

NEW ISSUE – BOOK ENTRY ONLY

RATING: MOODY'S: “_”
See “BOND RATING” herein

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

\$65,315,000*

**UNIFIED SCHOOL DISTRICT NO. 230
JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 2025**

Dated: Date of Delivery

Due: September 1, as shown on inside cover

The General Obligation Refunding and Improvement Bonds, Series 2025 (the “Bonds” or the “Series 2025 Bonds”) will be issued by the Unified School District No. 230, Johnson/Miami County, Kansas (Spring Hill) (the “District” or the “Issuer”), as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denominations of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Bonds. Principal of the Bonds will be payable annually on September 1, beginning in 2030. Semiannual interest on the Bonds will be payable on March 1 and September 1, beginning on March 1, 2026 (the “Interest Payment Dates”). Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as paying agent and bond registrar (the “Paying Agent” and “Bond Registrar”). Interest payable on each Bond shall be paid to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner or, in the case of an interest payment to a registered owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds and the interest thereon will constitute general obligations of the Issuer, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property within the territorial limits of the Issuer. See “THE BONDS – Security for the Bonds” herein.

At the option of the Issuer, the Bonds maturing on September 1, 2036 and thereafter will be subject to redemption prior to maturity at the option of the Issuer on September 1, 2035 and any date thereafter, in whole or in part, at the redemption price of par, plus accrued interest to the date of redemption as more fully described herein. See “THE BONDS – Redemption Provisions” herein.

The Bonds are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about July 15, 2025.

RAYMOND JAMES

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

The date of this Official Statement is June ___, 2025.

**Preliminary, subject to change.*

\$65,315,000*
UNIFIED SCHOOL DISTRICT NO. 230
JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 2025

MATURITY SCHEDULE*

Dated: Date of Delivery

Due: September 1, as shown below

SERIAL BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
2030	\$4,000,000			
2031	1,315,000			
2040	8,820,000			
2041	9,265,000			
2042	9,725,000			
2043	10,210,000			
2044	10,720,000			
2045	11,260,000			

[TERM BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
]

(All plus accrued interest, if any)

(1) CUSIP data is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. and is included solely for the convenience of the Owners of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

**Preliminary, subject to change.*

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

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

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

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

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

**UNIFIED SCHOOL DISTRICT NO. 230
JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)**

Office of the Board of Education
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Doug Hull, Vice President
April Horne
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Superintendent
Dr. Link Luttrell

Assistant Superintendent
Dr. Joshua Robinson

Clerk
Rachel Henderson

Director Of Business
Doug Schwinn (Through June 30, 2025)
Nathan Holder (Effective as of July 1, 2025)

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UNDERWRITER
Raymond James & Associates, Inc.
Leawood, Kansas

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

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OFFICIAL STATEMENT

\$65,315,000*

**UNIFIED SCHOOL DISTRICT NO. 230
JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 2025**

INTRODUCTION

General Matters

The purpose of this Official Statement is to furnish information relating to Unified School District No. 230, Johnson/Miami County, Kansas (Spring Hill) (the "Issuer" or the "District"), and the General Obligation Refunding and Improvement Bonds, Series 2025 (the "Bonds" or "Series 2025 Bonds") of the District, dated as of date of delivery (the "Dated Date"), to be issued in the principal amount of \$65,315,000*.

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

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

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

Definitions

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

Continuing Disclosure

The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 (the "Rule"), requiring continuous secondary market disclosure. In connection with the issuance of the Bonds, the Issuer will enter into a continuing disclosure undertaking (the "Disclosure Undertaking") wherein the Issuer covenants to annually provide certain financial information and operating data (collectively the "Annual Report") and other information necessary to comply with the Rule, and to transmit the same to the MSRB. In the Bond Resolution, hereinafter defined, the Issuer covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Bonds.

The Issuer has previously entered into disclosure undertakings pursuant to the Rule (the "Prior Undertakings"). For the previous five years, the Issuer has filed its Annual Report within the time period prescribed by the Prior Undertakings, as set forth in the table below:

Fiscal Year	Filing Time	Financial Information	Operating Data
<u>Ending June 30</u>	<u>Period (Days)</u>	<u>Filing Date</u>	<u>Filing Date</u>
2020	180	11/09/2020	12/08/2020
2021	180	12/15/2021	12/15/2024
2022	180	12/08/2022	12/08/2022
2023	180	12/07/2023	12/07/2023
2024	180	12/20/2024	12/20/2024

**Preliminary, subject to change.*

On February 1, 2021, the District filed a Material Event Notice related to a rating change that was not linked to an outstanding maturity of the Series 2011-B General Obligation Refunding Bonds but was properly linked to all other outstanding bonds of the District.

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

Additional Information

Additional information regarding the District and the Bonds may be obtained from the District at the address set forth in the preface to this Official Statement, or from the Underwriter, Raymond James & Associates, Inc., 11551 Ash Street, Suite 250, Leawood, Kansas 66211 (816) 391-4120.

THE BONDS

Authority for the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Kansas (the “State”), including K.S.A. 10-101 *et seq.*, K.S.A. 10-620 *et seq.*, K.S.A. 25-2018(f), K.S.A. 72-5457, K.S.A. 72-5458 *et seq.*, and K.S.A. 10-427 *et seq.*, all as amended and supplemented from time to time (collectively, the “Act”) and a resolution adopted by the governing body of the District (the “Bond Resolution”).

Security for the Bonds

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

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

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

Description of the Bonds

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

Designation of Paying Agent and Bond Registrar

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

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

Method and Place of Payment of the Bonds

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

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

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

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

Payments Due on Saturdays, Sundays and Holidays

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

Book-Entry Bonds; Securities Depository

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

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

- (a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation

of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

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

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

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

Registration, Transfer and Exchange of Bonds

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

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

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest.

Mutilated, Lost, Stolen or Destroyed Bonds

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

Nonpresentment of Bonds

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

Redemption Provisions

Optional Redemption. At the option of the Issuer, the Bonds maturing on September 1, 2036 and thereafter may be called for redemption and payment prior to their Stated Maturity on September 1, 2035, and thereafter as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

[**Mandatory Redemption.** (a) 20__ Term Bonds. The 20__ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20__ Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
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* Final Maturity]

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

such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination value called for redemption (and to that extent only).

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

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

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

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

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

THE DEPOSITORY TRUST COMPANY

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

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

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

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

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

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

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

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

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

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

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

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

THE REFUNDING PLAN

The District has adopted a plan to refund the following portion of the District’s outstanding General Obligation Refunding Bonds, Series 2016; General Obligation Improvement Bonds, Series 2016-B and General Obligation Bonds, Series 2018-A (collectively, the “Refunded Bonds”):

<u>Series</u>	<u>Maturities*</u>	<u>Interest Rate</u>	<u>Principal Amount*</u>	<u>Refunded Bonds Maturity Date</u>	<u>Price</u>
2016	2025	5.000%	\$3,710,000	September 1, 2025	100%
2016-B	2025	3.000%	860,000	September 1, 2025	100%
2018-A	2025	5.000%	1,010,000	September 1, 2025	100%

An Escrow Fund will be established for the Refunded Bonds pursuant to the terms of the Escrow Trust Agreement dated as of the Dated Date, by and between the Issuer and Security Bank of Kansas City, Kansas City, Kansas (the “Escrow Agent”). See “**APPENDIX C – SUMMARY OF FINANCING DOCUMENTS – The Escrow Trust Agreement**” for a discussion of the manner in which the Escrow Fund is administered. The Escrow Fund and the cash and Escrowed Securities held therein will be pledged to: (a) payment of interest on the Refunded Bonds to the respective Refunded Bonds Redemption Date, and (b) redeeming the Refunded Bonds on the respective Refunded Bonds Redemption Date.

THE PROJECT

On May 13, 2025, the voters in the District approved the issuance of general obligation bonds in an amount not to exceed \$60,000,000 to pay the costs of acquiring, constructing, equipping, furnishing, repairing, remodeling or making additions to buildings used for school district purposes including without limitation (a) constructing, equipping, and furnishing additional classrooms at existing elementary schools; (b) constructing, equipping, and furnishing a Career and Technical Education (CTE) addition and an expansion of the commons area at Spring Hill High School; (c) making certain other capital improvements to the buildings and facilities of the District, including roof replacements and heating, ventilation, and air conditioning (HVAC) improvements; (d) providing for all other necessary and related improvements, and (e) paying fees and expenses incidental thereto including interest during construction (collectively, the “Project”).

SOURCES AND USES OF FUNDS

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

Sources of Funds:

Principal Amount of the Bonds	\$65,315,000.00*
Premium	
Total	

Uses of Funds:

Deposit to Project Fund
Deposit to Redemption Fund
Underwriter’s Discount
Costs of Issuance
Total

**Preliminary, subject to change.*

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE

CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE ISSUER OR THE UNDERWRITER.

Taxation of Interest on the Bonds

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

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

Market for the Bonds

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

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

Premium on Bonds

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

No Additional Interest or Mandatory Redemption upon Event of Taxability

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

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws,

provisions and regulations which would have a material effect, either directly or indirectly, on the District or the taxing authority of the District.

Limitations on Remedies Available to Owners of Bonds

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

Debt Service Source

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

Suitability of Investment

The tax exempt feature of the Bonds is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment.

State Aid

As described in "**APPENDIX A – FINANCIAL INFORMATION – Property Tax Levies and Collections – School District Funding Formula**" and the sections following in **APPENDIX A**, the State provides a substantial portion of the money for the operation of school districts in the State. Economic conditions may have an effect on State revenues that result in adjustments in the amount of State aid distributed to school districts for operating purposes. However, the District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on the Bonds regardless of the amount of State aid received.

Kansas Public Employees Retirement System

As described in "**APPENDIX A – FINANCIAL INFORMATION – Pension and Employee Retirement Plans**," the Issuer participates in the Kansas Public Employees Retirement System ("KPERS"), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Public Employees Retirement System – State/School Group (the "Plan"). Under existing law, employees make contributions and the State makes all employer contributions to the Plan; the Issuer is not responsible for supplemental contributions or any unfunded accrued actuarial liability ("UAAL"). According to KPERS' Valuation Reports, KPERS had an UAAL of approximately \$8.213 billion in calendar year 2022 and approximately \$8.290 billion in calendar year 2023, of which approximately \$6.261 billion (2022) and approximately \$6.200 billion (2023) was attributable to the State/School Group. No assurance can be given by the Issuer that future legislative action may require Issuer contributions to the Plan or mandated Issuer responsibility for a portion of the UAAL.

Cybersecurity Risks

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

Natural Disasters or Terrorist Attacks

The occurrence of a terrorist attack or cyber security breach in the Issuer, or natural disasters, such as fires, tornadoes, winter storms, extreme cold, earthquakes, floods or droughts, could damage the Issuer and its systems and infrastructure, and interrupt services or otherwise impair operations of the Issuer.

Potential Impacts Resulting from Epidemics or Pandemics

The Issuer's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics, such as the Coronavirus (COVID-19) pandemic. The Issuer cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the local, State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the Issuer, including but not limited to the payment of debt service on any of its outstanding debt obligations.

BOND RATING

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

ABSENCE OF LITIGATION

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

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

LEGAL MATTERS

Approval of Bonds

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

TAX MATTERS

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

Opinion of Bond Counsel

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

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

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

Bank Qualification. The Bonds have **not** been designated as “qualified tax-exempt obligations” for purposes of Code § 265(b)(3).

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

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

Other Tax Consequences

[***Original Issue Discount.*** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that

accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[**Original Issue Premium.** For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

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

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

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

Bond Counsel notes that the interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

UNDERWRITING

The Bonds are being purchased for reoffering by Raymond James & Associates, Inc., Leawood, Kansas (the "Underwriter") at the purchase price of 100% of the principal amount of the Bonds plus a net reoffering premium of \$_____ less an underwriter's discount of \$_____. The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Bonds is subject to various conditions contained in the Bond Purchase Agreement.

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

AUTHORIZATION OF OFFICIAL STATEMENT

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

**UNIFIED SCHOOL DISTRICT NO. 230
JOHNSON/MIAMI COUNTY, KANSAS
(SPRING HILL)**

APPENDIX A

INFORMATION CONCERNING THE ISSUER

GENERAL

Size and Location

The District is primarily located in the City of Spring Hill, Kansas (the "City"), which is located in east-central Kansas approximately 30 miles south of downtown Kansas City, Missouri and five miles south of Olathe, Kansas. The City is located in southern Johnson County and northern Miami County. The District serves the City and the southern portion of the City of Olathe, Kansas as well as the surrounding area. The City encompasses approximately 4.9 square miles and has a population of 10,744. The District encompasses approximately 70.1 square miles and has a current estimated population of 21,822 persons and a current student enrollment of 5,919.

Government and Organization of the District

The District was formed as part of the Kansas School Unification Program. A seven member Board of Education governs the District. The Board members are all elected at large and serve staggered four year terms.

District Facilities

The District operates one preschool, five elementary schools, three middle schools and one senior high school. In addition, the District has virtual schools called the Insight School of Kansas (Grades 7-12) and Kansas Virtual Academy (Grades K-6), which are full-time, tuition-free online schools available to students throughout the State. The following table lists the various buildings and sites owned by the District and the present use of the building:

<u>Name of School</u>	<u>Grade Level</u>
Spring Hill Early Learning Academy	Preschool
Spring Hill Elementary School	PK-5
Wolf Creek Elementary School	K-5
Prairie Creek Elementary School	K-5
Timber Sage Elementary School	K-5
Dayton Creek Elementary School	K-5
Spring Hill Middle School	6-8
Woodland Spring Middle School	6-8
Forest Spring Middle School	6-8
Spring Hill High School	9-12
Hilltop Education Center	Virtual K-12

The following table lists the history of enrollment in the District's schools, including the virtual school, for the years indicated:

<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21*</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
3,988	4,282	4,427	5,845	5,435	5,452	5,555	5,919

** The significant enrollment growth for the 2020/21 school year is largely attributable to approximately 1,344 additional students enrolling in the District's virtual program.*

Source: Kansas State Department of Education

All of the District's schools are rated "comprehensive" by the State Department of Education, which is the highest rating attainable. Such rating reflects the evaluation of the Department in all areas of the School District's operation including curriculum, facilities, teaching staff, administrative staff, etc. Such rating does not constitute and is not intended to imply any credit evaluation of the Bonds.

