



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Spokane School District No. 81

For the period September 1, 2022 through August 31, 2023

Published May 6, 2024

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**Office of the Washington State Auditor
Pat McCarthy**

May 6, 2024

Superintendent and Board of Directors
Spokane School District No. 81
Spokane, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Spokane School District No. 81's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Spokane School District No. 81 September 1, 2022 through August 31, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Spokane School District No. 81 are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the District.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the District’s compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
84.027	Special Education Cluster (IDEA) – Special Education Grants to States
84.173	Special Education Cluster (IDEA) – Special Education Preschool Grants
84.425	COVID-19 – Education Stabilization Fund

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$2,741,193.

The District qualified as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

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*

Spokane School District No. 81 September 1, 2022 through August 31, 2023

Superintendent and Board of Directors
Spokane School District No. 81
Spokane, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Spokane School District No. 81, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 29, 2024.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Spokane School District No. 81 September 1, 2022 through August 31, 2023

Superintendent and Board of Directors
Spokane School District No. 81
Spokane, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Spokane School District No. 81, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2023. The District's major federal programs are identified in the 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

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; 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)* 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 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination on the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to 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 on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

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

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

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

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

Our 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. Our consideration of 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 internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

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. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Spokane School District No. 81 September 1, 2022 through August 31, 2023

Superintendent and Board of Directors
Spokane School District No. 81
Spokane, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Spokane School District No. 81, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Spokane School District No. 81, as of August 31, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Matters of Emphasis

As discussed in Note 1 to the financial statements, in 2023, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

As discussed in Note 17 of the financial statements, the full extent of the COVID-19 pandemic's direct and indirect financial impact on the School District is unknown. Management's plans in response to this matter are also described in Note 17. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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


Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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* (Uniform Guidance). This supplementary information is not a required part of the basic financial statements. Such

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

April 29, 2024

FINANCIAL SECTION

Spokane School District No. 81 September 1, 2022 through August 31, 2023

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2023

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2023

Statement of Activities – 2023

Balance Sheet – Governmental Funds – 2023

Reconciliation – Balance Sheet/Statement of Net Position – 2023

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – 2023

Reconciliation – Statement of Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities – 2023

Statement of Fiduciary Net Position – Fiduciary Funds – 2023

Statement of Changes in Fiduciary Net Position – Fiduciary Funds – 2023

Notes to Basic Financial Statements – 2023

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund – 2023

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund (Associated Student Body Fund) – 2023

Schedule of the District's Proportionate Share of the Net Pension Liability – PERS 1, SERS 2/3, TRS 1, TRS 2/3 – 2023

Schedule of District Contributions – PERS 1, SERS 2/3, TRS 1, TRS 2/3 – 2023

Schedule of Changes in Total OPEB (Other Post-Employment Benefits) Liability and Related Ratios – 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2023

Notes to the Schedule of Expenditures of Federal Awards – 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Spokane Public School's financial performance provides an overview of the school district's financial activities for the fiscal year ended August 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information presented in the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The district's total net position of governmental activities as of August 31, 2023, was \$247.7 million. During the year, the district had revenues of \$729.5 million and expenses of \$758.2 million incurred for all governmental activities. The results of operations resulted in an increase to Net Position of \$64.6 million.
- The district's governmental funds as of August 31, 2023, reported a combined ending fund balance of \$119.2 million, a decrease of \$28.7 million compared to the prior year.
- The General Fund total fund balance was \$70.5 million reflecting an increase of \$4.7 million. The General Fund balance represents 12.8% of General Fund expenditures. Of the \$70.5 million in fund balance, \$43.2 million is available for spending at the district's discretion (assigned and unassigned fund balance). The discretionary General Fund balance represents 7.8% of General Fund expenditures.
- The average student enrollment increased by 256.63 full-time equivalent (FTE) students as compared to the previous year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The *Statement of Net Position* and the *Statement of Activities* provide information about the activities of the district as a whole and present a longer-term view of the district's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. The fund financial statement section also reports the district's operations in more detail than the government-wide statements by providing information about the district's most significant funds. The remaining statements (fiduciary funds) provide financial information about activities for which the district acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE SCHOOL DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the school district begins in the *government-wide financial statement* section. Is the district as a whole better off or worse off because of the year's activities? The *statement of net position* and the *statement of activities* report information about the district as a whole and about its activities in a way that helps answer this question. The financial statements of the district present a better financial position as reflected in the *statement of net position*. These statements include all assets, liabilities, deferred outflows of resources and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by most private-sector companies. All current year revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the district's net position and changes in the position. The district's net position (the difference between assets, liabilities, deferred outflows of resources and deferred inflows of resources) may be viewed as one way to measure the district's financial health. Over time, increases or decreases in the district's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors must be considered in assessing the *overall health* of the district, such as changes in the district's property tax base and student enrollment.

In the *statement of net position* and the *statement of activities*, we present governmental activities. The district's basic services, including associated student body, debt service, and capital projects are reported here. Revenue from state and federal grants, property taxes, and other miscellaneous private sources finance most of these activities.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Governmental Funds Financial Statements

Our analysis of the school district's major funds begins in the governmental funds financial statement section. The governmental funds financial statements provide detailed information about the most significant funds - not the district as a whole. Some funds, such as the Special Revenue Fund (Associated Student Body Fund), are required and established consistent with state law.

Governmental Funds – All of the district's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed *short-term* view of the district's general education and support operations and the basic services. Governmental funds information helps determine whether there are more or less financial resources that can be spent in the near future to finance the district's programs. We describe the relationship (or differences) between governmental activities (reported in the *statement of net position* and the *statement of activities*) and governmental funds in the reconciliation presented in exhibit 3A and exhibit 4A of the basic financial statements and in Note 2 of the financial statements.

THE SCHOOL DISTRICT AS TRUSTEE

Reporting the School District's Fiduciary Responsibilities

The district is the trustee, or fiduciary, for individuals, private organizations, and other governments for scholarships and other specific purposes. All the district's fiduciary activities are reported in a separate *statement of fiduciary net position* and *changes in fiduciary net position* under the fiduciary financial statement section. We exclude these activities from the district's other financial statements because the district cannot use these assets to finance day-to-day operations. The district is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

THE SCHOOL DISTRICT AS A WHOLE (Government-Wide Financial Statements)

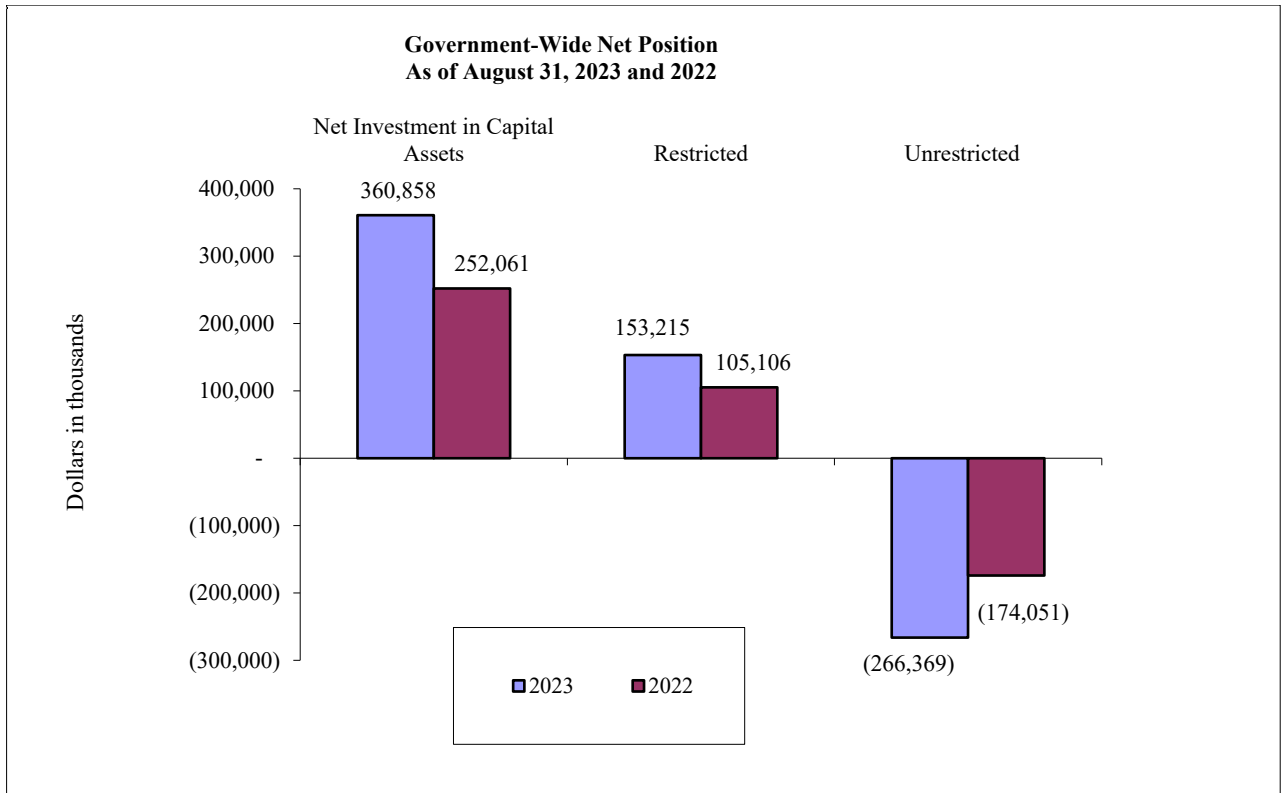
In 2022-2023 revenues exceeded expenses by \$64.6 million as compared to \$38.7 million in the prior year. Our analysis focuses on the net position and changes in net position of the district's governmental activities.

The net position of the district's governmental activities increased by \$64.6 million. The district increased capital assets by \$135.6 million net of depreciation. The capital additions were financed by long-term debt issued in the prior year and state funding. Decreased liabilities for pension and other post-employment benefits resulted in a \$19.6 million decrease to long-term liabilities.

Unrestricted net position reflects funds that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. The unrestricted net position of the district is negative \$266.4 million. The net position of \$153.2 million is restricted under legal obligations (for debt payments and other contractual obligations) and \$360.9 million is net investment in capital assets.

**Government-Wide Net Position
As of August 31**

	2023	2022
Current and Other Assets	\$ 252,253,516	\$ 282,312,822
Capital Assets	996,864,003	861,296,161
Total Assets	1,249,117,519	1,143,608,983
Total Deferred Outflows	111,584,744	114,691,436
Other Liabilities	69,448,578	71,905,737
Long-Term Liabilities	898,388,040	917,995,432
Total Liabilities	967,836,618	989,901,169
Total Deferred Inflows	145,161,796	85,283,504
Net Investment in Capital Assets	360,858,420	252,060,604
Restricted	153,214,690	105,106,490
Unrestricted	(266,369,261)	(174,051,348)
TOTAL NET POSITION	\$ 247,703,849	\$ 183,115,746



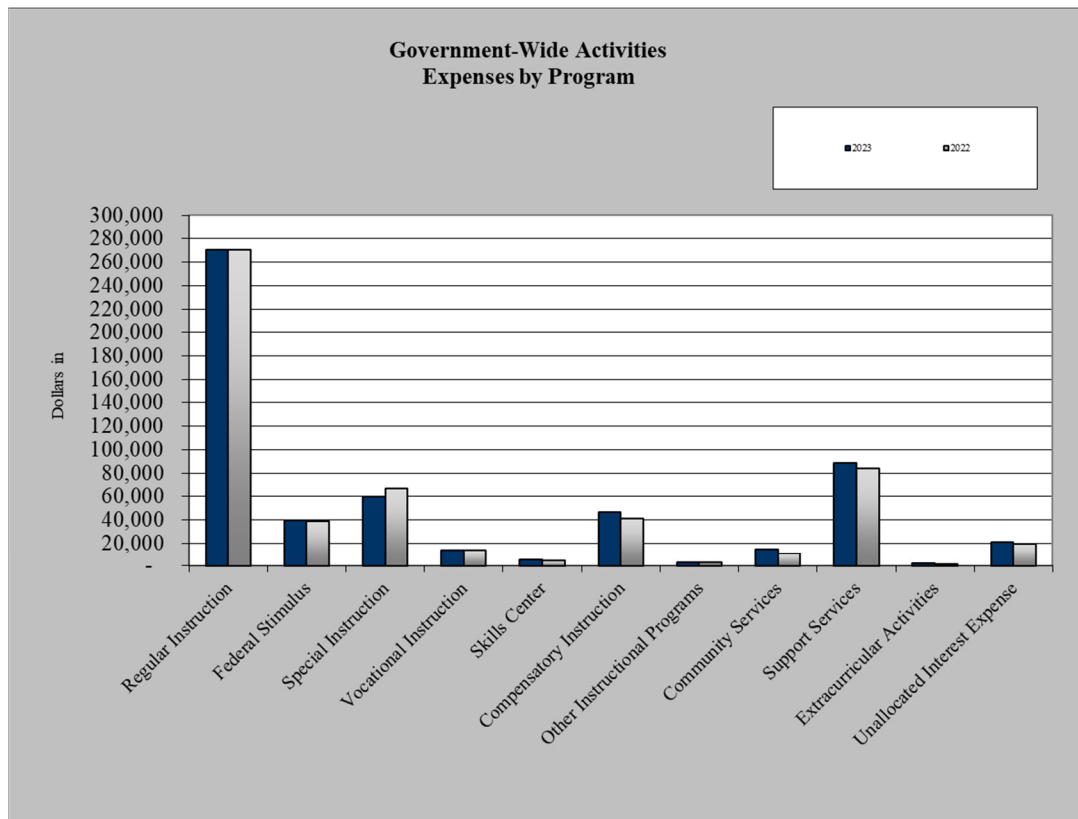
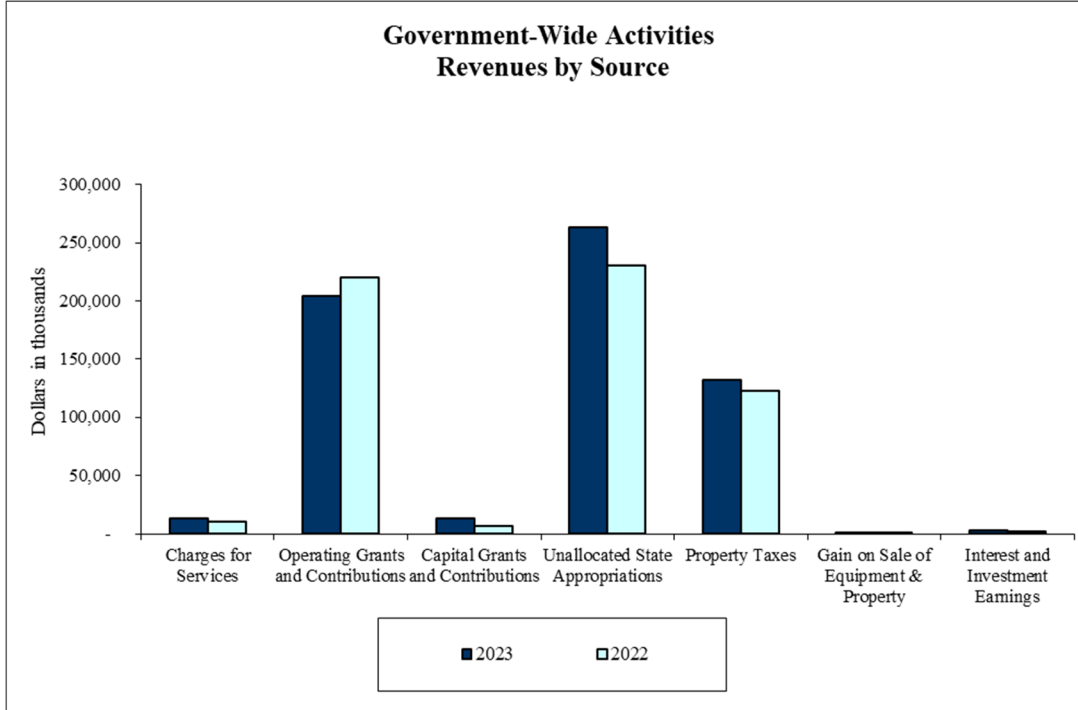
The 2022-2023 total revenues of \$628.2 million exceed total expenses of \$563.6 million by \$64.6 million. Total revenues were up due to increased general revenues from property taxes and operating grants and contributions. This increase reflects federal COVID-19 funding and the state's investment of additional basic education resources for salaries, instruction, student support and materials through grant awards. The increase in property taxes represents the increase in the educational program and operations levy approved by voters in 2018 and bond. Expenses increased by \$9.0 million in 2022-23, primarily due to increased costs associated with additional supports for learning loss recovery and social emotional supports for students post COVID. Many of the additional costs were funded with federal grant funds.

**Government-Wide Changes in Net Position
PRIMARY GOVERNMENT
For the Year Ended August 31**

	2023	2022
August 31, 2023		
Charges for Services	\$ 12,875,086	\$ 10,435,545
Operating Grants and Contributions	203,992,949	220,256,406
Capital Grants and Contributions	12,734,317	7,012,638
General Revenues:		
Property Taxes	132,323,685	122,662,108
Unallocated State Appropriations	262,982,872	230,956,189
Gain on Sale of Equipment & Property	7,536	113,380
Interest and Investment Earnings	3,310,301	1,882,614
TOTAL REVENUES	628,226,746	593,318,880
PROGRAM EXPENSES:		
Regular Instruction	270,448,406	270,947,303
Federal Stimulus	39,888,819	38,621,148
Special Instruction	59,437,604	66,626,347
Vocational Instruction	13,550,343	14,192,282
Skills Center	5,561,058	4,728,921
Compensatory Education	46,263,357	41,331,338
Other Instructional Programs	3,184,036	2,972,224
Community Services	14,612,112	10,755,001
Support Services	88,185,574	83,933,101
Extracurricular Activities (ASB)	1,938,046	1,405,777
Unallocated Interest Expense	20,569,288	19,111,427
TOTAL EXPENSES	563,638,643	554,624,869
Increase (Decrease) in Net Position	64,588,103	38,694,011
Net Position - Beginning	183,115,746	144,421,735
Ending Net Position	\$ 247,703,849	\$ 183,115,746

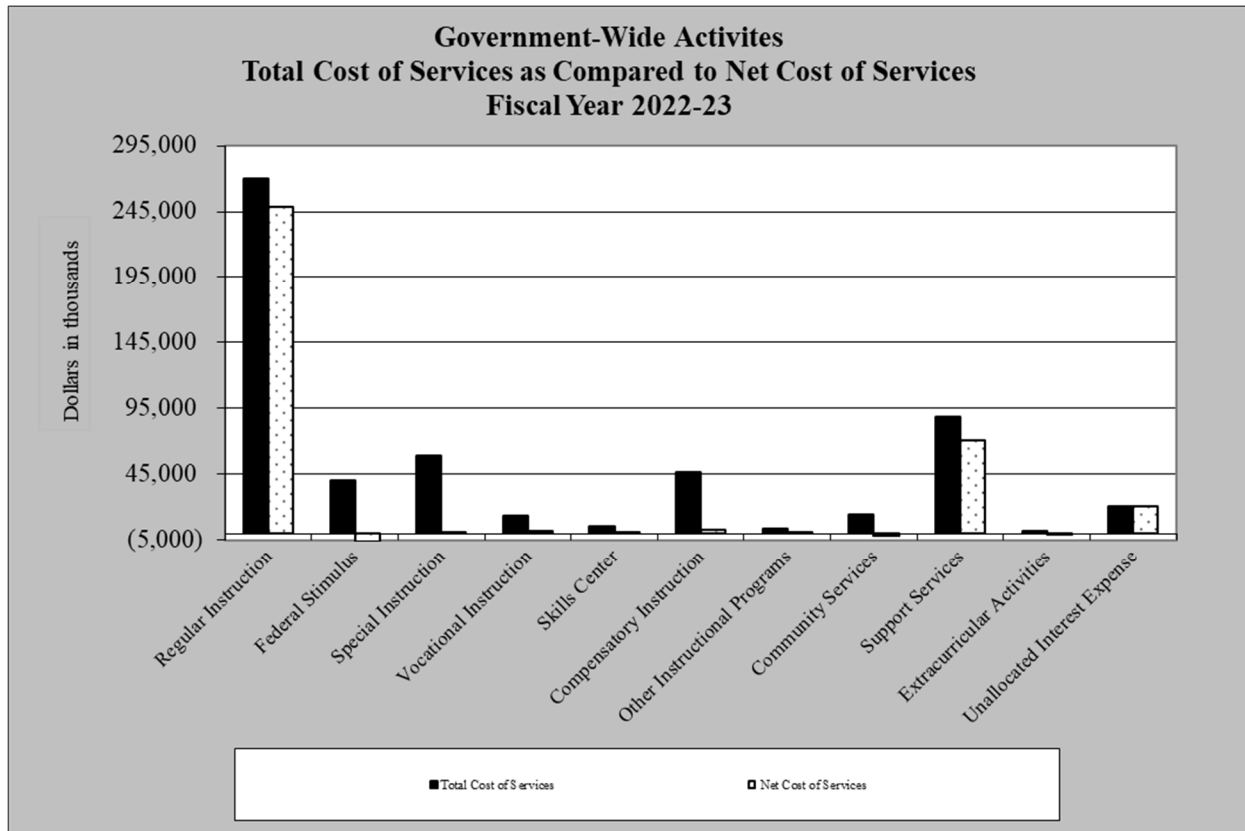
Government-Wide Activities

Revenues by source and the costs of the district, including the district’s largest programs consisting of regular instruction, special instruction, vocational instruction, compensatory instruction, and support services are presented below. On the following page each program’s net cost (total cost less revenues) is presented. The net cost shows the fiscal impact of these programs. The net cost of services is funded by the school district’s revenue sources as presented on the following charts and tables.



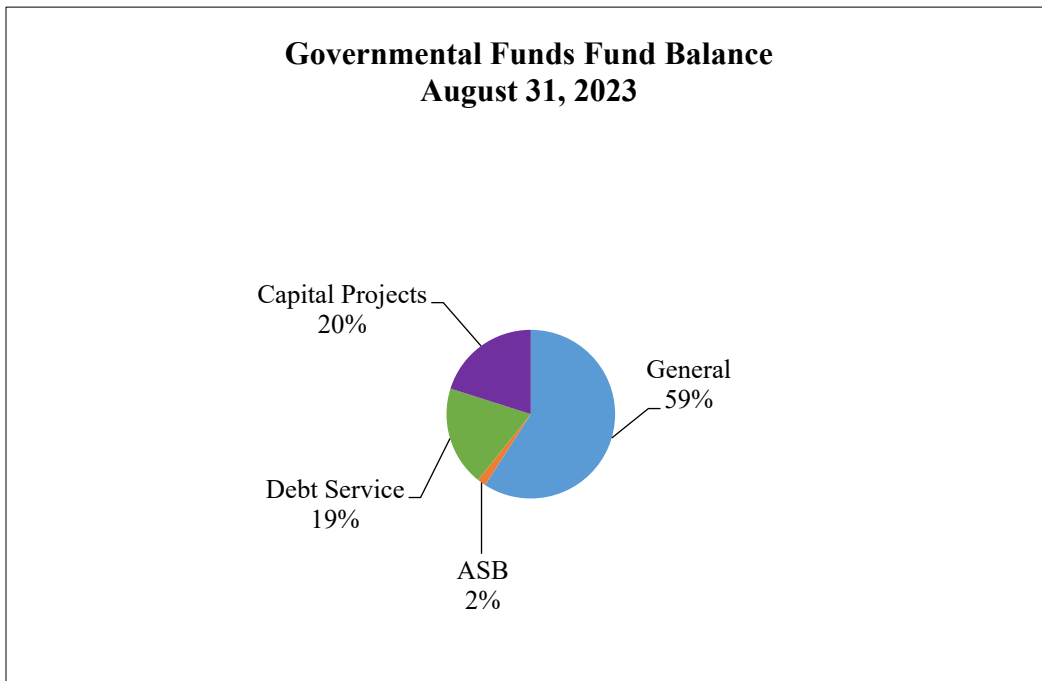
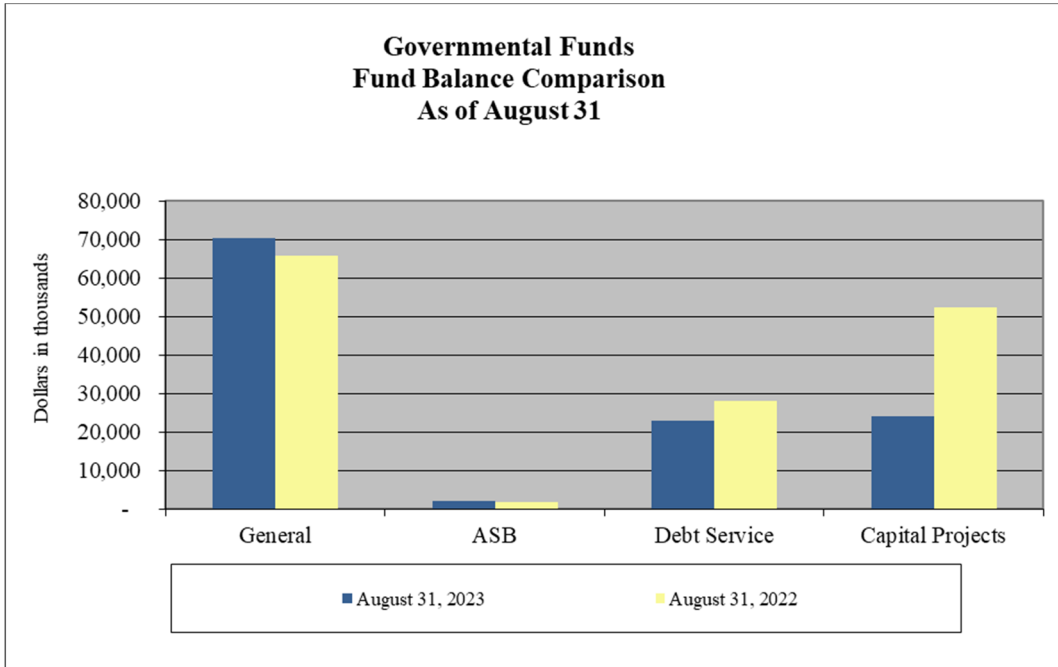
Government-Wide Activities
Net Cost of Services
For the year ended August 31, 2023

	Program Revenues	Total Cost of Services	Total Cost of Services
Regular Instruction	\$ 21,780,327	\$ 270,448,406	\$ (248,668,079)
Federal Stimulus	46,139,196	39,888,819	6,250,377
Special Instruction	59,141,403	59,437,604	(296,201)
Vocational Instruction	15,756,966	13,550,343	2,206,623
Skills Center	4,867,134	5,561,058	(693,924)
Compensatory Instruction	43,747,312	46,263,357	(2,516,045)
Other Instructional Programs	2,157,984	3,184,036	(1,026,052)
Community Services	16,644,618	14,612,112	2,032,506
Support Services	17,263,155	88,185,574	(70,922,419)
Extracurricular Activities	2,104,257	1,938,046	166,211
Unallocated Interest Expense	-	20,569,288	(20,569,288)
Totals	\$ 229,602,352	\$ 563,638,643	\$ (334,036,291)



THE SCHOOL DISTRICT'S FUNDS (Fund Financial Statements)

At the end of the 2023 fiscal year, total governmental fund balance was \$119.2 million (as presented in the balance sheets under the governmental financial statement section), which is \$28.7 million less than last year's fund balance of \$147.9 million. This decrease is primarily a result of expenditures of bond funds in the capital projects fund. (See Exhibit 4) As presented in the bottom chart below, the General Fund comprises 59% and the Capital Projects Fund comprises 20% of total fund balance on August 31, 2023.



The table below presents a summary of the General Fund revenues and expenditures for fiscal years 2023 and 2022. The significant changes are explained below the table. A graphical presentation of revenues and expenditures follows.

