows:

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

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 2021 legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the

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hearing may be held and the governing body may amend the budget at that time. Management may not amend the budget without the approval of the Board of Education. The District has no amendments to the budget for the fiscal year ended June 30, 2021.

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

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

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	Major Governmental Funds					Total Governmental
	General	Debt Service	Special Education	Capital Outlay	Nonmajor Governmental	
GAAP fund balance, June 30, 2021	\$ 6,527,249	\$ 22,471,265	\$ 20,559,654	\$ 21,230,251	\$ 21,370,174	\$ 92,158,593
Adjustments:						
Retainage payable	-	-	-	14,371	-	14,371
Encumbrances	(29,904)	-	(1,157)	(4,291,238)	(878,646)	(5,200,945)
Material and supplies inventory	(385,697)	-	-	-	-	(385,697)
Less:						
Restricted fund balance of nonbudgeted funds:						
Declining Enrollment	-	-	-	-	(463,174)	(463,174)
Health Reserve	-	-	-	-	(114,149)	(114,149)
Gate Receipts	-	-	-	-	(316,412)	(316,412)
Textbook	-	-	-	-	(3,640,409)	(3,640,409)
Contingency Reserve	-	-	-	-	(5,638,052)	(5,638,052)
Student Material Revolving	-	-	-	-	(417,334)	(417,334)
Student Activity	-	-	-	-	(1,965,312)	(1,965,312)
Total adjustments	(415,601)	-	(1,157)	(4,276,867)	(13,433,488)	(18,127,113)
Budgetary fund balance, June 30, 2021	\$ 6,111,648	\$ 22,471,265	\$ 20,558,497	\$ 16,953,384	\$ 7,936,686	\$ 74,031,480

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. At June 30, 2021, the District's cash and investments included certificates of deposit, U.S. Treasury securities, the MIP, money market mutual funds, and an insured cash sweep account. The MIP is under the oversight of the Pooled Money Investment board (the Board). The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The District's investments in the MIP were not rated by a rating agency as of June 30, 2021.

The credit rating for the U.S. Treasury securities at June 30, 2021 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.

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

Fair value measurement. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the 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, 2021, the U.S. Treasury securities were valued with significant other observable inputs (Level 2). Fair value measurement hierarchy information is not provided for the MIP which is considered a cash equivalent, as all of the District's funds are invested in the overnight pool.

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, 2021, the District's deposits and investments were not exposed to custodial credit risk.

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

As of June 30, 2021, 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	\$ 71,998,568	\$ 71,998,568	\$ -	\$ -	\$ -
Certificates of Deposit	58,146,910	58,146,910	-	-	-
Municipal Investment					
Overnight Pool	14,113,862	14,113,862	-	-	-
	<u>\$ 144,259,340</u>	<u>\$ 144,259,340</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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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, 2020 was as follows:

Real estate	\$ 4,233,515,173
Personal property	24,287,478
Utilities	<u>70,907,150</u>
Total assessed valuation	<u><u>\$ 4,328,709,801</u></u>

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	14.603
Special revenue:	
Capital outlay	8.000
Special liability	0.147
Special assessment	0.131
Cost of living	2.033
Debt service	<u>7.437</u>
Total tax levy	<u><u>\$ 52.351</u></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, 2021, the District has received property tax amounting to approximately 99% of the November 1, 2020, 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.

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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, 2021. Tax abatements reduce ad valorem property taxes by reducing the assessed value of the property.

Outside Governmental Entity	Abatement Type		Tax Revenue Reduction for the Fiscal Year
	TIF	IRB	
City of Lenexa	\$ 4,055,721	\$ 208,977	\$ 4,264,698
City of Merriam	1,247,885	-	1,247,885
City of Mission	166,567	-	166,567
City of Overland Park	1,250,927	-	1,250,927
City of Prairie Village	585,333	-	585,333
City of Roeland Park	398,839	-	398,839
City of Shawnee	96,572	33,349	129,921
City of Westwood	125,739	9,655	135,394
Total			<u>\$ 8,179,564</u>

5 - Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020 as previously stated	Prior period adjustments	Balance June 30, 2020 as restated	Additions	Retirements	Balance June 30, 2021
Governmental activities						
Nondepreciable assets:						
Land	\$ 11,707,568	\$ -	\$ 11,707,568	\$ -	\$ -	\$ 11,707,568
Artwork	287,236	-	287,236	-	-	287,236
Construction in progress	17,339,729	(12,382,057)	4,957,672	12,987,193	(10,361,164)	7,583,701
Depreciable assets:						
Buildings and improvements	782,377,701	25,812,076	808,189,777	25,226,073	-	833,415,850
Equipment	28,494,003	15,484,280	43,978,283	2,250,606	(283,253)	45,945,636
Total historical cost	<u>840,206,237</u>	<u>28,914,299</u>	<u>869,120,536</u>	<u>40,463,872</u>	<u>(10,644,417)</u>	<u>898,939,991</u>
Less accumulated depreciation for:						
Buildings and improvements	155,087,471	21,505,097	176,592,568	17,969,527	-	194,562,095
Equipment	16,570,793	15,541,284	32,112,077	2,847,547	(277,856)	34,681,768
Total accumulated depreciation	<u>171,658,264</u>	<u>37,046,381</u>	<u>208,704,645</u>	<u>20,817,074</u>	<u>(277,856)</u>	<u>229,243,863</u>
Capital assets, net	<u>\$ 668,547,973</u>	<u>\$ (8,132,082)</u>	<u>\$ 660,415,891</u>	<u>\$ 19,646,798</u>	<u>\$ (10,366,561)</u>	<u>\$ 669,696,128</u>

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

Instruction	\$ 957,138
Student support services	21,851
Instructional support staff	25,303
School administration	5,256
Operations and maintenance	19,691,783
Food service operations	31,618
Student activities	42,988
Business and central support services	41,137
	<hr/>
Total depreciation	<u>\$ 20,817,074</u>

6 - Long-Term Liabilities

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

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	<u>\$ 312,150,000</u>	<u>\$ 245,230,000</u>	<u>\$ (130,730,000)</u>	<u>\$ 426,650,000</u>	<u>\$ 21,975,000</u>
Add unamortized premium on bonds				<u>42,314,356</u>	<u>\$ 2,725,181</u>
				<u>\$ 468,964,356</u>	
Capital leases	<u>\$ 10,613,425</u>	<u>\$ -</u>	<u>\$ (6,639,880)</u>	<u>\$ 3,973,545</u>	<u>\$ 3,973,545</u>
Total OPEB liability	<u>\$ 11,121,419</u>	<u>\$ 363,589</u>	<u>\$ -</u>	<u>\$ 11,485,008</u>	<u>\$ -</u>
Net pension liability	<u>\$ 244,707,453</u>	<u>\$ 29,519,792</u>	<u>\$ -</u>	<u>\$ 274,227,245</u>	<u>\$ -</u>
Compensated absences	<u>\$ 3,279,332</u>	<u>\$ 1,652,392</u>	<u>\$ (1,597,870)</u>	<u>\$ 3,333,854</u>	<u>\$ 2,068,883</u>

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(Continued)

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

	Date Issued	Date Matures	Interest Rate	Original Principal Amount	Principal Outstanding June 30, 2021
General obligation bonds:					
Debt service fund:					
General obligation and refunding and improvement bonds	6/17/2015	10/1/2035	3.00 - 5.00%	\$ 118,625,000	\$ 29,980,000
General obligation and refunding and improvement bonds	10/13/2016	10/1/2038	3.00 - 5.00%	152,385,000	141,040,000
General obligation and refunding and improvement bonds	6/3/2021	6/3/2042	3.00 to 4.00%	157,705,000	157,705,000
General obligation and refunding and improvement bonds	6/3/2021	6/3/2042	3.00 to 5.00%	87,525,000	87,525,000
Subtotal debt service fund				516,240,000	416,250,000
Capital outlay fund:					
General obligation bonds	6/14/2017	4/1/2022	2.00 - 5.00%	19,884,109	10,400,000
Total general obligation bonds				\$ 536,124,109	\$ 426,650,000
Capital leases - direct borrowing:					
Computer hardware	2/20/2019	4/27/2022	0.00%	\$ 3,819,989	\$ 954,997
Computer hardware	4/13/2020	7/1/2022	0.00%	9,030,095	3,018,548
Total capital leases				\$ 12,850,084	\$ 3,973,545

General Obligation Bonds

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

Year Ending June 30	Principal	Premium	Interest	Total
2022	\$ 21,975,000	\$ 2,725,181	\$ 12,387,805	\$ 37,087,986
2023	21,515,000	2,290,478	12,818,634	36,624,112
2024	22,375,000	2,290,478	11,941,613	36,607,091
2025	14,890,000	2,290,478	11,187,497	28,367,975
2026	15,505,000	2,290,478	10,546,564	28,342,042
2027-2031	86,900,000	11,452,390	43,612,471	141,964,861
2032-2036	100,315,000	11,452,390	30,200,852	141,968,242
2037-2041	117,565,000	6,722,116	13,055,724	137,342,840
2042	25,610,000	800,367	384,150	26,794,517
Total	\$ 426,650,000	\$ 42,314,356	\$ 146,135,310	\$ 615,099,666

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Issued and Defeased Bonds

During the year ended June 30, 2021, the District issued \$ 157,705,000 of general obligation refunding bond Series 2021A for an advance refunding of \$ 27,145,000 of general obligation bond Series 2012A. The transaction resulted in a cash savings of \$ 979,172 and an economic gain of \$ 967,050. During the year ended June 30, 2021, the District issued \$ 87,525,000 of general obligation refunding bond Series 2021B for an advance refunding of \$ 81,520,000 of general obligation refunding bond Series 2015A. The transaction resulted in a cash savings of \$ 20,257,863 and an economic gain of \$ 7,697,799. The funds were placed in an irrevocable trust for the purpose of generating resources to pay the refunded obligations as they come due. At June 30, 2021, bonds totaling \$ 81,520,000 have been defeased.

Statutory Debt Limit

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Debt Service Fund and Capital Outlay Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761. The District's statutory limit for such bonded indebtedness was approximately \$ 656 million at June 30, 2021.

Capital Leases

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

Year Ending June 30	Principal	Interest	Total
2022	\$ 3,973,545	\$ -	\$ 3,973,545

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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7 - Operating Leases

The District leases copiers under a noncancelable operating lease. Total costs for this lease were \$ 375,612 for the year ended June 30, 2021. The future minimum lease payments are as follows:

Year Ending June 30	Amount
2022	\$ 375,612
2023	375,612
2024	375,612
2025	375,612
	\$ 1,502,448

8 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 are determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021.

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Substitute for House Bill 2002 authorized the delay of \$ 194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of \$ 19.4 million starting in fiscal year 2020.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 25,091,649 for the year ended June 30, 2021.

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

At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 274,227,245. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contribution of the State/School subgroup within KPERS for the fiscal year ended June 30, 2020.

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

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

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and 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,

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

relative to the total employer and nonemployer contributions of the State/School group within KPERS for the fiscal year ended June 30, 2020. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. At June 30, 2020, the District's proportion was 3.670098%, which was a decrease of 0.113424% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$ 30,200,764. At June 30, 2021, 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	\$ 3,818,821	\$ 3,014,125
Net differences between projected and actual earnings on investments	24,296,267	-
Changes in assumptions	14,003,438	-
Changes in proportion	19,476,252	24,687,023
District contributions subsequent to measurement date	25,091,649	-
Total	<u>\$ 86,686,427</u>	<u>\$ 27,701,148</u>

The \$ 25,091,649 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows (Inflows) Amount
2022	\$ 8,708,447
2023	12,058,247
2024	5,695,113
2025	7,234,574
2026	197,249
Total	<u>\$ 33,893,630</u>

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Actuarial assumptions. The total pension liability for KPERS in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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, 2019 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:

Asset Class	June 30, 2020	
	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%	

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Discount rate. The discount rate used by KPERS to measure the total pension liability was 7.50%. 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 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
\$ 363,607,449	\$ 274,227,245	\$ 198,872,426

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

9 - Other Postemployment Benefits

Health Insurance

Plan Description. The District offers postemployment benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment plan administered by the District. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The District's employee benefit plan provides 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Employees Covered by Benefit Terms. At January 1, 2020, the following employees were covered by the benefit terms:

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

Total OPEB Liability. The District's total OPEB liability of \$ 7,678,680 was measured as of January 1, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	January 1, 2020
Actuarial cost method	Entry age normal as a level percentage of payroll
Discount rate	2.0%, 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% to 2021, decreasing 0.25-0.50% per year to an ultimate rate of 4.50% for 2027 and later years
Retiree's share of benefit related costs	100% of projected health insurance premiums for retirees

Mortality rates were based on the SOA Pub-2010 Public Retirement Plans Headcount-Weighted Teachers Mortality Tables using Scale MP-2020 Full Generational Improvement.

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Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2020	\$ 7,179,702
Changes for the year:	
Service cost	541,989
Interest	196,747
Benefit paid	(309,000)
Differences between expected and actual experience	237,177
Changes in assumptions and other inputs	(167,935)
Net changes	498,978
Balance at June 30, 2021	\$ 7,678,680

Changes of assumptions and other inputs reflect a change in the discount rate from 2.6% in 2020 to 2.0% in 2021.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presented the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.0%) or 1-percentage-point higher (3.0%) than the current discount rate:

	1% Decrease (1.0%)	Discount Rate (2.0%)	1% Increase (3.0%)
Total OPEB Liability	\$ 8,356,235	\$ 7,678,680	\$ 7,043,354

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	\$ 6,642,219	\$ 7,678,680	\$ 8,937,202

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OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended June 30, 2021, the District recognized OPEB expense of \$ 805,851. At June 30, 2021, the District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 770,154	\$ -
Changes in assumptions	596,650	812,635
Total	<u>\$ 1,366,804</u>	<u>\$ 812,635</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
2022	\$ 67,115
2023	67,115
2024	67,115
2025	67,115
2026	67,115
2027 and thereafter	218,594
Total	<u>\$ 554,169</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

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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 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 January 1, 2020, the following employees were covered by the benefit terms:

Active members	3,466
Disabled members	<u>20</u>
Total	<u><u>3,486</u></u>

Total OPEB Liability. The District's total OPEB liability of \$ 3,806,328 reported as of June 30, 2021, was measured as of June 30, 2020, and was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Payroll growth	4.00%
Discount rate	2.21%

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

Mortality rates used for the death benefits were based on the RP-2014 White Collar Mortality Table for Males and Females, adjusted for generational mortality improvement using MP-2020.

The actuarial assumptions used in the December 31, 2019 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, 2019 KPERS pension valuation.

Changes in the Total OPEB Liability:

	Net OPEB Liability
Balance at June 30, 2020	\$ 3,941,717
Changes for the year:	
Service cost	388,341
Interest	143,216
Benefit paid	(480,491)
Economic/demographic (losses)	(355,717)
Changes in assumptions	169,262
Net changes	(135,389)
Balance June 30, 2021	\$ 3,806,328

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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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	\$ 3,926,910	\$ 3,806,328	\$ 3,672,851

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	\$ 3,806,328	\$ 3,806,328	\$ 3,806,328

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended June 30, 2021, the District recognized OPEB expense of \$ 1,616,859. At June 30, 2021, 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	\$ 152,363	\$ 727,894
Changes in assumptions	197,546	94,271
Total	<u>\$ 349,909</u>	<u>\$ 822,165</u>

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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
2022	\$ (58,728)
2023	(58,728)
2024	(58,728)
2025	(58,728)
2026	(58,728)
Thereafter	(178,616)
Total	<u>\$ (472,256)</u>

10 - 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.

