

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS

STATUTORY BASIS FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS

STATUTORY BASIS FINANCIAL STATEMENTS

For The Year Ended June 30, 2011

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UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS

STATUTORY BASIS FINANCIAL STATEMENTS

For The Year Ended June 30, 2011

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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 209
Moscow, Kansas 67952

We have audited the accompanying statutory basis financial statements of Moscow Unified School District No. 209, Moscow, Kansas, as of and for the year ended June 30, 2011, as listed in the table of contents. These statutory basis financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit. The prior year comparative information has been derived from the District's 2010 financial statements and, in our report dated September 9, 2010, we expressed an unqualified opinion on the statutory basis financial statements prepared on the basis of accounting described in Note 1.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the District prepared these statutory basis financial statements using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the statutory basis financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States, the financial position of Moscow Unified School District No. 209, Moscow, Kansas, as of June 30, 2011, or the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the District has not presented a management's discussion and analysis that accounting principles generally accepted in the United States have determined is necessary to supplement, although not required to be part of, the basic financial statements.

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In our opinion, the statutory basis financial statements as referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of Moscow Unified School District No. 209, Moscow, Kansas, as of June 30, 2011, and its cash receipts and expenditures, and budgetary comparisons, for the year then ended, taken as a whole under the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of Moscow Unified School District No. 209, Moscow, Kansas, taken as a whole. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the statutory basis financial statements. Such additional information has been subjected to the auditing procedures applied in the audit of the statutory basis statements and, in our opinion, is fairly presented in all material respects, in relation to the statutory basis financial statements taken as a whole on the basis of accounting described in Note 1.


LEWIS, HOOPER & DICK, LLC

October 6, 2011

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Comparison of Cash Balances with Encumbrances and Composition of Cash
For the Year Ended June 30, 2011

	Unencumbered Cash Balance (Deficit) 7/1/10	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Unencumbered Cash Balance 6/30/11	Outstanding Encumbrances and Accounts Payable	Treasurer's Cash and Investments 6/30/11
Governmental Type Funds:							
General Funds:							
General	\$ 210	\$ -	\$ 1,835,293	\$ 1,784,237	\$ 51,266	\$ 8,288	\$ 59,554
Supplemental General	67,565	-	663,042	648,063	82,544	33,996	116,540
Special Revenue Funds:							
At Risk (4 Year Old)	-	-	15,748	15,748	-	-	-
At Risk (K-12)	-	-	189,768	189,768	-	4,832	4,832
Bilingual Education	-	-	108,521	108,521	-	1,576	1,576
Capital Outlay	771,476	-	323,889	642,855	452,510	-	452,510
Driver Training	-	-	5,151	5,151	-	-	-
Food Service	71,987	-	200,716	183,229	89,474	8,277	97,751
Special Education	90,969	-	209,419	131,494	168,894	-	168,894
Vocational Education	38,802	-	47,582	42,049	44,335	5,377	49,712
KPERS Special Retirement Contribution	(64,984)	-	178,893	113,909	-	-	-
Textbook Rental	-	-	9,245	6,897	2,348	-	2,348
Contingency Reserve	194,181	-	-	-	194,181	-	194,181
Parson's Trust	930	-	11,000	7,328	4,602	-	4,602
Grant Activity	1,631	-	258,073	258,073	1,631	19,291	20,922
District Activities	-	-	48,771	48,771	-	7,040	7,040
Fiduciary Type Funds:							
Recreation Commission General	1,858	-	212,041	206,218	7,681	-	7,681
Recreation Commission Employee Benefit	-	-	16,425	15,000	1,425	-	1,425
Total Primary Government (excluding Agency Funds)	1,174,625	-	4,333,577	4,407,311	1,100,891	88,677	1,189,568
Component Unit:							
Recreation Commission:							
General Fund	343,288	-	221,618	216,395	348,511	3,165	351,676
Employee Benefit	17,839	-	15,000	8,374	24,465	-	24,465
Total Component Unit	361,127	-	236,618	224,769	372,976	3,165	376,141
Total Reporting Entity (excluding Agency Funds)	\$ 1,535,752	\$ -	\$ 4,570,195	\$ 4,632,080	\$ 1,473,867	\$ 91,842	\$ 1,565,709
Composition of Cash:							
Citizens State Bank:							
NOW account							\$ 301,957
Less outstanding checks							(75,864)
Total NOW account							226,093
Student Funds							
Checking account							33,399
Plus deposits in transit							750
Less outstanding checks							(1,158)
Total cash - Student Funds							32,991
Certificates of deposit							
Total cash							1,215,519
Less Student Activity Funds per Statement 4							(25,951)
Plus discrete component units							376,141
Total cash (excluding Student Activity Funds)							\$ 1,565,709

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
For the Year Ended June 30, 2011

	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General Funds:						
General	\$ 1,881,628	\$ (97,391)	\$ -	\$ 1,784,237	\$ 1,784,237	\$ -
Supplemental General	646,529	(13,055)	14,589	648,063	648,063	-
Special Revenue Funds:						
At Risk (4 Year Old)	20,060	-	-	20,060	15,748	(4,312)
At Risk (K-12)	189,768	-	-	189,768	189,768	-
Bilingual Education	126,863	-	-	126,863	108,521	(18,342)
Capital Outlay	1,019,371	-	-	1,019,371	642,855	(376,516)
Driver Training	5,300	-	-	5,300	5,151	(149)
Food Service	207,667	-	-	207,667	183,229	(24,438)
Special Education	237,295	-	-	237,295	131,494	(105,801)
Vocational Education	65,294	-	-	65,294	42,049	(23,245)
KPERS Special Retirement Contribution	84,428	-	-	84,428	113,909	29,481
Fiduciary Type Funds:						
Recreation Commission General	215,000	-	-	215,000	206,218	(8,782)
Recreation Commission Employee Benefit	15,000	-	-	15,000	15,000	-
Component Units:						
Recreation Commission:						
General	617,844	-	-	617,844	216,395	(401,449)
Employee Benefit	20,000	-	-	20,000	8,374	(11,626)