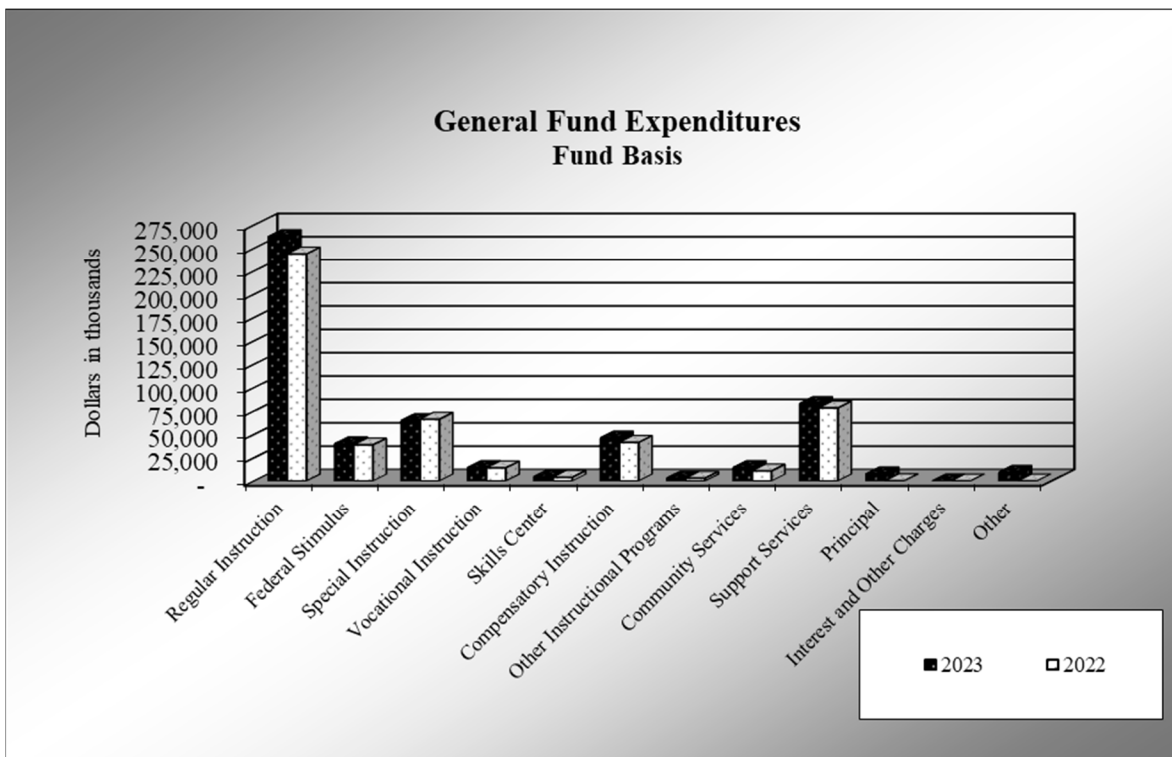
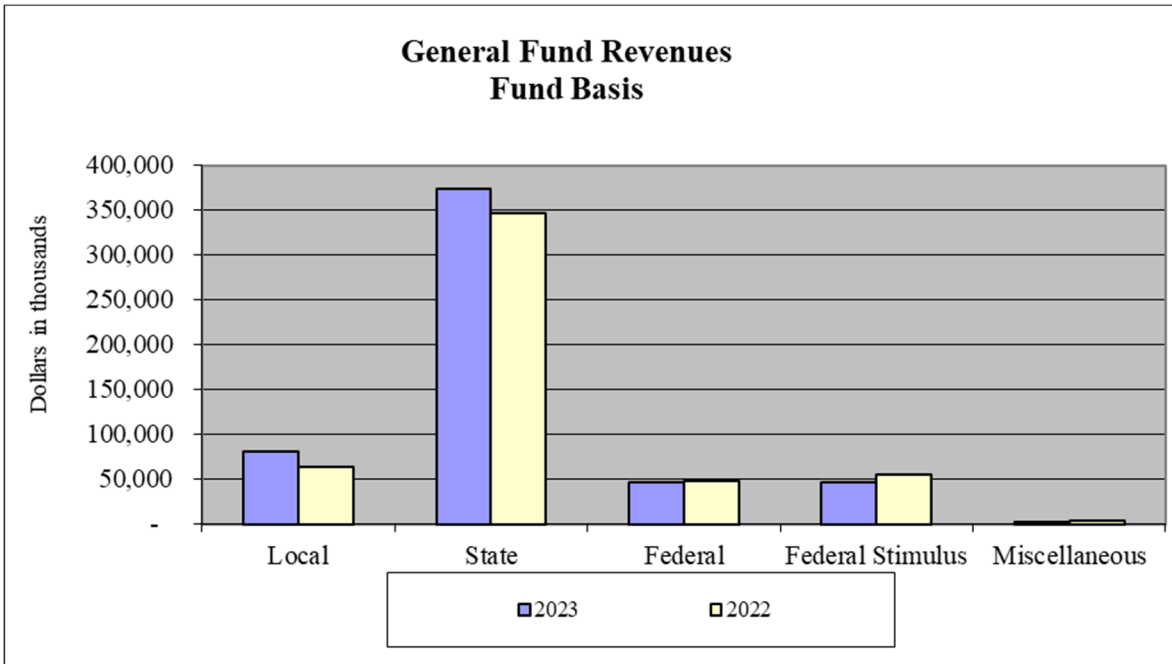
**General Fund
August 31, 2023**

	<u>2023</u>	<u>2022</u>	<u>Percent Change</u>
Revenues			
Local	\$ 80,992,083	\$ 63,654,213	27.24%
State	373,401,116	345,898,400	7.95
Federal	46,478,596	47,501,663	(2.15)
Federal Stimulus	46,024,677	54,769,465	(15.97)
Miscellaneous	1,537,381	2,913,484	(47.23)
Total Revenues	<u>\$ 548,433,853</u>	<u>\$ 514,737,225</u>	<u>6.55%</u>
Expenditures			
Regular Instruction	\$ 262,508,032	\$ 243,771,443	7.69%
Federal Stimulus	39,888,819	38,621,148	3.28
Special Instruction	64,703,611	66,138,300	(2.17)
Vocational Instruction	14,366,396	14,087,788	1.98
Skills Center	4,729,835	4,012,472	17.88
Compensatory Instruction	46,098,734	41,331,338	11.53
Other Instructional Programs	3,165,204	2,972,224	6.49
Community Services	14,504,210	10,755,001	34.86
Support Services	82,913,559	78,194,907	6.03
Debt Payment			
Principal	7,661,858	248,619	2981.77
Interest and Other Charges	121,745	8,316	1363.99
Capital Outlay			
Other	9,300,357	1,762,538	427.67
Total Expenditures	<u>\$ 549,962,360</u>	<u>\$ 501,904,094</u>	<u>9.58%</u>

Local revenues increased during the year. The increase in local funding reflects the educational program and operations levy approved by voters in 2018.

Federal Stimulus revenues represent the district's federal COVID relief funding. It consists of allocations from the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Elementary and Secondary School Emergency Relief Fund (ESSER Fund), and American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund (ARP-ESSER). These funds were used to restore and maintain high-quality learning environments, and to take comprehensive action to mitigate learning loss and unique needs due to COVID-19.

The capital outlay expenditures represent the district's commitment to maintaining district facilities and equipment at an acceptable level. The district has been monitoring the budget very closely and has developed a process for requesting and prioritizing the purchases of capital equipment in the General Fund. The amount presented for each year reflects procurement of the highest priority items.



The table below presents a summary of the Capital Projects Fund. The district is in the fourth phase of the long-range capital improvement plan. Under this plan, the district continues to renovate or replace district facilities. Funding for projects has been provided through the use of funds in bonds issued and a state matching program.

**Capital Projects Fund
August 31, 2023**

	<u>2023</u>	<u>2022</u>	<u>Percent Change</u>
Revenues			
Local	\$ 1,536,924	\$ 1,005,947	52.78%
State	12,470,437	6,774,560	84.08%
Federal	-	712	(100.00%)
Total Revenues	<u>\$ 14,007,361</u>	<u>\$ 7,781,219</u>	<u>80.01%</u>
Expenditures			
Debt Service			
Other	380,683	-	0.00%
Capital Outlay			
Other	<u>\$ 142,356,438</u>	<u>\$ 157,030,044</u>	<u>(9.34%)</u>
Total Expenditures	<u>\$ 142,737,121</u>	<u>\$ 157,030,044</u>	<u>(9.10%)</u>

Other Funds

The Debt Service Fund reflects the collection of property taxes used for payment of bonded debt. See Note 10 for a detail description of debt outstanding.

The Associated Student Body Fund reflects student body activity for the year. Both revenues and expenditures have rebounded to historical trends as activities restarted after the COVID-19 closure. Given the nature of the Associated Student Body Fund, the expenditures will vary from year to year based on the success of athletic teams and non-athletic extracurricular trips that occur.

Budgetary Highlights

Adopted budgeted authority is a prerequisite to expenditures in the governmental funds. The budgeted expenditures lapse at the end of the fiscal year. The board may adopt a revised or supplemental expenditure budget after a public hearing anytime during the fiscal year. There was one board adopted budget revisions during 2022-2023 as a result of implementation of GASB 96 Subscription-based Information Technology Arrangements.

Due to reduced state funding and increased post COVID-19 operating costs, the 2022-2023 budget was adopted with a \$7.8 million deficit. The district administration made an intentional decision to manage expenditures resulting in underspend across all expenditure categories, preserve fund balance for future years. A detailed comparison of budget to actual for the General Fund is presented in Schedule A-1.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2022-2023 fiscal year, the district had \$1.4 billion invested in a broad range of capital assets, including technology, equipment, and school buildings. This amount represents a net increase (including additions and deletions) of \$170.4 million or 13.58% percent.

The district has a long-range capital improvement plan that was originally adopted in 2003. The capital plan is financed with General Obligation Bonds. The projects established in the first phase of the plan approved by voters in 2003 are

complete. The projects included the renovation of two high schools, replacement of three elementary schools, athletic facility improvements, technology, and infrastructure to support technology.

The second phase of the long-range capital improvement plan was started in 2009 when district voters approved a \$288 million bond. All of those General Obligation Bonds have been sold to fund the second phase of projects. The second phase included replacing or renovating four elementary schools, renovating one high school, replacing one middle school gymnasium, technology, infrastructure to support technology and a variety of smaller capital improvements across the district.

The third phase of the long-range capital improvement plan was started in 2015 when district voters approved a \$145 million bond. The first installment of the general obligation bonds was sold in December 2015 with the remaining balance of bonds, (\$46,000,000) sold in February 2018. The third phase includes replacing or renovating four elementary schools, replacement of a middle school, replacement of a middle school gymnasium, addition of classrooms at selected sites, technology, infrastructure to support technology and a variety of smaller capital improvements across the district.

The fourth phase of the long-range capital improvement plan was started in 2018 when district voters approved a \$495.3 million bond. The first installment of the general obligation bonds, (\$100,000,000) was sold in February 2019 with the remaining balance to be issued over the next five years. The fourth phase includes replacing or renovation three middle schools, constructing three new middle schools, replacing On Track Academy, replacing, or renovating Albi Stadium, technology, infrastructure to support technology and a variety of smaller capital improvements across the district.

The district's fiscal year 2022-2023 capital projects budget is \$157.0 million. The budget will be used for construction of the third and fourth phase of bond projects and locally funded projects. Projects funded by bonds authorized by voters in 2015 are scheduled to continue through 2022 and projects funded by bonds authorized by voters in 2018 are scheduled to continue through 2024. The construction in progress of \$175.0 million as of August 31, 2023, consists of bond projects.

Additional information on capital assets is included in the notes to the financial statements, Note 4.

Capital Assets As of August 31, 2023

	Historical Cost	Accumulated Depreciation	Net Capital Assets
Capital Assets, Net of Accumulated Depreciation, where applicable:			
Land	\$ 26,562,046	\$ -	\$ 26,562,046
Land Improvements	51,690,399	31,642,366	20,048,033
Buildings and Improvements	1,113,523,346	375,876,992	737,646,354
Other Equipment & Machinery	20,956,994	14,713,928	6,243,066
Construction-in-progress	175,021,301	-	175,021,301
Capital Asset, Net of Accumulated Amortization			
Right-to-use Lease Assets	1,326,875	515,434	811,441
Right-to-use Subscription Assets	36,035,359	5,503,597	30,531,762
Total	\$ 1,425,116,320	\$ 428,252,317	\$ 996,864,003

Debt

At year end, the district had \$598.8 million in unlimited tax general obligation bonds outstanding. Additional information on debt is included in the notes to the financial statements, Note 10.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The district serves the City of Spokane and some adjacent areas in Spokane County. The economic indicators for the region were showing growth with increased job creation, decreased unemployment, and increasing property values prior to COVID-19. Subsequent to March 2020, when Governor Inslee issued a Stay Home Stay Healthy order, only essential services operated. This initially caused the unemployment rate to increase, however, as normal operations have resumed in most industries and the unemployment rate has decreased. With the ability for employees to perform remote work, Spokane

saw an influx of people relocating or purchasing second homes. The result of this influx has been increases in property assessed values in excess of historical trends. Spokane has not experienced a population outflow as people return to in-person work.

Spokane County is the largest labor market in eastern Washington and northern Idaho. The diversified economy includes logistics and distribution, transportation/warehousing, advanced manufacturing, health services, finance/insurance, information technology, government including education, and agriculture. The benefit of the diverse economy has resulted in less significant impacts to Spokane than other metropolitan areas.

Manufacturing has a solid base due to hydropower generation, rail, and interstate highways. Fairchild Air Force Base is the county's largest employer. The health sciences continue to grow with the hospital systems and the University District campuses which train a health care workforce, attract research development and biotechnology, and provide jobs in the health care sector. Health services and education were impacted by the COVID-19 pandemic.

The 2023-2024 expenditures for governmental funds of the district are budgeted at \$768.1 million. The 2023 property tax rate was \$3.80 per thousand dollars of assessed value for the amounts collected in both the General Fund and the Debt Service Fund. The property tax collections for the General Fund represent approximately 12.4% of fund revenues in the 2023-2024 budget.

The district budgeted in the 2023-24 fiscal year for student enrollment to stabilize post COVID-19 levels, a budgeted enrollment increase of 50. Actual enrollment for the 2022-2023 school year came in 98 students over budget. Due to the COVID-19 pandemic the district has experienced a decline in enrollment, similar to many other districts. Recovery of enrollment lost during the pandemic has shown very slow growth which is expected to stabilize. It is important to note that the district staffs to the number of students, therefore, the reduced revenue has a corresponding expenditure reduction.

The district has taken a proactive approach to engage the community and staff in establishing priorities to be applied during the budget process. Management held staff meetings, public forums, and online surveys to establish and revise district priorities and strategies to increase enrollment. As the district returns to slow enrollment growth and economic growth in the community, these strategies will be used to direct additional investment of resources. These priorities will be updated as necessary and will inform future budget development.

The school board and district management are committed to maintaining General Fund budgeted fund balance sufficient to provide stability of programs and to maintain sound financial practices. School Board Policy number 6022 – Minimum Fund Balance has a target of minimum committed, assigned, and unassigned (CAU) fund balance in the range of 5-6%. The August 31, 2023, actual General Fund CAU fund balance of \$44.2 million is 8% of actual expenditures. The 2023-2024 budget was adopted with a budgeted ending CAU fund balance of 8.32% of budgeted General Fund expenditures. The August 31, 2023, ending fund balance exceeded the budgeted September 1, 2023, beginning fund balance providing additional resources for fiscal year 2024. Future spending plans will be adjusted to sustain the district investments in human capital. The district is taking proactive steps to meet the minimum fund balance goals and sustainable operations. The school board and district management will continue to keep staff and the community involved in the district's budget development process.

SPOKANE PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AUGUST 31, 2023

	Note #	Primary Government	
		Governmental Activities	
ASSETS			
Cash and Cash Equivalents	1F, 3	\$	144,862,381
Cash with Fiscal Agent	1F		50,000
Property Tax Receivable	1F		60,122,574
Accounts Receivables, Net (less lease receivable)			6,464,806
Lease Receivable	6		222,911
Due from Other Governments	5		19,605,249
Inventories	1F		2,370,066
Prepaid Items			11,691,692
Net Pension Asset	8		6,863,837
Capital Assets, Net of Accumulated Depreciation, where applicable:			
Land	4		26,562,046
Land Improvements	4		20,048,033
Buildings & Improvements	4		737,646,354
Other Equipment & Machinery	4		6,243,066
Construction-in-progress	4		175,021,301
Capital Asset, Net of Accumulated Amortization			
Right-to-use Lease Assets	4, 6		811,441
Right-to-use Subscription Assets	4, 7		30,531,762
TOTAL ASSETS			1,249,117,519
DEFERRED OUTFLOWS OF RESOURCES			
Pension Experience Differences	8		39,582,854
Pension Assumption Changes	8		34,238,702
Pension Changes in Proportions	8		348,014
Pension Contributions	8		7,156,423
OPEB Contributions	9		4,752,710
OPEB Assumptions Changes	9		21,292,524
OPEB Experience Differences	9		584,392
Refunding Bonds	10		3,629,125
TOTAL DEFERRED OUTFLOWS			111,584,744
LIABILITIES			
Accounts Payable			61,154,782
Accrued Wages & Benefits Payable			3,651,391
Due to Other Governments	5		321,953
Unearned Grant Revenue			4,320,452
Long-Term Liabilities	6, 7, 10, 11		
Lease Liability			822,370
Subscription Liability			28,632,765
Due within one year			45,759,710
Due in more than one year			823,173,195
TOTAL LIABILITIES			967,836,618
DEFERRED INFLOWS OF RESOURCES			
Pension Experience Differences	8		509,234
Pension Assumption Changes	8		3,035,399
Pension Changes in Proportions	8		2,738,906
Pension Investment Earnings	8		28,868,128
OPEB Assumptions Changes	9		89,595,932
OPEB Experience Differences	9		18,425,339
Lease	6		425,303
Refunding Bonds	10		1,563,555
TOTAL DEFERRED INFLOWS			145,161,796
NET POSITION			
Net Investment in Capital Assets			360,858,420
Restricted for:	1K		
Pension Asset			46,643,311
Debt Service			85,358,765
Legal Obligations			21,090,932
Unrestricted			(266,247,579)
TOTAL NET POSITION		\$	247,703,849

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

SPOKANE PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023

Functions/Programs	Expenses	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	PRIMARY GOVERNMENT
					Governmental Activities
Primary Government					
Governmental Activities:					
Regular Instruction	\$ 270,448,406	\$ 1,028,859	\$ 20,751,468	\$ -	\$ (248,668,079)
Federal Stimulus	39,888,819	-	46,139,196	-	6,250,377
Special Instruction	59,437,604	2,751	59,138,652	-	(296,201)
Vocational Instruction	13,550,343	14,074	15,703,994	38,898	2,206,623
Skills Center	5,561,058	94,486	4,566,498	206,150	(693,924)
Compensatory Education	46,263,357	-	43,728,480	18,832	(2,516,045)
Other Instructional Programs	3,184,036	97,278	2,060,706	-	(1,026,052)
Community Services	14,612,112	7,286,537	9,358,081	-	2,032,506
Support Services	88,185,574	2,755,693	2,037,025	12,470,437	(70,922,419)
Extracurricular Activities (ASB)	1,938,046	1,595,408	508,849	-	166,211
Unallocated Interest Expense	20,569,288	-	-	-	(20,569,288)
Total Governmental Activities	\$ 563,638,643	12,875,086	203,992,949	12,734,317	(334,036,291)
General Revenues					
Taxes:					
Property Taxes, levies for maintenance and operations					73,110,906
Property Taxes, levies for debt service					59,212,779
Unallocated State Apportionment & Others					262,982,872
Gain on Sale of Equipment & Property					7,536
Interest and Investment Earnings					3,310,301
Total General Revenues					398,624,394
Changes in Net Position					
Net Position - Beginning					183,115,746
Net Position - Ending					\$ 247,703,849

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

SPOKANE PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
August 31, 2023

Exhibit 3

	GENERAL FUND	SPECIAL REVENUE FUND (ASB)	DEBT SERVICE FUND
ASSETS:			
Cash and Cash Equivalents	\$ 86,391,497	\$ 2,231,063	\$ 21,794,902
Cash with Fiscal Agent	50,000	-	-
Property Tax Receivable	33,291,703	-	27,102,210
Accounts Receivables, Net (less lease receivable)	1,039,801	587	-
Lease Receivable	446,256	-	-
Due from Other Funds	-	-	-
Due from Other Government Units	12,369,496	-	-
Inventories at Cost	2,370,066	-	-
Prepaid items	11,691,692	-	-
TOTAL ASSETS	\$ 147,650,511	\$ 2,231,650	\$ 48,897,112
LIABILITIES:			
Accounts Payable	\$ 29,091,676	\$ 264,998	\$ -
Accrued Wages & Benefits Payable	9,206,273	-	-
Due to Other Funds	1,656,780	18,807	-
Due to Other Governmental Units	321,953	-	-
Matured Bonds & Interest Payable	-	-	-
Unearned Grant Revenue	4,320,452	-	-
TOTAL LIABILITIES	44,597,134	283,805	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	32,049,764	-	26,096,111
Unavailable Revenue - Lease	552,224	-	-
TOTAL DEFERRED INFLOWS	32,601,988	-	26,096,111
FUND BALANCES			
Non-spendable Inventory and Prepays	14,061,758	-	-
Restricted for Debt Service	7,100,000	-	22,801,001
Restricted for Self Insurance	275,000	-	-
Restricted for State Match	-	-	-
Restricted for Other	4,669,123	-	-
Restricted Special Revenue Funds	-	1,947,845	-
Assigned to Other Items (See Note 11)	8,302,483	-	-
Assigned to Fund Purpose (See Note 11)	-	-	-
Unassigned Fund Balance	36,043,025	-	-
TOTAL FUND BALANCES	70,451,389	1,947,845	22,801,001
TOTAL LIABILITIES AND FUND BALANCES	\$ 147,650,511	\$ 2,231,650	\$ 48,897,112

**SPOKANE PUBLIC SCHOOLS
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
August 31, 2023**

Exhibit 3

	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:		
Cash and Cash Equivalents	\$ 34,444,919	\$ 144,862,381
Cash with Fiscal Agent	-	50,000
Property Tax Receivable	-	60,393,913
Accounts Receivables, Net (less lease receivable)	5,424,418	6,464,806
Lease Receivable	-	446,256
Due from Other Funds	1,675,587	1,675,587
Due from Other Government Units	7,235,753	19,605,249
Inventories at Cost	-	2,370,066
Prepaid items	-	11,691,692
TOTAL ASSETS	\$ 48,780,677	\$ 247,559,950
LIABILITIES:		
Accounts Payable	\$ 24,788,125	\$ 54,144,799
Accrued Wages & Benefits Payable	42,553	9,248,826
Due to Other Funds	-	1,675,587
Due to Other Governmental Units	-	321,953
Matured Bonds & Interest Payable	-	-
Unearned Grant Revenue	-	4,320,452
TOTAL LIABILITIES	24,830,678	69,711,617
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	-	58,145,875
Unavailable Revenue - Lease	-	552,224
TOTAL DEFERRED INFLOWS	-	58,698,099
FUND BALANCES		
Non-spendable Inventory and Prepaids	-	14,061,758
Restricted for Debt Service	45,000	29,946,001
Restricted for Self Insurance	-	275,000
Restricted for State Match	137,206	137,206
Restricted for Other	-	4,669,123
Restricted Special Revenue Funds	-	1,947,845
Assigned to Other Items (See Note 11)	-	8,302,483
Assigned to Fund Purpose (See Note 11)	23,767,793	23,767,793
Unassigned Fund Balance	-	36,043,025
TOTAL FUND BALANCES	23,949,999	119,150,234
TOTAL LIABILITIES AND FUND BALANCES	\$ 48,780,677	\$ 247,559,950

**SPOKANE PUBLIC SCHOOLS
RECONCILIATION
BALANCE SHEET/STATEMENT OF NET POSITION
AUGUST 31, 2023**

	Total Governmental Funds	Long-Term Assets, Liabilities *	Reclassifications and Eliminations*	Statement of Net Position Totals
ASSETS				
Cash and Cash Equivalents	\$ 144,862,381	\$ -	\$ -	\$ 144,862,381
Cash with Fiscal Agent	50,000	-	-	50,000
Property Tax Receivable	60,393,913	(271,339)	-	60,122,574
Accounts Receivables, Net (less lease receivable)	6,464,806	-	-	6,464,806
Lease Receivable	446,256	(223,345)	-	222,911
Due from Other Funds	1,675,587	-	(1,675,587)	-
Due from Other Governments	19,605,249	-	-	19,605,249
Inventories	2,370,066	-	-	2,370,066
Prepaid Items	11,691,692	-	-	11,691,692
Net Pension Asset	-	6,863,837	-	6,863,837
Capital Assets, Net	-	996,864,003	-	996,864,003
TOTAL ASSETS	247,559,950	1,003,233,156	(1,675,587)	1,249,117,519
DEFERRED OUTFLOWS OF RESOURCES				
Pension Experience Differences	-	39,582,854	-	39,582,854
Pension Assumption Changes	-	34,238,702	-	34,238,702
Pension Changes in Proportions	-	348,014	-	348,014
Pension Contributions	-	7,156,423	-	7,156,423
OPEB Contributions	-	4,752,710	-	4,752,710
OPEB Assumptions Changes	-	21,292,524	-	21,292,524
OPEB Experience Differences	-	584,392	-	584,392
Refunding Bonds	-	3,629,125	-	3,629,125
TOTAL DEFERRED OUTFLOWS	-	111,584,744	-	111,584,744
TOTAL ASSETS & DEF OUTFLOWS	\$ 247,559,950	\$ 1,114,817,900	\$ (1,675,587)	\$ 1,360,702,263
LIABILITIES				
Accounts Payable	\$ 54,144,799	\$ 7,009,983	\$ -	\$ 61,154,782
Wages, Benefits & Other Payables	9,248,826	-	(5,597,435)	3,651,391
Due to Other Funds	1,675,587	-	(1,675,587)	-
Due to Other Governments	321,953	-	-	321,953
Unearned Grant Revenue	4,320,452	-	-	4,320,452
Long-Term Liabilities	-	892,790,605	5,597,435	898,388,040
TOTAL LIABILITIES	69,711,617	899,800,588	(1,675,587)	967,836,618
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Unavailable Revenue-Property Taxes	58,145,875	(58,145,875)	-	-
Pension Experience Differences	-	509,234	-	509,234
Pension Assumption Changes	-	3,035,399	-	3,035,399
Pension Changes in Proportions	-	2,738,906	-	2,738,906
Pension Investment Earnings	-	28,868,128	-	28,868,128
OPEB Experience Differences	-	18,425,339	-	18,425,339
OPEB Assumption Changes	-	89,595,932	-	89,595,932
Unavailable Revenue-Lease	552,224	(126,921)	-	425,303
Refunding Bonds	-	1,563,555	-	1,563,555
TOTAL DEFERRED INFLOWS	58,698,099	86,463,697	-	145,161,796
FUND BALANCES/NET POSITION				
Total Fund Balances/Net Position	119,150,234	128,553,615	-	247,703,849
TOTAL LIABILITIES AND FUND BALANCES/NET POSITION	\$ 247,559,950	\$ 1,114,817,900	\$ (1,675,587)	\$ 1,360,702,263

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

* See Note 2

SPOKANE PUBLIC SCHOOLS

Exhibit 4

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND (ASB)	DEBT SERVICE FUND
REVENUES			
Local	\$ 80,992,083	\$ 2,154,787	\$ 58,320,578
State	373,401,116	-	-
Federal	46,478,596	-	-
Federal Stimulus	46,024,677	-	-
Miscellaneous	1,537,381	-	-
TOTAL REVENUES	548,433,853	2,154,787	58,320,578
EXPENDITURES			
Current Operating:			
Regular Instruction	262,508,032	-	-
Federal Stimulus	39,888,819	-	-
Special Instruction	64,703,611	-	-
Vocational Instruction	14,366,396	-	-
Skills Center	4,729,835	-	-
Compensatory Instruction	46,098,734	-	-
Other Instructional Programs	3,165,204	-	-
Community Services	14,504,210	-	-
Support Services	82,913,559	-	-
Student Activities	-	1,961,376	-
Debt Service:			
Principal	7,661,858	-	38,505,000
Interest and Other Charges	121,745	-	25,059,713
Capital Outlay:			
Other	9,300,357	-	-
TOTAL EXPENDITURES	549,962,360	1,961,376	63,564,713
Excess (Deficiency) of Revenues Over Expenditures	(1,528,507)	193,411	(5,244,135)
OTHER FINANCING SOURCES (USES)			
Issuance of Bonds	-	-	-
Issuance of Bonds Premium	-	-	1,693
Sale of Equipment & Property	39,444	-	-
Long-term Financing	6,180,443	-	-
TOTAL OTHER FINANCING SOURCES AND USES	6,219,887	-	1,693
NET CHANGE IN FUND BALANCE	4,691,380	193,411	(5,242,442)
Fund Balance - Beginning	65,760,009	1,754,434	28,043,443
Fund Balance - Ending	\$ 70,451,389	\$ 1,947,845	\$ 22,801,001

SPOKANE PUBLIC SCHOOLS

Exhibit 4

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2023**

	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES		
Local	\$ 1,536,924	\$ 143,004,372
State	12,470,437	385,871,553
Federal	-	46,478,596
Federal Stimulus	-	46,024,677
Miscellaneous	-	1,537,381
TOTAL REVENUES	14,007,361	622,916,579
EXPENDITURES		
Current Operating:		
Regular Instruction	-	262,508,032
Federal Stimulus	-	39,888,819
Special Instruction	-	64,703,611
Vocational Instruction	-	14,366,396
Skills Center	-	4,729,835
Compensatory Instruction	-	46,098,734
Other Instructional Programs	-	3,165,204
Community Services	-	14,504,210
Support Services	-	82,913,559
Student Activities	-	1,961,376
Debt Service:		
Principal	-	46,166,858
Interest and Other Charges	380,683	25,562,141
Capital Outlay:		
Other	142,356,438	151,656,795
TOTAL EXPENDITURES	142,737,121	758,225,570
Excess (Deficiency) of Revenues Over Expenditures	(128,729,760)	(135,308,991)
OTHER FINANCING SOURCES (USES)		
Issuance of Bonds	100,379,380	100,379,380
Issuance of Bonds Premium	-	1,693
Sale of Equipment & Property	-	39,444
Long-term Financing	-	6,180,443
TOTAL OTHER FINANCING SOURCES AND USES	100,379,380	106,600,960
NET CHANGE IN FUND BALANCE	(28,350,380)	(28,708,031)
Fund Balance - Beginning	52,300,379	147,858,265
Fund Balance - Ending	\$ 23,949,999	\$ 119,150,234

**SPOKANE PUBLIC SCHOOLS
RECONCILIATION**

Exhibit 4A

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/STATEMENT
OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023**

	Total Governmental Funds	Long-Term Revenue, Expenses *	Capital Related Items *
REVENUES			
Property Taxes	\$ 127,058,948	\$ 5,264,737	\$ -
Local Non-Taxes	16,048,894	-	-
State	385,871,553	-	-
Federal	46,478,596	-	-
Federal Stimulus	46,024,677	-	-
Miscellaneous	1,537,381	(65,576)	-
TOTAL REVENUES	623,020,049	5,199,161	-
EXPENDITURES/EXPENSES			
Current:			
Regular Instruction	262,508,032	(21,747,460)	29,435,722
Federal Stimulus	39,888,819	-	-
Special Instruction	64,703,611	(5,524,986)	244,171
Vocational Instruction	14,366,396	(998,406)	143,455
Skills Center	4,729,835	(299,940)	925,014
Compensatory Education	46,098,734	-	-
Other Instructional Programs	3,165,204	-	-
Community Services	14,504,210	-	-
Support Services	82,913,559	(9,165,137)	4,441,504
Student Activities	1,961,376	-	(23,330)
Debt Service:			
Principal	46,166,858	-	-
Interest and Other Charges	25,562,141	-	-
Capital Outlay			
Other	151,656,795	-	(140,857,823)
TOTAL EXPENDITURES/EXPENSES	758,225,570	(37,735,929)	(105,691,287)
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	(135,205,521)	42,935,090	105,691,287
OTHER FINANCING SOURCES (USES)			
Issuance of Bonds	100,379,380	-	-
Issuance of Bonds Premium	1,693	-	-
Sale of Equipment & Property	39,444	(31,908)	-
Long-term Financing	6,180,443	-	-
TOTAL OTHER FINANCING SOURCES (USES)	106,600,960	(31,908)	-
NET CHANGE FOR THE YEAR	\$ (28,604,561)	\$ 42,903,182	\$ 105,691,287

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

*See Note 2

**SPOKANE PUBLIC SCHOOLS
RECONCILIATION**

Exhibit 4A

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/STATEMENT OF
ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2023**

	Long-Term Debt Transactions *	Statement of Activities Totals
REVENUES		
Property Taxes	\$ -	\$ 132,323,685
Local Non-Taxes	-	16,048,894
State	-	385,871,553
Federal	-	46,478,596
Federal Stimulus	-	46,024,677
Miscellaneous	-	1,471,805
TOTAL REVENUES	-	628,219,210
EXPENDITURES/EXPENSES		
Current:		
Regular Instruction	-	270,196,294
Federal Stimulus	-	39,888,819
Special Instruction	-	59,422,796
Vocational Instruction	-	13,511,445
Skills Center	-	5,354,909
Compensatory Education	-	46,098,734
Other Instructional Programs	-	3,165,204
Community Services	-	14,504,210
Support Services	-	78,189,926
Student Activities	-	1,938,046
Debt Service:		
Principal	(46,166,858)	-
Interest and Other Charges	(4,992,853)	20,569,288
Capital Outlay		
Other	-	10,798,972
TOTAL EXPENDITURES/EXPENSES	(51,159,711)	563,638,643
EXCESS OF REVENUES OVER/UNDER EXPENDITURES		
	51,159,711	64,580,567
OTHER FINANCING SOURCES (USES)		
Issuance of Bonds	(100,379,380)	-
Issuance of Bonds Premium	(1,693)	-
Sale of Equipment & Property	-	7,536
Long-term Financing	(6,180,443)	-
TOTAL OTHER FINANCING SOURCES (USES)	(106,561,516)	7,536
NET CHANGE FOR THE YEAR	\$ (55,401,805)	\$ 64,588,103

SPOKANE PUBLIC SCHOOLS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2023

	Custodial Funds	Private-Purpose Trusts
ASSETS		
Cash and Cash Equivalents	\$ 354,124	\$ 86,940
TOTAL ASSETS	\$ 354,124	\$ 86,940
LIABILITIES		
Accounts Payable	\$ -	\$ -
TOTAL LIABILITIES	-	-
NET POSITION		
Restricted for Trust Principal	-	75,000
Restricted for Scholarships	354,124	-
Restricted for Other Purposes	-	11,940
TOTAL NET POSITION	\$ 354,124	\$ 86,940

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

SPOKANE PUBLIC SCHOOLS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

	Custodial Funds	Private- Purpose Trusts
ADDITIONS		
Donations	\$ 162,930	\$ -
Investment Earnings	-	1,749
Total Additions	162,930	1,749
DEDUCTIONS		
Scholarships	131,161	-
Total Deductions	131,161	-
Change in Net Position	31,769	1,749
Net Position, Beginning of the Year	322,355	85,191
Cumulative Effect of Change in Accounting Principle	-	-
Net Position, End of the Year	\$ 354,124	\$ 86,940

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

SPOKANE SCHOOL DISTRICT NO. 81
NOTES TO BASIC FINANCIAL STATEMENTS
AUGUST 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Spokane Public Schools (SPS) is a municipal corporation organized pursuant to Title 28A of the Revised Code of Washington (RCW) for the purpose of providing public school services to students in grades K-12. Oversight responsibility for the school district's operations is vested with the independently elected board of directors. Management of the school district is appointed by and is accountable to the board of directors. Fiscal responsibility, including budget authority, and the power to set fees, levy property taxes, and issue debt consistent with provisions of state statutes also rests with the board of directors.