Transfers out:	Transfers in:		Total
	Special Education	Nonmajor Governmental	
Supplemental general	\$ 20,266,133	\$ 19,634,715	\$ 39,900,848

11 - Commitments and Contingencies

Risk Management

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

Self-Insurance Funds

The District has established a limited risk management program for workers' compensation. Premiums are paid into the Workers' Compensation Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program. These interfund premiums are used to reduce the amount of claims

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expenditure reported in the Workers' Compensation Fund, an internal service fund. As of June 30, 2021, 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, 2021 and 2020 are as follows:

	2021	2020
Unpaid claims, beginning of year	\$ 1,018,159	\$ 691,432
Incurred claims (including IBNR)	990,802	1,065,307
Claim payments	<u>(750,729)</u>	<u>(738,580)</u>
Unpaid claims, end of year	<u>\$ 1,258,232</u>	<u>\$ 1,018,159</u>

Grants

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

Arbitrage Provisions

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

Litigation

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

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Construction Commitments

The District prepares annual operating budgets for the majority of the governmental funds; however, for the capital projects fund, project-length budgets are prepared. The projects' approved budgets and cumulative expenditures, including encumbrances, as of June 30, 2021, are as follows:

<u>Project Name</u>	<u>Project Budget</u>	<u>Cumulative Expenditures Through June 30, 2021</u>
Construction projects	\$ 264,220,000	\$ 10,561,844

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.

12 - Reclassification of Prior Year Information

Certain prior year amounts have been reclassified for consistency with the current period presentation. The reclassifications had no effect on the reported results of change in fund balance.

13 - Prior Period Adjustment

In 2021, management determined a prior period restatement of capital assets for the governmental activities was necessary. This restatement primarily related to assets which were previously recorded as disposed by the District but are still in use. Most of these assets were fully depreciated. This resulted in a prior period adjustment in the amount of \$ 4,249,975.

Management also determined a restatement of construction in progress for the governmental activities was necessary. This restatement primarily related to the following: (1) the determination that certain governmental activities were improperly included in construction in progress when they should have been expensed in a prior period; and (2) capitalization of construction in progress in the incorrect period based on completion date. This resulted in a prior period adjustment in the amount of (\$ 12,382,057).

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

The following restatements were made to beginning net position/fund balance:

Government-Wide Financial Statements:

Governmental activities fund balance as previously stated		\$ 167,854,125
Prior period adjustments:		
Restatement of capital assets	\$ 4,249,975	
Restatement of construction in progress	(12,382,057)	
Restatement related to GASB 84 (see Note 1)	2,027,554	
Total prior period adjustments		<u>(6,104,528)</u>
Governmental activities fund balance as restated		<u><u>\$ 161,749,597</u></u>

Fund Financial Statements:

Nonmajor governmental funds as previously stated		\$ 16,843,101
Prior period adjustments:		
Restatement related to GASB 84 (see Note 1)		<u>2,027,554</u>
Nonmajor governmental funds as restated		<u><u>\$ 18,870,655</u></u>

14 - Risks and Uncertainties

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

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the District. Accordingly, while management cannot quantify the financial and other impacts to the District as of June 30, 2021, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 541,989	\$ 482,935	\$ 387,112	\$ 368,127
Interest	196,747	256,062	230,782	233,204
Change in benefit terms	-	(564,311)	-	-
Benefit paid	(309,000)	(624,222)	(561,000)	(525,000)
Differences between expected and actual experience	237,177	52,704	674,664	-
Changes in assumptions and other inputs	(167,935)	(788,033)	746,221	57,140
Net change in total OPEB liability	498,978	(1,184,865)	1,477,779	133,471
Net OPEB liability - beginning	7,179,702	8,364,567	6,886,788	6,753,317
Net OPEB liability - ending	<u>\$ 7,678,680</u>	<u>\$ 7,179,702</u>	<u>\$ 8,364,567</u>	<u>\$ 6,886,788</u>
Covered payroll	\$ 175,081,771	\$ 175,081,771	\$ 145,380,151	\$ 122,463,890
Net OPEB liability as a percentage of covered-employee payroll	4.39%	4.10%	5.75%	5.62%
Actuarially determined contribution	<u>\$ 309,000</u>	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Actual contribution	<u>\$ 309,000</u>	<u>\$ 624,222</u>	<u>\$ 561,000</u>	<u>\$ 525,000</u>
Contributions as a percentage of covered payroll	0.18%	0.36%	0.39%	0.43%

Change of Assumptions:

1. Discount rate was decreased from 2.6% to 2.0%, based on municipal bond yields as of the measurement date.

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

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 Four Fiscal Years¹

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 388,341	\$ 358,989	\$ 356,726	\$ 383,140
Interest	143,216	170,486	147,753	120,753
Benefit paid	(480,491)	(351,655)	(451,088)	(514,415)
Economic/demographic (losses)	(355,717)	(513,744)	-	-
Changes in assumptions	169,262	57,144	173,107	(104,672)
Net change in total OPEB liability	(135,389)	(278,780)	226,498	(115,194)
Net OPEB liability - beginning	3,941,717	4,220,497	3,993,999	4,109,193
Net OPEB liability - ending	<u>\$ 3,806,328</u>	<u>\$ 3,941,717</u>	<u>\$ 4,220,497</u>	<u>\$ 3,993,999</u>
Covered payroll	<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	2.18%	2.30%	2.55%	2.46%
Actuarially determined contribution	<u>\$ 480,491</u>	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Actual contribution	<u>\$ 480,491</u>	<u>\$ 351,655</u>	<u>\$ 451,088</u>	<u>\$ 514,415</u>
Contributions as a percentage of covered payroll	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 mortality projection scale was updated to the most recent table published by the Society of Actuaries.

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

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 Seven Fiscal Years¹

	2021	2020	2019	2018	2017	2016	2015
District's proportion of the collective net pension liability	3.670%	3.784%	4.198%	3.724%	3.360%	3.730%	3.792%
District's proportionate share of the collective net pension liability	\$ 274,227,245	\$ 244,707,453	\$ 273,844,764	\$ 250,205,840	\$ 225,850,028	\$ 258,252,228	\$ 242,287,546
District's covered payroll	186,922,654	177,205,477	169,212,017	166,841,670	166,944,696	165,185,936	143,217,130
District's proportionate share of the collective net pension liability as a percentage of its covered employee payroll	146.71%	138.09%	161.84%	149.97%	135.28%	156.34%	169.17%
Plan fiduciary net position as a percentage of the total pension liability	64.80%	68.05%	66.75%	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.

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Seven Fiscal Years¹

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 25,091,649	\$ 25,938,740	\$ 12,170,012	\$ 23,918,656	\$ 14,766,230	\$ 11,038,945	\$ 16,062,812
Contributions in relation to the contractually required contribution	25,091,649	25,938,740	12,170,012	23,918,656	14,766,230	11,038,945	16,062,812
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 186,922,654	\$ 180,713,723	\$ 169,212,017	\$ 166,841,670	\$ 165,185,936	\$ 165,185,936	\$ 143,217,131
Contributions as a percentage of covered payroll	13.42%	14.35%	7.19%	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 BALANCE SHEET
GENERAL FUND
June 30, 2021

	General Fund	Supplemental General Fund	Total General Fund
<u>ASSETS</u>			
Cash and cash equivalents	\$ 8,055,922	\$ 6,169,893	\$ 14,225,815
Intergovernmental receivables	10,295,732	-	10,295,732
Material and supplies inventory	385,697	-	385,697
Total assets	<u>\$ 18,737,351</u>	<u>\$ 6,169,893</u>	<u>\$ 24,907,244</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 5,858	\$ 48,509	\$ 54,367
Health care payable	6,753,560	-	6,753,560
Payroll liabilities	11,571,978	90	11,572,068
Total liabilities	<u>18,331,396</u>	<u>48,599</u>	<u>18,379,995</u>
Fund balances:			
Nonspendable:			
Material and supplies inventory	385,697	-	385,697
Assigned	17,793	12,111	29,904
Unassigned	2,465	6,109,183	6,111,648
Total fund balances	<u>405,955</u>	<u>6,121,294</u>	<u>6,527,249</u>
Total liabilities and fund balances	<u>\$ 18,737,351</u>	<u>\$ 6,169,893</u>	<u>\$ 24,907,244</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 GENERAL FUND
 Year Ended June 30, 2021

	General Fund	Supplemental General Fund	Total General Fund
Revenues:			
Taxes	\$ -	\$ 65,108,406	\$ 65,108,406
Intergovernmental	144,270,821	-	144,270,821
Charges for services	788,036	-	788,036
	<hr/>	<hr/>	<hr/>
Total revenues	145,058,857	65,108,406	210,167,263
	<hr/>	<hr/>	<hr/>
Expenditures:			
Instruction	87,663,285	10,883,741	98,547,026
Student support services	6,558,020	15,208	6,573,228
Instructional support staff	8,340,448	-	8,340,448
General administration	1,873,708	16,394	1,890,102
School administration	13,353,364	-	13,353,364
Operations and maintenance	10,642,850	8,346,723	18,989,573
Student transportation services	5,634,332	-	5,634,332
Student activities	3,474,273	-	3,474,273
Business and central support services	7,500,322	2,512,647	10,012,969
	<hr/>	<hr/>	<hr/>
Total expenditures	145,040,602	21,774,713	166,815,315
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	18,255	43,333,693	43,351,948
Other financing uses:			
Transfers out	-	(39,900,848)	(39,900,848)
	<hr/>	<hr/>	<hr/>
Net change in fund balances	18,255	3,432,845	3,451,100
Fund balance, beginning of year	387,700	2,688,449	3,076,149
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	\$ 405,955	\$ 6,121,294	\$ 6,527,249
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Federal	\$ 279,616	\$ 187,682	\$ -	\$ 187,682	\$ 187,682	\$ -
Charges for services	3,960	-	-	-	3,960	(3,960)
Total revenues	283,576	187,682	-	187,682	191,642	(3,960)
Expenditures:						
Instruction	5,356,990	5,312,607	8,551	5,321,158	5,474,219	(153,061)
Instructional support staff	98,885	113,913	-	113,913	109,541	4,372
School administration	134,015	136,259	-	136,259	134,283	1,976
Operations and maintenance	-	-	-	-	9,384	(9,384)
Student transportation services	143,535	105,565	-	105,565	236,289	(130,724)
Student activities	94,968	81,984	-	81,984	-	81,984
Total expenditures	5,828,393	5,750,328	8,551	5,758,879	5,963,716	(204,837)
Excess (deficiency) of revenues over (under) expenditures	(5,544,817)	(5,562,646)	(8,551)	(5,571,197)	(5,772,074)	200,877
Other financing sources:						
Transfers in	5,551,253	5,571,197	-	5,571,197	5,772,074	(200,877)
Net change in fund balance	6,436	8,551	(8,551)	-	\$ -	\$ -
Fund balance, beginning of year	(6,436)	-	-	-		
Fund balance, end of year	\$ -	\$ 8,551	\$ (8,551)	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
PROFESSIONAL DEVELOPMENT FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 23,793	\$ 44,461	\$ -	\$ 44,461	\$ 51,590	\$ (7,129)
Expenditures:						
Instructional support staff	150,629	183,898	-	183,898	343,933	(160,035)
Excess (deficiency) of revenues over (under) expenditures	(126,836)	(139,437)	-	(139,437)	(292,343)	152,906
Other financing sources:						
Transfers in	126,836	139,437	-	139,437	292,343	(152,906)
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL ASSESSMENT FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 10,804	\$ 7,472	\$ -	\$ 7,472	\$ 8,828	\$ (1,356)
Current	332,812	515,369	-	515,369	492,688	22,681
Delinquent	310	3,163	-	3,163	1,537	1,626
Motor vehicle	81,660	67,606	-	67,606	67,975	(369)
Rental excise	1,703	1,434	-	1,434	-	1,434
Total revenues	<u>427,289</u>	<u>595,044</u>	<u>-</u>	<u>595,044</u>	<u>571,028</u>	<u>24,016</u>
Expenditures:						
Facility acquisition and construction	660,360	715,635	-	715,635	850,000	(134,365)
Excess (deficiency) of revenues over (under) expenditures	(233,071)	(120,591)	-	(120,591)	<u>\$ (278,972)</u>	<u>\$ 158,381</u>
Fund balance, beginning of year	854,836	621,765	-	621,765		
Fund balance, end of year	<u>\$ 621,765</u>	<u>\$ 501,174</u>	<u>\$ -</u>	<u>\$ 501,174</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, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 116,480	\$ 92,548	\$ -	\$ 92,548	\$ 93,955	\$ (1,407)
Federal	5,391,865	8,578,758	-	8,578,758	6,012,063	2,566,695
Total intergovernmental	5,508,345	8,671,306	-	8,671,306	6,106,018	2,565,288
Charges for services	4,401,373	243,751	-	243,751	5,597,586	(5,353,835)
Investment revenue	46,752	212	-	212	25,000	(24,788)
Other local sources	33,106	70,080	-	70,080	-	70,080
Total revenues	9,989,576	8,985,349	-	8,985,349	11,728,604	(2,743,255)
Expenditures:						
Operations and maintenance	749,982	750,000	-	750,000	750,000	-
Food service operations	10,602,958	7,989,515	141,987	8,131,502	13,000,598	(4,869,096)
Total expenditures	11,352,940	8,739,515	141,987	8,881,502	13,750,598	(4,869,096)
Excess (deficiency) of revenues over (under) expenditures	(1,363,364)	245,834	(141,987)	103,847	\$ (2,021,994)	\$ 2,125,841
Fund balance, beginning of year	3,695,210	2,331,846	(309,851)	2,021,995		
Fund balance, end of year	\$ 2,331,846	\$ 2,577,680	\$ (451,838)	\$ 2,125,842		

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Expenditures:						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ 35,421	\$ (35,421)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	\$ (35,421)	\$ 35,421
Fund balance, beginning of year	35,421	35,421	-	35,421		
Fund balance, end of year	\$ 35,421	\$ 35,421	\$ -	\$ 35,421		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
BILINGUAL EDUCATION FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Expenditures:						
Instruction	\$ 2,380,157	\$ 2,472,655	\$ -	\$ 2,472,655	\$ 2,562,658	\$ (90,003)
Student support services	100,662	110,151	-	110,151	101,273	8,878
Total expenditures	2,480,819	2,582,806	-	2,582,806	2,663,931	(81,125)
Other financing sources:						
Transfers in	2,480,819	2,582,806	-	2,582,806	2,663,931	(81,125)
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
SUMMER SCHOOL FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 48,887	\$ 213,360	\$ -	\$ 213,360	\$ 394,000	\$ (180,640)
Expenditures:						
Instruction	308,082	61,175	2,759	63,934	799,053	(735,119)
Student support services	477	1,277	-	1,277	3,300	(2,023)
Instructional support staff	-	146	-	146	1,500	(1,354)
School administration	110,112	139,117	-	139,117	160,501	(21,384)
Operations and maintenance	48	-	-	-	2,000	(2,000)
Total expenditures	418,719	201,715	2,759	204,474	966,354	(761,880)
Excess (deficiency) of revenues over (under) expenditures	(369,832)	11,645	(2,759)	8,886	\$ (572,354)	\$ 581,240
Fund balance, beginning of year	942,975	573,143	(788)	572,355		
Fund balance, end of year	\$ 573,143	\$ 584,788	\$ (3,547)	\$ 581,241		

