

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

**Howard D. McEachen Administrative Center  
7235 Antioch  
Shawnee Mission, Kansas 66204**

**For the Fiscal Year Ended  
June 30, 2012**

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

Comprehensive Annual Financial Report  
For the year ended June 30, 2012

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**INTRODUCTORY SECTION**

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## Shawnee Mission School District

### Office of the Superintendent

McEachen Administrative Center • 7235 Antioch • Shawnee Mission, Kansas 66204 • Phone (913) 993-6401 • Fax (913) 993-6230 • [www.smsd.org](http://www.smsd.org)

October 30, 2012

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

The Comprehensive Annual Financial Report (CAFR) of Unified School District No. 512, Shawnee Mission, Kansas (district) for the fiscal year ended June 30, 2012, is hereby submitted for your use. The CAFR was prepared by the Business Services Division and includes the unqualified opinion of our independent auditors, Mize Houser & Company P.A. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the district, specifically the Business Services Division. The Business Services Division confirms that the accounting system and the budgetary and internal accounting controls of the district provide reasonable assurance that the district assets are safeguarded against loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the district.

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

#### **GENERAL INFORMATION ABOUT THE DISTRICT**

The Shawnee Mission School District, which was established as Unified School District No. 512 in 1969, has consistently been ranked among the finest school districts in America earning praise locally, regionally, and nationally for its commitment to providing excellent educational programs and services for students. Three Shawnee Mission high schools were listed on the *Washington Post's* 2012 list of top high schools in the country. *Newsweek* and *U.S. News and World Report* also included a Shawnee Mission high school on lists of the nation's best high schools in 2012. Shawnee Mission offers a rigorous academic curriculum designed to prepare students for the high-tech world of the future. The district is proud of the impressive achievement of its students as reflected on state and national assessments. The district has a graduation rate of approximately 91 percent. Shawnee Mission seniors in the class of 2012 earned more than \$50 million in scholarship offers.

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 2011-12 school year, the district was comprised of 34 elementary schools, five middle schools, five high schools, one alternative education school, one career and technical facility, four major athletic complexes, and five administrative and support facilities. This represents a physical plant in excess of nearly 5.1 million square feet, having a replacement value in excess of \$830 million.

On September 20, 2011, enrollment was 27,767, down 103 from the 27,870 students on September 20, 2010. This enrollment represented 14,605 elementary school students, 3,960 middle school students, 8,404 high school students, and 797 special education (non-graded and preschool) and alternative education students.

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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. In fiscal year 2012, the superintendent was assisted by a deputy superintendent, three associate superintendents, and an administrator on assignment. The district employed a full time staff of about 3,500 of which approximately 2,100 were teachers and other certified staff. Approximately 80 percent of the teachers in Shawnee Mission have a master's degree or higher.

## **ECONOMIC CONDITION AND OUTLOOK**

Economic growth in Johnson County, within which the district is located, has been strong for over 25 years. The county has become a self-contained economic unit with its own employment and financial base. As a result, predictions continue to foresee Johnson County as the cornerstone to growth within the State of Kansas over the next ten years. The assessed valuation within the district decreased approximately 0.6% to \$2.9 billion during 2011. The national mortgage crisis has had an impact on assessed valuation that will likely last a year or two. Beyond that, continued growth within the district is predicted for the next decade.

## **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**

Shawnee Mission offers an academic program that emphasizes strong basic education while providing opportunities for students to explore various subjects for which they may have an interest for future study. At the elementary level, students receive instruction to develop strong foundational skills in reading, language arts, science, mathematics, and social studies. Schools offer after-school clubs for students interested in a diverse range of activities including intramural sports, environmental awareness, robotics, art, science, and math. Students at the middle school level receive rigorous academic instruction. In addition, they have the opportunity to enroll in a variety of fine arts courses, technical education courses, and Spanish and French classes.

Shawnee Mission high schools offer a broad range of academic opportunities to meet the individual education and career goals of students. The district offers a strong core curriculum, as well as courses in fine arts, business, family and consumer science, industrial technology, and international language. The district offers a large variety of honors, advanced placement, and International Baccalaureate courses through which students earn additional grade points and have the opportunity to earn college credit. Students may also participate in a number of co-curricular and extracurricular activities.

Shawnee Mission has been a leader in providing Signature Programs in which students can explore unique areas of study in preparation for specialized academic and future career opportunities. Classrooms are equipped with state-of-the-art technology and the professional tools necessary to create hands-on learning experiences for every program. Signature Programs include Biomedical Health Science, which teaches medical terms and trends and gives students an opportunity to earn certification in CPR, CNA, and first aid; Biotechnology, offering students opportunities to perform original research in order to prepare them for biotechnology careers; International Baccalaureate, a rigorous college preparatory program; Legal Studies, where students will strengthen their understanding of the law by working with local law firms and other legal professionals; Pre-medical Health Science, which offers a rigorous pre-medical curricular experience along with the opportunity to shadow healthcare professionals; and Project Lead the Way, which gives students a chance to explore engineering fields. Specialized career and technical education courses, offered at the district's Broadmoor Technical Center, include culinary arts instruction, which provides practical application in an on-site American Culinary Federation certified restaurant, and animation.

Twenty district students were named 2012 National Merit Scholarship finalists. On college entrance exams, our students are building on more than 40 years of tradition with regard to high achievement. In 2012, Shawnee Mission students posted scores that exceeded national and state composite scores on the ACT. Shawnee Mission East, one of the district's high schools, had the highest composite score in the Kansas City metropolitan area. Three Shawnee Mission students earned a perfect score on the ACT. On the 2012 Kansas Assessments, 91 percent of the overall group of Shawnee Mission students tested met or exceeded target performance levels in both reading and math.

District students have won honors in competitions sponsored by the National Scholastic Press Association, Kansas Academic Decathlon, National BioGENEius competition, National SkillsUSA, and the Greater KC Science and Engineering Fair. Shawnee Mission students have been named U.S. Presidential Scholars, Siemens Award for Advanced Placement honorees, Meal Portfolio champions in the Art Institute of Atlanta Best Teen Chef competition, and Horatio Alger Scholars.

District staff members earned professional recognition including a Milken National Educator award, state finalist for the Presidential Award for Excellence in Mathematics and Science Teaching, Outstanding Special Education Teacher award from the National Association of Special Education Teachers, Outstanding Educator of the Year award for Division for Learning Disabilities for the Council for Exceptional Children, Kansas State Department of Education Horizon award, Secondary Western Region Art Educator of the Year award, and Kansas PTA Outstanding Educator award.

Contributing the largest number of PTA members in the state, our PTA units provide recognition programs, volunteers, financial support, and special events to enhance the educational experience. Shawnee Mission proudly partners with more than 200 businesses that offer varying levels of support in schools across the district. Patrons are also actively involved in mentoring and tutoring programs, including YouthFriends.

The Shawnee Mission Education Foundation is another organization whose commitment to Shawnee Mission's tradition of learning is evident in the financial support it offers to help provide district students of all ages with innovative educational opportunities. Since its inception, the Foundation has contributed more than \$3 million in total grants and gifts benefiting students at every Shawnee Mission school.

The district is dedicated to providing quality educational programs and services to meet the needs of all students. An essential part of this effort is the district's ability to plan for the future. The district continues to evaluate and update its facilities to ensure our schools support the needs of the current educational programs. Each of the five middle schools is currently undergoing significant renovation and enhancement projects to add classroom space, update and enlarge the kitchen and cafeteria spaces, and add an auxiliary gymnasium.

## Technology in Education

The district maintains approximately 14,600 computers, including one for every full-time teacher and every administrative employee who requires one for the performance of his or her duties. Student records and library management systems are installed on an IBM AS/400 computer that is accessible from anywhere in the district. Students, teachers and administrative personnel have high-speed access to the Internet. Guest Wireless access is available, upon request, for visitors and vendors while conducting business with the district.

All schools have state-of-the-art computers in labs and libraries for student use, as well as in selected classrooms throughout the district. Each school has multiple wireless mobile labs, ranging from at least 3 in the elementary schools, to as many as 19 in the high schools. Each mobile lab consists of 16 notebook computers with wireless access to internal network file shares and printers, and also access to the Internet. A sufficient number of access points have been installed in every school building to provide wireless access from anywhere within those buildings. A controller-based wireless network management system is installed in each building to improve wireless performance and reliability. All computers are configured with the Microsoft Office application suite including Word, Excel and PowerPoint.

Every regular classroom, library, computer lab, and designated special purpose classroom in the district is outfitted with 21<sup>st</sup> century technology, including a permanently-mounted XGA projector, sound system, combination DVD/VCR, wireless presentation mouse, and other interactive tools.

Student response systems are provided for each school as a shared resource – one 32-transmitter kit for every three classrooms. These devices allow students to interact anonymously to take quizzes, respond to questions, etc. Due to the fact that all students respond at the same time, these devices keep all students fully engaged, and greatly enhances the educational process. Furthermore, it provides instant feedback to the teacher by grading responses automatically, and providing sufficient feedback to identify the specific learning objectives that are not being met.

An Airliner interactive wireless tablet is provided for each classroom in which a projector is installed. These devices enable the user to teach from anywhere in the room and allow students to interact with information from their seats. There is no longer a need to be tethered to the board in the front of the room. Proprietary software is used on these devices to enhance the learning process. Custom content is created by the teachers for the student response systems and for the tablets and stored in a central library for other teachers to access. This content is tailored to specific learning objectives, and is searchable by grade level, subject area, or keyword.

All employees and certain student curriculum have electronic mail capability. An off-premise anti-SPAM application effectively blocks more than 92% of messages that are addressed to the SMSD domain annually. Anti-virus protection is provided at the enterprise level for email and on each and every notebook and workstation computer, ensuring that our users are protected and insulated from infections that could cause work stoppages. A fiber-optic high speed integrated voice and data network provides full Gigabit capability between every building. A full 200 Mb of Internet access is available to the district. Every classroom has a phone, and all teachers and administrative employees have access to voicemail.

## **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 for Operations, Robert DiPierro, currently serves as the treasurer. Mr. DiPierro is assisted in this function by other fiscal management employees including the Manager of Budget and Finance, Financial Analyst, Budget Analyst and Manager of Purchasing Services.

The Cabinet, which consists of the superintendent, a deputy superintendent, and four associate superintendents, with assistance of the above fiscal management employees, is responsible for establishing and maintaining an internal control system to provide reasonable, but not absolute assurance, that district assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in

conformity with accounting principles generally accepted in the United States of America. The concept of reasonable assurance recognizes that certain estimates and judgments are required in establishing controls and that the estimated cost of a control should not exceed the projected benefits likely to result from the control.

### Budgetary Principles

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

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

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

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

In accordance with the Kansas Accounting Handbook, all expenditures are accounted for by fund, function, and object. Further accountability is provided by cost center. This system allows effective monitoring of the expenditure of budget appropriations. Monthly reports of budget to actual revenues and expenditures are prepared for management use. Summarized reports are presented to the board of education. Statutory budget control is at the fund level. Internal budget control is at the account level. A comparison of actual to budget revenues and expenditures is included in the Financial Section of this report.

### Property Tax Collections

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

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

In 1989, all property in the state of Kansas was re-evaluated as a result of a bill passed by the 1985 session of the Kansas legislature which required county appraisers to reassess property effective with January 1, 1991 property taxes. In addition, a November 1986 general election approved a proposition to modify the Kansas constitution with respect to the classification of property for ad valorem taxation.

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 .268% in 2012. This is net of funds held in demand deposits and compensating balance requirements. In accordance with Kansas statutes, investment revenues for 2012 were recorded in the following funds:

Debt Service	\$	5,209
Special Education		31,392
Capital Outlay		7,977
Food Service		<u>314</u>
<b>Total</b>	<b>\$</b>	<b><u>44,892</u></b>

The governmental funds account for all of this total (see page 16).

**RISK MANAGEMENT**

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

Automobile Physical Damage	(\$400,000,000 loss limit)	\$100,000
Boiler & Machinery	\$10,000,000	\$5,000
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

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, 2012, these audits were performed by the accounting firm of Mize Houser & Company P.A. Their unqualified opinion on the financial statements is included in the Financial Section of this report.

## ACKNOWLEDGMENTS

The preparation of this Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efficient and dedicated services of the accounting services staff. We wish to express our appreciation to all who assisted in its preparation. We especially thank the staff members of Mize Houser & Company 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.



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Gene Johnson, Ph.D., Superintendent of Schools

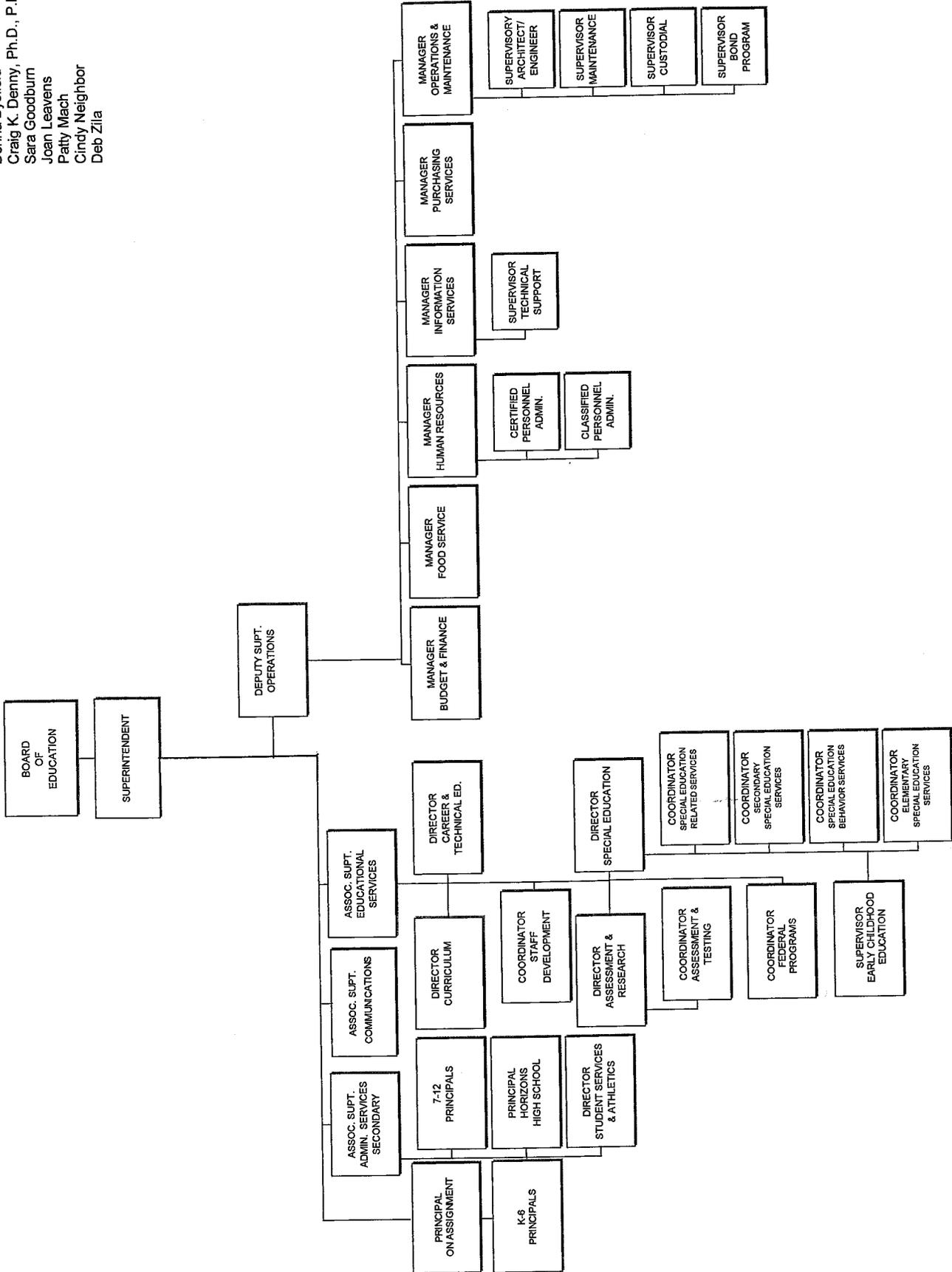


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Robert DiPierro, Deputy Superintendent of Schools

SHAWNEE MISSION SCHOOL DISTRICT  
 Organization Chart/Administrators  
 2011-2012

Board of Education  
 Donna Bysfield  
 Craig K. Denny, Ph.D., P.E.  
 Sara Goodburn  
 Joan Leavens  
 Patty Mach  
 Cindy Neighbor  
 Deb Zila



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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Shawnee Mission Unified School District No. 512

We have audited the accompanying financial statements of the governmental activities, each major fund, budgetary comparison information, and the aggregate remaining fund information of the Shawnee Mission Unified School District No. 512 (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. The prior year partial comparative information has been derived from the District's financial statements for the year ended June 30, 2011 and, in our report dated October 11, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information.

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 the "Kansas Municipal Audit Guide." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our 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, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, Supplemental General, Special Education, and At Risk (K-12) Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with the accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2011, from which such partial information was derived.

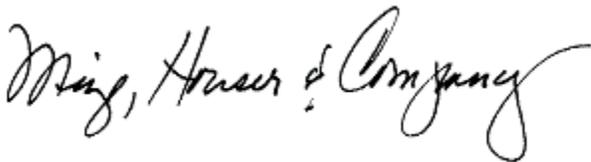
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In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 and the schedule of funding progress on page 41 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.

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 combining and individual nonmajor fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



October 30, 2012

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

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, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

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

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

**Reporting the School District as a Whole**

District-Wide Financial Statements

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

The first of the district-wide statements is the Statement of Net Assets. The Statement of Net Assets presents balance information for the entire district operations at a given point in time (June 30, 2012). 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 and arbitrage payable, 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 Assets reports total net assets of \$308.4 million, the district has restrictions over the use of these funds. The investment in facilities and equipment is necessary to carry out the mission of the district. Kansas state laws segregate funds and place restrictions on spending. This should be considered when reviewing the report.

The second of the district-wide financial statements is the Statement of Activities. This statement shows the results of operations that caused the net assets to change from the prior year to the amount reported on the Statement of Net Assets as of June 30, 2012. This statement answers the question, "How did the district do financially during fiscal year 2012?" This change in net assets 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 Assets 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 assets for the year.

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

**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 15, the fund statements differ from the district-wide statements (Statement of Net Assets 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 assets of the internal service fund,
- ◆ long-term liabilities.

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

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

Governmental Funds

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

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

Fiduciary Funds

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

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

The district's net assets were higher on June 30, 2012, than they were the year before, increasing \$11.6 million to \$308.4 million. The following are the major components of the district's net assets.

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

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

	<b>Balance as of 6/30/2012</b>	<b>Balance as of 6/30/2011</b>	<b>Increase (Decrease) from 2011</b>
<b><u>Statement Classifications</u></b>			
Current Assets	\$ 111.8	\$ 117.3	-4.69%
Non-Current Assets	444.0	437.4	1.51%
<b>Total Assets</b>	<b>\$ 555.8</b>	<b>\$ 554.7</b>	<b>0.20%</b>
Current Liabilities	42.0	38.7	8.53%
Non-Current Liabilities	205.4	219.2	-6.30%
<b>Total Liabilities</b>	<b>\$ 247.4</b>	<b>\$ 257.9</b>	<b>-4.07%</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	\$ 231.3	\$ 209.7	10.30%
Restricted	18.9	18.7	1.07%
Unrestricted	58.2	68.4	-14.91%
<b>Total Net Assets</b>	<b>\$ 308.4</b>	<b>\$ 296.8</b>	<b>3.91%</b>

Total assets increased \$1.1 million from fiscal year 2011 and total liabilities decreased \$10.5 million. The major changes in net assets were due to the following:

1. The capital outlay balances decreased by \$9.0 million as middle school renovation projects near completion.
2. The aggregate fund balance for twenty separate funds increased \$714,255.
3. The textbook rental fund balance increased \$347,682. Fees are charged to students to maintain the fund over multiple years. In some years, the proceeds from the fees exceed the cost of the textbook purchases for the year. In other years, the opposite is true. The district sets the fee at a rate that, when collected over a five year period, is equal to the cost of textbooks for the same period.
4. Capital assets increased \$6.6 million based on the completion of capital projects and capital purchases from the capital outlay fund.
5. Long-term liabilities and related accrued interest payable decreased by \$15.2 million according to the bond repayment schedule.
6. The net OPEB obligation liability increased \$1.9 million according to the District's OPEB actuarial study.

The total costs of all programs and services amounted to \$307.9 million. The following table shows the breakdown of total costs by functional area:

**Shawnee Mission Unified School District No. 512**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2012  
 Unaudited

<b><u>Expense Function</u></b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2011</b>	<b>Increase (Decrease) 2011</b>
Instruction	56.2%	55.7%	0.5%
Student Support Services	4.8%	4.7%	0.1%
Instructional Support	2.6%	2.8%	-0.2%
General Administration	0.6%	0.7%	-0.1%
School Administration	4.4%	4.5%	-0.1%
Operations and Maintenance	14.6%	14.1%	0.5%
Student Transportation Services	3.0%	2.8%	0.2%
Food Service Operations	3.6%	3.5%	0.1%
Student Activities	1.3%	1.3%	0.0%
Business Services	3.4%	3.6%	-0.2%
State Payments	2.3%	2.8%	-0.5%
Interest on Long-Term Debt	3.2%	3.5%	-0.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>

The district implemented budget reductions which reduced most programs within operating funds including the administration functions. The operations and maintenance program increased 0.5%. Capital outlay increased in fiscal year 2012 as middle school renovation projects were being completed. The decrease in state payments was due to the declining enrollment weighting in the school finance formula. The formula allows districts via the Court of Tax Appeals additional budget for two year period for districts with declining enrollment. The authorized amount was lower in 2011-12 due to an enrollment increase in 2010-11. The reduced interest on long-term debt is due to a lower outstanding debt amount.

Total receipts exceeded expenditures, increasing net assets \$11.6 million over fiscal year 2011.

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

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

	Fiscal Year 2012	Fiscal Year 2011	Increase (Decrease) from 2011
<b>Revenues:</b>			
Program revenues			
Charges for services	\$13.1	\$12.8	2.3%
Operating grants and contributions	58.7	52.6	11.6%
General revenues			
Property taxes	168.9	172.1	-1.9%
Grants and entitlements not restricted to specific programs	76.4	82.0	-6.8%
Investment earnings	0.0	0.0	0.0%
Miscellaneous	2.4	1.8	33.3%
<b>Total Revenues</b>	<b>\$319.5</b>	<b>\$321.3</b>	<b>-0.6%</b>
<b>Expenses:</b>			
Instruction	\$172.6	\$171.1	0.9%
Student Support Services	14.9	14.4	3.5%
Instructional Support	8.1	8.6	-5.8%
General Administration	2.0	2.0	0.0%
School Administration	13.5	13.9	-2.9%
Operations and Maintenance	44.9	43.1	4.2%
Student Transportation Services	9.2	8.5	8.2%
Food Service Operations	11.1	10.7	3.7%
Student Activities	4.0	4.0	0.0%
Business and Central Support	10.5	11.0	-4.5%
State Payment	7.2	8.6	-16.3%
Interest on Long-Term Debt	9.9	10.6	-6.6%
<b>Total Expenses</b>	<b>\$307.9</b>	<b>\$306.5</b>	<b>0.5%</b>
<b>Special item - Capital Asset Impairment</b>		<b>\$(7.5)</b>	
<b>Increase (decrease) in net assets</b>	<b>\$11.6</b>	<b>\$7.3</b>	
<b>Net Assets – Beginning</b>	<b>\$296.8</b>	<b>\$299.2</b>	
<b>Restatement</b>		<b>\$(9.7)</b>	
<b>Net Assets - Ending</b>	<b>\$308.4</b>	<b>\$296.8</b>	

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
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The table, shown above, details the district's changes in net assets for the year. The district's total revenues were \$319.5 million. Property taxes and grants and entitlements not restricted to specific programs accounted for most of the district's revenue, with property taxes contributing 52.9%, and unrestricted grants and entitlements contributing 23.9%. Another 18.4% came from operating grants and contributions, and the remaining 4.8% from fees for charges for services, investment earnings and miscellaneous sources. The most notable changes from the preceding year (on a total dollar basis) include:

- Property taxes decreased 1.9%. The overall tax rate decreased from 57.192 mills to 56.135, a 1.8% decrease, and the assessed valuation dropped 0.6%.
- Operating grants and contributions increased 11.6%. The state pays the employer's share of the KPERS retirement. In order to have the amount included on district books, the state wires their contribution to the district and immediately withdraws the same amount. In fiscal year 2011, the state decided to defer its fourth quarter contribution to districts until fiscal year 2012. Fiscal year 2012 reflects contributions for five quarters.
- Grants and entitlements not restricted to specific programs decreased 6.8%. This was caused by a reduction in state aid.
- Most expense functions were lowered due to budget reductions in operating funds. The largest reductions occurred in the instructional support, business and central support, and school administration.
- Student transportation services increased 8.2% due to contractual price increases and adding additional routes.
- The state payment decreased 16.3%. The school finance formula is based on a series of student weightings. Three of the weightings require the local district to assess a tax rate and remit the proceeds to the state to support the weightings. Shawnee Mission is eligible for two of the three weightings. The declining enrollment weighting decreased \$1.3 million as enrollment stabilized.