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 2,107,136	\$ 1,377,476	\$ 1,254,506	\$ 122,970
Delinquent tax	6,648	8,022	10,785	(2,763)
Mineral production tax	60,164	85,589	30,659	54,930
State aid	141,710	262,889	548,639	(285,750)
Federal aid	-	64,488	-	64,488
ARRA Stabilization Funds	98,331	36,829	36,829	-
Total cash receipts	2,413,989	1,835,293	\$ 1,881,418	\$ (46,125)
Expenditures:				
Instruction	422,441	287,183	\$ 464,250	\$ (177,067)
Student support services	6,711	18,300	7,500	10,800
Instructional support staff	43,609	38,283	47,570	(9,287)
General administration	177,006	178,591	183,950	(5,359)
School administration	208,262	191,045	218,378	(27,333)
Operations and maintenance	310,021	298,004	351,950	(53,946)
Student transportation services supervision	11,343	11,400	11,690	(290)
Vehicle operating services	59,922	68,051	58,645	9,406
Vehicle services and maintenance services	498	383	700	(317)
Operating transfers out	701,995	692,997	536,995	156,002
Adjustment to legal max	-	-	(97,391)	97,391
Total expenditures and transfers	1,941,808	1,784,237	\$ 1,784,237	\$ -
Receipts over expenditures	472,181	51,056		
Excess revenue to State	(462,300)	-		
Unencumbered cash (deficit), beginning	(9,671)	210		
Unencumbered cash (deficit), ending	\$ 210	\$ 51,266		

See Note 2C (K.S.A. 72-6417(d) presentation)