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 385,957	\$ 404,134	\$ -	\$ 404,134	\$ 375,339	\$ 28,795
Expenditures:						
Student support services	564,620	561,488	-	561,488	573,793	(12,305)
Instructional support staff	55,520	53,624	-	53,624	61,726	(8,102)
Total expenditures	620,140	615,112	-	615,112	635,519	(20,407)
Excess (deficiency) of revenues over (under) expenditures	(234,183)	(210,978)	-	(210,978)	(260,180)	49,202
Other financing sources:						
Transfers in	234,183	210,978	-	210,978	260,180	(49,202)
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, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Charges for services	\$ 174,305	\$ 139,349	\$ -	\$ 139,349	\$ 138,300	\$ 1,049
Expenditures:						
Instruction	49,411	71,624	-	71,624	83,813	(12,189)
School administration	10,954	12,607	-	12,607	10,344	2,263
Total expenditures	60,365	84,231	-	84,231	94,157	(9,926)
Excess of revenues over expenditures	113,940	55,118	-	55,118	\$ 44,143	\$ 10,975
Fund balance, beginning of year	480,962	594,902	-	594,902		
Fund balance, end of year	\$ 594,902	\$ 650,020	\$ -	\$ 650,020		

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 6,513	\$ 13,430	\$ -	\$ 13,430	\$ 15,643	\$ (2,213)
Current	598,119	578,345	-	578,345	554,408	23,937
Delinquent	92	3,668	-	3,668	2,763	905
Motor vehicle	41,602	54,972	-	54,972	55,597	(625)
Rental excise	801	865	-	865	-	865
Total revenues	<u>647,127</u>	<u>651,280</u>	<u>-</u>	<u>651,280</u>	<u>628,411</u>	<u>22,869</u>
Expenditures:						
General administration	92,032	352,971	-	352,971	1,208,000	(855,029)
Business and central support services	360,232	375,466	-	375,466	-	375,466
Total expenditures	<u>452,264</u>	<u>728,437</u>	<u>-</u>	<u>728,437</u>	<u>1,208,000</u>	<u>(479,563)</u>
Excess (deficiency) of revenues over (under) expenditures	194,863	(77,157)	-	(77,157)	<u>\$ (579,589)</u>	<u>\$ 502,432</u>
Fund balance, beginning of year	<u>1,802,154</u>	<u>1,997,017</u>	<u>-</u>	<u>1,997,017</u>		
Fund balance, end of year	<u>\$ 1,997,017</u>	<u>\$ 1,919,860</u>	<u>\$ -</u>	<u>\$ 1,919,860</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, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State and local	\$ 106,680	\$ 81,750	\$ -	\$ 81,750	\$ -	\$ 81,750
Federal	106,680	61,829	-	61,829	163,500	(101,671)
Total intergovernmental	213,360	143,579	-	143,579	163,500	(19,921)
Charges for services	252,208	145,569	-	145,569	368,500	(222,931)
Total revenues	465,568	289,148	-	289,148	532,000	(242,852)
Expenditures:						
Instruction	1,292,537	1,289,482	-	1,289,482	1,284,312	5,170
Instructional support staff	35,319	33,917	(1,190)	32,727	43,386	(10,659)
Total expenditures	1,327,856	1,323,399	(1,190)	1,322,209	1,327,698	(5,489)
Excess (deficiency) of revenues over (under) expenditures	(862,288)	(1,034,251)	1,190	(1,033,061)	(795,698)	(237,363)
Other financing sources:						
Transfers in	863,260	1,033,061	-	1,033,061	795,698	237,363
Net change in fund balance	972	(1,190)	1,190	-	\$ -	\$ -
Fund balance, beginning of year	218	1,190	(1,190)	-		
Fund balance, end of year	\$ 1,190	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
COST OF LIVING FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 89,579	\$ 163,169	\$ -	\$ 163,169	\$ 190,200	\$ (27,031)
Current	7,267,379	7,998,375	-	7,998,375	8,392,514	(394,139)
Delinquent	4,866	52,811	-	52,811	33,562	19,249
Motor vehicle	603,452	721,788	-	721,788	726,988	(5,200)
Rental excise	11,945	11,892	-	11,892	-	11,892
Total revenues	7,977,221	8,948,035	-	8,948,035	9,343,264	(395,229)
Expenditures:						
State payment	8,029,217	8,447,583	-	8,447,583	9,851,886	(1,404,303)
Excess (deficiency) of revenues over (under) expenditures	(51,996)	500,452	-	500,452	<u>\$ (508,622)</u>	<u>\$ 1,009,074</u>
Fund balance, beginning of year	560,618	508,622	-	508,622		
Fund balance, end of year	<u>\$ 508,622</u>	<u>\$ 1,009,074</u>	<u>\$ -</u>	<u>\$ 1,009,074</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, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020		June 30, 2021			
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
Federal	\$ 3,884,804	\$ 7,739,057	\$ 203,286	\$ 7,942,343	\$ 7,820,647	\$ 121,696
Other local sources	957,019	851,356	-	851,356	-	851,356
Total revenues	4,841,823	8,590,413	203,286	8,793,699	7,820,647	973,052
Expenditures:						
Instruction	2,298,849	3,813,681	(2,081)	3,811,600	5,016,587	(1,204,987)
Student support services	484,043	1,352,850	(17,257)	1,335,593	806,906	528,687
Instructional support staff	1,656,691	1,936,007	-	1,936,007	2,649,663	(713,656)
General administration	111,631	125,243	-	125,243	134,833	(9,590)
School administration	31,513	125,029	-	125,029	33,281	91,748
Operations and maintenance	-	1,417,510	(23,830)	1,393,680	269,431	1,124,249
Student transportation services	605	113	4,561	4,674	25,647	(20,973)
Food service operations	11,959	-	-	-	50,000	(50,000)
Student activities	15,090	13,361	-	13,361	-	13,361
Business and central support services	-	100,159	-	100,159	-	100,159
Capital outlay	-	-	-	-	-	-
Total expenditures	4,610,381	8,883,953	(38,607)	8,845,346	8,986,348	(141,002)
Excess (deficiency) of revenues over (under) expenditures	231,442	(293,540)	241,893	(51,647)	\$ (1,165,701)	\$ 1,114,054
Fund balance, beginning of year	1,188,173	1,419,615	(253,914)	1,165,701		
Fund balance, end of year	\$ 1,419,615	\$ 1,126,075	\$ (12,021)	\$ 1,114,054		

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Intergovernmental:						
State	\$ 7,838,258	\$ 15,323,969	\$ (15,323,969)	\$ -	\$ -	\$ -
Other local sources	213,594	-	-	-	-	-
Total revenues	8,051,852	15,323,969	(15,323,969)	-	-	-
Expenditures:						
Instruction	17,280,152	15,760,132	-	15,760,132	20,337,646	(4,577,514)
Student support services	3,211,149	2,721,151	-	2,721,151	2,791,228	(70,077)
Instructional support staff	281,192	309,082	-	309,082	146,267	162,815
School administration	947,750	892,994	-	892,994	896,016	(3,022)
Operations and maintenance	288,784	313,788	-	313,788	343,317	(29,529)
Student transportation services	432,589	571,089	-	571,089	691,624	(120,535)
Total expenditures	22,441,616	20,568,236	-	20,568,236	25,206,098	(4,637,862)
Excess (deficiency) of revenues over (under) expenditures	(14,389,764)	(5,244,267)	(15,323,969)	(20,568,236)	(25,206,098)	4,637,862
Other financing sources:						
Transfers in	14,389,764	5,244,267	15,323,969	20,568,236	25,206,098	(4,637,862)
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)
VIRTUAL EDUCATION FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Expenditures:						
Instruction	\$ 65,736	\$ 71,656	\$ -	\$ 71,656	\$ 76,101	\$ (4,445)
Student support services	76,025	81,313	-	81,313	76,868	4,445
Total expenditures	141,761	152,969	-	152,969	152,969	-
Excess (deficiency) of revenues over (under) expenditures	(141,761)	(152,969)	-	(152,969)	(152,969)	-
Other financing sources:						
Transfers in	141,761	152,969	-	152,969	152,969	-
Net change in fund balance	-	-	-	-	\$ -	\$ -
Fund balance, beginning of year	-	-	-	-		
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
DEBT SERVICE FUND
Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 385,310	\$ 624,160	\$ -	\$ 624,160	\$ 728,218	\$ (104,058)
Current	27,799,243	29,259,337	-	29,259,337	28,006,535	1,252,802
Delinquent	15,895	211,809	-	211,809	128,385	83,424
Motor vehicle	2,797,320	2,980,870	-	2,980,870	3,004,761	(23,891)
Rental excise	57,335	51,151	-	51,151		51,151
Total taxes	31,055,103	33,127,327	-	33,127,327	31,867,899	1,259,428
Investment revenue	232,108	12,482	-	12,482	80,000	(67,518)
Other local sources	-	8,204	-	8,204	-	8,204
Total revenues	31,287,211	33,148,013	-	33,148,013	31,947,899	1,200,114
Expenditures:						
Debt service:						
Principal retirement	20,845,000	12,030,000	-	12,030,000	21,880,000	(9,850,000)
Interest and other charges	12,075,952	11,342,311	-	11,342,311	11,349,450	(7,139)
Debt issuance cost	-	711,262	-	711,262	-	711,262
Total expenditures	32,920,952	24,083,573	-	24,083,573	33,229,450	(9,145,877)
Excess (deficiency) of revenues over (under) expenditures	(1,633,741)	9,064,440	-	9,064,440	(1,281,551)	10,345,991
Expenditures not subject to budget:						
Other financing sources (uses):						
General obligation refunding debt issued	-	113,120,000	-	113,120,000	-	113,120,000
Premium on general obligation bonds	-	1,812,601	-	1,812,601	-	1,812,601
Payment to refunding bond escrow agent	-	(124,071,339)	-	(124,071,339)	-	(124,071,339)
Total other financing sources (uses)	-	(9,138,738)	-	(9,138,738)	-	(9,138,738)
Net change in fund balance	(1,633,741)	(74,298)	-	(74,298)	\$ (1,281,551)	\$ 1,207,253
Fund balance, beginning of year	24,179,304	22,545,563	-	22,545,563		
Fund balance, end of year	\$ 22,545,563	\$ 22,471,265	\$ -	\$ 22,471,265		

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

	June 30, 2020	June 30, 2021				
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Original and Final Budget	Variance Over (Under)
Revenues:						
Taxes:						
In process	\$ 413,536	\$ 671,524	\$ -	\$ 671,524	\$ 782,947	\$ (111,423)
Current	29,954,377	31,560,611	-	31,560,611	30,139,318	1,421,293
Delinquent	16,632	227,685	-	227,685	138,374	89,311
Motor vehicle	3,005,256	3,201,699	-	3,201,699	5,153,880	(1,952,181)
Rental excise	61,650	54,898	-	54,898	-	54,898
Total taxes	33,451,451	35,716,417	-	35,716,417	36,214,519	(498,102)
Investment revenue	95,947	1,117	-	1,117	50,000	(48,883)
Other local sources	858,232	2,139,947	-	2,139,947	-	2,139,947
Total revenues	34,405,630	37,857,481	-	37,857,481	36,264,519	1,592,962
Expenditures:						
Instruction	13,193,073	3,095,651	392,150	3,487,801	3,968,240	(480,439)
Student support services	44,101	24,460	-	24,460	31,980	(7,520)
Instructional support staff	392,792	118,831	(287)	118,544	255,225	(136,681)
General administration	7,726	494	13,990	14,484	25,000	(10,516)
Operations and maintenance	4,224,193	4,515,102	11,951	4,527,053	4,724,785	(197,732)
Student activities	150,553	177,471	-	177,471	-	177,471
Business and central support services	1,353,664	2,021,294	(221,435)	1,799,859	1,809,332	(9,473)
Facility acquisition and construction	11,526,353	7,366,907	894,771	8,261,678	18,395,605	(10,133,927)
Debt service:						
Principal	16,897,091	16,674,880	-	16,674,880	16,263,050	411,830
Interest and other charges	891,295	551,978	-	551,978	525,413	26,565
Total expenditures	48,680,841	34,547,068	1,091,140	35,638,208	45,998,630	(10,360,422)
Excess (deficiency) of revenues over (under) expenditures	(14,275,211)	3,310,413	(1,091,140)	2,219,273	(9,734,111)	11,953,384
Other financing sources:						
Capital lease proceeds	9,030,095	-	-	-	-	-
Net change in fund balance	(5,245,116)	3,310,413	(1,091,140)	2,219,273	\$ (9,734,111)	\$ 11,953,384
Fund balance, beginning of year	23,164,954	17,919,838	(3,185,727)	14,734,111		
Fund balance, end of year	\$ 17,919,838	\$ 21,230,251	\$ (4,276,867)	\$ 16,953,384		

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
COMBINING STATEMENTS – OTHER GOVERNMENTAL FUNDS

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

BUDGETED FUNDS:

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

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

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

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

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

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

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

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

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

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

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

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
COMBINING STATEMENTS – OTHER GOVERNMENTAL FUNDS
(Continued)

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

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

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

NON - BUDGETED FUNDS:

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.