Other Educational Facilities

Residents of the District benefit from several regional secondary private schools and post-secondary institutions. There are four vocational technical schools and community colleges within a 25-minute drive from the City. They include Johnson County Community College, Johnson County Area Vocational School, DeVry Institute of Technology and Fort Scott Community College. There are 11 four-year universities within one hour of the City. Mid-America Nazarene University in Olathe is the closest with Washburn University in Topeka being the furthest away. Others include Rockhurst University in Kansas City, Missouri, Baker University in Baldwin, University of Kansas Regents Center in Overland Park, Haskell Indian College in Lawrence, University of Kansas in Lawrence, University of Missouri at Kansas City, Missouri, Avila College in Overland Park, Brown Mackie College of Kansas in Overland Park and Ottawa University in Ottawa, Kansas.

Municipal Services and Utilities

Atmos Energy provides natural gas to the City. Evergy supplies retail electricity to the City. Telephone service is provided by CenturyLink and cable television is provided by Suddenlink. Sewer service is supplied by the City which operates a 1.2 million gallon per day sewer plant. Water is supplied to residents of the District by Johnson County Water District No. 1, Johnson County Water District No. 7 and Miami County Water District No. 2. The City provides police protection within the City and the Johnson and Miami County Sheriff's Departments patrol the areas outside the City limits. The City is served by Johnson County Rural Fire District #2 which maintains a fire station and provides fire protection to the City.

Transportation

The District is served by U.S. Highway 169, just south of Interstate 35. The District is also served by U.S. Highway 69, U.S. Highway 56 and Highway K-68. In addition, the Kansas Turnpike and Interstate 70 are located north of the City. Burlington Northern Santa Fe Railroad provides rail service to the area. Regularly scheduled air service is available at the Kansas City International Airport, located 45 miles north of the City. New Century Air Center and Johnson County Executive Airport are located 10 miles north of the City.

Medical and Health Facilities

Residents of the District have access to numerous medical facilities in the Kansas City metropolitan area. Within a 15-minute drive, residents have access to two medical centers. The University of Kansas Health System offers 150-bed service for a full-range of surgery and emergency care. Located next to the hospital is a doctors' building with offices for many of the hospital's 135 staff members. Through a partnership in Miami County, Olathe Medical Center (now part of the University of Kansas Health System) has constructed a 20-bed facility near K-263 and U.S. 169 Highway in Paola. The facility has an active staff of 13 physicians with 50 consulting physicians. In less than 30 minutes, residents can reach services at AdventHealth Shawnee Mission or Overland Park Regional Medical Center. Dental offices, eye care and chiropractic services are available through established practices in or near the City.

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ECONOMIC INFORMATION

Major Employers

Residents of the District have employment opportunities in the City as well as nearby in the City of Olathe, Kansas and throughout Johnson County and Miami County. Listed below are the major employers located in the City and the number employed by each:

MAJOR EMPLOYERS – CITY OF SPRING HILL, KANSAS

<u>Major Employers</u>	<u>Product/Service</u>	<u>Number of Full and Part-time Employees</u>
U.S.D. No. 230 (Spring Hill)	Education	574
Seats, Inc.	Manufacturer	220
Cardinal Float Glass	Glass manufacturer	212
A&M Products Manufacturing	Manufacturer	189
Mid-Am Building Supply	Distribution	86
Premier Building Supply	Distribution	51
City of Spring Hill*	Government	60

* Includes full-part time employees. Excludes 65 seasonal employees

Source: City of Spring Hill, Kansas

Listed below are the major employers located in the City of Olathe, Kansas and the number employed by each:

MAJOR EMPLOYERS – CITY OF OLATHE, KANSAS

<u>Major Employers</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Garmin International	Consumer Electronics	4,685
Olathe Unified School District	Education	4,000
University of Kansas Health System	Healthcare	2,500
Johnson County Government	Government	2,400
City of Olathe	Government	1,121
FedEx Distribution Facilities	Distribution	924
Honeywell	Technology	900
TransAm Trucking	Logistics	869
TVH Parts Co.	Manufacturing	720
Wal-Mart	Food Packaging	600

Source: City of Olathe, Kansas

Labor Force

The following tables set forth the labor force figures for Johnson County, Miami County and the State of Kansas:

JOHNSON COUNTY

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2015	326,487	315,432	11,055	3.4%
2016	330,358	319,524	10,834	3.3%
2017	334,261	324,057	10,204	3.1%
2018	336,371	326,653	9,718	2.9%
2019	339,972	330,482	9,490	2.8%
2020	340,423	323,169	17,254	5.1%
2021	343,954	334,168	9,786	2.8%
2022	349,831	341,497	8,334	2.4%
2023	355,475	346,043	9,432	2.7%
2024	360,344	348,553	11,791	3.3%

MIAMI COUNTY

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2015	16,849	16,119	730	4.3%
2016	17,110	16,395	715	4.2%
2017	17,313	16,662	651	3.8%
2018	17,351	16,728	623	3.6%
2019	17,640	17,053	587	3.3%
2020	17,483	16,610	873	5.0%
2021	17,815	17,266	549	3.1%
2022	18,062	17,585	477	2.6%
2023	18,514	17,993	521	2.8%
2024	18,803	18,145	658	3.5%

STATE OF KANSAS

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2015	1,498,032	1,435,515	62,517	4.2%
2016	1,498,060	1,437,436	60,624	4.0%
2017	1,490,478	1,436,329	54,149	3.6%
2018	1,491,449	1,442,061	49,388	3.3%
2019	1,502,265	1,454,669	47,596	3.2%
2020	1,501,633	1,414,277	87,356	5.8%
2021	1,499,635	1,448,835	50,800	3.4%
2022	1,507,842	1,466,588	41,254	2.7%
2023	1,524,404	1,480,579	43,825	2.9%
2024	1,545,790	1,490,553	55,237	3.6%

Source: Labor Market Information Services, Kansas Dept. of Labor in cooperation with BLS, U.S. Dept. of Labor

Retail Sales Tax Collections

The current total sales tax rate for the portion of the City located in Johnson County is 9.475%, of which the State's portion is 6.50%, the County's portion is 1.475%, and the City's portion is 1.50%. The current total sales tax rate for the portion of the City located in Miami County is 9.50%, of which the State's portion is 6.50%, the County's portion is 1.50% and the City's portion is 1.50%. The following table lists Johnson and Miami counties' state sales tax collections for the State of Kansas portion of the total sales tax and the per capita sales tax collections for the years listed:

<u>Year</u>	<u>Johnson County Sales Tax Collections</u>	<u>Johnson County Per Capita Sales Tax</u>	<u>Miami County Sales Tax Collections</u>	<u>Miami County Per Capita Sales Tax</u>
2015	\$681,334,465	\$1,135.72	\$19,496,804	\$576.27
2016	713,544,502	1,209.73	20,765,714	614.38
2017	724,610,436	1,227.19	20,966,519	635.50
2018	894,500,142	1,239.19	26,338,889	640.53
2019	917,056,413	1,485.43	26,730,071	763.77
2020	931,514,907	1,493.27	29,792,610	812.24
2021	1,085,824,316	1,658.34	34,463,584	934.09
2022	1,216,217,106	1,869.12	39,648,535	1,054.20
2023	1,203,796,236	1,955.59	41,401,960	1,142.14

Source: Kansas Statistical Abstract

Building Permits and Construction

The value of building permits issued in the City for the years set forth below is as follows:

<u>Year</u>	<u>Residential Permits</u>		<u>Commercial/Industrial Permits</u>		<u>Total Value⁽¹⁾</u>
	<u>Number</u>	<u>Value</u>	<u>Number</u>	<u>Value</u>	
2015	78	\$17,202,161	8	\$5,075,709	\$22,277,870
2016	57	20,149,164	2	911,080	22,349,695
2017	70	33,955,150	12	21,180,585	56,454,385
2018	144	35,530,195	9	870,860	38,881,905
2019	125	32,539,999	6	21,477,987	38,881,905
2020	181	47,643,460	12	32,334,086	54,017,986
2021	284	64,667,255	20	40,732,032	84,946,018
2022	159	47,878,524	8	13,922,829	111,200,086

⁽¹⁾ The Total Value includes all other permits issued by the City including lighting, heating, plumbing, roof replacement, etc.

Source: City of Spring Hill, Kansas

Financial and Banking Institutions

There are currently a total of 250 banking locations throughout Johnson County and Miami County. For the years listed, bank deposits of the counties' banks are as follows:

<u>Year</u>	<u>Johnson County</u>	<u>Miami County</u>
	<u>Total Bank Deposits</u>	<u>Total Bank Deposits</u>
2016	\$18,106,388,000	\$529,493,000
2017	19,824,312,000	554,516,000
2018	19,991,745,000	557,058,000
2019	20,931,784,000	556,552,000
2020	24,600,522,000	650,538,000
2021	26,389,150,000	747,987,000
2022	27,802,537,000	835,412,000
2023	26,618,102,000	816,882,000
2024	26,788,858,000	842,066,000

Source: FDIC

Population

The following table shows the approximate population of the City, Johnson County and Miami County in the years indicated:

<u>Year</u>	<u>City of Spring Hill</u>	<u>Johnson County</u>	<u>Miami County</u>
	<u>Population</u>	<u>Population</u>	<u>Population</u>
1960	909	143,792	19,884
1970	1,186	220,073	19,254
1980	2,005	270,269	21,618
1990	2,084	355,054	23,466
2000	2,727	451,086	28,500
2010	5,407	549,661	31,229
2020	7,869	606,675	34,737
2025	10,744	628,529	36,378

The median age of persons in Johnson County, Miami County and the State of Kansas is 38.2, 41.1 and 37.4, respectively, per the 2020 Census. The median age of residents in the District is 35.9 years.

Source: Kansas Statistical Abstract

Personal Income

The Johnson County, Miami County and State of Kansas per capita personal income are listed for the years indicated in the following table:

<u>Year</u>	<u>Johnson County Per Capita Personal Income</u>	<u>Miami County Per Capita Personal Income</u>	<u>State of Kansas Per Capita Personal Income</u>
2014	\$62,967	\$41,472	\$46,289
2015	66,393	43,270	46,597
2016	68,606	44,486	46,717
2017	72,238	46,132	48,271
2018	74,057	48,076	50,282
2019	76,968	49,635	52,156
2020	78,836	53,344	55,101
2021	83,568	58,539	59,021
2022	97,232	60,711	62,326
2023	102,639	63,817	66,115

Source: U.S. Bureau of Economic Analysis

FINANCIAL INFORMATION

Accounting, Budgeting and Auditing Procedures

The District's financial statements are presented in compliance with the cash basis and budget laws of Kansas. Revenues are recognized when cash is received and expenditures are recognized when an amount is encumbered. An amount is encumbered when the District makes a purchase order, contract or other commitment for the expenditure, in order to reserve that portion of the applicable budget appropriation. When the related goods or services are received and subsequently paid, the payment is recorded in the applicable budgetary funds account and the encumbrance is canceled.

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

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

The Revenue Neutral Tax Act provides that by June 15 of every year (or by July 1 for tax year 2024), each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must notify the county clerk by July 20 of the taxing subdivision's intent to exceed the revenue neutral rate and provide to the county clerk the date, time and location of the related public hearing and the taxing subdivision's proposed tax rate. The county clerk is required to provide notice of such intent to exceed the revenue neutral rate to each taxpayer with property in the taxing subdivision at least 10 days in advance of the public hearing. The notice must include the following information: (1) the heading "NOTICE OF PROPOSED PROPERTY TAX INCREASE AND PUBLIC HEARINGS"; (2) a statement that the notice contains estimates of the property tax and proposed property tax increases, actual taxes may increase or decrease from the estimates provided, the governing body will vote at a public hearing to exceed the revenue neutral rate, taxpayers may attend and comment at the hearing, and property tax statements will be issued after mill rates are finalized and taxes are calculated; (3) the appraised value and assessed value of the taxpayer's property for the current year and the previous year; (4) the amount of property tax of the taxing subdivision on the taxpayer's property from the previous year's tax statement; (5) the estimated amount of property tax for the current

year of the taxing subdivision on the taxpayer's property based on the revenue neutral rate of the taxing subdivision; (6) the estimated amount of property tax for the current year of the taxing subdivision on the taxpayer's property based on the proposed tax rate provided by the taxing subdivision; (7) the difference between the amount of the current year's maximum tax and the previous year's tax, reflected in dollars and a percentage, for the taxing subdivision; (8) the date, time and location of the public hearing of the taxing subdivision; and (9) the difference between the current year's maximum tax and the estimated amount of property tax based on the revenue neutral rate of the taxing subdivision.

The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20 and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the county clerk's notices to the taxpayer will be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by governing body approval of a resolution or ordinance, and thereafter the taxing subdivisions will adopt the budget by majority vote of its governing body. The amount of tax to be levied and the adopted budget must be certified to the county clerk by October 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate. However, if a taxing subdivision does not comply with the notice and hearing requirements of the Revenue Neutral Tax Act because it did not intend to exceed its revenue neutral rate, but the final assessed valuation of such taxing subdivision used to calculate the actual levy is less than the estimated assessed valuation used to calculate the revenue neutral rate, such taxing subdivision is permitted to levy a tax rate that generates the same amount of property tax revenue as levied the prior year or less. Additionally, in the event that the tax levied by the District pursuant to K.S.A. 72-5142, and amendments thereto, increases the property tax revenue generated for the purpose of calculating the revenue neutral rate from the previous tax year, and the increase in revenue generated from such tax levied is the only reason that the District would exceed the total property tax revenue from the prior year, the District shall be deemed to not have exceeded the revenue neutral rate in levying a tax rate in excess of the revenue neutral rate.

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

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

The financial records of the District are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Gordon CPA, Lawrence, Kansas to prepare the annual audited financial statements for future years. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review. The audited financial statements for the Fiscal Year ended June 30, 2024 are attached hereto as **APPENDIX B**.

The Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* in June 1999 ("Statement 34"), which established new requirements for the annual financial reports of state and local governments. The District has elected not to implement the changes set forth in Statement 34. The District has obtained a waiver from generally accepted accounting principles which allows the District to revert to the statutory basis of accounting.

The financial information contained in the Appendices to this Official Statement are an integral part of this document and are intended to be read in conjunction herewith.