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 698,392	\$ 637,981	\$ 640,162	\$ (2,181)
Delinquent tax	2,245	2,713	3,574	(861)
Motor vehicle tax	7,424	7,371	8,028	(657)
Recreational vehicle tax	418	388	496	(108)
Federal aid	5,012	5,001	-	5,001
Fees	15,239	9,588	-	9,588
Total cash receipts	728,730	663,042	\$ 652,260	\$ 10,782
Expenditures:				
Instruction:				
Salaries	390,504	457,533	\$ 398,313	\$ 59,220
Employee benefits	91,606	157,624	96,550	61,074
Total instruction	482,110	615,157	494,863	120,294
Other supplemental services				
Salaries	-	-	30,000	(30,000)
Employee Benefits	-	-	3,184	(3,184)
Supplies	-	-	5,000	(5,000)
Other	-	-	500	(500)
Total instructional support staff	-	-	38,684	(38,684)
Operating transfers out:				
Driver Training	3,573	-	-	-
Food Service	70,000	-	30,000	(30,000)
Bilingual Education	-	-	32,982	(32,982)
Special Education	56,586	-	50,000	(50,000)
Vocational Education	35,823	18,317	-	18,317
Total operating transfers out	165,982	18,317	112,982	(94,665)
Adjustment to legal max	-	-	(13,055)	13,055
Total	648,092	633,474	\$ 633,474	\$ -
Expenditures not subject to Legal Max Budget:				
Daycare	37,654	14,589		
Total expenditures	685,746	648,063		
Receipts over expenditures	42,984	14,979		
Unencumbered cash, beginning	24,581	67,565		
Unencumbered cash, ending	<u>\$ 67,565</u>	<u>\$ 82,544</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
At Risk Fund (4 Year Old)
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 20,060	\$ 15,748	\$ 20,060	\$ (4,312)
Total cash receipts	20,060	15,748	\$ 20,060	\$ (4,312)
Expenditures:				
Instruction:				
Salaries	14,437	10,939	\$ 14,725	\$ (3,786)
Employee benefits	1,691	1,605	1,145	460
Supplies	1,791	1,699	2,000	(301)
Other	1,987	1,485	-	1,485
Total instruction	19,906	15,728	17,870	(2,142)
Other supplemental services:				
Salaries	-	-	2,030	2,030
Employee benefits	154	20	160	(140)
Total other supplemental services	154	20	2,190	1,890
Total expenditures	20,060	15,748	\$ 20,060	\$ (252)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	\$ -	\$ -		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 At Risk Fund (K-12)
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 213,839	\$ 189,768	\$ 230,690	\$ (40,922)
Total cash receipts	<u>213,839</u>	<u>189,768</u>	<u>\$ 230,690</u>	<u>\$ (40,922)</u>
Expenditures:				
Instruction:				
Salaries	187,811	153,643	\$ 159,567	\$ (5,924)
Employee benefits	25,903	23,719	28,500	(4,781)
Other purchased services	125	1,684	951	733
Supplies	-	10,722	750	9,972
Total expenditures	<u>213,839</u>	<u>189,768</u>	<u>\$ 189,768</u>	<u>\$ -</u>
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Bilingual Education Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 95,887	\$ 108,521	\$ 93,881	\$ 14,640
Transfer from Supplemental General	-	-	32,982	(32,982)
Total cash receipts	95,887	108,521	\$ 126,863	\$ (18,342)
Expenditures:				
Instruction:				
Salaries	78,276	88,676	\$ 80,000	\$ 8,676
Employee benefits	12,455	12,712	15,465	(2,753)
Supplies	2,446	5,349	5,000	349
Other	-	-	23,030	(23,030)
Total instruction	93,177	106,737	123,495	(16,758)
Student support services:				
Salaries	2,142	1,784	2,190	(406)
Employee benefits	-	-	178	(178)
Total student support services	2,142	1,784	2,368	(584)
Other supplemental services:				
Other purchased services	568	-	1,000	(1,000)
Total expenditures	95,887	108,521	\$ 126,863	\$ (18,342)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	\$ -	\$ -		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Capital Outlay Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 424,743	\$ 279,044	\$ 253,267	\$ 25,777
Delinquent tax	1,391	1,644	2,168	(524)
Motor vehicle tax	4,545	4,374	4,771	(397)
Recreational vehicle tax	257	230	295	(65)
Other revenue	11,418	11,498	10,000	1,498
Interest	3,129	3,224	3,000	224
Transfer from General	42,969	23,875	-	23,875
Total cash receipts	488,452	323,889	\$ 273,501	\$ 50,388
Expenditures:				
Instruction	3,570	57	\$ 55,000	\$ (54,943)
Operations and maintenance	26,596	24,948	150,000	(125,052)
Land Improvement	-	-	30,000	(30,000)
Architectural and engineering services	-	-	250,000	(250,000)
Building acquisition and construction	57,833	52,635	400,000	(347,365)
Site improvements	10,018	10,018	-	10,018
Building improvements	52,924	459,691	60,000	399,691
Other	67,325	95,506	74,371	21,135
Total expenditures	218,266	642,855	\$ 1,019,371	\$ (376,516)
Receipts over (under) expenditures	270,186	(318,966)		
Unencumbered cash, beginning	501,290	771,476		
Unencumbered cash, ending	<u>\$ 771,476</u>	<u>\$ 452,510</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Driver Training Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under (Under)
		Actual	Budget	
Cash receipts:				
State aid	\$ 600	\$ 1,110	\$ 1,050	\$ 60
Drivers education fees	850	1,050	-	1,050
Transfer from General	-	2,991	4,250	(1,259)
Transfer from Supplemental General	3,573	-	-	-
Total cash receipts	5,023	5,151	\$ 5,300	\$ (149)
Expenditures:				
Instruction:				
Salaries	4,635	4,753	\$ 4,730	\$ 23
Employee benefits	359	368	372	(4)
Supplies	29	30	198	(168)
Total expenditures	5,023	5,151	\$ 5,300	\$ (149)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	\$ -	\$ -		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Food Service Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Intergovernmental:				
State aid	\$ 970	\$ 735	\$ 878	\$ (143)
Federal aid	62,219	65,454	58,346	7,108
Charges for services	25,757	24,527	27,397	(2,870)
Transfer from General	65,000	110,000	19,078	90,922
Transfer from Supplemental General	70,000	-	30,000	(30,000)
Total cash receipts	223,946	200,716	\$ 135,699	\$ 65,017
Expenditures:				
Operations and maintenance:				
Purchased property services	-	-	\$ 150	\$ (150)
Other purchased services	-	-	1,500	(1,500)
Supplies	-	-	8,000	(8,000)
Total operations and maintenance	-	-	9,650	(9,650)
Food service operation:				
Salaries	43,392	56,791	44,260	12,531
Employee benefits	24,531	26,240	28,357	(2,117)
Purchased property services	5,049	4,801	-	4,801
Other purchased services	783	1,436	-	1,436
Supplies	96,679	93,961	125,400	(31,439)
Total food service operation	170,434	183,229	198,017	(14,788)
Total expenditures	170,434	183,229	\$ 207,667	\$ (24,438)
Receipts over expenditures	53,512	17,487		
Unencumbered cash, beginning	18,475	71,987		
Unencumbered cash, ending	<u>\$ 71,987</u>	<u>\$ 89,474</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Special Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental:				
Other local/state aid	\$ 1,432	\$ 2,090	\$ -	\$ 2,090
Transfer from General	157,261	207,329	119,036	88,293
Transfer from Supplemental General	56,586	-	50,000	(50,000)
Total cash receipts	215,279	209,419	\$ 169,036	\$ 40,383
Expenditures:				
Instruction:				
Payment to special education coop	163,847	131,494	\$ 178,036	\$ (46,542)
Supplies	423	-	3,800	(3,800)
Total instruction	164,270	131,494	181,836	(50,342)
Student transportation services:				
Vehicle operation services	-	-	5,459	(5,459)
Other	-	-	50,000	(50,000)
Total student transportation services	-	-	55,459	(55,459)
Total expenditures	164,270	131,494	\$ 237,295	\$ (105,801)
Receipts over expenditures	51,009	77,925		
Unencumbered cash, beginning	39,960	90,969		
Unencumbered cash, ending	<u>\$ 90,969</u>	<u>\$ 168,894</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Vocational Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Vocational education fees	\$ 135	\$ 500	\$ -	\$ 500
Transfer from General	30,000	28,765	50,000	(21,235)
Transfer from Supplemental General	35,823	18,317	-	18,317
Total cash receipts	65,958	47,582	\$ 50,000	\$ (2,418)
Expenditures:				
Instruction:				
Salaries	27,894	32,260	\$ 28,500	\$ 3,760
Employee benefits	5,817	6,022	6,380	(358)
Other purchased services	-	-	5,414	(5,414)
Supplies	352	3,767	25,000	(21,233)
Total expenditures	34,063	42,049	\$ 65,294	\$ (23,245)
Receipts over expenditures	31,895	5,533		
Unencumbered cash, beginning	6,907	38,802		
Unencumbered cash, ending	\$ 38,802	\$ 44,335		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
KPERS Special Retirement Contribution Fund
Statement of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State aid	\$ 72,782	\$ 178,893	\$ 84,428	\$ 94,465
Total cash receipts	<u>72,782</u>	<u>178,893</u>	<u>\$ 84,428</u>	<u>\$ 94,465</u>
Expenditures:				
Instruction	59,240	43,286	\$ 35,260	\$ 8,026
Instructional support	38,572	34,172	22,528	11,644
General administration	9,644	7,974	6,200	1,774
School administration	13,777	11,391	8,500	2,891
Operations and maintenance	9,644	11,391	6,200	5,191
Transportation	1,378	1,139	-	1,139
Student transportation services	1,378	1,139	2,098	(959)
Food service	4,133	3,417	3,642	(225)
Total expenditures	<u>137,766</u>	<u>113,909</u>	<u>\$ 84,428</u>	<u>\$ 29,481</u>
Receipts over (under) expenditures	(64,984)	64,984		
Unencumbered cash (deficit), beginning	-	(64,984)		
Unencumbered cash (deficit), ending	<u>\$ (64,984)</u>	<u>\$ -</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Textbook Rental Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Actual
Cash receipts:		
Fees	\$ 2,533	\$ 3,245
Transfer from General	5,830	6,000
Total cash receipts	<u>8,363</u>	<u>9,245</u>
Expenditures:		
Instruction:		
Textbooks	8,363	6,897
Total expenditures	<u>8,363</u>	<u>6,897</u>
Receipts over expenditures	-	2,348
Unencumbered cash, beginning	-	-
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 2,348</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Contingency Reserve Fund
Statement of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	<u>Prior Year</u>	<u>Actual</u>
Cash receipts:		
Transfer from General	\$ 71,149	\$ -
Total cash receipts	<u>71,149</u>	<u>-</u>
Expenditures:		
Program expenses	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Receipts over expenditures	71,149	-
Unencumbered cash, beginning	<u>123,032</u>	<u>194,181</u>
Unencumbered cash, ending	<u>\$ 194,181</u>	<u>\$ 194,181</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Parson's Trust Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Actual
Cash receipts:		
Local sources	\$ 18,000	\$ 11,000
Total cash receipts	<u>18,000</u>	<u>11,000</u>
Expenditures:		
Program expenses	<u>18,000</u>	<u>7,328</u>
Total expenditures	<u>18,000</u>	<u>7,328</u>
Receipts over expenditures	-	3,672
Unencumbered cash, beginning	<u>930</u>	<u>930</u>
Unencumbered cash, ending	<u>\$ 930</u>	<u>\$ 4,602</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Grant Activity
Statement of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	2011 Chapter I, Low Income	2011 Chapter I, Migrant	2011 Even Start	2011 Title II A
Cash receipts:				
Federal grants	\$ 37,185	\$ 111,000	\$ 80,000	\$ 8,796
Total cash receipts	<u>37,185</u>	<u>111,000</u>	<u>80,000</u>	<u>8,796</u>
Expenditures:				
Administration:				
Other	-	1,293	-	-
Instruction:				
Salaries	29,086	91,360	59,376	-
Employee benefits	7,536	16,619	7,162	-
Inservice	140	75	3,064	6,546
Supplies	423	266	9,354	-
Other purchased services	-	-	-	-
Equipment	-	-	-	-
Other	-	1,387	-	-
Operations and maintenance	-	-	-	2,250
Student body activities	-	-	-	-
Student transportation:				
Salaries	-	-	926	-
Employee benefits	-	-	118	-
Total expenditures	<u>37,185</u>	<u>111,000</u>	<u>80,000</u>	<u>8,796</u>
Receipts over expenditures	-	-	-	-
Unencumbered cash, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