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

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

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

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

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

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, 2021

	Career and Postsecondary Education	Declining Enrollment	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program	Extraordinary School Program	Health Reserve	Special Liability
<u>ASSETS</u>												
Cash and cash equivalents	\$ 483,190	\$ 463,174	\$ 36	\$ 501,174	\$ 2,610,451	\$ 35,421	\$ 164,774	\$ 594,808	\$ 57	\$ 650,020	\$ 2,807,931	\$ 1,919,860
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 483,190</u>	<u>\$ 463,174</u>	<u>\$ 36</u>	<u>\$ 501,174</u>	<u>\$ 2,610,451</u>	<u>\$ 35,421</u>	<u>\$ 164,774</u>	<u>\$ 594,808</u>	<u>\$ 57</u>	<u>\$ 650,020</u>	<u>\$ 2,807,931</u>	<u>\$ 1,919,860</u>
<u>LIABILITIES AND FUND BALANCES</u>												
Liabilities:												
Accounts payable	\$ -	\$ -	\$ 36	\$ -	\$ 14,796	\$ -	\$ -	\$ 3,624	\$ 57	\$ -	\$ -	\$ -
Health care payable	-	-	-	-	-	-	-	-	-	-	2,693,782	-
Payroll liabilities	<u>474,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,975</u>	<u>-</u>	<u>164,774</u>	<u>6,396</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>474,639</u>	<u>-</u>	<u>36</u>	<u>-</u>	<u>32,771</u>	<u>-</u>	<u>164,774</u>	<u>10,020</u>	<u>57</u>	<u>-</u>	<u>2,693,782</u>	<u>-</u>
Fund balances:												
Restricted	-	463,174	-	501,174	2,125,842	35,421	-	581,241	-	650,020	114,149	1,919,860
Assigned	<u>8,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>451,838</u>	<u>-</u>	<u>-</u>	<u>3,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,551</u>	<u>463,174</u>	<u>-</u>	<u>501,174</u>	<u>2,577,680</u>	<u>35,421</u>	<u>-</u>	<u>584,788</u>	<u>-</u>	<u>650,020</u>	<u>114,149</u>	<u>1,919,860</u>
Total liabilities and fund balances	<u>\$ 483,190</u>	<u>\$ 463,174</u>	<u>\$ 36</u>	<u>\$ 501,174</u>	<u>\$ 2,610,451</u>	<u>\$ 35,421</u>	<u>\$ 164,774</u>	<u>\$ 594,808</u>	<u>\$ 57</u>	<u>\$ 650,020</u>	<u>\$ 2,807,931</u>	<u>\$ 1,919,860</u>

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 (Continued)
 June 30, 2021

	At Risk (4 Year Old)	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	At Risk (K-12)	Student Material Revolving	Virtual Education	Student Activity	Total Other Governmental Funds
<u>ASSETS</u>											
Cash and cash equivalents	\$ 125,912	\$ 1,009,074	\$ 1,372,173	\$ 338,112	\$ 4,382,346	\$ 138,052	\$ 1,036,211	\$ 417,838	\$ 16,921	\$ 2,004,984	\$ 21,072,519
Investments	-	-	-	-	-	5,500,000	-	-	-	-	5,500,000
Total assets	<u>\$ 125,912</u>	<u>\$ 1,009,074</u>	<u>\$ 1,372,173</u>	<u>\$ 338,112</u>	<u>\$ 4,382,346</u>	<u>\$ 5,638,052</u>	<u>\$ 1,036,211</u>	<u>\$ 417,838</u>	<u>\$ 16,921</u>	<u>\$ 2,004,984</u>	<u>\$ 26,572,519</u>
<u>LIABILITIES AND FUND BALANCES</u>											
Liabilities:											
Accounts payable	\$ -	\$ -	\$ 47	\$ -	\$ 375,960	\$ -	\$ 207,218	\$ 504	\$ -	\$ 24,660	\$ 626,902
Health care payable	-	-	-	-	-	-	-	-	-	-	2,693,782
Payroll liabilities	<u>125,912</u>	<u>-</u>	<u>246,051</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>828,993</u>	<u>-</u>	<u>16,921</u>	<u>-</u>	<u>1,881,661</u>
Total liabilities	<u>125,912</u>	<u>-</u>	<u>246,098</u>	<u>-</u>	<u>375,960</u>	<u>-</u>	<u>1,036,211</u>	<u>504</u>	<u>16,921</u>	<u>24,660</u>	<u>5,202,345</u>
Fund balances:											
Restricted	-	1,009,074	1,114,054	316,412	3,640,409	5,638,052	-	417,334	-	1,965,312	20,491,528
Assigned	<u>-</u>	<u>-</u>	<u>12,021</u>	<u>21,700</u>	<u>365,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,012</u>	<u>878,646</u>
Total fund balances	<u>-</u>	<u>1,009,074</u>	<u>1,126,075</u>	<u>338,112</u>	<u>4,006,386</u>	<u>5,638,052</u>	<u>-</u>	<u>417,334</u>	<u>-</u>	<u>1,980,324</u>	<u>21,370,174</u>
Total liabilities and fund balances	<u>\$ 125,912</u>	<u>\$ 1,009,074</u>	<u>\$ 1,372,173</u>	<u>\$ 338,112</u>	<u>\$ 4,382,346</u>	<u>\$ 5,638,052</u>	<u>\$ 1,036,211</u>	<u>\$ 417,838</u>	<u>\$ 16,921</u>	<u>\$ 2,004,984</u>	<u>\$ 26,572,519</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, 2021

	Career and Postsecondary Education	Declining Enrollment	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program	Extraordinary School Program	Health Reserve	Special Liability
Revenues:												
Taxes	\$ -	\$ 5,112	\$ -	\$ 595,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 651,280
Intergovernmental	187,682	-	44,461	-	8,671,306	-	-	-	404,134	-	-	-
Charges for services	-	-	-	-	243,751	-	-	213,360	-	139,349	-	-
Investment revenue	-	-	-	-	212	-	-	-	-	-	-	-
Other local sources	-	-	-	-	70,080	-	-	-	-	-	1,466,166	-
Total revenues	187,682	5,112	44,461	595,044	8,985,349	-	-	213,360	404,134	139,349	1,466,166	651,280
Expenditures:												
Instruction	5,312,607	-	-	-	-	-	2,472,655	61,175	-	71,624	-	-
Student support services	-	-	-	-	-	-	110,151	1,277	561,488	-	-	-
Instructional support staff	113,913	-	183,898	-	-	-	-	146	53,624	-	-	-
General administration	-	-	-	-	-	-	-	-	-	-	-	352,971
School administration	136,259	-	-	-	-	-	-	139,117	-	12,607	-	-
Operations and maintenance	-	-	-	-	750,000	-	-	-	-	-	-	-
Student transportation services	105,565	-	-	-	-	-	-	-	-	-	-	-
Food service operations	-	-	-	-	7,989,515	-	-	-	-	-	-	-
Student activities	81,984	-	-	-	-	-	-	-	-	-	-	-
Business and central support services	-	-	-	-	-	-	-	-	-	-	1,466,166	375,466
State payment	-	-	-	-	-	-	-	-	-	-	-	-
Facility acquisition and construction	-	-	-	715,635	-	-	-	-	-	-	-	-
Total expenditures	5,750,328	-	183,898	715,635	8,739,515	-	2,582,806	201,715	615,112	84,231	1,466,166	728,437
Excess (deficiency) of revenues over (under) expenditures	(5,562,646)	5,112	(139,437)	(120,591)	245,834	-	(2,582,806)	11,645	(210,978)	55,118	-	(77,157)
Other financing sources:												
Transfers in	5,571,197	-	139,437	-	-	-	2,582,806	-	210,978	-	-	-
Net change in fund balances	8,551	5,112	-	(120,591)	245,834	-	-	11,645	-	55,118	-	(77,157)
Fund balance, beginning of year as previously stated	-	458,062	-	621,765	2,331,846	35,421	-	573,143	-	594,902	114,149	1,997,017
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Fund balance, beginning of year as restated	-	458,062	-	621,765	2,331,846	35,421	-	573,143	-	594,902	114,149	1,997,017
Fund balance, end of year	\$ 8,551	\$ 463,174	\$ -	\$ 501,174	\$ 2,577,680	\$ 35,421	\$ -	\$ 584,788	\$ -	\$ 650,020	\$ 114,149	\$ 1,919,860

(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, 2021

	At Risk (4 Year Old)	Cost of Living	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	At Risk (K-12)	Student Material Revolving	Virtual Education	Student Activity	Total Other Governmental Funds
Revenues:											
Taxes	\$ -	\$ 8,948,035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,199,471
Intergovernmental	143,579	-	7,739,057	-	-	-	15,323,969	-	-	-	32,514,188
Charges for services	145,569	-	-	-	735,475	-	-	319,937	-	-	1,797,441
Investment revenue	-	-	-	-	-	-	-	-	-	-	212
Other local sources	-	-	851,356	317,057	-	-	-	-	-	1,140,948	3,845,607
Total revenues	289,148	8,948,035	8,590,413	317,057	735,475	-	15,323,969	319,937	-	1,140,948	48,356,919
Expenditures:											
Instruction	1,289,482	-	3,813,681	-	3,292,165	-	15,760,132	235,103	71,656	-	32,380,280
Student support services	-	-	1,352,850	-	-	-	2,721,151	-	81,313	-	4,828,230
Instructional support staff	33,917	-	1,936,007	-	-	-	309,082	6,209	-	-	2,636,796
General administration	-	-	125,243	-	-	-	-	-	-	-	478,214
School administration	-	-	125,029	-	-	-	892,994	-	-	-	1,306,006
Operations and maintenance	-	-	1,417,510	-	-	-	313,788	-	-	-	2,481,298
Student transportation services	-	-	113	-	-	-	571,089	-	-	-	676,767
Food service operations	-	-	-	-	-	-	-	-	-	-	7,989,515
Student activities	-	-	13,361	296,555	-	-	-	29,922	-	1,188,178	1,610,000
Business and central support services	-	-	100,159	-	-	-	-	-	-	-	1,941,791
State payment	-	8,447,583	-	-	-	-	-	-	-	-	8,447,583
Facility acquisition and construction	-	-	-	-	-	-	-	-	-	-	715,635
Total expenditures	1,323,399	8,447,583	8,883,953	296,555	3,292,165	-	20,568,236	271,234	152,969	1,188,178	65,492,115
Excess (deficiency) of revenues over (under) expenditures	(1,034,251)	500,452	(293,540)	20,502	(2,556,690)	-	(5,244,267)	48,703	(152,969)	(47,230)	(17,135,196)
Other financing sources:											
Transfers in	1,033,061	-	-	-	4,700,000	-	5,244,267	-	152,969	-	19,634,715
Net change in fund balances	(1,190)	500,452	(293,540)	20,502	2,143,310	-	-	48,703	-	(47,230)	2,499,519
Fund balance, beginning of year as previously stated	1,190	508,622	1,419,615	317,610	1,863,076	5,638,052	-	368,631	-	-	16,843,101
Prior period adjustment	-	-	-	-	-	-	-	-	-	2,027,554	2,027,554
Fund balance, beginning of year as restated	1,190	508,622	1,419,615	317,610	1,863,076	5,638,052	-	368,631	-	2,027,554	18,870,655
Fund balance, end of year	\$ -	\$ 1,009,074	\$ 1,126,075	\$ 338,112	\$ 4,006,386	\$ 5,638,052	\$ -	\$ 417,334	\$ -	\$ 1,980,324	\$ 21,370,174

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	86-94
These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	95-101
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	102-107
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	108-110
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	111-113
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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 231,300,400	\$ 253,330,501	\$ 251,367,186	\$ 267,252,105	\$ 275,444,373	\$ 263,162,281	\$ 278,936,435	\$ 300,212,019	\$ 315,342,040	\$ 347,854,860
Restricted	18,911,711	20,447,422	19,408,056	21,090,344	19,055,485	20,261,052	23,255,043	24,179,304	69,506,313	76,637,482
Unrestricted	58,173,988	48,372,632	61,443,636	(215,924,714)	(218,368,956)	(180,894,387)	(180,382,709)	(186,773,050)	(216,994,228)	(216,938,857)
Total net position	<u>\$ 308,386,099</u>	<u>\$ 322,150,555</u>	<u>\$ 332,218,878</u>	<u>\$ 72,417,735</u>	<u>\$ 76,130,902</u>	<u>\$ 102,528,946</u>	<u>\$ 121,808,769</u>	<u>\$ 137,618,273</u>	<u>\$ 167,854,125</u>	<u>\$ 207,553,485</u>

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020
Expenses										
Governmental activities:										
Instruction	\$ 172,548,326	\$ 172,142,399	\$ 169,492,144	\$ 169,510,423	\$ 166,460,156	\$ 155,970,852	\$ 169,572,000	\$ 177,486,192	\$ 188,240,355	\$ 190,206,081
Student support services	14,928,047	15,069,611	14,857,615	14,526,934	15,090,880	14,580,344	16,415,633	18,084,399	18,439,663	20,046,003
Instructional support staff	8,115,624	8,085,874	8,702,701	8,574,463	9,239,934	9,688,922	11,178,682	11,556,236	11,628,373	12,754,000
General administration	1,984,847	2,013,862	2,087,528	2,534,990	2,648,589	2,760,096	2,653,293	2,898,103	2,453,505	2,603,264
School administration	13,511,466	13,396,373	13,266,480	13,375,735	14,548,696	13,713,788	14,799,416	15,845,506	15,265,484	16,904,434
Operations and maintenance	44,860,538	41,744,327	43,261,815	43,144,632	45,457,779	68,745,764	55,402,518	48,988,224	55,118,933	37,914,401
Student transportation services	9,201,370	9,335,869	9,547,268	8,450,726	9,061,959	10,445,501	13,610,782	14,898,256	13,789,524	14,286,821
Food service operations	11,102,506	11,457,954	11,055,516	10,881,124	10,659,695	10,411,807	10,800,040	11,766,872	10,971,435	8,738,605
Student activities	4,007,704	4,007,889	4,061,388	4,706,058	4,173,907	4,221,791	4,439,012	4,399,040	4,317,853	5,150,451
Business and central support services	10,479,838	9,762,803	10,775,348	12,471,248	13,705,857	12,761,937	13,464,636	13,605,868	13,747,336	15,635,882
State payment	7,202,108	5,911,332	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217	8,447,583
Interest on long-term debt	9,939,082	8,012,807	7,108,025	7,027,298	11,358,782	13,982,644	14,655,707	13,797,633	9,687,522	9,393,753
Total primary government expenses	<u>307,881,456</u>	<u>300,941,100</u>	<u>302,748,472</u>	<u>303,523,371</u>	<u>311,591,690</u>	<u>326,434,178</u>	<u>334,882,351</u>	<u>340,299,079</u>	<u>351,689,200</u>	<u>342,081,278</u>
Program revenues										
Governmental activities:										
Charges for services										
Instruction	7,143,365	7,220,599	7,620,150	6,707,859	6,368,357	4,232,886	4,443,172	4,540,809	3,885,638	2,341,725
Food service operations	5,964,756	5,621,203	5,458,129	5,020,144	5,190,902	5,072,842	5,236,531	5,389,498	4,401,373	243,751
Student activities	-	-	-	-	-	-	-	-	-	1,140,948
Operating grants and contributions	<u>58,708,274</u>	<u>55,814,517</u>	<u>54,960,389</u>	<u>52,691,736</u>	<u>49,750,447</u>	<u>85,981,016</u>	<u>60,843,664</u>	<u>54,609,128</u>	<u>75,627,591</u>	<u>91,640,147</u>
Total primary government program revenues	<u>71,816,395</u>	<u>68,656,319</u>	<u>68,038,668</u>	<u>64,419,739</u>	<u>61,309,706</u>	<u>95,286,744</u>	<u>70,523,367</u>	<u>64,539,435</u>	<u>83,914,602</u>	<u>95,366,571</u>
 Total primary government net expense	<u>\$ (236,065,061)</u>	<u>\$ (232,284,781)</u>	<u>\$ (234,709,804)</u>	<u>\$ (239,103,632)</u>	<u>\$ (250,281,984)</u>	<u>\$ (231,147,434)</u>	<u>\$ (264,358,984)</u>	<u>\$ (275,759,644)</u>	<u>\$ (267,774,598)</u>	<u>\$ (246,714,707)</u>