For financial reporting purposes, SPS includes all funds and organizations that are controlled by or dependent on the district's board of directors or administrative staff. Because the district has organizations that appear to be related to district operations, an evaluation of these related organizations for determination of component units was performed using the criteria established in GASB 39. Control by or dependence on the district was determined based on budget adoption, taxing authority, outstanding debt secured by the general obligation of the district, obligation of the district to finance any deficits that may occur, or receipt of significant subsidies from the district. The total net position of and annual contribution from each related organization was evaluated for materiality to the district as a whole. The following related organizations were reviewed and determined not to be component units:

Related Organizations

The Spokane Public Schools Foundation (SPS Foundation) was organized on June 21, 2006, in the state of Washington for the purpose of supporting Spokane Public Schools. The SPS Foundation is a legally separate entity managed by a board of eleven directors who are nominated by the foundation board. Spokane Public Schools is not responsible for management or finances of the SPS Foundation. Financial information for the SPS Foundation is not presented in the financial statements.

The Greater Spokane League, a legally separate entity, was organized for the exclusive purpose of supporting the high school activities programs for athletics and debate. It is managed by a board of sixteen members including the principal from each of the participating high schools, five of whom are employees of Spokane Public Schools. Spokane Public Schools is not financially responsible for the Greater Spokane League. Financial information for the Greater Spokane League is not presented in the financial statements.

Various parent/teacher associations, organizations and/or groups (PTAs), all of which are legally separate entities, were organized for the purpose of increasing the opportunities for parents to be involved in the educational activities of their children. The boards of directors and/or officers of the PTAs are not appointed by the board of directors of Spokane Public Schools. Spokane Public Schools is not financially responsible for these parent/teacher associations, organizations and/or groups. Financial information for the PTAs is not presented in the financial statements.

B. Basis of Presentation

Spokane Public Schools' financial reports, as reflected by the accompanying financial statements, conform to Generally Accepted Accounting Principles. The accounts of the school district are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds in this report are grouped, within the financial statements in this report, into basic financial statements as follows:

Governmentwide Financial Statements

Overall governmental activities are reported here without displaying individual funds or fund types and display information about the district as a whole.

Governmentwide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. The governmentwide financial statements consist of the following:

Statement of Net Position – The Statement of Net Position reports all financial and capital resources. Capital assets (land, land improvements, building, building improvements, vehicles, equipment, leases and subscriptions) are reported at historical cost, net of accumulated depreciation, where applicable. In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. The deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The district has deferred outflows of resources related to pension plans, other post-employment benefits and refunding bonds. In addition to liabilities, the statement of financial position also presents a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods that will not be recognized as an inflow of resources (revenue) until that time. The district has deferred inflows related to pension plans, other post-employment benefits, leases and refunding bonds.

Statement of Activities – The Statement of Activities demonstrates the degree to which the direct expenses of a given function/program are offset by program revenues. The expenses and revenues are reported as follows:

Expenses – Expenses are reported by function/program and include direct and indirect expenses. Depreciation and amortization expenses are allocated to direct expenses if they can be specifically identified with a function/program. Interest expenses may be considered direct (interest on long-term debt when borrowing is essential to the creation or continuing existence of a program) or indirect expenses (interest on long-term liabilities).

Revenues – The revenues are divided into program revenues and general revenues. Program revenues consist of two major categories: charges for services, and grants and contributions. Charges for services consist of customers, parents or students who purchase, use, or directly benefit from goods or services. Examples of charges for services are payments for before and after school care, and breakfast and lunch payments. Grants and contributions are restricted to meeting the operational or capital requirements of a particular function. All revenues not associated with a program are defined as general revenues. General revenues include general apportionment from the state of Washington, local property taxes, investment earnings and special items. Revenues are recognized when they are earned and measurable on a full accrual basis.

Fund Financial Statements

Governmental fund reporting focuses primarily on the sources, uses, and balances of current financial resources and often has a budgetary orientation. Governmental Fund reporting includes General, Special Revenue (Associated Student Body Fund), Capital Projects, and Debt Service Funds. These funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and the district considers all revenues available if they are collected within 60 days after year-end to pay liabilities of the current period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditures are recorded when the related fund liability is incurred, except for the unmatured principal and interest, which are recorded when due. Financial resources are usually appropriated in other funds for transfer to a debt service fund in the period in which maturing debt principal and interest must be paid. Such amounts are not current liabilities of the debt services fund. Long-term liabilities are not recognized as governmental fund liabilities.

GOVERNMENTAL FUNDS

General Fund

This fund is the general operating fund of the district. It is used to account for all expendable financial resources, except those required to be accounted for in another fund. The revenues of the General Fund are derived primarily from the state of Washington, local property taxes, and federal grants. In keeping with the principle of as few funds as necessary, food services, maintenance, data processing, printing, and transportation activities are included in this fund.

These activities are statutorily assigned to the General Fund and principally serve and receive their support from the General Fund.

Special Revenue Fund (Associated Student Body Fund)

This fund is used to account for the extracurricular fees collected from a variety of fundraising events for students. Disbursements require the joint approval of the appropriate student body organization and the district's board of directors. This fund is accounted for as a special revenue fund since the financial resources legally belong to the school.

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related expenditures. Fund revenues are derived primarily from local property taxes.

Capital Projects Fund

This fund is used to account for resources set aside for the acquisition and construction of capital assets. It includes net rental income and net proceeds from the sale of real property. This fund must be used when projects are financed wholly or in part by bond issues, intergovernmental resources, major private donations, or insurance recoveries. Expenditures in this fund may also be for energy capital improvements to existing buildings and the purchase of certain initial equipment for existing buildings.

FIDUCIARY FUNDS

The financial statements for fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. Fiduciary fund reporting focuses on net positions and changes in net position. A trust fund is used by the district in its fiduciary capacity as trustee or agent for assets held for individuals, private organizations, and other governments. These funds include private-purpose trust funds which require a formal trust agreement. The entire income and principal of a private-purpose trust may be disbursed in the course of its operation. Additionally, fiduciary funds include a custodial fund. The authority to use the resources comes from the donor who specifies a use or range of allowable uses. The district has adopted the provisions of GASB Statement No. 84 Fiduciary Activities. The objective of this statement is to enhance the consistency and comparability of fiduciary activity reporting by states and local governments in addition to improve accountability of governments in their roles as fiduciaries.

The fiduciary funds consist of trust funds receiving donations from private individuals and foundations for student needs and scholarships.

Fiduciary funds are not presented in the governmentwide financial statements. The district has one custodial fund and one private-purpose fund. They are presented separately in Exhibits 5 and 6.

MAJOR AND NONMAJOR FUNDS

The district considers all governmental funds presented as major funds.

C. Budgetary Data

General Budgetary Policies

School district accounting systems provide the basis for the budgetary control. RCW 28A.505 and Washington Administrative Code (WAC) Chapter 392-123 mandate school district budget policies and procedures. The budget is adopted by the board after a public hearing. The board adopted budget is a prerequisite to expenditures in the General, Special Revenue, Debt Service, and Capital Projects Funds. Management is authorized to modify specific accounts within the overall fund budgeted expenditures. The board may adopt a revised or supplemental budget for expenditures after a public hearing anytime during the fiscal year. There was one budget revision at the fund level during the fiscal year 2022-2023 due the implementation of Subscription-Based Information Technology Arrangements (Governmental Accounting Standards Board Statement No. 96). If the local school district budget does not comply with the budget procedures established by RCW 28A.505, the superintendent of public instruction shall give written notice to the board of directors for the local school district that shall, within thirty days from the date the notice is issued, submit a revised budget which meets the requirements of RCW 28A.505.

Adopted budgeted expenditures lapse at the end of the fiscal period. In addition, pursuant to law, actual expenditures cannot exceed the adopted budget at the fund level.

Budgetary Basis of Accounting

For budget and accounting purposes, revenues and expenditures are recognized on the modified accrual basis of accounting as prescribed by law for all governmental and fiduciary funds. Fund balance is budgeted as an available resource and pursuant to law, the budgeted ending fund balance cannot be negative. The basis of budgeting is the same as GAAP, therefore no reconciliation is included.

Encumbrances

Encumbrance accounting is employed in governmental funds. Purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation. Encumbrances are closed at the end of the fiscal year and reopened the following year. Encumbrances were closed on August 31, 2023, and were re-encumbered on September 1, 2023. See Note 13 for details.

D. Measurement Focus and Basis of Accounting

Measurement Focus

Governmentwide financial statements measure and report all assets (both financial and capital), deferred outflow of resources, liabilities, deferred inflows of resources, revenues, expenses, gains, and losses using the economic resources measurement. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position.

The governmental fund financial statements (General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund) utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The Fiduciary Funds are used to account for resources legally held in trust for the benefit of specifically named organizations (not to support district operations) or expenditures that are to assist the poor or infirm. They are reported on the accrual basis of accounting and utilize an economic resources measurement focus. Custodial funds include donations that are administered by the district to provide necessities for students, not district operations. The private purpose trust is a non-expendable trust that was established through a donor’s will.

The district does not have any proprietary funds.

Basis of Accounting

In the governmentwide Statement of Net Position and the Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Property taxes receivable are measurable; however, only that portion collected within 30 days of the end of the year is available. Categorical program claims and inter-district billings are measurable and available and are therefore accrued. The district accrues property taxes collections for 30 days after the fiscal year end and revenues related to grants that have been and/or will be claimed.

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred. The fund liability is incurred when the goods or services have been received. The one exception to this rule is the recognition of principal and interest on general long-term debt, which is recognized when due.

E. Eliminations and Reclassifications

In the process of aggregating data for the governmentwide Statements of Net Position and the Statement of Activities, the interfund receivables and payables within governmental funds, except those with fiduciary funds, were eliminated. Interfund services are not eliminated from the governmentwide presentation.

F. Assets, Liabilities and Net Position

Deposits and Investments

The county treasurer is the ex-officio treasurer for the school district. In this capacity, the county treasurer receives deposits and makes investment transactions on the district's behalf.

In the absence of district policy, the district follows applicable investment statutes which authorize the district to deposit or invest in (1) securities, certificates, notes, bonds, short-term securities, or other obligations of the United States, (2) any state bank or trust company, national banking association, stock savings bank, mutual savings bank, savings and loan association, and (3) any branch bank engaged in banking in this state in accordance with RCW 30.04.300 if the institution has been approved by the Washington Public Deposit Protection Commission to hold public deposits and has segregated eligible collateral having a value of not less than its maximum liability.

The district's deposits are held by qualified public depositories and are protected from loss by the Washington Public Deposit Protection Commission and the Federal Deposit Insurance Corporation.

The district uses the US Bank as its fiscal agent for bond principal and coupon redemption.

Property Taxes

Property tax revenues are collected as the result of special levies passed by the voters in the school district. In accordance with the RCW 84.60.020, the tax assessment date is January 1 of the calendar year of collection. The tax lien date is January 1 of the year of collection and taxes receivable are recognized as of that date. Current year taxes are due in full as of April 30 and are delinquent after that date. However, without incurring penalty, the taxpayer may elect to pay one-half of the taxes due by April 30, with the remaining one-half of the taxes due October 31 and delinquent after that date. Typically, a little more than half of taxes due are collected on the April 30 date. In governmental fund financial statements, property tax revenue which is measurable but not available (taxes that are not expected to be collected within 30 days after the current period) is recorded as a receivable and deferred inflow of resources. In governmentwide financial statements, property tax revenue, net of estimated uncollectible, is accrued at year-end.

Due From/To Other Funds

Interfund receivables and payables and the associated revenues and expenditures/expenses are recorded in the respective funds on governmental fund financial statements. Interfund receivables and payables are eliminated in governmentwide financial statements, except those with fiduciary funds, which are reclassified as a third-party receivable. The interfund balances are temporary and are regularly cleared by issuance of a warrant.

Due from/to Other Governments

This account represents receivables and payables for federal, state, and local grants. Grant revenues are recorded in the year in which the related expenditures are incurred.

Inventories

Consumable inventories are valued at cost using the first-in, first-out (FIFO) method. The cost is recorded as an expenditure at the time individual inventory items are consumed. Reported inventories are offset by a non-spendable fund balance which is equal to the reported inventory level to indicate that a portion of the fund balance is not available for future expenditures. United States Department of Agriculture (USDA) commodity inventory, included in the inventory total, consists of food donated by the USDA. It is valued at the prices paid by the USDA for the commodities. A comparison to market value is not considered necessary.

Prepays

Prepaid assets are accounted under the consumption method. Assets are recorded as prepaid if the life of the asset extends past the fiscal year. Prepaid assets are amortized over the life of the asset. Reported prepaids are offset by a non-spendable fund balance which is equal to the reported prepaid balance to indicate that a portion of the fund balance is not available for future expenditures.

G. Bond Discount and Bond Premiums

In governmental funds, bond discounts and premiums are recognized in the period of issuance. In governmentwide financial statements, they are amortized using the straight-line method over the life of the bonds.

H. Capital Assets

Capital assets, which include property, buildings and improvements, equipment, leases and subscriptions, are reported in the applicable governmental activities in the governmentwide financial statements. Assets acquired after 1980 are presented at historical cost. Assets acquired before 1980 are presented at estimated historical cost if actual was not available. The district defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized but are charged to expenditures in the current period. In governmental fund financial statements, there is no depreciation for capital assets. Donated assets are recorded at their acquisition value. However, depreciation is charged to expense and allocated to various functions/programs in governmentwide financial statements in compliance with GASB Statement No. 34. See Note 4 for details.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Site Improvements	15 years
Buildings	50 years
Building Improvements	20 years
Equipment and Vehicles	3-12 years
Leases and Subscriptions	based on contract

Land and construction in progress are not depreciated.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

I. Deferred Outflows and Inflows of Resources

The district has adopted the provisions of GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, Net Position, and GASB Statement No. 65 Items Previously Reported and Assets and Liabilities. The objective of these statements is to enhance the usefulness of financial reporting.

In addition to assets and liabilities, the statement of financial position will report separate sections for deferred inflows and outflows of resources. As separate financial statement elements, deferred inflows and outflow of resources represent flows of resources into and out of the district that apply to future period(s) and will not be recognized as an inflow of resources (revenue) or outflow of resources (expenditures) until that time.

In governmental fund financial statements, deferred inflows of resources consist of amounts collected before revenue recognition criteria are met, and receivables which, under the modified accrual basis of accounting, are measurable but not yet available, e.g., unavailable property tax revenues, unavailable revenues from federal, state, and local grants, and unavailable revenues on long-term receivables. In governmentwide financial statements, property taxes less estimated uncollectibles are fully accrued; therefore, there are no unavailable property tax revenues in these statements. However, in governmentwide financial statements, deferred inflows and/or outflows of resources are recorded for the differences between projected and actual pension experience, the differences between projected and actual investment earnings, changes in proportions of the total pension liability, changes in assumptions used to calculate the pension liability, contributions made after the valuation date of the pension liability, changes in assumptions used to calculate the liability for other post-employment benefits, leases, and the difference between the reacquisition price and the net carrying amount for refunding of bonds. Please refer to Notes 6, 8, 9 and 10 for more details.

J. Compensated Absences

Under the provisions of RCW 28A.400, up to 180 days of sick leave accumulated by district employees is reimbursed at retirement at the rate of one day for each four days of accrued leave. Employees earn sick leave at a rate of twelve days per year and may accumulate such leave to a maximum of 180 days. This statute also provides for an annual buyout of an amount up to the maximum annual accumulation of twelve days, cashed out at the same rate of one day for each four days of accrued sick leave earned and not used in the prior calendar year. For buyout purposes at

retirement, employees may accumulate such leave to a maximum of 180 days, including the annual accumulation, as of December 31 of each year under provisions of WAC 392.136.020.

The accumulation of the maximum allowable vested sick leave at a ratio of one for four days and unpaid vacation leave are reported under long-term liabilities in the Statement of Net Position. A portion of compensated absences is reported in the fund financial statements. This balance is reclassified to long term debt in the governmentwide financial statements. See Note 10.

There are no unrecorded liabilities for employee benefits or other post-employment benefits.

K. Net Position (Governmentwide Financial Statements)

The “Net Investment in Capital Assets” component consists of capital assets net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds (net of bond proceeds not expended), mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The “Restricted Net Position” component reports the assets where constraints are placed by external laws, regulations, or legislation. Therefore, they are available for disbursements only for specific purposes (i.e., debt service, capital projects, pension and others). The “Unrestricted Net Position” are assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

L. Fund Balances (Governmental Fund Financial Statements)

The fund balance designations for the governmental fund financial statements are as follows:

Non-spendable accounts represent those portions of the fund balance that cannot be spent either because they are not in a spendable form (inventories and prepaids) or are legally required to be maintained intact.

Restricted fund balances are those amounts that are restricted for specific purposes. These restrictions may be either externally imposed by creditors, grantors, contributors, laws, regulations, or imposed by law through constitutional provisions or enabling legislation. Included in this fund balance category are uninsured risk, unexpended state capital match proceeds, special revenue fund (Associated Student Body Funds) balance, compensated absence balance, Skill Center, and debt service fund balance.

Committed fund balance are those amounts that can be used for specific purposes pursuant to constraints imposed by resolution of the board of directors. These committed fund balances cannot be used for any other purposes unless the board takes action to change or remove the original limitations. The district has no commitments as of August 31, 2023.

The assigned fund balance comprises amounts the district intends to use for a specific purpose. Authority for making these assignments rests with the superintendent, pursuant to Policy 1500 – Board Relations with Superintendent. The assignment in the Capital Projects fund reflects the fact that all funds, which are not otherwise restricted, are assigned to be used for projects which are deemed allowable as Capital. A detailed list of assignments is available in Note 12.

The district adopted a minimum fund balance policy to provide a buffer against unforeseen risk and financial uncertainty. Annually, as part of the budget development process, the School Board will review the total of the committed, assigned, and unassigned minimum fund balances (CAU). The total shall be in the range of 5-6% of the actual expenditures of the most recently completed fiscal year (e.g., one fiscal year prior to the current year of operations). In the event the CAU total fund balance “reserve” falls below the benchmark range of 5-6%, a plan to replenish the fund will be developed and implemented. In the event the set-aside fund balance exceeds the benchmark range, a plan for one-time use of the additional amount may be proposed by the Board of Directors.

Unassigned fund balance includes all resources not reported in the other four classifications and is only reported in the General Fund. These are the only resources on the balance sheet that are truly available for any purpose.

When resources meeting more than one of the classifications (excluding non-spendable) are comingled in an account, assuming that an expenditure meets the constraints of the classification, the assumed order of spending is restricted first, committed second, and finally assigned.

M. New Pronouncements - Implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements

The financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96). The primary objective of this statement is to enhance the relevance and consistency of information about governments’ subscription-based information technology arrangements (SBITAs) . This statement establishes a single model for SBITA accounting based on the principle that SBITAs are financings of the right-to-use an underlying asset. Under GASB 96, a government is required to recognize a SBITA liability and an intangible right-to use SBITA asset. The requirements of this statement were originally effective for reporting periods beginning after June 15, 2022. GASB 96 was implemented in the district’s 2022-2023 financial statements, resulting in recognition of \$29,877,612 of right-to-use SBITA assets and SBITA payables as of September 1, 2022, in the governmentwide financial statements. See Note 7 for details.

2. RECONCILIATION BETWEEN GOVERNMENTAL FUND FINANCIAL STATEMENTS AND GOVERNMENTWIDE FINANCIAL STATEMENTS

Balance Sheet/Statement of Net Position (Exhibit 3A)

- a. Property tax levies that will not be collected for several months after year-end are not considered “available” under the modified accrual basis of accounting. Therefore, taxes receivable is presented with corresponding deferred inflow of resources in the fund financial statements. Since revenue for the taxes receivable is not recognized in the fund financial statements, an allowance for uncollectible accounts is also not recorded. Under full accrual accounting, taxes are considered “available” when levied. In the Statement of Activities, the unavailable revenue for taxes receivable of **\$58,145,875** is recognized as revenue and a corresponding allowance for uncollectible accounts of **\$271,339** is recorded.
- b. When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds.

However, the Statement of Net Position includes those capital assets among the assets for the district as a whole.

Cost of Capital Assets	\$1,425,116,318
Accumulated Depreciation	(428,252,315)
Capital Assets Net of Depreciation	<u>\$996,864,003</u>

- c. Accrued interest payable on long-term debt is not reflected in fund financial statements. **\$7,009,983** of accrued interest on long-term debt is recorded in the Statement of Net Position.
- d. Long-term liabilities of **\$898,388,040** are not included in the fund financial statements. All liabilities, current and non-current, are included in the governmentwide statements.
- e. In the fund financial statements, interfund payables and receivables are recorded as a result of general operations. In the conversion of fund financial statements to governmentwide financial statements, all of the governmental funds are consolidated and presented as a total. Since they are consolidated into one fund for presentation, the interfund payables and receivables between governmental funds are eliminated. The interfund payables and receivables between governmental funds and fiduciary funds are reclassified to accounts payable and accounts receivable. **\$1,675,587** of interfund balances between governmental funds are eliminated.
- f. Effective September 1, 2014, the district implemented GASB Statement 68, Accounting and Financial Reporting for Pensions. The statement requires the district to report a portion of the liabilities of the pension plans with which our employees participate. The net pension asset of **\$6,863,837** and pension liability of **\$46,643,311** are recorded. In addition, the actuarial study resulted in total deferred outflows of **\$81,325,993** and total deferred inflows of **\$35,151,667** being recorded.
- g. Effective September 1, 2017, the district implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The statement requires the district to report a portion of the

liabilities of the pension plans with which our employees participate. This resulted in total deferred outflows of **\$26,629,626** and total deferred inflows of **\$108,021,271** being recorded.

- h. Deferred inflows of **\$1,563,554** were recorded due to the issuance of the 2021 Unlimited General Obligation Refunding Bonds.
- i. Deferred outflows of **\$3,629,125** were recorded due to the issuance of the 2015B Unlimited General Obligation Refunding Bonds and the 2017B Unlimited General Obligation Refunding Bonds.
- j. Amortization of lease receivable and deferred inflow for leases was recorded in the amounts of **\$223,345** and **\$126,921** respectively.

Statement of Revenues, Expenditures, and Changes in Fund Balances/Statements of Activities (Exhibit 4A)

- k. Property tax levies that do not provide current financial resources are reported as deferred inflows of resources in the fund financial statements, but as revenue in the governmentwide financial statement increase of **\$5,264,737** of tax revenue is recorded in the conversion from fund financial statements to the statement of activities.
- l. The net amount of **\$9,169,710** represents the current year compensated absences, workers compensation, OPEB and Net Pension liability adjustments. The long-term portion of compensated absences and the full amount of workers compensation liability were not reported as expenditures in governmental funds. However, it is reported in the statement of activities as an expense, allocated to various applicable programs. The portion of compensated absences and workers compensation recorded in the fund statements of **\$5,597,435** is reclassified as a portion of long-term debt.
- m. When capital assets (land, buildings, and equipment) are purchased or constructed to be used in governmental activities, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the district as a whole.

In addition, capital assets were sold for **\$39,444**. In the statement of activities, only the gain/(loss) on the sale of capital assets is reported, while in fund financial statements, the proceeds of the sale of capitalized assets increase financial resources and are reported as other financing sources.

Capital Outlay	(\$393,339)
Depreciation	<u>353,895</u>
Difference	<u>(\$39,444)</u>

- n. Repayment of principal on debt of **\$36,590,000**, **\$259,263 for leases**, and **\$7,402,594 for subscriptions** was reported as an expenditure in the fund financial statements. In the statement of activities, the repayment of debt is not reflected, as it is a reduction of the debt presented in the Statement of Net Position.
- o. Premiums related to bond issues in 2022, 2021, 2019, 2017, 2015, 2014, 2013 and 2012 are being amortized over the life of the bonds. The current year amortization of premium is **\$6,277,760**. Bond discounts related to bond issues in 2019, 2013, 2011 and 2005 are also amortized over the life of the bonds. The current year amortization of discount is **\$23,463**. Deferred outflows related to bonds issued in 2015 and 2017 are amortized over the life of the bonds. The current year amortization of deferred outflows is **\$640,825**. Deferred inflows related to bonds issued in 2021 are amortized over the life of the bonds. The current year amortization of deferred inflows is **\$35,750**. Accrued interest payable is not recognized in the fund financial statements. The increase in accrued interest payable as of August 31, 2023, of **\$658,063** is presented as a decrease to expenses.

3. DEPOSITS AND INVESTMENTS

Deposits

The district's cash and cash equivalents are considered to be cash on hand, demand deposits and investments in the Spokane County Investment Pool (SCIP).

At fiscal year-end, the carrying amount of the district's deposits was \$145,353,445. Of this amount \$145,328,441 was insured by federal depository insurance (FDIC and FSLIC) or by collateral held in a multiple financial institution collateral

pool administered by the Public Deposit Protection Commission. These deposits are invested as part of the SCIP by the Spokane County treasurer for the benefit of the district. The SCIP has historically maintained a \$1 per share net asset value. The carrying amount of investments in the pool approximates fair value. The remaining \$25,004 of cash is retained at sites throughout the district for starting cash and petty cash transactions.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity to changes in market interest rates. The SCIP has a formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The average maturity of an investment in the SCIP was 1.01 years as of August 2023. In addition, the investment portfolio is structured to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments that can be held by government agencies to safe high-quality securities. The investments authorized under the investment policy are limited to federal government-backed securities, certificates of deposit, bankers' acceptance, repurchase agreements (under certain conditions), local and state government bonds (limited to one of the highest three credit ratings), registered warrants, corporate notes, commercial paper, direct district notes and the Washington State and Local Government Investment Pool. The SCIP limits the maximum percentage of the portfolio that may be invested in an individual class of investment requiring diversification to minimize credit risk.

The Washington State Auditor's Office and the Finance Committee of Spokane County provide regulatory guidance. The Pool is not registered with the SEC and has not obtained or provided any legally binding guarantees. A credit rating for the SCIP is not available. Additional information on the investment policies of the pool is available on the Spokane County website at <https://www.spokanecounty.org/798/Financial-Information>.

4. CHANGES IN CAPITAL ASSETS

Purchases of equipment with a unit cost in excess of \$5,000 are capitalized and depreciated in governmentwide financial statements. The district's property valuation of buildings and contents for insurance purposes was \$1,435,640,416 on

August 31, 2023. In the opinion of the district's insurance consultant, this amount is sufficient to adequately fund replacement of the district's assets. There have been no significant reductions to the insurance coverage.

	Balance 8/31/2022	Additions	Deletions	Balance 8/31/2023
Governmental Activities:				
Capital Assets - Not Depreciated:				
Land	\$ 26,562,046	\$ -	\$ -	\$ 26,562,046
Construction in Progress	177,068,075	130,640,666	(132,687,440)	175,021,301
Total Capital Assets - Not Depreciated	<u>203,630,121</u>	<u>130,640,666</u>	<u>(132,687,440)</u>	<u>201,583,347</u>
Capital Assets - Depreciated:				
Land Improvements	48,629,132	3,061,267	-	51,690,399
Buildings and Improvements	983,907,872	129,615,474	-	1,113,523,346
Other Equipment & Machinery	17,268,258	4,074,539	(385,803)	20,956,994
Right-to-use Lease Assets	1,307,554	22,697	(3,376)	1,326,875
Right-to-use Subscription Assets *	-	36,035,359	-	36,035,359
Total Capital Assets - Depreciated	<u>1,051,112,816</u>	<u>172,809,336</u>	<u>(389,179)</u>	<u>1,223,532,973</u>
Less Accumulated Depreciation:				
Land Improvements	(29,041,753)	(2,600,613)	-	(31,642,366)
Building and Improvements	(350,212,826)	(25,664,166)	-	(375,876,992)
Other Equipment & Machinery	(13,939,267)	(1,158,986)	384,325	(14,713,928)
Right-to-use Lease Assets	(252,930)	(265,880)	3,376	(515,434)
Right-to-use Subscription Assets *	-	(5,503,597)	-	(5,503,597)
Total Accumulated Depreciation	<u>(393,446,776)</u>	<u>(35,193,242)</u>	<u>387,701</u>	<u>(428,252,317)</u>
Total Capital Assets - Depreciated, Net	<u>657,666,040</u>	<u>137,616,094</u>	<u>(1,478)</u>	<u>795,280,656</u>
Governmental Activities Capital Assets, Net	<u>\$ 861,296,161</u>	<u>\$ 268,256,760</u>	<u>\$ (132,688,918)</u>	<u>\$ 996,864,003</u>

* Restated in accordance with GASB 96, Subscription-Based Information Technology Arrangements

Depreciation Expense was charged to governmental activities as follows:

Regular Instruction	\$ 26,282,382
Special Instruction	2,481
Vocational Instruction	30,586
Skill Center	886,771
Support Services	2,221,545
Total Capital Assets Depreciation	<u>\$ 29,423,765</u>

Amortization Expense was charged to governmental activities as follows:

	Leases	Subscriptions
Regular Instruction	\$ 42,536	\$ 3,110,128
Special Education	-	241,690
Vocational Education	-	112,869
Skills Center	-	38,243
Support Services	210,394	2,000,667
Total Capital Amortization	<u>\$ 252,930</u>	<u>\$ 5,503,597</u>

5. INTERFUND AND OTHER GOVERNMENT TRANSACTIONS

As of August 31, 2023, short-term interfund receivables and payables in governmental funds that resulted from general operating transactions in governmental fund financial statements were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ -	\$ 1,656,780
Special Revenue Fund	-	18,807
Capital Projects Fund	1,675,587	-
Total	<u>\$ 1,675,587</u>	<u>\$ 1,675,587</u>

Interfund balances are a result of transactions that have occurred in one fund that have been reclassified to the appropriate fund.