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

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

<b><u>Expense Function</u></b>	<b>Total Cost of Services</b>	<b>Net Cost</b>
Instruction	\$172.6	\$130.9
Student Support Services	14.9	10.9
Instructional Support	8.1	6.9
General Administration	2.0	1.3
School Administration	13.5	12.8
Operations and Maintenance	44.9	43.5
Student Transportation Services	9.2	5.8
Food Service Operations	11.1	-1.3
Student Activities	4.0	3.2
Business and Central Support	10.5	9.9
State Payment	7.2	2.3
Interest on Long-Term Debt	9.9	9.9
<b>Total</b>	<b>\$307.9</b>	<b>\$236.1</b>

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

- ◆ Costs of \$13.1 million were financed by users of the district's programs.
- ◆ Federal and state governments subsidized certain programs with grants and contributions totaling \$58.7 million.
- ◆ Most of the district's net cost of services of \$236.1 million was financed by district and state taxpayers.
- ◆ The governmental activities portion was financed with \$168.9 million in property taxes, \$76.4 million of grants and entitlements not restricted to specific programs and \$2.4 million in miscellaneous sources.

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

As the district completed the year, its governmental funds reported combined fund balances of \$87.0 million, a decrease from last year's ending fund balance of \$95.3 million. Expenditures of \$333.5 million exceeded revenues of \$325.2 million

**Shawnee Mission Unified School District No. 512**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited

	Revenues	Expenditures	Other Financing	End Bal
General	\$98.0	(\$98.0)	\$0.0	\$1.2
Supplemental General	41.6	(26.5)	(15.0)	2.0
AtRisk	42.4	(42.4)	0.0	0.0
AtRisk 4 yr old	0.3	(0.3)	0.0	0.0
Bilingual	3.0	(3.0)	0.0	0.0
In-Service	0.3	(0.3)	0.0	0.0
Special Education	27.3	(41.9)	14.8	11.3
Vocational	3.8	(3.8)	0.0	0.0
Student Materials	0.8	(0.8)	0.0	0.3
Textbook Rental	2.1	(1.8)	0.0	2.3
Special Liability	0.0	(0.5)	0.0	3.6
KPERS Retirement	19.5	(19.5)	0.0	0.0
Gate Receipts	1.0	(0.9)	0.0	0.5
Contingency Reserve	0.0	0.0	0.0	5.6
Cost of Living	6.5	(5.9)	0.0	0.8
Federal and State Grants	7.2	(7.3)	0.0	1.0
<b>Total Basic Education</b>	<b>\$253.8</b>	<b>(\$252.9)</b>	<b>(\$0.2)</b>	<b>\$28.6</b>
Drivers' Training	\$0.0	\$0.0	\$0.0	\$0.0
Parent Education	0.4	(0.7)	0.2	0.0
Summer School	0.5	(0.5)	0.0	0.7
Adult Supplemental	0.0	0.0	0.0	0.0
Declining Enrollment	0.9	(1.3)	0.0	0.2
Extraordinary School	0.1	0.0	0.0	0.2
<b>Total Expanded Education</b>	<b>\$1.9</b>	<b>(\$2.5)</b>	<b>\$0.2</b>	<b>\$1.1</b>
Capital Outlay	\$32.4	(\$41.4)	\$0.0	\$35.1
Debt Service	24.9	(24.7)	0.0	18.9
Special Assessments	0.9	(0.9)	0.0	0.5
<b>Total Capital</b>	<b>\$58.2</b>	<b>(\$67.0)</b>	<b>\$0.0</b>	<b>\$54.5</b>
Food service	11.3	(11.1)	0.0	2.8
<b>Total</b>	<b>\$325.2</b>	<b>(\$333.5)</b>	<b>\$0.0</b>	<b>\$87.0</b>

**Shawnee Mission Unified School District No. 512**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2012  
 Unaudited

The major changes in fund balances were:

1. The capital outlay fund decreased \$9.0 million as the district started construction on new middle school renovations.
2. The cost of living fund balance increased \$540,887. The district only had to remit to the state the cost of living weighting amount as oppose to all receipts collected.

**Analysis of Budget Variations**

The original budget for general fund revenues was \$152.6 million, and the final budget was \$151.1 million. Actual general fund revenue matched the final budget.

The original general fund expenditure budget including transfers was \$152.6 million and the final budget was \$151.1 million. The actual expenditure matched the final budget.

**Capital Asset and Debt Administration**

Capital Assets

By the end of 2012, the district had invested \$444.0 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 \$6.6 million, net of depreciation. **See Notes to the Basic Financial Statements – Note 3B for further information.**

	<b>Assets As Of June 30, 2012</b>
Land	\$ 5.6
Art work	0.4
Construction in progress	27.1
Buildings and improvements	481.5
Equipment	58.2
Accumulated Depreciation	<u>[128.8]</u>
Total	<u>\$ 444.0</u>

Long-Term Debt

Moody's Investors Services had rated the Shawnee Mission School District at Aa1 since January 1990 and effective May 4, 2010 the rating was modified to Aaa. Kansas law limits the amount of outstanding indebtedness. The current limit is approximately \$449 million, and the district has \$212.7 million outstanding at June 30, 2012. **See Notes to the Basic Financial Statements – Note 3C 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, Howard D. McEachen Administrative Center, 7235 Antioch, Shawnee Mission, Kansas 66204.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET ASSETS

June 30, 2012

	<u>Total Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 73,446,429
Investments	30,807,467
Receivables	
Taxes	5,464,356
Interest	9,068
Other	20,000
Material and supplies inventory	985,569
Deferred charges	<u>1,046,119</u>
Total current assets	<u>111,779,008</u>
Noncurrent assets:	
Nondepreciable capital assets	33,060,655
Depreciable capital assets	539,693,468
Less: Accumulated depreciation	<u>[128,766,601]</u>
Total noncurrent assets	<u>443,987,522</u>
Total assets	<u>\$ 555,766,530</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 6,764,402
Accrued payroll, payroll withholdings and taxes	10,516,391
Matured bond principal and interest	5,000
Accrued interest payable	2,428,125
Claims payable	1,052,697
Unearned revenue	5,464,689
Long-term liabilities	
Due within one year	<u>15,722,548</u>
Total current liabilities	<u>41,953,852</u>
Noncurrent liabilities:	
Claims payable	762,270
Net OPEB obligation	7,699,735
Long-term liabilities	
Due in more than one year	<u>196,964,574</u>
Total noncurrent liabilities	<u>205,426,579</u>
Total liabilities	<u>\$ 247,380,431</u>
Net Assets	
Invested in capital assets, net of related debt	\$ 231,300,400
Restricted for:	
Debt service	18,911,711
Unrestricted	<u>58,173,988</u>
Total net assets	<u>\$ 308,386,099</u>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2012

	Program Revenues			Net [Expenses] Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
<b>Governmental activities:</b>				
Instruction	\$ 172,548,326	\$ 7,143,365	\$ 34,529,850	\$ [130,875,111]
Student support services	14,928,047	-	4,034,069	[10,893,978]
Instructional support	8,115,624	-	1,259,678	[6,855,946]
General administration	1,984,847	-	707,558	[1,277,289]
School administration	13,511,466	-	761,231	[12,750,235]
Operations and maintenance	44,860,538	-	1,325,010	[43,535,528]
Student transportation services	9,201,370	-	3,430,041	[5,771,329]
Food service operations	11,102,506	5,964,756	6,452,879	1,315,129
Student activities	4,007,704	-	775,648	[3,232,056]
Business and central support services	10,479,838	-	574,549	[9,905,289]
State payment	7,202,108	-	4,857,761	[2,344,347]
Interest on long-term debt	9,939,082	-	-	[9,939,082]
Total school district	<u>\$ 307,881,456</u>	<u>\$ 13,108,121</u>	<u>\$ 58,708,274</u>	<u>[236,065,061]</u>
<b>General Revenues:</b>				
Property taxes levied for				
General purposes				118,601,240
Debt service				24,867,517
Capital outlay				25,329,508
Grants and entitlements not restricted to specific programs				76,441,368
Investments earnings				44,892
Miscellaneous				<u>2,353,714</u>
Subtotal general revenues				<u>247,638,239</u>
Change in net assets				11,573,178
Net assets - beginning				<u>296,812,921</u>
Net assets - ending				<u>\$ 308,386,099</u>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Supplemental General</u>	<u>Special Education</u>	<u>Capital Outlay</u>	<u>At Risk (K-12)</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 6,776,193	\$ 11,864,263	\$ 2,042,828	\$ 14,030,371	\$ 17,802,071	\$ 586,039	\$ 19,414,664	\$ 72,516,429
Investments	-	7,047,170	-	-	23,685,297	-	-	30,732,467
Receivables								
Taxes	1,652,252	834,248	1,870,414	-	843,794	-	263,648	5,464,356
Interest	-	278	-	-	8,790	-	-	9,068
Other	20,000	-	-	-	-	-	-	20,000
Material and supplies inventory	<u>888,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,722</u>	<u>985,569</u>
<b>Total assets</b>	<b><u>\$ 9,337,292</u></b>	<b><u>\$ 19,745,959</u></b>	<b><u>\$ 3,913,242</u></b>	<b><u>\$ 14,030,371</u></b>	<b><u>\$ 42,339,952</u></b>	<b><u>\$ 586,039</u></b>	<b><u>\$ 19,775,034</u></b>	<b><u>\$ 109,727,889</u></b>
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 190,716	\$ -	\$ 18,436	\$ 17,823	\$ 6,394,086	\$ -	\$ 143,341	\$ 6,764,402
Accrued payroll, payroll withholdings and taxes	6,266,609	-	-	2,734,546	-	569,887	945,349	10,516,391
Deferred revenue	<u>1,652,252</u>	<u>834,248</u>	<u>1,870,414</u>	<u>-</u>	<u>843,794</u>	<u>-</u>	<u>263,981</u>	<u>5,464,689</u>
<b>Total liabilities</b>	<b><u>8,109,577</u></b>	<b><u>834,248</u></b>	<b><u>1,888,850</u></b>	<b><u>2,752,369</u></b>	<b><u>7,237,880</u></b>	<b><u>569,887</u></b>	<b><u>1,352,671</u></b>	<b><u>22,745,482</u></b>
<b>Fund balance:</b>								
Nonspendable	888,847	-	-	-	-	-	96,722	985,569
Restricted	-	18,911,711	-	11,163,187	16,701,399	-	17,280,446	64,056,743
Assigned	317,516	-	401,111	114,815	18,400,673	16,152	1,045,195	20,295,462
Unassigned	<u>21,352</u>	<u>-</u>	<u>1,623,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,644,633</u>
<b>Total fund balances</b>	<b><u>1,227,715</u></b>	<b><u>18,911,711</u></b>	<b><u>2,024,392</u></b>	<b><u>11,278,002</u></b>	<b><u>35,102,072</u></b>	<b><u>16,152</u></b>	<b><u>18,422,363</u></b>	<b><u>86,982,407</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 9,337,292</u></b>	<b><u>\$ 19,745,959</u></b>	<b><u>\$ 3,913,242</u></b>	<b><u>\$ 14,030,371</u></b>	<b><u>\$ 42,339,952</u></b>	<b><u>\$ 586,039</u></b>	<b><u>\$ 19,775,034</u></b>	<b><u>\$ 109,727,889</u></b>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES

June 30, 2012

Total Governmental Fund Balances		\$ 86,982,407
Amounts reported for governmental activities in the statement of net assets are different because		
Issuance costs and escrow payments are shown as current year expenditures in the funds.		1,046,119
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
The cost of capital assets is	572,754,123	
Accumulated depreciation is	<u>128,766,601</u>	443,987,522
An internal service fund is used by the District's management to charge the costs of the workers' compensation program. The assets and liabilities of the internal service fund are included with governmental activities.		[814,967]
The following liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. These liabilities at year end consist of:		
Bonds payable	212,687,122	
Net OPEB obligation	7,699,735	
Accrued interest on the bonds	<u>2,428,125</u>	<u>[222,814,982]</u>
Net Assets of Governmental Activities		<u>\$ 308,386,099</u>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Supplemental General</u>	<u>Special Education</u>	<u>Capital Outlay</u>	<u>At Risk (K-12)</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>								
Taxes	\$ 54,470,757	\$ 24,867,517	\$ 41,555,712	\$ -	\$ 25,329,508	\$ -	\$ 8,296,793	\$ 154,520,287
Intergovernmental	39,990,964	-	-	27,261,496	-	42,374,188	38,716,562	148,343,210
Charges for services	3,542,448	-	-	-	-	-	9,565,673	13,108,121
Investment revenue	-	5,209	-	31,392	7,977	-	314	44,892
Other local sources	-	-	-	2,866	7,068,389	23,187	2,077,014	9,171,456
<b>Total revenues</b>	<b>98,004,169</b>	<b>24,872,726</b>	<b>41,555,712</b>	<b>27,295,754</b>	<b>32,405,874</b>	<b>42,397,375</b>	<b>58,656,356</b>	<b>325,187,966</b>
<b>EXPENDITURES:</b>								
<b>Current</b>								
Instruction	49,228,321	-	16,615,250	32,363,408	3,378,246	41,590,317	27,522,606	170,698,148
Student support services	7,631,365	-	-	4,056,438	25,101	159,172	2,950,998	14,823,074
Instructional support staff	5,640,991	-	32,022	-	70,780	39,633	2,150,519	7,933,945
General administration	1,303,521	-	217,525	-	-	-	447,685	1,968,731
School administration	11,838,953	-	-	-	-	269,931	1,299,572	13,408,456
Operations and maintenance	10,321,651	-	8,173,027	-	5,299,924	184,681	2,262,052	26,241,335
Student transportation services	2,979,269	-	-	5,440,168	-	138,975	577,173	9,135,585
Food service operations	-	-	-	-	-	-	11,016,334	11,016,334
Student activities	2,546,874	-	-	-	148,032	-	1,324,184	4,019,090
Business and central support services	6,550,206	-	1,476,134	6,736	425,566	-	974,332	9,432,974
State payment	-	-	-	-	-	-	7,202,108	7,202,108
Capital outlay	-	-	-	-	32,028,583	-	876,504	32,905,087
Debt service	-	-	-	-	-	-	-	-
Principal retirement	-	14,575,000	-	-	-	-	-	14,575,000
Interest and other charges	-	10,107,289	-	-	-	-	-	10,107,289
<b>Total expenditures</b>	<b>98,041,151</b>	<b>24,682,289</b>	<b>26,513,958</b>	<b>41,866,750</b>	<b>41,376,232</b>	<b>42,382,709</b>	<b>58,604,067</b>	<b>333,467,156</b>
Excess [deficiency] of revenue over [under] expenditures	[36,982]	190,437	15,041,754	[14,570,996]	[8,970,358]	14,666	52,289	[8,279,190]
<b>OTHER FINANCING SOURCES [USES]</b>								
Transfers in	-	-	-	14,799,771	-	-	169,742	14,969,513
Transfers out	-	-	[14,969,513]	-	-	-	-	[14,969,513]
<b>Total other financing sources [uses]</b>	<b>-</b>	<b>-</b>	<b>[14,969,513]</b>	<b>14,799,771</b>	<b>-</b>	<b>-</b>	<b>169,742</b>	<b>-</b>
Net change in fund balance	[36,982]	190,437	72,241	228,775	[8,970,358]	14,666	222,031	[8,279,190]
FUND BALANCE - Beginning of year	1,264,697	18,721,274	1,952,151	11,049,227	44,072,430	1,486	18,200,332	95,261,597
FUND BALANCE - End of year	\$ 1,227,715	\$ 18,911,711	\$ 2,024,392	\$ 11,278,002	\$ 35,102,072	\$ 16,152	\$ 18,422,363	\$ 86,982,407

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2012

Total Net Change In Fund Balances - Governmental Funds		\$ [8,279,190]
Amounts reported for governmental activities in the statement of activities are different because		
Bond issuance costs and payments to escrow for advance refunding are recorded as expenditures in the fund financial statements. However, for the statement of net assets, these costs are shown as assets and amortized over the life of the bonds.		300,980
Capital outlays to purchase or build assets are reported in governmental funds as expenditures either under the heading Capital Outlay or their appropriate functional category. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period. The difference between the amount per this reconciliation and the amount per the Statement of Revenues, Expenditures and Changes in Fund Balances is attributable to amounts posted to another functional category less amounts below the District's capitalization threshold.		
Capital outlays	31,538,300	
Depreciation expense	<u>[17,134,222]</u>	14,404,078
In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of the capital assets sold.		
Proceeds from sale of capital assets	[6,783,078]	
Loss on sale of capital assets	<u>[1,053,369]</u>	[7,836,447]
In the statement of activities, other post employment benefits are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used. This year, the current year increase in net other post employment benefit obligation for the year was \$1,928,809.		[1,928,809]
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest decreased.		168,207
An internal service fund is used by the district's management to charge the costs of the workers' compensation program to the individual funds. The net revenue of the internal service fund is reported with governmental activities.		169,359
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.		<u>14,575,000</u>
Changes In Net Assets of Governmental Activities		<u>\$ 11,573,178</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
GENERAL FUND  
For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011			June 30, 2012			Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
<b>REVENUES:</b>							
Taxes:							
In process	\$ 1,036,960	\$ 1,225,508	\$ -	\$ 1,225,508	\$ 1,127,388	\$ 1,127,388	\$ 98,120
Current	52,827,152	52,551,876	-	52,551,876	51,693,921	51,693,921	857,955
Delinquent	831,440	693,373	-	693,373	711,960	711,960	[18,587]
<b>Total taxes</b>	<b>54,695,552</b>	<b>54,470,757</b>	<b>-</b>	<b>54,470,757</b>	<b>53,533,269</b>	<b>53,533,269</b>	<b>937,488</b>
Intergovernmental							
General aid	38,513,751	39,919,692	33,080,247	72,999,939	78,931,763	77,421,467	[4,421,528]
Federal aid	7,715,423	71,272	-	71,272	-	-	71,272
Special education aid	-	-	19,975,004	19,975,004	20,104,684	20,104,684	[129,680]
<b>Total intergovernmental</b>	<b>46,229,174</b>	<b>39,990,964</b>	<b>53,055,251</b>	<b>93,046,215</b>	<b>99,036,447</b>	<b>97,526,151</b>	<b>[4,479,936]</b>
Charges for services	3,278,817	3,542,448	-	3,542,448	-	-	3,542,448
<b>Total revenues</b>	<b>104,203,543</b>	<b>98,004,169</b>	<b>53,055,251</b>	<b>151,059,420</b>	<b>152,569,716</b>	<b>151,059,420</b>	<b>-</b>
<b>EXPENDITURES:</b>							
Instruction	53,040,007	49,249,334	[3,413,671]	45,835,663	42,750,772	42,750,772	[3,084,891]
Student support	7,867,804	7,631,365	2,982	7,634,347	7,701,699	7,701,699	67,352
Instructional support staff	6,183,262	5,640,991	7,493	5,648,484	5,529,482	5,529,482	[119,002]
General administration	1,373,698	1,303,521	[256]	1,303,265	1,321,449	1,321,449	18,184
School administration	12,607,578	11,838,953	[6,208]	11,832,745	11,896,617	11,896,617	63,872
Operations and maintenance	11,173,682	10,321,651	-	10,321,651	10,698,189	10,698,189	376,538
Student transportation services	2,817,197	2,979,269	203	2,979,472	2,999,301	2,999,301	19,829
Student activities	2,983,881	2,546,874	[10,824]	2,536,050	-	-	[2,536,050]
Business and central support services	6,907,451	6,550,206	21,052	6,571,258	8,520,802	8,520,802	1,949,544
Adjustment to Comply with Legal Maximum Budget	-	-	-	-	-	[1,510,635]	[1,510,635]
<b>Total expenditures</b>	<b>104,954,560</b>	<b>98,062,164</b>	<b>[3,399,229]</b>	<b>94,662,935</b>	<b>91,418,311</b>	<b>89,907,676</b>	<b>[4,755,259]</b>
Excess [deficiency] of revenues over [under] expenditures	[751,017]	[57,995]	56,454,480	56,396,485	61,151,405	61,151,744	[4,755,259]
<b>OTHER FINANCING SOURCES [USES]:</b>							
Transfers out	-	-	[56,425,408]	[56,425,408]	[61,180,667]	[61,180,667]	4,755,259
<b>Total other financing sources [uses]</b>	<b>-</b>	<b>-</b>	<b>[56,425,408]</b>	<b>[56,425,408]</b>	<b>[61,180,667]</b>	<b>[61,180,667]</b>	<b>4,755,259</b>
<b>Net change in fund balance</b>	<b>[751,017]</b>	<b>[57,995]</b>	<b>29,072</b>	<b>[28,923]</b>	<b>\$ [29,262]</b>	<b>\$ [28,923]</b>	<b>\$ -</b>
<b>FUND BALANCE - Beginning of year</b>	<b>1,988,528</b>	<b>1,264,697</b>	<b>[1,235,435]</b>	<b>29,262</b>			
Prior year cancelled encumbrances	27,186	21,013	-	21,013			
<b>FUND BALANCE - End of year</b>	<b>\$ 1,264,697</b>	<b>\$ 1,227,715</b>	<b>\$ [1,206,363]</b>	<b>\$ 21,352</b>			

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  
For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Taxes:							
In process	\$ 922,086	\$ 1,106,936	\$ -	\$ 1,106,936	\$ 1,334,570	\$ 1,334,570	\$ [227,634]
Current	34,370,766	34,863,656	14,277,978	49,141,634	47,449,994	47,449,994	1,691,640
Delinquent	654,903	576,763	-	576,763	672,338	672,338	[95,575]
Motor vehicle	4,811,207	4,910,526	-	4,910,526	5,274,995	5,274,995	[364,469]
Rental excise	86,437	97,831	-	97,831	-	-	97,831
Total taxes	<u>40,845,399</u>	<u>41,555,712</u>	<u>14,277,978</u>	<u>55,833,690</u>	<u>54,731,897</u>	<u>54,731,897</u>	<u>1,101,793</u>
Total revenues	<u>40,845,399</u>	<u>41,555,712</u>	<u>14,277,978</u>	<u>55,833,690</u>	<u>54,731,897</u>	<u>54,731,897</u>	<u>1,101,793</u>
EXPENDITURES:							
Instruction	16,168,321	16,636,106	192,135	16,828,241	20,295,812	20,295,812	3,467,571
Student support	4,800	-	-	-	4,800	4,800	4,800
Instructional support staff	-	32,022	[15,800]	16,222	16,882	16,882	660
General administration	310,252	217,525	2,200	219,725	166,333	166,333	[53,392]
Operations and maintenance	8,344,220	8,173,027	[35,381]	8,137,646	8,584,308	8,584,308	446,662
Other support services	-	-	-	-	1,995,416	1,995,416	1,995,416
Business and central support services	1,351,583	1,476,134	[165,381]	1,310,753	-	-	[1,310,753]
Adjustment to Comply with Legal Maximum Budget	-	-	-	-	-	[500,632]	[500,632]
Total expenditures	<u>26,179,176</u>	<u>26,534,814</u>	<u>[22,227]</u>	<u>26,512,587</u>	<u>31,063,551</u>	<u>30,562,919</u>	<u>4,050,332</u>
Excess [deficiency] of revenues over [under] expenditures	<u>14,666,223</u>	<u>15,020,898</u>	<u>14,300,205</u>	<u>29,321,103</u>	<u>23,668,346</u>	<u>24,168,978</u>	<u>5,152,125</u>
OTHER FINANCING SOURCES [USES]:							
Transfers out	<u>[14,289,170]</u>	<u>[14,969,513]</u>	<u>[14,277,978]</u>	<u>[29,247,491]</u>	<u>[25,197,159]</u>	<u>[25,197,159]</u>	<u>[4,050,332]</u>
Total other financing sources [uses]	<u>[14,289,170]</u>	<u>[14,969,513]</u>	<u>[14,277,978]</u>	<u>[29,247,491]</u>	<u>[25,197,159]</u>	<u>[25,197,159]</u>	<u>[4,050,332]</u>
Net change in fund balance	377,053	51,385	22,227	73,612	\$ [1,528,813]	\$ [1,028,181]	\$ 1,101,793
FUND BALANCE - Beginning of year	1,565,410	1,952,151	[423,338]	1,528,813			
Prior year cancelled encumbrances	<u>9,688</u>	<u>20,856</u>	<u>-</u>	<u>20,856</u>			
FUND BALANCE - End of year	<u>\$ 1,952,151</u>	<u>\$ 2,024,392</u>	<u>\$ [401,111]</u>	<u>\$ 1,623,281</u>			