2011 Title III	2011 Title II D	2011 REAP Grant	State Health Grant	Total (Memorandum Only)	Total Prior Year (Memorandum Only)
\$ 1,157	\$ 126	\$ 19,809	\$ -	\$ 258,073	\$ 317,900
<u>1,157</u>	<u>126</u>	<u>19,809</u>	<u>-</u>	<u>258,073</u>	<u>317,900</u>
-	-	-	-	1,293	1,293
-	94	-	-	179,916	229,528
-	-	-	-	31,317	33,503
320	32	-	-	10,177	14,827
837	-	5,597	-	16,477	14,182
-	-	-	-	-	795
-	-	14,212	-	14,212	16,533
-	-	-	-	1,387	733
-	-	-	-	2,250	3,671
-	-	-	-	-	2,835
-	-	-	-	926	-
-	-	-	-	118	-
<u>1,157</u>	<u>126</u>	<u>19,809</u>	<u>-</u>	<u>258,073</u>	<u>317,900</u>
-	-	-	-	-	-
-	-	-	1,631	1,631	1,631
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,631</u>	<u>\$ 1,631</u>	<u>\$ 1,631</u>

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Recreation Commission General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 317,351	\$ 208,107	\$ 190,106	\$ 18,001
Delinquent tax	721	1,208	1,626	(418)
Motor vehicle tax	2,322	2,589	2,904	(315)
Recreational vehicle tax	130	137	179	(42)
Other local sources	-	-	20,000	(20,000)
Total cash receipts	320,524	212,041	\$ 214,815	\$ (2,774)
Expenditures:				
Recreation Commission - general	325,000	206,218	\$ 215,000	\$ (8,782)
Total expenditures	325,000	206,218	\$ 215,000	\$ (8,782)
Receipts over (under) expenditures	(4,476)	5,823		
Unencumbered cash, beginning	6,334	1,858		
Unencumbered cash, ending	<u>\$ 1,858</u>	<u>\$ 7,681</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Recreation Commission Employee Benefit Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 21,481	\$ 16,182	\$ 14,761	\$ 1,421
Delinquent tax	47	61	110	(49)
Motor vehicle tax	150	173	194	(21)
Recreational vehicle tax	9	9	12	(3)
Total cash receipts	<u>21,687</u>	<u>16,425</u>	<u>\$ 15,077</u>	<u>\$ 1,348</u>
Expenditures:				
Recreation Commission - benefits	<u>21,687</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total expenditures	<u>21,687</u>	<u>15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Receipts over expenditures	-	1,425		
Unencumbered cash, beginning	<u>-</u>	<u>-</u>		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 1,425</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Student Activity Funds
Statement of Cash Receipts and Cash Disbursements
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Balance 7/1/10	Cash Receipts	Cash Disbursements	Balance 6/30/11
<u>Student Organization Accounts</u>				
Class of 2015	\$ -	\$ 50	\$ 4	\$ 46
Class of 2014	-	5,157	2,949	2,208
Class of 2013	2,110	10,533	6,562	6,081
Class of 2012	9,423	13,082	11,661	10,844
Class of 2011	10,514	33,729	43,742	501
Concessions	1,323	10,025	10,202	1,146
Kay	634	45	281	398
High School Cheerleaders	469	1,563	1,656	376
High School Football	153	-	-	153
Stuco	2,422	1,583	3,154	851
ESL student fund	142	2,525	2,337	330
Music	2,399	931	1,175	2,155
	<u>29,589</u>	<u>79,223</u>	<u>83,723</u>	<u>25,089</u>
Total high school				
Junior high pep club	1,820	7,665	8,986	499
Junior high cheerleaders	41	4,688	4,588	141
Junior high spirit	222	-	-	222
	<u>2,083</u>	<u>12,353</u>	<u>13,574</u>	<u>862</u>
Total junior high				
Total	<u>\$ 31,672</u>	<u>\$ 91,576</u>	<u>\$ 97,297</u>	<u>\$ 25,951</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
District Activity Funds
Statement of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2011

	Unencumbered Cash Balance 7/1/10	Cash Receipts	Expenditures	Unencumbered Cash Balance 6/30/11	Outstanding Encumbrances and Accounts Payable	Treasurer's Cash Balance 6/30/11
<u>User Fees and Gate Receipts</u>						
Athletics/Admissions	\$ -	\$ 25,863	\$ 25,863	\$ -	\$ 4,431	\$ 4,431
Yearbook	-	2,221	2,221	-	1,948	1,948
Foreign trip	-	20,687	20,687	-	661	661
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total user fees and gate receipts	\$ -	\$ 48,771	\$ 48,771	\$ -	\$ 7,040	\$ 7,040
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Recreation Commission - General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Appropriation	\$ 325,001	\$ 206,218	\$ 250,000	\$ (43,782)
Swimming pool	3,782	10,494	-	10,494
Fees	4,005	1,174	4,000	(2,826)
Other	32,825	2,865	-	2,865
Interest	924	867	-	867
Total cash receipts	366,537	221,618	\$ 254,000	\$ (32,382)
Expenditures:				
Payroll	56,687	48,720	\$ 61,000	\$ (12,280)
Swimming pool	8,696	16,284	21,000	(4,716)
Utilities	22,781	22,478	9,000	13,478
Grounds	17,803	7,670	18,100	(10,430)
Activities	21,679	21,600	17,800	3,800
Capital outlay	99,402	35,835	425,000	(389,165)
Legal and accounting	6,292	4,841	5,500	(659)
Equipment lease	-	47,244	47,244	-
Other expenses	9,132	11,723	13,200	(1,477)
Total expenditures	242,472	216,395	\$ 617,844	\$ (401,449)
Receipts over expenditures	124,065	5,223		
Unencumbered cash, beginning	219,223	343,288		
Unencumbered cash, ending	<u>\$ 343,288</u>	<u>\$ 348,511</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Recreation Commission - Employee Benefit Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Appropriation	\$ 21,686	\$ 15,000	\$ 15,000	\$ -
Total cash receipts	<u>21,686</u>	<u>15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Expenditures:				
Payroll taxes	4,333	3,832	\$ 10,000	\$ (6,168)
Insurance	5,459	4,542	10,000	(5,458)
Total expenditures	<u>9,792</u>	<u>8,374</u>	<u>\$ 20,000</u>	<u>\$ (11,626)</u>
Receipts over expenditures	11,894	6,626		
Unencumbered cash, beginning	<u>5,945</u>	<u>17,839</u>		
Unencumbered cash, ending	<u>\$ 17,839</u>	<u>\$ 24,465</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies

A. Financial reporting entity

The District is a municipal corporation governed by an elected seven-member board. These financial statements present the Unified School District No. 209, Moscow, Kansas, (the primary government) and its component units. The organizations, functions or activities discussed below are component units of the District's reporting entity because of the significance of their operational or financial relationships with the District.

The following organizations, functions or activities are discretely presented component units of the District and are included in the component units' columns in the combined financial statements of the District's statutory basis financial statements. They are reported in a separate column to emphasize that they are legally separate from the District. The governing bodies of all of these component units are appointed by the Board of Education. Each discretely presented component unit has a June 30th year end.

The Moscow Recreation Commission has its own Board of Directors, which operates independently from the District. The Recreation Commission oversees recreational activities and has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission is a separate, legal municipality that prepares and publishes its own budget. The taxes budgeted by the Recreation Commission are levied by the District and are required to be distributed to the Recreation Commission. Increases in levies above statutory minimums must be initially approved by the District. The Recreation Commission can sue and be sued, but acquisition of real property (other than by gift) by the Commission must be approved by the District. Bond issues must be approved by the District. In addition, the District has power of appointment with regard to the Board of Directors of the Recreation Commission. The Board of Directors is responsible for the management and fiscal accountability of the Recreation Commission. No separate financial reports have been issued for the Moscow Recreation Commission.

The discretely presented component unit can be contacted through the District's business office.

B. Measurement focus, basis of accounting and basis of presentation

These financial statements are presented on a statutory basis of accounting. The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

C. Waiver of financial reporting requirements

The District's Board of Education has determined by resolution that financial statements prepared in conformity with generally accepted accounting principles are not relevant to the requirements of the cash basis and budget laws of the State of Kansas and are of no significant value to the Board, the District or the members of the general public of the District. The District approved the resolution which served as notice of the District's election to waive the requirements for reporting of its financial data in conformity with accounting principles generally accepted in the United States of America, as provided and authorized by K.S.A. 75-1120a.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

D. Departure from accounting principles generally accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense; liabilities such as deferred revenue and matured principal and interest payable; and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, capital leases, temporary notes and compensated absences are not presented in the financial statements.

E. Fund accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds are used by the District:

Governmental Funds

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Fiduciary Funds

Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: a) Expendable Trust Funds, b) Nonexpendable Trust Funds, c) Pension Trust Funds and d) Agency Funds.

F. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the District (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits, time deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments with the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned is allocated as designated by the Board.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

G. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurers are the tax collection agents for all taxing entities within the Counties. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurers from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the District by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the District by June 5th. The District Treasurer draws available funds from the County Treasurers' offices at designated times throughout the year.

H. Compensated absences

The District's policy is to recognize the costs of compensated absences when actually paid. Employees are not allowed to accumulate unused vacation leave.

The District's policy regarding leave pay permits employees to accumulate sick leave days at a maximum rate of 10 days per year up to 60 days; personal leave days accumulate at a maximum rate of 2 days per year up to 4 days. The policy prohibits payment for leave time in lieu of time off and for days accumulated over the maximum days. No unused accumulated leave is paid upon termination.

I. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as revenues or expenses if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as cash receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

J. Reimbursements

A reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the District records an expenditure (or expense) in the reimbursing fund and a reduction of expenditure (or expense) in the reimbursed fund, following the authoritative guidance of the *Governmental Accounting, Auditing and Financial Reporting*.

K. Memorandum totals

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor is all required disclosures presented for these amounts.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

L. Comparative data

The statutory basis financial statements include certain prior year comparative information in order to provide an understanding of the changes in the cash receipts and expenditures of the funds, but not at the level of detail required for a presentation in conformity with the statutory basis of accounting. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2010, from which the summarized information was derived.

2. Stewardship, compliance and accountability

A. Budgetary information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the fiscal year ended June 30, 2011. However, a qualifying budget adjustment for expenditures outside the legal maximum budget for the Supplemental General fund exists as allowed per K.S.A. 72-8236 for day care expenditures.

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

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds and certain special revenue funds. Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

B. Compliance with Kansas statutes

References made herein to the statutes are not intended as interpretations of the law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and the legal representation of the District. No material violations were noted; however, the following immaterial violations occurred:

- Kansas statute 79-2935 requires no indebtedness be created in excess of budgeted limits in any fund. At June 30, 2011, the District's expenditures exceeded its legal budget by \$29,481 in the KPERS Special Retirement Contribution fund.

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UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

C. Compliance with K.S.A. 72-6417(d) and K.S.A. 72-6434(d)

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the District to record any payment of general state aid that is due to be paid during the month of June and is paid to the District after June 30, as a receipt for the fiscal year ending June 30th. The following table reflects the revenues as required by statutes.