As of August 31, 2023, receivables from other governments consist of the following receivables related to grants and apportionment:

	<u>General</u>	<u>Capital Projects</u>
Central Valley School District	\$ 135,157	\$ -
Cheney School District	56,298	-
City of Spokane	-	148,463
Colville School District	8,400	-
Deer Park School District	19,341	-
Department of Justice	9,898	-
Eastonville School District	7,300	-
Educational Service District 113	7,237	-
Federal Emergency Management Agency	76,963	-
Kelso School District	2,250	-
Lynden School District	3,000	-
Mead School District	3,539	-
Medical Lake School District	6,300	-
Northeast Washington ESD 101	57	-
Office of Superintendent of Public Instruction	1,328	-
Post Falls School District	2,252	-
Shoreline School District	80,800	-
South Whidbey School District	2,600	-
State of Washington	11,938,396	7,087,290
Sultan School District	8,379	-
Total	<u>\$ 12,369,496</u>	<u>\$ 7,235,753</u>

As of August 31, 2023, payables to other governments consist of the following payables related to grants and use taxes:

	<u>General</u>
Federal Communications Commission	\$ 127,311
State of Washington	194,642
	<u>\$ 321,953</u>

6. LEASES

A. Leases as a Lessor

As a lessor, the district recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset to lessee. The district does not have any leases of assets held as investment or leases that transfer ownership of the underlying asset to lessee. As a lessor, the asset underlying the lease is not derecognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

B. Lease Receivable

For the year ended August 31, 2023, the financial statements include the reporting requirements under GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 47-month lease as Lessor for the use of 3911 South Regal Street - KSPS. An initial lease receivable was recorded in the amount of \$221,517.09. As of 08/31/2023, the value of the lease receivable is \$215,496.32. The lessee is required to make annual fixed payments of \$222,000.00. The lease has an interest rate of 3.0180%. The estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 08/31/2023 was \$417,932.77, and Spokane Public Schools (Spokane County, WA) recognized lease revenue of \$124,408.96 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On 09/07/2021, Spokane Public Schools (Spokane County, WA) entered into a 59-month lease as Lessor for the use of 247 W Main Ave. An initial lease receivable was recorded in the amount of \$12,352.84. As of 08/31/2023, the value of the lease receivable is \$7,414.27. The lessee is required to make annual fixed payments of \$2,500.00. The lease has an interest rate of 0.5770%. The estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 08/31/2023 was \$7,369.83, and Spokane Public Schools (Spokane County, WA) recognized lease revenue of \$2,512.44 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

Principal and Interest Expected to Maturity are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 217,954	\$ 6,546	\$ 224,500
2025	2,471	29	2,500
2026	2,486	14	2,500
	<u>\$ 222,911</u>	<u>\$ 6,589</u>	<u>\$ 229,500</u>

For the fiscal years ended August 31, 2023, the district reported lease revenue of \$217,939 and interest revenue of \$1,154 resulting in an ending lease receivable of \$222,911.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Land</i>				
247 W Main Ave.	9,857	-	2,443	7,414
Total Land Lease Receivable	9,857	-	2,443	7,414
<i>Other</i>				
3911 South Regal Street - KSPS	-	436,399	220,902	215,497
Total Other Lease Receivable	-	436,399	220,902	215,497
Total Lease Receivable	\$ 9,857	\$ 436,399	\$ 223,345	\$ 222,911

The amounts of inflows of resources recognized in this reporting period for Deferred Inflows of Resources as a result of a lease is \$126,921 with an ending balance of \$425,303.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Land</i>				
247 W Main Ave.	9,882	-	2,512	7,370
Total Land Deferred Inflow of Resources	9,882	-	2,512	7,370
<i>Other</i>				
3911 South Regal Street - KSPS	105,943	436,399	124,409	417,933
Total Other Deferred Inflow of Resources	105,943	436,399	124,409	417,933
Total Deferred Inflow of Resources	\$ 115,825	\$ 436,399	\$ 126,921	\$ 425,303

C. Leases as a Lessee

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

D. Leases Payable

For the year ended 8/31/2023, the financial statements include the reporting requirements under GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 38-month lease as Lessee for the use of Vehicle #235BBV. An initial lease liability was recorded in the amount of \$25,494.47. As of 08/31/2023, the value of the lease liability is \$9,419.82. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$736.19. The lease has an interest rate of 0.3150%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$25,494.47 with accumulated amortization of \$16,101.77 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$336.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 24-month lease as Lessee for the use of Vehicle #22QWKT. An initial lease liability was recorded in the amount of \$9,792.68. As of 08/31/2023, the value of the lease liability is \$427.40. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$427.48. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$9,792.68 with accumulated amortization of \$9,671.78 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,445.00.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 27-month lease as Lessee for the use of Vehicle #22QSJ3. An initial lease liability was recorded in the amount of \$20,308.99. As of 08/31/2023, the value of the lease liability is \$2,964.83. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$792.10. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$20,308.99 with accumulated amortization of \$17,745.72 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$277.38.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 39-month lease as Lessee for the use of Vehicle #239DJS. An initial lease liability was recorded in the amount of \$48,768.70. As of 08/31/2023, the value of the lease liability is \$19,631.16. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$1,335.16. The lease has an interest rate of 0.3150%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$48,768.70 with accumulated amortization of \$29,858.39 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$1,422.44.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 33-month lease as Lessee for the use of Vehicle #235CVK. An initial lease liability was recorded in the amount of \$20,789.93. As of 08/31/2023, the value of the lease liability is \$6,172.07. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$668.82. The lease has an interest rate of 0.3150%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$20,789.93 with accumulated amortization of \$14,923.97 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,212.58.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 33-month lease as Lessee for the use of Vehicle #235CVD. An initial lease liability was recorded in the amount of \$20,789.93. As of 08/31/2023, the value of the lease liability is \$6,172.07. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$668.82. The lease has an interest rate of 0.3150%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$20,789.93 with accumulated amortization of \$14,923.97 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,212.58.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 35-month lease as Lessee for the use of Vehicle #234W62. An initial lease liability was recorded in the amount of \$13,851.03. As of 08/31/2023, the value of the lease liability is \$4,653.92. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$421.01. The lease has an interest rate of 0.3150%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,851.03 with accumulated amortization of \$9,285.61 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,977.60.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 27-month lease as Lessee for the use of Vehicle #22T9ZC. An initial lease liability was recorded in the amount of \$12,795.19. As of 08/31/2023, the value of the lease liability is \$1,867.92. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$499.04. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$12,795.19 with accumulated amortization of \$11,112.83 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,338.80.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22R95L. An initial lease liability was recorded in the amount of \$13,025.67. As of 08/31/2023, the value of the lease liability is \$1,046.91. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$546.87. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,025.67 with accumulated amortization of \$12,085.67 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,589.52.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22R77V. An initial lease liability was recorded in the amount of \$13,691.61. As of 08/31/2023, the value of the lease liability is \$1,100.46. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$574.83. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,691.61 with accumulated amortization of \$12,752.86 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,717.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22R77S. An initial lease liability was recorded in the amount of \$13,691.61. As of 08/31/2023, the value of the lease liability is \$1,100.46. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$574.83. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,691.61 with accumulated amortization of \$12,687.20 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,717.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22R77R. An initial lease liability was recorded in the amount of \$13,691.61. As of 08/31/2023, the value of the lease liability is \$1,100.46. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$574.83. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,691.61 with accumulated amortization of \$13,074.21 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,717.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22R77M. An initial lease liability was recorded in the amount of \$13,691.61. As of 08/31/2023, the value of the lease liability is \$1,100.46. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$574.83. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$13,691.61 with accumulated amortization of \$12,852.62 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,717.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 28-month lease as Lessee for the use of Vehicle #22R77H. An initial lease liability was recorded in the amount of \$15,310.38. As of 08/31/2023, the value of the lease liability is \$2,685.59. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$576.67. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$15,310.38 with accumulated amortization of \$12,817.99 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,717.40.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 28-month lease as Lessee for the use of Vehicle #22QWMB. An initial lease liability was recorded in the amount of \$18,944.12. As of 08/31/2023, the value of the lease liability is \$3,322.97. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$713.53. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$18,944.12 with accumulated amortization of \$16,122.65 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,388.80.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 27-month lease as Lessee for the use of Vehicle #22QWM4. An initial lease liability was recorded in the amount of \$18,339.46. As of 08/31/2023, the value of the lease liability is \$2,677.30. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$715.28. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$18,339.46 with accumulated amortization of \$16,063.76 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,388.80.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 27-month lease as Lessee for the use of Vehicle #22QWLW. An initial lease liability was recorded in the amount of \$18,339.46. As of 08/31/2023, the value of the lease liability is \$2,677.30. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$715.28. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$18,339.46 with accumulated amortization of \$16,044.24 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,388.80.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22QWLK. An initial lease liability was recorded in the amount of \$10,405.12. As of 08/31/2023, the value of the lease liability is \$836.29. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$436.85. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$10,405.12 with accumulated amortization of \$9,922.77 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,488.00.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 24-month lease as Lessee for the use of Vehicle #22QWLG. An initial lease liability was recorded in the amount of \$9,905.35. As of 08/31/2023, the value of the lease liability is \$432.31. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$432.40. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$9,905.35 with accumulated amortization of \$9,547.33 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,445.00.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 25-month lease as Lessee for the use of Vehicle #22QWL9. An initial lease liability was recorded in the amount of \$10,279.38. As of 08/31/2023, the value of the lease liability is \$826.19. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$431.57. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$10,279.38 with accumulated amortization of \$9,815.85 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,445.00.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 24-month lease as Lessee for the use of Vehicle #22QWL2. An initial lease liability was recorded in the amount of \$9,905.35. As of 08/31/2023, the value of the lease liability is \$432.31. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$432.40. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$9,905.35 with accumulated amortization of \$9,547.33 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,445.00.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 24-month lease as Lessee for the use of Vehicle #22QWKP. An initial lease liability was recorded in the amount of \$9,905.35. As of 08/31/2023, the value of the lease liability is \$432.31. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$432.40. The lease has an interest rate of 0.2180%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$9,905.35 with accumulated amortization of \$9,729.68 is included with Equipment on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,445.00.

On 04/13/2023, Spokane Public Schools (Spokane County, WA) entered into a 60-month lease as Lessee for the use of Canon - Copiers. An initial lease liability was recorded in the amount of \$8,816.96. As of 08/31/2023, the value of the lease liability is \$8,274.07. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$165.50. The lease has an interest rate of 2.3100%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$8,816.96 with accumulated amortization of \$675.97 is included with Equipment on the Lease Class activities table found below.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 59-month lease as Lessee for the use of Canon - Copiers. An initial lease liability was recorded in the amount of \$209,137.31. As of 08/31/2023, the value of the lease liability is \$124,779.56. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$3,919.77. The lease has an interest rate of 0.5770%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$209,137.31 with accumulated amortization of \$85,072.80 is included with Equipment on the Lease Class activities table found below.

On 09/01/2021, Spokane Public Schools (Spokane County, WA) entered into a 13-month lease as Lessee for the use of Mt. Baldy Radio Site. An initial lease liability was recorded in the amount of \$3,376.02. As of 08/31/2023, the value of the lease liability is \$0.00. Spokane Public Schools (Spokane County, WA) is required to make annual variable principal and interest payments of \$3,376.54 based on a CPI index of 0.00%. The lease has an interest rate of 0.1850%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$0.00 with accumulated amortization of \$0.00 is included with Land Improvements on the Lease Class activities table found below. Spokane Public Schools (Spokane County, WA) has 4 extension option(s), each for 12 months.

On 11/10/2021, Spokane Public Schools (Spokane County, WA) entered into a 120-month lease as Lessee for the use of WSDOT LC Parking. An initial lease liability was recorded in the amount of \$733,323.87. As of 08/31/2023, the value of the lease liability is \$618,236.01. Spokane Public Schools (Spokane County, WA) is required to make monthly fixed payments of \$6,584.74. The lease has an interest rate of 1.2840%. The estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 08/31/2023 of \$747,203.84 with accumulated amortization of \$132,997.00 is included with Land Improvements on the Lease Class activities table found below. Spokane Public Schools (Spokane County, WA) has 2 extension option(s), each for 60 months.

Principal and Interest Expected to Maturity are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 180,410	\$ 8,395	\$ 188,805
2025	123,232	7,096	130,328
2026	114,526	5,870	120,396
2027	76,236	4,767	81,003
2028	76,577	3,764	80,341
2029 - 2032	251,389	5,416	256,805
	<u>\$ 822,370</u>	<u>\$ 35,307</u>	<u>\$ 857,678</u>

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Equipment</i>				
Vehicle #22QWKT	9,793	-		9,793
Vehicle #22QWKP	9,905	-		9,905
Vehicle #22QWL2	9,905	-		9,905
Vehicle #22QWL9	10,279	-		10,279
Vehicle #22QWLG	9,905	-		9,905
Vehicle #22QWLK	10,405	-		10,405
Vehicle #22QWLW	18,339	-		18,339
Vehicle #22QWM4	18,339	-		18,339
Vehicle #22QWMB	18,944	-		18,944
Vehicle #22R77H	15,310	-		15,310
Vehicle #22R77M	13,692	-		13,692
Vehicle #22R77R	13,692	-		13,692
Vehicle #22R77S	13,692	-		13,692
Vehicle #22R77V	13,692	-		13,692
Vehicle #22R95L	13,026	-		13,026
Vehicle #22T9ZC	12,795	-		12,795
Vehicle #234W62	13,851	-		13,851
Vehicle #235CVD	20,790	-		20,790
Vehicle #235CVK	20,790	-		20,790
Vehicle #239DJS	48,769	-		48,769
Vehicle #22QSJ3	20,309	-		20,309
Vehicle #235BBV	25,494	-		25,494
Canon - Copiers	209,137	8,817		217,954
<i>Total Equipment Lease Assets</i>	570,854	8,817	-	579,671
<i>Land Improvements</i>				
Mt.Baldy Radio Site	3,376	-	3,376	-
WSDOT LCHS Parking	733,324	13,880		747,204
<i>Total Land Improvement Lease Assets</i>	736,700	13,880	3,376	747,204
Total Lease Assets	1,307,554	22,697	3,376	1,326,875

For the fiscal years ended August 31, 2023, the district reported lease payments of \$268,934 and interest expense of \$8,974 resulting in an ending lease liability of \$822,370.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Equipment</i>				
Vehicle #22QWKT	5,115	-	4,687	428
Vehicle #22QWKP	5,173	-	4,741	432
Vehicle #22QWL2	5,173	-	4,741	432
Vehicle #22QWL9	5,557	-	4,731	826
Vehicle #22QWLG	5,173	-	4,741	432
Vehicle #22QWLK	5,625	-	4,789	836
Vehicle #22QWLW	10,515	-	7,838	2,677
Vehicle #22QWM4	10,515	-	7,838	2,677
Vehicle #22QWMB	11,140	-	7,817	3,323
Vehicle #22R77H	9,003	-	6,318	2,685
Vehicle #22R77M	7,402	-	6,301	1,101
Vehicle #22R77R	7,402	-	6,301	1,101
Vehicle #22R77S	7,402	-	6,301	1,101
Vehicle #22R77V	7,402	-	6,301	1,101
Vehicle #22R95L	7,042	-	5,995	1,047
Vehicle #22T9ZC	7,336	-	5,468	1,868
Vehicle #234W62	9,258	-	4,604	4,654
Vehicle #235CVD	13,490	-	7,318	6,172
Vehicle #235CVK	13,490	-	7,318	6,172
Vehicle #239DJS	34,217	-	14,585	19,632
Vehicle #22QSJ3	11,645	-	8,680	2,965
Vehicle #235BBV	17,466	-	8,047	9,419
Canon - Copiers	167,080	8,817	42,842	133,055
<i>Total Equipment Lease Liability</i>	383,621	8,817	188,302	204,136
<i>Land Improvements</i>				
Mt.Baldy Radio Site	-	-	-	-
WSDOT LCHS Parking	675,315	13,880	70,961	618,234
<i>Total Land Improvement Lease Liability</i>	675,315	13,880	70,961	618,234
Total Lease Liability	1,058,936	22,697	259,263	822,370

The amount of amortization expense recognized in this reporting period for the lease assets is \$265,880 and resulting in an ending lease asset balance of \$1,326,875.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Equipment</i>				
Vehicle #22QWKT	9,793	-		9,793
Vehicle #22QWKP	9,905	-		9,905
Vehicle #22QWL2	9,905	-		9,905
Vehicle #22QWL9	10,279	-		10,279
Vehicle #22QWLG	9,905	-		9,905
Vehicle #22QWLK	10,405	-		10,405
Vehicle #22QWLW	18,339	-		18,339
Vehicle #22QWM4	18,339	-		18,339
Vehicle #22QWMB	18,944	-		18,944
Vehicle #22R77H	15,310	-		15,310
Vehicle #22R77M	13,692	-		13,692
Vehicle #22R77R	13,692	-		13,692
Vehicle #22R77S	13,692	-		13,692
Vehicle #22R77V	13,692	-		13,692
Vehicle #22R95L	13,026	-		13,026
Vehicle #22T9ZC	12,795	-		12,795
Vehicle #234W62	13,851	-		13,851
Vehicle #235CVD	20,790	-		20,790
Vehicle #235CVK	20,790	-		20,790
Vehicle #239DJS	48,769	-		48,769
Vehicle #22QSJ3	20,309	-		20,309
Vehicle #235BBV	25,494	-		25,494
Canon - Copiers	209,137	8,817		217,954
<i>Total Equipment Lease Assets</i>	570,854	8,817	-	579,671
<i>Land Improvements</i>				
Mt.Baldy Radio Site	3,376	-	3,376	-
WSDOT LCHS Parking	733,324	13,880		747,204
<i>Total Land Improvement Lease Assets</i>	736,700	13,880	3,376	747,204
Total Lease Assets	1,307,554	22,697	3,376	1,326,875

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Equipment</i>				
Vehicle #22QWKT	4,836	4,836	-	9,672
Vehicle #22QWKP	4,865	4,865	-	9,730
Vehicle #22QWL2	4,774	4,774	-	9,547
Vehicle #22QWL9	4,908	4,908	-	9,816
Vehicle #22QWLG	4,774	4,774	-	9,547
Vehicle #22QWLK	4,961	4,961	-	9,923
Vehicle #22QWLW	8,022	8,022	-	16,044
Vehicle #22QWM4	8,032	8,032	-	16,064
Vehicle #22QWMB	8,061	8,061	-	16,123
Vehicle #22R77H	6,409	6,409	-	12,818
Vehicle #22R77M	6,426	6,426	-	12,853
Vehicle #22R77R	6,537	6,537	-	13,074
Vehicle #22R77S	6,344	6,344	-	12,687
Vehicle #22R77V	6,376	6,376	-	12,753
Vehicle #22R95L	6,043	6,043	-	12,086
Vehicle #22T9ZC	5,556	5,556	-	11,113
Vehicle #234W62	4,643	4,643	-	9,286
Vehicle #235CVD	7,462	7,462	-	14,924
Vehicle #235CVK	7,462	7,462	-	14,924
Vehicle #239DJS	14,929	14,929	-	29,858
Vehicle #22QSJ3	8,873	8,873	-	17,746
Vehicle #235BBV	8,051	8,051	-	16,102
Canon - Copiers	42,536	43,212	-	85,749
<i>Total Equipment Lease Accumulated Amortization</i>	190,881	191,556	-	382,436
<i>Land Improvements</i>				
Mt.Baldy Radio Site	3,116	260	3,376	-
WSDOT LCHS Parking	58,933	74,064	-	132,997
<i>Total Land Improvement Lease Accumulated Amortization</i>	62,050	74,324	3,376	132,997
Total Lease Accumulated Amortization	252,930	265,880	3,376	515,433
Total Lease Assets, Net	1,054,624	(243,183)	-	811,441

7. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A. General Information

For the year ended August 31, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 005945 230431 Savvas Learning - MathXL. An initial subscription liability was recorded in the amount of \$84,552.58. As of 08/31/2023, the value of the subscription liability is \$62,607.58. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$21,945.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$84,552.58 with accumulated amortization of

\$21,138.14 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 018807 X521450J AVID Center College Readiness. An initial subscription liability was recorded in the amount of \$613,713.82. As of 08/31/2023, the value of the subscription liability is \$454,428.91. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$159,284.91. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$613,713.82 with accumulated amortization of \$153,428.45 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035314 230444X Edmentum Inc - APEX Learning. An initial subscription liability was recorded in the amount of \$231,095.14. As of 08/31/2023, the value of the subscription liability is \$231,095.14. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$79,996.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$231,095.14 with accumulated amortization of \$57,773.78 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 024139 230604 Borderlan Security - Fortigate. An initial subscription liability was recorded in the amount of \$627,884.97. As of 08/31/2023, the value of the subscription liability is \$520,859.15. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$112,003.59. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$627,884.97 with accumulated amortization of \$104,647.50 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 11/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 028969 X605675G Fulcrum Management – Thoughtexchange. An initial subscription liability was recorded in the amount of \$112,159.41. As of 08/31/2023, the value of the subscription liability is \$83,318.01. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$28,841.40. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$112,159.41 with accumulated amortization of \$23,366.54 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 029851 221542 Severin – PowerSchool School Choice. An initial subscription liability was recorded in the amount of \$439,711.78. As of 08/31/2023, the value of the subscription liability is \$345,003.50. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$61,409.24. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$439,711.78 with accumulated amortization of \$62,815.97 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 030050 230152 PCS Revenue Control Systems. An initial subscription liability was recorded in the amount of \$50,711.62. As of 08/31/2023, the value of the subscription liability is \$42,907.22. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$7,804.40. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$50,711.62 with accumulated amortization of \$7,244.52 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 01/14/2023, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 033459 230403 Momentive Inc – Survey Monkey. An initial subscription liability was recorded in the amount of \$31,427.78. As of 08/31/2023, the value of the subscription liability is \$23,135.28. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$8,292.50. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$31,427.78 with accumulated amortization of

\$4,954.24 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034869 221812 K12 Insight - Lets Talk. An initial subscription liability was recorded in the amount of \$361,614.59. As of 08/31/2023, the value of the subscription liability is \$216,648.08. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$74,995.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$361,614.59 with accumulated amortization of \$90,403.65 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 02/13/2023, Spokane Public Schools (Spokane County, WA) entered into a 79-month subscription for the use of 034905 230635 Salesforce.com Tableau Data MG. An initial subscription liability was recorded in the amount of \$203,143.49. As of 08/31/2023, the value of the subscription liability is \$184,223.41. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$34,236.34. The subscription has an interest rate of 3.2030%. The value of the right to use asset as of 08/31/2023 of \$203,143.49 with accumulated amortization of \$16,843.56 is included with Software on the Subscription Class activities table found below.

On 09/30/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035002 230473 PTC Inc – Onshape Classroom. An initial subscription liability was recorded in the amount of \$75,832.26. As of 08/31/2023, the value of the subscription liability is \$56,332.26. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$19,500.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$75,832.26 with accumulated amortization of \$17,789.14 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 96-month subscription for the use of 035374 221363 Open Text Inc – Enterprise Tier. An initial subscription liability was recorded in the amount of \$54,496.59. As of 08/31/2023, the value of the subscription liability is \$42,797.92. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,102.69. The subscription has an interest rate of 2.6450%. The value of the right to use asset as of 08/31/2023 of \$54,496.59 with accumulated amortization of \$6,812.07 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 7 extension option(s), each for 12 months.

On 04/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 53-month subscription for the use of 035374 230637 Open Text Ince Liquid Office/Intelligent Capture/.Content Server. An initial subscription liability was recorded in the amount of \$249,862.85. As of 08/31/2023, the value of the subscription liability is \$229,504.15. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$48,860.77. The subscription has an interest rate of 2.6450%. The value of the right to use asset as of 08/31/2023 of \$249,862.85 with accumulated amortization of \$23,135.45 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 035488 220398 BC Technologies - Final Forms. An initial subscription liability was recorded in the amount of \$173,668.96. As of 08/31/2023, the value of the subscription liability is \$151,688.81. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,903.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$173,668.96 with accumulated amortization of \$24,585.46 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035314 230444N Edmentum Inc.- Apex Learning. An initial subscription liability was recorded in the amount of \$29,166.25. As of 08/31/2023, the value of the subscription liability is \$21,666.25. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$7,500.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$29,166.25 with accumulated amortization of \$7,291.56 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035314 230444L Edmentum Inc.- Apex Learning. An initial subscription liability was recorded in the amount of \$5,832.86. As of 08/31/2023, the value of the subscription liability is \$4,332.96. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$1,499.90. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$5,832.86 with accumulated amortization of \$1,458.22 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035314 230444A Edmentum Inc.- Apex Learning. An initial subscription liability was recorded in the amount of \$33,055.09. As of 08/31/2023, the value of the subscription liability is \$24,555.09. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$8,500.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$33,055.09 with accumulated amortization of \$8,263.77 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 029563 210425X Dreambox (Assessment). An initial subscription liability was recorded in the amount of \$1,238,276.78. As of 08/31/2023, the value of the subscription liability is \$979,276.78. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$259,000.00. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$1,238,276.78 with accumulated amortization of \$247,655.36 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 24 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 029563 221804 Dreambox Learning – Reading Plus. An initial subscription liability was recorded in the amount of \$12,351.17. As of 08/31/2023, the value of the subscription liability is \$7,399.75. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,561.50. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$12,351.17 with accumulated amortization of \$3,087.79 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 002616 221659 Follett - Destiny Textbook - Flett/Yasuhara. An initial subscription liability was recorded in the amount of \$6,424.93. As of 08/31/2023, the value of the subscription liability is \$2,136.96. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,177.82. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$6,424.93 with accumulated amortization of \$3,212.47 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 002616 230454 Follett - Destiny Textbook. An initial subscription liability was recorded in the amount of \$211,100.23. As of 08/31/2023, the value of the subscription liability is \$143,722.95. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$67,377.28. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$211,100.23 with accumulated amortization of \$52,775.06 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 07/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 002616 231863 Follett - Destiny Textbook - Peperzak. An initial subscription liability was recorded in the amount of \$1,663.00. As of 08/31/2023, the value of the subscription liability is \$476.09. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$1,186.91. The subscription has an interest rate of 3.7180%. The value of the right to use asset as of 08/31/2023 of \$1,663.00 with accumulated amortization of \$138.58 is included with Software on the Subscription Class activities table found below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 40-month subscription for the use of 002608 230509 Siemens Industry Advantage Svc. An initial subscription liability was recorded in the amount of \$88,461.36. As of 08/31/2023, the value of the subscription liability is \$63,580.13. Spokane Public Schools (Spokane County, WA) is required to make quarterly fixed payments of \$6,583.60. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$88,461.36 with accumulated amortization of \$26,538.41 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 01/06/2023, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 002669 231156 Micro Computer Aruba WLAN and Software. An initial subscription liability was recorded in the amount of \$43,894.85. As of 08/31/2023, the value of the subscription liability is \$43,894.85. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$8,051.83. The subscription has an interest rate of 3.1290%. The value of the right to use asset as of 08/31/2023 of \$43,894.85 with accumulated amortization of \$4,775.60 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 04/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 002669 231532 Micro Computer At-Cloud-Plus-I. An initial subscription liability was recorded in the amount of \$17,975.07. As of 08/31/2023, the value of the subscription liability is \$14,160.07. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$3,815.00. The subscription has an interest rate of 3.0610%. The value of the right to use asset as of 08/31/2023 of \$17,975.07 with accumulated amortization of \$1,848.02 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 003289 211420 GoodHeart Willcox - HS Health. An initial subscription liability was recorded in the amount of \$87,274.65. As of 08/31/2023, the value of the subscription liability is \$75,507.64. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$13,920.51. The subscription has an interest rate of 2.9610%. The value of the right to use asset as of 08/31/2023 of \$87,274.65 with accumulated amortization of \$12,330.80 is included with Software on the Subscription Class activities table found below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 003304 230631 OSPI K-20 Network Access. An initial subscription liability was recorded in the amount of \$44,254.52. As of 08/31/2023, the value of the subscription liability is \$31,409.41. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$7,000.00. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$44,254.52 with accumulated amortization of \$7,375.75 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 10/12/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 005415 230413 National Computer (Learnkey) Adobe Pro. An initial subscription liability was recorded in the amount of \$25,377.20. As of 08/31/2023, the value of the subscription liability is \$18,681.20. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,696.00. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$25,377.20 with accumulated amortization of \$5,621.75 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 120-month subscription for the use of 005603 221782 College Board – Springboard G6-G11 ELA. An initial subscription liability was recorded in the amount of \$2,668,813.92. As of 08/31/2023, the value of the subscription liability is \$2,402,573.74. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$266,240.18. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$2,668,813.92 with accumulated amortization of \$265,553.62 is included with Software on the Subscription Class activities table found below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 005922 171410 Math Learning Center - Bridges (Elem Math Adoption). An initial subscription liability was recorded in the amount of \$11,659.27. As of 08/31/2023, the value of the subscription liability is \$9,216.86. Spokane Public

Schools (Spokane County, WA) is required to make annual fixed payments of \$2,448.00. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$11,659.27 with accumulated amortization of \$2,331.85 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 2 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 006013 171663 NW Textbook - WA MyWorld (Elem SS Adoption). An initial subscription liability was recorded in the amount of \$82,648.46. As of 08/31/2023, the value of the subscription liability is \$40,856.22. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$41,792.24. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$82,648.46 with accumulated amortization of \$41,324.23 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 006013 181420 NW Textbook -Carnegie Learning - Algebra I/Geometry. An initial subscription liability was recorded in the amount of \$418,407.39. As of 08/31/2023, the value of the subscription liability is \$343,755.64. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$74,651.75. The subscription has an interest rate of 2.8090%. The value of the right to use asset as of 08/31/2023 of \$418,407.39 with accumulated amortization of \$69,734.56 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 006013 193581 NW Textbook -Carnegie Learning - Algebra II. An initial subscription liability was recorded in the amount of \$224,008.73. As of 08/31/2023, the value of the subscription liability is \$189,139.22. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$34,869.51. The subscription has an interest rate of 2.9610%. The value of the right to use asset as of 08/31/2023 of \$224,008.73 with accumulated amortization of \$32,001.25 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 10/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 006290 230913 Washington State School Directors Assoc – Renew Board Docs. An initial subscription liability was recorded in the amount of \$40,692.76. As of 08/31/2023, the value of the subscription liability is \$30,228.76. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,464.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$40,692.76 with accumulated amortization of \$9,325.42 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 02/19/2023, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 013514 231178 Govconnection Inc Kemp VLM5000 Maintenance. An initial subscription liability was recorded in the amount of \$24,622.17. As of 08/31/2023, the value of the subscription liability is \$18,150.73. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,471.44. The subscription has an interest rate of 3.4420%. The value of the right to use asset as of 08/31/2023 of \$24,622.17 with accumulated amortization of \$3,282.96 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 015174 230615 Brightly Software – Asset Essentials. An initial subscription liability was recorded in the amount of \$161,147.47. As of 08/31/2023, the value of the subscription liability is \$119,322.83. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$41,824.64. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$161,147.47 with accumulated amortization of \$40,286.87 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 016590 221511 Edentic Inc FY22-23 DUO-EDU-S. An initial subscription liability was recorded in the amount of \$12,333.25. As of 08/31/2023, the value of the subscription liability is \$10,150.52. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,182.73. The subscription has an interest rate of

2.4660%. The value of the right to use asset as of 08/31/2023 of \$12,333.25 with accumulated amortization of \$2,055.54 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 36 months.