Property Valuations

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The County Appraiser's office determines the assessed valuation that is to be used as a basis for the mill levy on property located in the District.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property

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

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

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

Assessed Valuation

The following tables show the assessed valuation of the taxable tangible property within the District for the following years:

ASSESSED VALUATION - JOHNSON COUNTY PORTION OF THE DISTRICT

<u>Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Recreation Vehicles</u>	<u>Total Valuation</u>
2016	\$131,578,920	\$2,325,482	\$10,453,963	\$15,689,930	\$176,791	\$160,225,086
2017	149,857,080	2,636,904	10,904,323	17,595,241	202,848	181,196,396
2018	183,894,036	2,219,961	11,943,658	20,089,161	240,564	218,387,380
2019	214,681,870	2,241,032	12,588,382	22,449,253	243,719	252,204,256
2020	236,565,426	2,164,678	13,078,743	24,539,902	261,089	276,609,838
2021	265,222,121	2,216,497	13,770,292	26,091,934	341,392	307,642,236
2022	313,532,254	1,457,991	16,035,826	29,606,744	395,463	361,028,278
2023	380,449,127	1,727,282	15,587,977	31,373,677	338,641	429,476,704
2024	434,085,939	1,240,782	17,684,732	34,469,741	358,054	487,839,248

Source: Johnson County Clerk

ASSESSED VALUATION - MIAMI COUNTY PORTION OF THE DISTRICT

<u>Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Total Valuation</u>
2016	\$35,215,710	\$299,991	\$2,536,225	\$5,114,818	\$43,166,744
2017	37,226,821	289,853	2,783,120	5,315,403	45,615,197
2018	41,108,622	296,329	3,089,870	5,786,912	49,281,733
2019	44,454,636	302,749	3,268,386	6,087,531	54,113,302
2020	48,201,102	236,919	3,387,094	6,006,148	57,831,263
2021	52,327,002	253,750	3,497,227	6,753,487	62,831,466
2022	62,778,346	257,548	3,592,214	6,844,451	73,472,559
2023	75,798,141	240,660	3,545,639	7,064,696	86,649,136
2024	80,074,494	252,125	3,939,407	7,581,157	91,847,183

Source: Miami County Clerk

TOTAL ASSESSED VALUATION OF THE DISTRICT

<u>Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Recreation Vehicles</u>	<u>Total Valuation</u>
2016	\$166,794,630	\$2,625,473	\$12,990,188	\$20,804,748	\$176,791	\$203,391,830
2017	187,083,901	2,926,757	13,687,443	22,910,644	202,848	226,811,593
2018	225,002,658	2,933,233	15,033,528	25,876,073	240,564	267,669,113
2019	259,136,506	2,543,781	15,856,768	28,536,784	243,719	306,317,558
2020	284,766,528	2,401,597	16,465,837	30,546,050	261,089	334,441,101
2021	317,549,123	2,470,247	17,267,519	32,845,421	341,392	370,473,702
2022	376,310,600	1,715,539	16,628,040	36,451,195	395,463	434,500,837
2023	456,247,268	1,967,942	19,133,616	38,438,373	338,641	516,125,840
2024	514,160,433	1,492,907	21,624,139	42,050,898	358,054	579,686,431

Estimated Market Valuation

The following table shows the estimated market valuation based upon an average assessment ratio of 16% for the taxable property within the District:

<u>Year</u>	<u>Estimated Market Valuation</u>
2016	\$1,271,198,938
2017	1,417,572,456
2018	1,672,931,956
2019	1,914,484,738
2020	2,090,256,881
2021	2,315,460,638
2022	2,715,630,231
2023	3,225,786,500
2024	3,623,040,193

Property Tax Levies and Collections

School District Funding Formula

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

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

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

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

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

The District has a LOB in an amount of 33% of its TFA which generates approximately \$11,224,828 of revenues for the 2024-2025 fiscal year.

Capital Outlay Funds. The Plan authorizes any district to initiate a capital outlay levy in an amount not to exceed 8 mills upon all taxable tangible property within the district. Prior to instituting a capital outlay levy, the district’s governing body must adopt a resolution declaring an intent to institute the levy, and the resolution must be published and is subject to protest petition. Funds generated by a district’s capital outlay levy may be expended for certain capital improvements, equipment and expenses provided by the Plan. A district may also issue general obligation capital outlay bonds, in an amount determined by formula, that are expected to be repaid from funds derived from the capital outlay levy. The District has a current capital outlay levy of 8.00 mills for a continuous and permanent period, which generates approximately \$6,539,038 of revenues for the 2024-25 fiscal year. The District receives State Aid in the Capital Outlay Fund equal to 46% of revenues generated in such fund for the 2024-25 fiscal year.

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

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

It is anticipated that the CIF will pay approximately (a) 0% of the District’s debt service on the Series 2016-B Bonds, Series 2018-A Bonds and Series 2020-B Bonds; (b) 0% of the District’s debt service on 31% of the Series 2021 Bonds, with the CIF paying approximately 45% of the debt service on the remaining 69% of the Series 2021 Bonds and (c) 45% of the District’s debt service on all other outstanding general obligation bonds consisting of the Series 2016 Bonds, Series 2016-C Bonds, Series 2017-A Bonds and Series 2020-A Bonds for the school year 2024-25. It is also anticipated, based upon current percentages for the current school year 2024-25, that the CIF will pay approximately 0% of the District’s debt service on 95% of the Series 2025 Bonds, with the CIF paying approximately 45% of the debt service on the remaining 5% of the Series 2025 Bonds. No assurance can be given that State CIF assistance will continue in future years. The District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on the Bonds, regardless of any amounts received from

the CIF.

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

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

Most recently, the KSEEA was subject to litigation as to whether it complied with the State constitution. In 2019, the Kansas Legislature passed House Substitute for Senate Bill 16 (“SB 16”) amending the KSEEA. In June 2019, the Kansas Supreme Court (the “Court”) held that, due to the additional funding contained in SB 16, the State substantially complied with the Court’s mandate regarding financial adequacy and the KSEEA, as amended by SB 16, was constitutionally compliant. The Court retained jurisdiction to ensure continued compliance with that mandate until February 2024, when the Court granted the State’s motion to release its jurisdiction.

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

Tax Collections:

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

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

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

Tax Rates:

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

The following table shows the District's mill levies by fund (per \$1,000 of assessed valuation) for the years as set forth below:

<u>Year</u>	<u>General</u>	<u>Local Option Budget</u>	<u>Capital Outlay</u>	<u>Bond & Interest</u>	<u>Other</u>	<u>District Levy</u>
2016/17	20.000	7.972	4.000	20.938	11.038	63.948
2017/18	20.000	18.294	8.000	6.812	10.715	63.821
2018/19	20.000	8.060	7.907	19.738	7.501	63.206
2019/20	20.000	9.027	8.000	23.319	7.634	67.980
2020/21	20.000	11.338	8.000	18.722	9.815	67.875
2021/22	20.000	9.072	7.969	18.712	11.781	67.534
2022/23	20.000	9.288	8.00	17.708	12.41	67.406
2023/24	20.000	8.751	7.992	20.826	9.877	67.446
2024/25	20.000	10.102	7.979	21.979	7.027	67.087

Aggregate Tax Levies:

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

TAX LEVIES - JOHNSON COUNTY PORTION OF THE DISTRICT

<u>Levy Year</u>	<u>Budget Year</u>	<u>State</u>	<u>Johnson County</u>	<u>Johnson County Library</u>	<u>Johnson County Park</u>	<u>Community College</u>	<u>School District</u>	<u>Recreation Commission</u>	<u>City</u>	<u>Jo. Co. Fire #2</u>	<u>Total Levy</u>
2016	2017	1.500	19.590	3.915	3.102	9.473	63.948	3.050	38.860	0.000	143.438
2017	2018	1.500	19.318	3.921	3.112	9.503	63.821	3.050	39.848	0.000	144.073
2018	2019	1.500	19.024	3.901	3.088	9.266	63.206	3.015	39.820	0.000	142.820
2019	2020	1.500	19.036	3.904	3.090	9.121	67.980	3.052	39.599	0.000	147.282
2020	2021	1.500	18.799	3.905	3.093	9.191	67.875	3.053	39.661	0.000	147.077
2021	2022	1.500	18.564	3.908	3.096	9.110	67.534	3.038	36.288	0.000	143.038
2022	2023	1.500	17.772	3.815	3.021	8.617	67.406	3.050	35.977	0.000	141.158
2023	2024	1.500	17.526	3.812	3.022	8.131	67.446	3.071	36.272	0.000	140.750
2024	2025	1.500	17.286	3.816	3.023	8.124	67.087	3.050	22.970 ⁽¹⁾	13.794	140.650

⁽¹⁾ In 2024, the City eliminated the portion of the mill levy for fire protection in the City and this service was transferred to a fire district under the County.

Source: Johnson County Clerk

TAX LEVIES - MIAMI COUNTY PORTION OF THE DISTRICT

<u>Levy Year</u>	<u>Budget Year</u>	<u>City</u>	<u>Miami County</u>	<u>School District</u>	<u>Recreation Commission</u>	<u>Library</u>	<u>Jo. Co. Fire #2</u>	<u>Ext. Dist. #16</u>	<u>State</u>	<u>Total Levy</u>
2016	2017	38.860	49.452	63.948	3.050	1.378	0.000	0.749	1.500	158.937
2017	2018	39.848	49.395	63.821	3.050	1.353	0.000	0.748	1.500	159.715
2018	2019	39.820	48.307	63.206	3.015	1.353	0.000	0.747	1.500	157.948
2019	2020	39.599	46.374	67.980	3.052	1.351	0.000	0.789	1.500	160.645
2020	2021	39.661	46.373	67.875	3.053	1.351	0.000	0.773	1.500	160.586
2021	2022	36.288	46.366	67.534	3.038	1.295	0.000	0.759	1.500	156.780
2022	2023	35.977	40.380	67.406	3.050	1.291	0.000	0.736	1.500	150.340
2023	2024	36.242	36.500	67.446	3.071	1.138	0.000	0.750	1.500	146.647
2024	2025	22.970	34.767	67.087	3.050	1.134	13.794	0.863	1.500	145.165

Source: Miami County Clerk

Tax Collection Record:

The following table sets forth the property tax collection information for the portions of the District located in Johnson County and Miami County for the years indicated:

TAX COLLECTIONS - JOHNSON COUNTY PORTION OF THE DISTRICT

<u>Year</u>	<u>Original Tax Levy</u>	<u>Adjusted Tax Levy⁽¹⁾</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections (Current & Delinquent)</u>	<u>Ratio of Total Tax Collections to Total Tax Levy</u>
2015/16	\$7,865,655	\$8,360,449	\$8,261,406	98.81%	\$155,931	\$8,377,337	100.20%
2016/17	9,061,174	9,460,473	9,344,622	98.77%	40,183	9,384,805	99.20%
2017/18	10,247,609	11,034,999	10,896,849	98.75%	50,757	10,947,606	99.21%
2018/19	12,319,556	12,838,142	12,727,066	99.22%	48,794	12,775,860	99.51%
2019/20	15,396,456	15,845,204	15,692,630	99.04%	-19,458	15,673,171	98.91%
2020/21	16,874,825	17,524,060	17,360,055	99.06%	38,974	17,399,029	99.29%
2021/22	18,767,723	19,253,398	19,082,006	99.11%	39,120	19,121,126	99.31%
2022/23	22,822,266	23,540,942	23,352,433	99.20%	264,608	23,617,041	100.32%
2023/24	25,207,108	26,259,528	26,052,519	99.21%	177,264	26,229,783	99.89%
2024/25 ⁽²⁾	30,691,313	30,615,279	17,838,664	58.27%	115,373	17,954,037	58.64%

⁽¹⁾ Adjusted tax levy is the original levy amount plus or minus adjustments for additional taxes, abatements, etc.

⁽²⁾ Tax collections in process and as of May 2025.

Source: Johnson County Treasurer

TAX COLLECTIONS - MIAMI COUNTY PORTION OF THE DISTRICT

<u>Year</u>	<u>Original Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>
2015/16	\$1,677,973.64	\$1,662,560.55	99.1%
2016/17	1,795,050.95	1,777,849.87	99.0%
2017/18	1,897,132.63	1,878,320.51	99.0%
2018/19	2,029,172.46	2,014,164.24	99.2%
2019/20	2,459,356.75	2,439,032.14	99.2%
2020/21	2,650,161.61	2,594,759.54	97.9%
2021/22	3,742,133.71	3,694,606.85	98.7%
2022/23	4,379,590.10	4,346,644.29	99.2%
2023/24	5,247,793.63	5,192,760.79	99.0%
2024/25 ⁽¹⁾	5,409,715.01	3,125,808.76	57.8%

⁽¹⁾ Tax collections in process and as of May 2025.

Source: Miami County Clerk

Major Taxpayers:

The following tables set forth the largest taxpayers in the District in 2024:

MAJOR TAXPAYERS - JOHNSON COUNTY PORTION OF THE DISTRICT

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Tax</u>
G&X Industrial KS LLC	\$8,488,250	\$1,047,339.70
Block III FT Spe LLC	6,329,959	781,034.65
Evergy Metro Inc	6,180,183	759,759.10
Cardinal FG Company	5,877,344	835,288.13
Fremato USA Inc.	5,509,749	679,831.40
Jsmith Properties LLC	4,271,174	607,019.25
Evergy Kansas Central Inc	3,674,498	495,953.71
A&M Products Manufacturing Co.	2,721,916	382,837.48
Union Pacific Railroad Company	2,245,611	282,162.87

Source: Johnson County Appraiser

MAJOR TAXPAYERS - MIAMI COUNTY PORTION OF THE DISTRICT

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Tax</u>
Evergy Metro Inc.	\$2,837,305	\$340,704.86
ARG VI LLC	1,509,484	211,879.40
Oak Woods TH1 LLC	1,387,446	196,852.62
Nextpoint SRF Spe 3 LLC	908,239	127,877.10
P&A Properties Spring Hill LLC	869,775	131,045.96
BNSF Railroad	588,879	70,252.64
Blackhawk Development	583,591	81,957.08
Blackhawk Retail Development LLC	457,951	66,478.46
Colonial Oaks Blackhawk LLC	394,650	57,116.88
Blackhawk Professionals LLC	381,001	55,308.02

Source: Miami County Clerk

Pension and Employee Retirement Plans

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

As of December 31, 2023, KPERS serves approximately 328,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

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

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

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

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

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

In 2004, 2015 and 2021, the Kansas Development Finance Authority, on behalf of the State, issued pension obligation bonds and contributed the proceeds thereof to KPERS to assist with improving the status of the unfunded actuarial pension liability. In 2022 the Legislature provided for additional contributions totaling \$1.125 billion in four payments to be deposited into the KPERS trust fund for the School Group. For more information about the Legislature's actions related to KPERS, please see the 2022 Valuation Report referenced below.