General Fund
Statement of Cash Receipts and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 2,107,136	\$ 1,377,476	\$ 1,254,506	\$ 122,970
Delinquent tax	6,648	8,022	10,785	(2,763)
Mineral production tax	60,164	85,589	30,659	54,930
State aid	107,261	262,889	548,639	(285,750)
Federal aid	-	64,488	-	64,488
ARRA Stabilization Funds	98,331	36,829	36,829	-
Total cash receipts	2,379,540	1,835,293	\$ 1,881,418	\$ (46,125)
Expenditures:				
Instruction	422,441	287,183	\$ 464,250	\$ (177,067)
Student support services	6,711	18,300	7,500	10,800
Instructional support staff	43,609	38,283	47,570	(9,287)
General administration	177,006	178,591	183,950	(5,359)
School administration	208,262	191,045	218,378	(27,333)
Operations and maintenance	310,021	298,004	351,950	(53,946)
Student transportation services supervision	11,343	11,400	11,690	(290)
Vehicle operating services	59,922	68,051	58,645	9,406
Vehicle services and maintenance services	498	383	700	(317)
Operating transfers out	701,995	692,997	536,995	156,002
Adjustment to legal max	-	-	(97,391)	97,391
Total expenditures and transfers	1,941,808	1,784,237	\$ 1,784,237	\$ -
Receipts over expenditures	437,732	51,056		
Excess revenue to State	(462,300)	-		
Unencumbered cash, beginning	24,778	210		
Unencumbered cash, ending	\$ 210	\$ 51,266		

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary of cash receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Carrying amount of deposits	\$ 1,215,519
Total cash	\$ 1,215,519

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

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

Concentration of credit risk

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

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The District does not use designated "peak periods".

At June 30, 2011, the District's carrying amount of deposits was \$1,215,519 and the bank balance was \$1,293,334. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$284,942 was covered by federal depository insurance and \$1,008,392 was collateralized with securities held by the pledging financial institutions' agents in the District's name. The District's cash deposits by financial institution and category of coverage at year-end are as follows:

	Citizens State Bank
FDIC coverage	\$ 284,942
Pledged securities at market value	1,904,087
Total coverage	\$ 2,189,029
Funds on deposit	\$ 1,293,335
Funds at risk	\$ -

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

The carrying amount of deposits for the Moscow Recreation Commission, a discretely presented component unit, was \$376,141 and the bank balance was \$372,993. Of the bank balance, \$250,000 was covered by federal depository insurance and \$122,993 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

Custodial credit risk - investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments of this type at June 30, 2011.

B. Interfund transfers

Interfund operating transfers are as follows:

	<u>From</u>	<u>To</u>	
General		At Risk (4 Year Old)	\$ 15,748
General		At Risk (K-12)	189,768
General		Bilingual Education	108,521
General		Capital Outlay	23,875
General		Driver Training	2,991
General		Food Service	110,000
General		Special Education	207,329
General		Vocational Education	28,765
General		Textbook Rental	6,000
Supplemental General		Vocational Education	18,317
Total			\$ 711,314

C. Capital projects

Capital project authorizations with approved change orders compared to disbursements and accounts payable from project inception are as follows at June 30, 2011:

	<u>Project Authorization</u>	<u>Disbursements and Accounts Payable to Date</u>	<u>Committed</u>
High School roofing	\$ 339,465	\$ 326,742	\$ -
Track resurfacing	77,400	38,700	38,700

Moscow Recreation Commission capital project authorizations with approved change orders compared to disbursements and accounts payable from project inception are as follows at June 30, 2011:

	<u>Project Authorization</u>	<u>Disbursements and Accounts Payable to Date</u>	<u>Committed</u>
Playground improvements	\$ 55,000	\$ 47,217	\$ -

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds (continued)

D. Long-term debt

Changes in long-term liabilities for the District for the year ended June 30, 2011, were as follows:

	Date of Issue	Maximum Rate	Date of Final Maturity	Amount of Issue	Balance July 1, 2009	Additions	Reductions/ Payments	Balance June 30, 2010	Interest Paid
Capital lease obligations payable:									
Early Childhood Center/									
Kindergarten Addition	4/25/2006	5.33%	4/25/2016	\$ 400,000	\$ 264,364	\$ -	\$ 38,545	\$ 225,819	\$ 14,091
Energy efficient lighting system	5/22/2009	4.80%	4/01/2018	146,010	131,809	-	13,874	117,935	6,162
Baseball field lighting system	12/8/2009	5.56%	7/15/2014	205,091	164,818	-	-	164,818	-
					<u>\$ 560,991</u>	<u>\$ -</u>	<u>\$ 52,419</u>	<u>\$ 508,572</u>	<u>\$ 20,253</u>
Total long-term debt									

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Year						Total
	2012	2013	2014	2015	2016	2017-2018	
Principal:							
Capital lease obligations payable	\$ 92,990	\$ 98,019	\$ 103,321	\$ 108,908	\$ 67,559	\$ 37,775	\$ 508,572
Total principal	<u>92,990</u>	<u>98,019</u>	<u>103,321</u>	<u>108,908</u>	<u>67,559</u>	<u>37,775</u>	<u>508,572</u>
Interest:							
Capital lease obligations payable	26,926	21,896	16,594	11,010	5,112	2,294	83,832
Total interest	<u>26,926</u>	<u>21,896</u>	<u>16,594</u>	<u>11,010</u>	<u>5,112</u>	<u>2,294</u>	<u>83,832</u>
Total principal and interest	<u>\$ 119,916</u>	<u>\$ 119,915</u>	<u>\$ 119,915</u>	<u>\$ 119,918</u>	<u>\$ 72,671</u>	<u>\$ 40,069</u>	<u>\$ 592,404</u>

Legal debt margin

The debt limit per K.S.A. 72-6761 is fourteen percent of the assessed valuation of taxable tangible property within the District, except that such limitation may be modified as provided in K.S.A. 75-2318. The amount of debt outstanding does not exceed the statutory limit.

4. Other information

A. Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

B. Commitments and contingencies

Commitments

The District is party to a service agreement with Southwest Plains Regional Service Center for communications facilities and services. Payments under the agreement are to be determined on an annual basis. Payments for the year ended June 30, 2011, amounted to \$5,610.

Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the District at June 30, 2011.

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

4. Other information (continued)

C. Post-employment health care benefits

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

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

D. Defined benefit pension plan

Plan description: The Unified School District No. 209 participates in the Kansas Public Employees Retirement System ("KPERS"), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Avenue, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding policy: K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 6% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. The State of Kansas currently contributes 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010 and 2009, were \$253,834,044, \$248,468,186, and \$242,277,363, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 30, 2011, 2010 and 2009, were \$113,909, \$137,766, and \$141,949, respectively.

E. Subsequent events

Subsequent to year end, the District entered into an agreement for the purchase of a bus in the amount of \$81,693.

Subsequent to year end, the Moscow Recreation Commission accepted bids for improvements to the dug outs totaling \$36,500.