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  
For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011			June 30, 2012			Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
<b>REVENUES:</b>							
Intergovernmental:							
Federal	\$ 6,614,220	\$ 7,283,624	\$ -	\$ 7,283,624	\$ 7,625,893	\$ 7,625,893	\$ [342,269]
State and local	19,449,853	19,977,872	[19,975,004]	2,868	4,500	4,500	[1,632]
Total intergovernmental	26,064,073	27,261,496	[19,975,004]	7,286,492	7,630,393	7,630,393	[343,901]
Investment revenue	41,455	31,392	-	31,392	100,000	100,000	[68,608]
Other local funds	553	2,866	-	2,866	4,028,506	4,028,506	[4,025,640]
Total revenues	26,106,081	27,295,754	[19,975,004]	7,320,750	11,758,899	11,758,899	[4,438,149]
<b>EXPENDITURES:</b>							
Instruction	31,254,623	32,388,671	41,467	32,430,138	33,236,596	33,236,596	806,458
Student support services	4,172,259	4,056,438	4,109	4,060,547	3,917,905	3,917,905	[142,642]
Business and central support services	26,170	6,736	-	6,736	21,550	21,550	14,814
Operations and maintenance	-	-	-	-	10,087	10,087	10,087
Student transportation services	5,080,426	5,440,168	-	5,440,168	5,238,961	5,238,961	[201,207]
Total expenditures	40,533,478	41,892,013	45,576	41,937,589	42,425,099	42,425,099	487,510
Excess [deficiency] of revenues over [under] expenditures	[14,427,397]	[14,596,259]	[20,020,580]	[34,616,839]	[30,666,200]	[30,666,200]	[3,950,639]
<b>OTHER FINANCING SOURCES [USES]:</b>							
Transfers in	14,166,646	14,799,771	19,975,004	34,774,775	31,725,426	31,725,426	3,049,349
Total other financing sources [uses]	14,166,646	14,799,771	19,975,004	34,774,775	31,725,426	31,725,426	3,049,349
Net change in fund balance	[260,751]	203,512	[45,576]	157,936	\$ 1,059,226	\$ 1,059,226	\$ [901,290]
FUND BALANCE - Beginning of year	11,309,341	11,049,227	[69,239]	10,979,988			
Prior year cancelled encumbrances	637	25,263	-	25,263			
FUND BALANCE - End of year	\$ 11,049,227	\$ 11,278,002	\$ [114,815]	\$ 11,163,187			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 AT RISK (K-12) FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
State and local	\$ 42,103,187	\$42,374,188	\$ [42,374,188]	\$ -	\$ -	\$ -	\$ -
Other local sources	23,956	23,187	-	23,187	25,000	25,000	[1,813]
Total revenues	<u>42,127,143</u>	<u>42,397,375</u>	<u>[42,374,188]</u>	<u>23,187</u>	<u>25,000</u>	<u>25,000</u>	<u>[1,813]</u>
EXPENDITURES:							
Instruction	41,289,201	41,590,317	14,666	41,604,983	46,280,453	46,280,453	4,675,470
Student support services	221,702	159,172	-	159,172	156,924	156,924	[2,248]
Instructional support staff	39,162	39,633	-	39,633	39,349	39,349	[284]
School administration	256,380	269,931	-	269,931	269,842	269,842	[89]
Operations and maintenance	228,871	184,681	-	184,681	130,899	130,899	[53,782]
Student transportation services	90,341	138,975	-	138,975	100,178	100,178	[38,797]
Total expenditures	<u>42,125,657</u>	<u>42,382,709</u>	<u>14,666</u>	<u>42,397,375</u>	<u>46,977,645</u>	<u>46,977,645</u>	<u>4,580,270</u>
Excess [deficiency] of revenues over [under] expenditures	<u>1,486</u>	<u>14,666</u>	<u>[42,388,854]</u>	<u>[42,374,188]</u>	<u>[46,952,645]</u>	<u>[46,952,645]</u>	<u>4,578,457</u>
OTHER FINANCING SOURCES [USES]:							
Transfers in	-	-	42,374,188	42,374,188	46,952,645	46,952,645	[4,578,457]
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>42,374,188</u>	<u>42,374,188</u>	<u>46,952,645</u>	<u>46,952,645</u>	<u>[4,578,457]</u>
Net change in fund balance	1,486	14,666	[14,666]	-	-	-	-
FUND BALANCE - Beginning of year,	-	1,486	[1,486]	-			
FUND BALANCE - End of year	<u>\$ 1,486</u>	<u>\$ 16,152</u>	<u>\$ [16,152]</u>	<u>\$ -</u>			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 June 30, 2012 and 2011

ASSETS	Internal Service Fund 2012	2011
Cash and investments	\$ 1,000,000	\$ 1,000,000
Total current assets	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities:		
Accrued claims payable	\$ 1,052,697	\$ 1,222,056
Total current liabilities	<u>1,052,697</u>	<u>1,222,056</u>
Noncurrent liabilities:		
Accrued claims payable	<u>762,270</u>	<u>762,270</u>
Total noncurrent liabilities	<u>762,270</u>	<u>762,270</u>
Total liabilities	<u>1,814,967</u>	<u>1,984,326</u>
Net assets		
Unrestricted	<u>[814,967]</u>	<u>[984,326]</u>
Total net assets	<u>[814,967]</u>	<u>[984,326]</u>
Total liabilities and net assets	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
PROPRIETARY FUND  
For the Year Ended June 30, 2012 and 2011

	Internal Service Fund Year Ended June 30,	
	2012	2011
Operating revenues		
Other local sources	\$ 1,049,747	\$ 828,427
Total operating revenues	1,049,747	828,427
Operating expenses		
General government	880,388	674,291
Total operating expenses	880,388	674,291
Net income	169,359	154,136
Net assets, Beginning of year	[984,326]	[1,138,462]
Net assets, End of year	\$ [814,967]	\$ [984,326]

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 For the Year Ended June 30, 2012 and 2011

	Internal Service Fund Year Ended June 30,	
	2012	2011
Cash flows from operating activities		
Cash paid to other suppliers of goods or services	\$ [1,049,747]	\$ [828,427]
Other operating receipts	1,049,747	828,427
Net cash [used in] operating activities	-	-
Net increase [decrease] in cash and cash equivalents	-	-
Cash and cash equivalents, Beginning of year	1,000,000	1,000,000
Cash and cash equivalents, End of year	\$ 1,000,000	\$ 1,000,000
Reconciliation of operating [loss] to net cash [used in] operating activities		
Operating income	\$ 169,359	\$ 154,136
Adjustments to reconcile operating [loss] to net cash [used in] operating activities		
Increase [decrease] in claims payable	[169,359]	[154,136]
Net cash [used in] operating activities	\$ -	\$ -

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND

June 30, 2012 and 2011

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
ASSETS:		
Cash and cash equivalents	<u>\$ 2,230,187</u>	<u>\$ 2,143,467</u>
Total assets	<u>\$ 2,230,187</u>	<u>\$ 2,143,467</u>
LIABILITIES		
Due to student organizations	<u>\$ 2,230,187</u>	<u>\$ 2,143,467</u>
Total liabilities	<u>\$ 2,230,187</u>	<u>\$ 2,143,467</u>

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Shawnee Mission Unified School District No. 512 (the district), governed by a publicly elected seven-member Board of Education, provides public education to approximately 27,767 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.

Under governmental accounting and financial reporting standards, the district is considered to be a financial reporting entity consisting of a primary government and any other organizations for which the district is (1) financially accountable or (2) not financially accountable but for which the nature and significance of the other organization's relationship to the district are such that exclusion would cause the district's financial statements to be misleading or incomplete. There were no such other organizations.

**B. Government-wide and fund financial statements**

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the district as a whole. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. 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 school district.

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

**C. 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. 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. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are 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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (Concluded)**

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met.

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

The district reports the following major governmental funds:

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

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

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

The Special Education Fund is used to account for federal and state aid revenues received and used to assist in the education of handicapped and gifted children of the district.

The At Risk (K-12) 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.

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 other governmental funds of the district account for grants and other resources whose use is restricted to a particular purpose.

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 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.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Cash, Cash Equivalents and Investments**

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

**E. Material and Supplies Inventory**

Material and supplies inventory is valued using the average cost method. Inventories recorded in the Food Services Fund consist of purchased commodities. 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. For fund financial statement reporting the reserve for material and supplies inventory is equal to the amount of inventories on hand to indicate that a portion of fund balance is not available for future expenditures.

**F. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the district as assets with an initial, individual cost of more than \$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 market 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.

Property, plant and equipment of the district is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	50
Equipment	5 - 15

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 must 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.

**G. Vacation and Sick Pay**

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 to 12 days per year. An employee shall be eligible to receive \$40/\$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 current year; and

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Vacation and Sick Pay (Concluded)**

- By May 1 of the current year the employee has at least 50 days of accumulated sick leave. In no event shall an employee in any year receive payment for more than 10 days of unused sick leave. The district records vacation days when paid and taken, and sick days when taken. Utilization of accumulated vested vacation by the applicable non-instructor employees in future years will not have a material impact on the district expenditures in any one year.

Compensated absences are reported in governmental funds only if they have matured.

**H. Fund Balance Reserves**

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education. 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. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned. The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds						Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Supplemental General Fund	Special Education Fund	Capital Outlay Fund	At Risk (K-12) Fund		
Fund Balances:								
Nonspendable								
Inventory	\$ 888,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,722	\$ 985,569
Restricted for:								
Debt retirement	-	18,911,711	-	-	-	-	-	18,911,711
Special education instruction	-	-	-	11,163,187	-	-	-	11,163,187
School construction and equipment	-	-	-	-	16,701,399	-	471,971	17,173,370
Instruction	-	-	-	-	-	-	3,687,170	3,687,170
Operations and maintenance	-	-	-	-	-	-	5,638,052	5,638,052
Food service operations	-	-	-	-	-	-	2,574,329	2,574,329
Student activities	-	-	-	-	-	-	487,931	487,931
Business services	-	-	-	-	-	-	3,611,924	3,611,924
State payment	-	-	-	-	-	-	809,069	809,069
Assigned for:								
Special education instruction	-	-	-	114,815	-	-	-	114,815
School construction and equipment	-	-	-	-	18,400,673	-	-	18,400,673
Instruction	317,516	-	401,111	-	-	16,152	879,570	1,614,349
Student support services	-	-	-	-	-	-	3,460	3,460
Instructional support staff	-	-	-	-	-	-	7,942	7,942
Food service operations	-	-	-	-	-	-	154,223	154,223
Unassigned:	21,352	-	1,623,281	-	-	-	-	1,644,633
Total Fund Balances	\$ 1,227,715	\$ 18,911,711	\$ 2,024,392	\$ 11,278,002	\$ 35,102,072	\$ 16,152	\$ 18,422,363	\$ 86,982,407

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)**

**I. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**J. 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 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.

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Kansas statutes require that an operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute) and debt service funds. The General Fund and Supplemental General Fund are subject to budgetary limitation by state statute.

Other funds are not subject to statutory limitation. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

Management may not amend the budget without the approval of the board of education. However, state statutes permit management to transfer budgeted amounts between line items within an individual fund without this approval. In addition, the district has policies that require that department heads obtain business office approval prior to making any such transfers. The legal level of budgetary control is at the fund level.

If the board of education elects to amend the budget, it must publish a notice of public hearing in the local newspaper. At least ten days after publication the hearing may be held and the budget may be amended at that time. The budget was not amended for the year ended June 30, 2012.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Concluded)**

All legal annual operating budgets are prepared using the statutory basis of accounting, in which 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. 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 prepared in conformity with accounting principles generally accepted in the United States of America. Accordingly, the actual expenditure data presented in the budgetary comparison statements differ from the data presented in the governmental fund financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

A legal operating budget is not required for capital projects funds, agency funds, and the following special revenue funds: Gate Receipts, Textbook, Contingency Reserve, and Student Material Revolving.

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

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

	Major Governmental Funds						Other	Total Governmental Funds
	General	Supplemental General	Special Education	Capital Outlay	At Risk (K-12)	Debt Service	Nonmajor Governmental	
	Fund	Fund	Fund	Fund	Fund	Fund	Funds	
GAAP FUND BALANCE June 30, 2012	\$ 1,227,715	\$ 2,024,392	\$ 11,278,002	\$ 35,102,072	\$ 16,152	\$ 18,911,711	\$ 18,422,363	\$ 86,982,407
Adjustments:								
Unreserved fund balances not subject to the Kansas Budget Law:								
Textbook	-	-	-	-	-	-	[2,235,879]	[2,235,879]
Contingency Reserve	-	-	-	-	-	-	[5,638,052]	[5,638,052]
Student Material Revolving	-	-	-	-	-	-	[286,637]	[286,637]
Gate Receipts	-	-	-	-	-	-	[487,931]	[487,931]
Interest receivable	-	-	-	[8,790]	-	[278]	-	[9,068]
Accounts payable - retainage	-	-	-	1,135,386	-	-	-	1,135,386
Reserve for encumbrances	[317,516]	[401,111]	[114,815]	[18,400,673]	[16,152]	-	[295,698]	[19,545,965]
Reserve for material and supplies inventory	[888,847]	-	-	-	-	-	[96,722]	[985,569]
Total deductions	[1,206,363]	[401,111]	[114,815]	[17,274,077]	[16,152]	[278]	[9,040,919]	[28,053,715]
BUDGETARY FUND BALANCE June 30, 2012	\$ 21,352	\$ 1,623,281	\$ 11,163,187	\$ 17,827,995	\$ -	\$ 18,911,433	\$ 9,381,444	\$ 58,928,692

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Concluded)**

**B. Property Taxes**

The assessed valuation of tangible district property (excluding motor vehicles) for taxes billed November 1, 2011 was as follows:

Real estate	\$ 2,776,280,449
Personal property	74,640,374
Utilities	<u>69,955,160</u>
 Total assessed valuation	 <u>\$ 2,920,875,983</u>

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

<u>Fund</u>	<u>Levy</u> <u>(\$ per thousand)</u>
General	\$ 20.000
Special revenue:	
Supplemental General	17.727
Capital Outlay	7.997
Declining Enrollment	0.188
Special Assessment	0.281
Cost of Living	2.035
Bond and Interest	<u>7.907</u>
 Total tax levy	 <u>\$ 56.135</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, 2012, the district has received property tax amounting to approximately 98% of the November 1, 2011, property tax levy.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 3. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The district's cash is considered to be active funds by management and is invested according to KSA 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the district is located or in an adjacent county and that the bank provide an acceptable rate for active funds.

The district's investments are considered to be idle funds by management and are invested according to KSA 12-1675. The statute requires that the district invest its idle funds in only temporary notes of the district, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury Bills or Notes, the Municipal Investment Pool (KMIP) and certain other investments if the municipality has extended investment authority. Maturities of the above investments may not exceed two years by statute.

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

At June 30, 2012, the District has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Weighted Average Maturity</u>
Certificate of Deposit Account Registry Service	\$ 3,473,145	NA	316 days
U.S. Government Securities	<u>27,259,322</u>	NA	103 days
Total fair value	<u>\$ 30,732,467</u>		

Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. The district adheres to KSA 9-1402, which requires that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral.

The district does not have any formal investment policies that would further limit interest rate, credit or custodial credit risks beyond state statutes.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 3. DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2012, was as follows:

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions/</u> <u>Adjustments</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2012</u>
Governmental activities:				
Nondepreciable assets:				
Land	\$ 5,775,645	\$ -	\$ [197,716]	\$ 5,577,929
Artwork	392,318	-	-	392,318
Construction in progress	23,486,655	27,623,511	[24,019,758]	27,090,408
Depreciable assets:				
Buildings and improvements	470,501,351	22,850,482	[11,904,401]	481,447,432
Equipment	<u>59,386,489</u>	<u>5,084,065</u>	<u>[6,224,518]</u>	<u>58,246,036</u>
Totals at historical cost	<u>559,542,458</u>	<u>55,558,058</u>	<u>[42,346,393]</u>	<u>572,754,123</u>
Less accumulated depreciation for:				
Buildings and improvements	81,529,273	11,576,866	[5,290,641]	87,815,498
Equipment	<u>40,593,294</u>	<u>5,557,356</u>	<u>[5,199,547]</u>	<u>40,951,103</u>
Totals accumulated depreciation	<u>122,122,567</u>	<u>17,134,222</u>	<u>[10,490,188]</u>	<u>128,766,601</u>
Governmental activities capital assets, net	<u>\$ 437,419,891</u>	<u>\$ 38,423,836</u>	<u>\$ [31,856,205]</u>	<u>\$ 443,987,522</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 2,915,817
Instructional support	34,360
Student support	172,248
General administration	1,983
School administration	332
Operations and maintenance	12,583,098
Student transport	202
Food service	84,058
Business services and central support services	1,274,198
Student activities	<u>67,926</u>
Total depreciation	<u>\$ 17,134,222</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 3. DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Long - Term Liabilities**

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

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2012</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental activities					
General Obligation Bonds	\$227,754,694	\$ -	\$ [15,067,572]	\$ 212,687,122	\$ 15,722,548
Total governmental activities					
Long-term liabilities	<u>\$227,754,694</u>	<u>\$ -</u>	<u>\$ [15,067,572]</u>	<u>\$ 212,687,122</u>	<u>\$ 15,722,548</u>

Long-term obligations of the district consists of the following:

	<u>Date</u> <u>Issued</u>	<u>Date</u> <u>Matures</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Amount</u>	<u>Outstanding</u> <u>June 30, 2012</u>
Advance refunding bonds	02/01/96	6/30/20	3.70% to 5.15%	\$ 23,380,000	\$ 10,035,000
General obligation bonds	06/01/04	04/01/24	4.00% to 5.00%	51,527,227	44,464,944
Advance refunding bonds	06/01/04	10/01/15	3.00% to 5.00%	22,580,455	11,275,152
Advance refunding bonds	1/15/05	10/1/17	2.75% to 5.00%	23,412,809	14,587,835
General obligation bonds	5/15/05	10/1/25	3.00% to 5.00%	66,776,331	52,738,431
Current refunding bonds	7/1/06	10/1/13	4.25% to 5.00%	10,334,061	3,316,875
General obligation bonds	4/15/07	10/1/27	4.00% to 5.00%	70,729,969	63,508,975
General obligation bonds	7/8/08	10/1/19	3.00% to 5.00%	<u>16,441,126</u>	<u>12,759,910</u>
Total general obligation bonds payable				<u>\$ 285,181,978</u>	<u>\$ 212,687,122</u>

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

<u>Year Ending</u> <u>June 30</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Totals</u>
2013	\$ 15,722,548	\$ 9,391,616	\$ 25,114,164
2014	16,457,548	8,624,991	25,082,539
2015	17,199,111	7,829,501	25,028,612
2016	17,994,111	7,008,538	25,002,649
2017	15,351,573	6,229,913	21,581,486
2018-2022	68,821,832	21,106,293	89,928,125
2023-2027	55,618,899	6,765,918	62,384,817
2028	<u>5,521,500</u>	<u>122,286</u>	<u>5,643,786</u>
Total	<u>\$ 212,687,122</u>	<u>\$ 67,079,056</u>	<u>\$ 279,766,178</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 3. DETAILED NOTES ON ALL FUNDS (Concluded)**

**C. Long - Term Liabilities (Concluded)**

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 about \$449 million at June 30, 2012.

**D. Operating Leases**

The district leases copiers under a noncancelable operating lease. Total costs for this lease was \$583,085 for the year ended June 30, 2012. The future minimum lease payments for the lease are as follows:

Year ending <u>June 30</u>	<u>Amount</u>
2013	\$ 563,701
2014	479,340
2015	<u>154,385</u>
Total	<u>\$ 1,197,426</u>

**E. Net Assets**

The amount reported on the statement of net assets identified as invested in capital assets, net of related debt is comprised of the following:

	Governmental <u>Activities</u>
Total net capital assets	\$ 443,987,522
Less:	
Current portion of general obligation bonds	[15,722,548]
Noncurrent portion of general obligation bonds	<u>[196,964,574]</u>
Net assets - invested in capital assets, net of related debt	<u>\$ 231,300,400</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 4. OTHER INFORMATION**

**A. Defined Benefit Pension Plan**

*Plan Description.* The district participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901 et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Topeka, Kansas 66603-3925).

*Funding Policy.* K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the statutory required employers share. The estimated State of Kansas contributions to KPERS for the district employees for the years ending June 30, 2012, 2011, and 2010 were \$19,511,905, \$11,919,748, and \$14,227,971, respectively, equal to the required contributions for each year. The district recognizes these on-behalf payments as revenues and expenditures in the applicable funds as required.

**B. Risk Management**

The district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the district carries commercial insurance. 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.

The district has established a limited risk management program for workers' compensation. Premiums are paid into the Workers' Compensation Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditure reported in the Workers' Compensation Fund, an internal service fund. As of June 30, 2012, such interfund premiums did not exceed reimbursable expenditures.

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

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 4. OTHER INFORMATION (Continued)**

**B. Risk Management (Concluded)**

Changes in the balances of claims liabilities for the years ended June 30, 2012 and 2011 are as follows:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Unpaid claims, beginning of year	\$ 1,984,326	\$ 2,138,462
Incurred claims (including IBNR)	661,901	569,991
Claim payments	<u>[831,260]</u>	<u>[724,127]</u>
 Unpaid claims, end of year	 <u>\$ 1,814,967</u>	 <u>\$ 1,984,326</u>

**C. Interfund Transfers**

K.S.A. 72-6428 and K.S.A. 72-6433 allow the transfer of monies between funds. Interfund transfers occurred during the year and were made between the funds identified in the following table to provide sufficient resources to pay the expenditures in the funds receiving the transfer.

<u>Transfers Out:</u>	Transfers In:		
	<u>Special Education</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Supplemental General	\$14,799,771	\$ 169,742	\$ 14,969,513
Total	<u>\$14,799,771</u>	<u>\$ 169,742</u>	<u>\$ 14,969,513</u>

**D. Contingent Liabilities**

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.

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.

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.

**E. Comparative Data/Reclassifications**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the district's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 4. OTHER INFORMATION (Continued)**

**F. Postemployment Healthcare Plan**

Plan Description. The District operates a single employer defined benefit healthcare plan administered by the District. The Employee Benefit Plan (the Plan) provides medical and pharmacy benefits to eligible retirees and their dependents. KSA 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan.