The State's contribution for school employees varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The State's contribution is 11.54% of the employee's gross salary for the period beginning July 1, 2024, through June 30, 2025. In addition, the District contributes 1% of the employee's gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2023 (the "2023 Valuation Report") the KPERS School Group, of which the District is a member, carried an unfunded accrued actuarial liability ("UAAL") of approximately \$4.899 billion at the end of 2023. The amount of the UAAL in 2023 changed from the previous year's amount due to the factors discussed in the 2023 Valuation Report; such report also includes additional information relating to the funded status of the KPERS School Group, including recent trends in the funded status of the KPERS School Group. A copy of the 2023 Valuation Report is available on the KPERS website at kpers.org/about/reports. The District has no means to independently verify any of the information set forth on the KPERS website or in the 2023 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS School Group. The 2023 Valuation Report sets the employer contribution rate for the period beginning July 1, 2026, for the KPERS School Group, and KPERS' actuaries identified that an employer contribution rate of 11.41% of covered payroll would be necessary, together with statutory contributions by covered employees, to eliminate the UAAL by the end of the actuarial periods set forth in the 2023 Valuation Report. Because the annual growth in employer contribution rates is limited by State law, the actual contribution rate permitted at the time of calculation was only 11.32%. As a result, members of the School Group are underfunding their projected actuarial liabilities and the UAAL can be expected to grow over time. KPERS' actuaries project the required employer contribution rate to increase by an amount not exceeding the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter, until such time as the permitted rate equals the actuarial rate.

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DEBT STRUCTURE

Debt Summary

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

	<u>Gross Debt</u>	<u>Net Debt⁽²⁾</u>
Assessed Valuation	\$579,686,431	\$579,686,431
Estimated Actual Valuation	\$3,623,040,193	\$3,623,040,193
Outstanding General Obligation Bonds ⁽¹⁾	\$259,835,000	\$244,856,750
Overlapping Debt	\$57,641,904	\$57,641,904
Population	21,822	21,822
Direct Debt Per Capita	\$11,907.02	\$11,220.64
Direct and Overlapping Debt Per Capita	\$14,548.48	\$13,862.09
Direct Debt as a Percentage of Assessed Valuation	44.82%	42.24%
Direct and Overlapping Debt as a Percentage of Assessed Valuation	54.76%	52.18%
Direct Debt as a Percentage of Estimated Actual Valuation	7.17%	6.76%
Direct and Overlapping Debt as a Percentage of Estimated Actual Valuation	8.76%	8.35%

⁽¹⁾ Includes this issue, preliminary, subject to change..

⁽²⁾ Net Debt excludes the portion of the Bonds expected to be paid by the State of Kansas pursuant to the School Finance Formula. Under the current school finance formula for the fiscal year ending June 30, 2025, the State of Kansas is expected to pay 45% of debt service on the District's outstanding general obligation bonds which were approved at an election before July 1, 2015 and 0% on the District's outstanding general obligation bonds which were approved at an election after July 1, 2015. No assurance can be given that such State assistance will continue in future years. See "FINANCIAL INFORMATION – Property Tax Levies and Collections – School District Funding Formula" herein.

Current Indebtedness of the Issuer

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

GENERAL OBLIGATION BONDS

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Dated</u> <u>Date</u>	<u>Original</u> <u>Amount</u>	<u>Final</u> <u>Maturity</u>	<u>Amount</u> <u>Outstanding</u>
General Obligation Refunding Bonds ⁽²⁾	2016	5/10/2016	\$25,515,000	9/1/2030	\$11,735,000
General Obligation Improvement Bonds ⁽²⁾	2016-B	10/27/2016	82,400,000	9/1/2037	73,110,000
Taxable General Obligation Refunding Bonds	2016-C	10/27/2016	2,790,000	9/1/2028	2,790,000
General Obligation Refunding Bonds	2017-A	3/28/2017	9,290,000	9/1/2031	9,215,000
General Obligation Bonds ⁽²⁾	2018-A	12/18/2018	72,000,000	9/1/2034	39,115,000
Taxable General Obligation Refunding Bonds	2020-A	3/31/2020	1,595,000	9/1/2029	1,565,000
Taxable General Obligation Refunding Bonds	2020-B	3/31/2020	35,960,000	9/1/2039	35,960,000
Taxable General Obligation Refunding Bonds	2021	2/25/2021	31,815,000	9/1/2031	21,030,000
General Obligation Ref. & Improvement Bonds ⁽¹⁾	2025	7/15/2025	65,315,000	9/1/2045	<u>65,315,000</u>
				Total	<u>\$259,835,000</u>

⁽¹⁾ This Issue. Preliminary, subject to change.

⁽²⁾ Excludes the bonds being refunded by this issue.

History of General Obligation Indebtedness

The following table sets forth general obligation debt information pertaining to the Issuer as of the fiscal years indicated:

<u>Year</u>	<u>Total Debt</u>	<u>Debt As Percentage of Assessed Value</u>	<u>Debt Per Capita</u>
2016	\$79,230,000	41.11%	\$5,111.61
2017	159,100,000	70.15%	10,264.52
2018	155,570,000	58.60%	10,036.77
2019	223,315,000	83.12%	17,691.12
2020	225,185,000	83.44%	17,839.26
2021	225,620,000	67.46%	14,101.25
2022	220,910,000	59.63%	13,806.87
2023	214,565,000	47.95%	11,170.02
2024	207,350,000	40.17%	10,694.76

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

Overlapping and Underlying Indebtedness

The following table sets forth the overlapping and underlying indebtedness as of December 31, 2024 and the percent attributable (on the basis of assessed valuation) to the District:

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to Issuer</u>	<u>Amount Applicable to Issuer</u>
Johnson County	\$220,660,000	2.56%	\$5,648,896
Miami County	4,407,000	12.79%	563,655
City of Spring Hill	26,318,452	100.00%	26,318,452
Jo. Co. Fire District No. 2	3,635,000	39.49%	1,326,411
City of Olathe	380,555,000	6.03%	22,947,467
City of Overland Park	89,045,000	0.94%	837,023
		Total	<u>\$57,641,904</u>

Future Indebtedness

Currently the District does not have any plans to issue additional indebtedness. However, the District may issue additional general obligation refunding bonds in the future for the purpose of achieving interest cost savings on its outstanding general obligation bonds. In addition, the District may consider future bond elections to address growth in the District.

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APPENDIX B

**FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

UNIFIED SCHOOL DISTRICT NO. 230

Spring Hill, Kansas

Financial Statements

For the Year Ended June 30, 2024

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UNIFIED SCHOOL DISTRICT NO. 230
Financial Statements
For the Year Ended June 30, 2024

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UNIFIED SCHOOL DISTRICT NO. 230
Financial Statements
For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 230
Spring Hill, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 230, Spring Hill, Kansas (the District), as of and for the year ended June 30, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds and the schedule of regulatory basis receipts and expenditures-district activity funds (Schedules 1, 2, 3 and 4) as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2024, on our consideration of the District's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Matters

Other Matter

The 2023 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2024 (Schedule 2 as listed in the table of contents), is presented for purposes of additional analysis and is not a required part of the basic financial statement.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated November 8, 2023, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2023, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

November 5, 2024

UNIFIED SCHOOL DISTRICT NO. 230
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ -	\$ -	\$ 40,392,541	\$ 40,392,541	\$ -	\$ 2,541,330	\$ 2,541,330
Supplemental General	624,850	-	10,446,032	10,342,222	728,660	-	728,660
Special Purpose Funds:							
Capital Outlay	1,783,887	-	6,817,320	5,403,826	3,197,381	-	3,197,381
Driver Training	53,478	-	41,101	48,488	46,091	-	46,091
Food Service	1,303,818	-	2,304,792	2,728,971	879,639	[2,021]	877,618
Parent Education	15,815	-	50,000	-	65,815	-	65,815
Special Education	747,021	-	8,272,949	8,368,968	651,002	657,244	1,308,246
Cost of Living	-	-	1,262,119	1,203,536	58,583	-	58,583
Vocational Education	126,763	-	645,773	624,264	148,272	77,436	225,708
Special Assessment	539,655	-	243,264	264,530	518,389	-	518,389
KPERS Special							
Retirement Contribution	-	-	4,402,365	4,402,365	-	-	-
Professional Development	22,634	-	209,291	210,367	21,558	-	21,558
At Risk (4 Year Old)	12,407	-	55,000	54,240	13,167	5,593	18,760
At Risk (K-12)	459,311	-	1,830,000	1,232,703	1,056,608	74,503	1,131,111
Bilingual Education	28,779	-	135,000	136,330	27,449	21,661	49,110
Extraordinary Growth							
Facility	467,851	-	3,753,233	3,620,000	601,084	-	601,084
Special Liability	353,193	-	22,241	114,140	261,294	-	261,294
Special Reserve	738,221	-	4,288,924	4,491,824	535,321	-	535,321
Federal Funds	[996,531]	-	2,468,657	1,442,908	29,218	80,380	109,598
Virtual Education	-	-	9,242,390	9,242,390	-	-	-
Textbook Rental	48,285	-	315,237	163,087	200,435	-	200,435
Gifts and Grants	145,660	-	203,293	202,553	146,400	6,092	152,492
Contingency Reserve	500,419	-	-	-	500,419	-	500,419
Bond Construction	512,912	-	8,882	520,819	975	-	975
District Activities	357,967	-	594,596	568,349	384,214	-	384,214
Bond and Interest Fund:							
Bond and Interest	8,766,126	-	14,364,021	15,030,492	8,099,655	-	8,099,655
Total Reporting Entity (excluding Agency Funds)	\$ 16,612,521	\$ -	\$ 112,369,021	\$ 110,809,913	\$ 18,171,629	\$ 3,462,218	\$ 21,633,847

Composition of Cash:

State Bank of Spring Hill	
Checking Accounts	\$ 2,254,960
Certificate of Deposit	15,000
First Option Bank	
Checking Account	19,088,644
Money Market	10,031
Certificate of Deposit	240,000
TriCentury Bank	
Checking Account	299,200
Cash Balance	21,907,835
Less: Agency Funds per Schedule 3	[273,988]
Total Reporting Entity (Excluding Agency Funds)	\$ 21,633,847

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 230 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements present the District (the primary government). The District's only related municipal entity, the Recreation Commission, has not been presented.

The Spring Hill Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute K.S.A. 12-1928. Two of the five members of the Recreation Commission's governing body are appointed by the District, two other members are appointed by the City and the final member is appointed by the other four previously appointed members. The separately audited financial statements of the Recreation Commission are available upon request at the Recreation Commission office.

Reimbursed Expenses

Expenditures in the amount of \$199,485 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

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

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2024:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

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

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

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Agency Fund - funds used to report assets held by the District in a purely custodial capacity (payroll clearing fund, student organization fund, etc.)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund(s), special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory basis receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was not amended for the year ended June 30, 2024.

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

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

A legal operating budget is not required for the following special purpose funds: Special Reserve, Textbook Rental, Contingency Reserve, Bond Construction and District Activity.

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

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 2 - Deposits and Investments

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

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

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods."

As of June 30, 2024, the District's carrying amount of deposits was \$21,907,835 and the bank balance was \$24,000,537. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance and \$23,250,537 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 3 - Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 3 - Defined Benefit Pension Plan (Continued)

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of \$1.0 billion in pension obligation bonds to fund a portion of the School -Group's unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, series 2021K, net proceeds of \$500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer \$1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first \$253.9 million paid off outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining \$871.1 million was applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, \$600 million was transferred in May/June 2022.

In addition, Senate Bill 421 authorizes two additional transfers in Fiscal Year 2023 which totaled \$271.1 million. The first transfer of \$146.1 million was received on August 1, 2022. The second transfer of \$125 million was received on December 1, 2022.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$4,402,365 for the year ended June 30, 2024.

Net Pension Liability. As of June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was \$39,199,138. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2023. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 4 - Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the *Consolidated Omnibus Budget Reconciliation Act* (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Death and Disability Other-Post Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2024.

NOTE 5 - Compensated Absences

Classified employees' vacation days can be carried over to the twelve months following the end of the year in which they were earned. The amount of unused vacation for classified employees as of June 30, 2024 is \$144,566.

NOTE 6 - Sick Leave Buyback

Under terms of the District's personnel policy, the District can buy back unused sick leave from employees at a rate of pay that varies depending on whether the employee is classified or certified and their length of service with the District. For the year ended June 30, 2024, the District purchased \$2,763 in sick leave from District employees.

NOTE 7 - Employee Health Care

The District has established a program to pay medical claims of covered employees through a cost-plus healthcare insurance plan. Health insurance claims are paid monthly to the insurance provider up to a maximum claims liability. Under the contract, the District pays the lower amount between actual monthly claims plus any carryforward deficit or a monthly premium plus any carryforward surplus. A carryforward surplus represents an unused maximum claims liability, while a carryforward deficit represents a funding shortage. The amount of carryforward deficit as of June 30, 2024, was \$180,556.

NOTE 8 - 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. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District as of June 30, 2024.

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 10 - Interfund Transfers

Transfers for the year ended June 30, 2024, are approved by the Board of Education and are as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	At Risk (4 Year Old)	\$ 55,000	K.S.A. 72-5167
General	Professional Development	178,000	K.S.A. 72-5167
General	At Risk (K-12)	1,330,000	K.S.A. 72-5167
General	Parent Education	50,000	K.S.A. 72-5167
General	Special Education	4,464,921	K.S.A. 72-5167
General	Virtual Education	9,242,390	K.S.A. 72-5167
General	Bilingual Education	110,000	K.S.A. 72-5167
General	Vocational Education	120,000	K.S.A. 72-5167
Supplemental General	At Risk (K-12)	500,000	K.S.A. 72-5143
Supplemental General	Bilingual Education	25,000	K.S.A. 72-5143
Supplemental General	Special Education	2,226,744	K.S.A. 72-5143
Supplemental General	Vocational Education	520,000	K.S.A. 72-5143
Total		<u>\$ 18,822,055</u>	

NOTE 11 - Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

<u>Fund</u>	<u>Project</u>	<u>Project Authorization</u>	<u>Expenditures To Date</u>
Bond Construction #2 Funds	Timber Sage	\$ 19,827,914	\$19,827,914
Bond Construction #2 Funds	Woodland Spring Middle School	31,829,013	31,829,013
Bond Construction #2 Funds	Early Childhood Center	2,599,094	2,599,094
Bond Construction #2 Funds	SHHS-Phase I	10,926,140	10,926,140
Bond Construction #2 Funds	SHHS-Phase II	8,332,010	8,332,010
Bond Construction #2 Funds	New SHES Gym	2,278,367	2,278,367
Bond Construction #2 Funds	Maintenance	500,000	500,000
Bond Construction #2 Funds	Education Technology	1,000,000	1,000,000
Bond Construction #2 Funds	Future Land Purchase	650,000	3,141,183
Bond Construction #2 Funds	Parking Lot	930,740	930,740
Bond Construction #2 Funds	USD 230 Contingency	2,680,216	189,033
Bond Construction #2 Funds	Other Projects	846,506	846,506
Bond Construction #2 Funds	Dayton Creek ES	21,379,802	21,379,802
Bond Construction #2 Funds	Forest Spring Middle School	37,685,158	37,763,155
Bond Construction #2 Funds	Education Services Center	10,000,000	9,984,111
Bond Construction #2 Funds	Site Acquisition/Off Site Development	1,312,000	1,312,000
Bond Construction #2 Funds	Technology	500,000	500,000
Bond Construction #2 Funds	Maintenance	500,000	302,692
Bond Construction #2 Funds	USD 230 Contingency	623,040	27,513