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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total primary government net expense	\$ (236,065,061)	\$ (232,284,781)	\$ (234,709,804)	\$ (239,103,632)	\$ (250,281,984)	\$ (231,147,434)	\$ (264,358,984)	\$ (275,759,644)	\$ (267,774,598)	\$ (246,714,707)
General revenues and other changes in net position										
Property taxes	168,798,265	166,773,703	166,746,918	120,997,886	120,366,048	130,956,402	129,602,758	133,312,236	134,641,591	144,151,621
Grants and entitlements not restricted to specific programs	76,441,368	77,982,462	80,367,156	132,870,804	133,219,087	133,184,363	145,290,056	148,535,890	157,270,700	144,229,010
Investment revenue	44,892	95,308	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197	77,823
Miscellaneous	2,353,714	1,910,593	1,944,037	2,105,826	3,122,371	2,887,305	4,905,744	7,389,810	4,769,962	4,060,141
Special Items										
Capital asset impairment losses	-	(718,519)	(4,287,468)	(7,624,061)	-	(6,880,895)	-	-	-	-
Total primary government	247,638,239	246,043,547	244,794,290	248,366,468	256,918,612	260,904,232	281,457,395	291,505,996	298,010,450	292,518,595
Total primary government change in net position	\$ 11,573,178	\$ 13,758,766	\$ 10,084,486	\$ 9,262,836	\$ 6,636,628	\$ 29,756,798	\$ 17,098,411	\$ 15,746,352	\$ 30,235,852	\$ 45,803,888

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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ⁽¹⁾
General fund:										
Nonspendable	\$ 888,847	\$ 780,738	\$ 688,792	\$ 397,155	\$ 413,152	\$ 336,530	\$ 408,827	\$ 384,834	\$ 370,162	\$ 385,697
Assigned	317,516	334,857	559,760	398,215	216,216	8,505	3,644	620	17,538	29,904
Unassigned	21,352	26,277	13,971	19,417	9,969	11,066	36	-	-	6,111,648
Total general fund	1,227,715	1,141,872	1,262,523	814,787	639,337	356,101	412,507	385,454	387,700	6,527,249
All other governmental funds:										
Nonspendable	96,722	189,521	198,557	224,487	183,037	8,770	-	-	-	-
Restricted	64,056,743	55,705,031	63,221,353	163,838,447	66,788,527	191,505,248	132,653,605	91,970,317	72,513,272	216,256,794
Assigned	19,977,946	15,356,317	24,149,575	30,044,581	72,681,245	1,927,220	2,266,261	5,760,076	6,362,373	5,171,041
Unassigned	1,623,281	2,733,230	1,713,483	2,307,373	246,837	4,235,681	3,566,289	3,671,731	-	-
Total all other governmental funds	85,754,692	73,984,099	89,282,968	196,414,888	139,899,646	197,676,919	138,486,155	101,402,124	78,875,645	221,427,835
Total fund balances	\$ 86,982,407	\$ 75,125,971	\$ 90,545,491	\$ 197,229,675	\$ 140,538,983	\$ 198,033,020	\$ 138,898,662	\$ 101,787,578	\$ 79,263,345	\$ 227,955,084

Source: Shawnee Mission USD #512 Basic Financial Statements

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

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

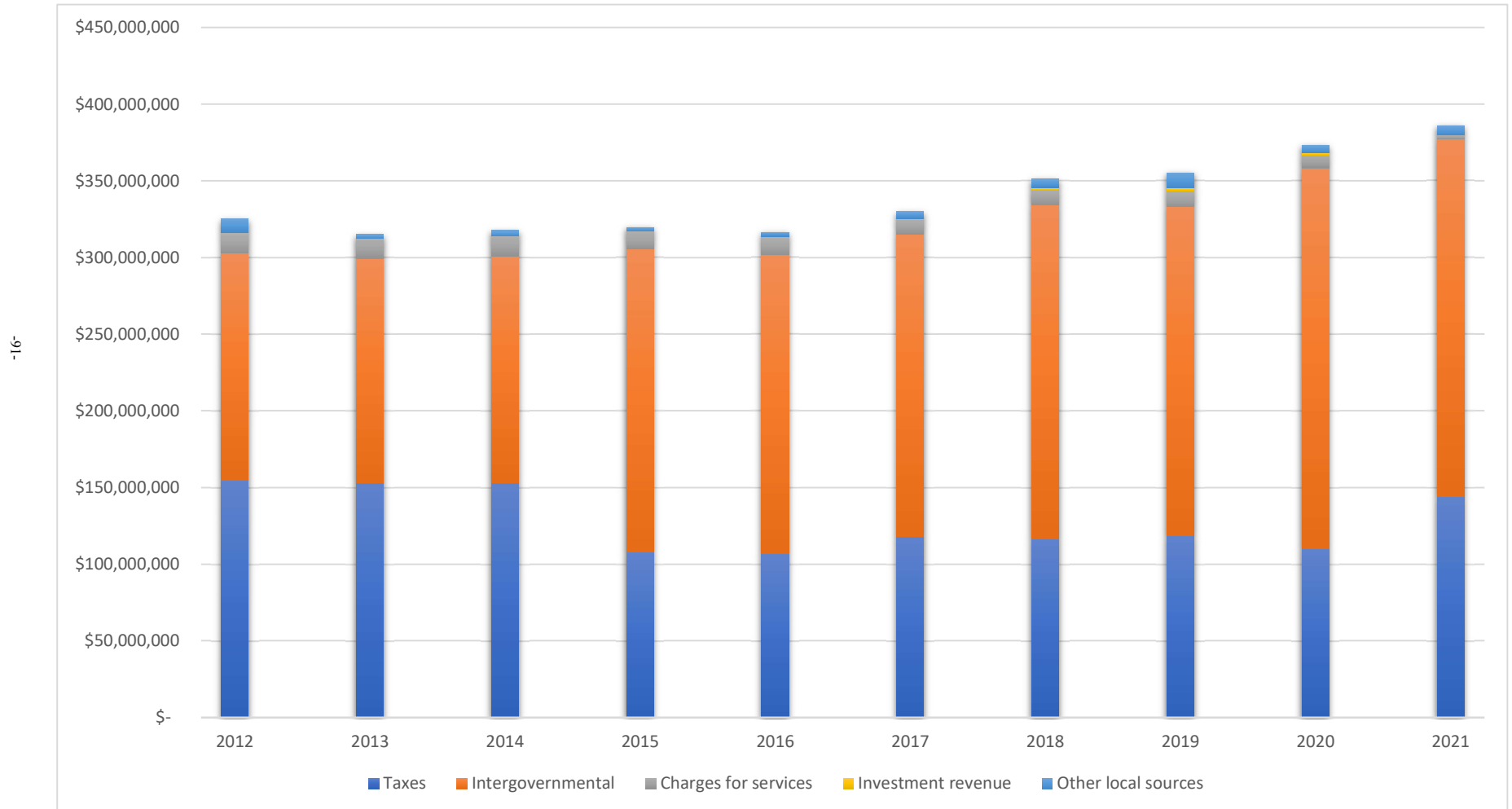
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Taxes	\$ 154,520,287	\$ 153,082,847	\$ 153,155,103	\$ 107,781,277	\$ 107,042,177	\$ 118,305,600	\$ 116,579,276	\$ 118,718,964	\$ 110,317,291	\$ 144,151,621
Intergovernmental	148,343,210	146,310,175	147,832,128	197,676,322	194,934,550	196,989,043	217,723,244	214,460,689	248,118,152	233,126,220
Charges for services	13,108,121	12,841,802	13,078,279	11,728,003	11,559,259	9,305,728	9,679,703	9,930,307	8,287,011	2,585,477
Investment revenue	44,892	95,308	23,647	16,013	211,106	757,057	1,658,837	2,268,060	1,328,197	77,823
Other local sources	9,171,456	2,593,885	3,577,850	2,413,915	2,629,026	4,439,521	5,485,235	9,748,546	5,055,049	6,016,028
Total revenues	<u>\$ 325,187,966</u>	<u>\$ 314,924,017</u>	<u>\$ 317,667,007</u>	<u>\$ 319,615,530</u>	<u>\$ 316,376,118</u>	<u>\$ 329,796,949</u>	<u>\$ 351,126,295</u>	<u>\$ 355,126,566</u>	<u>\$ 373,105,700</u>	<u>\$ 385,957,169</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

GOVERNMENTAL FUNDS REVENUES

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)



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

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction	\$ 170,698,148	\$ 171,551,301	\$ 171,537,752	\$ 181,848,205	\$ 158,742,135	\$ 159,133,077	\$ 172,584,241	\$ 168,678,528	\$ 193,232,159	\$ 185,619,859
Student support services	14,823,074	14,999,984	14,795,635	14,412,548	14,810,979	14,999,279	16,808,714	17,384,176	19,356,132	19,558,704
Instructional support staff	7,933,945	7,946,317	8,544,077	8,401,044	8,962,083	9,858,013	11,393,652	11,169,862	12,264,386	12,448,039
General administration	1,968,731	2,000,570	2,073,598	2,518,982	2,606,039	2,801,339	2,701,355	2,821,126	2,559,512	2,555,510
School administration	13,408,456	13,305,285	13,189,585	13,281,219	14,383,717	14,120,866	15,211,293	15,170,772	16,139,785	16,457,980
Operations and maintenance	26,241,335	26,726,684	25,963,619	26,274,155	25,106,830	26,406,940	27,962,626	27,623,423	27,994,657	27,778,074
Student transportation services	9,135,585	9,280,101	9,493,104	8,413,928	9,007,923	10,396,167	13,608,906	14,885,885	13,793,764	14,284,861
Food service operations	11,016,334	11,319,129	10,977,161	10,606,828	10,473,655	10,464,032	10,910,317	11,419,680	11,230,355	8,530,031
Student activities	4,019,090	3,965,649	4,053,533	4,678,770	4,131,033	4,232,927	4,396,281	4,354,447	4,274,203	5,261,744
Business and central support services	9,432,974	9,169,886	10,313,205	11,872,352	13,316,763	12,859,765	13,583,697	13,193,376	14,153,429	15,379,078
State payment	7,202,108	5,911,332	8,532,644	8,319,740	9,185,456	9,150,732	7,890,632	6,972,750	8,029,217	8,447,583
Facility acquisition and construction	32,905,087	26,839,565	15,843,631	36,609,187	95,780,565	94,251,541	64,655,225	49,587,170	30,923,091	18,825,456
Debt service:										
Principal retirement	14,575,000	15,235,000	17,495,000	30,803,056	26,419,886	33,569,539	33,882,931	34,952,382	37,742,091	28,704,880
Interest and other charges	10,107,289	8,529,650	7,286,249	6,942,244	10,234,829	13,242,091	14,811,533	14,024,073	12,967,247	11,894,289
Debt issuance cost	-	-	-	-	-	-	-	-	-	1,513,282
Total expenditures	<u>\$ 333,467,156</u>	<u>\$ 326,780,453</u>	<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>
Debt service as a percentage of noncapital expenditures (1)	8.21%	7.92%	8.14%	11.49%	11.92%	14.57%	14.08%	14.29%	13.57%	11.75%

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

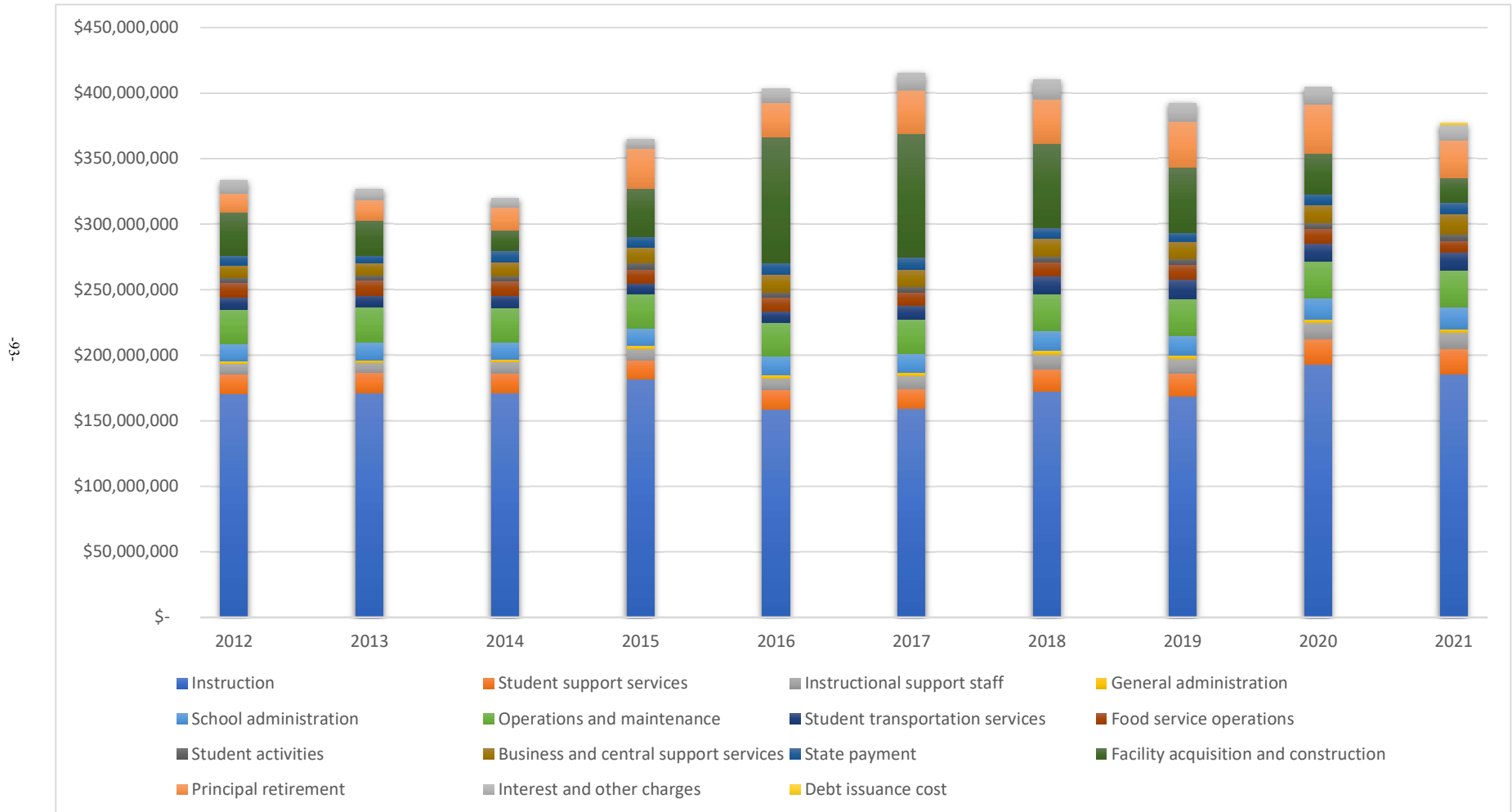
Source: Shawnee Mission USD #512 Basic Financial Statements

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)