On 10/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 016590 230627 Ednetics Inc 22-23 Smartnet US. An initial subscription liability was recorded in the amount of \$36,444.90. As of 08/31/2023, the value of the subscription liability is \$26,814.03. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$9,630.87. The subscription has an interest rate of 3.8280%. The value of the right to use asset as of 08/31/2023 of \$36,444.90 with accumulated amortization of \$8,351.96 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 017316 171586 Gibbs M Smith Inc - Our Home WA. An initial subscription liability was recorded in the amount of \$63,299.77. As of 08/31/2023, the value of the subscription liability is \$46,933.15. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$16,366.62. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$63,299.77 with accumulated amortization of \$15,824.94 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 24 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 017703 230606 Blackboard Inc- Mass Notification. An initial subscription liability was recorded in the amount of \$66,341.38. As of 08/31/2023, the value of the subscription liability is \$32,856.58. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$33,484.80. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$66,341.38 with accumulated amortization of \$33,170.69 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 017703 230608 Blackboard Inc.- School Wires Core. An initial subscription liability was recorded in the amount of \$85,322.66. As of 08/31/2023, the value of the subscription liability is \$42,257.35. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$43,065.31. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$85,322.66 with accumulated amortization of \$42,661.33 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 017703 230623 Blackboard Inc – Mobile Comm/App Store. An initial subscription liability was recorded in the amount of \$65,408.63. As of 08/31/2023, the value of the subscription liability is \$32,394.62. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$33,014.01. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$65,408.63 with accumulated amortization of \$32,704.32 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 017703 X521442K Blackboard Inc.- SSAS/ICM Custon. An initial subscription liability was recorded in the amount of \$375,413.63. As of 08/31/2023, the value of the subscription liability is \$185,929.33. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$189,484.30. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$375,413.63 with accumulated amortization of \$187,706.82 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 022226 230408A School Health = Focused Fitness Welnet. An initial subscription liability was recorded in the amount of \$9,632.33. As of 08/31/2023, the value of the subscription liability is \$7,132.33. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,500.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$9,632.33 with accumulated amortization of

\$2,408.08 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 018168 211528 Carnegie Learning - Zhen Bang. An initial subscription liability was recorded in the amount of \$10,834.92. As of 08/31/2023, the value of the subscription liability is \$8,568.67. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,266.25. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$10,834.92 with accumulated amortization of \$2,166.98 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 36 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 018168 230463B Carnegie Learning - Mathia. An initial subscription liability was recorded in the amount of \$714,755.23. As of 08/31/2023, the value of the subscription liability is \$606,755.23. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$108,000.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$714,755.23 with accumulated amortization of \$102,107.89 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 021483 211690 Cengage Learning - ELD. An initial subscription liability was recorded in the amount of \$67,067.75. As of 08/31/2023, the value of the subscription liability is \$53,039.75. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$14,028.00. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$67,067.75 with accumulated amortization of \$13,413.55 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 021483 211860 Cengage Learning - AP Chem. An initial subscription liability was recorded in the amount of \$22,126.43. As of 08/31/2023, the value of the subscription liability is \$17,498.43. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$4,628.00. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$22,126.43 with accumulated amortization of \$4,425.29 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 021483 230441 Cengage Learning – Mindtap Dental. An initial subscription liability was recorded in the amount of \$5,249.93. As of 08/31/2023, the value of the subscription liability is \$3,899.93. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$1,350.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$5,249.93 with accumulated amortization of \$1,312.48 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 05/15/2023, Spokane Public Schools (Spokane County, WA) entered into a 108-month subscription for the use of 021483 231695 Cengage Learning Inc Infosec IQ security training. An initial subscription liability was recorded in the amount of \$162,686.14. As of 08/31/2023, the value of the subscription liability is \$137,936.14. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$24,750.00. The subscription has an interest rate of 2.7100%. The value of the right to use asset as of 08/31/2023 of \$162,686.14 with accumulated amortization of \$5,322.45 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 2 extension option(s), each for 36 months.

On 06/30/2023, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 023135 230641 Solarwinds Inc Samanage Help Desk System. An initial subscription liability was recorded in the amount of \$262,932.31. As of 08/31/2023, the value of the subscription liability is \$223,203.06. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$39,729.25. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$262,932.31 with accumulated

amortization of \$6,438.73 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 023273 221837 Northwest Evaluation - MAP (Assessment). An initial subscription liability was recorded in the amount of \$652,336.66. As of 08/31/2023, the value of the subscription liability is \$559,304.66. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$101,732.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$652,336.66 with accumulated amortization of \$93,190.95 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 024136 211057 Advanced Classroom Technologies Inc Smartlearning. An initial subscription liability was recorded in the amount of \$42,391.75. As of 08/31/2023, the value of the subscription liability is \$31,490.86. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,900.89. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$42,391.75 with accumulated amortization of \$10,597.94 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 024231 230601 Cerium Networks Inc Avaya Essential. An initial subscription liability was recorded in the amount of \$1,078,583.51. As of 08/31/2023, the value of the subscription liability is \$915,608.81. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$162,974.70. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$1,078,583.51 with accumulated amortization of \$154,083.36 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 024421 230634 Integrated Register-Intouch Cash Receipting. An initial subscription liability was recorded in the amount of \$135,348.55. As of 08/31/2023, the value of the subscription liability is \$110,839.89. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$24,508.66. The subscription has an interest rate of 3.4420%. The value of the right to use asset as of 08/31/2023 of \$135,348.55 with accumulated amortization of \$22,558.09 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 025011 230618 Perfectforms Inc Perfect Forms License. An initial subscription liability was recorded in the amount of \$14,428.32. As of 08/31/2023, the value of the subscription liability is \$11,908.32. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,520.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$14,428.32 with accumulated amortization of \$2,404.72 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 026641 220633 Jatheon Technologies Inc Jatheon Care Xpand and Ecore Support. An initial subscription liability was recorded in the amount of \$306,431.73. As of 08/31/2023, the value of the subscription liability is \$218,267.03. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$46,935.32. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$306,431.73 with accumulated amortization of \$50,557.02 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 027190 230540 Precision Exams. An initial subscription liability was recorded in the amount of \$96,221.41. As of 08/31/2023, the value of the subscription liability is \$71,478.41. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$24,743.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$96,221.41 with accumulated amortization of \$24,055.35 is included with

Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 028366 230175 Heartland - Mosaic. An initial subscription liability was recorded in the amount of \$192,947.45. As of 08/31/2023, the value of the subscription liability is \$162,273.45. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$30,674.00. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$192,947.45 with accumulated amortization of \$27,563.92 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 028426 230154 Nutri Link Technologies Cloud Online. An initial subscription liability was recorded in the amount of \$23,849.64. As of 08/31/2023, the value of the subscription liability is \$17,659.64. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,190.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$23,849.64 with accumulated amortization of \$5,962.41 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 028509 230614/230633 Frontline – Asset Management - TipWeb. An initial subscription liability was recorded in the amount of \$444,493.43. As of 08/31/2023, the value of the subscription liability is \$329,612.87. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$58,669.77. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$444,493.43 with accumulated amortization of \$63,499.06 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 07/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 028509 231725 Frontline – Asset Management - Inventory & implementation. An initial subscription liability was recorded in the amount of \$227,661.75. As of 08/31/2023, the value of the subscription liability is \$190,752.17. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$33,477.60. The subscription has an interest rate of 2.7100%. The value of the right to use asset as of 08/31/2023 of \$227,661.75 with accumulated amortization of \$7,464.32 is included with Software on the Subscription Class activities table found below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 028574 220842 MobyMax LLC - Moby Suite. An initial subscription liability was recorded in the amount of \$207,016.93. As of 08/31/2023, the value of the subscription liability is \$163,716.93. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$43,300.00. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$207,016.93 with accumulated amortization of \$41,403.39 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 4 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 028581 230620 Computer Technology Link Corporation Exagrid Support. An initial subscription liability was recorded in the amount of \$93,830.72. As of 08/31/2023, the value of the subscription liability is \$77,442.57. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$16,388.15. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$93,830.72 with accumulated amortization of \$15,638.45 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 029146 230603 Organization For Educational Technology and Curriculum Adobe Creative Cloud Desktop Application. An initial subscription liability was recorded in the amount of \$178,213.83. As of 08/31/2023, the value of the subscription liability is \$141,208.33. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$37,005.50. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$178,213.83 with accumulated amortization of \$44,033.62 is included with Software on the

Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 03/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 029146 230639 Organization For Educational Technology and Curriculum Microsoft Defender/Office 365 Annual Subscription. An initial subscription liability was recorded in the amount of \$1,364,772.71. As of 08/31/2023, the value of the subscription liability is \$1,212,284.99. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$227,074.10. The subscription has an interest rate of 3.4420%. The value of the right to use asset as of 08/31/2023 of \$1,364,772.71 with accumulated amortization of \$112,173.10 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 029146 230890 Organization For Educational Technology and Curriculum Microsoft EEs Annual Subscription yr. 3 of 3. An initial subscription liability was recorded in the amount of \$970,943.18. As of 08/31/2023, the value of the subscription liability is \$836,886.42. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$177,929.90. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$970,943.18 with accumulated amortization of \$161,823.86 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 029501 221790 KE2 Therm Solutions Smart Access. An initial subscription liability was recorded in the amount of \$9,824.97. As of 08/31/2023, the value of the subscription liability is \$7,274.97. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,550.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$9,824.97 with accumulated amortization of \$2,456.24 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 029687 211571 Lexia Learning - Lexia Core 5 (Assessment). An initial subscription liability was recorded in the amount of \$2,671,501.51. As of 08/31/2023, the value of the subscription liability is \$1,992,523.02. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$369,450.00. The subscription has an interest rate of 3.1340%. The value of the right to use asset as of 08/31/2023 of \$2,671,501.51 with accumulated amortization of \$381,643.07 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 2 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 132-month subscription for the use of 029851 230609 Severin – PowerSchool BusinessPlus/Student/PD Choice/Talent Ed. An initial subscription liability was recorded in the amount of \$6,309,221.21. As of 08/31/2023, the value of the subscription liability is \$5,679,814.95. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$629,406.26. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$6,309,221.21 with accumulated amortization of \$573,565.56 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 10 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 030216 211834 NEWSELA - 7-12 World History. An initial subscription liability was recorded in the amount of \$505,733.06. As of 08/31/2023, the value of the subscription liability is \$374,972.06. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$130,761.00. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$505,733.06 with accumulated amortization of \$126,433.27 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 030325 230826 CharacterStrong – Elementary Digital Toolkit. An initial subscription liability was recorded in the amount of \$172,862.54. As of 08/31/2023, the value of the subscription liability is \$128,411.54. Spokane Public

Schools (Spokane County, WA) is required to make annual fixed payments of \$44,451.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$172,862.54 with accumulated amortization of \$43,215.64 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 030396 211825 ExploreLearning - Gizmos - Secondary Science. An initial subscription liability was recorded in the amount of \$45,308.61. As of 08/31/2023, the value of the subscription liability is \$22,358.61. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$22,950.00. The subscription has an interest rate of 2.6450%. The value of the right to use asset as of 08/31/2023 of \$45,308.61 with accumulated amortization of \$22,654.31 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 031539 230624 JAMF Holdings Inc JAMF License Subscription/Device Management. An initial subscription liability was recorded in the amount of \$155,135.15. As of 08/31/2023, the value of the subscription liability is \$129,800.83. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$27,468.04. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$155,135.15 with accumulated amortization of \$25,855.86 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 031636 230632 DocuSign Inc DocuSign 504 Module. An initial subscription liability was recorded in the amount of \$23,371.20. As of 08/31/2023, the value of the subscription liability is \$17,354.40. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$6,016.80. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$23,371.20 with accumulated amortization of \$5,838.75 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 031751 230613 Questica Inc Annual OpenBook. An initial subscription liability was recorded in the amount of \$109,126.74. As of 08/31/2023, the value of the subscription liability is \$81,065.18. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$28,061.56. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$109,126.74 with accumulated amortization of \$27,281.68 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 032472 220404 Common Goal Systems Inc Teacherease. An initial subscription liability was recorded in the amount of \$554,287.85. As of 08/31/2023, the value of the subscription liability is \$470,534.58. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$83,753.27. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$554,287.85 with accumulated amortization of \$79,183.98 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 032584 221756 No Tears Learning, Learning without Tears. An initial subscription liability was recorded in the amount of \$157,112.48. As of 08/31/2023, the value of the subscription liability is \$116,335.09. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$40,777.39. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$157,112.48 with accumulated amortization of \$39,278.12 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 032595 230621 Governmentjobs Com Inc NeoGov. An initial subscription liability was recorded in the amount of \$218,195.87. As of 08/31/2023, the value of the subscription liability is \$180,086.53. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$38,109.34. The subscription has an interest rate

of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$218,195.87 with accumulated amortization of \$36,365.98 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 032637 230602 Schoollinks Inc – Schoollinks Platform. An initial subscription liability was recorded in the amount of \$418,796.27. As of 08/31/2023, the value of the subscription liability is \$311,104.27. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$107,692.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$418,796.27 with accumulated amortization of \$104,699.07 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 032992 193746/231543 Mystery Science (Elem Science Adoption). An initial subscription liability was recorded in the amount of \$190,962.00. As of 08/31/2023, the value of the subscription liability is \$130,936.39. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$45,325.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$190,962.00 with accumulated amortization of \$47,740.50 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 033414 230640 E-Builder. An initial subscription liability was recorded in the amount of \$999,727.96. As of 08/31/2023, the value of the subscription liability is \$741,093.97. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$138,249.45. The subscription has an interest rate of 3.3180%. The value of the right to use asset as of 08/31/2023 of \$999,727.96 with accumulated amortization of \$142,818.28 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 12/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 033555 230448 New Perspectives Online. An initial subscription liability was recorded in the amount of \$9,464.94. As of 08/31/2023, the value of the subscription liability is \$6,964.94. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,500.00. The subscription has an interest rate of 3.7940%. The value of the right to use asset as of 08/31/2023 of \$9,464.94 with accumulated amortization of \$1,774.68 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 033797 230485 Illuminate Education DNA Software Bundle. An initial subscription liability was recorded in the amount of \$71,773.94. As of 08/31/2023, the value of the subscription liability is \$52,816.10. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$18,957.84. The subscription has an interest rate of 3.7940%. The value of the right to use asset as of 08/31/2023 of \$71,773.94 with accumulated amortization of \$17,943.48 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 033846 230437B School Data Solutions - ALE. An initial subscription liability was recorded in the amount of \$39,739.02. As of 08/31/2023, the value of the subscription liability is \$29,520.27. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,218.75. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$39,739.02 with accumulated amortization of \$9,934.75 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034015 230482 Enome Inc - Goalbook. An initial subscription liability was recorded in the amount of \$670,628.84. As of 08/31/2023, the value of the subscription liability is \$401,782.60. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$139,081.25. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$670,628.84 with accumulated amortization of \$167,657.21 is

included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 034351 221512 AEOU - Flex Curriculum. An initial subscription liability was recorded in the amount of \$28,106.30. As of 08/31/2023, the value of the subscription liability is \$22,227.54. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$5,878.76. The subscription has an interest rate of 2.2910%. The value of the right to use asset as of 08/31/2023 of \$28,106.30 with accumulated amortization of \$5,621.26 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 4 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 03437 2210459 Quavers Marvelous Music. An initial subscription liability was recorded in the amount of \$332,242.29. As of 08/31/2023, the value of the subscription liability is \$273,442.29. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$58,800.00. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$332,242.29 with accumulated amortization of \$55,373.71 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 5 extension option(s), each for 12 months.

On 11/03/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034426 230484A Nearpod Inc. An initial subscription liability was recorded in the amount of \$49,680.83. As of 08/31/2023, the value of the subscription liability is \$39,007.58. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,673.25. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$49,680.83 with accumulated amortization of \$10,281.17 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 01/06/2023, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 034426 230484B Nearpod Inc.. An initial subscription liability was recorded in the amount of \$49,215.80. As of 08/31/2023, the value of the subscription liability is \$38,640.80. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,575.00. The subscription has an interest rate of 3.7200%. The value of the right to use asset as of 08/31/2023 of \$49,215.80 with accumulated amortization of \$6,425.40 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 4 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034533 221872 Savvas Learning Adobe Photoshop. An initial subscription liability was recorded in the amount of \$16,060.02. As of 08/31/2023, the value of the subscription liability is \$11,891.76. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$4,168.26. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$16,060.02 with accumulated amortization of \$4,015.00 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 034780 220401 N2Y LLC - Sped - NEWS-2-YOU. An initial subscription liability was recorded in the amount of \$462,724.88. As of 08/31/2023, the value of the subscription liability is \$391,512.60. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$71,212.28. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$462,724.88 with accumulated amortization of \$66,103.55 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 10/13/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 034780 230486 N2Y LLC - NEWS2YOU. An initial subscription liability was recorded in the amount of \$62,831.98. As of 08/31/2023, the value of the subscription liability is \$54,892.93. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$7,939.05. The subscription has an interest rate of 3.7940%. The value of the right to use asset as of 08/31/2023 of \$62,831.98 with accumulated amortization of \$7,928.80 is included

with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/30/2022, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 034834 230617 Zoho Corp ME OPMGR PROED. An initial subscription liability was recorded in the amount of \$77,024.46. As of 08/31/2023, the value of the subscription liability is \$56,600.53. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$10,469.45. The subscription has an interest rate of 3.0610%. The value of the right to use asset as of 08/31/2023 of \$77,024.46 with accumulated amortization of \$10,234.88 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034884 230407 Ascend Learning - Anatomy/Phys/Med Term. An initial subscription liability was recorded in the amount of \$72,363.49. As of 08/31/2023, the value of the subscription liability is \$54,003.86. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$18,694.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$72,363.49 with accumulated amortization of \$18,090.87 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035101 230399 Stukent Inc - Student Licenses. An initial subscription liability was recorded in the amount of \$28,096.82. As of 08/31/2023, the value of the subscription liability is \$20,871.82. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$7,225.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$28,096.82 with accumulated amortization of \$7,024.21 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035324 230505 Project Lead the Way. An initial subscription liability was recorded in the amount of \$239,941.04. As of 08/31/2023, the value of the subscription liability is \$178,241.04. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$61,700.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$239,941.04 with accumulated amortization of \$59,985.26 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 60-month subscription for the use of 035582 221794 Carahsoft Tech - Qualtrics - Assessment. An initial subscription liability was recorded in the amount of \$881,704.89. As of 08/31/2023, the value of the subscription liability is \$572,053.00. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$309,651.89. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$881,704.89 with accumulated amortization of \$173,925.35 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 4 extension option(s), each for 12 months.

On 09/16/2022, Spokane Public Schools (Spokane County, WA) entered into a 72-month subscription for the use of 035670 230390 Pathful Inc - Pathful Connect. An initial subscription liability was recorded in the amount of \$224,340.35. As of 08/31/2023, the value of the subscription liability is \$188,340.35. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$36,000.00. The subscription has an interest rate of 2.4660%. The value of the right to use asset as of 08/31/2023 of \$224,340.35 with accumulated amortization of \$35,832.14 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 1 extension option(s), each for 36 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035793 230943 Instructional Empowerment Learning Services Intl. An initial subscription liability was recorded in the amount of \$9,295.17. As of 08/31/2023, the value of the subscription liability is \$7,295.17. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$2,000.00. The subscription has an interest rate of 3.7940%. The value of the right to use asset as of 08/31/2023 of \$9,295.17 with accumulated

amortization of \$2,295.10 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 06/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 75-month subscription for the use of 036107 231663 Raptor – Emergency Mgmt. An initial subscription liability was recorded in the amount of \$739,029.95. As of 08/31/2023, the value of the subscription liability is \$670,960.57. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$123,017.40. The subscription has an interest rate of 2.7950%. The value of the right to use asset as of 08/31/2023 of \$739,029.95 with accumulated amortization of \$29,172.24 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 034533 230431 Savvas Learning MathXL. An initial subscription liability was recorded in the amount of \$84,552.58. As of 08/31/2023, the value of the subscription liability is \$62,607.58. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$21,945.00. The subscription has an interest rate of 2.5560%. The value of the right to use asset as of 08/31/2023 of \$84,552.58 with accumulated amortization of \$21,138.14 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 96-month subscription for the use of 035375 221362/230616 Cadence - Hosting. An initial subscription liability was recorded in the amount of \$351,095.78. As of 08/31/2023, the value of the subscription liability is \$303,095.78. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$48,000.00. The subscription has an interest rate of 2.6450%. The value of the right to use asset as of 08/31/2023 of \$351,095.78 with accumulated amortization of \$43,886.97 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 7 extension option(s), each for 12 months.

On 06/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 75-month subscription for the use of 036107 231663 Raptor - Volunteer. An initial subscription liability was recorded in the amount of \$158,899.46. As of 08/31/2023, the value of the subscription liability is \$152,487.06. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$27,957.77. The subscription has an interest rate of 2.7950%. The value of the right to use asset as of 08/31/2023 of \$158,899.46 with accumulated amortization of \$6,272.35 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

On 06/20/2023, Spokane Public Schools (Spokane County, WA) entered into a 84-month subscription for the use of 029851 231834 Severin – PowerSchool Canvas. An initial subscription liability was recorded in the amount of \$220,099.45. As of 08/31/2023, the value of the subscription liability is \$213,357.30. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$32,360.00. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$220,099.45 with accumulated amortization of \$6,174.26 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 6 extension option(s), each for 12 months.

On 05/01/2023, Spokane Public Schools (Spokane County, WA) entered into a 24-month subscription for the use of 029687 231495 Lexia LETRS. An initial subscription liability was recorded in the amount of \$1,686,010.43. As of 08/31/2023, the value of the subscription liability is \$618,659.42. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$1,067,351.01. The subscription has an interest rate of 1.9120%. The value of the right to use asset as of 08/31/2023 of \$1,686,010.43 with accumulated amortization of \$281,001.74 is included with Software on the Subscription Class activities table found below.

On 09/01/2022, Spokane Public Schools (Spokane County, WA) entered into a 48-month subscription for the use of 035290 230622 Ledger Software - Prime. An initial subscription liability was recorded in the amount of \$152,963.84. As of 08/31/2023, the value of the subscription liability is \$113,127.40. Spokane Public Schools (Spokane County, WA) is required to make annual fixed payments of \$39,836.44. The subscription has an interest rate of 2.7950%. The value of the right to use asset as of 08/31/2023 of \$152,963.84 with accumulated amortization of \$38,240.96 is included with Software on the Subscription Class activities table found below. Spokane Public Schools (Spokane County, WA) has 3 extension option(s), each for 12 months.

Principal and Interest Expected to Maturity are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 5,680,728	\$ 661,076	\$ 6,341,804
2025	4,803,658	534,684	5,338,342
2026	4,906,845	421,212	5,328,057
2027	3,691,196	305,351	3,996,547
2028	3,385,194	215,735	3,600,929
2029-2033	6,165,143	301,845	6,466,988
	<u>\$ 28,632,765</u>	<u>\$ 2,439,903</u>	<u>\$ 31,072,667</u>

For the fiscal years ended August 31, 2023, the district reported subscription payments of \$7,402,594 and interest expense of \$112,771 resulting in an ending subscription liability of \$28,632,765.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Software</i>				
002608 230509 Siemens Industty Advantage Svc	88,461	-	24,881	63,580
002616 221659 Follett - Desitny Textbook - Flett/Yasuhara	6,425	-	4,288	2,137
002616 230454 Follett - Desitny Textbook	211,100	-	67,377	143,723
002616 231863 Follett - Desitny Textbook - Peperzak	-	1,663	1,187	476
002669 231156 Micro Computer Aruba WLAN and Software	-	43,895	-	43,895
002669 231532 Micro Computer AT-Cloud-Plus-1	-	17,975	3,815	14,160
003289 211420 GoodHeart Willcox - HS Health	87,275	-	11,767	75,508
003304 230631 OSPI K-20 Network Access	44,255	-	12,845	31,409
005415 230413 National Computer (Learnkey) Adobe Pro	-	25,377	6,696	18,681
005603 221782 College Board - Springboard G6-G11 ELA	2,668,814	-	266,240	2,402,574
005922 171410 Math Learning Center - Bridges (Elem Math Adoption)	11,659	-	2,442	9,217
005945 230431 Savvas Learning - MathXL	84,553	-	21,945	62,608
006013 171663 NW Textbook - WA MyWorld (Elem SS Adoption)	82,648	-	41,792	40,856
006013 181420 NW Textbook -Carnegie Learning - Algebra I/Geometry	418,407	-	74,652	343,756
006013 193581 NW Textbook -Carnegie Learning - Algebra II	224,009	-	34,870	189,139
006290 230913 Washington State School Directors Assoc - Renew Board Docs	-	40,693	10,464	30,229
013514 231178 Govconnection Inc Kemp VLM5000 Maintenance	-	24,622	6,471	18,151
015174 230615 Brightly Software - ASSET ESSENTIALS	161,147	-	41,825	119,323
016590 221511 Ednetics Inc FY22-23 DUO-EDU-S	12,333	-	2,183	10,151
016590 230627 Ednetics Inc 22-23 Smartnet US	-	36,445	9,631	26,814
017316 171586 Gibbs M Smith Inc - Our Home WA	63,300	-	16,367	46,933
017703 230606 Blackboard Inc - Mass Notification	66,341	-	33,485	32,857
017703 230608 Blackboard Inc - School Wires Core	85,323	-	43,065	42,257
017703 230623 Blackboard Inc - Mobile Comm/App Store	65,409	-	33,014	32,395
017703 X521442K Blackboard Inc - SSAS/ICM Custom	375,414	-	189,484	185,929
018168 211528 Carnegie Learning - Zhen Bang!	10,835	-	2,266	8,569
018168 230463B Carnegie Learning - Mathia	714,755	-	108,000	606,755
018807 X521450J AVID Center College Readiness	613,714	-	159,285	454,429
021483 211690 Cengage Learning - ELD	67,068	-	14,028	53,040
021483 211860 Cengage Learning - AP Chem	22,126	-	4,628	17,498
021483 230441 Cengage Learning - Mindtap Dental	5,250	-	1,350	3,900
021483 231695 Cengage Learning Inc Infosec IQ security training	-	162,686	24,750	137,936
022226 230408A School Health = Focused Fitness Welnet	9,632	-	2,500	7,132
023135 230641 Solarwinds Inc Samanage Help Desk System	-	262,932	39,729	223,203
023273 221837 Northwest Evaluation - MAP (Assessment)	652,337	-	93,032	559,305
024136 211057 Advanced Classroom Technologies Inc Smartlearning	42,392	-	10,901	31,491
024139 230604 Borderlan Security - Fortigate	627,885	-	107,026	520,859
024231 230601 Cerium Networks Inc Avaya Essential	1,078,584	-	162,975	915,609
024421 230634 Integrated Register-Intouch Cash Receipting	135,349	-	24,509	110,840
025011 230618 Perfectforms Inc Perfect Forms License	14,428	-	2,520	11,908
026641 220633 Jatheon Technologies Inc Jatheon Care Xpand and Ecore Support	306,432	-	88,165	218,267
027190 230540 Precision Exams	96,221	-	24,743	71,478
028366 230175 Heartland - Mosaic	192,947	-	30,674	162,273
028426 230154 Nutri Link Technologies Cloud Online	23,850	-	6,190	17,660
028509 230614/230633 Frontline - Asset Management - TipWeb	444,493	-	114,881	329,613
028509 231725 Frontline - Asset Management - Inventory & implementation	-	227,662	36,910	190,752
028574 220842 MobyMax LLC - Moby Suite	207,017	-	43,300	163,717
028581 230620 Computer Technology Link Corporation Exagrid Support	93,831	-	16,388	77,443
028969 X605675G Fulcrum Management - Thoughtexchange	-	112,159	28,841	83,318
029146 230603 OETC Adobe Creative Cloud Desktop Application	178,214	-	37,006	141,208
029146 230639 OETC Microsoft Defender/Office 365 Annual Subscription	-	1,364,773	152,488	1,212,285
029146 230890 OETC Microsoft EEs Annual Subscription yr 3 of 3	970,943	-	134,057	836,886
029501 221790 KE2 Therm Solutions Smart Access	9,825	-	2,550	7,275

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Software</i>				
029563 210425X Dreambox (Assessment)	1,238,277	-	259,000	979,277
029563 221804 DREAMBOX LEARNING - READING PLUS	12,351	-	4,951	7,400
029687 211571 Lexia Learning - Lexia Core 5 (Assessment)	2,671,502	-	678,978	1,992,523
029687 231495 Lexia LETRS	-	1,686,010	1,067,351	618,659
029851 221542 SEVERIN - POWERSCHOOL SCHOOL CHOICE	439,712	-	94,708	345,004
029851 230609 SEVERIN - POWERSCHOOL BUSINESSPLUS/STUDENT/PD CHOICE/TALENT E	6,309,221	-	629,406	5,679,815
029851 231834 SEVERIN - POWERSCHOOL CANVAS	-	220,099	6,742	213,357
030050 230152 PCS Revenue Control Systems	50,712	-	7,804	42,907
030216 211834 NEWSLA - 7-12 World History	505,733	-	130,761	374,972
030325 230826 CHARACTERSTRONG - ELEMENTARY DIGITAL TOOLKIT	172,863	-	44,451	128,412
030396 211825 ExploreLearning - Gizmos - Secondary Science	45,309	-	22,950	22,359
031539 230624 JAMF Holdings Inc JAMF License Subscription/Device Management	155,135	-	25,334	129,801
031636 230632 Docusign Inc Docusign 504 Module	23,371	-	6,017	17,354
031751 230613 QUESTICA INC ANNUAL OPENBOOK	109,127	-	28,062	81,065
032472 220404 Common Goal Systems Inc Teacherease	554,288	-	83,753	470,535
032584 221756 No Tears Learning, Learning without Tears	157,112	-	40,777	116,335
032595 230621 Governmentjobs Com Inc NeoGov	218,196	-	38,109	180,087
032637 230602 SCHOOLINKS INC - SCHOOLINKS PLATFORM	418,796	-	107,692	311,104
032992 193746/231543 Mystery Science (Elem Science Adoption)	190,962	-	60,026	130,936
033414 230640 E-Builder	999,728	-	258,634	741,094
033459 230403 MOMENTIVE INC - SURVEYMONKEY APP	-	31,428	8,293	23,135
033555 230448 New Perspectives Online	-	9,465	2,500	6,965
033797 230485 Illuminate Education DNA Software Bundle	71,774	-	18,958	52,816
033846 230437B SCHOOL DATA SOLUTIONS - ALE	39,739	-	10,219	29,520
034015 230482 ENOME INC - Goalbook	670,629	-	268,846	401,783
034351 221512 AEOU - Flex Curriculum	28,106	-	5,879	22,228
03437 2210459 Quavers Marvelous Music	332,242	-	58,800	273,442
034426 230484A NEARPOD INC	-	49,681	10,673	39,008
034426 230484B NEARPOD INC	-	49,216	10,575	38,641
034533 221872 SAVVAS LEARNING ADOBE PHOTOSHO	16,060	-	4,168	11,892
034533 230431 SAVVAS LEARNING MATHXL	84,553	-	21,945	62,608
034780 220401 N2Y LLC - Sped - NEWS-2-YOU	462,725	-	71,212	391,513
034780 230486 N2Y LLC - NEWS2YOU	-	62,832	7,939	54,893
034834 230617 ZOHOO CORPORATION ME OPMGR PROED	-	77,024	20,424	56,601
034869 221812 K12 Insight - Lets Talk	361,615	-	144,967	216,648
034884 230407 ASCEND LEARNING - ANATOMY/PHYS/MED TERM	72,363	-	18,360	54,004
034905 230635 SALESFORCE.COM TABLEAU DATA MG	-	203,143	18,920	184,223
035002 230473 PTC INC - ONSHAPE CLASSROOM	-	75,832	19,500	56,332
035101 230399 STUKENT INC - Student Licenses	28,097	-	7,225	20,872
035290 230622 Ledger Software - Prime	152,964	-	39,836	113,127
035314 230444A EDMENTUM INC - APEX LEARNING	33,055	-	8,500	24,555
035314 230444L EDMENTUM INC - APEX LEARNING	5,833	-	1,500	4,333
035314 230444N EDMENTUM INC - APEX LEARNING	29,166	-	7,500	21,666
035314 230444X EDMENTUM INC - APEX LEARNING	231,095	-	-	231,095
035324 230505 PROJECT LEAD THE WAY	239,941	-	61,700	178,241
035374 221363 OPEN TEXT INC - ENTERPRISE TIER	54,497	-	11,699	42,798
035374 230637 OPEN TEXT INC LIQUID OFFICE/INTELLIGENT CAPTURE/CONTENT SERVER	-	249,863	20,359	229,504
035375 221362/230616 CADENCE - HOSTING	351,096	-	48,000	303,096
035488 220398 BC Technologies - Final Forms	173,669	-	21,980	151,689
035582 221794 CARAHSOFT TECH - Qualtrics - Assessment	881,705	-	309,652	572,053
035670 230390 PATHFUL INC - Pathful Connect	-	224,340	36,000	188,340
035793 230943 Instructional Empowerment Learning Services Intl	9,295	-	2,000	7,295
036107 231663 RAPTOR - EMERGENCY MGMT	-	739,030	68,069	670,961
036107 231663 RAPTOR - VOLUNTEER	-	158,899	6,412	152,487
<i>Total Software Subscription Liability</i>	29,877,612	6,157,746	7,402,594	28,632,765
Total Subscription Liability	29,877,612	6,157,746	7,402,594	28,632,765

The amount of amortization expense recognized in this reporting period for the subscription assets is \$5,503,597 and resulting in an ending subscription asset balance of \$30,531,762.