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 12 - Long-Term Debt

The following table summarizes changes in long-term debt for the year ended June 30, 2024:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
G.O. Bonds To Be Paid With:					
Tax Levies					
2016 Refunding Bonds	\$ 15,690,000	\$ -	\$ 120,000	\$ 15,570,000	\$ 740,300
2016-B Improvement Series	73,970,000	-	-	73,970,000	2,812,850
2016-C Refunding Series	2,790,000	-	-	2,790,000	75,085
2017-A Refunding Series	9,265,000	-	25,000	9,240,000	347,438
2017-B Refunding Series	2,685,000	-	2,685,000	-	43,775
2018-A Improvement Series	42,055,000	-	950,000	41,105,000	3,449,800
2020-A Refunding Series	1,585,000	-	10,000	1,575,000	31,600
2020-B Refunding Series	35,960,000	-	-	35,960,000	-
2021 Refunding Series	<u>30,565,000</u>	<u>-</u>	<u>3,425,000</u>	<u>27,140,000</u>	<u>314,644</u>
	<u>214,565,000</u>	<u>-</u>	<u>7,215,000</u>	<u>207,350,000</u>	<u>7,815,492</u>
Finance Leases					
Apple Lease	949,160	-	474,580	474,580	-
Enterprise Fleet Leases	<u>160,553</u>	<u>461,050</u>	<u>264,294</u>	<u>357,309</u>	<u>-</u>
	<u>1,109,713</u>	<u>461,050</u>	<u>738,874</u>	<u>831,889</u>	<u>-</u>
Total	<u>\$ 215,674,713</u>	<u>\$ 461,050</u>	<u>\$ 7,953,874</u>	<u>\$ 208,181,889</u>	<u>\$ 7,815,492</u>

General Obligation Bonds. The following table details the District's outstanding general obligation bonds as of June 30, 2024:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Balance June 30, 2024</u>
G.O. Bonds to be paid with tax levies:					
2016 Refunding Series	5/10/16	9/1/30	2.00 - 3.50%	\$ 25,515,000	\$ 15,570,000
2016-B Improvement Series	10/27/16	9/1/37	3.00 - 5.00%	82,400,000	73,970,000
2016-C Refunding Series	10/27/16	9/1/28	2.50 - 2.85%	2,790,000	2,790,000
2017-A Refunding Series	3/28/17	9/1/31	2.63 - 4.00%	9,290,000	9,240,000
2017-B Refunding Series	6/7/17	9/1/23	3.00 - 5.00%	5,245,000	-
2018-A Improvement Series	12/18/18	9/1/34	3.00 - 5.00%	72,000,000	41,105,000
2020-A Refunding Series	3/31/20	9/1/29	2.65%	1,595,000	1,575,000
2020-B Refunding Series	3/31/20	9/1/39	2.65%	35,960,000	35,960,000
2021 Refunding Series	3/1/21	9/1/31	0.20 - 1.64%	<u>31,815,000</u>	<u>27,140,000</u>
				<u>\$ 266,610,000</u>	<u>\$ 207,350,000</u>

UNIFIED SCHOOL DISTRICT NO. 230
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 12 - Long-Term Debt (Continued)

The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 7,250,000	\$ 7,716,128	\$ 14,966,128
2026	8,615,000	7,535,096	16,150,096
2027	9,675,000	7,159,495	16,834,495
2028	11,065,000	6,280,191	17,345,191
2029	13,280,000	5,462,634	18,742,634
2030 - 2034	67,985,000	20,941,102	88,926,102
2035 - 2039	82,895,000	6,214,050	89,109,050
2040	6,585,000	65,850	6,650,850
	<u>\$ 207,350,000</u>	<u>\$ 61,374,546</u>	<u>\$ 268,724,546</u>

As of June 30, 2024, the remaining principal balance of outstanding debt issues previously defeased is \$48,080,000. The principal and interest payments for these bonds will be paid by the trustee for the related escrow securities on the scheduled payment dates. This amount is not recorded in these financial statements.

Legal Debt Margin. The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25. The District obtained permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

Finance Leases. The following table details the District's outstanding finance leases as of June 30, 2024:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2024</u>
Finance Leases:					
Apple Lease	5/20/23	5/20/25	0.00%	\$ 1,334,592	\$ 474,580
Enterprise Fleet Leases	Various	Various	0.00%	407,431	357,309
				<u>\$ 1,742,023</u>	<u>\$ 831,889</u>

The annual debt service requirements to maturity for the finance leases are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 686,344	\$ -	\$ 686,344
2026	70,139	-	70,139
2027	54,754	-	54,754
2028	20,652	-	20,652
	<u>\$ 831,889</u>	<u>\$ -</u>	<u>\$ 831,889</u>

UNIFIED SCHOOL DISTRICT NO. 230
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Over [Under]</u>
General Funds						
General	\$ 41,321,190	\$ [1,128,134]	\$ 199,485	\$ 40,392,541	\$ 40,392,541	\$ -
Supplemental General	10,683,863	[341,641]	-	10,342,222	10,342,222	-
Special Purpose Funds:						
Capital Outlay	7,110,000	-	461,050	7,571,050	5,403,826	[2,167,224]
Driver Training	84,600	-	-	84,600	48,488	[36,112]
Food Service	3,179,500	-	-	3,179,500	2,728,971	[450,529]
Parent Education	65,815	-	-	65,815	-	[65,815]
Special Education	8,933,000	-	-	8,933,000	8,368,968	[564,032]
Cost of Living	1,203,536	-	-	1,203,536	1,203,536	-
Vocational Education	788,000	-	-	788,000	624,264	[163,736]
Special Assessment	550,000	-	-	550,000	264,530	[285,470]
KPERS Special Retirement						
Contribution	5,551,177	-	-	5,551,177	4,402,365	[1,148,812]
Professional Development	233,450	-	-	233,450	210,367	[23,083]
At Risk (4 Year Old)	117,350	-	-	117,350	54,240	[63,110]
At Risk (K-12)	2,005,000	-	-	2,005,000	1,232,703	[772,297]
Bilingual Education	188,500	-	-	188,500	136,330	[52,170]
Extraordinary Growth Facility	4,400,000	-	-	4,400,000	3,620,000	[780,000]
Special Liability	270,000	-	-	270,000	114,140	[155,860]
Federal Funds	1,462,261	-	-	1,462,261	1,442,908	[19,353]
Virtual Education	9,313,600	-	-	9,313,600	9,242,390	[71,210]
Gifts and Grants	204,250	-	-	204,250	202,553	[1,697]
Bond and Interest Fund:						
Bond and Interest	15,030,492	-	-	15,030,492	15,030,492	-

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 37,009,053	\$ 40,193,056	\$ 41,321,190	\$ [1,128,134]
Reimbursements	233,791	199,485	-	199,485
Total Receipts	<u>37,242,844</u>	<u>40,392,541</u>	<u>\$ 41,321,190</u>	<u>\$ [928,649]</u>
Expenditures				
Instruction	12,035,324	14,912,029	\$ 13,933,815	\$ 978,214
Student support services	1,376,479	1,560,923	1,442,300	118,623
Instructional support staff	1,040,868	1,169,482	1,144,125	25,357
General administration	603,442	599,560	612,500	[12,940]
School administration	2,657,586	3,002,726	2,957,500	45,226
Central services	1,440,530	1,375,952	1,549,500	[173,548]
Operations and maintenance	275,735	324,295	292,850	31,445
Transportation	1,831,363	1,897,263	1,975,000	[77,737]
Transfers out	15,981,517	15,550,311	17,413,600	[1,863,289]
Adjustments to comply with legal max	-	-	[1,128,134]	1,128,134
Adjustments for qualifying budget credits	-	-	199,485	[199,485]
Total Expenditures	<u>37,242,844</u>	<u>40,392,541</u>	<u>\$ 40,392,541</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 3,768,664	\$ 4,212,845	\$ 4,227,320	\$ [14,475]
Delinquent taxes	9,292	46,800	16,896	29,904
Motor vehicle taxes	351,154	334,244	317,472	16,772
Recreational vehicle taxes	4,371	3,923	4,756	[833]
Commercial vehicle taxes	4,413	5,419	4,753	666
Miscellaneous	7,134	12,890	62,062	[49,172]
State aid	5,475,364	5,829,911	6,022,494	[192,583]
Total Receipts	<u>9,620,392</u>	<u>10,446,032</u>	<u>\$ 10,655,753</u>	<u>\$ [209,721]</u>
Expenditures				
Instruction	4,101,741	2,741,112	\$ 4,580,113	\$ [1,839,001]
Central services	708	1,177	3,750	[2,573]
Operations and maintenance	3,774,205	4,328,189	4,340,000	[11,811]
Transfers out	1,601,213	3,271,744	1,760,000	1,511,744
Adjustments to comply with legal max	-	-	[341,641]	341,641
Total Expenditures	<u>9,477,867</u>	<u>10,342,222</u>	<u>\$ 10,342,222</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	142,525	103,810		
Unencumbered Cash, Beginning	<u>482,325</u>	<u>624,850</u>		
Unencumbered Cash, Ending	<u>\$ 624,850</u>	<u>\$ 728,660</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 3,264,391	\$ 3,872,275	\$ 3,506,742	\$ 365,533
Delinquent taxes	7,726	35,802	14,651	21,151
Motor vehicle taxes	267,142	291,614	278,970	12,644
Recreational vehicle taxes	3,337	3,424	4,179	[755]
Commercial vehicle taxes	3,672	4,684	4,176	508
Lease proceeds	1,619,232	461,050	-	461,050
Miscellaneous revenue	296,137	303,437	354,535	[51,098]
State aid	1,622,323	1,845,034	1,845,037	[3]
Total Receipts	<u>7,083,960</u>	<u>6,817,320</u>	<u>\$ 6,008,290</u>	<u>\$ 809,030</u>
Expenditures				
Instruction	4,145,022	1,324,991	\$ 2,400,000	\$ [1,075,009]
Operations and maintenance	2,887,953	4,062,595	4,210,000	[147,405]
Facilities acquisition and construction	188,115	16,240	500,000	[483,760]
Adjustment for qualifying budget credits	-	-	461,050	[461,050]
Total Expenditures	<u>7,221,090</u>	<u>5,403,826</u>	<u>\$ 7,571,050</u>	<u>\$ [2,167,224]</u>
Receipts Over [Under] Expenditures	[137,130]	1,413,494		
Unencumbered Cash, Beginning	<u>1,921,017</u>	<u>1,783,887</u>		
Unencumbered Cash, Ending	<u>\$ 1,783,887</u>	<u>\$ 3,197,381</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 33,538	\$ 25,441	\$ 36,000	\$ [10,559]
State aid	13,580	15,660	27,000	[11,340]
Total Receipts	<u>47,118</u>	<u>41,101</u>	<u>\$ 63,000</u>	<u>\$ [21,899]</u>
Expenditures				
Instruction	43,185	47,438	\$ 77,600	\$ [30,162]
Vehicle operating and maintenance	2,387	1,050	7,000	[5,950]
Total Expenditures	<u>45,572</u>	<u>48,488</u>	<u>\$ 84,600</u>	<u>\$ [36,112]</u>
Receipts Over [Under] Expenditures	1,546	[7,387]		
Unencumbered Cash, Beginning	<u>51,932</u>	<u>53,478</u>		
Unencumbered Cash, Ending	<u>\$ 53,478</u>	<u>\$ 46,091</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 914,968	\$ 809,389	\$ 929,845	\$ [120,456]
State aid	19,538	16,084	16,700	[616]
Charges for services	1,237,075	1,445,419	1,768,850	[323,431]
Investment income	-	12,073	-	12,073
Miscellaneous	15,253	21,827	50,000	[28,173]
Total Receipts	<u>2,186,834</u>	<u>2,304,792</u>	<u>\$ 2,765,395</u>	<u>\$ [460,603]</u>
Expenditures				
Operation and maintenance	44,377	46,939	\$ 88,500	\$ [41,561]
Food service operation	<u>2,244,980</u>	<u>2,682,032</u>	<u>3,091,000</u>	<u>[408,968]</u>
Total Expenditures	<u>2,289,357</u>	<u>2,728,971</u>	<u>\$ 3,179,500</u>	<u>\$ [450,529]</u>
Receipts Over [Under] Expenditures	[102,523]	[424,179]		
Unencumbered Cash, Beginning	<u>1,406,341</u>	<u>1,303,818</u>		
Unencumbered Cash, Ending	<u>\$ 1,303,818</u>	<u>\$ 879,639</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Parent Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Transfers in	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Total Receipts	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Expenditures				
Student support services	<u>44,000</u>	<u>-</u>	<u>\$ 65,815</u>	<u>\$ [65,815]</u>
Total Expenditures	<u>44,000</u>	<u>-</u>	<u>\$ 65,815</u>	<u>\$ [65,815]</u>
Receipts Over [Under] Expenditures	6,000	50,000		
Unencumbered Cash, Beginning	<u>9,815</u>	<u>15,815</u>		
Unencumbered Cash, Ending	<u>\$ 15,815</u>	<u>\$ 65,815</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal aid	\$ 898,980	\$ 890,678	\$ 1,250,000	\$ [359,322]
Reimbursements	205,718	184,476	-	184,476
Miscellaneous revenue	102,938	101,702	100,000	1,702
Investment income	138,069	404,428	150,000	254,428
Transfers in	<u>6,433,153</u>	<u>6,691,665</u>	<u>6,950,000</u>	<u>[258,335]</u>
Total Receipts	<u>7,778,858</u>	<u>8,272,949</u>	<u>\$ 8,450,000</u>	<u>\$ [177,051]</u>
Expenditures				
Instruction	5,769,732	6,143,408	\$ 6,856,000	\$ [712,592]
Student support services	1,525,579	1,781,188	896,500	884,688
General administration	8,720	8,142	785,500	[777,358]
Transportation	<u>340,806</u>	<u>436,230</u>	<u>395,000</u>	<u>41,230</u>
Total Expenditures	<u>7,644,837</u>	<u>8,368,968</u>	<u>\$ 8,933,000</u>	<u>\$ [564,032]</u>
Receipts Over [Under] Expenditures	134,021	[96,019]		
Unencumbered Cash, Beginning	<u>613,000</u>	<u>747,021</u>		
Unencumbered Cash, Ending	<u>\$ 747,021</u>	<u>\$ 651,002</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Cost of Living Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ -	\$ 1,258,844	\$ -	\$ 1,258,844
Delinquent taxes	-	152	-	152
Miscellaneous	-	3,123	-	3,123
Total Receipts	-	1,262,119	\$ -	\$ 1,262,119
Expenditures				
State payment	-	1,203,536	\$ 1,203,536	\$ -
Total Expenditures	-	1,203,536	\$ 1,203,536	\$ -
Receipts Over [Under] Expenditures	-	58,583		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 58,583		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous revenue	\$ 15,359	\$ 9,057	\$ 25,000	\$ [15,943]
State aid	3,284	[3,284]	-	[3,284]
Transfers in	620,000	640,000	690,000	[50,000]
Total Receipts	<u>638,643</u>	<u>645,773</u>	<u>\$ 715,000</u>	<u>\$ [69,227]</u>
Expenditures				
Instruction	<u>621,319</u>	<u>624,264</u>	<u>\$ 788,000</u>	<u>\$ [163,736]</u>
Total Expenditures	<u>621,319</u>	<u>624,264</u>	<u>\$ 788,000</u>	<u>\$ [163,736]</u>
Receipts Over [Under] Expenditures	17,324	21,509		
Unencumbered Cash, Beginning	<u>109,439</u>	<u>126,763</u>		
Unencumbered Cash, Ending	<u>\$ 126,763</u>	<u>\$ 148,272</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Special Assessment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 322,796	\$ 197,895	\$ 178,813	\$ 19,082
Delinquent taxes	805	2,002	1,433	569
Motor vehicle taxes	15,302	39,670	37,874	1,796
Recreational vehicle taxes	200	469	567	[98]
Commercial vehicle taxes	442	511	567	[56]
Miscellaneous	1,414	2,717	7,404	[4,687]
Total Receipts	<u>340,959</u>	<u>243,264</u>	<u>\$ 226,658</u>	<u>\$ 16,606</u>
Expenditures				
Facilities acquisition	<u>262,386</u>	<u>264,530</u>	<u>\$ 550,000</u>	<u>\$ [285,470]</u>
Total Expenditures	<u>262,386</u>	<u>264,530</u>	<u>\$ 550,000</u>	<u>\$ [285,470]</u>
Receipts Over [Under] Expenditures	78,573	[21,266]		
Unencumbered Cash, Beginning	<u>461,082</u>	<u>539,655</u>		
Unencumbered Cash, Ending	<u>\$ 539,655</u>	<u>\$ 518,389</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 4,270,136	\$ 4,402,365	\$ 5,551,177	\$ [1,148,812]
Total Receipts	<u>4,270,136</u>	<u>4,402,365</u>	<u>\$ 5,551,177</u>	<u>\$ [1,148,812]</u>
Expenditures				
Instruction	2,880,154	3,075,513	\$ 3,921,366	\$ [845,853]
Student support services	199,511	242,857	321,386	[78,529]
Instructional support staff	155,136	131,116	153,579	[22,463]
General administration	161,537	103,864	105,414	[1,550]
School administration	357,653	346,123	427,229	[81,106]
Other support services	166,181	152,799	185,118	[32,319]
Operations and maintenance	257,624	234,384	282,820	[48,436]
Food service	92,340	115,709	154,265	[38,556]
Total Expenditures	<u>4,270,136</u>	<u>4,402,365</u>	<u>\$ 5,551,177</u>	<u>\$ [1,148,812]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
State aid	\$ 25,449	\$ 31,291	\$ 35,250	\$ [3,959]
Transfers in	145,000	178,000	175,000	3,000
Total Receipts	<u>170,449</u>	<u>209,291</u>	<u>\$ 210,250</u>	<u>\$ [959]</u>
Expenditures				
Instruction	91,831	166,505	\$ -	\$ 166,505
Student support services	-	3,190	-	3,190
Instructional support staff	60,325	30,170	191,100	[160,930]
General administration	7,830	5,338	-	5,338
School administration	2,760	5,164	-	5,164
Central services	-	-	42,350	[42,350]
Total Expenditures	<u>162,746</u>	<u>210,367</u>	<u>\$ 233,450</u>	<u>\$ [23,083]</u>
Receipts Over [Under] Expenditures	7,703	[1,076]		
Unencumbered Cash, Beginning	<u>14,931</u>	<u>22,634</u>		
Unencumbered Cash, Ending	<u>\$ 22,634</u>	<u>\$ 21,558</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
At Risk (4 Year Old) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 50,000	\$ 55,000	\$ 105,000	\$ [50,000]
Total Receipts	<u>50,000</u>	<u>55,000</u>	<u>\$ 105,000</u>	<u>\$ [50,000]</u>
Expenditures				
Instruction	32,485	33,654	\$ 91,500	\$ [57,846]
School administration	<u>21,716</u>	<u>20,586</u>	<u>25,850</u>	<u>[5,264]</u>
Total Expenditures	<u>54,201</u>	<u>54,240</u>	<u>\$ 117,350</u>	<u>\$ [63,110]</u>
Receipts Over [Under] Expenditures	[4,201]	760		
Unencumbered Cash, Beginning	<u>16,608</u>	<u>12,407</u>		
Unencumbered Cash, Ending	<u>\$ 12,407</u>	<u>\$ 13,167</u>		