-94-

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (8,279,190)</u>	<u>\$ (11,856,436)</u>	<u>\$ (2,431,786)</u>	<u>\$ (45,366,728)</u>	<u>\$ (86,785,775)</u>	<u>\$ (85,689,359)</u>	<u>\$ (59,275,108)</u>	<u>\$ (37,111,084)</u>	<u>\$ (31,554,328)</u>	<u>\$ 8,697,799</u>
Other financing sources (uses):										
General long term debt issued	-	79,790,000	17,851,306	152,050,912	30,095,083	143,183,396	-	-	-	245,230,000
Bond premium	-	6,046,627	-	-	-	-	-	-	-	16,807,725
Bond issuance costs	-	(328,693)	-	-	-	-	-	-	-	-
Payment to escrow agent	-	(85,507,934)	-	-	-	-	-	-	-	(124,071,339)
Capital lease proceeds	-	-	-	-	-	-	-	-	9,030,095	-
Transfer in	14,969,513	13,541,172	17,421,443	18,656,841	19,122,673	14,463,795	17,152,044	15,913,986	23,226,058	39,900,848
Transfer out	<u>(14,969,513)</u>	<u>(13,541,172)</u>	<u>(17,421,443)</u>	<u>(18,656,841)</u>	<u>(19,122,673)</u>	<u>(14,463,795)</u>	<u>(17,152,044)</u>	<u>(15,913,986)</u>	<u>(23,226,058)</u>	<u>(39,900,848)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>17,851,306</u>	<u>152,050,912</u>	<u>30,095,083</u>	<u>143,183,396</u>	<u>-</u>	<u>-</u>	<u>9,030,095</u>	<u>137,966,386</u>
Total change in fund balance	<u>\$ (8,279,190)</u>	<u>\$ (11,856,436)</u>	<u>\$ 15,419,520</u>	<u>\$ 106,684,184</u>	<u>\$ (56,690,692)</u>	<u>\$ 57,494,037</u>	<u>\$ (59,275,108)</u>	<u>\$ (37,111,084)</u>	<u>\$ (22,524,233)</u>	<u>\$ 146,664,185</u>

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									Ratio of Total	
									Assessed to	
	Personal				Real Property				Total	
	Real Property	Property	Utilities	Total	Estimated Actual	Estimated Actual	Utilities Estimated	Total Estimated	Estimated	Total Direct
Assessed Value	Assessed Value	Assessed Value	Assessed Value	Value*	Value*	Actual Value*	Actual Value*	Actual Value	Rate	
2011	\$ 2,776,280,449	\$ 74,640,374	\$ 69,955,160	\$ 2,920,875,983	\$ 21,432,899,400	\$ 293,585,471	\$ 237,674,822	\$ 21,964,159,693	13.30%	\$ 56
2012	2,746,861,974	63,945,359	63,547,939	2,874,355,272	21,365,569,428	251,518,412	217,553,756	21,834,641,596	13.16%	56
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	28,891,305,435	137,373,273	238,716,201	29,267,394,909	13.95%	52
2020	4,233,515,173	24,287,478	70,907,150	4,328,709,801	33,794,320,764	123,797,688	244,733,933	34,162,852,385	12.67%	52

(1)

* Actual Values for property within the boundaries of Unified School District No. 512 for years 2011 through 2020 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, 2020 Comprehensive Annual Financial Report.)

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

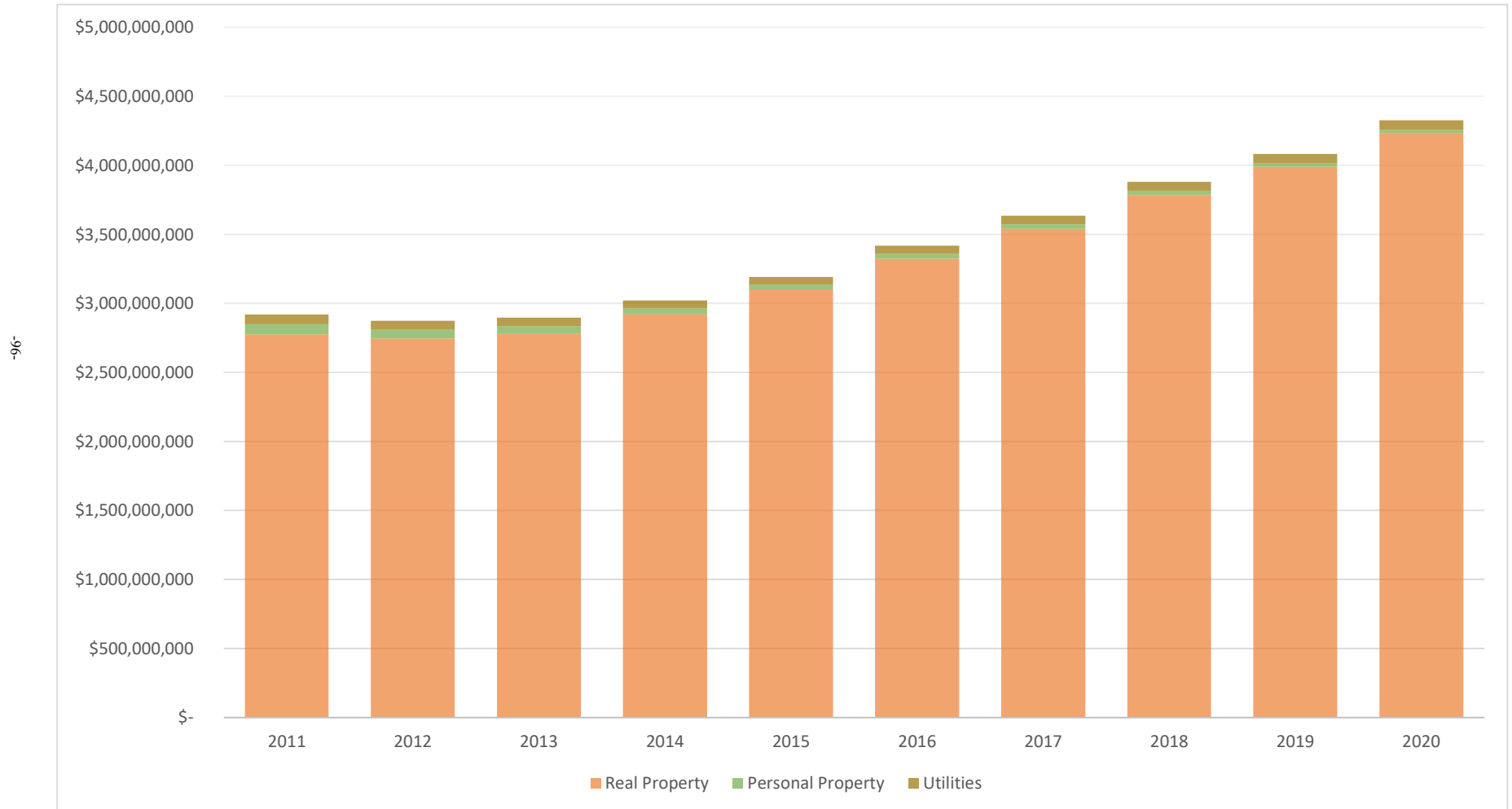
Source: Johnson County Clerk, Johnson County Appraiser and Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

ASSESSED VALUE OF TAXABLE PROPERTY

LAST TEN TAX YEARS

(Modified Accrual Basis of Accounting)



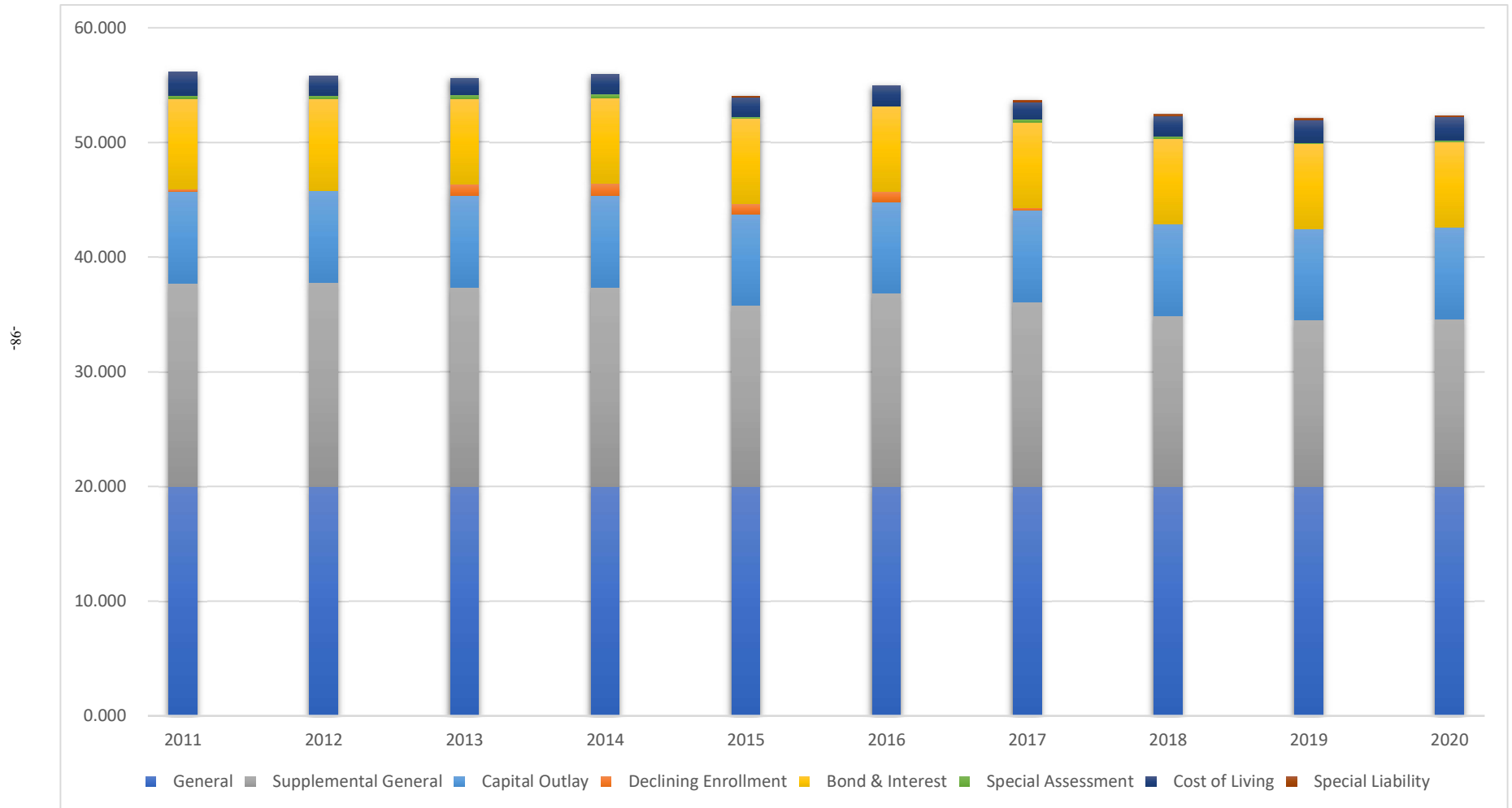
SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	17.727	17.796	17.357	17.333	15.772	16.824	16.058	14.905	14.492	14.603
Capital Outlay	7.997	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Declining Enrollment	0.188	0.000	1.009	1.123	0.874	0.928	0.290	0.000	0.000	0.000
Bond & Interest	7.907	8.009	7.429	7.434	7.445	7.438	7.440	7.454	7.436	7.437
Special Assessment	0.281	0.292	0.364	0.324	0.109	0.000	0.221	0.209	0.089	0.131
Cost of Living	2.035	1.669	1.452	1.697	1.755	1.750	1.550	1.733	1.944	2.033
Special Liability	0.000	0.000	0.000	0.000	0.104	0.000	0.104	0.126	0.160	0.147
Total - Direct	56.135	55.766	55.611	55.911	54.059	54.940	53.663	52.427	52.121	52.351
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	17.700	17.717	17.745	17.764	19.582	19.590	19.318	19.024	19.036	18.799
Cities										
Fairway	18.617	18.621	18.619	18.629	18.629	19.862	19.914	19.917	19.928	19.927
Leawood*	24.393	24.393	24.477	24.492	24.508	24.513	24.517	24.524	24.548	24.757
Lenexa*	29.635	29.668	29.713	31.765	31.807	31.828	31.832	29.909	29.319	29.242
Merriam	27.412	27.522	27.625	27.605	27.676	27.673	27.741	27.880	27.765	27.558
Mission	11.371	11.410	11.413	11.354	18.225	18.019	17.973	17.878	17.157	17.048
Mission Hills	21.905	21.926	21.923	21.923	21.937	21.951	21.962	21.962	22.770	22.755
Mission Woods	11.723	12.084	12.084	12.084	15.528	15.528	16.284	15.402	15.576	15.576
Overland Park*	12.814	12.769	12.833	12.837	12.848	13.800	13.565	13.566	13.557	13.582
Prairie Village	19.491	19.478	19.490	19.493	19.500	19.471	19.311	19.314	19.320	19.321
Roeland Park	23.225	25.872	33.379	33.378	33.385	33.463	31.023	28.531	28.533	28.548
Shawnee*	24.732	24.914	24.959	24.520	24.536	26.611	26.614	26.617	26.625	26.501
Westwood	23.881	24.464	23.676	22.275	22.523	21.301	21.307	21.307	21.306	21.312
Westwood Hills	20.000	20.000	20.000	19.920	21.000	25.497	24.943	29.321	27.935	27.533
Merriam Drainage	3.038	3.091	3.127	3.088	2.002	2.002	2.403	1.700	1.700	1.777
Johnson County Consolidated Fire #2	18.045	10.187	11.004	11.003	11.757	11.769	11.760	11.750	11.753	11.201
Monticello Cemetery District*	0.041	0.040	0.027	0.031	0.028	0.040	0.039	0.037	0.044	0.025
Johnson County Community College*	8.776	8.785	9.551	9.461	9.469	9.473	8.966	9.266	9.121	9.191
Johnson County Parks and Recreation*	2.343	2.344	2.347	2.349	3.101	3.102	3.112	3.088	3.090	3.093
Johnson County Library Board*	3.145	3.149	3.155	3.157	3.912	3.915	3.921	3.901	3.904	3.905
	323.787	319.934	328.647	328.628	343.453	350.908	348.005	346.394	344.487	343.151

* 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



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
PRINCIPAL TAXPAYERS
2020* AND EIGHT YEARS AGO

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Name	Industry	2021 Assessed Valuation	Percent of Total Assessed Valuation	2012 Assessed Valuation	Percent of Total Assessed Valuation
Oak Park Mall, LLC	Shopping Center	\$ 55,070,001	1.35%	\$ 69,528,089	2.38%
Every Metro, Inc.	Utility	33,469,262	0.82%		
Midwest Division - OPRMC, LLC	Pharmaceuticals	17,452,751	0.43%	8,311,102	0.28%
Kansas Gas Service	Utility	16,581,165	0.41%	14,014,950	0.48%
Highlands IV, LLC	Real Estate	10,604,570	0.26%		
Kiewith Properties (Kansas), LLC	Real Estate	9,922,250	0.24%		
IKEA Property, Inc.	Shopping Center	9,846,751	0.24%		
DDR MDT Merriam Town Center	Shopping Center	9,278,250	0.23%	8,798,004	0.30%
Southwestern Bell Telephone	Utility	8,876,595	0.22%	17,722,819	0.61%
Prairie Village, LLC	Shopping Center	8,348,751	0.20%		
Kansas City Power & Light Co.	Utility			21,001,674	0.72%
Perg Buildings, LLC	Shopping Center			17,350,951	0.59%
Tower Properties Company	Real Estate			9,586,820	0.33%
MEPT Kansas	Real Estate			8,079,268	0.28%
Sprint Communications Co., LP	Utility			7,443,138	0.25%
		<u>\$ 179,450,346</u>	<u>4.40%</u>	<u>\$ 181,836,815</u>	<u>6.22%</u>

Source: Johnson County Clerk's Office

*Information for June 30, 2021 was not available from the County at the time of report issuance.