Funding Policy. The contribution requirements of plan participants and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ended June 30, 2012, plan participants contributed \$1,036,000 to the Plan (100% of total premiums) through the following required annual contributions:

<u>Coverage</u>	<u>Retiree Contributions</u>		<u>Spousal Contributions</u>	
	<u>Pre-65</u>	<u>Post-65</u>	<u>Pre-65</u>	<u>Post-65</u>
Medical - HMO Plan	\$ 6,948	\$ 4,776	\$ 7,296	\$ 4,764
Medical - PPO Plan	\$ 6,948	\$ 4,776	\$ 7,296	\$ 4,764
High Deductible (HAS)	\$ 5,052	\$ 3,456	\$ 5,292	\$ 3,468

Annual OPEB Cost and Net OPEB Obligation. The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the Plan for the year, the amount actually contributed to the plan, and the changes in the District's net OPEB obligation to the Plan:

Annual required contribution	\$ 3,044,148
Interest on Net OPEB Obligation	259,691
ARC Adjustment	<u>[339,030]</u>
Annual OPEB cost (expense)	2,964,809
Benefit payments	<u>1,036,000</u>
Change in net OPEB obligation	1,928,809
Net OPEB obligation - beginning of year	<u>5,770,926</u>
Net OPEB obligation - end of year	<u>\$ 7,699,735</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended June 30, 2012 was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>	<u>Percentage Contributed</u>
June 30, 2008	\$ 2,286,858	\$ 842,000	\$ 1,444,858	36.8%
June 30, 2009	2,421,247	1,002,000	2,864,105	41.4%
June 30, 2010	2,420,532	831,000	4,453,637	34.3%
June 30, 2011	2,404,289	1,087,000	5,770,926	45.2%
June 30, 2012	2,964,809	1,036,000	7,699,735	34.9%

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2012

**Note 4. OTHER INFORMATION (Concluded)**

**F. Postemployment Healthcare Plan (Concluded)**

**Funding Status and Funding Progress.** As of the year ended July 1, 2011, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits was \$23,002,636 and the actuarial value of asset was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$23,002,636. The covered payroll (annual payroll of active employees covered by the plan) was \$138,397,176, and the ratio of the UAAL to the covered payroll was 16.6%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statement, presents multiyear trend information about whether the actuarial value of plan assets (if any) are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the year ended June 30, 2012, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return, which is the rate of the employer's own investments as there are no plan assets and an annual healthcare cost trend of 9% initially, reduced by decrements to an ultimate rate of 5% after nine years. The UAAL is being amortized as a level dollar over an open thirty-year period.

**G. Special Items**

During 2012, the District sold three former school buildings for a total of \$6,585,000 and tore down one former school building. At June 30, 2011, the book values of the three buildings which were sold were written down to the sales prices of the buildings and the book value of the building which was torn down was written down to zero. The write downs in the values of these capital assets were shown as impairment losses of \$7,481,919 on the June 30, 2011 Statement of Activities.

**H. Subsequent Event**

In October, 2012, the District approved the issuance of Series 2012-A general obligation refunding bonds in the amount of \$79,790,000. The bond proceeds will be used to refund \$35,490,000 of the Series 2004-A general obligation bonds and \$43,040,000 of the Series 2005-C general obligation bonds. The City will make the first payment on bonds on October 1, 2013 and the last payment on October 1, 2025. The interest rate on the bonds ranges from 1.25 to 5.00%.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

OTHER POST-EMPLOYMENT BENEFITS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 June 30, 2012

Schedule of Employer Contributions:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation	Percentage Contributed
June 30, 2008	\$ 2,286,858	\$ 842,000	\$ 1,444,858	36.8%
June 30, 2009	2,421,247	1,002,000	2,864,105	41.4%
June 30, 2010	2,420,532	831,000	4,453,637	34.3%
June 30, 2011	2,404,289	1,087,000	5,770,926	45.2%
June 30, 2012	2,964,809	1,036,000	7,699,735	34.9%

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Payroll (b-a)/(c)
1/1/2007	\$ -	\$ 18,711,048	\$ 18,711,048	0.00%	\$ 153,195,846	12.2%
7/1/2009	\$ -	\$ 19,748,645	\$ 19,748,645	0.00%	\$ 153,410,213	12.9%
7/1/2011	\$ -	\$ 23,002,636	\$ 23,002,636	0.00%	\$ 138,397,176	16.6%

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**COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES**

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SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

**COMBINING STATEMENTS - NONMAJOR SPECIAL REVENUE FUNDS**

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

**BUDGETED FUNDS:**

**Vocational 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.

**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.

**Driver Training Fund:** This fund is used to account for state aid revenues used to provide drivers' education training to students.

**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 Night School Program, E-School Program, and All Day Kindergarten Program. The Night School Program is used to assist high school students in attaining credits for graduation. This All Day Kindergarten Program is used to account for tuition collected and disbursed by the District for the all day kindergarten program that it provides. 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.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

**COMBINING STATEMENTS - NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

**BUDGETED FUNDS: (Continued)**

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

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

**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.

**NON - BUDGETED FUNDS:**

**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 4% 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.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
June 30, 2012

	Vocational Education	Declining Enrollment	Driver Training	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program
<b>ASSETS</b>										
Cash and cash equivalents	\$ 278,547	\$ 174,741	\$ -	\$ 11,787	\$ 471,971	\$ 2,764,481	\$ 39,428	\$ 171,416	\$ 638,762	\$ 40,831
Taxes receivable	-	19,321	-	-	29,644	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-	96,722	-	-	-	-
<b>Total assets</b>	<b>\$ 278,547</b>	<b>\$ 194,062</b>	<b>\$ -</b>	<b>\$ 11,787</b>	<b>\$ 501,615</b>	<b>\$ 2,861,203</b>	<b>\$ 39,428</b>	<b>\$ 171,416</b>	<b>\$ 638,762</b>	<b>\$ 40,831</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 4,257	\$ -	\$ -	\$ 3,845	\$ -	\$ -	\$ -	\$ 9,109	\$ 1,761	\$ 37,371
Accrued payroll, payroll withholdings and taxes	245,134	-	-	-	-	35,929	-	161,752	1,769	-
Deferred revenue	-	19,321	-	-	29,644	-	-	-	-	-
<b>Total liabilities</b>	<b>249,391</b>	<b>19,321</b>	<b>-</b>	<b>3,845</b>	<b>29,644</b>	<b>35,929</b>	<b>-</b>	<b>170,861</b>	<b>3,530</b>	<b>37,371</b>
<b>Fund balances:</b>										
Nonspendable	-	-	-	-	-	96,722	-	-	-	-
Restricted	-	174,741	-	-	471,971	2,574,329	39,428	-	631,941	-
Assigned	29,156	-	-	7,942	-	154,223	-	555	3,291	3,460
<b>Total fund balances</b>	<b>29,156</b>	<b>174,741</b>	<b>-</b>	<b>7,942</b>	<b>471,971</b>	<b>2,825,274</b>	<b>39,428</b>	<b>555</b>	<b>635,232</b>	<b>3,460</b>
<b>Total liabilities and fund balances</b>	<b>\$ 278,547</b>	<b>\$ 194,062</b>	<b>\$ -</b>	<b>\$ 11,787</b>	<b>\$ 501,615</b>	<b>\$ 2,861,203</b>	<b>\$ 39,428</b>	<b>\$ 171,416</b>	<b>\$ 638,762</b>	<b>\$ 40,831</b>

See independent auditor's report on the financial statements.

Extraordinary School Program	Special Liability	At Risk (4 Year-Old)	Cost of Living	KPERS Special Retirement Contribution	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	Student Material Revolving	Total Nonmajor Special Revenue Funds
\$ 199,019	\$ 3,611,924	\$ 40,387	\$ 809,069	\$ -	\$ 1,428,856	\$ 487,931	\$ 2,319,788	\$ 5,638,052	\$ 287,674	\$ 19,414,664
-	-	-	214,683	-	-	-	-	-	-	263,648
-	-	-	-	-	-	-	-	-	-	96,722
<u>\$ 199,019</u>	<u>\$ 3,611,924</u>	<u>\$ 40,387</u>	<u>\$ 1,023,752</u>	<u>\$ -</u>	<u>\$ 1,428,856</u>	<u>\$ 487,931</u>	<u>\$ 2,319,788</u>	<u>\$ 5,638,052</u>	<u>\$ 287,674</u>	<u>\$ 19,775,034</u>
\$ -	\$ -	\$ 42	\$ -	\$ -	\$ 2,210	\$ -	\$ 83,909	\$ -	\$ 837	\$ 143,341
-	-	40,222	-	-	460,543	-	-	-	-	945,349
133	-	-	214,683	-	-	-	-	-	200	263,981
133	-	40,264	214,683	-	462,753	-	83,909	-	1,037	1,352,671
-	-	-	-	-	-	-	-	-	-	96,722
198,886	3,611,924	-	809,069	-	869,155	487,931	1,488,275	5,638,052	284,744	17,280,446
-	-	123	-	-	96,948	-	747,604	-	1,893	1,045,195
<u>198,886</u>	<u>3,611,924</u>	<u>123</u>	<u>809,069</u>	<u>-</u>	<u>966,103</u>	<u>487,931</u>	<u>2,235,879</u>	<u>5,638,052</u>	<u>286,637</u>	<u>18,422,363</u>
<u>\$ 199,019</u>	<u>\$ 3,611,924</u>	<u>\$ 40,387</u>	<u>\$ 1,023,752</u>	<u>\$ -</u>	<u>\$ 1,428,856</u>	<u>\$ 487,931</u>	<u>\$ 2,319,788</u>	<u>\$ 5,638,052</u>	<u>\$ 287,674</u>	<u>\$ 19,775,034</u>

See independent auditor's report on the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2012

	Vocational Education	Declining Enrollment	Driver Training	Professional Development	Special Assessment	Food Service	Adult Supplemental Education	Bilingual Education	Summer School	Parent Education Program
REVENUES:										
Taxes	\$ -	\$ 895,632	\$ -	\$ -	\$ 883,482	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,728,124	-	-	256,603	-	5,376,194	-	2,993,701	-	426,214
Charges for services	27,764	-	-	-	-	5,964,756	-	-	528,443	-
Investment revenue	-	-	-	-	-	314	-	-	-	-
Other local sources	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>3,755,888</u>	<u>895,632</u>	<u>-</u>	<u>256,603</u>	<u>883,482</u>	<u>11,341,264</u>	<u>-</u>	<u>2,993,701</u>	<u>528,443</u>	<u>426,214</u>
EXPENDITURES:										
Current										
Instruction	3,000,756	-	43,949	-	-	555	-	2,550,496	363,481	-
Student support services	-	-	-	-	-	-	-	30,087	9,648	615,652
Instructional support staff	281,434	-	-	252,208	-	-	-	95,902	-	32,296
General administration	-	-	-	-	-	-	-	-	-	19,476
School administration	69,867	-	-	-	-	-	-	-	78,503	-
Operations and maintenance	90,683	-	-	-	-	675,000	-	-	72,000	-
Student transportation services	232,169	-	-	-	-	-	-	322,759	-	-
Food service operations	-	-	-	-	-	10,450,489	-	-	-	-
Student activities	75,238	-	-	-	-	-	-	-	-	-
Business and central support services	-	-	-	-	-	-	-	-	-	-
State payment	-	1,266,401	-	-	-	-	-	-	-	-
Capital outlay										
Facility acquisition and construction	-	-	-	-	876,504	-	-	-	-	-
Total expenditures	<u>3,750,147</u>	<u>1,266,401</u>	<u>43,949</u>	<u>252,208</u>	<u>876,504</u>	<u>11,126,044</u>	<u>-</u>	<u>2,999,244</u>	<u>523,632</u>	<u>667,424</u>
Excess [deficiency] of revenues over [under] expenditures	<u>5,741</u>	<u>[370,769]</u>	<u>[43,949]</u>	<u>4,395</u>	<u>6,978</u>	<u>215,220</u>	<u>-</u>	<u>[5,543]</u>	<u>4,811</u>	<u>[241,210]</u>
OTHER FINANCING SOURCES [USES]:										
Transfers in	-	-	-	-	-	-	-	-	-	169,742
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,742</u>
Net change in fund balances	5,741	[370,769]	[43,949]	4,395	6,978	215,220	-	[5,543]	4,811	[71,468]
Fund balance - Beginning of year	<u>23,415</u>	<u>545,510</u>	<u>43,949</u>	<u>3,547</u>	<u>464,993</u>	<u>2,610,054</u>	<u>39,428</u>	<u>6,098</u>	<u>630,421</u>	<u>74,928</u>
Fund balance - End of year	<u>\$ 29,156</u>	<u>\$ 174,741</u>	<u>\$ -</u>	<u>\$ 7,942</u>	<u>\$ 471,971</u>	<u>\$ 2,825,274</u>	<u>\$ 39,428</u>	<u>\$ 555</u>	<u>\$ 635,232</u>	<u>\$ 3,460</u>

Extraordinary School Program	Special Liability	At Risk (4 Year-Old)	Cost of Living	KPERS Special Retirement Contribution	Federal and Local Grants	Gate Receipts	Textbook	Contingency Reserve	Student Material Revolving	Total Nonmajor Special Revenue Funds
\$ -	\$ 41,085	\$ -	\$ 6,476,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,296,793
-	-	326,021	-	19,511,905	6,097,800	-	-	-	-	38,716,562
85,786	-	-	-	-	-	-	2,131,948	-	826,976	9,565,673
-	-	-	-	-	-	-	-	-	-	314
-	-	-	-	-	1,084,410	992,604	-	-	-	2,077,014
<u>85,786</u>	<u>41,085</u>	<u>326,021</u>	<u>6,476,594</u>	<u>19,511,905</u>	<u>7,182,210</u>	<u>992,604</u>	<u>2,131,948</u>	<u>-</u>	<u>826,976</u>	<u>58,656,356</u>
30,341	-	327,053	-	13,794,916	5,211,953	-	1,784,266	-	414,840	27,522,606
-	-	-	-	1,131,691	1,163,920	-	-	-	-	2,950,998
-	-	-	-	663,405	812,242	-	-	-	13,032	2,150,519
-	216,658	-	-	97,560	113,991	-	-	-	-	447,685
-	-	-	-	1,151,202	-	-	-	-	-	1,299,572
-	-	-	-	1,424,369	-	-	-	-	-	2,262,052
-	-	-	-	19,512	2,733	-	-	-	-	577,173
-	-	-	-	565,845	-	-	-	-	-	11,016,334
-	-	-	-	-	5,374	860,221	-	-	383,351	1,324,184
-	310,927	-	-	663,405	-	-	-	-	-	974,332
-	-	-	5,935,707	-	-	-	-	-	-	7,202,108
-	-	-	-	-	-	-	-	-	-	876,504
<u>30,341</u>	<u>527,585</u>	<u>327,053</u>	<u>5,935,707</u>	<u>19,511,905</u>	<u>7,310,213</u>	<u>860,221</u>	<u>1,784,266</u>	<u>-</u>	<u>811,223</u>	<u>58,604,067</u>
<u>55,445</u>	<u>[486,500]</u>	<u>[1,032]</u>	<u>540,887</u>	<u>-</u>	<u>[128,003]</u>	<u>132,383</u>	<u>347,682</u>	<u>-</u>	<u>15,753</u>	<u>52,289</u>
-	-	-	-	-	-	-	-	-	-	169,742
-	-	-	-	-	-	-	-	-	-	169,742
55,445	[486,500]	[1,032]	540,887	-	[128,003]	132,383	347,682	-	15,753	222,031
<u>143,441</u>	<u>4,098,424</u>	<u>1,155</u>	<u>268,182</u>	<u>-</u>	<u>1,094,106</u>	<u>355,548</u>	<u>1,888,197</u>	<u>5,638,052</u>	<u>270,884</u>	<u>18,200,332</u>
<u>\$ 198,886</u>	<u>\$ 3,611,924</u>	<u>\$ 123</u>	<u>\$ 809,069</u>	<u>\$ -</u>	<u>\$ 966,103</u>	<u>\$ 487,931</u>	<u>\$ 2,235,879</u>	<u>\$ 5,638,052</u>	<u>\$ 286,637</u>	<u>\$ 18,422,363</u>

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 VOCATIONAL EDUCATION FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
<b>REVENUES:</b>							
Intergovernmental:							
State and local	\$ 4,415,908	\$ 3,728,124	\$ [3,728,124]	\$ -	\$ -	\$ -	\$ -
Federal	-	-	-	-	232,936	232,936	[232,936]
Total intergovernmental	4,415,908	3,728,124	[3,728,124]	-	232,936	232,936	[232,936]
Charges for services	13,108	27,764	-	27,764	5,000	5,000	22,764
Total revenues	4,429,016	3,755,888	[3,728,124]	27,764	237,936	237,936	[210,172]
<b>EXPENDITURES:</b>							
Instruction	3,509,399	3,002,009	6,744	3,008,753	3,351,627	3,351,627	342,874
Instructional support staff	278,611	281,434	-	281,434	277,862	277,862	[3,572]
School administration	202,822	69,867	[1,003]	68,864	48,705	48,705	[20,159]
Operations and maintenance	129,261	90,683	-	90,683	103,214	103,214	12,531
Student transport services	209,372	232,169	-	232,169	-	-	[232,169]
Other support services	87,908	75,238	-	75,238	219,309	219,309	144,071
Total expenditures	4,417,373	3,751,400	5,741	3,757,141	4,000,717	4,000,717	243,576
Excess [deficiency] of revenues over [under] expenditures	11,643	4,488	[3,733,865]	[3,729,377]	[3,762,781]	[3,762,781]	33,404
<b>OTHER FINANCING SOURCES [USES]:</b>							
Transfers in	-	-	3,728,124	3,728,124	3,762,781	3,762,781	[34,657]
Total other financing sources [uses]	-	-	3,728,124	3,728,124	3,762,781	3,762,781	[34,657]
Net change in fund balance	11,643	4,488	[5,741]	[1,253]	\$ -	\$ -	\$ [1,253]
FUND BALANCE - Beginning of year	11,080	23,415	[23,415]	-			
Prior year cancelled encumbrances	692	1,253	-	1,253			
FUND BALANCE - End of year	\$ 23,415	\$ 29,156	\$ [29,156]	\$ -			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 DECLINING ENROLLMENT FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Taxes:							
In process	\$ 56,256	\$ 68,752	\$ -	\$ 68,752	\$ 75,225	\$ 75,225	\$ [6,473]
Current	2,796,637	521,676	-	521,676	313,637	313,637	208,039
Delinquent	36,353	32,716	-	32,716	37,896	37,896	[5,180]
Motor vehicle	249,133	272,488	-	272,488	294,133	294,133	[21,645]
Total taxes	<u>3,138,379</u>	<u>895,632</u>	<u>-</u>	<u>895,632</u>	<u>720,891</u>	<u>720,891</u>	<u>174,741</u>
Total revenues	<u>3,138,379</u>	<u>895,632</u>	<u>-</u>	<u>895,632</u>	<u>720,891</u>	<u>720,891</u>	<u>174,741</u>
EXPENDITURES:							
State payment	<u>2,592,869</u>	<u>1,266,401</u>	<u>-</u>	<u>1,266,401</u>	<u>1,266,401</u>	<u>1,266,401</u>	<u>-</u>
Total expenditures	<u>2,592,869</u>	<u>1,266,401</u>	<u>-</u>	<u>1,266,401</u>	<u>\$ 1,266,401</u>	<u>\$ 1,266,401</u>	<u>\$ -</u>
Net change in fund balance	545,510	[370,769]	-	[370,769]			
FUND BALANCE - Beginning of year	-	545,510	-	545,510			
FUND BALANCE - End of year	<u>\$ 545,510</u>	<u>\$ 174,741</u>	<u>\$ -</u>	<u>\$ 174,741</u>			

See independent auditor's report on the financial statements.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 DRIVER TRAINING FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustment to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
State and local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-	-
EXPENDITURES:							
Instruction	73,290	43,949	-	43,949	43,949	43,949	-
Total expenditures	73,290	43,949	-	43,949	43,949	43,949	-
Net change in fund balance	[73,290]	[43,949]	-	[43,949]	[43,949]	[43,949]	\$ -
FUND BALANCE - Beginning of year	117,239	43,949	-	43,949			
FUND BALANCE - End of year	\$ 43,949	\$ -	\$ -	\$ -			

See independent auditor's report on the financial statements.

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

For the Year Ended June 30, 2012

(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
State and local	\$ 119,546	\$ 256,603	\$ [256,603]	\$ -	\$ -	\$ -	\$ -
Total revenues	119,546	256,603	[256,603]	-	-	-	-
EXPENDITURES:							
Instructional support staff	142,105	254,158	4,395	258,553	353,269	353,269	94,716
Total expenditures	142,105	254,158	4,395	258,553	353,269	353,269	94,716
Excess [deficiency] of revenues over [under] expenditures	[22,559]	2,445	[260,998]	[258,553]	[353,269]	[353,269]	94,716
OTHER FINANCING SOURCES [USES]:							
Transfers in	-	-	256,603	256,603	353,269	353,269	[96,666]
Total other financing sources [uses]	-	-	256,603	256,603	353,269	353,269	[96,666]
Net change in fund balance	[22,559]	2,445	[4,395]	[1,950]	\$ -	\$ -	\$ [1,950]
FUND BALANCE - Beginning of year	21,834	3,547	[3,547]	-			
Prior year cancelled encumbrances	4,272	1,950	-	1,950			
FUND BALANCE - End of year	\$ 3,547	\$ 7,942	\$ [7,942]	\$ -			

See independent auditor's report on the financial statements.

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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original Final		
REVENUES:							
Taxes:							
In process	\$ 13,637	\$ 18,604	\$ -	\$ 18,604	\$ 22,432	\$ 22,432	\$ [3,828]
Current	833,684	778,974	-	778,974	770,300	770,300	8,674
Delinquent	9,937	9,047	-	9,047	11,297	11,297	[2,250]
Motor vehicle	76,248	75,410	-	75,410	81,135	81,135	[5,725]
Rental excise	1,411	1,447	-	1,447	-	-	1,447
Total revenues	<u>934,917</u>	<u>883,482</u>	<u>-</u>	<u>883,482</u>	<u>885,164</u>	<u>885,164</u>	<u>[1,682]</u>
EXPENDITURES:							
Facility acquisition and construction	<u>872,907</u>	<u>876,504</u>	<u>-</u>	<u>876,504</u>	<u>950,000</u>	<u>950,000</u>	<u>73,496</u>
Total expenditures	<u>872,907</u>	<u>876,504</u>	<u>-</u>	<u>876,504</u>	<u>950,000</u>	<u>950,000</u>	<u>73,496</u>
Net change in fund balance	62,010	6,978	-	6,978	\$ [64,836]	\$ [64,836]	\$ 71,814
FUND BALANCE - Beginning of year	<u>402,983</u>	<u>464,993</u>	<u>-</u>	<u>464,993</u>			
FUND BALANCE - End of year	<u>\$ 464,993</u>	<u>\$ 471,971</u>	<u>\$ -</u>	<u>\$ 471,971</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

For the Year Ended June 30, 2012

(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original Final		
<b>REVENUES:</b>							
Intergovernmental:							
Federal	\$ 4,739,749	\$ 5,282,546	\$ -	\$ 5,282,546	\$ 4,633,987	\$ 4,633,987	\$ 648,559
State and local	<u>109,386</u>	<u>93,648</u>	<u>-</u>	<u>93,648</u>	<u>88,374</u>	<u>88,374</u>	<u>5,274</u>
Total intergovernmental	4,849,135	5,376,194	-	5,376,194	4,722,361	4,722,361	653,833
Charges for services	6,226,654	5,964,756	-	5,964,756	6,512,487	6,512,487	[547,731]
Investment revenue	<u>243</u>	<u>314</u>	<u>-</u>	<u>314</u>	<u>500</u>	<u>500</u>	<u>[186]</u>
Total revenues	<u>11,076,032</u>	<u>11,341,264</u>	<u>-</u>	<u>11,341,264</u>	<u>11,235,348</u>	<u>11,235,348</u>	<u>105,916</u>
<b>EXPENDITURES:</b>							
Instruction	967	555	-	555	-	-	[555]
Operations and maintenance	674,540	675,000	-	675,000	675,000	675,000	-
Food service operations	<u>10,136,723</u>	<u>10,454,767</u>	<u>138,681</u>	<u>10,593,448</u>	<u>12,931,935</u>	<u>12,931,935</u>	<u>2,338,487</u>
Total expenditures	<u>10,812,230</u>	<u>11,130,322</u>	<u>138,681</u>	<u>11,269,003</u>	<u>13,606,935</u>	<u>13,606,935</u>	<u>2,337,932</u>
Net change in fund balance	263,802	210,942	[138,681]	72,261	<u>\$ [2,371,587]</u>	<u>\$ [2,371,587]</u>	<u>\$ 2,443,848</u>
FUND BALANCE - Beginning of year	2,352,180	2,610,054	[112,264]	2,497,790			
Prior year cancelled encumbrances	<u>[5,928]</u>	<u>4,278</u>	<u>-</u>	<u>4,278</u>			
FUND BALANCE - End of year	<u>\$ 2,610,054</u>	<u>\$ 2,825,274</u>	<u>\$ [250,945]</u>	<u>\$ 2,574,329</u>			

See independent auditor's report on the financial statements.