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Software</i>				
002608 230509 Siemens Industty Advantage Svc	88,461	-	-	88,461
002616 221659 Follett - Desitny Textbook - Flett/Yasuhara	6,425	-	-	6,425
002616 230454 Follett - Desitny Textbook	211,100	-	-	211,100
002616 231863 Follett - Desitny Textbook - Peperzak	-	1,663	-	1,663
002669 231156 Micro Computer Aruba WLAN and Software	-	43,895	-	43,895
002669 231532 Micro Computer AT-Cloud-Plus-1	-	17,975	-	17,975
003289 211420 GoodHeart Willcox - HS Health	87,275	-	-	87,275
003304 230631 OSPI K-20 Network Access	44,255	-	-	44,255
005415 230413 National Computer (Learnkey) Adobe Pro	-	25,377	-	25,377
005603 221782 College Board - Springboard G6-G11 ELA	2,668,814	-	-	2,668,814
005922 171410 Math Learning Center - Bridges (Elem Math Adoption)	11,659	-	-	11,659
005945 230431 Savvas Learning - MathXL	84,553	-	-	84,553
006013 171663 NW Textbook - WA MyWorld (Elem SS Adoption)	82,648	-	-	82,648
006013 181420 NW Textbook -Carnegie Learning - Algebra I/Geometry	418,407	-	-	418,407
006013 193581 NW Textbook -Carnegie Learning - Algebra II	224,009	-	-	224,009
006290 230913 Washington State School Directors Assoc - Renew Board Docs	-	40,693	-	40,693
013514 231178 Govconnection Inc Kemp VLM5000 Maintenance	-	24,622	-	24,622
015174 230615 Brightly Software - ASSET ESSENTIALS	161,147	-	-	161,147
016590 221511 Ednetics Inc FY22-23 DUO-EDU-S	12,333	-	-	12,333
016590 230627 Ednetics Inc 22-23 Smartnet US	-	36,445	-	36,445
017316 171586 Gibbs M Smith Inc - Our Home WA	63,300	-	-	63,300
017703 230606 Blackboard Inc - Mass Notification	66,341	-	-	66,341
017703 230608 Blackboard Inc - School Wires Core	85,323	-	-	85,323
017703 230623 Blackboard Inc - Mobile Comm/App Store	65,409	-	-	65,409
017703 X521442K Blackboard Inc - SSAS/ICM Custom	375,414	-	-	375,414
018168 211528 Carnegie Learning - Zhen Bang!	10,835	-	-	10,835
018168 230463B Carnegie Learning - Mathia	714,755	-	-	714,755
018807 X521450J AVID Center College Readiness	613,714	-	-	613,714
021483 211690 Cengage Learning - ELD	67,068	-	-	67,068
021483 211860 Cengage Learning - AP Chem	22,126	-	-	22,126
021483 230441 Cengage Learning - Mindtap Dental	5,250	-	-	5,250
021483 231695 Cengage Learning Inc Infosec IQ security training	-	162,686	-	162,686
022226 230408A School Health = Focused Fitness Welnet	9,632	-	-	9,632
023135 230641 Solarwinds Inc Samanage Help Desk System	-	262,932	-	262,932
023273 221837 Northwest Evaluation - MAP (Assessment)	652,337	-	-	652,337
024136 211057 Advanced Classroom Technologies Inc Smartlearning	42,392	-	-	42,392
024139 230604 Borderlan Security - Fortigate	627,885	-	-	627,885
024231 230601 Cerium Networks Inc Avaya Essential	1,078,584	-	-	1,078,584
024421 230634 Integrated Register-Intouch Cash Receipting	135,349	-	-	135,349
025011 230618 Perfectforms Inc Perfect Forms License	14,428	-	-	14,428
026641 220633 Jatheon Technologies Inc Jatheon Care Xpand and Ecore Support	306,432	-	-	306,432
027190 230540 Precision Exams	96,221	-	-	96,221
028366 230175 Heartland - Mosaic	192,947	-	-	192,947
028426 230154 Nutri Link Technologies Cloud Online	23,850	-	-	23,850
028509 230614/230633 Frontline - Asset Management - TipWeb	444,493	-	-	444,493
028509 231725 Frontline - Asset Management - Inventory & implementation	-	227,662	-	227,662
028574 220842 MobyMax LLC - Moby Suite	207,017	-	-	207,017
028581 230620 Computer Technology Link Corporation Exagrid Support	93,831	-	-	93,831
028969 X605675G Fulcrum Management - Thoughtexchange	-	112,159	-	112,159
029146 230603 OETC Adobe Creative Cloud Desktop Application	178,214	-	-	178,214
029146 230639 OETC Microsoft Defender/Office 365 Annual Subscription	-	1,364,773	-	1,364,773
029146 230890 OETC Microsoft EEs Annual Subscription yr 3 of 3	970,943	-	-	970,943
029501 221790 KE2 Therm Solutions Smart Access	9,825	-	-	9,825

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Software</i>				
029563 210425X Dreambox (Assessment)	1,238,277	-	259,000	979,277
029563 221804 Dreambox Learning - Reading Plus	12,351	-	4,951	7,400
029687 211571 Lexia Learning - Lexia Core 5 (Assessment)	2,671,502	-	678,978	1,992,523
029687 231495 Lexia LETRS	-	1,686,010	1,067,351	618,659
029851 221542 Severin - PowerSchool School Choice	439,712	-	94,708	345,004
029851 230609 Severin - PowerSchool BusinessPlus/Student/PD Choice/Talent Ed	6,309,221	-	629,406	5,679,815
029851 231834 Severin - PowerSchool Canvas	-	220,099	6,742	213,357
030050 230152 PCS Revenue Control Systems	50,712	-	7,804	42,907
030216 211834 NEWSELA - 7-12 World History	505,733	-	130,761	374,972
030325 230826 Characterstrong- Elementary Digital Toolkit	172,863	-	44,451	128,412
030396 211825 ExploreLearning - Gizmos - Secondary Science	45,309	-	22,950	22,359
031539 230624 JAMF Holdings Inc JAMF License Subscription/Device Management	155,135	-	25,334	129,801
031636 230632 Docusign Inc Docusign 504 Module	23,371	-	6,017	17,354
031751 230613 Questica Inc Annual OpenBook	109,127	-	28,062	81,065
032472 220404 Common Goal Systems Inc Teacherease	554,288	-	83,753	470,535
032584 221756 No Tears Learning, Learning without Tears	157,112	-	40,777	116,335
032595 230621 Governmentjobs Com Inc NeoGov	218,196	-	38,109	180,087
032637 230602 Schoolinks Inc - Schoolinks Platform	418,796	-	107,692	311,104
032992 193746/231543 Mystery Science (Elem Science Adoption)	190,962	-	60,026	130,936
033414 230640 E-Builder	999,728	-	258,634	741,094
033459 230403 Momentive Inc - Surveymonkey	-	31,428	8,293	23,135
033555 230448 New Perspectives Online	-	9,465	2,500	6,965
033797 230485 Illuminate Education DNA Software Bundle	71,774	-	18,958	52,816
033846 230437B School Data Solutions - ALE	39,739	-	10,219	29,520
034015 230482 Enome Inc - Goalbook	670,629	-	268,846	401,783
034351 221512 AEOU - Flex Curriculum	28,106	-	5,879	22,228
03437 2210459 Quavers Marvelous Music	332,242	-	58,800	273,442
034426 230484A Nearpod Inc	-	49,681	10,673	39,008
034426 230484B Nearpod Inc	-	49,216	10,575	38,641
034533 221872 Savvas Learning ADOBE PHOTOSHO	16,060	-	4,168	11,892
034533 230431 Savvas Learning MATHXL	84,553	-	21,945	62,608
034780 220401 N2Y LLC - Sped - NEWS-2-YOU	462,725	-	71,212	391,513
034780 230486 N2Y LLC - NEWS2YOU	-	62,832	7,939	54,893
034834 230617 Zoho Corp ME OPMGR PROED	-	77,024	20,424	56,601
034869 221812 K12 Insight - Lets Talk	361,615	-	144,967	216,648
034884 230407 Ascend Learning - Anatomy/Phys/Med Term	72,363	-	18,360	54,004
034905 230635 Salesforce.com Tableau Data MG	-	203,143	18,920	184,223
035002 230473 PTC Inc - Onshape Classroom	-	75,832	19,500	56,332
035101 230399 STUKENT INC - Student Licenses	28,097	-	7,225	20,872
035290 230622 Ledger Software - Prime	152,964	-	39,836	113,127
035314 230444A Edmentum Inc - APEX Learning	33,055	-	8,500	24,555
035314 230444L Edmentum Inc - APEX Learning	5,833	-	1,500	4,333
035314 230444N Edmentum Inc - APEX Learning	29,166	-	7,500	21,666
035314 230444X Edmentum Inc - APEX Learning	231,095	-	-	231,095
035324 230505 Project Lead the Way	239,941	-	61,700	178,241
035374 221363 Open Text Inc.- Enterprise Tier	54,497	-	11,699	42,798
035374 230637 Open Text Inc Liquid Office/Intelligent Capture/Content Server	-	249,863	20,359	229,504
035375 221362/230616 Cadence - Hosting	351,096	-	48,000	303,096
035488 220398 BC Technologies - Final Forms	173,669	-	21,980	151,689
035582 221794 Carahsoft Tech - Qualtrics - Assessment	881,705	-	309,652	572,053
035670 230390 Pathful Inc - Pathful Connect	-	224,340	36,000	188,340
035793 230943 Instructional Empowerment Learning Services Intl	9,295	-	2,000	7,295
036107 231663 Raptor - Emergency Mgmt	-	739,030	68,069	670,961
036107 231663 Raptor - Volunteer	-	158,899	6,412	152,487
<i>Total Software Subscription Liability</i>	29,877,612	6,157,746	7,402,594	28,632,765
Total Subscription Liability	29,877,612	6,157,746	7,402,594	28,632,765

	Balance as of September 1, 2022	Additions	Reductions	Balance as of August 31, 2023
<i>Software</i>				
029563 210425X Dreambox (Assessment)	1,238,277	-	-	1,238,277
029563 221804 Dreambox Learning - Reading Plus	12,351	-	-	12,351
029687 211571 Lexia Learning - Lexia Core 5 (Assessment)	2,671,502	-	-	2,671,502
029687 231495 Lexia LETRS	-	1,686,010	-	1,686,010
029851 221542 Severin - PowerSchool School Choice	439,712	-	-	439,712
029851 230609 Severin - PowerSchool BusinessPlus/Student/PD Choice/Talent Ed	6,309,221	-	-	6,309,221
029851 231834 Severin - PowerSchool Canvas	-	220,099	-	220,099
030050 230152 PCS Revenue Control Systems	50,712	-	-	50,712
030216 211834 NEWSELA - 7-12 World History	505,733	-	-	505,733
030325 230826 Characterstrong- Elementary Digital Toolkit	172,863	-	-	172,863
030396 211825 ExploreLearning - Gizmos - Secondary Science	45,309	-	-	45,309
031539 230624 JAMF Holdings Inc JAMF License Subscription/Device Management	155,135	-	-	155,135
031636 230632 Docusign Inc Docusign 504 Module	23,371	-	-	23,371
031751 230613 Questica Inc Annual OpenBook	109,127	-	-	109,127
032472 220404 Common Goal Systems Inc Teacherease	554,288	-	-	554,288
032584 221756 No Tears Learning, Learning without Tears	157,112	-	-	157,112
032595 230621 Governmentjobs Com Inc NeoGov	218,196	-	-	218,196
032637 230602 Schoolinks Inc - Schoolinks Platform	418,796	-	-	418,796
032992 193746/231543 Mystery Science (Elem Science Adoption)	190,962	-	-	190,962
033414 230640 E-Builder	999,728	-	-	999,728
033459 230403 Momentive Inc - Surveymonkey	-	31,428	-	31,428
033555 230448 New Perspectives Online	-	9,465	-	9,465
033797 230485 Illuminate Education DNA Software Bundle	71,774	-	-	71,774
033846 230437B School Data Solutions - ALE	39,739	-	-	39,739
034015 230482 Enome Inc - Goalbook	670,629	-	-	670,629
034351 221512 AEOU - Flex Curriculum	28,106	-	-	28,106
03437 2210459 Quavers Marvelous Music	332,242	-	-	332,242
034426 230484A Nearpod Inc	-	49,681	-	49,681
034426 230484B Nearpod Inc	-	49,216	-	49,216
034533 221872 Savvas Learning ADOBE PHOTOSHO	16,060	-	-	16,060
034533 230431 Savvas Learning MATHXL	84,553	-	-	84,553
034780 220401 N2Y LLC - Sped - NEWS-2-YOU	462,725	-	-	462,725
034780 230486 N2Y LLC - NEWS2YOU	-	62,832	-	62,832
034834 230617 Zoho Corp ME OPMGR PROED	-	77,024	-	77,024
034869 221812 K12 Insight - Lets Talk	361,615	-	-	361,615
034884 230407 Ascend Learning - Anatomy/Phys/Med Term	72,363	-	-	72,363
034905 230635 Salesforce.com Tableau Data MG	-	203,143	-	203,143
035002 230473 PTC Inc - Onshape Classroom	-	75,832	-	75,832
035101 230399 STUKENT INC - Student Licenses	28,097	-	-	28,097
035290 230622 Ledger Software - Prime	152,964	-	-	152,964
035314 230444A Edmentum Inc - APEX Learning	33,055	-	-	33,055
035314 230444L Edmentum Inc - APEX Learning	5,833	-	-	5,833
035314 230444N Edmentum Inc - APEX Learning	29,166	-	-	29,166
035314 230444X Edmentum Inc - APEX Learning	231,095	-	-	231,095
035324 230505 Project Lead the Way	239,941	-	-	239,941
035374 221363 Open Text Inc.- Enterprise Tier	54,497	-	-	54,497
035374 230637 Open Text Inc Liquid Office/Intelligent Capture/Content Server	-	249,863	-	249,863
035375 221362/230616 Cadence - Hosting	351,096	-	-	351,096
035488 220398 BC Technologies - Final Forms	173,669	-	-	173,669
035582 221794 Carahsoft Tech - Qualtrics - Assessment	881,705	-	-	881,705
035670 230390 Pathful Inc - Pathful Connect	-	224,340	-	224,340
035793 230943 Instructional Empowerment Learning Services Intl	9,295	-	-	9,295
036107 231663 Raptor - Emergency Mgmt	-	739,030	-	739,030
036107 231663 Raptor - Volunteer	-	158,899	-	158,899
<i>Total Software Subscription Assets</i>	29,877,612	6,157,746	-	36,035,359
Total Subscription Asset	29,877,612	6,157,746	-	36,035,359

<i>Subscription Accumulated Amortization</i>	Balance as of		Balance as of
<i>Software</i>	September 1, 2022	Additions	August 31, 2023
		Reductions	
029563 210425X Dreambox (Assessment)	-	247,655	247,655
029563 221804 Dreambox Learning - Reading Plus	-	3,088	3,088
029687 211571 Lexia Learning - Lexia Core 5 (Assessment)	-	381,643	381,643
029687 231495 Lexia LETRS	-	281,002	281,002
029851 221542 Severin - PowerSchool School Choice	-	62,816	62,816
029851 230609 Severin - PowerSchool BusinessPlus/Student/PD Choice/Talent Ed	-	573,566	573,566
029851 231834 Severin - PowerSchool Canvas	-	6,174	6,174
030050 230152 PCS Revenue Control Systems	-	7,245	7,245
030216 211834 NEWSELA - 7-12 World History	-	126,433	126,433
030325 230826 Characterstrong- Elementary Digital Toolkit	-	43,216	43,216
030396 211825 ExploreLearning - Gizmos - Secondary Science	-	22,654	22,654
031539 230624 JAMF Holdings Inc JAMF License Subscription/Device Management	-	25,856	25,856
031636 230632 Docusign Inc Docusign 504 Module	-	5,839	5,839
031751 230613 Questica Inc Annual OpenBook	-	27,282	27,282
032472 220404 Common Goal Systems Inc Teacherease	-	79,184	79,184
032584 221756 No Tears Learning, Learning without Tears	-	39,278	39,278
032595 230621 Governmentjobs Com Inc NeoGov	-	36,366	36,366
032637 230602 Schoolinks Inc - Schoolinks Platform	-	104,699	104,699
032992 193746/231543 Mystery Science (Elem Science Adoption)	-	47,741	47,741
033414 230640 E-Builder	-	142,818	142,818
033459 230403 Momentive Inc - Surveymonkey	-	4,954	4,954
033555 230448 New Perspectives Online	-	1,775	1,775
033797 230485 Illuminate Education DNA Software Bundle	-	17,943	17,943
033846 230437B School Data Solutions - ALE	-	9,935	9,935
034015 230482 Enome Inc - Goalbook	-	167,657	167,657
034351 221512 AEOU - Flex Curriculum	-	5,621	5,621
03437 2210459 Quavers Marvelous Music	-	55,374	55,374
034426 230484A Nearpod Inc	-	10,281	10,281
034426 230484B Nearpod Inc	-	6,425	6,425
034533 221872 Savvas Learning ADOBE PHOTOSHO	-	4,015	4,015
034533 230431 Savvas Learning MATHXL	-	21,138	21,138
034780 220401 N2Y LLC - Sped - NEWS-2-YOU	-	66,104	66,104
034780 230486 N2Y LLC - NEWS2YOU	-	7,929	7,929
034834 230617 Zoho Corp ME OPMGR PROED	-	10,235	10,235
034869 221812 K12 Insight - Lets Talk	-	90,404	90,404
034884 230407 Ascend Learning - Anatomy/Phys/Med Term	-	18,091	18,091
034905 230635 Salesforce.com Tableau Data MG	-	16,844	16,844
035002 230473 PTC Inc - Onshape Classroom	-	17,789	17,789
035101 230399 STUKENT INC - Student Licenses	-	7,024	7,024
035290 230622 Ledger Software - Prime	-	38,241	38,241
035314 230444A Edmentum Inc - APEX Learning	-	8,264	8,264
035314 230444L Edmentum Inc - APEX Learning	-	1,458	1,458
035314 230444N Edmentum Inc - APEX Learning	-	7,292	7,292
035314 230444X Edmentum Inc - APEX Learning	-	57,774	57,774
035324 230505 Project Lead the Way	-	59,985	59,985
035374 221363 Open Text Inc.- Enterprise Tier	-	6,812	6,812
035374 230637 Open Text Inc Liquid Office/Intelligent Capture/Content Server	-	23,135	23,135
035375 221362/230616 Cadence - Hosting	-	43,887	43,887
035488 220398 BC Technologies - Final Forms	-	24,585	24,585
035582 221794 Carahsoft Tech - Qualtrics - Assessment	-	173,925	173,925
035670 230390 Pathful Inc - Pathful Connect	-	35,832	35,832
035793 230943 Instructional Empowerment Learning Services Intl	-	2,295	2,295
036107 231663 Raptor - Emergency Mgmt	-	29,172	29,172
036107 231663 Raptor - Volunteer	-	6,272	6,272
Total Software Subscription Accumulated Amortization	-	5,503,597	5,503,597
Total Subscription Accumulated Amortization	-	5,503,597	5,503,597
Total Subscription Assets, Net	29,877,612	654,150	30,531,762

8. PENSIONS

A. General Information

The Legislature established the Public Employees' Retirement System (PERS) in 1947. PERS retirement benefit provisions are established in chapters 41.34 and 41.40 RCW and may be amended only by the Legislature.

The Washington State Department of Retirement Systems (DRS), a department within the primary government of the state of Washington, prepares a stand-alone comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each pension plan. The pension plan's basic financial statement is accounted for using the accrual basis of accounting. The measurement date of the pension plans is June 30. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of pension plans administered by DRS and additions to/deductions from the plans' net position have been determined on the same basis as they are reported by the plans.

Detailed information about the pension plans' fiduciary net position is available in the separately issued DRS ACFR. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, P.O. Box 48380, Olympia, WA 98504-8380; or online at <http://www.drs.wa.gov/>.

Membership Participation

Substantially all of the district's full-time and qualifying part-time employees participate in one of the following three contributory, multi-employer, cost-sharing statewide retirement systems managed by the Washington State Department of Retirement Systems (DRS): Teachers' Retirement System (TRS), Public Employees' Retirement System (PERS) and School Employees' Retirement System (SERS). Participation in the programs was as follows:

Membership by retirement system program as of June 30, 2022:

Program	Active Members	Inactive Vested Members	Retired Members
TRS	81,649	12,172	55,713
PERS	632	196	41,154
SERS	65,483	17,082	27,299

Membership by retirement system program as of June 30, 2023:

Program	Active Members	Inactive Vested Members	Retired Members
TRS	81,943	12,869	56,902
PERS	509	147	39,461
SERS	67,478	17,566	29,705

Certificated public employees are members of TRS. Noncertificated public employees are members of PERS (if Plan 1) or SERS. Plan 1 under the TRS and PERS programs are defined benefit pension plans whose members joined the system on or before September 30, 1977. TRS 1 and PERS 1 are closed for new entrants.

TRS was established in 1938, and its retirement provisions are contained in Chapters 41.32 and 41.34 RCW. TRS eligibility for membership requires service as a certificated, public-school employee working in an instructional, administrative, or supervisory capacity. TRS is a cost-sharing multi-employer retirement system comprised of three

separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. TRS is comprised of three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is a single plan for accounting purposes.

TRS Plan 1 provides retirement, disability, and death benefits. Retirement benefits are calculated using 2% of the member's Average Final Compensation (AFC) times the member's years of service – up to a maximum of 60%. AFC is the average of the member's two consecutive highest-paid fiscal years.

Members are eligible for retirement at any age after 30 years of service, at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Other benefits include temporary and permanent disability payments, and an optional cost-of-living adjustment (COLA).

TRS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits for Plan 2 are calculated using 2% of the member's Average Final Compensation (AFC) times the member's years of service. Retirement defined benefits for Plan 3 are calculated using 1% of AFC times the member's years of service. AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. TRS Plan 2/3 has no cap on years of service credit.

Members are eligible for retirement with a full benefit at age 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. TRS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by a factor that varies according to age for each year before age 65. TRS Plan 2/3 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit.

Other TRS Plan 2/3 benefits include a Cost-of-Living Adjustment (COLA) based on the Consumer Price Index, capped at 3% annually.

Annuities purchased with plan 3 defined contributions that are invested within the WSIB TAP are considered defined benefits. Plan 3 WSIB TAP annuities are actuarially reduced if a survivor benefit is chosen and TAP annuities include a COLA of 3% annually.

TRS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. Members are eligible to withdraw their defined contribution upon separation. Members have multiple withdrawal options, including purchase of an annuity.

PERS was established in 1947, and its retirement benefit provisions are contained in Chapters 41.34 and 41.40 RCW. PERS is a cost-sharing, multi-employer retirement system. PERS Plan 1 provides retirement, disability, and death benefits. Retirement benefits are determined as 2% times the member's Average Final Compensation (AFC) times the member's years of services. AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service.

PERS Plan 1 retirement benefits are actuarially reduced if a survivor benefit is chosen. Members retiring from inactive status before age 65 may also receive actuarially reduced benefits. Other benefits include an optional Cost-of-Living Adjustment (COLA).

SERS was established by the legislature in 1998, and the plan became effective in 2000. SERS retirement benefit provisions are established in Chapters 41.34 and 41.35 RCW. SERS members include classified employees of school districts and educational service districts.

SERS is a cost-sharing, multi-employer retirement system comprised of two separate plans for membership purposes. SERS Plan 2 is a defined benefit plan and SERS Plan 3 is a defined benefit plan with a defined contribution component.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries. Therefore, Plan 2/3 is a single plan for accounting purposes.

SERS provides retirement, disability, and death benefits. Retirement benefits for Plan 2 are calculated as 2% times the member’s Average Final Compensation (AFC) times the member’s years of service. Defined benefits for Plan 3 are calculated using 1% times the member’s AFC times the member’s years of service. AFC is the monthly average of the member’s 60 consecutive highest-paid service credit months.

Members are eligible for retirement with a full benefit at age 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. SERS members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by a factor that varies according to age for each year before age 65.

SERS Plan 2/3 retirement benefits are actuarially reduced if a survivor benefit is chosen.

Other SERS Plan 2/3 benefits include a Cost-of-Living Adjustment (COLA) based on the Consumer Price Index, capped at 3% annually.

SERS 3 defined contributions benefits are totally dependent on employee contributions and the investment earnings on those contributions. Annuities purchased with plan 3 defined contributions that are invested within the WSIB TAP are considered defined benefits. Plan 3 WSIB TAP annuities are actuarially reduced if a survivor benefit is chosen and TAP annuities include a 3% annually.

B. Contributions

The employer contribution rates for PERS, TRS, and SERS (Plans 1, 2, and 3) and the TRS and SERS Plan 2 employee contribution rates are established by the Pension Funding Council based upon the rates set by the Legislature. The methods used to determine the contribution requirements are established under Chapters 41.34 and 41.40 RCW for PERS, Chapters 41.34 and 41.35 RCW for SERS, and Chapters 41.32 and 41.34 RCW for TRS. Employers do not contribute to the defined contribution portions of TRS Plan 3 or SERS Plan 3. Under current law the employer must contribute 100 percent of the employer-required contribution. The employee contribution rate for Plan 1 in PERS and TRS is set by statute at six percent and does not vary from year to year.

Employee contribution rates, expressed as a percentage of covered payroll for 2023 were as follows:

Plan	7/1/23 Rate	7/1/22 Rate
PERS 1	6.00%	6.00%
	9/1/23 Rate	9/1/22 Rate
TRS 1	6.00%	6.00%
TRS 2	8.05%	8.05%
TRS 3	varies *	varies *
SERS 2	7.76%	7.76%
SERS 3	varies *	varies *

* - Variable from 5% to 15% based on rate selected by the member.

Employer contribution rates:

Plan	7/1/23 Rate	7/1/22 Rate
PERS 1	10.39%	10.25%
	9/1/23 Rate	9/1/22 Rate
TRS 1	14.69%	14.42%
TRS 2	14.69%	14.42%
TRS 3	14.69% **	14.42% **
SERS 2	11.79%	11.65%
SERS 3	11.79% **	11.65% **

Note: The DRS administrative rate of 0.0018 is included.