UNIFIED SCHOOL DISTRICT NO. 230
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 1,510,000	\$ 1,830,000	\$ 1,780,000	\$ 50,000
Total Receipts	<u>1,510,000</u>	<u>1,830,000</u>	<u>\$ 1,780,000</u>	<u>\$ 50,000</u>
Expenditures				
Instruction	1,141,551	1,216,079	\$ 1,980,000	\$ [763,921]
Transportation	<u>15,046</u>	<u>16,624</u>	<u>25,000</u>	<u>[8,376]</u>
Total Expenditures	<u>1,156,597</u>	<u>1,232,703</u>	<u>\$ 2,005,000</u>	<u>\$ [772,297]</u>
Receipts Over [Under] Expenditures	353,403	597,297		
Unencumbered Cash, Beginning	<u>105,908</u>	<u>459,311</u>		
Unencumbered Cash, Ending	<u>\$ 459,311</u>	<u>\$ 1,056,608</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over Under
		<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Transfers in	\$ 150,000	\$ 135,000	\$ 160,000	\$ [25,000]
Total Receipts	<u>150,000</u>	<u>135,000</u>	<u>\$ 160,000</u>	<u>\$ [25,000]</u>
Expenditures				
Instruction	<u>131,955</u>	<u>136,330</u>	<u>\$ 188,500</u>	<u>\$ [52,170]</u>
Total Expenditures	<u>131,955</u>	<u>136,330</u>	<u>\$ 188,500</u>	<u>\$ [52,170]</u>
Receipts Over [Under] Expenditures	18,045	[1,330]		
Unencumbered Cash, Beginning	<u>10,734</u>	<u>28,779</u>		
Unencumbered Cash, Ending	<u>\$ 28,779</u>	<u>\$ 27,449</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Extraordinary Growth Facility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 4,509,931	\$ 3,306,061	\$ 4,509,931	\$ [1,203,870]
Delinquent taxes	9,505	44,384	9,505	34,879
Motor vehicle taxes	331,126	380,796	331,125	49,671
Recreational vehicle taxes	4,138	4,464	4,138	326
Commercial vehicle taxes	4,604	6,404	4,604	1,800
Miscellaneous	8,547	11,124	8,547	2,577
Total Receipts	<u>4,867,851</u>	<u>3,753,233</u>	<u>\$ 4,867,850</u>	<u>\$ [1,114,617]</u>
Expenditures				
State payment	<u>4,400,000</u>	<u>3,620,000</u>	<u>\$ 4,400,000</u>	<u>\$ [780,000]</u>
Total Expenditures	<u>4,400,000</u>	<u>3,620,000</u>	<u>\$ 4,400,000</u>	<u>\$ [780,000]</u>
Receipts Over [Under] Expenditures	467,851	133,233		
Unencumbered Cash, Beginning	<u>-</u>	<u>467,851</u>		
Unencumbered Cash, Ending	<u>\$ 467,851</u>	<u>\$ 601,084</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Special Liability Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 200,477	\$ 2,718	\$ 2,563	\$ 155
Delinquent taxes	322	982	898	84
Motor vehicle taxes	79	210	16,977	[16,767]
Recreational vehicle taxes	6,022	17,906	254	17,652
Commercial vehicle taxes	174	289	254	35
Miscellaneous	379	136	3,318	[3,182]
Total Receipts	<u>207,453</u>	<u>22,241</u>	<u>\$ 24,264</u>	<u>\$ [2,023]</u>
Expenditures				
Instruction	25,636	18,256	\$ -	\$ 18,256
General administration	-	95,884	270,000	[174,116]
Total Expenditures	<u>25,636</u>	<u>114,140</u>	<u>\$ 270,000</u>	<u>\$ [155,860]</u>
Receipts Over [Under] Expenditures	181,817	[91,899]		
Unencumbered Cash, Beginning	<u>171,376</u>	<u>353,193</u>		
Unencumbered Cash, Ending	<u>\$ 353,193</u>	<u>\$ 261,294</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Special Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 4,209,770	\$ 4,288,924
Total Receipts	<u>4,209,770</u>	<u>4,288,924</u>
Expenditures		
Instruction	<u>3,899,912</u>	<u>4,491,824</u>
Total Expenditures	<u>3,899,912</u>	<u>4,491,824</u>
Receipts Over [Under] Expenditures	309,858	[202,900]
Unencumbered Cash, Beginning	<u>428,363</u>	<u>738,221</u>
Unencumbered Cash, Ending	<u>\$ 738,221</u>	<u>\$ 535,321</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230
Federal Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024

	<u>Title I</u>	<u>Title II</u>
Receipts		
Federal aid	\$ 340,389	\$ 56,452
Total Receipts	<u>340,389</u>	<u>56,452</u>
Expenditures		
Instruction	306,344	56,452
Student support services	-	-
Instructional support staff	-	-
General administration	-	-
School administration	2,305	-
Central services	-	-
Operations and maintenance	-	-
Transportation	2,522	-
Food service operation	-	-
Total Expenditures	<u>311,171</u>	<u>56,452</u>
Receipts Over [Under] Expenditures	29,218	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 29,218</u>	<u>\$ -</u>

See independent auditor's report on the financial statements.

<u>ESSER III</u>	<u>ESSER III PSA</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over [Under]</u>
<u>\$ 984,332</u>	<u>\$ 1,087,484</u>	<u>\$ 2,468,657</u>	<u>\$ 2,458,792</u>	<u>\$ 9,865</u>
<u>984,332</u>	<u>1,087,484</u>	<u>2,468,657</u>	<u>\$ 2,458,792</u>	<u>\$ 9,865</u>
320,283	603,903	1,286,982	\$ 1,314,438	\$ [27,456]
-	18,636	18,636	12,310	6,326
-	12,708	12,708	7,906	4,802
-	2,129	2,129	1,387	742
-	34,528	36,833	20,300	16,533
-	9,405	9,405	11,100	[1,695]
-	37,808	37,808	73,450	[35,642]
-	-	2,522	-	2,522
-	35,885	35,885	21,370	14,515
<u>320,283</u>	<u>755,002</u>	<u>1,442,908</u>	<u>\$ 1,462,261</u>	<u>\$ [19,353]</u>
664,049	332,482	1,025,749		
<u>[664,049]</u>	<u>[332,482]</u>	<u>[996,531]</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,218</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 8,624,577	\$ 9,242,390	\$ 9,313,600	\$ [71,210]
Total Receipts	<u>8,624,577</u>	<u>9,242,390</u>	<u>\$ 9,313,600</u>	<u>\$ [71,210]</u>
Expenditures				
Instruction	8,606,727	9,225,896	\$ 9,313,600	\$ [87,704]
Operations and maintenance	<u>17,850</u>	<u>16,494</u>	<u>-</u>	<u>16,494</u>
Total Expenditures	<u>8,624,577</u>	<u>9,242,390</u>	<u>\$ 9,313,600</u>	<u>\$ [71,210]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Textbook Rental Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 342,892	\$ 315,237
Total Receipts	<u>342,892</u>	<u>315,237</u>
Expenditures		
Instruction	<u>568,468</u>	<u>163,087</u>
Total Expenditures	<u>568,468</u>	<u>163,087</u>
Receipts Over [Under] Expenditures	[225,576]	152,150
Unencumbered Cash, Beginning	<u>273,861</u>	<u>48,285</u>
Unencumbered Cash, Ending	<u>\$ 48,285</u>	<u>\$ 200,435</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous revenue	\$ 156,168	\$ 203,293	\$ 150,000	\$ 53,293
Total Receipts	<u>156,168</u>	<u>203,293</u>	<u>\$ 150,000</u>	<u>\$ 53,293</u>
Expenditures				
Instruction	46,466	71,651	\$ 129,250	\$ [57,599]
Instructional support staff	<u>30,246</u>	<u>130,902</u>	<u>75,000</u>	<u>55,902</u>
Total Expenditures	<u>76,712</u>	<u>202,553</u>	<u>\$ 204,250</u>	<u>\$ [1,697]</u>
Receipts Over [Under] Expenditures	79,456	740		
Unencumbered Cash, Beginning	<u>66,204</u>	<u>145,660</u>		
Unencumbered Cash, Ending	<u>\$ 145,660</u>	<u>\$ 146,400</u>		

UNIFIED SCHOOL DISTRICT NO. 230
Contingency Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Instruction	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>500,419</u>	<u>500,419</u>
Unencumbered Cash, Ending	<u>\$ 500,419</u>	<u>\$ 500,419</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230
Bond Construction Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 286,426	\$ 8,882
Total Receipts	<u>286,426</u>	<u>8,882</u>
Expenditures		
Instruction	1,972,511	417,203
General administration	997	-
Operations and maintenance	375,186	102,729
Facilities acquisition	<u>10,360,864</u>	<u>887</u>
Total Expenditures	<u>12,709,558</u>	<u>520,819</u>
Receipts Over [Under] Expenditures	[12,423,132]	[511,937]
Unencumbered Cash, Beginning	<u>12,936,044</u>	<u>512,912</u>
Unencumbered Cash, Ending	<u>\$ 512,912</u>	<u>\$ 975</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 230
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	\$ 7,194,342	\$ 10,001,723	\$ 9,042,130	\$ 959,593
Delinquent taxes	18,195	82,979	32,212	50,767
Motor vehicle taxes	626,019	671,304	638,153	33,151
Recreational vehicle taxes	7,819	9,755	9,559	196
Commercial vehicle tax	8,617	8,619	9,553	[934]
Miscellaneous	13,602	31,964	424,751	[392,787]
State aid/grants	4,732,279	3,557,677	3,562,577	[4,900]
Total Receipts	<u>12,600,873</u>	<u>14,364,021</u>	<u>\$ 13,718,935</u>	<u>\$ 645,086</u>
Expenditures				
Principal	6,345,000	7,215,000	\$ 7,215,000	\$ -
Interest	7,986,614	7,815,492	7,815,492	-
Total Expenditures	<u>14,331,614</u>	<u>15,030,492</u>	<u>\$ 15,030,492</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[1,730,741]	[666,471]		
Unencumbered Cash, Beginning	<u>10,496,867</u>	<u>8,766,126</u>		
Unencumbered Cash, Ending	<u>\$ 8,766,126</u>	<u>\$ 8,099,655</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