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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Charges for services	\$ 336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	336	-	-	-	-	-	-
EXPENDITURES:							
Instruction	1,867	-	-	-	18,513	18,513	18,513
Total expenditures	1,867	-	-	-	18,513	18,513	18,513
Net change in fund balance	[1,531]	-	-	-	\$ [18,513]	\$ [18,513]	\$ 18,513
FUND BALANCE - Beginning of year	40,959	39,428	-	39,428			
FUND BALANCE - End of year	\$ 39,428	\$ 39,428	\$ -	\$ 39,428			

See independent auditor's report on the financial statements.

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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original Final		
REVENUES:							
Intergovernmental:							
State and local	\$ 3,228,347	\$ 2,993,701	\$ [2,993,701]	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>3,228,347</u>	<u>2,993,701</u>	<u>[2,993,701]</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:							
Instruction	2,894,151	2,551,621	[5,543]	2,546,078	2,706,674	2,706,674	160,596
Student support services	30,186	30,087	-	30,087	33,982	33,982	3,895
Instructional support staff	94,649	95,902	-	95,902	94,496	94,496	[1,406]
Student transportation services	<u>212,006</u>	<u>322,759</u>	<u>-</u>	<u>322,759</u>	<u>226,194</u>	<u>226,194</u>	<u>[96,565]</u>
Total expenditures	<u>3,230,992</u>	<u>3,000,369</u>	<u>[5,543]</u>	<u>2,994,826</u>	<u>3,061,346</u>	<u>3,061,346</u>	<u>66,520</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[2,645]</u>	<u>[6,668]</u>	<u>[2,988,158]</u>	<u>[2,994,826]</u>	<u>[3,061,346]</u>	<u>[3,061,346]</u>	<u>66,520</u>
OTHER FINANCING SOURCES [USES]:							
Transfers in	<u>-</u>	<u>-</u>	<u>2,993,701</u>	<u>2,993,701</u>	<u>3,061,346</u>	<u>3,061,346</u>	<u>[67,645]</u>
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>2,993,701</u>	<u>2,993,701</u>	<u>3,061,346</u>	<u>3,061,346</u>	<u>[67,645]</u>
Net change in fund balance	[2,645]	[6,668]	5,543	[1,125]	\$ -	\$ -	\$ [1,125]
FUND BALANCE - Beginning of year	8,157	6,098	[6,098]	-			
Prior year cancelled encumbrances	<u>586</u>	<u>1,125</u>	<u>-</u>	<u>1,125</u>			
FUND BALANCE - End of year	\$ <u>6,098</u>	\$ <u>555</u>	\$ <u>[555]</u>	\$ <u>-</u>			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 SUMMER SCHOOL FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts Original Final		
REVENUES:							
Charges for services	\$ 602,387	\$ 528,443	\$ -	\$ 528,443	\$ 600,000	\$ 600,000	\$ [71,557]
Total revenues	<u>602,387</u>	<u>528,443</u>	<u>-</u>	<u>528,443</u>	<u>600,000</u>	<u>600,000</u>	<u>[71,557]</u>
EXPENDITURES:							
Instruction	358,684	364,700	382	365,082	802,218	802,218	437,136
Student support services	4,861	9,648	-	9,648	5,400	5,400	[4,248]
School administration	80,100	78,503	-	78,503	93,551	93,551	15,048
Operations and maintenance	<u>50,000</u>	<u>72,000</u>	<u>-</u>	<u>72,000</u>	<u>51,000</u>	<u>51,000</u>	<u>[21,000]</u>
Total expenditures	<u>493,645</u>	<u>524,851</u>	<u>382</u>	<u>525,233</u>	<u>952,169</u>	<u>952,169</u>	<u>426,936</u>
Net change in fund balance	108,742	3,592	[382]	3,210	\$ [352,169]	\$ [352,169]	\$ 355,379
FUND BALANCE - Beginning of year	520,818	630,421	[2,909]	627,512			
Prior year cancelled encumbrances	<u>861</u>	<u>1,219</u>	<u>-</u>	<u>1,219</u>			
FUND BALANCE - End of year	<u>\$ 630,421</u>	<u>\$ 635,232</u>	<u>\$ [3,291]</u>	<u>\$ 631,941</u>			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
PARENT EDUCATION PROGRAM FUND  
For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
<b>REVENUES:</b>							
Intergovernmental:							
State and local	\$ 494,692	\$ 426,214	\$ -	\$ 426,214	\$ 434,834	\$ 434,834	\$ [8,620]
Total revenues	<u>494,692</u>	<u>426,214</u>	<u>-</u>	<u>426,214</u>	<u>434,834</u>	<u>434,834</u>	<u>[8,620]</u>
<b>EXPENDITURES:</b>							
Student support services	504,553	618,180	[71,584]	546,596	558,529	558,529	11,933
Instructional support staff	36,872	32,296	116	32,412	63,964	63,964	31,552
General administration	18,653	19,476	-	19,476	-	-	[19,476]
Total expenditures	<u>560,078</u>	<u>669,952</u>	<u>[71,468]</u>	<u>598,484</u>	<u>622,493</u>	<u>622,493</u>	<u>24,009</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[65,386]</u>	<u>[243,738]</u>	<u>71,468</u>	<u>[172,270]</u>	<u>[187,659]</u>	<u>[187,659]</u>	<u>15,389</u>
<b>OTHER FINANCING SOURCES [USES]:</b>							
Transfers in	122,524	169,742	-	169,742	187,659	187,659	[17,917]
Total other financing sources [uses]	<u>122,524</u>	<u>169,742</u>	<u>-</u>	<u>169,742</u>	<u>187,659</u>	<u>187,659</u>	<u>[17,917]</u>
Net change in fund balance	57,138	[73,996]	71,468	[2,528]	\$ -	\$ -	\$ [2,528]
FUND BALANCE - Beginning of year	13,536	74,928	[74,928]	-			
Prior year cancelled encumbrances	<u>4,254</u>	<u>2,528</u>	<u>-</u>	<u>2,528</u>			
FUND BALANCE - End of year	<u>\$ 74,928</u>	<u>\$ 3,460</u>	<u>\$ [3,460]</u>	<u>\$ -</u>			

See independent auditor's report on the financial statements.

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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Charges for services	\$ 84,940	\$ 85,786	\$ -	\$ 85,786	\$ 95,000	\$ 95,000	\$ [9,214]
Total revenues	84,940	85,786	-	85,786	95,000	95,000	[9,214]
EXPENDITURES:							
Instruction	109,032	30,341	-	30,341	90,793	90,793	60,452
Other support services	-	-	-	-	147,648	147,648	147,648
Total expenditures	109,032	30,341	-	30,341	238,441	238,441	208,100
Excess [deficiency] of revenues over [under] expenditures	[24,092]	55,445	-	55,445	\$ [143,441]	\$ [143,441]	\$ 198,886
FUND BALANCE - Beginning of year	167,533	143,441	-	143,441			
FUND BALANCE - End of year	\$ 143,441	\$ 198,886	\$ -	\$ 198,886			

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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

For the Year Ended June 30, 2012

(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
Taxes	\$ 65,636	\$ 41,085	\$ -	\$ 41,085	\$ 35,178	\$ 35,178	\$ 5,907
Total revenues	<u>65,636</u>	<u>41,085</u>	<u>-</u>	<u>41,085</u>	<u>35,178</u>	<u>35,178</u>	<u>5,907</u>
EXPENDITURES:							
General administration	176,262	216,658	-	216,658	1,308,500	1,308,500	1,091,842
Business and central support services	<u>386,957</u>	<u>310,927</u>	<u>-</u>	<u>310,927</u>	<u>-</u>	<u>-</u>	<u>[310,927]</u>
Total expenditures	<u>563,219</u>	<u>527,585</u>	<u>-</u>	<u>527,585</u>	<u>1,308,500</u>	<u>1,308,500</u>	<u>780,915</u>
Net change in fund balance	[497,583]	[486,500]	-	[486,500]	<u>\$ [1,273,322]</u>	<u>\$ [1,273,322]</u>	<u>\$ 786,822</u>
FUND BALANCE - Beginning of year	<u>4,596,007</u>	<u>4,098,424</u>	<u>-</u>	<u>4,098,424</u>			
FUND BALANCE - End of year	<u>\$ 4,098,424</u>	<u>\$ 3,611,924</u>	<u>\$ -</u>	<u>\$ 3,611,924</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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
State and local	\$ 286,064	\$ 326,021	\$ [326,021]	\$ -	\$ -	\$ -	\$ -
Total revenues	286,064	326,021	[326,021]	-	-	-	-
EXPENDITURES:							
Instruction	286,609	327,470	[1,032]	326,438	334,700	334,700	8,262
Total expenditures	286,609	327,470	[1,032]	326,438	334,700	334,700	8,262
Excess [deficiency] of revenues over [under] expenditures	[545]	[1,449]	[324,989]	[326,438]	[334,700]	[334,700]	8,262
OTHER FINANCING SOURCES [USES]:							
Transfers in	-	-	326,021	326,021	334,700	334,700	[8,679]
Total other financing sources [uses]	-	-	326,021	326,021	334,700	334,700	[8,679]
Net change in fund balance	[545]	[1,449]	1,032	[417]	\$ -	\$ -	\$ [417]
FUND BALANCE - Beginning of year	1,589	1,155	[1,155]	-			
Prior year cancelled encumbrances	111	417	-	417			
FUND BALANCE - End of year	\$ 1,155	\$ 123	\$ [123]	\$ -			

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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

For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Taxes:							
In process	\$ 124,591	\$ 130,256	\$ -	\$ 130,256	\$ 157,045	\$ 157,045	\$ [26,789]
Current	5,839,448	5,656,815	-	5,656,815	4,749,292	4,749,292	907,523
Delinquent	36,467	52,330	-	52,330	79,117	79,117	[26,787]
Motor vehicle	<u>229,467</u>	<u>637,193</u>	<u>-</u>	<u>637,193</u>	<u>682,071</u>	<u>682,071</u>	<u>[44,878]</u>
Total taxes	<u>6,229,973</u>	<u>6,476,594</u>	<u>-</u>	<u>6,476,594</u>	<u>5,667,525</u>	<u>5,667,525</u>	<u>809,069</u>
Total revenue	<u>6,229,973</u>	<u>6,476,594</u>	<u>-</u>	<u>6,476,594</u>	<u>5,667,525</u>	<u>5,667,525</u>	<u>809,069</u>
EXPENDITURES:							
State payment	<u>5,961,791</u>	<u>5,935,707</u>	<u>-</u>	<u>5,935,707</u>	<u>5,935,707</u>	<u>5,935,707</u>	<u>-</u>
Total expenditures	<u>5,961,791</u>	<u>5,935,707</u>	<u>-</u>	<u>5,935,707</u>	<u>\$ 5,935,707</u>	<u>\$ 5,935,707</u>	<u>\$ -</u>
Net change in fund balance	268,182	540,887	-	540,887			
FUND BALANCE - Beginning of year	<u>-</u>	<u>268,182</u>	<u>-</u>	<u>268,182</u>			
FUND BALANCE - End of year	<u>\$ 268,182</u>	<u>\$ 809,069</u>	<u>\$ -</u>	<u>\$ 809,069</u>			

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SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL (NON - GAAP BASIS)  
 KPERS SPECIAL RETIREMENT CONTRIBUTION FUND  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP	GAAP	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
	Basis	Basis			Original	Final	
REVENUES:							
Intergovernmental:							
State and local	\$ 11,919,748	\$ 19,511,905	\$ -	\$ 19,511,905	\$ 36,289,786	\$ 36,289,786	\$ [16,777,881]
Total revenues	<u>11,919,748</u>	<u>19,511,905</u>	<u>-</u>	<u>19,511,905</u>	<u>36,289,786</u>	<u>36,289,786</u>	<u>[16,777,881]</u>
EXPENDITURES:							
Instruction	8,427,262	13,794,916	-	13,794,916	25,656,878	25,656,878	11,861,962
Student support services	691,345	1,131,691	-	1,131,691	2,104,808	2,104,808	973,117
Instructional support staff	405,271	663,405	-	663,405	1,233,853	1,233,853	570,448
General administration	59,599	97,560	-	97,560	181,449	181,449	83,889
School administration	703,265	1,151,202	-	1,151,202	2,141,097	2,141,097	989,895
Operations and maintenance	870,142	1,424,369	-	1,424,369	2,649,154	2,649,154	1,224,785
Student transport services	11,920	19,512	-	19,512	36,290	36,290	16,778
Food service	345,673	565,845	-	565,845	1,052,404	1,052,404	486,559
Business and central support services	405,271	663,405	-	663,405	1,233,853	1,233,853	570,448
Total expenditures	<u>11,919,748</u>	<u>19,511,905</u>	<u>-</u>	<u>19,511,905</u>	<u>36,289,786</u>	<u>36,289,786</u>	<u>16,777,881</u>
Net change in fund balance	-	-	-	-	\$ -	\$ -	\$ -
FUND BALANCE - Beginning of year	-	-	-	-	-	-	-
FUND BALANCE - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-

See independent auditor's report on the financial statements.

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  
For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Intergovernmental:							
Federal	\$ 9,166,990	\$ 6,097,800	\$ -	\$ 6,097,800	\$ 6,278,308	\$ 6,278,308	\$ [180,508]
Total intergovernmental	9,166,990	6,097,800	-	6,097,800	6,278,308	6,278,308	[180,508]
Other local sources	933,320	1,084,410	-	1,084,410	-	-	1,084,410
Total revenues	10,100,310	7,182,210	-	7,182,210	6,278,308	6,278,308	903,902
EXPENDITURES:							
Instruction	8,141,771	5,216,733	5,948	5,222,681	4,512,078	4,512,078	[710,603]
Student support services	822,037	1,163,920	4,463	1,168,383	755,716	755,716	[412,667]
Instructional support staff	1,055,593	812,242	[2,955]	809,287	926,478	926,478	117,191
General administration	90,160	113,991	-	113,991	99,928	99,928	[14,063]
Operations and maintenance	89	-	-	-	-	-	-
Student transportation services	5,576	2,733	-	2,733	-	-	[2,733]
Student activities	1,295	5,374	[1,708]	3,666	-	-	[3,666]
Total expenditures	10,116,521	7,314,993	5,748	7,320,741	6,294,200	6,294,200	[1,026,541]
Net change in fund balance	[16,211]	[132,783]	[5,748]	[138,531]	\$ [15,892]	\$ [15,892]	\$ [122,639]
FUND BALANCE - Beginning of year	1,108,020	1,094,106	[91,200]	1,002,906			
Prior year cancelled encumbrances	2,297	4,780	-	4,780			
FUND BALANCE - End of year	\$ 1,094,106	\$ 966,103	\$ [96,948]	\$ 869,155			

See independent auditor's report on the financial statements.

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

For the Year Ended June 30, 2012  
(With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
REVENUES:							
Taxes:							
In process	\$ 399,823	\$ 497,702	\$ -	\$ 497,702	\$ 600,071	\$ 600,071	\$ [102,369]
Current	22,308,945	21,919,307	-	21,919,307	21,708,321	21,708,321	210,986
Delinquent	292,865	256,709	-	256,709	302,297	302,297	[45,588]
Motor vehicle	2,152,977	2,151,380	-	2,151,380	2,315,325	2,315,325	[163,945]
Rental excise	<u>39,232</u>	<u>42,419</u>	<u>-</u>	<u>42,419</u>	<u>-</u>	<u>-</u>	<u>42,419</u>
Total taxes	25,193,842	24,867,517	-	24,867,517	24,926,014	24,926,014	[58,497]
Investment revenue	7,608	5,209	5,526	10,735	6,000	6,000	4,735
Other revenue	<u>2,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>	<u>[40,000]</u>
Total revenues	<u>25,203,808</u>	<u>24,872,726</u>	<u>5,526</u>	<u>24,878,252</u>	<u>24,972,014</u>	<u>24,972,014</u>	<u>[93,762]</u>
EXPENDITURES:							
Debt Service							
Principal	14,030,000	14,575,000	-	14,575,000	14,575,000	14,575,000	-
Interest and other charges	<u>10,718,743</u>	<u>10,107,289</u>	<u>-</u>	<u>10,107,289</u>	<u>10,109,130</u>	<u>10,109,130</u>	<u>1,841</u>
Total expenditures	<u>24,748,743</u>	<u>24,682,289</u>	<u>-</u>	<u>24,682,289</u>	<u>24,684,130</u>	<u>24,684,130</u>	<u>1,841</u>
Excess [deficiency] of revenues over [under] expenditures	455,065	190,437	5,526	195,963	<u>\$ 287,884</u>	<u>\$ 287,884</u>	<u>\$ [91,921]</u>
FUND BALANCE - Beginning of year	<u>18,266,209</u>	<u>18,721,274</u>	<u>[5,804]</u>	<u>18,715,470</u>			
FUND BALANCE - End of year	<u>\$ 18,721,274</u>	<u>\$ 18,911,711</u>	<u>\$ [278]</u>	<u>\$ 18,911,433</u>			

See independent auditor's report on the financial statements.

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  
 For the Year Ended June 30, 2012  
 (With Comparative Amounts for the Year Ended June 30, 2011)

	June 30, 2011		June 30, 2012				Variance with Final Budget Positive [Negative]
	GAAP Basis	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		
					Original	Final	
<b>REVENUES:</b>							
Taxes:							
In process	\$ 445,318	\$ 497,640	\$ -	\$ 497,640	\$ 599,904	\$ 599,904	\$ [102,264]
Current	22,306,252	22,168,752	-	22,168,752	21,955,634	21,955,634	213,118
Delinquent	364,455	290,636	-	290,636	302,260	302,260	[11,624]
Motor vehicle	2,628,942	2,325,236	-	2,325,236	2,488,219	2,488,219	[162,983]
Rental excise	49,727	47,244	-	47,244	50,000	50,000	[2,756]
Total taxes	25,794,694	25,329,508	-	25,329,508	25,396,017	25,396,017	[66,509]
Investment revenue	[4,949]	7,977	[7,977]	-	-	-	-
Other local sources	349,743	7,068,389	-	7,068,389	27,156	27,156	7,041,233
Total revenues	26,139,488	32,405,874	[7,977]	32,397,897	25,423,173	25,423,173	6,974,724
<b>EXPENDITURES:</b>							
Instruction	2,703,743	3,378,246	329,191	3,707,437	3,756,426	3,756,426	48,989
Student support services	13,222	25,101	[578]	24,523	26,359	26,359	1,836
Instructional support staff	212,842	70,780	5,090	75,870	83,668	83,668	7,798
Operations and maintenance	4,253,441	5,299,924	[1,058,818]	4,241,106	640,253	640,253	[3,600,853]
Other support services	143,708	148,032	3,387	151,419	577,346	577,346	425,927
Business and central support services	1,794,111	425,566	129,604	555,170	2,756,391	2,756,391	2,201,221
Facility acquisition and construction	21,310,747	32,103,021	1,406,696	33,509,717	40,203,632	40,203,632	6,693,915
Total expenditures	30,431,814	41,450,670	814,572	42,265,242	48,044,075	48,044,075	5,778,833
Net change in fund balance	[4,292,326]	[9,044,796]	[822,549]	[9,867,345]	\$ [22,620,902]	\$ [22,620,902]	\$ 12,753,557
FUND BALANCE - Beginning of year, as originally stated	47,887,496	44,072,430	[16,451,528]	27,620,902			
Prior year cancelled encumbrances	477,260	74,438	-	74,438			
FUND BALANCE - End of year	\$ 44,072,430	\$ 35,102,072	\$ [17,274,077]	\$ 17,827,995			

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND

For the Year Ended June 30, 2012

	Restated Balance June 30, <u>2011</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2012</u>
Assets - cash and investments	<u>\$ 2,143,467</u>	<u>\$ 3,921,112</u>	<u>\$ 3,834,392</u>	<u>\$ 2,230,187</u>
Liabilities - due to student organizations	<u>\$ 2,143,467</u>	<u>\$ 3,921,112</u>	<u>\$ 3,834,392</u>	<u>\$ 2,230,187</u>

See independent auditor's report on the financial statements.