SUPPLEMENTAL INFORMATION

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
General Fund
Schedule of Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Instruction:				
Salaries	\$ 206,783	\$ 160,517	\$ 210,950	\$ (50,433)
Employee benefits	129,565	33,157	148,300	(115,143)
Other purchased services	31,689	52,729	35,000	17,729
Supplies	54,404	40,780	70,000	(29,220)
Total instruction	422,441	287,183	464,250	(177,067)
Student support services:				
Salaries	-	-	6,500	(6,500)
Employee benefits	-	-	500	(500)
Purchased professional and technical services	6,000	18,000	-	18,000
Supplies	711	300	500	(200)
Total student support services	6,711	18,300	7,500	10,800
Instructional support staff:				
Salaries	29,669	27,809	30,300	(2,491)
Employee benefits	6,462	6,814	7,270	(456)
Other purchased services	2,258	132	2,000	(1,868)
Supplies	5,220	3,528	8,000	(4,472)
Total instructional support staff	43,609	38,283	47,570	(9,287)
General administration:				
Salaries	107,355	107,355	109,515	(2,160)
Employee benefits	25,971	26,430	29,435	(3,005)
Purchased professional and technical services	31,702	31,380	35,000	(3,620)
Other purchased services	9,794	11,853	10,000	1,853
Equipment	2,184	1,573	-	1,573
Total general administration	177,006	178,591	183,950	(5,359)
School administration:				
Salaries	158,735	141,050	161,925	(20,875)
Employee benefits	48,086	49,105	54,953	(5,848)
Other purchased services	1,431	890	1,500	(610)
Supplies	10	-	-	-
Total school administration	208,262	191,045	218,378	(27,333)

(continued)

UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
General Fund
Schedule of Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
(continued)				
Operations and maintenance:				
Salaries	\$ 88,185	\$ 80,768	\$ 89,950	\$ (9,182)
Employee benefits	49,851	49,827	57,400	(7,573)
Purchased property services	30,022	33,350	37,000	(3,650)
Other purchased services	64,575	56,492	71,000	(14,508)
Supplies	77,328	77,567	96,600	(19,033)
Other	60	-	-	-
Total operations and maintenance	310,021	298,004	351,950	(53,946)
Student transportation services supervision:				
Salaries	10,000	10,000	10,200	(200)
Employee benefits	1,343	1,400	1,490	(90)
Total student transportation services supervision	11,343	11,400	11,690	(290)
Vehicle operating services:				
Salaries	27,007	24,266	27,550	(3,284)
Employee benefits	2,831	2,806	12,960	(10,154)
Other purchased services	11,266	19,005	-	19,005
Motor fuel	18,818	21,974	-	21,974
Equipment	-	-	5,000	(5,000)
Other	-	-	13,135	(13,135)
Total vehicle operating services	59,922	68,051	58,645	9,406
Vehicle services and maintenance services:				
Other purchased services	198	258	-	258
Supplies	300	125	200	(75)
Equipment	-	-	500	(500)
Total vehicle services and maintenance services	498	383	700	(317)

(continued)

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 General Fund
 Schedule of Expenditures - Actual and Budget
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Operating transfers out:				
At Risk (4yr Old)	\$ 20,060	\$ 15,748	\$ 20,060	\$ (4,312)
At Risk (K-12)	213,839	189,768	230,690	(40,922)
Bilingual Education	95,887	108,521	93,881	14,640
Capital Outlay	42,969	23,875	-	23,875
Driver Training	-	2,991	4,250	(1,259)
Food Service	65,000	110,000	19,078	90,922
Special Education	157,261	207,329	119,036	88,293
Vocational Education	30,000	28,765	50,000	(21,235)
Textbook Rental	5,830	6,000	-	6,000
Contingency Reserve	71,149	-	-	-
Total operating transfers out	<u>701,995</u>	<u>692,997</u>	<u>536,995</u>	<u>156,002</u>
Adjustment to legal max	<u>-</u>	<u>-</u>	<u>(97,391)</u>	<u>97,391</u>
Total expenditures	<u>\$ 1,941,808</u>	<u>\$ 1,784,237</u>	<u>\$ 1,784,237</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Teacherage Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Actual
Cash receipts:		
Other revenue	\$ 10,928	\$ 11,126
Total cash receipts	10,928	11,126
Expenditures:		
Other expenses	5,040	6,845
Total expenditures	5,040	6,845
Receipts over expenditures	5,888	4,281
Unencumbered cash, beginning	13,313	19,201
Unencumbered cash, ending	\$ 19,201	\$ 23,482

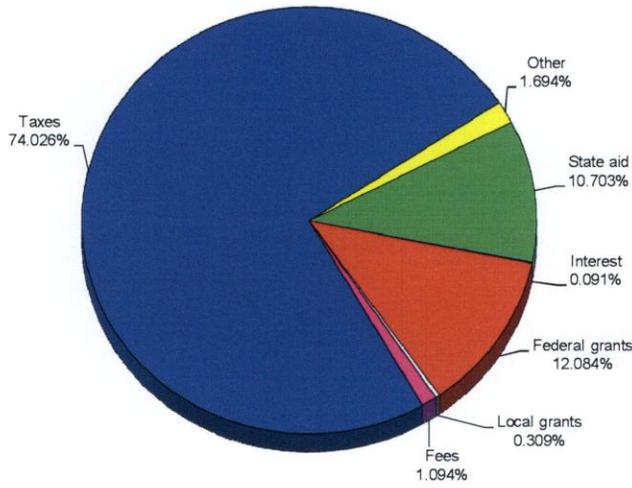
UNIFIED SCHOOL DISTRICT NO. 209
MOSCOW, KANSAS
KPERs Special Retirement Contribution Fund
Schedule of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Prepared on the basis of the State aid that is due to be paid during the month of June, 2010, and is paid to the District after June 30, 2010, recorded as a receipt for the fiscal year ending June 30, 2010.