** - Defined benefit portion only.

Under current law the employer must contribute 100 percent of the employer-required contribution. Employer required contributions in dollars (Participant information for all plans is as of August 31):

Plan	FY 22-23	FY 21-22	FY 20-21
Plan 1 TRS	\$ 15,950,606	\$14,769,027	\$15,389,044
Plan 2 TRS	165,429	154,560	3,785,914
Plan 3 TRS	19,748,379	18,450,922	13,082,704
Plan 1 PERS	2,750,369	2,465,021	2,978,655
Plan 2 SERS	2,551,209	2,259,252	2,089,839
Plan 3 SERS	2,985,090	2,643,480	2,901,788

C. The Collective Net Pension Liability

The collective net pension liabilities for the pension plans the district participated in are reported in the following tables:

Net Pension Liability as of June 30, 2023:

Dollars in Thousands	PERS 1	SERS 2/3	TRS 1	TRS 2/3
Total Pension Liability	\$ 11,508,253	\$ 9,283,864	\$ 8,491,576	\$ 24,937,867
Plan fiduciary net position	(9,225,521)	(9,427,008)	(7,225,059)	(25,060,682)
Participating employers' net pension liability	2,282,732	(143,144)	1,266,517	(122,815)
Plan fiduciary net position as a percentage of the total pension liability	80.16%	101.54%	85.09%	100.49%

D. The District's Proportionate Share of the Net Pension Liability (NPL)

On June 30, 2023, the District reported a total liability of \$39,779,473 for its proportionate shares of the individual plans' collective net pension liability. The district's proportionate share of the collective net pension liability is based on annual contributions for each of the employers participating in the DRS administered plans. On June 30, 2023, the district's proportionate share of each plan's net pension liability is reported below:

<u>June 30, 2023</u>	<u>PERS 1</u>	<u>SERS 2/3</u>	<u>TRS 1</u>	<u>TRS 2/3</u>
District's Annual Contributions	\$ 2,750,369	\$ 5,536,299	\$ 15,950,606	\$ 19,913,808
Proportionate Share of the Net Pension Liability or (Asset)	9,213,461	(3,249,483)	37,429,850	(3,614,354)

On June 30, 2023, the district's percentage of the proportionate share of the collective net pension liability was as follows and the change in the allocation percentage from the prior year is illustrated below:

<u>Allocation Percentages</u>	<u>PERS 1</u>	<u>SERS 2/3</u>	<u>TRS 1</u>	<u>TRS 2/3</u>
Current year proportionate share of the Net Pension Liability	0.403616%	2.270080%	2.955337%	2.942926%
Prior year proportionate share of the Net Pension Liability	0.402214%	2.190507%	2.878117%	2.908852%
Net difference percentage	0.001401%	0.079573%	0.077220%	0.034074%

E. Actuarial Assumptions

Capital Market Assumptions (CMAs) and expected rates of return by asset class are provided by the Washington State Investment Board. The Office of the State Actuary relied on the CMAs in the selection of the long-term expected rate of return for reporting purposes.

The total pension liabilities for TRS 1, TRS 2/3, PERS 1 and SERS 2/3 were determined by actuarial valuation as of June 30, 2022, with the results rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.75% total economic inflation, 3.25% salary inflation
Salary increases	In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment rate of return	7.00%

F. Mortality Rates

Mortality rates used in the plans were developed using the Society of Actuaries' Pub.H-2010 Mortality rates, which vary by member status as the base table. OSA applies age offsets for each system to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table. The actuarial assumptions used in the June 30, 2022, valuation was based on the results of the 2013–2018 Demographic Experience Study Report and the 2021 Economic Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2022 actuarial valuation report.

G. Long-term Expected Rate of Return

OSA selected a 7.00% long-term expected rate of return on pension plan investments using a building-block method. In selecting the assumptions, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment

returns the Washington State Investment Board (WSIB) provided. The CMAs contain three pieces of information for each class of assets the WSIB currently invest in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons. The expected future rates of return are developed by the WSIB for each major asset class. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected
		Real Rate of Return
Fixed Income	20.00%	1.50%
Tangible Assets	7.00%	4.70%
Real Estate	18.00%	5.40%
Public Equity	32.00%	5.90%
Private Equity	23.00%	8.90%

The inflation component used to create the above table is 2.20% and represents WSIB's long-term estimate of broad economic inflation consistent with their 2021 CMAs.

H. Discount Rate

The discount rate used to measure the total pension liability was 7.00%. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members.

Based on the assumptions described in the DRS Certification Letter, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return, a 7.00% on pension plan investments was applied to determine the total pension liability.

I. Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Pension Plans reported collective Deferred Outflows of Resources and collective Deferred Inflows of Resources related to the individual plans. On August 31, 2023, the district reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(1,039,318)
Changes in assumptions or other inputs	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	459,999	-
TOTAL	\$ 459,999	\$ (1,039,318)

SERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ 8,108,716	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(5,074,463)
Changes in assumptions or other inputs	5,526,212	(189,808)
Changes in proportion and differences between contributions and proportionate share of contributions	231,001	(581,986)
Contributions subsequent to the measurement date	923,262	-
TOTAL	\$ 14,789,191	\$ (5,846,257)

TRS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(5,418,568)
Changes in assumptions or other inputs	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	2,575,761	-
TOTAL	\$ 2,575,761	\$ (5,418,568)

TRS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ 31,474,138	\$ (509,234)
Net difference between projected and actual earnings on pension plan investments	-	(17,335,779)
Changes in assumptions or other inputs	28,712,490	(2,845,592)
Changes in proportion and differences between contributions and proportionate share of contributions	117,014	(2,156,920)
Contributions subsequent to the measurement date	3,197,400	-
TOTAL	\$ 63,501,042	\$ (22,847,525)

\$7,156,422 was reported as Deferred Outflows of Resources related to pensions resulting from district contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

Year ended August 31	PERS 1	SERS 2/3	TRS 1	TRS 2/3
2024	\$ (707,108)	\$ (23,458)	\$(3,786,588)	\$(4,294,807)
2025	(889,273)	(1,106,006)	(4,787,031)	(7,005,021)
2026	548,312	5,689,295	3,059,363	17,454,951
2027	8,751	2,350,107	95,688	7,422,958
2028	-	1,022,101	-	7,171,154
Thereafter	-	87,633	-	16,706,883

J. Pension Expense (Benefit)

The district recognizes a pension expense for its proportionate share of the collective pension expense. This is determined by using the district's proportionate share of the collective net pension liability. For the year ending August 31, 2023, primarily due to investment performance, the district recognized a total negative pension expense as follows:

Pension Expense (benefit)	
PERS 1	\$ (115,827)
SERS 2/3	2,227,481
TRS 1	(6,028,332)
TRS 2/3	8,803,374
TOTAL	\$ 4,886,696

K. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The table below presents the district's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate. Amounts are calculated by plan using the district's allocation percentage.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
PERS 1 NPL	\$ 3,189,149,000	\$ 2,282,732,000	\$ 1,491,643,000
Allocation Percentage	0.40361555%	0.40361555%	0.40361555%
Proportionate Share of Collective NPL	\$ 12,871,901	\$ 9,213,461	\$ 6,020,503
SERS 2/3 NPL	\$ 1,168,408,000	\$ (143,144,000)	\$ (1,224,160,000)
Allocation Percentage	2.27007994%	2.27007994%	2.27007994%
Proportionate Share of Collective NPL	\$ 26,523,796	\$ (3,249,483)	\$ (27,789,411)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
TRS 1 NPL	\$ 1,927,853,000	\$ 1,266,517,000	\$ 688,424,000
Allocation Percentage	2.95533732%	2.95533732%	2.95533732%
Proportionate Share of Collective NPL	\$ 56,974,559	\$ 37,429,850	\$ 20,345,251

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
TRS 2/3 NPL	\$ 3,965,509,000	\$ (122,815,000)	\$ (3,446,561,000)
Allocation Percentage	2.94292572%	2.94292572%	2.94292572%
Proportionate Share of Collective NPL	\$ 116,701,984	\$ (3,614,354)	\$ (101,429,730)

L. Aggregate Pension Amounts

The following table represents the aggregate pension amounts for all plans subject to the requirements of GASB Statement No. 68 for the year 2023:

<u>Aggregate Pension Amount - All Plans</u>	
Pension liabilities	\$ (46,643,311)
Pension Asset	6,863,837
Deferred outflows of resources	81,325,993
Deferred inflows of resources	(35,151,667)
Pension expense (benefit)	4,886,696

Historical trend information showing TRS and PERS progress in accumulating sufficient assets to pay benefits when due is presented in the Department of Retirement System's June 30, 2023, annual comprehensive financial report (ACFR). Refer to this report for detailed trend information. It is available at <http://www.drs.wa.gov> or from:

State of Washington
Office of Financial Management
300 Insurance Building
PO Box 43113
Olympia, WA 98504-3113

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

The state, through the Health Care Authority (HCA), administers a multi-employer other post-employment benefit plan. Per RCW 41.05.065, the Public Employees Benefits Board (PEBB), created within the HCA, is authorized to design benefits, and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria for both active and retired employees. Programs include medical, dental, life and long-term disability.

The relationship between the PEBB OPEB plan and its member employers, their employees, and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan in effect at the time of each valuation. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between the HCA, employers, and plan members, and the historical pattern of practice with regard to the sharing of benefit costs. The understanding by the employer and plan members is that there is no contractual obligation to continue the substantive plan as an employee benefit on an ongoing basis. Nevertheless, the actuarial assumption used in valuations presented in this footnote assumes that this substantive plan will be carried forward into the future.

According to state law, the State of Washington collects a fee from all school district entities which are not currently active members of the state Health Care Authority but participate in the state retirement system. Starting in January 2020, the state Health Care Authority started the State Employees Benefits Board (SEBB). The SEBB Programs administers health insurance and other benefits to all school district employees. The not currently active members fee has now been rolled into the per month payment for active employees. This assessment of the district is subject to change annually. Participation in the PEBB is limited to the district’s retirees.

The PEBB OPEB plan is funded on a pay-as-you-go basis and is reported by the State of Washington using the modified accrual basis and the current financial resources measurement focus. The PEBB OPEB plan has no assets and does not issue a publicly available financial report.

Employees Covered by Benefit Terms. Employers participating in the PEBB plan include the State of Washington which includes general government agencies, higher education institutions, and component units. Additionally, there are 76 of the state’s K-12 schools and educational service districts (ESDs), and 249 political subdivisions and tribal governments not included in the state's financial reporting that participate in the PEBB plan. The plan is also available to the retirees of the remaining 227 K-12 schools, charter schools, and ESDs. The district’s retirees are eligible to participate in the PEBB plan under this arrangement. Membership in the PEBB plan for the district consisted of the following:

Summary of Plan Participants
As of July 1, 2022

Active Employees	3,904
Retirees Receiving Benefits	2,049 *

* as of 7/1/20 measurement date

The PEBB retiree OPEB plan is available to employees who elect to continue coverage at the time they retire and pay the administratively established premiums under the provisions of the retirement system to which they belong. Retirees’ access to the PEBB plan depends on the retirement eligibility of their respective retirement system. PEBB members are covered in the following retirement systems: PERS, TRS and SERS. However, not all employers who participate in these plans offer PEBB to retirees.

Benefits Provided. Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state’s non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in the non-Medicare risk pool receive an implicit subsidy. The implicit subsidy exists because retired members pay a premium based on a claims experience for active employees and other non-Medicare retirees. The subsidy is valued using the difference between the age-based claims costs and the premium. In calendar year 2022 and 2023, the average weighted implicit subsidy was valued at \$366 per adult unit per month.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state’s Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy in the form of reduced premiums. Annually, the HCA administrator recommends an amount for the next calendar year’s explicit subsidy for inclusion in the Governor’s budget. The final amount is approved by the state Legislature. In calendar year 2020 - 2022, the explicit subsidy was up to \$183 per member per month and remained at \$183 in 2023.

Contribution Information. Administrative costs as well as implicit and explicit subsidies are funded by required contributions (RCW 41.05.050) from participating employers. The subsidies provide monetary assistance for medical benefits.

Upon retirement, members are permitted to receive medical benefits. Retirees pay monthly rates for pre-65 medical coverage for 2023. Rates can be found on the Washington State Health Care Authority found: <https://www.hca.wa.gov/sebb-benefits-admins/administrative-tools-and-resources/sebb-program-rates#K12schooldistrictscharterschoolsandrepresentedemployeesofESDs>.

Each participating employer in the plan is required to disclose additional information with regard to funding policy, the employer's annual OPEB costs and contributions made, the funded status and funding progress of the employer's individual plan, and actuarial methods and assumptions used.

Actuarial Assumptions. The total OPEB liability was determined using the following methodologies:

Actuarial valuation date	7/1/2022
Actuarial measurement date	8/31/2022 & 8/31/2023
Actuarial cost method	Individual entry age
Amortization method	The recognition period for the assumption changes is 10 years. This is equal to the average expected remaining service lives of all active and inactive members.
Asset valuation method	N/A - no assets

In order to calculate the beginning total OPEB liability balance under GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans, an actuarial valuation was performed with a valuation date of July 1, 2022, was performed. The forward projection reflects the plan's assumed service cost, assumed interest, and expected benefit payments.

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

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.35%
Projected salary changes	3.25%

Mortality rates were based on the RP-2000 Combined Healthy Table and Combined Disabled Table published by the Society of Actuaries. The Office of the State Actuary applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year throughout their lifetime.

Most demographic actuarial assumptions, including mortality and when members are expected to terminate and retire, were based on the results of the 2007-2012 Experience Study Report performed by the Washington State Public Retirement Systems.

Discount Rate. Since OPEB benefits are funded on a pay-as-you-go basis, the discount rate used to measure the total OPEB liability was set equal to the 20-year tax-exempt municipal bond yield, or 3.59 percent for the August 31, 2022, measurement date and 3.81 percent for the August 31, 2023, measurement date.

Changes in assumptions resulted from an increase in the 20-year tax-exempt municipal bond yield discount rate resulting in an overall decrease in total OPEB liability for the measurement date of August 31, 2023

Health and Life Insurance trend rates used were as follows:

Year Ending June 30	Pre-65 Retiree Claims and Contributions (1)	Post-65 Retiree Contributions (2)	Post-65 Retiree Claims (3)
2023	5.40%	7.90%	11.70%
2024	5.60%	6.80%	9.50%
2025	5.50%	6.90%	9.10%
2026	5.00%	4.90%	5.20%
2027	4.90%	4.80%	5.10%
2037	4.50%	4.50%	4.60%
2047	4.40%	4.30%	4.40%
2057	4.40%	4.30%	4.30%
2067	4.20%	4.20%	4.20%
2077	3.80%	3.80%	3.80%

(1) Used to project annual increase to total cost of pre-65 medical benefits, and retiree contributions for pre-65 medical benefits.

(2) Used to project annual increase to Total Cost for post-65 medical benefits.

(3) Used to project annual increase to explicit subsidy for post-65 medical benefits.

Total OPEB Liability. As of August 31, 2023, the district reported a total OPEB liability of \$141.8 million. The current portion of the total OPEB liability is \$4,752,710.

Changes in Total OPEB Liability

The following table presents the change in the total OPEB liability as of the August 31, 2023, reporting date:

Changes in total OPEB liability	
OPEB liability, August 31, 2022	\$ 227,329,009
Changes for the year	
Service cost	11,655,277
Interest on total OPEB liability	5,062,428
Effect of plan change	-
Effect of economic/demographic gains or losses	(14,139,475)
Effect of assumptions changes or inputs	(83,287,920)
Expected benefit payments	(4,870,292)
Net changes in total OPEB liability	<u>(85,579,982)</u>
OPEB liability, August 31, 2023	141,749,027

Sensitivity of the Total Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the district as an employer calculated using the discount rate of 3.59 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.59 percent) or 1 percentage point higher (4.59 percent) than the current rate:

	1% Decrease (2.59%)	Current Discount Rate (3.59%)	1% Increase (4.59%)
Total OPEB liability	\$ 165,734,490	\$ 141,749,027	\$ 122,441,890

Sensitivity of Total OPEB Liability to Changes in the Health Care Cost Trend Rates. The following represents the total OPEB liability of the state as an employer, calculated using current health care trend rates, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 119,685,159	\$ 141,749,027	\$ 170,416,995

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ending August 31, 2023, the district recognized OPEB expense of \$5,960,006.

On August 31, 2023, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experiences	\$ (18,425,339)	\$ 584,392
Changes in assumptions or other inputs	(89,595,932)	21,292,524
Contributions subsequent to the measurement date	-	4,752,710
TOTAL	\$ (108,021,271)	\$ 26,629,626

Amounts reported as deferred outflows of resources related to OPEB resulting from transactions made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent fiscal period rather than in the fiscal period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for the district will be recognized in OPEB expense in the fiscal years ended August 31 as follows:

<u>Year ended August 31</u>	
2023	\$(10,757,699)
2024	(10,485,790)
2025	(8,038,620)
2026	(7,885,029)
2027	(8,077,703)
Thereafter	(40,889,514)

The following table represents the aggregate OPEB amounts subject to the requirements of GASB Statement No. 75 for the year 2023:

<u>OPEB Amounts</u>	
OPEB liabilities	\$ 141,749,027
Deferred outflows of resources	26,629,626
Deferred inflows of resources	(108,021,271)
OPEB expense (benefit)	5,960,006

10. LONG-TERM DEBT

Bonds payable on August 31, 2023, consists of eleven issues: General Obligation Refunding Bonds of 2012, General Obligation Bonds of 2012, General Obligation Bonds of 2013, General Obligation Bonds of 2014, General Obligation 2015B, General Obligation 2015C, Refunding Bonds of 2017B, General Obligation Bonds of 2017C, General Obligation Bonds of 2019, General Obligation and Refunding Bonds 2021 and General Obligation 2022. Principal and interest is payable on June 1 and December 1.

In June 2012, the board issued \$38,310,000 of general obligation refunding bonds. The proceeds from these bonds were to refund the majority of the outstanding 2005 bond issue. Interest rates on the general obligation bonds are fixed at 2.000% to 5.250% depending on the year of maturity. The bonds will be retired on December 1, 2024. All 2005 bonds have been called and redeemed.

In November 2012, the board issued \$50,000,000 in 20-year property tax-supported general obligation bonds as the sixth installment of funding for the projects authorized by voters in March 2009. The funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, modernization of one high school, replacement of a middle school gymnasium, high school field improvements, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 3.000 to 4.000%, depending on the year of maturity. The bonds will be retired on December 1, 2032.

In December 2013, the board issued \$30,000,000 in 19-year property tax-supported general obligation bonds as the seventh installment of funding for the projects authorized by voters in March 2009. The funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, modernization of one high school, replacement of a middle school gymnasium, high school field improvements, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 4.250 to 5.000%, depending on the year of maturity. The bonds will be retired on December 1, 2032.

In December 2014, the board issued \$25,525,000 in 19-year property tax-supported general obligation bonds as the eighth and final installment of funding for the projects authorized by voters in March 2009. The funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, modernization of one high school, replacement of a middle school gymnasium, high school field improvements, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 4.500 to 5.500%, depending on the year of maturity. The bonds will be retired on December 1, 2033.

In December 2015, the board issued \$36,055,000 of general obligation refunding bonds. The proceeds from these bonds were to refund the outstanding 2009 bond issue. Interest rates on the general obligation bonds are fixed at 2.250% to 5.000% depending on the year of maturity. The bonds will be retired on December 1, 2026.

In December 2015, the board issued \$29,000,000 in 19-year property tax-supported general obligation bonds as the second installment of funding for the projects authorized by voters in February 2015. The funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, replacement of a middle school, replacement of a middle school gymnasium, improvements at two high schools, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 4.000%. The bonds will be retired on December 1, 2034.

In November 2017, the board issued \$64,320,000 of general obligation refunding bonds. The proceeds from these bonds were to refund the outstanding 2011 bond issue. Interest rates on the general obligation bonds are fixed at 4.000% to 5.000% depending on the year of maturity. The bonds will be retired on December 1, 2030.

In November 2017, the board issued \$29,320,000 in 18-year property tax-supported general obligation bonds as the fourth installment of funding for the projects authorized by voters in February 2015. The funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, replacement of a middle

school, replacement of a middle school gymnasium, improvements at two high schools, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 4.000% to 5.000% depending on the year of maturity. The bonds will be retired on December 1, 2035.

In February 2019, the board issued \$127,910,000 in 18-year property tax-supported general obligation bonds as the fifth installment of funding for the projects authorized by voters in February 2015 and first installment of funding for the projects authorized by voters in November 2018. The 2015 authorization funding will be used for construction of various district projects, including the replacement or renovation of four elementary schools, replacement of a middle school, replacement of a middle school gymnasium, improvements at two high schools, technology, and infrastructure to support technology and various building improvements. The 2018 authorization funding will be used for construction of three new middle schools, renovation, or replacement of three middle schools, On-Track Academy and Albi Stadium, construction of a commons for Lewis and Clark high school renovations at Libby Center, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 5.000%. The bonds will be retired on December 1, 2036.

On April 8, 2021, the board issued \$172,775,000 in 19-year property tax supported general obligation bonds as the second installment of funding for the projects authorized by voters in November 2020. The 2018 authorization funding will be used for construction of three new middle schools, renovation, or replacement of three middle schools, On-Track Academy and Albi Stadium, construction of a commons for Lewis and Clark high school renovations at Libby Center, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 5.000% to 5.25% depending on the year of maturity. The bonds will be retired on December 1, 2040.

On April 8, 2021, the board issued \$58,010,000 in 18-year property tax supported general obligation bonds as the third installment of funding for the projects authorized by voters in November 2020. The 2018 authorization funding will be used for construction of three new middle schools, renovation, or replacement of three middle schools, On-Track Academy and Albi Stadium, construction of a commons for Lewis and Clark high school renovations at Libby Center, technology, and infrastructure to support technology and various building improvements. The proceeds from these bonds were to refund the outstanding 2010B and 2010C bond issues. Interest rates on the general obligation bonds are fixed at 4.000% to 5.000% depending on the year of maturity. The bonds will be retired on December 1, 2029.

On December 8, 2022, the board issued \$91,150,000 in 18-year property tax supported general obligation bonds as the fourth installment of funding for the projects authorized by voters in November 2020. The 2018 authorization funding will be used for construction of three new middle schools, renovation, or replacement of three middle schools, On-Track Academy and Albi Stadium, construction of a commons for Lewis and Clark high school renovations at Libby Center, technology, and infrastructure to support technology and various building improvements. Interest rates on the general obligation bonds are fixed at 5.000%. The bonds will be retired on December 1, 2038.

The following is a summary of general obligation long-term debt transactions of the district for the year ended August 31, 2023:

	Balance 8/31/2022	Additions	Reductions	Balance 8/31/2023
Serial Bonds Payable	\$ 546,195,000	\$ 91,150,000	\$ 38,505,000	\$ 598,840,000
Vacation Leave Payable	4,205,000	2,287,659	1,448,659	5,044,000
Sick Leave Payable	4,466,000	1,308,233	998,233	4,776,000
Workers Compensation	3,094,261	2,922,165	2,822,148	3,194,278
Lease Payable	1,058,936	22,697	259,263	822,370
Subscription Payable *	29,877,613	6,157,746	7,402,594	28,632,765
Total OPEB Liability	227,329,009	16,717,705	102,297,687	141,749,027
Net Pension Liability	65,936,021	-	19,292,710	46,643,311
Subtotal	882,161,840	120,566,205	173,026,293	829,701,751
Unamortized Premium	65,909,412	9,229,380	6,277,762	68,861,031
Unamortized Discount	(198,207)	-	(23,463)	(174,744)
Net Long -Term Debt	<u>\$ 947,873,045</u>	<u>\$ 129,795,585</u>	<u>\$179,280,592</u>	<u>\$ 898,388,039</u>

Debt service requirements for bonds are funded out of the Debt Service Fund with the revenue sources being property taxes and investment income. On August 31, 2023, the district had \$22,801,001 available in the Debt Service Fund to service the general obligation bonds. Vacation, sick leave, workers' compensation, Net OPEB Obligation and Net Pension Obligation debt service requirements are funded out of the General Fund.

Annual Requirements to Amortize Bond and Interest Debt as of August 31, 2023:

Year Ending	Principal	Interest	Total
August 31			
2024	36,590,000	25,605,375	62,195,375
2025	9,040,000	24,290,250	33,330,250
2026	18,280,000	23,607,250	41,887,250
2027	19,840,000	22,737,675	42,577,675
2028	22,220,000	21,811,275	44,031,275
2029-2033	148,675,000	91,930,700	240,605,700
2034-2038	224,405,000	52,808,425	277,213,425
2039-2042	119,790,000	6,564,600	126,354,600
Total	<u>\$ 598,840,000</u>	<u>\$ 269,355,550</u>	<u>\$ 868,195,550</u>

Bonds Authorized but Unissued

There are \$45,300,000 of bonds that are authorized but unissued bonds as of August 31, 2023.

Bond Premium and Discount

The premium on bonds is amortized over the life of the bonds using the straight-line method. The unamortized premium as of August 31, 2023, is as follows:

Bond Series	Premium	Unamortized Premium
2022 Unlimited General Obligation Bonds	\$ 9,229,381	\$ 8,844,823
2021 Unlimited General Obligation Bonds	28,089,379	24,318,120
2021B Unlimited General Obligation Refunding Bonds	1,339,856	1,159,968
2021C Unlimited General Obligation Refunding Bonds	6,856,924	5,936,319
2019 Unlimited General Obligation Bonds	18,572,975	13,671,773
2017B Unlimited General Obligation Refunding Bonds	12,445,475	6,940,745
2017C Unlimited General Obligation Bonds	3,324,442	2,262,468
2015B Unlimited General Obligation Refunding Bonds	6,807,095	2,011,187
2015C Unlimited General Obligation Bonds	1,847,322	1,093,809
2014 Unlimited General Obligation Bonds	2,251,989	1,214,889
2013 Unlimited General Obligation Bonds	520,257	253,283
2012 Unlimited General Obligation Bonds	831,670	384,647
2012 Unlimited General Obligation Refunding Bonds	7,690,009	769,000
Total	<u>\$ 99,806,774</u>	<u>\$ 68,861,031</u>

The discount on bonds is amortized over the life of the bonds using the straight-line method. The unamortized discount as of August 31, 2023, is as follows:

Bond Series	Discount	Unamortized Discount
2019 Unlimited General Obligation Bonds	117,374	86,400
2013 Unlimited General Obligation Bonds	123,195	60,517
2011 Unlimited General Obligation Bonds	46,080	17,785
2005 Unlimited General Obligation Bonds	157,315	10,042
Total	<u>\$ 443,964</u>	<u>\$ 174,744</u>

The deferred outflows on refunding bonds are amortized over the life of the bonds using the straight-line method. The unamortized deferred outflows as of August 31, 2023, are as follows:

Bond Series	Deferred Outflows	Unamortized Deferred Outflows
2017B Unlimited General Obligation Refunding Bonds	\$ 5,025,937	\$ 2,802,927
2015B Unlimited General Obligation Refunding Bonds	2,796,364	826,198
Total	\$ 7,822,301	\$ 3,629,125

The deferred inflows on refunding bonds are amortized over the life of the bonds using the straight-line method. The unamortized deferred inflows as of August 31, 2023, are as follows:

Bond Series	Deferred Inflows	Unamortized Deferred Inflows
2021B Unlimited General Obligation Refunding Bonds	\$ 2,017,633	\$ 1,289,043
2021C Unlimited General Obligation Refunding Bonds	321,752	274,512
Total	\$ 2,339,385	\$ 1,563,555

Prior and Current-Year Defeasance of Debt

In prior and current years, the district defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the district’s financial statements. On August 31, 2023, \$121,735,000 of bonds outstanding were considered defeased.

Debt Covenants

The district is in compliance with all debt covenants.

Arbitrage Rebate

The district has provided for no arbitrage liability related to the outstanding bond issues. Arbitrage will be monitored at the calculation period prescribed by the Internal Revenue Service.

Short-Term Debt

The district has no short-term debt.

11. RISK MANAGEMENT

Unemployment Insurance

The district has elected to maintain a self-insurance program for unemployment benefits in accordance with RCW 51.14.020. Actual employee benefits are paid by the Washington State Department of Employment Security and then reimbursed by the district. The following is a summary of activity for the fiscal year:

	2023	2022	2021	2020
Beginning Balance	\$ 1,229,441	\$ 1,235,700	\$ 1,494,533	\$ 2,057,087
Amount Added to Reserve	97,796	98,338	84,637	83,818
	1,327,237	1,334,038	1,579,170	2,140,905
Amount Deducted from Reserve	(70,034)	(104,597)	(343,470)	(646,372)
Ending Balance	\$ 1,257,203	\$ 1,229,441	\$ 1,235,700	\$ 1,494,533

Industrial Insurance

The district has been self-insured since January 1, 1982. The district has historically purchased both per occurrence and aggregate stop-loss reinsurance protection. The district has a \$425,000 per occurrence self-insured retention.

The industrial insurance claims management has been assigned to Sedgwick CMS. The following is a summary of activity for the fiscal year:

	2023	2022	2021	2020
Beginning Balance	\$ 2,374,279	\$ 1,536,403	\$ 1,078,572	\$ 589,461
Amount Added to Reserve	3,195,926	3,448,691	3,039,593	3,034,585
	5,570,205	4,985,094	4,118,165	3,624,046
Amount Deducted from Reserve	(2,647,770)	(2,610,815)	(2,581,762)	(2,545,474)
Ending Balance	\$ 2,922,435	\$ 2,374,279	\$ 1,536,403	\$ 1,078,572

In addition to the above balances, a restriction of fund balance in the amount of \$275,000 has been established in the General Fund to cover any loss for which an estimated liability has not been established or insurance coverage has not been secured. In the governmentwide financial statements, an estimated liability, including case reserves and incurred but not reported of \$3,194,278 and \$3,094,261 as of August 31, 2023, and 2022 respectively is reported as a long-term liability. The estimate of ultimate loss, including incurred but not reported, loss development estimates and assessments, is calculated in an actuarial study prepared by a public accounting firm based on data from the preceding fiscal years.

Risk Management Pool

The district is a member of the Washington Schools Risk Management Pool (Pool). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed in 1986 when educational service districts and school districts in the state of Washington joined together by signing the Cooperative Risk Management Pool Account Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Over 90 schools and educational service districts participate in the Pool.

The Pool allows members to jointly purchase insurance coverage, establish a plan of self-insurance, and provide related services, such as risk management. The Pool provides the following coverages for its members: property, liability, vehicle, public official liability, crime, employment, practices, errors and omissions, equipment breakdown, cyber security, terrorism, and stop gap liability.

Members make an annual contribution to fund the Pool. The Pool acquires reinsurance and excess insurance from unrelated carriers subject to a per-occurrence self-insured retention of \$1 million for property risk and \$1.5 million for liability risk shared by the Pool. Reinsurance or Excess carriers cover losses over the self-insured retention to the maximum

limits of each policy. Members are responsible for varied deductibles for both liability and property claims. Since the Pool is a cooperative program, there is a joint liability among the participating members.