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## STATISTICAL SECTION

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

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

<b><u>Contents</u></b>	<b>Page</b>
<b>Financial Trends</b>	<b>67 - 75</b>
These schedules contain information to help the reader understand how the government's financial performance and well-being have changed over time	
<b>Revenue Capacity</b>	<b>76 - 82</b>
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>83 - 87</b>
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>88 - 90</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<b>Operating Information</b>	<b>91 - 93</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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**SHAWNEE MISSION USD #512, KANSAS**  
**NET ASSETS BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
 (Accrual Basis of Accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 124,388,000	\$ 76,968,424	\$ 26,924,448	\$ 78,696,538	\$ 75,859,387	\$ 131,691,815	\$ 202,148,601	\$ 209,641,065	\$ 209,665,197	\$ 231,300,400
Restricted	11,399,439	11,897,006	17,511,593	17,695,143	17,634,497	16,781,531	18,472,417	18,266,209	18,721,274	18,911,711
Unrestricted	80,534,758	106,620,553	162,645,454	140,139,078	171,859,713	137,679,779	77,939,314	71,341,002	68,426,450	58,173,988
<b>Total Net Assets</b>	<b>\$ 216,322,197</b>	<b>\$ 195,485,983</b>	<b>\$ 207,081,495</b>	<b>\$ 236,530,759</b>	<b>\$ 265,353,597</b>	<b>\$ 286,153,125</b>	<b>\$ 298,560,332</b>	<b>\$ 299,248,276</b>	<b>\$ 296,812,921</b>	<b>\$ 308,386,099</b>

Source: Shawnee Mission USD #512 Basic Financial Statements

TABLE 1  
 (UNAUDITED)

TABLE 2  
(UNAUDITED)

**SHAWNEE MISSION USD #512, KANSAS**  
**EXPENSE, PROGRAM REVENUES, AND NET [EXPENSE]/REVENUE**  
**LAST TEN FISCAL YEARS**  
(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$ 139,712,962	\$ 139,713,722	\$ 138,088,248	\$ 146,939,225	\$ 159,987,897	\$ 175,567,231	\$ 184,559,961	\$ 188,221,804	\$ 171,080,693	\$ 172,548,326
Student Support Services	11,377,726	11,515,159	11,710,379	12,556,661	13,737,478	15,299,110	16,343,687	15,282,973	14,438,322	14,928,047
Instructional Support	7,552,406	7,283,295	7,535,834	8,305,788	9,176,169	10,293,743	10,565,365	9,610,299	8,574,949	8,115,624
General Administration	1,351,423	1,698,357	1,506,850	1,610,285	1,760,380	1,869,740	1,927,114	2,153,630	2,039,379	1,984,847
School Administration	10,584,601	10,642,623	10,700,053	12,037,368	12,789,503	13,409,796	14,162,217	14,315,622	13,931,653	13,511,466
Operations and Maintenance	24,972,873	24,648,460	28,486,650	34,453,100	38,089,054	36,562,784	38,686,737	36,443,274	43,126,239	44,860,538
Student Transportation Services	6,054,073	7,180,909	7,144,689	8,064,700	8,971,946	9,560,271	9,106,631	8,601,794	8,469,021	9,201,370
Food Service	9,171,588	9,316,068	9,088,594	9,446,498	10,193,201	11,007,453	11,450,798	11,031,971	10,677,553	11,102,506
Student Activities	3,234,030	3,311,934	3,158,418	3,484,110	3,639,924	4,229,698	4,417,319	4,426,435	3,981,855	4,007,704
Business and Central Support Services	11,741,904	10,729,478	12,996,232	12,835,703	14,328,849	13,272,667	13,568,008	13,878,967	11,023,101	10,479,838
State payment	-	-	-	2,003,655	3,986,261	3,788,310	3,307,073	9,714,502	8,554,660	7,202,108
Interest on Long-Term Debt	6,440,367	6,171,619	6,907,229	9,586,735	10,167,342	12,739,612	11,785,703	11,119,808	10,582,206	9,939,082
<b>Total Primary Government Expenses</b>	<b>232,193,953</b>	<b>232,211,624</b>	<b>237,333,176</b>	<b>261,303,828</b>	<b>286,808,004</b>	<b>307,600,415</b>	<b>319,880,613</b>	<b>324,801,079</b>	<b>306,479,631</b>	<b>307,881,456</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for services										
Instruction	3,132,203	3,167,584	3,153,967	3,231,930	3,892,786	5,020,007	6,318,533	6,338,216	6,521,015	7,143,365
Food service operations	7,394,358	7,083,194	7,222,354	7,386,245	7,236,572	7,037,063	7,214,232	6,679,202	6,226,654	5,964,756
Operating grants and contributions	33,142,684	33,934,160	35,576,059	40,256,967	50,612,315	55,096,431	59,515,109	54,171,000	52,599,532	58,708,274
<b>Total Primary Government Program Revenues</b>	<b>43,669,245</b>	<b>44,184,938</b>	<b>45,952,380</b>	<b>50,875,142</b>	<b>61,741,673</b>	<b>67,153,501</b>	<b>73,047,874</b>	<b>67,188,418</b>	<b>65,347,201</b>	<b>71,816,395</b>
<b>Total Primary Government Net [Expense]</b>	<b>\$ [188,524,708]</b>	<b>\$ [188,026,686]</b>	<b>\$ [191,380,796]</b>	<b>\$ [210,428,686]</b>	<b>\$ [225,066,331]</b>	<b>\$ [240,446,914]</b>	<b>\$ [246,832,739]</b>	<b>\$ [257,612,661]</b>	<b>\$ [241,132,430]</b>	<b>\$ [236,065,061]</b>

Source: Shawnee Mission USD #512 Basic Financial Statements

**SHAWNEE MISSION USD #512, KANSAS**  
**GENERAL SCHOOL SYSTEM REVENUES AND TOTAL CHANGE IN NET ASSETS**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Total Primary Government Net [Expense]</b>	\$ [188,524,708]	\$ [188,026,686]	\$ [191,380,796]	\$ [210,428,686]	\$ [225,066,331]	\$ [240,446,914]	\$ [246,832,739]	\$ [257,612,861]	\$ [241,132,430]	\$ [236,065,061]
<b>General Revenues and Other Changes in Net Assets:</b>										
Property Taxes	116,902,197	106,932,457	125,300,351	149,058,230	166,485,705	171,308,502	173,273,499	174,637,862	172,144,938	168,798,265
Grants and Entitlements not Restricted to Specific Programs	75,630,763	51,727,508 <sup>(a)</sup>	68,292,821	75,684,786	78,934,564	82,545,730	84,596,362	81,854,702	81,964,106	76,441,368
Investment Earnings	1,003,615	641,369	2,420,036	6,008,736	6,889,520	6,020,733	1,427,724	228,674	44,357	44,892
Miscellaneous	2,642,369	6,264,192	7,584,835	7,319,277	1,786,597	1,193,397	1,197,559	1,571,344	1,745,847	2,355,714
Proceeds from Legal Settlement	-	700,000	-	-	-	-	-	-	-	-
Special Items	-	-	-	-	-	-	-	-	[7,481,919]	-
Capital asset impairment losses	-	-	-	-	-	-	-	-	-	-
<b>Total Primary Government</b>	<b>196,178,944</b>	<b>166,265,526</b>	<b>203,598,043</b>	<b>238,071,029</b>	<b>253,896,386</b>	<b>261,068,362</b>	<b>260,495,144</b>	<b>258,292,582</b>	<b>248,417,329</b>	<b>247,638,239</b>
<b>Total Primary Government Change in Net Assets</b>	<b>\$ 7,654,236</b>	<b>\$ [21,761,160]</b>	<b>\$ 12,217,247</b>	<b>\$ 27,642,343</b>	<b>\$ 28,830,055</b>	<b>\$ 20,621,448</b>	<b>\$ 13,662,405</b>	<b>\$ 679,921</b>	<b>\$ 7,254,899</b>	<b>\$ 11,573,178</b>

(a) The decrease in revenues from Grants and Entitlements not Restricted to Specific Programs between 2003 and 2004 and the subsequent increase in 2005 was caused by "tax accelerator" legislation that changed the date of the last real estate tax installment. This legislation had the effect of reducing the state support for District for the year ended June 30, 2004.

Source: Shawnee Mission USD #512 Basic Financial Statements

**TABLE 3**  
**(UNAUDITED)**

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**SHAWNEE MISSION USD #512, KANSAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Modified Accrual Basis of Accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>										
Reserved	\$ 2,249,656	\$ 2,185,468	\$ 2,259,288	\$ 2,753,966	\$ 3,332,759	\$ 2,383,284	\$ 2,122,870	\$ 1,963,346	\$ -	\$ -
Unreserved	20,121,170	60,291	5,211	60,147	15,687	62,301	42,193	25,182	-	-
Nonspendable	-	-	-	-	-	-	-	-	905,582	888,847
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	329,853	317,516
Unassigned	-	-	-	-	-	-	-	-	29,262	21,352
<b>Total General Fund</b>	<b>\$ 22,370,826</b>	<b>\$ 2,245,759</b>	<b>\$ 2,264,499</b>	<b>\$ 2,814,113</b>	<b>\$ 3,348,446</b>	<b>\$ 2,445,585</b>	<b>\$ 2,165,063</b>	<b>\$ 1,988,528</b>	<b>\$ 1,284,697</b>	<b>\$ 1,227,715</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 16,804,132	\$ 17,588,414	\$ 71,660,091	\$ 86,514,435	\$ 68,378,270	\$ 82,220,499	\$ 45,910,160	\$ 36,694,454	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	53,640,369	47,698,466	40,986,423	55,910,750	71,684,855	74,461,770	77,904,670	59,551,483	-	-
Capital project funds	-	51,436,540	64,608,843	12,018,025	46,684,050	[1,171,447]	[3,806,001]	455,542	-	-
Nonspendable	-	-	-	-	-	-	-	-	107,725	96,722
Restricted	-	-	-	-	-	-	-	-	74,713,707	64,056,743
Assigned	-	-	-	-	-	-	-	-	17,646,655	19,977,946
Unassigned	-	-	-	-	-	-	-	-	1,528,813	1,623,281
<b>Total All Other Governmental Funds</b>	<b>\$ 70,444,501</b>	<b>\$ 116,723,420</b>	<b>\$ 177,235,357</b>	<b>\$ 154,443,210</b>	<b>\$ 186,747,175</b>	<b>\$ 155,510,822</b>	<b>\$ 120,008,829</b>	<b>\$ 96,701,479</b>	<b>\$ 93,996,900</b>	<b>\$ 85,754,692</b>

(a) The decrease in General Fund Balance between 2003 and 2004 was caused by "tax accelerator" legislation that changed the date of the last real estate tax installment. This legislation had the effect of reducing the state support for the District for the year ended June 30, 2004.

(b) & (c) The increases in Fund Balance for All Other Governmental Funds in 2004 and 2005 were due to bond issuances in the capital project fund.

Source: Shawnee Mission USD #512 Basic Financial Statements

**TABLE 4**  
**(UNAUDITED)**

SHAWNEE MISSION USD #512, KANSAS  
GOVERNMENTAL FUNDS REVENUES  
(Modified Accrual Basis of Accounting)

LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Taxes, Net	\$ 116,902,197	\$ 106,932,457	\$ 125,300,351	\$ 149,058,230	\$ 166,485,705	\$ 171,308,502	\$ 173,273,500	\$ 174,637,862	\$ 156,898,392	\$ 154,520,287
Intergovernmental	108,240,366	84,897,893	102,933,457	113,341,628	122,104,750	130,581,232	138,631,527	135,091,776	148,876,864	148,343,210
Charges for Services	10,526,561	10,250,778	10,376,321	10,618,175	11,129,358	12,057,070	13,532,765	13,017,418	12,747,669	13,108,121
Investment Revenue	953,728	632,348	2,404,769	5,990,696	6,666,656	6,005,919	1,424,896	228,674	44,357	44,892
Other Local Sources	3,175,450	7,027,967	8,520,258	9,919,402	9,228,726	8,254,326	6,677,503	2,505,270	2,086,708	9,171,456
<b>Total revenues</b>	<b>\$ 239,798,302</b>	<b>\$ 209,741,443</b>	<b>\$ 249,535,156</b>	<b>\$ 288,928,131</b>	<b>\$ 315,615,195</b>	<b>\$ 328,207,049</b>	<b>\$ 333,540,191</b>	<b>\$ 325,481,000</b>	<b>\$ 320,653,990</b>	<b>\$ 325,187,966</b>

Source: Shawnee Mission USD #512 Basic Financial Statements

# Shawnee Mission USD #512, Kansas Governmental Funds Revenues Last Ten Fiscal Years

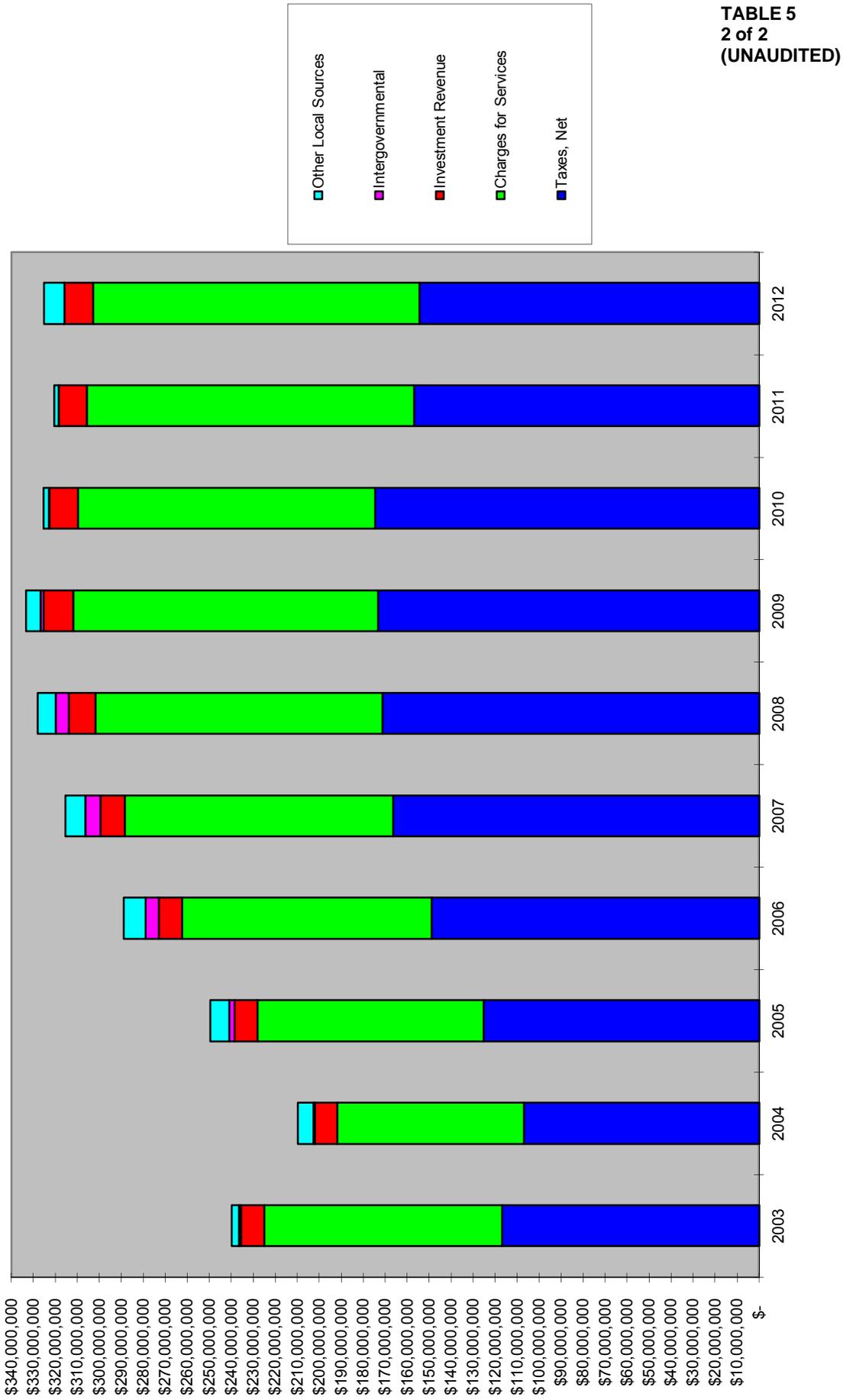


TABLE 6  
1 of 2  
(UNAUDITED)

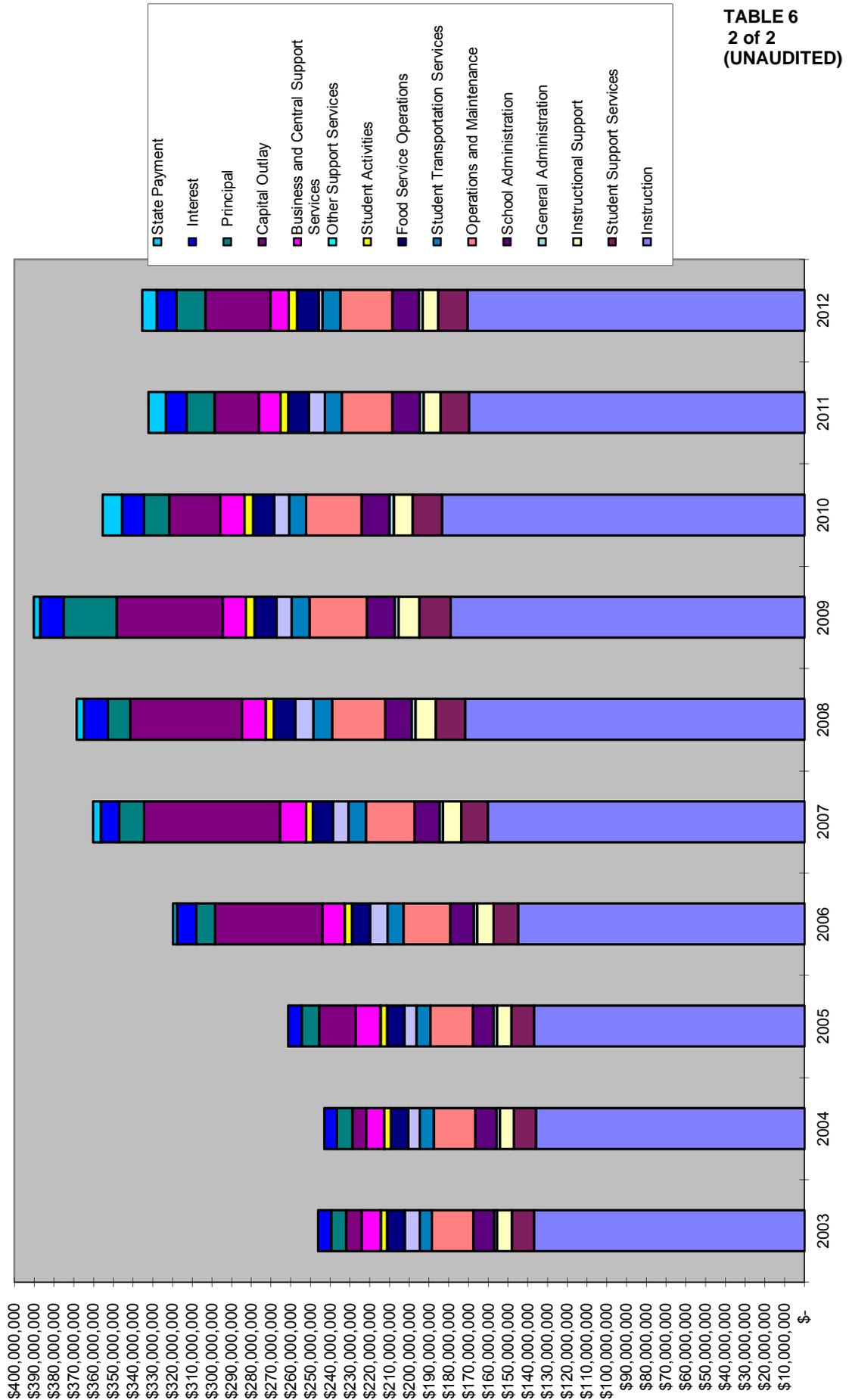
**SHAWNEE MISSION USD #512, KANSAS**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
(Modified Accrual Basis of Accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction	\$ 136,977,646	\$ 135,914,955	\$ 136,864,463	\$ 145,138,682	\$ 160,352,119	\$ 171,761,657	\$ 179,099,075	\$ 183,663,116	\$ 170,035,873	\$ 170,698,148
Student Support Services	11,105,614	11,205,878	11,491,264	12,461,064	13,505,144	15,064,105	16,043,234	14,907,675	14,328,515	14,823,074
Instructional Support	7,756,098	7,246,309	7,497,731	8,291,872	9,152,494	10,279,311	10,532,980	9,527,550	8,458,957	7,933,945
General Administration	1,348,591	1,695,345	1,503,056	1,610,093	1,757,925	1,867,757	1,925,137	2,139,955	2,028,624	1,968,731
School Administration	10,585,042	10,640,824	10,696,478	12,021,434	12,784,757	13,406,017	14,158,547	14,219,532	13,850,145	13,408,456
Operations and Maintenance	21,054,352	20,923,328	21,427,135	23,563,083	24,512,365	26,832,220	28,917,435	27,874,077	25,724,246	26,241,335
Student Transportation Services	6,054,764	7,164,686	7,142,595	8,131,172	8,966,756	9,558,892	9,102,841	8,551,345	8,426,838	9,135,585
Food Service Operations	8,960,970	8,916,383	8,925,915	9,374,060	10,033,818	10,913,472	11,219,447	10,789,495	10,488,324	11,016,334
Student Activities	3,248,870	3,296,441	3,153,230	3,484,110	3,609,605	4,188,650	4,374,068	4,352,822	3,988,609	4,019,090
Other Support Services	2,387	2,052	161,192	6,728	3,926	10,088	76,951	3,525	-	-
Business and Central Support Services	9,830,564	9,057,719	12,460,299	11,342,667	12,999,692	11,822,134	11,740,136	12,129,445	10,872,718	9,432,974
State Payment	-	-	-	2,003,655	3,986,261	3,788,310	3,307,073	9,714,502	8,554,660	7,202,108
Capital Outlay	7,789,038	7,043,419	18,629,785	54,435,148	68,987,205	56,585,776	53,696,585	25,857,483	22,576,148	32,905,087
Debt Service										
Principal	7,620,000	8,030,000	8,710,000	9,515,000	12,510,000	11,420,000	26,725,000	12,830,000	14,030,000	14,575,000
Interest	6,541,083	6,123,878	6,939,120	9,677,562	9,417,699	12,056,615	11,899,014	11,245,693	10,718,743	10,107,289
<b>Total Expenditures</b>	<b>\$ 238,875,019</b>	<b>\$ 237,261,217</b>	<b>\$ 255,602,263</b>	<b>\$ 311,056,330</b>	<b>\$ 352,579,766</b>	<b>\$ 359,555,004</b>	<b>\$ 382,817,523</b>	<b>\$ 347,806,215</b>	<b>\$ 324,082,400</b>	<b>\$ 333,467,156</b>
Debt service as a percentage of noncapital expenditures	6.13%	6.15%	6.60%	7.48%	7.73%	7.75%	11.88%	7.66%	8.51%	8.21%

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

Source: Shawnee Mission USD #512 Basic Financial Statements

# Shawnee Mission USD #512, Kansas Governmental Funds Expenditures Last Ten Fiscal Years



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**SHAWNEE MISSION USD #512, KANSAS**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Excess of Revenues Over</b>										
<b>[Under] Expenditures</b>	\$ 923,283	\$ [27,519,774]	\$ [6,067,107]	\$ [22,128,199]	\$ [36,964,571]	\$ [31,347,955]	\$ [49,277,332]	\$ [22,325,215]	\$ [3,428,410]	\$ [8,279,190]
<b>Other Financing Sources [Uses]</b>										
General long term debt issued	-	52,682,682	93,834,308	-	81,232,467	-	15,850,000	-	-	-
Bond premium	-	-	-	-	-	-	591,126	-	-	-
Sale of capital assets	1,033,539	1,405,424	634,582	797,411	-	-	-	-	-	-
Proceeds from legal settlement	-	700,000	-	-	-	-	-	-	-	-
Payment to escrow agent	-	[1,104,221]	[26,966,195]	-	[10,440,692]	-	-	-	-	-
Transfer in	33,934,698	36,489,343	33,280,028	71,740,354	75,209,741	78,542,019	88,749,676	76,962,367	14,289,170	14,969,513
Transfer out	[33,934,698]	[36,489,343]	[34,183,439]	[72,652,099]	[76,198,647]	[79,509,960]	[90,004,966]	[78,090,680]	[14,289,170]	[14,969,513]
<b>Total Other Financing Sources [Uses]</b>	1,033,539	53,683,865	66,599,284	[114,334]	69,802,869	[967,941]	15,185,836	[1,128,313]	-	-
<b>Net Change in Fund Balances</b>	\$ 1,956,822	\$ 26,164,111	\$ 60,532,177	\$ [22,242,533]	\$ 32,838,298	\$ [32,315,896]	\$ [34,091,496]	\$ [23,453,528]	\$ [3,428,410]	\$ [8,279,190]

Source: Shawnee Mission USD #512 Basic Financial Statements

**TABLE 7**  
**(UNAUDITED)**

**TABLE 8**  
**1 of 2**  
**(UNAUDITED)**

**SHAWNEE MISSION USD #512, KANSAS**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN TAX YEARS**

Tax Year	Real Property Assessed Value		Personal Property Assessed Value		Utilities Assessed Value		Total Assessed Value		Real Property Estimated Actual Value*		Personal Property Estimated Actual Value*		Utilities Estimated Actual Value*		Total Estimated Actual Value*		Ratio of Total Assessed to Total Estimated Actual Value	
	Value		Value		Value		Value		Value		Value		Value		Value		Estimated	Act. Value
2002	\$ 2,390,709,367	\$	212,571,138	\$	112,920,819	\$	2,716,201,324	\$	17,099,058,045	\$	836,113,143	\$	360,318,559	\$	18,295,489,747	14.85%	42.238	
2003	2,485,401,860		199,303,975		117,474,693		2,802,180,528		19,518,131,276		783,928,968		374,492,634		20,676,552,878	13.55%	37.774	
2004	2,574,608,478		191,745,181		116,835,405		2,883,189,064		20,182,361,128		754,197,712		372,278,290		21,308,837,130	13.53%	42.655	
2005	2,687,323,250		193,802,076		93,812,659		2,974,937,985		21,120,875,858		762,288,166		301,367,111		22,184,531,135	13.41%	49.748	
2006	2,859,959,642		205,724,746		92,715,920		3,158,400,308		22,369,792,853		809,184,001		299,017,502		23,477,994,356	13.45%	51.980	
2007	2,959,813,634		182,203,665		88,462,141		3,230,479,440		23,429,430,242		716,667,749		288,045,146		24,434,143,138	13.22%	52.008	
2008	3,001,456,336		134,371,767		82,202,286		3,218,030,389		23,790,562,536		528,528,950		268,834,452		24,587,925,938	13.09%	52.094	
2009	2,909,353,163		105,615,934		82,591,287		3,097,560,384		22,337,602,208		415,422,674		272,118,097		23,025,142,978	13.45%	55.318	
2010	2,773,580,553		86,570,989		78,644,838		2,938,796,380		21,412,868,757		373,807,140		263,785,935		22,050,461,833	13.33%	57.192	
2011	2,776,280,449		74,640,374		69,955,160		2,920,875,983		21,432,899,400		293,585,471		237,674,822		21,964,159,693	13.30%	56.135	

(1) Actual values for property within the boundaries of Unified School District No. 512 for years 2002 through 2011 is not maintained within 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, 2011 Comprehensive Annual Financial Report.)