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

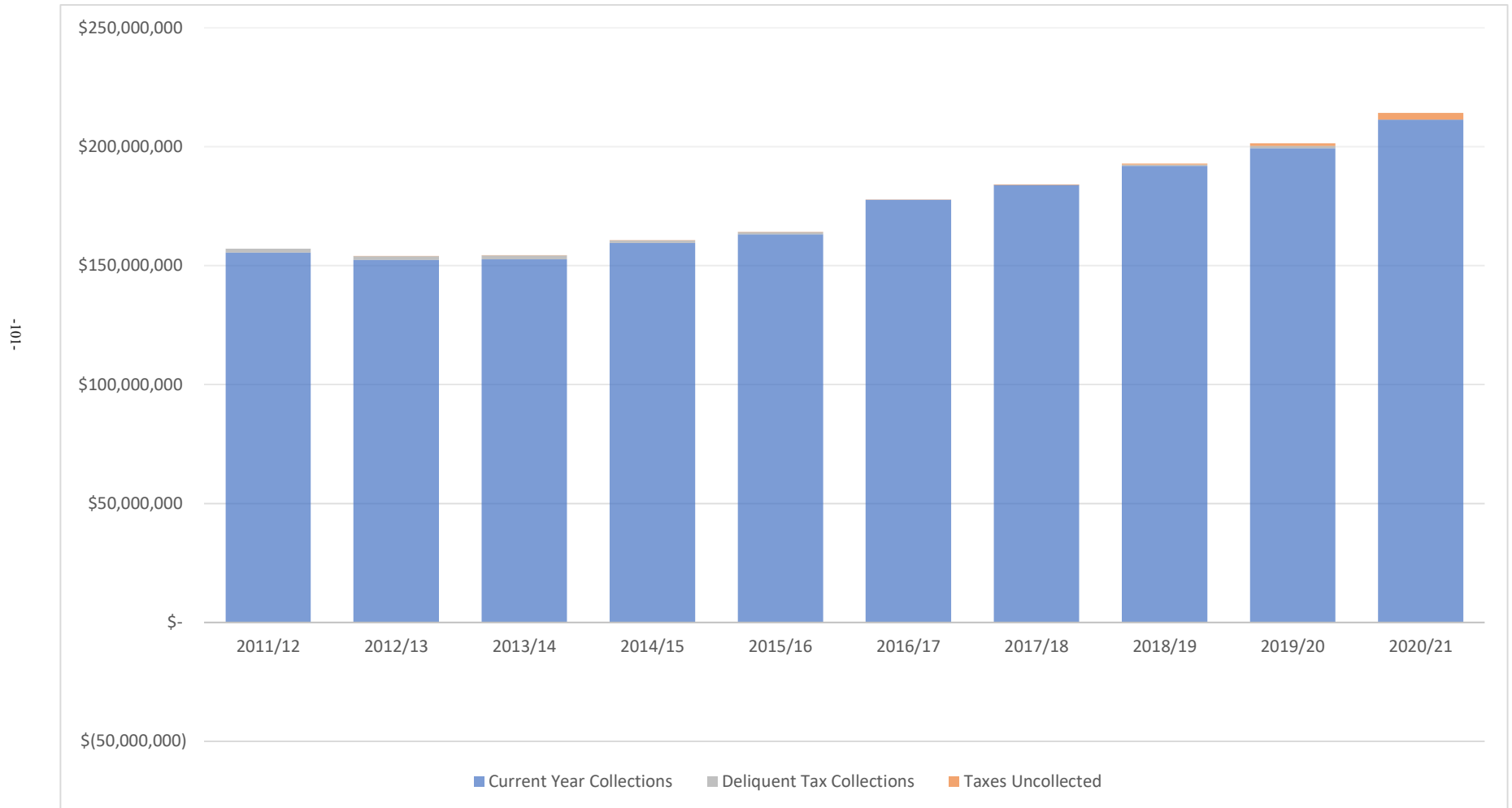
-001 -	Tax Year/ Collection Year	Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections (Current & Delinquent)	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Outstanding Delinquent Taxes to Total Tax Levy
	2011/12	\$ 157,133,375	\$ 155,427,051	98.91%	\$ 1,666,976	\$ 157,094,027	99.97%	\$ 39,347	0.03%
	2012/13	153,935,858	152,385,060	98.99%	1,480,652	153,865,712	99.95%	70,146	0.05%
	2013/14	154,261,098	152,623,146	98.94%	1,601,742	154,224,888	99.98%	36,210	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	164,128,330	99.97%	44,652	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	183,933,190	99.86%	257,355	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%	-	211,315,835	98.66%	2,870,387	1.34%
		(1)	(1)		(1)			(1)	

(1) Tax year balances.

(2) Collection year balances.

Source: Johnson County Treasurer's Office

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



SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
FINANCIAL OVERVIEW
Year Ended June 30, 2021

2020 Estimated Actual Valuation	\$	34,162,852,385
2020 Assessed Valuation	\$	4,328,709,801
General Obligation Bonds	\$	468,964,356
Population (District Estimate)		230,742
General Obligation Debt Per Capita	\$	2,032
Ratio of General Obligation Debt to Estimated Actual Valuation		1.37%
Ratio of General Obligation Debt to Assessed Valuation		10.83%
Outstanding Capital Leases	\$	3,973,545
Overlapping General Obligation Debt	\$	454,336,648
Direct and Overlapping Debt	\$	923,301,004
Direct and Overlapping Debt Per Capita	\$	4,001
Ratio of Direct and Overlapping Debt to Estimated Actual Valuation		2.70%
Ratio of Direct and Overlapping Debt to Estimated Assessed Valuation		21.33%

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)		
2012	\$ 212,687,122	\$ -	\$ 212,687,122	230,000	\$ 8,050,000,000	\$ 925	2.64%
2013	202,490,416	-	202,490,416	233,250	8,327,025,000	868	2.43%
2014	184,042,742	18,182,739	202,225,481	233,317	8,232,123,711	867	2.46%
2015	308,422,078	13,674,683	322,096,761	236,760	8,966,811,480	1,360	3.59%
2016	315,184,987	9,144,798	324,329,785	223,033	8,322,030,329	1,454	3.90%
2017	430,842,895	4,586,629	435,429,524	225,374	8,646,924,258	1,932	5.04%
2018	406,702,741	-	406,702,741	225,824	9,060,291,926	1,801	4.49%
2019	376,875,828	-	376,875,828	227,598	9,337,240,568	1,656	4.04%
2020	342,744,212	-	342,744,212	229,303	9,846,473,017	1,495	3.48%
2021	468,964,356	-	468,964,356	230,742	10,028,170,408	2,032	4.68%

(1) Population for 2012 through 2015 is from the Johnson County Economic Institute. Population for 2016 through 2019 is from Business Information Services, LLC. Population for 2020 through 2021 based on U.S. Census Bureau data.

(2) The 2012 through 2015 personal income information is from the Johnson County Economic Research Institute. The 2016 through 2018 personal income information is from Business Information Services, LLC. The 2019 through 2021 personal income information is an estimate based on U.S. Census Bureau data.

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

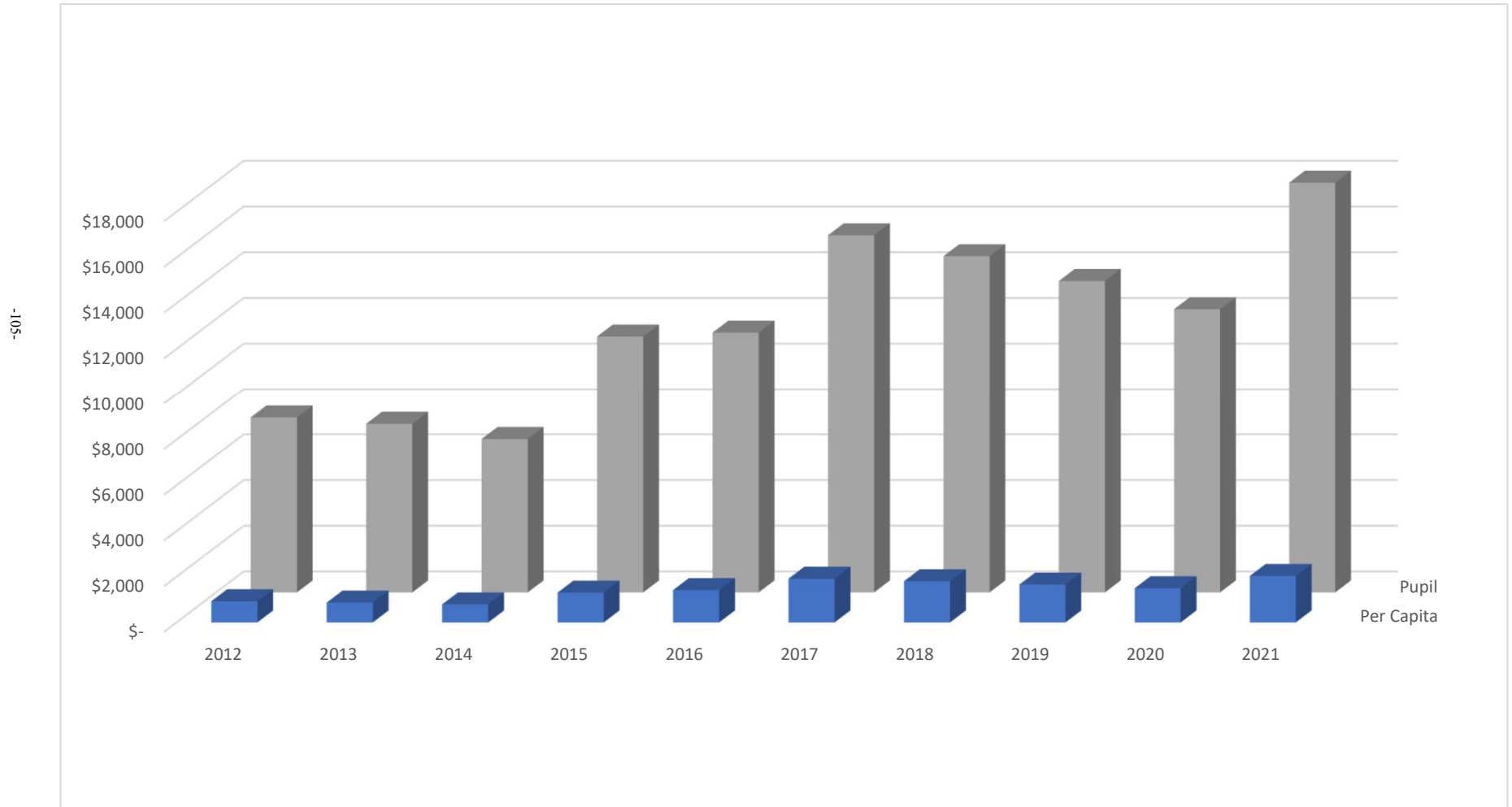
SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

-104-

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
2012	230,000	27,766	\$ 2,920,875,983	\$ 212,687,122	7.28%	\$ 925	7,660
2013	233,250	27,437	2,874,355,272	202,490,416	7.04%	868	7,380
2014	233,317	27,412	2,897,595,511	184,042,742	6.35%	789	6,714
2015	236,760	27,464	3,023,376,268	308,422,078	10.20%	1,303	11,230
2016	223,033	27,651	3,192,876,867	315,184,987	9.87%	1,413	11,399
2017	225,374	27,516	3,419,788,628	430,842,895	12.60%	1,912	15,658
2018	225,824	27,586	3,635,701,296	406,702,741	11.19%	1,801	14,743
2019	227,598	27,593	3,882,569,417	376,875,828	9.71%	1,656	13,658
2020	229,303	27,588	4,083,910,992	342,744,212	8.39%	1,495	12,424
2021	230,742	26,112	4,328,709,801	468,964,356	10.83%	2,032	17,960

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, 2021 AND JUNE 30, 2020*

		Principal Amount of Outstanding Debt	Percent Applicable to School District	Amount Applicable to School District
Direct				
	Shawnee Mission USD #512	\$ 468,964,356	100.00%	\$ 468,964,356
Overlapping				
	Johnson County	\$ 521,540,000	36.70%	\$ 191,405,180
	Johnson County Community College	1,930,000	36.70%	708,310
	Cities			
	Fairway	8,930,000	100.00%	8,930,000
	Leawood	77,220,000	23.03%	17,783,766
	Lenexa	143,404,000	64.81%	92,940,132
	Merriam	19,385,000	100.00%	19,385,000
	Mission	20,155,000	100.00%	20,155,000
	Mission Hills	2,771,211	100.00%	2,771,211
	Overland Park	95,580,000	32.02%	30,604,716
	Prairie Village	24,630,000	100.00%	24,630,000
	Rocland Park	2,454,000	100.00%	2,454,000
	Shawnee	66,175,000	55.39%	36,654,333
	Johnson County Fire Department #2	5,915,000	100.00%	5,915,000
	Total Overlapping Debt			<u>\$ 454,336,648</u>
	Total Direct and Overlapping Debt			<u><u>\$ 923,301,004</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, 2021.

*Information for June 30, 2021 was not available from the County at the time of report issuance.