<u>FUND</u>	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Prairie Creek Elementary School				
Music choral	\$ 758	\$ 462	\$ -	\$ 1,220
Student council	2,389	1,712	335	3,766
Library	4,801	16,186	17,037	3,950
Student needs	83	-	-	83
Art fees	321	810	257	874
Interest	9	28	2	35
Watch dogs	74	-	-	74
Interstate photography	660	1,001	1,023	638
Fundraising	299	1,261	1,109	451
Donations	208	-	-	208
Taxes	708	1,023	493	1,238
Teachers fund	456	501	545	412
Petty cash	1,500	-	-	1,500
Total Prairie Creek Elementary Activity Funds	12,266	22,984	20,801	14,449
Timber Sage Elementary School				
Music choral	217	-	-	217
Student council	590	-	-	590
Library	22,385	36,277	32,255	26,407
Art	-	528	-	528
Field trip	795	-	-	795
Rebates	57	52	5	104
Interstate photography	428	-	-	428
Watch dogs	13	-	-	13
Pop	257	-	-	257
Birthday party	465	-	-	465
Taxes	3	-	-	3
Teachers fund	912	617	1,991	[462]
Petty cash	1,500	-	-	1,500
Total Timber Sage Elementary Activity Funds	27,622	37,474	34,251	30,845
Spring Hill Elementary School				
Music choral	104	-	-	104
Student council	3,306	1,398	3,204	1,500
Library	500	10,472	11,183	[211]
Teachers fund	946	490	711	725
Counseling programs	82	-	-	82
Art	124	-	-	124
Science	2	-	-	2
Math	8	-	-	8
Field trip	1,092	-	-	1,092
Interest	140	26	4	162
Rebates	[1,362]	159	1,237	[2,440]
Watch dogs	30	-	-	30
Wellness	144	-	-	144
Interstate photography	993	-	-	993
Gifts and grants	50	-	-	50
Pop machine	2,201	1,417	2,341	1,277
Birthday party	[129]	-	-	[129]
Taxes	560	510	-	1,070
Petty cash	1,482	24	-	1,506
Total Spring Hill Elementary Activity Funds	10,273	14,496	18,680	6,089

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

<u>FUND</u>	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Wolf Creek Elementary School				
Student council	\$ 839	\$ 325	\$ 305	\$ 859
Teachers fund	3,176	1,183	858	3,501
Library	504	-	-	504
Student activity	362	1,550	912	1,000
Student needs	380	1,958	1,160	1,178
New teachers	[276]	-	-	[276]
Field trip	961	4,192	4,088	1,065
Interest	49	33	79	3
Rebates	310	50	354	6
Watch dogs	46	-	-	46
Student wellness	906	195	597	504
Character key	185	-	-	185
Pop	299	145	200	244
Birthday party	699	-	-	699
Digital night	15	-	-	15
Safety	1,269	-	-	1,269
Taxes	57	-	-	57
Petty cash	1,500	427	427	1,500
Total Wolf Creek Elementary Activity Funds	<u>11,281</u>	<u>10,058</u>	<u>8,980</u>	<u>12,359</u>
Dayton Creek Elementary School				
Stuco	233	160	-	393
Teachers fund	644	560	597	607
Library	5,679	502	1,579	4,602
Art	225	-	-	225
Field trip	-	475	475	-
Interest	10	25	2	33
Rebates	30	-	-	30
Interstate photography	193	-	23	170
Fundraising	5,024	8,519	1,395	12,148
Pop	307	632	761	178
Birthday party	162	-	139	23
Petty cash	1,500	-	-	1,500
Total Dayton Creek Elementary Activity Funds	<u>14,007</u>	<u>10,873</u>	<u>4,971</u>	<u>19,909</u>
Spring Hill Middle School				
Music	[329]	787	458	-
Drama	3,577	959	1,165	3,371
Band	191	-	-	191
Orchestra	140	-	-	140
Stuco	5,802	1,794	2,262	5,334
8th grade	242	3,667	3,703	206
7th grade	564	1,619	1,614	569
6th grade	1,288	2,947	3,182	1,053
Teachers fund	[526]	1,118	553	39
Library	2,215	-	265	1,950
Scholars bowl	[245]	292	47	-
Taxes	-	4,063	4,060	3
Family and consumer science	1,520	-	-	1,520
Cheerleaders	2,467	1,406	1,867	2,006
Art	393	-	-	393
Uniforms/equipment	3,444	122	3,566	-
Miscellaneous/student activities	5,380	958	2,065	4,273
Total Spring Hill Middle Activity Funds	<u>26,123</u>	<u>19,732</u>	<u>24,807</u>	<u>21,048</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

<u>FUND</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Forest Spring Middle School				
Music	\$ -	\$ 900	\$ 851	\$ 49
Stuco	-	5,381	3,832	1,549
National Honor Society	-	4,111	3,700	411
8th grade	-	5,558	5,207	351
7th grade	-	2,365	2,365	-
6th grade	-	2,500	2,421	79
Drama	-	1,692	1,352	340
Band	-	625	450	175
Scholars Bowl	-	250	196	54
Orchestra	-	2,782	2,615	167
Teachers fund	-	2,890	2,890	-
Library	-	1,566	1,566	-
Miscellaneous/student activities	-	1,988	1,880	108
Art	-	600	500	100
Family and consumer science	-	600	467	133
MFG & ENGG	-	600	552	48
Science club	-	853	853	-
Robotics	-	600	512	88
Cheerleaders	-	1,897	1,243	654
Interest	-	30	-	30
Wellness	-	23	23	-
Taxes	-	1,264	1,239	25
Petty cash	-	1,500	1,500	-
Total Forest Spring Middle School Activity Funds	-	40,575	36,214	4,361
Woodland Spring Middle School				
Music	1,369	2,602	2,548	1,423
Stuco	2,960	976	1,958	1,978
8th grade	714	5,012	5,353	373
7th grade	915	1,261	1,618	558
6th grade	822	2,628	2,904	546
Drama	3,439	1,171	1,397	3,213
Band	2,399	937	1,992	1,344
Orchestra	2,659	1,009	1,201	2,467
Teachers fund	15	-	-	15
Library	1,494	3,670	3,534	1,630
Miscellaneous/student activities	2,210	1,517	786	2,941
Art	251	-	-	251
Family and consumer science	792	111	597	306
Science club	483	340	818	5
Cheerleaders	1,479	2,457	3,627	309
Taxes	215	4,433	4,529	119
Petty cash	[48]	48	-	-
Total Woodland Spring Middle School Activity Funds	22,168	28,172	32,862	17,478

UNIFIED SCHOOL DISTRICT NO. 230
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

<u>FUND</u>	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Spring Hill High School				
Music chorale	\$ 1,106	\$ 1,821	\$ 1,455	\$ 1,472
Stuco	13,473	15,473	17,334	11,612
Band	868	15	5	878
SADD	2,161	20	5	2,176
Prom special	5,165	3,007	5	8,167
Scholars bowl	1,994	1,127	439	2,682
Scholars bowl activity	336	20	5	351
Environmental club	226	676	-	902
Student activity	933	-	-	933
Gifted student activities	21	20	5	36
Volunteer	1,157	2,994	2,238	1,913
National Honor Society	-	1,142	1,041	101
Debate/forensics	3,512	2,319	4,788	1,043
Orchestra	2,367	224	1,790	801
Orchestra activity	1,320	3,798	2,580	2,538
Theatre	9,565	11,991	10,274	11,282
Theatre activity	1,171	12,840	10,346	3,665
Student publications	15,173	15,124	18,428	11,869
Seniors	253	8,124	653	7,724
Juniors	5,873	21,230	19,205	7,898
Sophomores	5,376	2,261	5,376	2,261
Freshman	2,125	105	2,125	105
Teachers fund	260	1,293	877	676
Library	1,164	38	-	1,202
School development	3,264	-	-	3,264
Miscellaneous/student activities	5,002	6,200	9,146	2,056
Advertising	1,850	-	-	1,850
Youth services	34	-	-	34
Uniform/equipment	10,163	41,352	50,732	783
Career development	2,164	1,181	2,574	771
Field maintenance	555	-	-	555
Entry fees	50	9,952	10,002	-
Art	6,385	313	-	6,698
SH print	99	-	-	99
FCCLA	1,603	15	-	1,618
Mfg and engg	349	15	-	364
Skills USA	-	332	-	332
Health occupation students of America	-	490	28	462
Foreign language	4	-	-	4
Business club	569	-	-	569
Science club	1,014	-	-	1,014
Spring Hill FFA	3,341	22,659	23,446	2,554
FFA horticulture	2,859	3,261	4,360	1,760
Robotics	359	5	-	364
Stable store	632	-	-	632
Sr class water fountain project	2,014	-	-	2,014
Spirit club	5,346	5,479	4,686	6,139
Color guard	23	5	-	28
Cheerleaders	2,802	28,601	29,970	1,433
Dance team	10,255	21,609	19,053	12,811
Athletic passes	4,837	7,210	2,570	9,477
Taxes	35	25,251	25,251	35
Total Spring Hill High School Activity Funds	<u>141,207</u>	<u>279,592</u>	<u>280,792</u>	<u>140,007</u>
District-wide petty cash	5,643	833	843	5,633
District interest clearing	-	1,810	-	1,810
Total Agency Funds	<u>\$ 270,590</u>	<u>\$ 466,599</u>	<u>\$ 463,201</u>	<u>\$ 273,988</u>

See independent auditor's report on the financial statements.

SCHEDULE 4

UNIFIED SCHOOL DISTRICT NO. 230
District Activities - Gate Receipts and School Project Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

FUND	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<u>Gate Receipts:</u>							
Spring Hill Middle School	\$ 50,780	\$ -	\$ 31,171	\$ 25,527	\$ 56,424	\$ -	\$ 56,424
Forest Spring Middle School	-	-	37,640	24,572	13,068	-	13,068
Woodland Spring Middle School	46,274	-	40,290	46,615	39,949	-	39,949
Spring Hill High School	177,515	-	339,280	329,360	187,435	-	187,435
Total Gate Receipts	274,569	-	448,381	426,074	296,876	-	296,876
<u>School Projects:</u>							
Prairie Creek Elementary School							
Yearbook	3,709	-	561	132	4,138	-	4,138
Total Prairie Creek Elementary School	3,709	-	561	132	4,138	-	4,138
Wolf Creek Elementary School							
Yearbook	3,142	-	19	299	2,862	-	2,862
Total Wolf Creek Elementary School	3,142	-	19	299	2,862	-	2,862
Spring Hill Elementary School							
Yearbook	4,432	-	2,821	4,092	3,161	-	3,161
Total Spring Hill Elementary School	4,432	-	2,821	4,092	3,161	-	3,161
Timber Sage Elementary School							
Yearbook	2,443	-	321	1,867	897	-	897
Total Timber Sage Elementary School	2,443	-	321	1,867	897	-	897
Dayton Creek Elementary School							
Yearbook	451	-	368	402	417	-	417
Total Dayton Creek Elementary School	451	-	368	402	417	-	417
Spring Hill Middle School							
Yearbook	[7,024]	-	6,891	8,475	[8,608]	-	[8,608]
Concessions	8,541	-	15,239	15,225	8,555	-	8,555
Total Spring Hill Middle School	1,517	-	22,130	23,700	[53]	-	[53]
Woodland Spring Middle School							
Yearbook	4,678	-	2,695	927	6,446	-	6,446
Concessions	13,113	-	8,441	12,021	9,533	-	9,533
Total Woodland Spring Middle School	17,791	-	11,136	12,948	15,979	-	15,979
Forest Spring Middle School							
Yearbook	-	-	3,443	1,810	1,633	-	1,633
Concessions	-	-	31,916	24,783	7,133	-	7,133
Total Forest Spring Middle School	-	-	35,359	26,593	8,766	-	8,766
Spring Hill High School							
Concessions	49,913	-	73,500	72,242	51,171	-	51,171
Total Spring Hill High School	49,913	-	73,500	72,242	51,171	-	51,171
Total School Projects	83,398	-	146,215	142,275	87,338	-	87,338
Total District Activity Funds	\$ 357,967	\$ -	\$ 594,596	\$ 568,349	\$ 384,214	\$ -	\$ 384,214

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Education</u>					
Passed Through State Department of Education:					
Special Education (IDEA) Cluster					
Special Education Grants to States	84.027	\$ -	\$ 890,060	\$ 890,060	\$ -
Special Education - Preschool Grants	84.173	-	14,879	14,879	-
Total Special Education (IDEA) Cluster			904,939	904,939	
Title I Grants to Local Educational Agencies	84.010	-	340,389	311,171	29,218
Career and Technical Education	84.048	-	1,347	1,347	-
Improving Teacher Quality State Grants	84.367	-	56,452	56,452	-
Student Support and Academic Enrichment Program	84.424	-	26,084	26,084	-
Education Stabilization Fund Under CARES Act	84.425	[996,531]	2,071,733	1,075,202	-
Total U.S. Department of Education			3,400,944	2,375,195	
<u>U.S. Department of Agriculture</u>					
Passed Through State Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	-	95,877	95,877	
National School Lunch Program	10.555	-	592,688	592,688	-
Special Milk Program for Children	10.556	-	2,203	2,203	-
Summer Food Service Program for Children	10.559	-	118,621	118,621	-
Total Child Nutrition Cluster			809,389	809,389	
Total U.S. Department of Agriculture			809,389	809,389	
Total Expenditures of Federal Awards			\$ 4,210,333	\$ 3,184,584	

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 230

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. Organization

Unified School District No. 230, Spring Hill, Kansas (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the Kansas regulatory basis of accounting, which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

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

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position as of June 30, 2024.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants as of June 30, 2024.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

UNIFIED SCHOOL DISTRICT NO. 230
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified - Regulatory Basis
Adverse - GAAP

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) 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(ies) identified that are not
considered to be material weaknesses?

_____ Yes X None reported

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

_____ Unmodified _____

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance

_____ Yes X No

Identification of major programs:

ALN Number(s)

Name of Federal Program or Cluster

84.425
84.027, 84.173

Education Stabilization Fund
Special Education (IDEA) Cluster

Dollar threshold used to distinguish between
type A and type B programs:

_____ \$750,000 _____

Auditee qualified as low-risk auditee?