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

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

**Shawnee Mission #512, Kansas  
Assessed Value of Taxable Property  
Last Ten Tax Years**

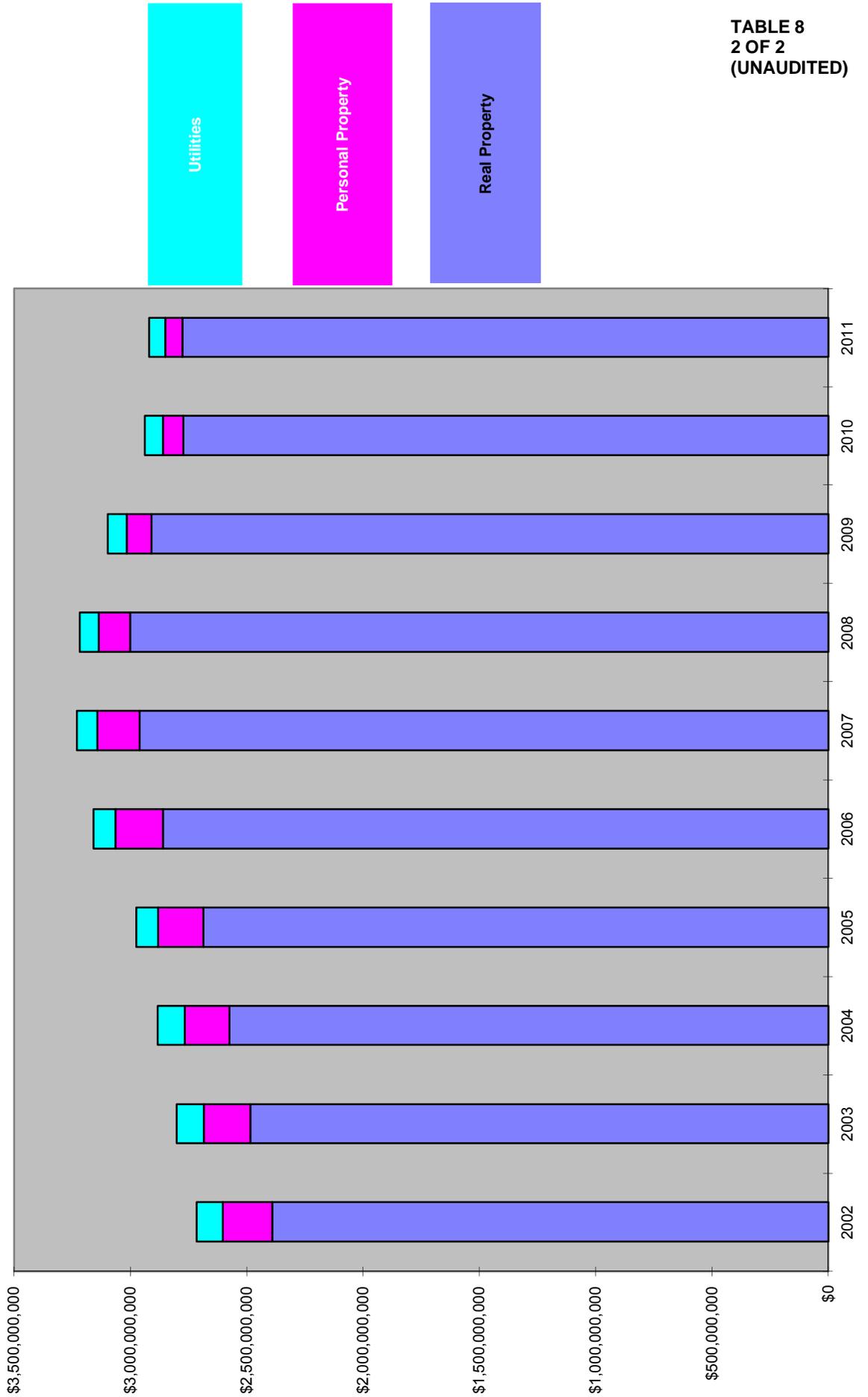


TABLE 9  
1 of 2  
(UNAUDITED)

SHAWNEE MISSION USD #512, KANSAS  
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN TAX YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	13,128	8,771	7,048	12,559	13,980	15,208	15,187	16,566	17,795	17,727
Capital Outlay	4,000	4,000	7,752	9,996	10,007	8,720	8,737	8,000	8,000	7,997
Declining Enrollment	0,000	0,000	0,000	0,706	1,162	0,986	0,765	0,918	1,003	0,188
Bond & Interest	4,898	4,879	6,879	5,827	6,034	6,517	6,893	7,183	8,001	7,907
Special Assessment	0,212	0,124	0,185	0,160	0,174	0,207	0,248	0,245	0,299	0,281
Cost of Living	0,000	0,000	0,000	0,000	0,123	0,120	0,120	2,239	2,094	2,035
Special Liability	0,000	0,000	0,791	0,500	0,500	0,250	0,144	0,167	0,000	0,000
Total - Direct	42,238	37,774	42,655	49,748	51,980	52,008	52,094	55,318	57,192	56,135
			(1)	(2)	(3)					
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	16,221	16,381	16,041	17,922	17,949	19,985	17,767	17,748	17,748	17,700
Cities										
Countryside	23,562	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Fairway	12,838	12,855	12,854	12,853	12,856	12,979	12,752	12,853	18,617	18,617
Leawood*	21,820	24,074	24,233	24,218	24,232	24,241	24,251	24,259	24,382	24,393
Lenexa*	23,575	26,553	26,513	26,477	26,468	26,477	26,568	26,574	26,626	29,635
Merriam	18,526	19,285	19,275	19,241	21,181	21,186	27,360	27,352	27,474	27,412
Mission	5,124	5,041	9,935	9,962	13,176	13,198	13,215	13,217	11,213	11,371
Mission Hills	20,872	20,880	22,592	22,170	21,896	21,904	21,912	21,898	21,904	21,905
Mission Woods	13,917	13,203	12,934	12,732	13,821	13,149	13,259	13,311	13,000	11,723
Overland Park*	7,847	9,057	9,037	9,037	8,889	8,832	8,852	8,890	8,876	12,814
Prairie Village	15,744	15,765	15,843	15,720	16,133	18,166	18,182	18,179	18,877	19,491
Roeland Park	17,334	21,976	21,981	21,719	20,485	20,539	18,783	18,770	22,030	23,225
Shawnee*	20,835	20,845	20,856	20,847	24,621	24,652	24,693	24,699	24,717	24,732
Westwood	10,924	12,902	13,090	16,746	19,551	22,604	25,571	23,493	23,499	23,881
Westwood Hills	16,133	15,224	17,010	17,010	17,010	17,009	17,011	18,000	18,000	20,000
Merriam Drainage	3,176	3,612	3,749	3,798	4,050	3,934	2,488	2,615	2,849	3,038
Johnson County Consolidated Fire #2	16,569	16,377	15,947	9,405	9,335	9,356	8,992	8,991	18,336	18,045
Monticello Cemetery District*	0,044	0,043	0,042	0,041	0,045	2,941	0,033	0,032	0,051	0,041
Johnson County Community College*	9,428	9,432	9,438	8,960	8,872	8,749	8,768	8,784	8,799	8,776
Johnson County Parks and Recreation*	1,602	2,365	2,367	2,286	2,290	2,295	2,341	2,346	2,350	2,343
Johnson County Library Board*	2,948	2,954	2,956	2,955	2,960	2,962	3,057	3,151	3,158	3,145
	280,539	270,324	278,193	275,599	287,320	296,658	297,355	296,630	314,006	323,787

(1) 2004 is the first year that taxes were levied for the Special Liability Fund.

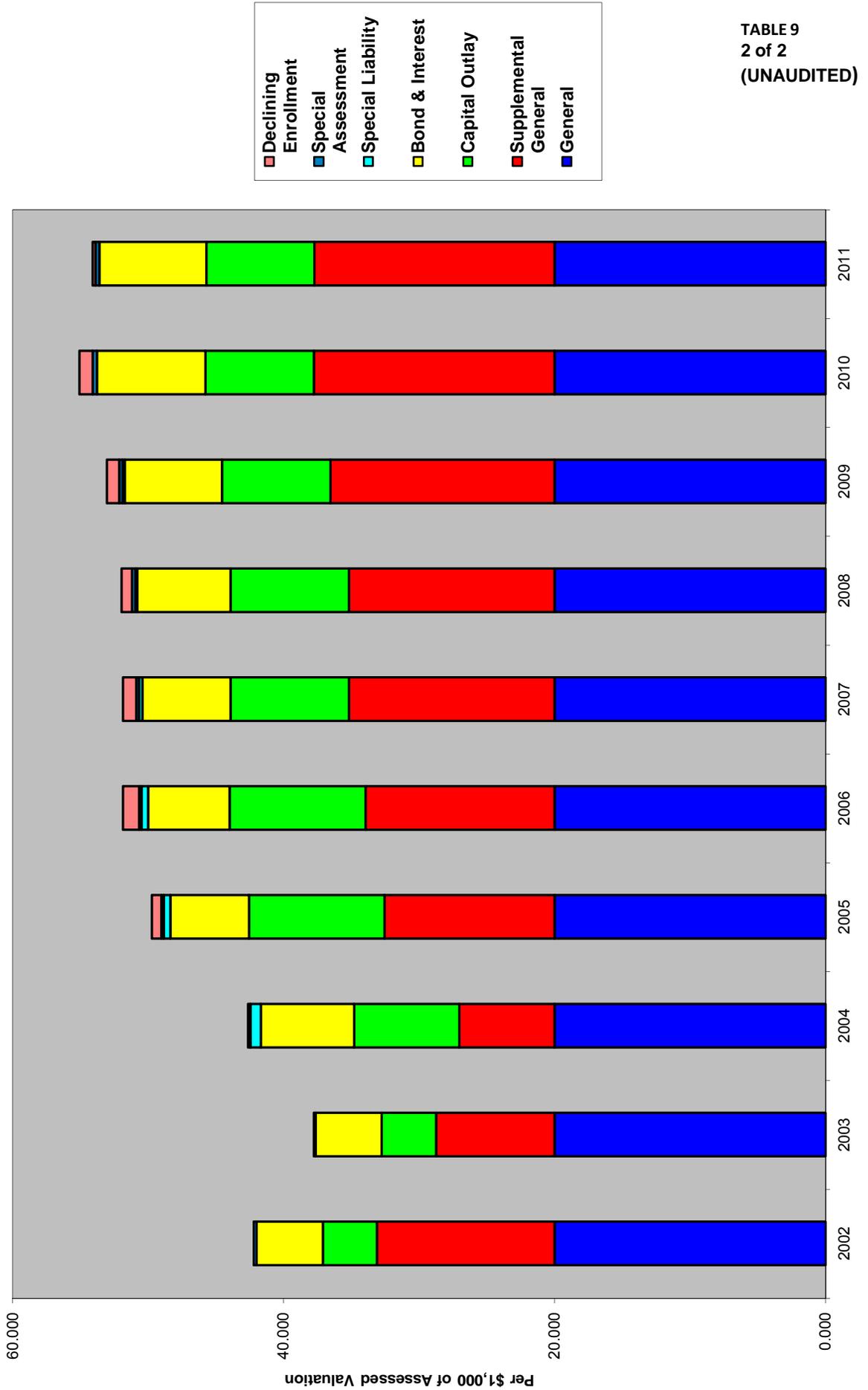
(2) 2005 is the first year that taxes were levied for the Declining Enrollment Fund.

(3) 2006 is the first year that taxes were levied for the Cost of Living Fund.

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

Source: Johnson County Clerk's Office

**Shawnee Mission USD #512, Kansas  
District Mill Levy Rates  
Last Ten Tax Years**



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TABLE 10  
(UNAUDITED)

SHAWNEE MISSION USD #512, KANSAS  
PRINCIPAL TAXPAYERS  
JUNE 30, 2012 and Nine Years Ago

<u>Name</u>	<u>Industry</u>	<u>2012 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>	<u>2003 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Oak Park Mall, LLC	Shopping Center	\$ 69,528,089	2.38%	\$ -	
Kansas City Power & Light Co	Utility	21,001,674	0.72%		
Southwestern Bell Telephone	Utility	17,722,819	0.61%		
Perg Buildings, LLC	Shopping Center	17,350,951	0.59%	16,456,565	0.61%
Kansas Gas Service	Utility	14,014,950	0.48%		
Tower Properties Company	Real Estate	9,586,820	0.33%	7,156,355	0.26%
Merriam Town Center, LTD	Real Estate	8,798,004	0.30%	10,491,527	0.39%
Midwest Division - OPRMC, LLC	Pharmaceuticals	8,311,102	0.28%		
MEPT Kansas	Real Estate	8,079,268	0.28%		
Sprint Communications Co., LP	Utility	7,443,138	0.25%		
Mutual Life Insurance Company	Insurance			7,630,630	0.28%
Overland Park Regional Medical Center	Medical			8,148,276	0.30%
Challenger, Inc.	Real Estate			32,438,885	1.19%
Highwoods Realty Limited	Real Estate			15,930,940	0.59%
KPERS Realty Holding	Real Estate			10,602,116	0.39%
EQR-Connor, L.L.C.	Real Estate			8,319,285	0.31%
SPM/WRI Overland Park, L.P.	Real Estate			6,751,954	0.25%
		<u>\$ 181,836,815</u>	<u>6.23%</u>	<u>\$ 123,926,533</u>	<u>4.57%</u>

Source: Johnson County Clerk's Office

TABLE 11  
1 Of 2  
(UNAUDITED)

**SHAWNEE MISSION USD #512, KANSAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

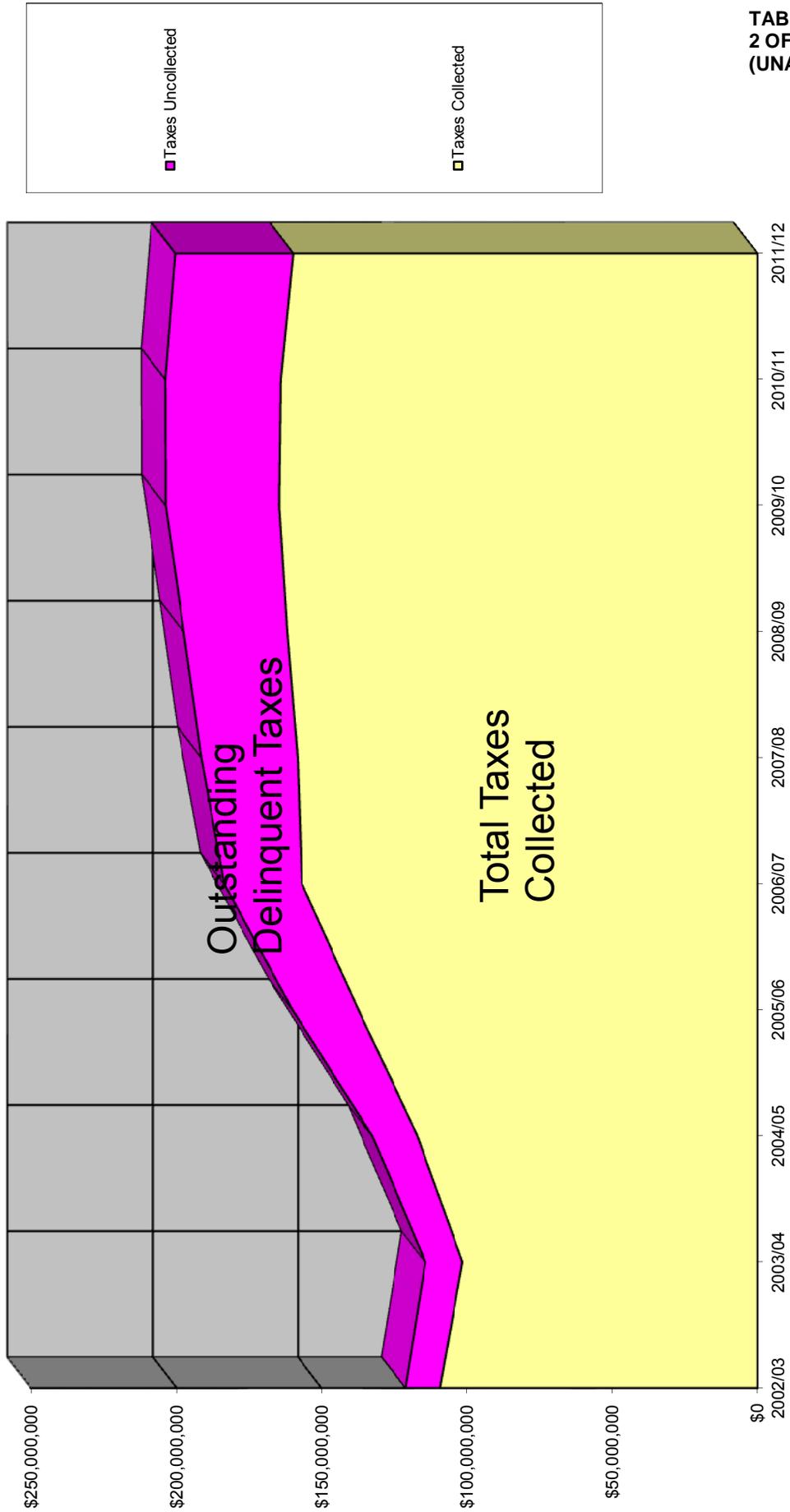
Tax Year/ Collection Year	Tax Levy	Percent of		Total Tax Collections (Current & Delinquent)	Ratio of Total		Ratio of	
		Current Tax Collections	Current Taxes Collected		Current Tax Collections	to Total Tax Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes to Total Tax Levy
2002/03	\$ 111,382,832	\$ 108,039,616	97.00%	\$ 109,324,883	98.15%	\$ 11,871,101	10.66%	
2003/04	102,495,911	100,230,766	97.79%	101,546,569	99.07%	12,820,443	12.51%	
2004/05	119,621,320	116,233,277	97.17%	117,136,237	97.92%	15,305,526	12.79%	
2005/06	144,627,785	136,003,567	94.04%	137,205,198	94.87%	22,728,113	15.71%	
2006/07	160,798,067	155,470,351	96.69%	156,705,209	97.45%	26,820,971	16.68%	
2007/08	164,620,480	156,934,811	95.33%	158,169,672	96.08%	33,271,779	20.21%	
2008/09	164,246,789	160,075,199	97.46%	161,753,041	98.48%	35,765,527	21.78%	
2009/10	167,958,547	163,237,526	97.19%	164,519,096	97.95%	39,204,978	23.34%	
2010/11	164,677,469	161,881,668	98.30%	163,959,390	99.56%	39,923,057	24.24%	
2011/12	160,564,255	157,970,454	98.38%	159,693,572	99.46%	40,793,740	25.41%	
	(1)	(2)		(2)		(2)		

(1) Tax year balances.

(2) Collection year balances.

Source: Johnson County Treasurer's Office

**Shawnee Mission USD #512, Kansas  
Property Tax Levies and Collections  
Last Ten Years**



**TABLE 11  
2 OF 2  
(UNAUDITED)**

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**SHAWNEE MISSION USD #512, KANSAS  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation		Total	District		Personal Income	Per Capita	Percentage of Personal Income
	Bonds			Population				
2003	\$	125,745,000	\$	125,745,000	(1) 221,595	(2) 6,654,338,100	567	1.89%
2004		170,397,682		170,397,682	221,595	6,654,338,100	769	2.56%
2005		229,684,452		229,684,452	221,595	7,333,319,700	1,037	3.13%
2006		220,019,751		220,019,751	221,595	7,333,319,700	993	3.00%
2007		278,094,882		278,094,882	221,595	7,333,319,700	1,255	3.79%
2008		266,322,547		266,322,547	221,595	7,333,319,700	1,202	3.63%
2009		255,599,839		255,599,839	224,838	7,333,319,700	1,137	3.49%
2010		242,277,267		242,277,267	223,000	7,333,319,700	1,086	3.30%
2011		227,754,694		227,754,694	221,000	8,248,383,000	1,031	2.76%
2012		212,687,122		212,687,122	230,000	8,050,000,000	925	2.64%

(1) Population for 2003 through 2010 based on 2000 census. Population for 2011 through 2012 is from the Johnson County Economic Institute.

(2) The 2003 to 2004 personal income information is from 2000 census data, the 2005 to 2007 personal income information is from the 2005 Census American Community Survey, the 2008 personal income information is from the 2007 Census American Community Survey, the 2009 personal income information is from the 2008 Census American Community Survey and the 2010 personal income information is from the 2009 Census American Community Survey. The 2011 through 2012 personal income information is from the Johnson County Economic Research Institute.