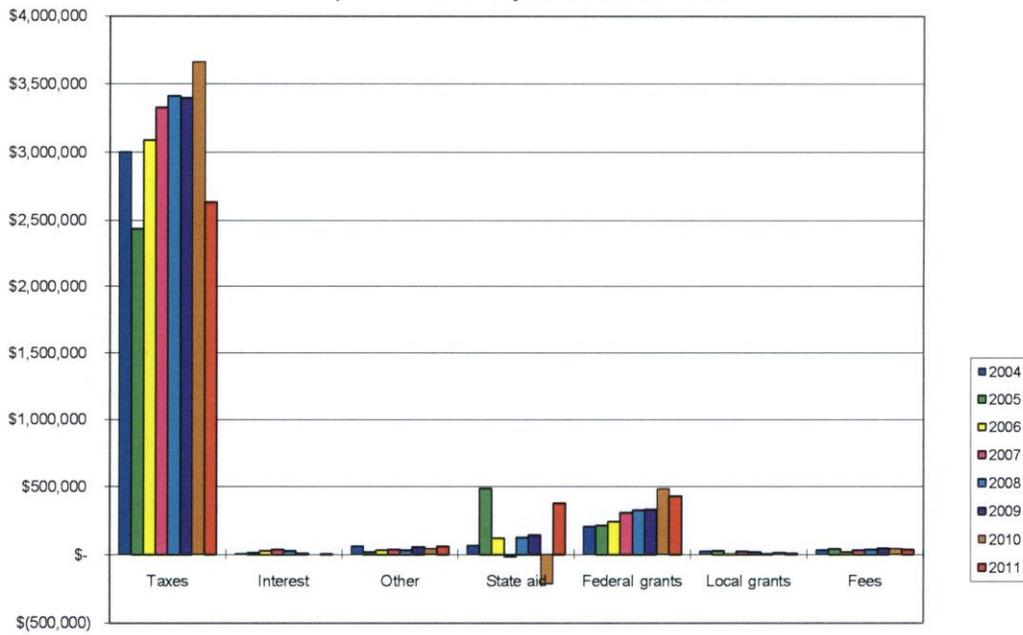
	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State aid	\$ 137,766	\$ 113,909	\$ 84,428	\$ 29,481
Total cash receipts	<u>137,766</u>	<u>113,909</u>	<u>\$ 84,428</u>	<u>\$ 29,481</u>
Expenditures:				
Instruction	59,240	43,286	\$ 35,260	\$ 8,026
Instructional support	38,572	34,172	22,528	11,644
General administration	9,644	7,974	6,200	1,774
School administration	13,777	11,391	8,500	2,891
Operations and maintenance	9,644	11,391	6,200	5,191
Transportation	1,378	1,139	-	1,139
Student transportation services	1,378	1,139	2,098	(959)
Food service	4,133	3,417	3,642	(225)
Total expenditures	<u>137,766</u>	<u>113,909</u>	<u>\$ 84,428</u>	<u>\$ 29,481</u>
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Comparison of Statutory Revenues
 For the Years Ended June 30

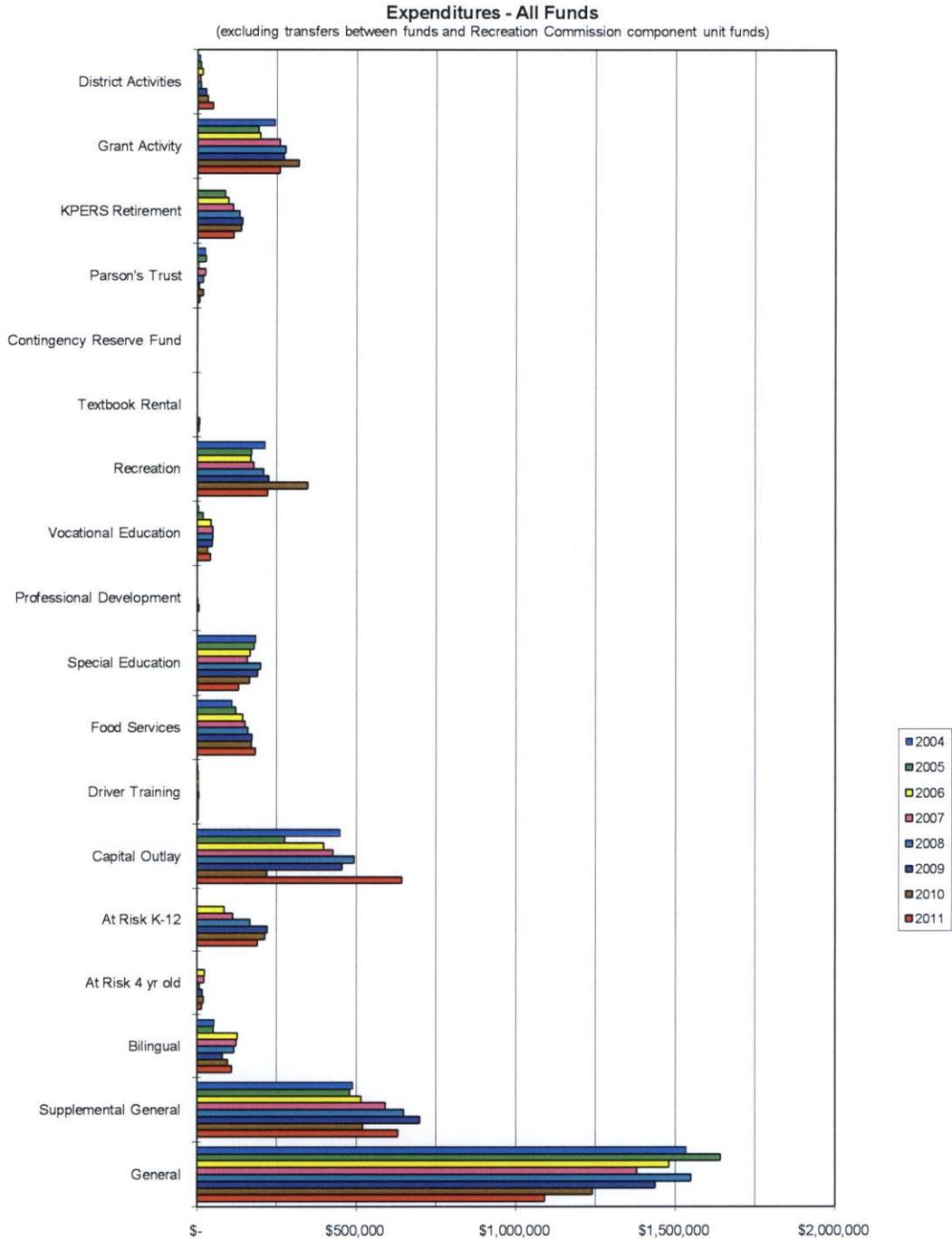
2011 Statutory Revenues - All Funds
 (excluding transfers between funds and Recreation Commission component unit funds)



Comparison of Statutory Revenues - All Funds



UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Comparison of Expenditures
 For the Years Ended June 30



UNIFIED SCHOOL DISTRICT NO. 209
 MOSCOW, KANSAS
 Comparison of Expenditures - General Fund
 For the Years Ended June 30