_____ Yes X No

UNIFIED SCHOOL DISTRICT NO. 230
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

Section II - Financial Statement Findings

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted.

UNIFIED SCHOOL DISTRICT NO. 230
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

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
Unified School District No. 230
Spring Hill, Kansas

We have audited, 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 and Accounting Guide*, the financial statements of Unified School District No. 230 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 5, 2024.

Internal Control Over Financial Reporting

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

A deficiency in internal controls 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 financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

November 5, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Unified School District No. 230
Spring Hill, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of Unified School District No. 230, Spring Hill, Kansas (the District), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- exercise professional judgement and maintain professional skepticism throughout the audit.

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

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the District as of and for the year ended June 30, 2024, and have issued our report thereon dated November 5, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 accounting 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

November 5, 2024

APPENDIX C

SUMMARY OF FINANCING DOCUMENTS

APPENDIX C

SUMMARY OF FINANCING DOCUMENTS

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

THE BOND RESOLUTION

DEFINITIONS

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

“Act” means the Constitution and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, K.S.A. 25-431 *et seq.*, K.S.A. 25-2018(f), K.S.A. 72-5457 and K.S.A. 72-5458 *et seq.*, all as amended and supplemented from time to time.

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

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

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

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

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable, and with regards to the Escrow Trust Agreement, means any date on which any principal of, or interest on, any of the Refunded Bonds is due and payable.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the Issuer and the Purchaser.

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

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

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

“Bonds” means the General Obligation Refunding and Improvement Bonds, Series 2025, authorized and issued by the Issuer pursuant to the Bond Resolution.

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

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

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

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

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

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

“Dated Date” means July 15, 2025.

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

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

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

“Defeasance Obligations” means any of the following obligations:

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

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

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

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

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

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

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

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

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

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

“DTC” means The Depository Trust Company, New York, New York.

“Escrow Agent” means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns.

“Escrow Agreement” means the Escrow Trust Agreement, dated as of July 15, 2025, between the Issuer and the Escrow Agent.

“Escrow Fund” means the Escrow Fund for Refunded Bonds referred to in the Bond Resolution.

“Escrowed Securities” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreement.

“Event of Default” means each of the following occurrences or events:

- (a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;
- (b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or
- (c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Bond Resolution (other than the covenants relating to continuing disclosure contained in the Bond Resolution and the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

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

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

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

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

“Improvements” means the improvements referred to in the preamble to the Bond Resolution.

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

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2026.

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

“Issuer” means Unified School District No. 230, Johnson/Miami County, Kansas (Spring Hill) and any successors or assigns.

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

“Moody’s” means Moody’s Ratings, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Official Statement” means the Issuer’s Official Statement relating to the Bonds.

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

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of the Bond Resolution; and

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

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

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

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

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

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

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

“Purchase Price” means the amount set forth in the Bond Purchase Agreement.

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

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

“Rebate Fund” means the fund by that name created by the Bond Resolution.

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

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

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

“Refunded Bonds” means collectively: (a) the Series 2016 Bonds maturing in the year 2025 in the aggregate principal amount of \$3,710,000; (b) the Series 2016-B Bonds maturing in the year 2025 in the aggregate principal amount of \$860,000; and (c) the Series 2018-A Bonds maturing in the year 2025 in the aggregate principal amount of \$1,010,000.

“Refunded Bonds Paying Agent” means the paying agent for the Refunded Bonds as designated in the Refunded Bonds Resolution, and any successor or successors at the time acting as paying agent for the Refunded Bonds.

“Refunded Bonds Redemption Date” means September 1, 2025.

“Refunded Bonds Resolution” means the resolution which authorized the Refunded Bonds.

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

“S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, S&P shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

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

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2016-A Bonds” means the Issuer’s General Obligation Refunding Bonds, Series 2016, dated May 10, 2016.

“Series 2016-B Bonds” means the Issuer’s General Obligation Improvement Bonds, Series 2016-B, dated October 27, 2016.

“Series 2018-A Bonds” means the Issuer’s General Obligation Bonds, Series 2018-A, dated December 18, 2018.

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

“State” means the state of Kansas.

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

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

“Substitute Escrowed Securities” means securities that satisfy the requirement of Defeasance Obligations as set forth in the Refunded Bonds Resolution, which have been acquired by the Escrow Agent and substituted for Escrowed Securities in accordance with the Escrow Agreement.

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

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

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

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

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

- (a) Improvement Fund
- (b) Debt Service Account (within the Bond and Interest Fund).

- (c) Rebate Fund.

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

In addition to the Funds and Accounts described above, the Escrow Agreement establishes the following Funds and Accounts to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement:

- (a) Escrow Fund.
- (b) Costs of Issuance Account.

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

- (a) All accrued interest, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.
- (b) An amount necessary to provide for payment of the Refunded Bonds shall be transferred to the Escrow Agent and deposited in the Escrow Fund and applied in accordance with the Escrow Agreement.
- (c) An amount necessary to pay the Costs of Issuance shall be transferred to the Escrow Agent for deposit into the Costs of Issuance Account and applied in accordance with the Escrow Agreement.
- (d) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

Application of Monies in the Improvement Fund. Monies in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor approved by the governing body of the Issuer and on file in the office of the Clerk, including any alterations in or amendments to said plans and specifications deemed advisable and approved by the governing body of the Issuer; (b) paying interest on the Bonds during construction of the Improvements and (c) transferring any amounts to the Rebate Fund. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

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

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

Application of Moneys in the Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money.

Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Escrow Agent to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of

all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Issuer for deposit into the Debt Service Account.

Application of Moneys in the Escrow Fund. The Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bonds Resolution and the Escrow Agreement.

DEPOSIT AND INVESTMENT OF MONEYS

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

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

DEFAULT AND REMEDIES

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

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

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

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

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

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

DEFEASANCE

When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in the Bond Resolution and all other rights granted thereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the

State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until: (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption.

TAX COVENANTS

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

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

CONTINUING DISCLOSURE REQUIREMENTS

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

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

PROVISIONS RELATING TO THE BOND INSURANCE POLICY

Provisions relating to the Bond Insurance Policy will be included and updated if the Bonds are purchased with such a policy.

MISCELLANEOUS PROVISIONS

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

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

Bonds when due, the Treasurer is authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

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

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

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

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

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

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

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

THE ESCROW TRUST AGREEMENT

Creation of the Escrow Fund. The Escrow Trust Agreement creates and establishes with the Escrow Agent the Escrow Fund, which shall be a special and irrevocable separate trust fund to be held in the custody of the Escrow Agent.

Creation of Lien. The Escrow Fund shall be irrevocable. The owners of the Refunded Bonds are granted an express lien on, and security interest in, the Escrowed Securities and the cash in the Escrow Fund and all earnings thereon until used and applied in accordance with the Escrow Trust Agreement. The matured principal of, and earnings on, the Escrowed Securities and any cash in the Escrow Fund are pledged and assigned, and shall be applied solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds.

Deposits to the Escrow Fund. Concurrently with the execution and delivery of the issuance of the Bonds, and pursuant to the provisions of the Bond Resolution, the Issuer shall deposit with the Escrow Agent, and the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of, proceeds of the Bonds and other money contributed by the Issuer in amounts sufficient to purchase the Escrowed Securities, which shall be delivered to and deposited in the Escrow Fund, and establish any required beginning cash balance in the Escrow Fund sufficient to provide for payment of the Refunded Bonds.

Application of Cash and Escrowed Securities in the Escrow Fund. Except as otherwise expressly provided, the Escrow Agent shall have no power or duty to invest any money held thereunder or to sell transfer or otherwise dispose of any Escrowed Securities. On or prior to each Bond Payment Date and on the Refunded Bonds Redemption Date, the Escrow Agent shall withdraw from the Escrow Fund an amount equal to the principal of, redemption premium, if any, and interest on the Refunded Bonds becoming due and payable on such Bond Payment Date and on the Refunded Bonds Redemption Date, and shall forward from available moneys in the Escrow Fund such amount to the office of the Refunded Bonds Paying Agent, so that immediately available funds will reach the offices of the Refunded Bonds Paying Agent on or before the Bond Payment Date and the Refunded Bonds Redemption Date. In order to make the required payments, the Escrow Agent is authorized to redeem or otherwise dispose of Escrowed Securities. Upon the payment in full of the principal of, redemption premium, if any, and interest on the Refunded Bonds, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred to the Issuer to be applied in accordance with State law.

Substitute Escrowed Securities. In the event that any of the Escrowed Securities are not available for delivery on the date of the issuance of the Bonds, the Escrow Agent is directed to accept substitute securities in lieu thereof, provided the substitute securities are non-callable direct obligations of the United States of America, the maturing principal of and interest on such substitute securities (excluding any interest after any optional call date) is equal to or greater than the maturity value of such unavailable Escrowed Securities, principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities, and the Issuer and Bond Counsel approve such substitution.

At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, request the redemption of or otherwise dispose of the Escrowed Securities and to substitute for the Escrowed Securities solely cash or Substitute Escrowed Securities. The Escrow Agent shall purchase such Substitute Escrowed Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Escrowed Securities together with any other funds available for such purpose. The substitution may be effected only if the substitution of the Substitute Escrowed Securities for the original Escrowed Securities occurs simultaneously; the Escrow Agent shall receive from an independent certified public accountant acceptable to the Escrow Agent in its reasonable judgment a certification, satisfactory in form and substance to the Escrow Agent, to the effect that after such substitution, the principal of and interest on the Escrowed Securities to be held in the Escrow Fund after the substitution (including Substitute Escrowed Securities to be acquired), together with any other money to be held in the Escrow Fund after such transaction, will be sufficient to pay all remaining principal of, redemption premium, if any, and interest on the Refunded Bonds and the amounts and dates of the anticipated transfers from the Escrow Fund to the Refunded Bonds Paying Agent will not be diminished or postponed thereby; and the Escrow Agent shall receive a written opinion of Bond Counsel to the effect that such substitution would not cause the interest on either the Bonds or the Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law.

Redemption of Refunded Bonds. The Escrow Agent acknowledges that the Issuer has notified the Escrow Agent that the Issuer has elected to call the Refunded Bonds for redemption and payment prior to maturity on the Refunded Bonds Redemption Date and has directed the Escrow Agent to notify the Refunded Bonds Paying Agent of such call for redemption so that the Refunded Bonds Paying Agent may cause notice of the call for redemption and payment of the Refunded Bonds to be given.

Reports of the Escrow Agent. As long as any of the Refunded Bonds, together with the interest thereon, have not been paid in full, the Escrow Agent shall, at least sixty (60) days prior to each Bond Payment Date, determine the amount of money which will be available in the Escrow Fund to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on the next Bond Payment Date or Refunded Bonds Redemption Date. In the event that funds are not sufficient to make the required payments on such Bond Payment Date or Refunded Bonds Redemption Date, the Escrow Agent shall certify in writing to the Issuer (a) the amount so determined and (b) a list of the moneys and Escrowed Securities held by the Escrow Agent in the Escrow Fund on the date of such certification, including all moneys held by it which were received as interest or profit from Escrowed Securities.

Resignation or Removal of Escrow Agent; Successor Escrow Agent. The Escrow Agent may at any time resign and be discharged from its duties and responsibilities by giving written notice by registered or certified mail to the Issuer and the Refunded Bonds Paying Agent (who shall cause notice to be given to the Owners of the Refunded Bonds) not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the acceptance of the Issuer of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the Issuer, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of the Escrow Trust Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the Issuer and signed by the owners of a majority in principal amount of the Refunded Bonds then Outstanding; provided that written notice thereof is mailed on or before the date of such removal by first-class mail, postage prepaid, to all Owners of such Refunded Bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the Issuer if the Escrow Agent fails to make timely payment of available moneys on any Bond Payment Date to the Refunded Bonds Paying Agent of the amounts required to be paid by it on such Bond Payment Date; provided that written notice thereof is mailed on or before the date of such removal by first-class mail, postage prepaid, to the Refunded Bonds Paying Agent and to all Owners of such Refunded Bonds, who are not parties to such instruments. Any removal shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the Issuer, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of the Escrow Trust Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by the Issuer within 60 days after written notice of resignation of the Escrow Agent has been given to the Issuer or instrument of removal has been delivered to the Escrow Agent, the Owner of any of the Refunded Bonds or any retiring or removed Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent. No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers authorized to do business in the State, and organized under the banking laws of the United States or the State and shall have at the time of appointment capital and surplus of not less than \$10,000,000.

Amendments. The Escrow Agreement is made for the benefit of the Issuer and the Owners from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such Owners, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such Owners, enter into such agreements supplemental to the Escrow Agreement as shall not adversely affect the rights of such Owners and as shall not be inconsistent with the terms and provisions of the Escrow Agreement, for any one or more of the following purposes: (a) to cure any ambiguity or formal defect or omission; (b) to grant to, or confer upon, the Escrow Agent for the benefit of the Owners of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such Owners or the Escrow Agent; and (c) to subject to the Escrow Agreement additional funds, securities or properties. The Escrow Agent shall notify the Rating Agency in writing prior to the execution of any such amendment.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

DATED AS OF JULY 15, 2025

BY

**UNIFIED SCHOOL DISTRICT NO. 230,
JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)**

\$[PRINCIPAL AMOUNT]

GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS

SERIES 2025

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of July 15, 2025 (the “Continuing Disclosure Undertaking”), is executed and delivered by **UNIFIED SCHOOL DISTRICT NO. 230, JOHNSON/MIAMI COUNTY, KANSAS (SPRING HILL)** (the “Issuer”).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of its General Obligation Refunding and Improvement Bonds, Series 2025 (the “Bonds”), pursuant to a Resolution adopted by the governing body of the Issuer (the “Bond Resolution”).

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

The Issuer covenants and agrees as follows:

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

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

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

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

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

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

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

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

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

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

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

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than 180 days after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2025, file with the MSRB, through EMMA, the following financial information and operating data (the “Annual Report”):

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

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

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

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

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

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

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

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

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

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time

upon 30 days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

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

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

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

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

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

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

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

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

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

**UNIFIED SCHOOL DISTRICT NO. 230,
JOHNSON/MIAMI COUNTY, KANSAS
(SPRING HILL)**

(SEAL)

President

Clerk

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA
TO BE INCLUDED IN ANNUAL REPORT**

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

“FINANCIAL INFORMATION”

Assessed Valuation
Aggregate Tax Levies
Tax Collection Record
Major Taxpayers

“DEBT STRUCTURE”

Debt Summary
Current Indebtedness of the Issuer
Overlapping and Underlying Indebtedness