Source: Johnson County Clerk and Shawnee Mission #512 records

TABLE 12  
(UNAUDITED)

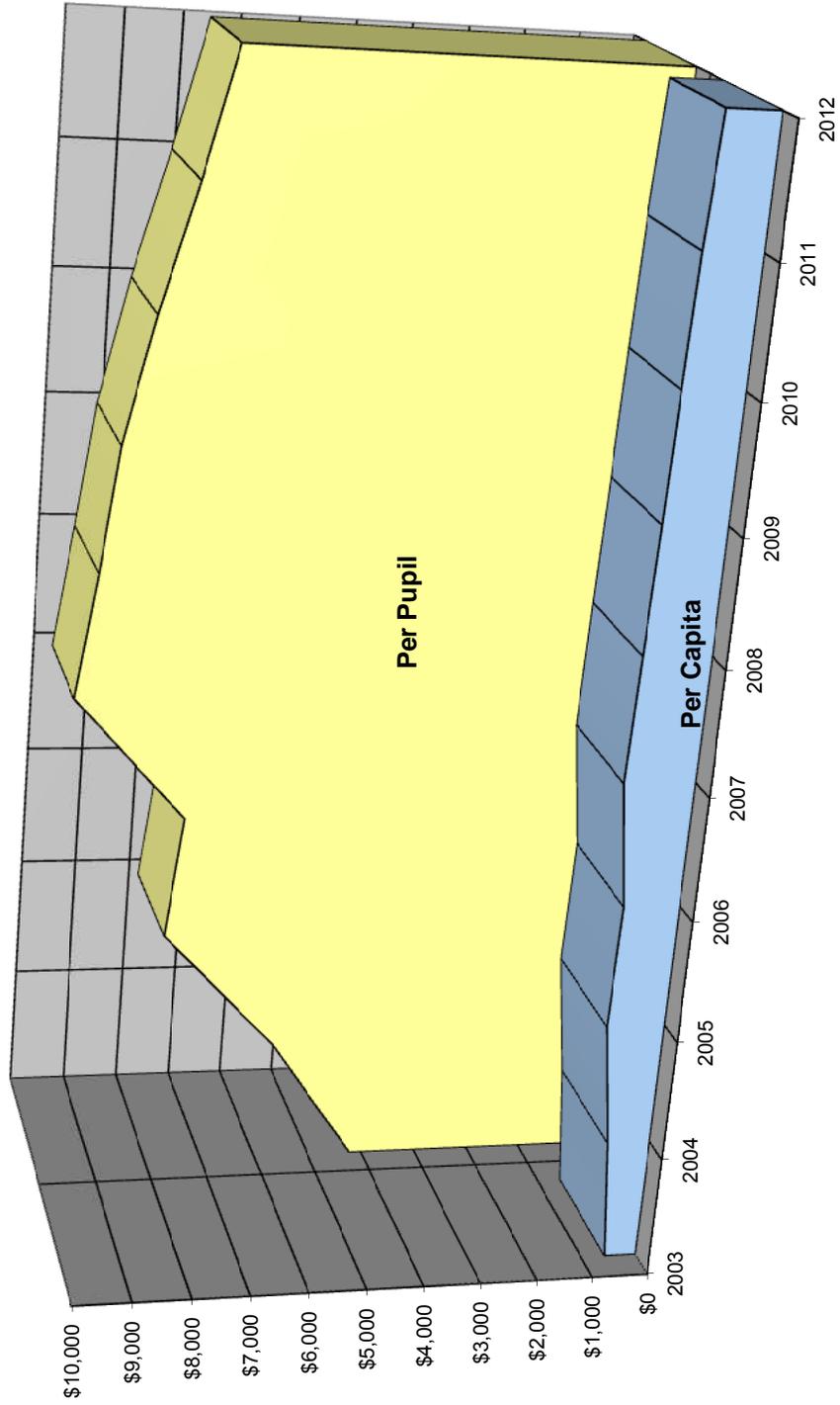
TABLE 13  
1 of 2  
(UNAUDITED)

SHAWNEE MISSION USD #512, KANSAS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

Fiscal Year	District Population	District Enrollment	Total Assessed Value	Bonded Debt	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita	Bonded Debt Per Pupil
2003	221,595	29,832	\$ 2,716,201,324	\$ 125,745,000	4.63%	567	4,215
2004	221,595	29,371	2,802,180,528	170,397,682	6.08%	769	5,802
2005	221,595	28,952	2,883,189,064	229,684,452	7.97%	1,037	7,933
2006	221,595	28,520	2,974,937,985	220,019,751	7.40%	993	7,715
2007	221,595	28,530	3,158,400,308	278,094,882	8.80%	1,255	9,747
2008	221,595	28,158	3,230,479,440	266,322,547	8.24%	1,202	9,458
2009	224,838	27,776	3,218,030,389	255,599,839	7.94%	1,137	9,202
2010	223,000	27,744	3,097,560,384	242,277,267	7.82%	1,086	8,733
2011	221,000	27,870	2,938,796,380	227,754,694	7.75%	1,031	8,172
2012	230,000	27,767	2,920,875,983	212,687,122	7.28%	925	7,660

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

**Shawnee Mission USD #512, Kansas  
 Ratio of District Net Bonded Debt Per Capita and Per Pupil  
 Last Ten Fiscal Years**



**TABLE 13  
 2 of 2  
 (UNAUDITED)**

TABLE 14  
(UNAUDITED)

**SHAWNEE MISSION USD #512, KANSAS**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
June 30, 2012

		Principal Amount of Outstanding Debt	Percent Applicable to School District	Amount Applicable to School District
<b>Direct</b>				
	Shawnee Mission USD #512	\$ 212,687,122	100.00%	\$ 212,687,122
<b>Overlapping</b>				
	Johnson County	\$ 240,750,000	38.56%	\$ 92,833,200
	Johnson County Park & Recreation	3,625,000	38.56%	1,397,800
	City of Fairway	8,380,000	100.00%	8,380,000
	City of Leawood	65,830,000	20.70%	13,626,810
	City of Lenexa	111,415,000	66.48%	74,068,692
	City of Merriam	15,830,000	100.00%	15,830,000
	City of Mission	35,155,000	100.00%	35,155,000
	City of Mission Hills	1,918,318	100.00%	1,918,318
	City of Overland Park	197,155,000	34.16%	67,348,148
	City of Prairie Village	8,440,000	100.00%	8,440,000
	City of Roeland Park	14,150,000	100.00%	14,150,000
	City of Shawnee	94,205,000	59.26%	55,825,883
	Johnson County Fire Department #2	1,375,000	100.00%	1,375,000
	<b>Total Overlapping Debt</b>			<u>\$ 390,348,851</u>
<b>Total Direct and Overlapping Debt</b>				<u><u>\$ 603,035,973</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.**

SHAWNEE MISSION USD #512, KANSAS  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Assessed Valuation of Taxable Property	\$ 2,716,201,324	\$ 2,802,180,528	\$ 2,883,189,064	\$ 2,974,937,985	\$ 3,158,400,308	\$ 3,230,479,440	\$ 3,218,030,389	\$ 3,097,560,384	\$ 2,938,796,380	\$ 3,207,842,957
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	380,268,185	392,305,274	403,646,469	416,491,318	442,176,043	452,267,122	450,524,254	433,658,454	411,431,493	449,098,014
Total net debt applicable to limit	125,745,000	170,397,682	229,684,452	220,019,751	278,094,882	266,322,547	255,599,839	242,277,267	227,754,694	212,687,122
Legal Debt Margin	\$ 254,523,185	\$ 221,907,592	\$ 173,962,017	\$ 196,471,567	\$ 164,081,161	\$ 185,944,575	\$ 194,924,415	\$ 191,381,187	\$ 183,676,799	\$ 236,410,892
Total Net Debt Applicable To The Limit										
As A Percentage of Debt Limit	33.07%	43.43%	56.90%	52.83%	62.89%	58.89%	56.73%	55.87%	55.36%	47.36%

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

TABLE 16  
1 of 2  
(UNAUDITED)

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

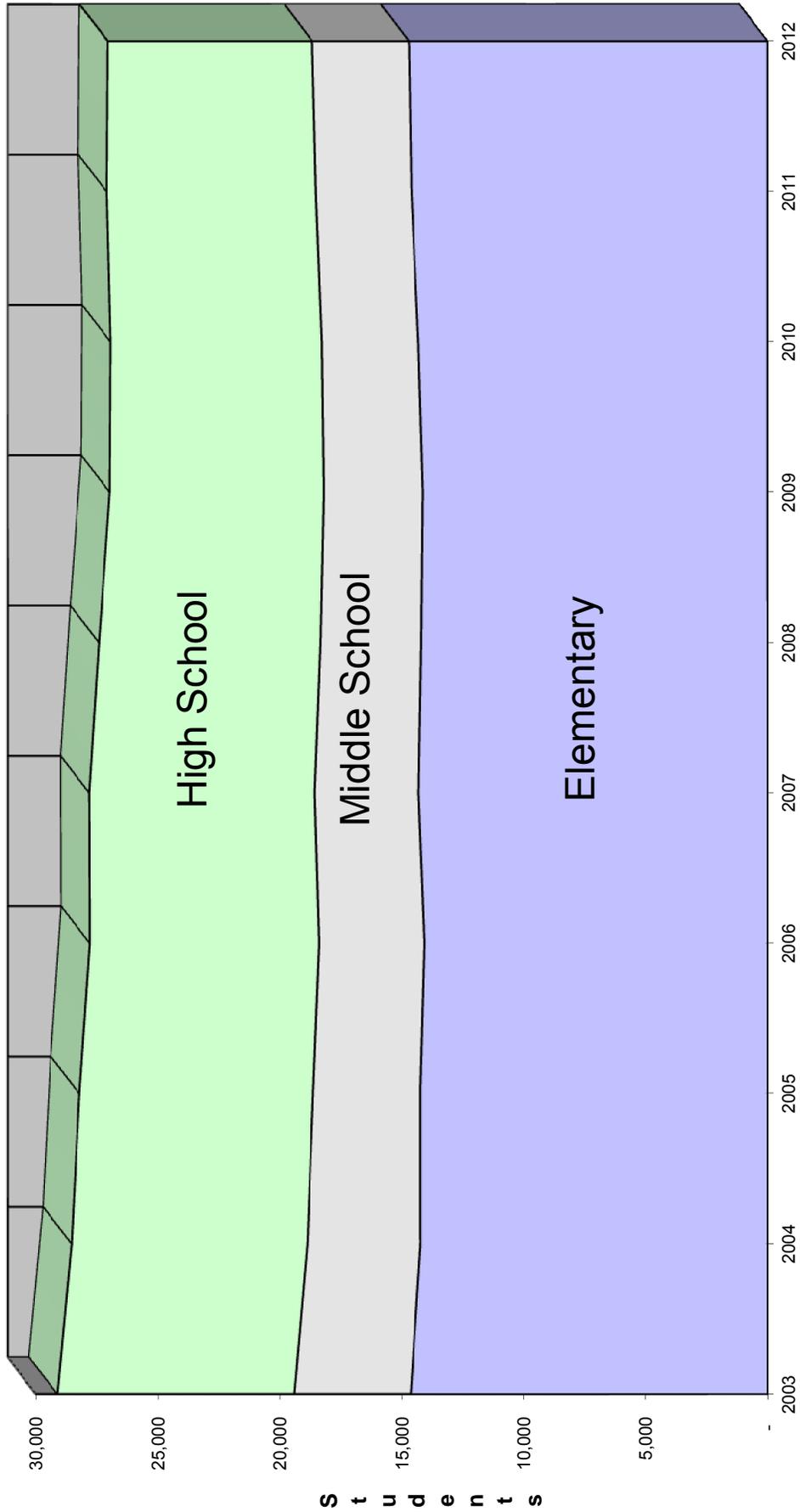
Fiscal Year	Elementary School	Middle School	High School	Special Education & Other	Total Student Enrollment (1)	Average Daily Attendance	Total District Population	Personal Income	Per Capita Personal Income	Unemployment Rate (2)
2003	14,622	4,781	9,709	720	29,832	95.8%	221,595	\$ 6,654,338,100	\$ 30,029	3.8%
2004	14,220	4,639	9,676	836	29,371	95.6%	221,595	6,654,338,100	30,029	4.1%
2005	14,230	4,388	9,604	730	28,952	95.6%	221,595	7,333,319,700	33,093	4.8%
2006	14,057	4,313	9,429	721	28,520	95.5%	221,595	7,333,319,700	33,093	4.7%
2007	14,301	4,252	9,268	709	28,530	95.6%	221,595	7,333,319,700	33,093	4.1%
2008	14,192	4,125	9,108	733	28,158	95.2%	221,595	7,333,319,700	33,093	3.7%
2009	14,127	4,055	8,800	789	27,771	94.9%	224,838	7,333,319,700	32,616	4.8%
2010	14,311	3,956	8,679	798	27,744	93.9%	223,000	7,333,319,700	32,885	6.0%
2011	14,595	3,912	8,597	766	27,870	95.4%	221,000	8,248,383,000	37,323	6.0%
2012	14,699	3,960	8,404	704	27,767	95.7%	230,000	8,050,000,000	35,000	5.0%

(1) Enrollment counts as of September 20th.

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

Source: 2011 Johnson County CAFR and Shawnee Mission USD #512 records

**Shawnee Mission USD #512, Kansas  
Demographic Statistics  
Enrollment - Last Ten Fiscal Years**



**TABLE 16  
2 of 2  
(UNAUDITED)**

S t u d e n t s

**TABLE 17  
(UNAUDITED)**

**SHAWNEE MISSION USD #512, KANSAS  
PRINCIPAL EMPLOYERS  
JUNE 30, 2012 AND 2003**

<u>Employer</u> (1)	June 30, 2012			June 30, 2003		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
USD #232 (DeSoto)	950	1	3.50%			
FedEx Ground Package System	950	2	3.50%	500	2	***
Deffenbaugh Industries	750	3	2.77%	1,200	1	***
Bayer HealthCare, LLC	583	4	2.15%	350	6	***
Perceptive Software, Inc.	551	5	2.03%			
Wal-Mart	450	6	1.66%	500	3	***
City of Shawnee	289	7	1.07%			
Hy-Vee Food & Drug Store	230	8	0.85%	460	4	***
McClane Food Service	200	9	0.74%			
Target	196	10	0.72%	425	5	***
Harte Hanks Kansas City				330	7	***
Airsys ATM Inc.				260	8	***
Millennium Marketing, Ing.				200	9	***
A.J. Plastics/Churchill Container Corp.				175	10	***
<b>Total</b>	<u>5,149</u>		<u>18.99%</u>	<u>4,400</u>		<u>***</u>
City of Shawnee	<u>27,117</u>			<u>***</u>		

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

**\*\*\* Data not available**

**Source: 2011 City of Shawnee CAFR**

TABLE 18  
(UNAUDITED)

SHAWNEE MISSION USD #512, KANSAS  
 DIRECTORY OF SCHOOL FACILITIES  
 AS OF JUNE 30, 2012

<u>School</u>	<u>Year Opened</u>	<u>Current Capacity</u>	<u>Enrollment As Of Sept. 20, 2011</u>	<u>Percent of Student Capacity</u>
Shawnee Mission East High School	1958	2,388	1,778	74.46%
Shawnee Mission North High School	1921	2,256	1,541	68.31%
Shawnee Mission Northwest High School	1969	2,376	1,780	74.92%
Shawnee Mission South High School	1966	2,232	1,380	61.83%
Shawnee Mission West High School	1962	2,424	1,811	74.71%
Shawnee Mission Horizons	2001	456	114	25.00%
Hocker Grove Middle School	1955	1,188	768	64.65%
Indian Hills Middle School	1955	1,191	755	63.39%
Indian Woods Middle School	1961	1,110	651	58.65%
Trailridge Middle School	1967	1,167	828	70.95%
Westridge Middle School	1962	1,434	956	66.67%
Shawnee Mission Horizons	2001	N/A	2	N/A
Apache Elementary	1958	592	374	63.18%
Belinder Elementary	1952	592	486	82.09%
Benninghoven Elementary	1966	740	625	84.46%
Bluejacket-Flint Elementary	1996	692	467	67.49%
Briarwood Elementary	1959	642	535	83.33%
Broken Arrow Elementary	1990	714	407	57.00%
Brookridge Elementary	1967	680	409	60.15%
Brookwood Elementary	1960	500	383	76.60%
Comanche Elementary	2008	616	634	102.92%
Corinth Elementary	1996	596	523	87.75%
Crestview Elementary	1954	524	387	73.85%
Diemer Elementary	1964	476	255	53.57%
East Antioch Elementary	1958	450	396	88.00%
Highlands Elementary	2010	640	282	44.06%
Marsh Elementary	2006	546	533	97.62%
McAuliffe Elementary	1987	642	459	71.50%
Merriam Park Elementary	2007	568	496	87.32%
Mill Creek Elementary	1978	568	391	68.84%
Moody Elementary	1966	620	261	42.10%
Nieman Elementary	2008	618	572	92.56%
Oak Park-Carpenter Elementary	2007	546	500	91.58%
Overland Park Elementary	1998	522	366	70.11%
Pawnee Elementary	1965	618	450	72.82%
Prairie Elementary	1993	498	434	87.15%
Rising Star Elementary	1991	714	617	86.41%
Roesland Elementary	2008	568	386	67.96%
Rosehill Elementary	1966	812	551	67.86%
Rushton Elementary	1954	428	339	79.21%
Santa Fe Trail Elementary	1953	642	270	42.06%
Shawano Elementary	1960	570	346	60.70%
Sunflower Elementary	1994	642	612	95.33%
Tomahawk Elementary	1954	498	311	62.45%
Trailwood Elementary	1962	620	358	57.74%
Westwood View Elementary	1968	404	284	70.30%
Preschool & Other Enrollment			704	
Total			<u>27,767</u>	

Source: Shawnee Mission USD #512 records

TABLE 19  
(UNAUDITED)

SHAWNEE MISSION USD #512, KANSAS  
MISCELLANEOUS STATISTICAL DATA  
AS OF JUNE 30, 2012

Year of Incorporation	1969
Form of Government	Elected Board
Area of District	72 Square Miles
Population of District	230,000
Ending Enrollment 2011/2012	27,767

<b>Number of Schools</b>		<b>Average Class Size (1)</b>	
Elementary Schools	34	Elementary	21.4
Middle Schools	5	Secondary	N/A
High Schools	5		
<b>Total</b>	<b>44</b>	<b>Number of Full-Time Equivalent Employees</b>	
		Classified	1,489.9
		Certified	2,058.6
		<b>Total</b>	<b>3,548.5</b>

Teacher Summary

Degree	Number of Teachers	% of Total	Salary Range	
			Low	High
Bachelors	131	6.2%	\$ 39,240	\$ 43,995
Bachelors + 10	39	1.8%	40,132	47,203
Bachelors + 20	200	9.5%	41,029	53,064
Masters	652	30.8%	45,616	61,306
Masters + 15	171	8.1%	46,928	64,343
Masters + 30	136	6.4%	48,273	68,133
Masters + 45	94	4.4%	49,723	72,034
Masters + 60	663	31.3%	51,137	76,006
Doctorate	30	1.4%	53,518	78,546

Certified Employee Allocation

	Elementary				Total
	District Office	School	Middle School	High School	
Superintendent	1.0	-	-	-	1.0
Asst. Superintendent	3.0	-	-	-	3.0
Principals	-	34.0	5.0	6.0	45.0
Asst. Principals	-	-	5.0	16.0	21.0
Directors Special Ed.	1.0	-	-	-	1.0
Directors Health	1.0	-	-	-	1.0
Directors Vocational Ed.	1.0	-	-	-	1.0
Instructional Coordinators	8.0	-	-	-	8.0
Other Directors	4.0	-	-	-	4.0
Curriculum Specialists	9.2	-	-	-	9.2
Vocational Arts Teachers	-	-	15.0	45.2	60.2
Special Ed. Teachers	-	96.0	28.5	74.5	199.0
Pre-Kindergarten	-	6.0	-	-	6.0
Kindergarten	-	100.0	-	-	100.0
Other Teachers	-	698.9	200.4	416.4	1,315.7
Library Media	-	31.5	5.0	5.5	42.0
Counselors	-	1.3	9.0	26.0	36.3
School Psychologists	15.0	-	-	2.0	17.0
Nurses	-	35.0	5.0	7.0	47.0
Speech Pathologists	0.8	39.7	2.0	2.8	45.3
Audiologists	-	1.0	-	-	1.0
Social Workers	11.0	18.2	2.0	9.0	40.2
Reading	-	60.0	2.0	-	62.0
Other	27.2	17.2	-	-	44.4
	82.2	1,138.8	278.9	610.4	2,110.3

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

Source: Shawnee Mission USD #512 records

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

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Expenses	Cost Per Pupil	Teaching Staff	Pupil - Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
2003	29,832	\$ 216,924,898	\$ 7,272	\$ 232,193,953	\$ 7,783	2,155	14	12.27%
2004	29,371	216,063,920	7,356	232,211,624	7,906	2,147	14	14.23%
2005	28,952	221,323,358	7,644	237,333,176	8,197	2,124	14	15.99%
2006	28,520	237,428,620	8,325	261,303,828	9,162	2,103	14	17.19%
2007	28,530	261,664,862	9,172	286,808,004	10,053	2,176	13	19.20%
2008	28,158	279,492,613	9,926	307,600,415	10,924	2,257	12	21.72%
2009	27,771	290,496,924	10,460	319,880,613	11,519	2,225	12	23.82%
2010	27,744	297,873,039	10,736	324,801,079	11,707	2,275	12	30.85%
2011	27,870	276,757,509	9,930	306,479,631	10,997	2,179	13	33.25%
2012	27,767	275,879,780	9,936	307,881,456	11,088	2,059	13	35.53%

(1) Enrollment counts as of September 20th.

Source: Shawnee Mission USD #512 records

TABLE 20  
(UNAUDITED)

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**GOVERNMENTAL AUDIT SECTION**

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SHAWNEE MISSION UNIFIED SCHOOL DISTRICT 512

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
U.S. Department of Education					
Passed through Kansas Department of Education (KSDE):					
Title I	84.010	\$ 11,693	\$ 4,701,000	\$ 4,739,496	\$ [26,803]
Title I - Program Improvement	84.010	-	63,000	67,702	[4,702]
Title I - ARRA	84.389	2,911	34,326	37,237	-
Title I - Migrant Education	84.011	-	76,000	91,360	[15,360]
Title I - Migrant Health Care	84.011	-	250	250	-
Title II-A Teacher Quality	84.367	9,313	780,000	844,880	[55,567]
Title II-D Education Technology	84.318	[1,346]	2,178	832	-
Title III	84.365	18,284	175,000	221,970	[28,686]
Title IV Safe & Drug Free Schools	84.186	[24,963]	33,360	8,397	-
Title VI-B	84.027	-	181,639	181,639	-
Title VI-B Pass Thru	84.027	[580,000]	6,424,476	5,844,476	-
Title VI-B Administration	84.027	-	776	776	-
Early Childhood Flo Thru	84.173	-	112,041	112,041	-
Carl Perkins	84.048	-	232,936	232,936	-
Carl Perkins - Planning & Evaluation	84.048	-	248	248	-
Education Jobs Fund	84.410	-	71,272	71,272	-
Striving Readers Comprehensive Literacy Program	84.371	-	129	129	-
Total Department of Education Passed Through KSDE			<u>12,888,631</u>	<u>12,455,641</u>	
U.S. Department of Health & Human Services					
Passed through Kansas Department of Education (KSDE):					
Youth Risk Behavior Survey	93.938	-	<u>1,035</u>	<u>1,035</u>	-
U.S. Department of Agriculture					
Passed through Kansas Department of Education (KSDE):					
School Breakfast	10.553	-	760,156	760,156	-
Team Nutrition	10.574	-	13,000	13,000	-
National School Lunch Program	10.555	-	4,389,953	4,389,953	-
State Administrative Expenses for Child Nutrition	10.560	-	400	400	-
Fresh Fruit & Vegetable Program	10.582	-	<u>119,037</u>	<u>119,037</u>	-
Total Department of Agriculture Passed Through KSDE			<u>5,282,546</u>	<u>5,282,546</u>	
Total			<u>\$ 18,172,212</u>	<u>\$ 17,739,222</u>	

See independent auditor's report on the financial statements and notes to the schedule of expenditures of federal awards.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2012

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the expenditures of all federal financial assistance programs of Shawnee Mission Unified School District No. 512. All expenditures of federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented in accordance with the cash basis and budget laws of Kansas.

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?        Yes   X   No

Significant deficiency(s) identified that are not considered to be material weaknesses?        Yes   X   None reported

Noncompliance material to financial statements noted?        Yes   X   No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?        Yes   X   No

Significant deficiency(s) identified that are not considered to be material weaknesses?        Yes   X   None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?        Yes   X   No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.553, 10.555

Child Nutrition Cluster

84.367

Title II-A Teacher Quality

Dollar threshold used to distinguish between type A and type B programs: \$532,177

Auditee qualified as low-risk auditee?   X   Yes        No

SHAWNEE MISSION UNIFIED SCHOOL DISTRICT NO. 512  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
For the Year Ended June 30, 2012

Section II - Financial Statement Findings

None Noted

Section III - Federal Award Findings and Questioned Costs

None Noted



INDEPENDENT AUDITOR'S 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 the financial statements of the governmental activities, each major fund, the budgetary comparison information and the aggregate remaining fund information of Shawnee Mission Unified School District No. 512 as of and for the year ended June 30, 2012, which collectively comprise the District's financial statements and have issued our report thereon dated October 30, 2012. We conducted our audit 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.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

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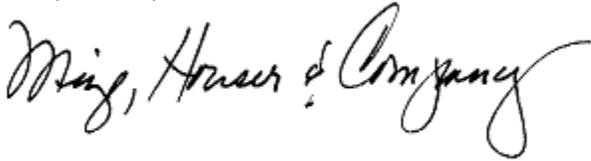
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900 Massachusetts, Suite 301 ■ Lawrence, KS 66044-2868 ■ 785.749.5050 p ■ 785.749.5061 f

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 determination of financial statement amounts. 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."

However, we noted certain matters that we have reported to the District's management in a separate letter dated October 30, 2012.

This report is intended solely for the information and use of the Board of Education, administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink that reads "Ming, Horner & Company". The signature is written in a cursive, flowing style.

October 30, 2012



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education  
Shawnee Mission Unified School District No. 512

Compliance

We have audited the compliance of Shawnee Mission Unified School District No. 512 with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. Shawnee Mission Unified School District No. 512's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, Shawnee Mission Unified School District No. 512 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

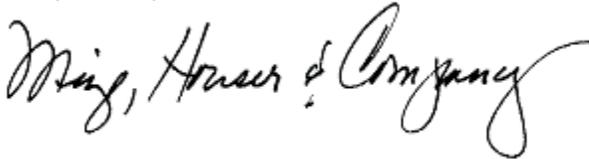
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A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in cursive script that reads "King, Houser & Company". The signature is written in black ink and is positioned below the explanatory text.

October 30, 2012