Members contract to remain in the Pool for a minimum of three years and must give notice three years before terminating participation. The Cooperative Risk Management Pool Account Agreement is renewed automatically each year after the initial three-year period. Even after termination, a member is still responsible for their share of contributions to the Pool for any unresolved, unreported, and in process claims for the period they were a signatory to the Cooperative Risk Management Pool Account Agreement.

The Pool is fully funded by its member participants. The district paid \$2,102,716 to the Pool for the fiscal year ended August 31, 2023. Settled claims resulting from this risk have not exceeded insurance coverage in any of the past three fiscal years.

The Pool is governed by a board of directors which is comprised of one designated representative from each participating member. An executive board is elected at the annual meeting and is responsible for overseeing the business affairs of the Pool.

12. FUND BALANCE (GOVERNMENTAL FUNDS)

Fund balance as of August 31, 2023, is comprised of:

	General Fund	ASB Fund	Debt Service Fund	Capital Projects Fund
Non-spendable inventory and prepaids	\$ 14,061,758	\$ -	\$ -	\$ -
Restricted - debt service	7,100,000	-	22,801,001	45,000
Restricted - self insurance	275,000	-	-	-
Restricted - state match	-	-	-	137,208
Restricted - Food Services carryover	2,675,294	-	-	-
Restricted - other (Skill Center)	2,115,511	-	-	-
Restricted - Associated Student Body	-	1,947,845	-	-
Restricted Fund Balance	12,165,805	1,947,845	22,801,001	182,208
Assigned - capital projects	-	-	-	23,767,791
Assigned - nutrition services	7,123,835	-	-	-
Assigned - child care	1,178,647	-	-	-
Assigned Fund Balance	8,302,483	-	-	23,767,791
Unassigned Fund Balance	16,838,535	-	-	-
Unassigned Minimum Fund Balance	19,082,808	-	-	-
Total Fund Balance	\$ 70,451,389	\$ 1,947,845	\$ 22,801,001	\$ 23,949,999

13. ENCUMBRANCES

Encumbrances represent contracts (including construction contracts), purchase orders, and other commitments to purchase which were fully liquidated and re-established for the remaining commitment balances in the next year. As of August 31, 2023, encumbrances of \$27,231,940, \$193,280,566, and \$76,728 were outstanding for the General Fund, Capital Projects Fund, and ASB Fund, respectively.

14. TAX ABATEMENTS

District property tax revenues were reduced by \$1,932,379 from multi-family housing property tax exemption agreements entered into by the City of Spokane. This represents the only tax abatement applicable to the district, therefore the use of a quantitative threshold to determine which tax abatements to report is not required.

15. JOINT VENTURE

The district is the host district for the NEWTECH Skill Center, a regional program designed to provide career and technical education opportunities to students in participating districts. The purpose of a Skill Center is to enhance the career and technical education course offerings among districts by avoiding unnecessary duplication of courses.

The NEWTECH Skill Center was created through an agreement of the eleven member districts. The Skill Center is governed by an Administrative Council, comprised of the superintendents, or their appointed representatives, of each member district. The Skill Center administration is managed through a director, employed by the district.

As host district, the district has the following responsibilities:

1. Employ staff of the Skill Center.
2. Act as fiscal agent for the Skill Center and maintain separate accounts and fund balances for each fund.
3. Review and adopt the Skill Center budget as a part of the district's overall budget.
4. Provide such services as may be mutually agreed upon by the district and the Skill Center.

Sources of Funding

The Skill Center is primarily funded by state apportionment, based on the number of students who attend the Skill Center. Other sources of income include federal grants from the Carl D. Perkins program, tuition and fees, and payments from member districts.

Financial Operations

Financial operations are included in these financial statements in the amount of revenues totaling \$4,867,133 and expenditures totaling \$5,034,116. Comparable revenues and expenditures totaled \$4,388,469 and expenditures totaling \$4,131,925, respectively, during the preceding year.

Unspent Funds

Any funds remaining at the end of the year from NEWTECH operations are recorded as a restriction of the district's General Fund balance and are to be used for financing future operations of NEWTECH. Member districts do not have claim to any unspent funds of NEWTECH.

The following districts are member districts of the Skill Center: Spokane School District, Mead School District, Freeman School District, East Valley School District, Cheney School District, West Valley School District, Deer Park School District, Central Valley School District, Riverside School District, Nine Mile School District and Medical Lake School District.

The Newport School District, Davenport School District and Colville School District operate satellite campuses of the NEWTECH Skill Center. A satellite campus is not eligible to claim those students who attend for purposes of receiving direct funding from the state. The Newport School District, Davenport School District and Colville School District are required to provide the staffing for the satellite campus programs. As the fiscal agent for the Skill Center, Spokane Public School district reimburses the satellite district for their costs through the interlocal agreement.

16. CONTINGENT LIABILITIES

Spokane Public Schools participates in a number of federally assisted grant programs principally funded by the Department of Education, the Bureau of Indian Affairs, the Comprehensive Employment Training Act, and others. These programs are subject to program compliance audits by the grantors or their representatives. The audits of some of these programs for, or including, the year ended August 31, 2023, either have not yet been conducted or are still pending final action and acceptance by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Spokane Public Schools expects such amounts, if any, to be immaterial. The district is not aware of any material violations of contractual provisions or other finance-related provisions.

17. SUBSEQUENT EVENT

COVID-19

In February 2020, Governor Inslee declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures

included closing schools, canceling public events, limiting gathering sizes, and requiring people to stay home unless they were leaving for an essential function. On April 6, 2020, the Governor closed all public and private K–12 school buildings throughout the remainder of the 2019–20 school year. The school district, however, continued to operate, educating students using continuous learning models.

Many of the precautionary measures put in place during the 2019–2020 school year have been reduced or eliminated. The district has been and anticipated continuing to operate in-person learning for students K-12.

Much of the initial fiscal uncertainty related to the pandemic has been mitigated by federal funds. Three federal allocations for pandemic relief have been approved at the federal level. ESSER I funds were allocated in summer 2020 with most funds used in the 2020-2021 fiscal year. The ESSER II and ESSER III funds became available in fiscal year 2020-2021. The Office of the Superintendent of Instruction (OSPI) has developed the application and claiming process for ESSER II and ESSER III. The estimated amount of ESSER funding across all three ESSER packages is \$124 million.

Partnership

On September 1, 2023, the district entered into an agreement with the Spokane Public Facilities District to operate the newly completed ONE Spokane Stadium located in downtown Spokane. The stadium was built to replace the aging Joe Albi Stadium for district extra-curricular activities.

Bond Sale

On September 26, 2023, the district held a competitive bond sale and accepted bids for the \$49,500,000 of bonds authorized by voters in 2018. Bond delivery and funding is scheduled for October 17, 2023. The bonds have an interest cost of 5%. The district has \$45,800,000 authorized but unissued bonds.

Ballot Measure

On February 13, 2024, the voters approved an Educational Programs and Operations Replacement Levy for calendar years 2025, 2026 and 2027 at an estimated levy rate of per \$1,000 of assessed property value is \$2.50. The levy maintains student programs not fully funded by state and federal funds which include: teachers for lower class size, Advanced Placement, honors and elective courses, and special education services; Counseling services; Library services; Nursing services; School support staff (custodial, clerical, paraeducators, safety specialists, maintenance and administrative); Sports, clubs, intramural and music programs; and Curriculum materials, facility maintenance, technology, and laptops for students.

REQUIRED SUPPLEMENTARY INFORMATION
SPOKANE PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNT	FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local	\$ 80,689,086	\$ 80,689,286	\$ 80,992,083	\$ 302,797
State	366,342,449	366,316,859	373,401,116	7,084,257
Federal	48,740,756	48,800,481	46,478,596	(2,321,885)
Federal Stimulus	42,227,570	42,227,570	46,024,677	3,797,107
Other	3,582,455	3,548,120	1,537,381	(2,010,739)
TOTAL REVENUES	541,582,316	541,582,316	548,433,853	6,851,537
EXPENDITURES				
CURRENT				
Regular Instruction	265,502,717	265,494,348	262,508,032	2,986,316
Federal Stimulus	36,828,070	41,365,778	39,888,819	1,476,959
Special Instruction	66,791,588	66,841,518	64,703,611	2,137,907
Vocational Instruction	15,043,667	15,077,581	14,366,396	711,185
Skills Center	4,415,173	4,411,230	4,729,835	(318,605)
Compensatory Education	51,552,182	48,294,324	46,098,734	2,195,590
Other Instructional Programs	4,552,312	2,921,506	3,165,204	(243,698)
Community Services	16,230,453	16,385,122	14,504,210	1,880,912
Support Services	75,356,468	86,428,408	82,913,559	3,514,849
CAPITAL OUTLAY				
Other	13,110,330	13,110,330	9,300,357	3,809,973
DEBT SERVICE				
Principal	-	5,918,788	7,661,858	(1,743,070)
Interest	-	134,027	121,745	12,282
TOTAL EXPENDITURES	549,382,960	566,382,960	549,962,360	16,420,600
Excess of Revenues Over/ (Under) Expenditures	(7,800,644)	(24,800,644)	(1,528,507)	23,272,137
OTHER FINANCING SOURCES/(USES)				
Sale of Equipment	35,000	35,000	39,444	4,444
Long-Term Financing	-	17,000,000	6,180,443	(10,819,557)
Total Other Financing Sources/(Uses)	35,000	17,035,000	6,219,887	(10,815,113)
Excess of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Uses	(7,765,644)	(7,765,644)	4,691,380	12,457,024
FUND BALANCE - September 1	52,305,943	52,305,943	65,760,009	13,454,066
FUND BALANCE - August 31	\$ 44,540,299	\$ 44,540,299	\$ 70,451,389	\$ 25,911,090

The basis of budgeting is the same as GAAP.

REQUIRED SUPPLEMENTARY INFORMATION
SPOKANE PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND (ASSOCIATED STUDENT BODY FUND)
FOR THE YEAR ENDED AUGUST 31, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNT	FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
General	\$ 633,000	\$ 633,000	\$ 696,620	\$ 63,620
Athletics	849,000	849,000	746,185	(102,815)
Classes	665,000	665,000	552,455	(112,545)
Clubs	301,000	301,000	159,527	(141,473)
Total Revenues	2,448,000	2,448,000	2,154,787	(293,213)
EXPENDITURES				
General	465,000	465,000	652,977	(187,977)
Athletics	966,000	966,000	634,304	331,696
Classes	643,000	643,000	508,889	134,111
Clubs	283,000	283,000	165,206	117,794
Total Expenditures	2,357,000	2,357,000	1,961,376	395,624
Excess of Revenues Over/ (Under) Expenditures	91,000	91,000	193,411	102,411
FUND BALANCE - September 1	2,000,000	2,000,000	1,754,434	(245,566)
FUND BALANCE - August 31	\$ 2,091,000	\$ 2,091,000	\$ 1,947,845	\$ (143,155)

The basis of budgeting is the same as GAAP.

**REQUIRED SUPPLEMENTARY INFORMATION
SPOKANE PUBLIC SCHOOLS**

Schedule A-3

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023**

	2023		2022		2021		2020		2019
PERS 1									
District's Proportion of the Net Pension Liability	0.403616%		0.402214%		0.399880%		0.408400%		0.451779%
District's Proportionate Share of the Net Pension Liability	\$ 9,213,461	\$	\$ 11,199,124	\$	\$ 4,883,474	\$	\$ 14,418,712	\$	\$ 17,372,492
District's covered Payroll	\$ 71,510,251	\$	\$ 62,788,767	\$	\$ 60,842,597	\$	\$ 60,686,517	\$	\$ 62,570,580
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	12.88%		17.84%		8.03%		23.76%		27.76%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.16%		76.56%		88.74%		68.64%		67.12%
SERS 2/3									
District's Proportion of the Net Pension Liability	2.270080%		2.190507%		2.370747%		2.301333%		2.562688%
District's Proportionate Share of the Net Pension Liability	\$ (3,249,483)	\$	\$ (5,884,798)	\$	\$ (25,454,642)	\$	\$ 12,242,263	\$	\$ 6,009,452
District's covered Payroll	\$ 71,333,645	\$	\$ 62,533,346	\$	\$ 60,505,809	\$	\$ 60,298,003	\$	\$ 62,034,312
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	-4.56%		-9.41%		-42.07%		20.30%		9.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.54%		103.17%		114.15%		92.45%		96.31%
TRS 1									
District's Proportion of the Net Pension Liability	2.955337%		2.878117%		2.799950%		2.826708%		3.091993%
District's Proportionate Share of the Net Pension Liability	\$ 37,429,850	\$	\$ 54,736,896	\$	\$ 18,852,008	\$	\$ 68,089,355	\$	\$ 76,551,647
District's covered Payroll	\$ 247,871,554	\$	\$ 231,226,501	\$	\$ 207,810,008	\$	\$ 204,322,930	\$	\$ 207,240,362
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	15.10%		23.67%		9.07%		33.32%		36.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.09%		78.24%		91.42%		70.55%		70.37%
TRS 2/3									
District's Proportion of the Net Pension Liability	2.942926%		2.908852%		2.787442%		2.825572%		3.086892%
District's Proportionate Share of the Net Pension Liability	\$ (3,614,354)	\$	\$ (5,724,213)	\$	\$ (76,621,408)	\$	\$ 43,400,243	\$	\$ 18,599,574
District's covered Payroll	\$ 247,373,883	\$	\$ 230,704,278	\$	\$ 206,989,336	\$	\$ 203,149,643	\$	\$ 206,084,725
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	-1.46%		-2.48%		-37.02%		21.36%		9.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.49%		100.86%		120.29%		91.72%		96.36%

GASB 68 was implemented for the fiscal year ended August 31, 2015. No information prior to August 31, 2015 is available.

Source: Spokane School District No. 81

SPOKANE PUBLIC SCHOOLS
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2023

	2018	2017	2016	2015
PERS 1				
District's Proportion of the Net Pension Liability	0.428955%	0.431661%	0.414966%	0.406944%
District's Proportionate Share of the Net Pension Liability	\$ 19,157,278	\$ 20,482,642	\$ 22,285,631	\$ 21,286,953
District's covered Payroll	\$ 56,450,044	\$ 53,153,529	\$ 49,020,243	\$ 45,172,709
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	33.94%	38.53%	45.46%	47.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.22%	61.24%	57.03%	59.10%
SERS 2/3				
District's Proportion of the Net Pension Liability	2.548529%	2.553870%	2.584312%	2.548690%
District's Proportionate Share of the Net Pension Liability	\$ 7,621,683	\$ 12,602,710	\$ 16,972,910	\$ 10,351,531
District's covered Payroll	\$ 55,744,619	\$ 52,173,367	\$ 47,798,022	\$ 43,849,012
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	13.67%	24.16%	35.51%	23.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.77%	90.79%	86.52%	90.92%
TRS 1				
District's Proportion of the Net Pension Liability	3.130566%	3.125426%	3.109003%	3.079276%
District's Proportionate Share of the Net Pension Liability	\$ 91,431,067	\$ 94,489,992	\$ 106,148,740	\$ 97,555,829
District's covered Payroll	\$ 183,893,961	\$ 173,810,804	\$ 156,727,763	\$ 148,851,192
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	49.72%	54.36%	67.73%	65.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.52%	65.58%	62.07%	65.70%
TRS 2/3				
District's Proportion of the Net Pension Liability	3.143578%	3.139666%	3.107343%	3.126996%
District's Proportionate Share of the Net Pension Liability	\$ 14,149,685	\$ 28,977,331	\$ 42,673,051	\$ 26,385,651
District's covered Payroll	\$ 182,725,358	\$ 172,174,438	\$ 154,671,074	\$ 146,231,733
District's Proportional Share of the Net Pension Liability (Amount) as a Percentage of its Covered Payroll	7.74%	16.83%	27.59%	18.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.88%	93.14%	88.72%	92.48%

GASB 68 was implemented for the fiscal year ended August 31, 2015. No information prior to August 31, 2015 is available.

Source: Spokane School District No. 81

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED AUGUST 31, 2023**

Schedule A-4

	2023	2022	2021	2020	2019
PERS 1					
Contractually Required Plan Member Contribution	\$ 2,750,369	\$ 2,465,021	\$ 2,978,655	\$ 2,894,704	\$ 3,290,101
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 2,750,369	\$ 2,465,021	\$ 2,978,655	\$ 2,894,704	\$ 3,290,101
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 72,635,173	\$ 63,686,523	\$ 60,982,258	\$ 60,130,984	\$ 63,360,078
Contribution as a Percentage of covered Payroll	3.79%	3.87%	4.88%	4.81%	5.19%
SERS 2/3					
Contractually Required Plan Member Contribution	\$ 5,536,299	\$ 4,902,732	\$ 4,991,627	\$ 5,039,188	\$ 5,307,830
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 5,536,299	\$ 4,902,732	\$ 4,991,627	\$ 5,039,188	\$ 5,307,830
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 72,635,173	\$ 63,454,700	\$ 60,649,618	\$ 59,775,745	\$ 62,823,450
Contribution as a Percentage of covered Payroll	7.62%	7.73%	8.23%	8.43%	8.45%
TRS 1					
Contractually Required Plan Member Contribution	\$ 15,950,606	\$ 14,769,027	\$ 15,389,044	\$ 14,632,615	\$ 15,707,994
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 15,950,606	\$ 14,769,027	\$ 15,389,044	\$ 14,632,615	\$ 15,707,994
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 250,064,882	\$ 235,500,667	\$ 208,570,681	\$ 202,399,132	\$ 211,116,666
Contribution as a Percentage of covered Payroll	6.38%	6.27%	7.38%	7.23%	7.44%
TRS 2/3					
Contractually Required Plan Member Contribution	\$ 19,913,808	\$ 18,605,482	\$ 16,868,618	\$ 16,756,114	\$ 16,816,596
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 19,913,808	\$ 18,605,482	\$ 16,868,618	\$ 16,756,114	\$ 16,816,596
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 250,064,882	\$ 235,021,452	\$ 207,827,742	\$ 201,266,840	\$ 209,951,599
Contribution as a Percentage of covered Payroll	7.96%	7.92%	8.12%	8.33%	8.01%

GASB 68 was implemented for the fiscal year ended August 31, 2015. No information prior to August 31, 2015 is available.

Source: Spokane School District No. 81

**REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE
OF THE DISTRICT'S CONTRIBUTIONS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2023**

Schedule A-4

	2018	2017	2016	2015
PERS 1				
Contractually Required Plan Member Contribution	\$ 2,922,803	\$ 2,623,767	\$ 2,441,677	\$ 1,885,446
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 2,922,803	\$ 2,623,767	\$ 2,441,677	\$ 1,885,446
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 57,143,312	\$ 53,711,895	\$ 49,722,544	\$ 45,477,041
Contribution as a Percentage of covered Payroll	5.11%	4.88%	4.91%	4.15%
SERS 2/3				
Contractually Required Plan Member Contribution	\$ 4,758,685	\$ 3,594,208	\$ 3,298,601	\$ 2,495,908
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 4,758,685	\$ 3,594,208	\$ 3,298,601	\$ 2,495,908
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 56,477,297	\$ 52,773,146	\$ 48,543,495	\$ 44,182,858
Contribution as a Percentage of covered Payroll	8.43%	6.81%	6.80%	5.65%
TRS 1				
Contractually Required Plan Member Contribution	\$ 13,436,521	\$ 10,911,733	\$ 10,169,734	\$ 6,916,266
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 13,436,521	\$ 10,911,733	\$ 10,169,734	\$ 6,916,266
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 185,986,718	\$ 173,487,560	\$ 161,738,988	\$ 150,050,481
Contribution as a Percentage of covered Payroll	7.22%	6.29%	6.29%	4.61%
TRS 2/3				
Contractually Required Plan Member Contribution	\$ 14,780,245	\$ 11,864,297	\$ 10,992,261	\$ 8,407,193
Contributions in Relation to the Contractually Required Plan Member Contributions	\$ 14,780,245	\$ 11,864,297	\$ 10,992,261	\$ 8,407,193
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's covered Payroll	\$ 184,867,357	\$ 171,970,598	\$ 159,705,481	\$ 147,552,979
Contribution as a Percentage of covered Payroll	8.00%	6.90%	6.88%	5.70%

GASB 68 was implemented for the fiscal year ended August 31, 2015. No information prior to August 31, 2015 is available.

Source: Spokane School District No. 81

REQUIRED SUPPLEMENTARY INFORMATION

Schedule A-5

**SPOKANE PUBLIC SCHOOLS
SCHEDULE OF CHARGES IN TOTAL OPEB (OTHER POST-EMPLOYMENT BENEFITS)
LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED AUGUST 31, 2023**

	2023	2022	2021	2020
TOTAL OPEB LIABILITY				
Service Cost	\$ 11,655,277	\$ 11,057,600	\$ 11,509,697	\$ 8,229,802
Interest on Total OPEB Liability	5,062,428	4,891,681	6,722,732	6,997,330
Changes of benefit terms	-	-	-	-
Effect of Economic/Demographic Gains (Losses)	(14,139,475)	-	(8,371,600)	-
Effect of Assumption Changes or Inputs	(83,287,920)	2,443,029	(8,765,325)	35,510,361
Expected Benefit Payments	(4,870,292)	(4,684,151)	(4,605,431)	(4,125,324)
Net Change in Total OPEB Liability	<u>(85,579,982)</u>	<u>13,708,159</u>	<u>(3,509,927)</u>	<u>46,612,170</u>
Total OPEB Liability, Beginning	227,329,009	213,620,850	217,130,777	170,518,606
Total OPEB Liability, Ending	<u>\$ 141,749,027</u>	<u>\$ 227,329,009</u>	<u>\$ 213,620,850</u>	<u>\$ 217,130,777</u>
Covered Employee Payroll	\$ 311,045,634	\$ 279,614,101	\$ 273,216,440	\$ 274,489,541
Total OPEB Liability as a Percent of Covered Employee Payroll	45.57%	81.30%	78.19%	79.10%

Data is reported utilizing the most recent information available
(measurement date of August 31, 2022)
Assets have not been accumulated in a trust to pay related benefits.

Source: Spokane School District No. 81

REQUIRED SUPPLEMENTARY INFORMATION
SPOKANE PUBLIC SCHOOLS
SCHEDULE OF CHARGES IN TOTAL OPEB (OTHER POST-EMPLOYMENT BENEFITS)
LIABILITY AND RELATED RATIOS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2023

Schedule A-5

	2019	2018
TOTAL OPEB LIABILITY		
Service Cost	\$ 7,894,426	\$ 9,303,248
Interest on Total OPEB Liability	6,076,259	5,255,474
Changes of benefit terms	-	-
Effect of Economic/Demographic Gains (Losses)	1,353,332	-
Effect of Assumption Changes or Inputs	(8,111,453)	(21,480,724)
Expected Benefit Payments	(3,791,970)	(3,433,307)
Net Change in Total OPEB Liability	<u>3,420,594</u>	<u>(10,355,309)</u>
Total OPEB Liability, Beginning	167,098,012	177,453,321
Total OPEB Liability, Ending	<u>\$ 170,518,606</u>	<u>\$ 167,098,012</u>
Covered Employee Payroll	\$ 243,094,707	\$ 227,199,455
Total OPEB Liability as a Percent of Covered Employee Payroll	70.14%	73.55%

Data is reported utilizing the most recent information available
(measurement date of August 31, 2022)
Assets have not been accumulated in a trust to pay related benefits.

Source: Spokane School District No. 81

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Child Nutrition Cluster								
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	School Breakfast Program	10.553	10.553,619804	3,771,841	-	3,771,841	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	National School Lunch Program	10.555	10.555,6198	10,956,922	-	10,956,922	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	National School Lunch Program	10.555	10.555,619811	892,357	-	892,357	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF	National School Lunch Program	10.555	-	-	1,451,931	1,451,931	-	4
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	National School Lunch Program	10.555	419806	42,514	-	42,514	-	
			Total ALN 10.555:	11,891,793	1,451,931	13,343,724	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	Summer Food Service Program for Children	10.559	10.559,619809	256,392	-	256,392	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF	Summer Food Service Program for Children	10.559	-	-	16,294	16,294	-	4
			Total ALN 10.559:	256,392	16,294	272,686	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	Fresh Fruit and Vegetable Program	10.582	10.582,619801	440,816	-	440,816	-	
			Total Child Nutrition Cluster:	16,360,842	1,468,225	17,829,067	-	

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via OSPI)	Child Nutrition Discretionary Grants Limited Availability	10.579	710303	15,206	-	15,206	-	
DEPT OF DEFENSE, DEPT OF DEFENSE	ROTC Language and Culture Training Grants	12.357		-	80,502	80,502	-	6
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Juvenile Justice and Delinquency Prevention	16.540		-	53,263	53,263	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Children Exposed to Violence	16.818		-	116,935	116,935	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	STOP School Violence	16.839		-	144,485	144,485	-	
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES, THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES	Grants to States	45.310		-	3,647	3,647	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,GT- 00088	14,579,988	-	14,579,988	-	3
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27037 1	70,806	-	70,806	-	

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27040 2	75,855	-	75,855	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27040 3	75,855	-	75,855	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27040 9	75,855	-	75,855	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27113 3	27,804	-	27,804	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Title I Grants to Local Educational Agencies	84.010	84.010A,27113 4	45,000	-	45,000	-	
Special Education Cluster (IDEA)				Total ALN 84.010:	14,951,163	14,951,163	-	
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, EDUCATION, DEPARTMENT OF (via OSPI)	Special Education Grants to States	84.027	84.027A,30779 3	6,690,273	-	6,690,273	-	
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, EDUCATION, DEPARTMENT OF (via OSPI)	Special Education Preschool Grants	84.173	84.173A,36719 4	172,082	-	172,082	-	

The accompanying notes are an integral part of this schedule.

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, EDUCATION, DEPARTMENT OF (via OSPI)	Special Education Preschool Grants	84.173	84.173A, 389034	10,000	-	10,000	-	
				Total ALN 84.173:	182,082	-	182,082	-
Total Special Education Cluster (IDEA):				6,872,355	-	6,872,355	-	
Office of Career, Technical, and Adult Education, EDUCATION, DEPARTMENT OF (via OSPI)	Career and Technical Education -- Basic Grants to States	84.048	84.048,174984	77,538	-	77,538	-	
				Total ALN 84.048:	305,216	-	305,216	-
Office of Career, Technical, and Adult Education, EDUCATION, DEPARTMENT OF (via OSPI)	Career and Technical Education -- Basic Grants to States	84.048	84.048,176077	305,216	-	305,216	-	
				Total ALN 84.048:	382,754	-	382,754	-
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF	Indian Education Grants to Local Educational Agencies	84.060		-	271,494	271,494	-	6
				Total ALN 84.060:	80,750	-	80,750	-
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Education for Homeless Children and Youth	84.196	84.196A,45758 9	80,750	-	80,750	-	
				Total ALN 84.196:	147,921	-	147,921	-
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF	Twenty-First Century Community Learning Centers	84.287		-	147,921	147,921	-	
				Total ALN 84.287:	431,872	-	431,872	-
OFFICE OF POSTSECONDARY EDUCATION, EDUCATION, DEPARTMENT OF	Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		-	431,872	431,872	-	

The accompanying notes are an integral part of this schedule.

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	English Language Acquisition State Grants	84.365	84.365,GT- 00088	244,496	-	244,496	-	
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, EDUCATION, DEPARTMENT OF (via OSPI)	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	84.367A,GT- 00088	1,358,184	-	1,358,184	-	
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	Student Support and Academic Enrichment Program	84.424	84.424A,GT- 00088	660,768	-	660,768	-	
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,12059 3	16,664,000	-	16,664,000	-	5
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425W,13818 1	25,587,157	-	25,587,157	-	5
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425U,14067 2	34,677	-	34,677	-	5
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14160 9	4,390	-	4,390	-	5
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14165 7	12,500	-	12,500	-	5
EDUCATION, DEPARTMENT OF, EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14221 8	209,380	-	209,380	-	5

The accompanying notes are an integral part of this schedule.

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14222 6	264,129	-	264,129	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425U,14236 1	200,429	-	200,429	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14312 3	28,369	-	28,369	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14412 3	92,000	-	92,000	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,14508 2	15,000	-	15,000	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425W,45903 5	42,897	-	42,897	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425W,45961 2	138,648	-	138,648	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,61981 3	499,656	-	499,656	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,61981 4	1,413,569	-	1,413,569	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	84.425D,61981 5	32,973	-	32,973	-	5
EDUCATION, DEPARTMENT OF EDUCATION, DEPARTMENT OF (via OSPI)	COVID 19 - Education Stabilization Fund	84.425	139043	107,621	-	107,621	-	5

The accompanying notes are an integral part of this schedule.

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
			Total ALN 84.425:	45,347,395	-	45,347,395	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via OSPI)	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	93.566,900216	24,277	-	24,277	-	
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566		-	225,000	225,000	-	
			Total ALN 93.566:	24,277	225,000	249,277	-	
Medicaid Cluster								
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Medical Assistance Program	93.778		-	479,799	479,799	-	
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Medical Assistance Program	93.778		-	163,019	163,019	-	
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Medical Assistance Program	93.778		-	42,404	42,404	-	
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF	Medical Assistance Program	93.778		-	3,311	3,311	-	
			Total Medicaid Cluster:	-	688,533	688,533	-	

**Spokane School District No. 81
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023**

		Expenditures						
Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	1,092,595	1,092,595	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	104,480	104,480	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	10,153	10,153	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	228,448	228,448	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	7,346	7,346	-	
Total ALN 97.036:				-	1,443,022	1,443,022	-	
Total Federal Awards Expended:				86,298,190	5,074,899	91,373,089	-	

Spokane Public Schools, District #81
Spokane County
EIN: 91-6001582

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2023

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the district's financial statements. The district uses the modified accrual basis of accounting. Expenditures represent only the federally funded portions of the program. District records should be consulted to determine amounts expended or matched from non-federal sources.

Note 2 – Federal Indirect Cost Rate

The amount expended includes an indirect cost recovery using an approved indirect cost rate ranging from 4.65%-12.8% depending on the maximum allowable rate for each respective grant. Overall, the district collected \$5,147,959.00 in indirect costs. The district has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Schoolwide Programs

The district operates a "schoolwide program" in twenty-five elementary schools, five middle schools, one high school, and two alternative schools. Using federal funding, schoolwide programs are designed to upgrade an entire educational program within a school for all students, rather than limit services to certain targeted students. The following federal program amounts were expended by the district in its schoolwide program: Title I (84.010) \$14,580,275.66.

Note 4 – Noncash Awards

The amount of commodities reported on the Schedule is the market value food distributed by the Spokane Public Schools during current year and priced as prescribed by United States Department of Agriculture.

Note 5 – ALN Alpha

ALN including alpha included in Other Award notes for pass through awards. For non-pass through awards, the alpha character is listed in the district grant inventory if available.

Note 6 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the district's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

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We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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