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

- 107 -

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Assessed Valuation of Taxable Property	\$ 3,207,842,957	\$ 3,158,978,055	\$ 3,185,373,843	\$ 3,321,340,656	\$ 3,502,318,099	\$ 3,743,994,445	\$ 3,970,401,016	\$ 4,225,688,672	\$ 4,434,611,277	\$ 4,685,526,171
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	449,098,014	442,256,928	445,952,338	464,987,692	490,324,534	524,159,222	555,856,142	591,596,414	620,845,579	655,973,664
Total net debt applicable to limit	212,687,122	202,490,416	202,225,481	322,096,761	324,329,785	380,854,582	362,760,737	343,921,764	291,715,000	416,250,000
Legal Debt Margin	<u>\$ 236,410,892</u>	<u>\$ 239,766,512</u>	<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>
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	47.36%	45.79%	45.35%	69.27%	66.15%	72.66%	65.26%	58.13%	46.99%	63.46%

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)
2012	14,699	3,960	8,404	704	27,767	95.7%	230,000	\$ 8,050,000,000	\$ 35,000	5.8%
2013	14,656	3,873	8,211	697	27,437	95.7%	233,250	8,327,025,000	35,700	5.0%
2014	14,727	3,972	8,019	694	27,412	95.9%	233,317	8,232,123,711	35,283	4.7%
2015	14,713	3,981	8,076	694	27,464	94.8%	236,760	8,966,811,480	37,873	3.8%
2016	14,719	3,928	8,294	710	27,651	92.5%	223,033	8,322,030,329	37,313	2.9%
2017	14,478	3,914	8,162	962	27,516	92.3%	225,374	8,646,924,258	38,367	3.1%
2018	14,443	3,914	8,160	1,069	27,586	93.3%	225,824	9,060,291,926	40,121	2.6%
2019	14,302	4,017	8,110	1,164	27,593	94.4%	227,598	9,337,240,568	41,025	2.9%
2020	14,282	3,999	8,024	1,283	27,588	93.8%	229,303	9,846,473,017	42,941	2.8%
2021	13,139	3,936	8,003	1,034	26,112	93.5%	230,742	10,028,170,408	43,461	5.1%

Projected Enrollment

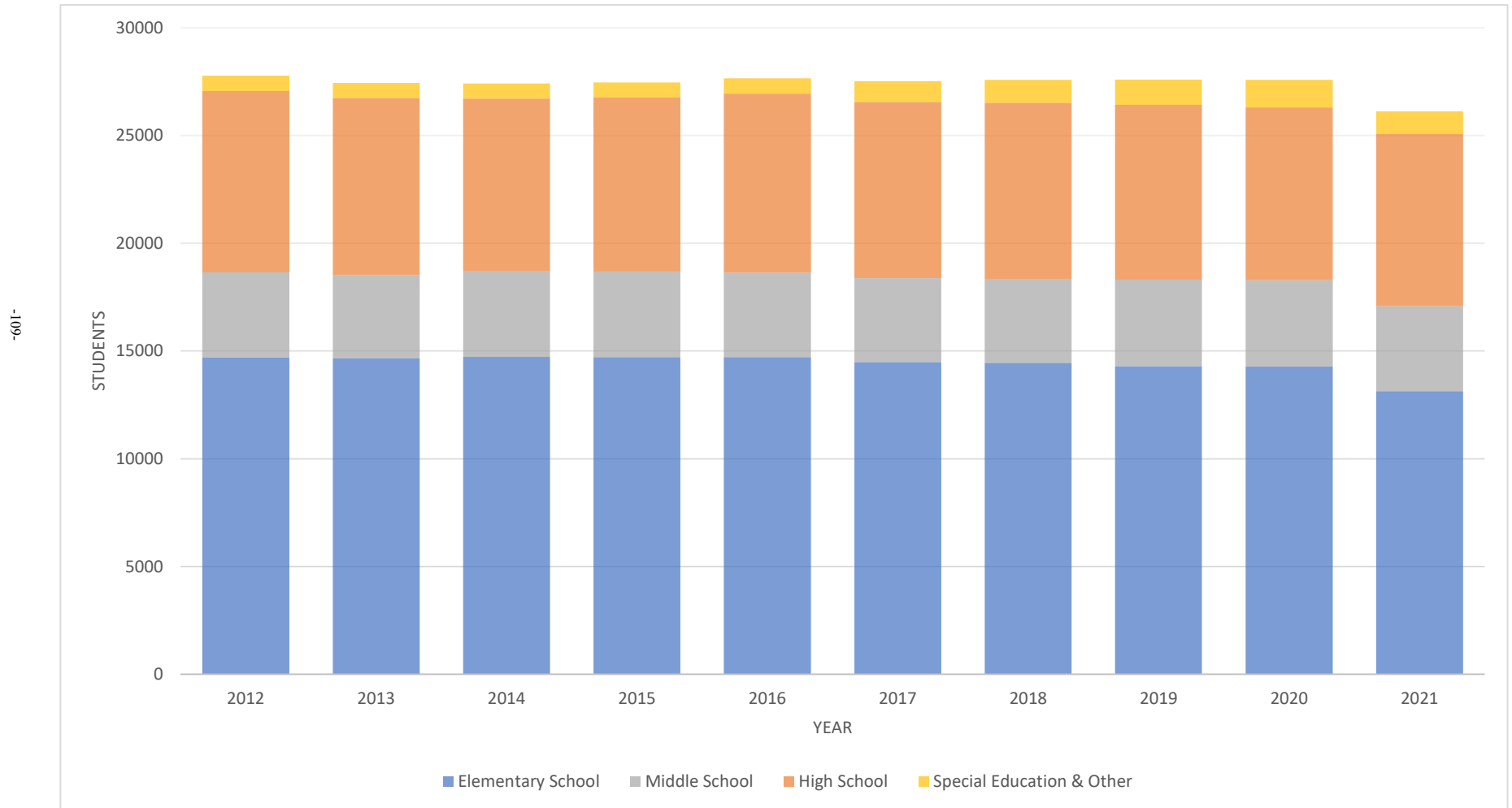
Fiscal Year	Elementary School	Middle School	High School	Special Education & Other	Total Projected Student Enrollment
2022	13,878	4,038	7,926	1,280	27,122
2023	13,923	3,865	8,064	1,280	27,132
2024	13,874	3,860	8,216	1,280	27,230
2025	13,785	3,977	8,212	1,280	27,254
2026	13,820	3,911	8,260	1,280	27,271

(1) Enrollment counts as of September 20th.

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

Source: 2020 Johnson County Comprehensive Annual 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, 2020* AND 2012

June 30, 2020				June 30, 2012		
Employer (1)	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
FedEx Ground Package System, Inc.	575	1	1.54%	950	2	3.50%
Bayer HealthCare, LLC-Animal Div.	550	2	1.48%			
First Student	400	3	1.07%			
City of Shawnee	330	4	0.89%	289	7	1.07%
Wal-Mart Super Center	300	5	0.81%	450	6	1.66%
Nazdar	280	6	0.75%			
Hy-Vee Food Stores	250	7	0.67%	230	8	0.85%
KU MedWest	225	8	0.60%			
Target Super Store	190	9	0.51%	196	10	0.72%
Kraft Tool Company	180	10	0.48%			
Deffenbaugh Industries, Inc.				750	3	2.77%
USD #232 (DeSoto)				950	1	3.50%
Bayer HealthCare, LLC				583	4	2.15%
Perceptive Software, Inc.				551	5	2.03%
McClane Food Service				200	9	0.74%
Total	<u>3,280</u>		<u>8.80%</u>	<u>5,149</u>		<u>18.99%</u>
City of Shawnee	<u>37,231</u>			<u>27,117</u>		

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

Source: 2019 City of Shawnee Comprehensive Annual Financial Report

* Noted that data was not available for 2021 due to the COVID-19 pandemic.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
 DIRECTORY OF SCHOOL FACILITIES
 AS OF JUNE 30, 2021

School	Year Opened	Current Capacity	Enrollment As Of September 20, 2020	Percent of Student Capacity
<u>High School</u>				
Shawnee Mission East	1958	2,388	1,713	71.73%
Shawnee Mission North	1921	2,256	1,544	68.44%
Shawnee Mission Northwest	1969	2,376	1,643	69.15%
Shawnee Mission South	1966	2,232	1,495	66.98%
Shawnee Mission West	1962	2,424	1,625	67.04%
Shawnee Mission Horizons	2001	456	86	18.86%
<u>Middle School</u>				
Hocker Grove	1955	1,188	725	61.03%
Indian Hills	1955	1,176	902	76.70%
Indian Woods	1961	1,110	804	72.43%
Trailridge	1967	1,167	765	65.55%
Westridge	1962	1,434	788	54.95%
<u>Elementary</u>				
Apache	2011	592	482	81.42%
Belinder	1952	592	446	75.34%
Benninghoven	2017	550	418	76.00%
Bluejacket-Flint	1996	600	371	61.83%
Briarwood	2016	600	590	98.33%
Broken Arrow	1990	600	293	48.83%
Brookridge	1967	600	486	81.00%
Brookwood	2019	550	421	76.55%
Comanche	2008	600	390	65.00%
Corinth	1996	600	521	86.83%
Crestview	2017	510	356	69.80%
Diemer	1964	476	383	80.46%
East Antioch	1958	450	307	68.22%
Highlands	2010	600	333	55.50%
Lenexa Hills	2018	550	272	49.45%
Marsh	2006	546	468	85.71%
McAuliffe	1987	600	382	63.67%
Merriam Park	2007	568	427	75.18%
Mill Creek	1978	568	502	88.38%
Nieman	2008	600	410	68.33%
Oak Park-Carpenter	2007	546	498	91.21%
Overland Park	1998	522	399	76.44%
Pawnee	1965	600	393	65.50%
Prairie	1993	498	405	81.33%
Rising Star	1994	600	397	66.17%
Roesland	2008	568	342	60.21%
Rosehill	1966	600	468	78.00%
Rushton	1954	428	293	68.46%
Santa Fe Trail	1953	600	265	44.17%
Shawano	2016	550	431	78.36%
Sunflower	1994	600	369	61.50%
Tomahawk	1954	498	252	50.60%
Trailwood	2016	510	404	79.22%
Westwood	1968	404	270	66.83%
<u>Preschool & Other Enrollment</u>			578	
Total			26,112	

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
MISCELLANEOUS STATISTICAL DATA
AS OF JUNE 30, 2021

Year of Incorporation		1969
Form of Government		Elected Board
Area of District		72 Square Miles
Population of District		230,742
Ending Enrollment 2019/2020		26,112
Number of Schools		
Elementary Schools	34	
Middle Schools	5	
High Schools	5	
Total	44	
Average Class Size (1)		
Elementary		20.6
Secondary		N/A
Number of Full-Time Equivalent Employees		
Classified		1213.6
Certified		2039.1
Total		3252.7

Teacher Summary				
Degree	Number of Teachers	% of Total	Salary Range	
			Low	High
Bachelors	220	10.7%	\$ 43,153	\$ 48,382
Bachelors + 10	56	2.7%	44,133	51,910
Bachelors + 20	99	4.8%	45,120	58,357
Masters	782	38.1%	50,166	67,419
Masters + 15	197	9.6%	51,608	70,759
Masters + 30	183	8.9%	53,087	74,928
Masters + 45	120	5.9%	54,682	79,218
Masters + 60	357	17.4%	56,236	83,652
Doctorate	36	1.8%	58,855	86,379

Certified Employee Allocation					
	District Office	Elementary School	Middle School	High School	Total
Superintendent	1.0				1.0
Asst. Superintendent	5.0				5.0
Principals		36.0	5.0	7.0	48.0
Asst. Principals		6.0	7.0	20.0	33.0
Directors Special Ed.	6.0				6.0
Directors Health	1.0				1.0
Directors Career/Technical Ed.	1.0				1.0
Instructional Coordinators	9.0				9.0
Other Directors	4.0				4.0
Vocational Arts Teachers				62.4	62.4
Special Ed. Teachers		149.1	47.1	80.7	276.9
Pre-Kindergarten		20.0			20.0
Kindergarten		93.0			93.0
Other Teachers		767.8	211.5	375.6	1,354.9
Library Media		32.5	5.0	5.0	42.5
Counselors		1.5	10.0	21.0	32.5
School Psychologists	21.0				21.0
Nurses		37.0	5.0	6.0	48.0
Speech Pathologists	1.2	40.8	2.6	2.4	47.0
Audiologists		1.0			1.0
Social Workers	1.0	31.0	5.0	11.0	48.0
Reading		13.0			13.0
Other	18.8				18.8
	69.0	1,228.7	298.2	591.1	2,187.0

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

Source: Shawnee Mission USD #512 records

SHAWNEE MISSION 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
-113-	2012	27,767	\$ 275,879,780	\$ 9,936	\$ 307,881,456	\$ 11,088	2,059	13	35.53%
	2013	27,437	276,176,238	10,066	300,941,100	10,968	2,036	13	35.80%
	2014	27,412	279,473,913	10,195	302,748,472	11,044	2,023	14	37.84%
	2015	27,464	290,627,771	10,582	303,523,371	11,052	2,010	14	36.96%
	2016	27,651	270,726,613	9,791	311,591,690	11,269	1,998	14	36.96%
	2017	27,516	274,423,137	9,973	326,434,178	11,863	2,012	14	36.17%
	2018	27,586	297,051,714	10,768	334,882,351	12,140	2,032	14	34.37%
	2019	27,593	293,674,025	10,643	340,299,079	12,333	2,059	13	34.94%
	2020	27,588	323,027,599	11,709	351,689,200	12,748	2,070	13	34.31%
	2021	26,112	316,321,463	12,114	342,081,278	13,101	2,040	13	32.50%

(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, 2021

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:		
National School Lunch Program	10.555	\$ 1,073,641
Summer Food Service Program for Children	10.559	7,433,309
Total Child Nutrition Cluster		<u>8,506,950</u>
Child and Adult Food Care Program	10.558	3,793
Fresh Fruit & Vegetable Program	10.582	<u>68,015</u>
Total U.S. Department of Agriculture		<u>8,578,758</u>
U.S. Department of the Treasury:		
Passed through State of Kansas Department of Education:		
COVID-19 Coronavirus Relief Fund	21.019	2,812
Passed through Johnson County of Kansas:		
COVID-19 Coronavirus Relief Fund	21.019	<u>1,052,100</u>
Total U.S. Department of the Treasury		<u>1,054,912</u>
U.S. Department of Education:		
Passed through State of Kansas Department of Education:		
Title I	84.010	2,939,230
Title I - Migrant Education	84.011	42,351
Special Education Cluster (IDEA):		
Special Education - Grants to States (IDEA, Part B)	84.027	6,614,720
Special Education - Preschool Grants (IDEA Preschool)	84.173	<u>121,357</u>
Total Special Education Cluster (IDEA)		<u>6,736,077</u>
Carl Perkins	84.048	179,167
Title II-A Teacher Quality	84.367	684,098
English Language Acquisition	84.365	231,826
Student Support and Academic Enrichment Program	84.424	174,093
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I) Fund	84.425D	2,569,681
COVID-19 Elementary and Secondary School Emergency Relief (ESSER I) Fund - SPED	84.425D	<u>297,669</u>
Total U.S. Department of Education		<u>13,854,192</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	61,829
Total 477 Cluster		<u>61,829</u>
Total U.S. Department of Health and Human Services		<u>61,829</u>
Total federal expenditures		<u>\$ 23,549,691</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, 2021

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, 2021.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

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:	Finding 2021-001
Noncompliance material to financial statements noted:	None

Federal Awards

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

Identification of major program:

<u>Assistance Living Number</u>	<u>Name of Federal Program</u>
21.019	Coronavirus Relief Fund
84.027 and 84.173	Special Education Cluster (IDEA)
84.425D	Elementary and Secondary School Emergency Relief (ESSER I) Fund
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

(Continued)

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Part II - Financial Statement Findings

Finding 2021-001 – Significant Deficiency

Condition – The District’s process in place to reconcile between capital asset additions and construction in progress is not adequate to ensure the two items reconcile each year. This resulted in a prior period adjustment to the financial statements.

Criteria – The financial statements are the responsibility of management. As such, the District’s internal control over capital assets should include a process to reconcile those assets transferred from construction in progress to capital asset additions to ensure that all capital asset additions are capitalized in the appropriate year.

Cause – Inappropriate application of generally accepted accounting principles.

Effect – There is the potential that the financial statements may be misstated.

Recommendation – We recommend that the District implement procedures to capture the information needed to track and record additions to capital assets, including additions transferred from construction in progress, at the time the asset is put in service or the project is complete.

Management’s Response (Unaudited) – The District agrees with the recommendation.

Corrective Action Plan (Unaudited) – Although the District has a process in place to reconcile between capital asset additions and construction in progress, it was poorly executed. With a better understanding of the depreciation software and implementing the recommended changes made by the auditors, the District will make the necessary changes to the procedures to ensure capital asset additions and construction in progress reconcile.

Contact Name – Russell Knapp, Chief Financial Officer

Expected Completion Date – June 30, 2022

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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shawnee Mission Unified School District No. 512, (the District) as of and for the year ended June 30, 2021, 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 29, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 and therefore material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2021-001, that we consider to be a significant deficiency.

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.

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*.

District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 29, 2021
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

We have audited the compliance of Shawnee Mission Unified School District No. 512, (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

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Report on Internal Control Over Compliance

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

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

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

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

BT&Co., P.A.

November 29, 2021
Topeka, Kansas